

26 April 2018

Taylor Wimpey plc

Trading statement for the period covering 1 January 2018 to today

Taylor Wimpey plc is holding its Annual General Meeting (AGM) at 11:00 today in London, where the following comments will be made regarding current trading, financial performance and outlook for the financial year.

Overview

Pete Redfern, Chief Executive, commented:

“We have continued to see good demand for new housing through early 2018. Looking ahead, as we embark on the next stage of our strategy, our focus is on building our capability to deliver great quality homes and places for our customers over the long term.”

UK current trading

The underlying housing market has remained stable in the first four months of 2018, with continued good accessibility to mortgages at competitive rates. During the first few weeks of March, the poor weather conditions had a noticeable impact on sales and build rates but activity has since recovered.

Solid consumer demand continues to drive a healthy sales rate against a very strong comparator. Average private sales for the year to date were 0.85 per outlet per week (2017 equivalent period: 0.93) in line with our expectations. Cancellation rates remained low at 13% (2017 equivalent period: 10%).

As at 22 April 2018, our total order book value stood at approximately £2,155 million (2017 week 16: £2,210 million). This represents 9,050 homes (2017 week 16: 9,219 homes), excluding legal completions to date.

Land portfolio, planning and outlets

The short term land market remains stable with opportunities to acquire land at investment operating profit margins similar to those achieved in recent years. At the end of March 2018, our short term landbank stood at c. 77k plots. We continue to widely engage and work together with local authorities and communities to secure planning permission for our strategic pipeline sites. Our strategic land pipeline stood at c.118k potential plots, as at the end of March 2018, following conversion of over 2k plots into the short term landbank.

We remain focused on progressing our sites through the planning system to enable us to open all sites with implementable planning as efficiently as possible. We are currently operating from 278 outlets, excluding joint ventures (2017 week 16: 289).

Dividends

Subject to shareholder approval at today's AGM, we will be paying a final ordinary dividend of 2.44 pence per share on 18 May 2018 (2016 final dividend: 2.29 pence per share), giving a total ordinary dividend for the year of 4.74 pence per share (2016 total ordinary dividend: 2.82 pence per share).

As previously announced in August 2017, we will also be paying a special cash dividend of 10.4 pence per share on 13 July 2018 (July 2017: 9.2 pence per share), subject to shareholder approval today.

Board changes

Further to our announcement on 20 April 2018, we welcome Chris Carney and Jennie Daly to the Board today, joining as Group Finance Director and Group Operations Director respectively. We would also like to once again express our thanks to Ryan Mangold who stood down as Group Finance Director on 20 April after approximately eight successful years in the role. Ryan will continue to have an active role with the business until the end of the year. As previously announced on 10 January 2018, Rob Rowley will stand down as an independent non-executive director and the Board's senior independent director, with effect from the conclusion of today's AGM and will be succeeded as senior independent director by Kate Barker.

Outlook

Trading through the spring selling season has been good and customer demand for housing continues to be strong, with good access to mortgages, low interest rates and healthy employment prospects.

We remain on track to meet our expectations for the year, but expect completions for 2018 to be more second half weighted than 2017.

Build cost inflation is anticipated to be at similar levels to 2017, at around 3-4%, as previously indicated.

We expect to end the year with a net cash position broadly similar to year end 2017, and after the payment of £500 million dividends, subject to approval, to shareholders.

Our priority is to build further improvements in product quality, customer service, and delivery capability to enable us to deliver great quality homes to more customers over the years ahead. We will be hosting a Capital Markets Day on 15 May 2018, where we will update the market on our views of the housing market and our plans for continuous business improvement and shareholder returns.

-Ends-

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Notes to editors:

Taylor Wimpey plc is a UK-focused residential developer which also has operations in Spain.

For further information, please visit the Group's website:

www.taylorwimpey.co.uk

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