

BARRATT DEVELOPMENTS PLC

Interim Results to 31st December 2006

28th February 2007

Charles Toner Chairman



AGENDA

Welcome

Charles Toner

Highlights & Business Review

Mark Clare

Financial Review

Mark Pain

Outlook

Mark Clare



HIGHLIGHTS & BUSINESS REVIEW



Mark Clare
Group Chief Executive

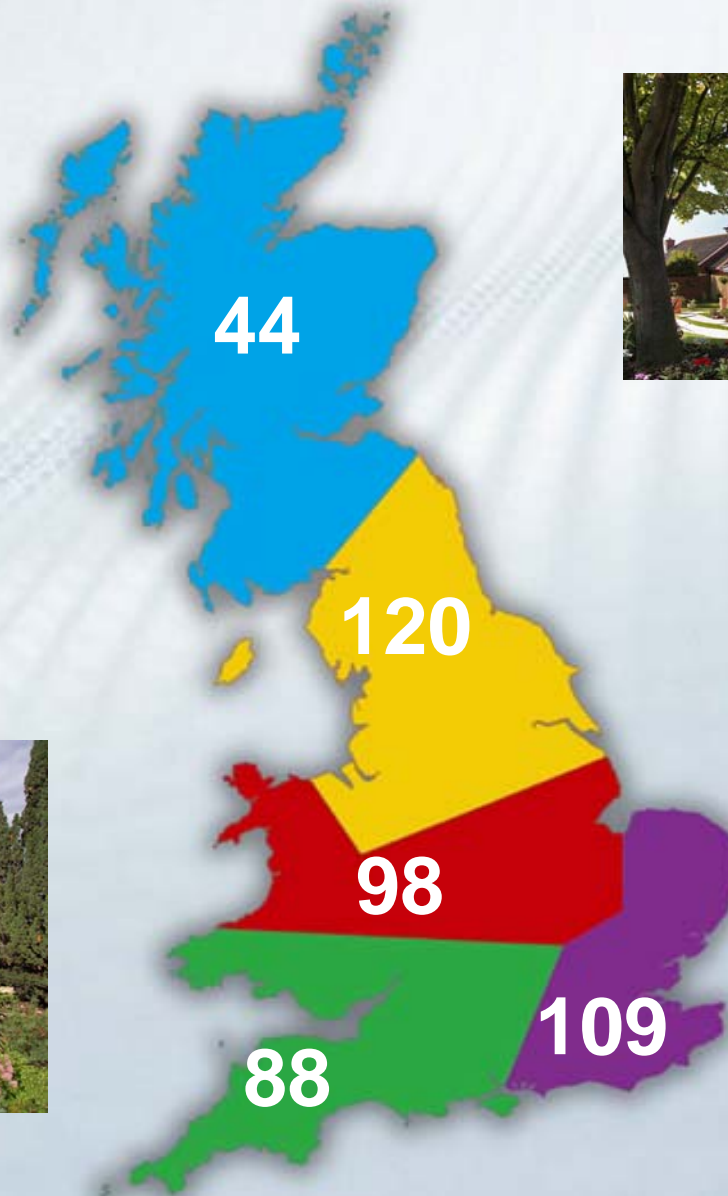
HIGHLIGHTS

	2006	2005	CHANGE	
TURNOVER	£1,194.4m	£1,172.0m	2%	↑
HOUSEBUILD MARGIN	16.3%	14.8%	1.5%	↑
PRE-TAX PROFIT	£180.2m	£163.9m	10%	↑
EPS	52.6p	48.2p	9%	↑
ROACE	26.9%	30.1%	(3.2%)	↓
DIVIDEND	11.38p	10.34p	10%	↑

TRADITIONAL STRENGTHS

- **Geographic Spread**
- **Product Diversity**
- **Growing Land Bank**
- **People & Organisation**

GEOGRAPHIC SPREAD

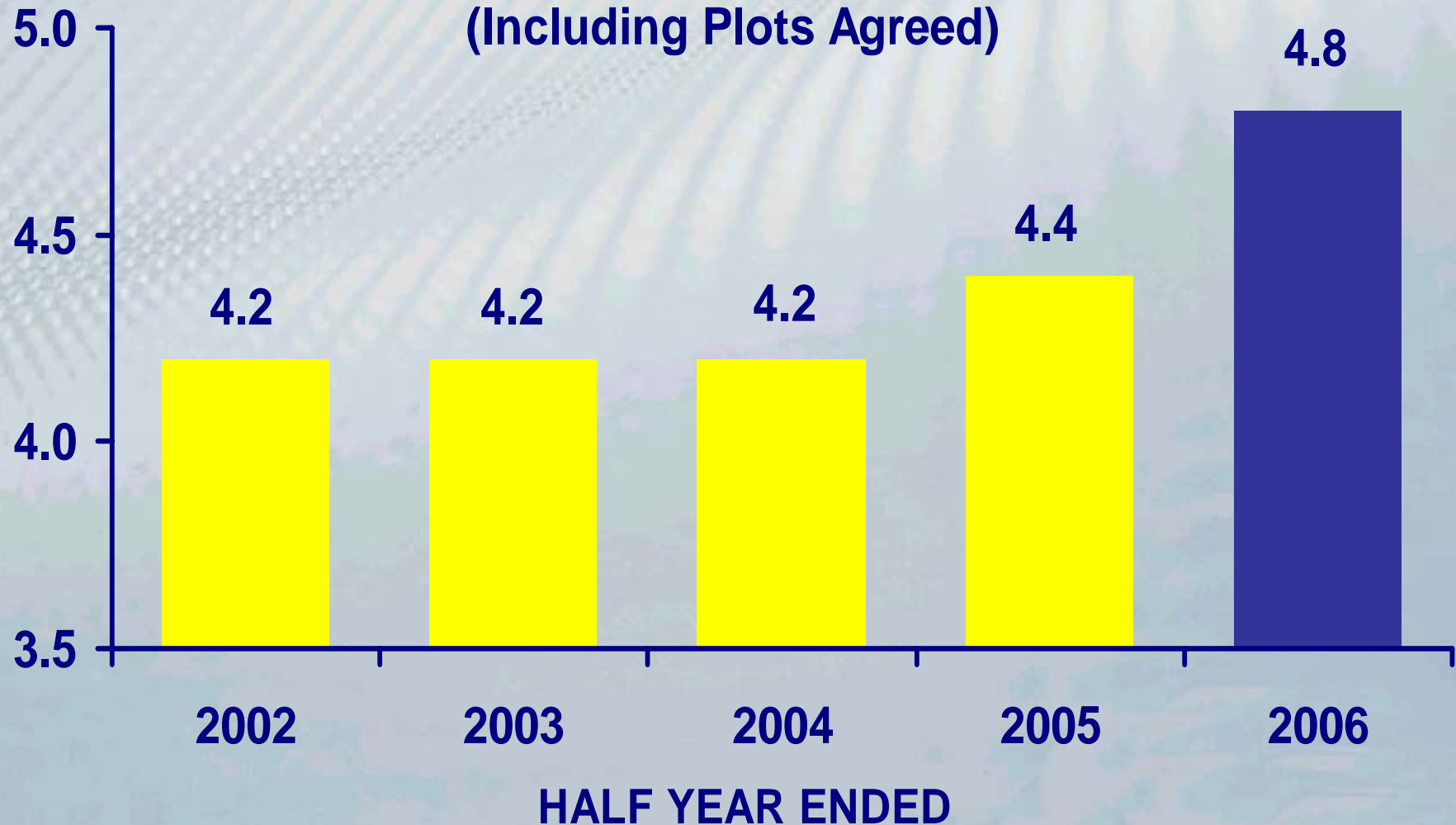


PRODUCT DIVERSITY



GROWING LAND BANK

**Land Stock - No. of Years Supply
(Including Plots Agreed)**



PEOPLE & ORGANISATION

- **Local accountability through 33 divisions**
- **Full P&L responsibility**
- **Strong cost control and performance culture**
- **Outstanding house building expertise**

TRADITIONAL STRENGTHS

- Geographic Spread
- Product Diversity
- Growing Land Bank
- People & Organisation

STRONG ORGANIC GROWTH

- Demand still substantially ahead of supply
- Planning process still constraining land supply
- Industry consolidation continues
- Government agenda increasing
 - Affordability
 - Urban regeneration
 - Zero carbon
- Interest rate uncertainty

MANAGEMENT AGENDA

- **Increase investment in people**
- **Relentless focus on cost and efficiency**
- **Accelerate land investment (inc. strategic)**
- **Extend participation in all market segments**
- **Focus on larger developments**
- **Rejuvenate the brand**

STRATEGIC FIT - WILSON BOWDEN



- **Delivers upmarket acceleration**
- **Provides commercial development capability**
- **Substantially enhances land position**
- **Provides even better geographic coverage**
- **Opportunity to create the strongest team**

FINANCIAL REVIEW



Mark Pain
Finance Director

H1 2006-07 TURNOVER ANALYSIS

	2006	2005	INCREASE/ DECREASE	
	£M	£M	£M	%
HOUSEBUILD	1,190.8	1,166.8	24.0	2.1
OTHER	3.6	5.2	(1.6)	(30.8)
TOTAL	1,194.4	1,172.0	22.4	1.9

H1 2006-07 COMPLETIONS

	COMPLETIONS			AVGE SELLING PRICE		
	2006 No.	2005 No.	CHANGE No.	2006 £000	2005 £000	CHANGE %
Private	5,791	5,569	222	184.2	182.1	1.2
Social	1,415	1,434	(19)	86.6	88.4	(2.0)
Total	7,206	7,003	203	165.0	162.9	1.3

H1 2006-07 OPERATING PROFIT

	2006	2005	INCREASE/ (DECREASE)	
	£M	£M	£M	%
HOUSEBUILD	194.2	173.1	21.1	12.2
OTHER	(2.0)	(1.9)	(0.1)	5.2
TOTAL	192.2	171.2	21.0	12.3
	%	%		%
HOUSEBUILD MARGIN	16.3	14.8		1.5

H1 2006-07 FINANCING COSTS

	2006	2005	INCREASE/ (DECREASE)	
	£M	£M	£M	%
REAL	8.7	2.2	6.5	295.5
NOTIONAL	3.3	5.1	(1.8)	(35.3)
TOTAL	12.0	7.3	4.7	64.4
AVERAGE FUNDING	272.7	54.0	218.7	405.0
AVERAGE GEARING	17%	4%		13%

H1 2006-07 EARNINGS PER SHARE

	2006	2005	INCREASE/ (DECREASE)	
	£M	£M	£M	%
PROFIT BEFORE TAX	180.2	163.9	16.3	9.9
TAX EXPENSE	(54.1)	(49.1)	(5.0)	10.1
EARNINGS	126.1	114.8	11.3	9.8
EPS - BASIC	52.6p	48.2p	4.4p	9.1
EPS – ADJUSTED	51.6p	47.5p	4.1p	8.4

H1 2006-07 BALANCE SHEET

	2006	2005	INCREASE/DECREASE	
	£M	£M	£M	%
NON-CURRENT ASSETS	85.6	50.8	34.8	68.5
CURRENT ASSETS	3,069.0	2,757.0	312.0	11.3
TOTAL ASSETS	3,154.6	2,807.8	346.8	12.4
CURRENT LIABILITIES	1,312.2	1,191.0	121.2	10.2
NON-CURRENT LIABILITIES	217.4	211.5	5.9	2.8
TOTAL LIABILITIES	1,529.6	1,402.5	127.1	9.1
NET ASSETS	1,625.0	1,405.3	219.7	15.6
NET ASSETS PER SHARE	667p	579p	88p	15.2

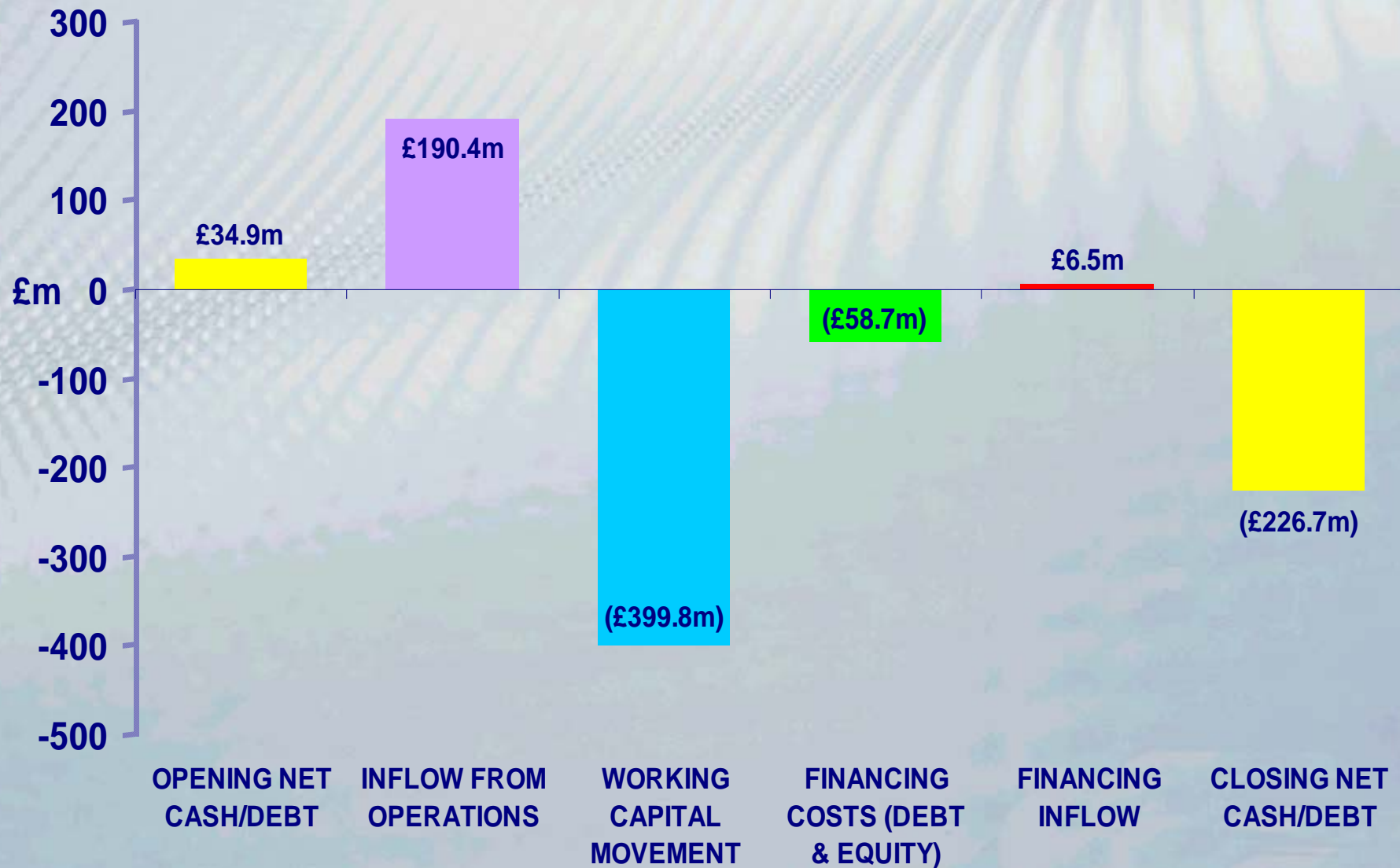
H1 2006-07 STOCKS

	2006	2005	INCREASE/(DECREASE)	
	£M	£M	£M	%
LAND	2,109.1	1,957.1	152.0	7.8
IFRS ADJUSTMENT	(30.4)	(31.6)	1.2	3.8
LAND NET OF IFRS ADJ.	2,078.7	1,925.5	153.2	8.0
WORK IN PROGRESS	841.2	601.6	239.6	39.8
	2,919.9	2,527.1	392.8	15.5
PART EXCHANGE	37.5	40.1	(2.6)	(6.5)
PROPERTIES FOR SALE	7.0	7.6	(0.6)	(7.9)
	2,964.4	2,574.8	389.6	15.1
PART EXCHANGE UNITS	262	296	(34)	(11.5)

H1 2006-07 LIABILITIES

	2006	2005	INCREASE/(DECREASE)	
	£M	£M	£M	%
<u>LAND CREDITORS</u>				
DUE WITHIN 1 YEAR	365.6	477.9	(112.3)	(23.5)
DUE AFTER 1 YEAR	122.1	116.0	6.1	5.3
TOTAL	487.7	593.9	(106.2)	(17.9)
<u>OTHER CREDITORS</u>				
TRADE CREDITORS AND ACCRUALS	957.6	719.1	238.5	33.2
PENSION OBLIGATIONS	84.3	89.5	(5.2)	(5.8)

H1 2006-07 CASH FLOW ANALYSIS



FINANCIAL OVERVIEW

Strong financial performance

Completions, margins & profit growth

Balance sheet growth

Still more to do...

OUTLOOK



Mark Clare
Group Chief Executive

WILSON BOWDEN ACQUISITION

- Timetable and process on track
- Target organisation plans advanced
- Integration teams populated
- Retention programme in place
- Communication ongoing

OUTLOOK

- **Strong forward sales**
 - **At December c.£1,030m**
 - **Now at c.£1,368m**
- **Visitor and sales levels remain strong**
- **Uncertainty remains over interest rate impact**
- **Focus on delivering 'Business as Usual'**
- **Complete acquisition by May**

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