

## HY26 RESULTS, 11 FEBRUARY 2026

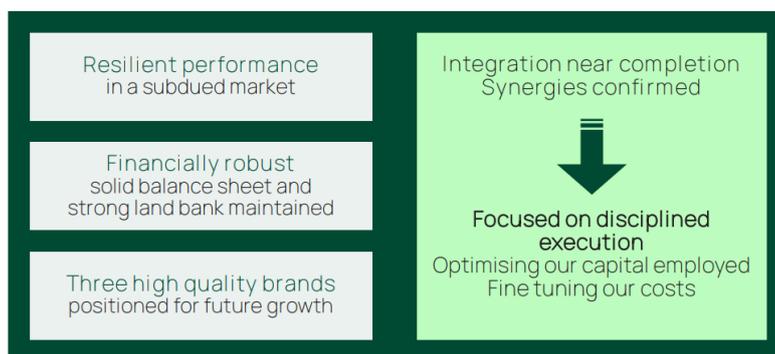


### David Thomas, Chief Executive Officer

Good morning, everyone. Thanks for coming along to see us this morning and welcome to Barratt Redrow's interim results presentation for FY26.

This morning I'm joined by Mike Roberts, our Chief Operating Officer, who will provide an update on our operational performance; John Messenger, our Investor Relations Director, who will update on our financial performance; and after John, I will then update on the market, current trading, synergies and also set out how well positioned we are for the future.

### Key takeaways



First of all, I would like to take you through some of our key messages. Barratt Redrow's performance over the half was resilient both operationally and financially, and that is despite what has been a generally subdued market. While the consumer did benefit from two interest rate cuts and mortgage availability improved, consumer confidence clearly remained low.

Speculation ahead of the November Budget caused many to postpone decision-making, but we have maintained our financially robust position and solid balance sheet. Importantly, the successful integration of Redrow is near completion and our synergy target remains unchanged, and we are now operating from three distinct high-quality brands.

Building on all of this, our focus centres on business as usual for Barratt Redrow around both optimising our capital employed and fine-tuning our costs to ensure that we drive operational excellence and efficiencies across the enlarged Group so that we feel well placed for the full year and well positioned for future growth.

## HY26 operational highlights



1. Land bank years based on owned and controlled plots and trailing 12 months' wholly owned completions

If we look in more detail at the operational highlights from the half year, clearly embedding Redrow into the business was of course a highlight. We have started to see the benefits of this reflected in our performance with good progress on synergies that I'll cover in more detail later.

Our land position is strong at 5.6 years, allowing us to be even more selective around land intake. We delivered 7,444 homes in line with our plans for the year, which was a good achievement given the market environment.

I would also like to highlight some of our external credentials in the period. Our repeated success in the HBF ratings and in the NHBC Pride in the Job Awards are testament to the dedication of our teams across the business, as well as to the quality of training that we provide and the customer-first culture we maintain across the Group. This quality is also reflected in our Trustpilot scores given by our customers, which award all three of our brands with the highest rating of excellent.

## HY26 summary performance



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John will cover our financials in more detail but just to pull out a few highlights. Adjusted PBT before purchase price allocation impacts was lower than last year at £200 million due to higher net interest costs and lower joint venture profits. Return on capital employed, again pre-PPA adjustments, was in line with last year at 9.1%. We were particularly pleased that nearly all of our £100 million target synergies were confirmed at the end of December.

Finally, we finished the year with a solid net cash position after organic investment which supports our growth plans, our dividend payments of £172 million and the share buyback of £50 million in the half.

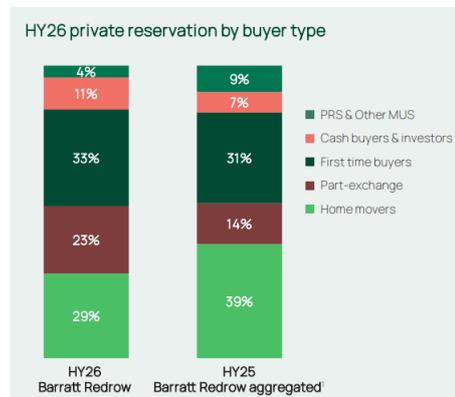
With that, I will hand over to Mike, who will now go through our operational performance in more detail.

### Mike Roberts, Chief Operating Officer

Thank you, David and good morning, everyone. I would like to take a moment just to introduce myself. I've been in the house-building industry for 32 years and I joined Barratt back in 2004. I've worked closely with Steven Boyes as Managing Director of our Northeast division, and in 2017 I was appointed Regional Managing Director for the Northern region. In July last year, I was appointed Chief Operating Officer on Steven's retirement, and today, I'll be taking you through our operational performance for the first half.

## Private reservation analysis

- PRS and other MUS reservation activity impacted by uncertainty ahead of Budget
- Part-exchange increase reflected:
  - adoption by Redrow
  - increased customer take up
  - broadly corresponding decrease in home mover share
- 82% of reservations relied on a mortgage in HY26 (HY25: 78%)



1. Barratt and Redrow included from 1 July 2024  
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Starting with the private reservation mix on slide 7, there are a couple of points to highlight. Firstly, PRS. Given the Budget uncertainty, the market became harder in the period and potential discounts increased, but we maintained our discipline and were less active. As a result, PRS reservations were a lower proportion of overall reservation volumes at 4% down from 9% in the equivalent period last year.

Secondly, for existing homeowners, we saw a significant increase in the use of part exchange at 23% of our private reservations, up from 14% last year. We've introduced our industry-leading part exchange skills into the Redrow brand. It offers a stress-free moving option for our customers and at a time when conveyancing chains were a concern for many potential homebuyers, it has proved a popular incentive.

To be clear, it's offered as an alternative and not additional incentive and it's worth noting that the combination of part exchange and second-home movers remain fairly consistent year-on-year. Part exchange has been an integral part of our business for many years and stock levels are carefully managed. At the end of the half, we had just 180 units unsold.

## HY26 completions: ahead of last year

- Completions up 4.7% with higher wholly owned completions partially offset by lower JV completions
- PRS ahead reflecting order book strength entering FY26
- JV completions lower but on track for 600 homes in FY26
- Group wholly owned ASP up 4.9% to £357.8k (HY25: £341.1k), reflecting geography and mix

	Barratt Redrow HY26	Barratt Redrow Aggregated (unaudited) <sup>1</sup> HY25	Change	Barratt Redrow Reported <sup>2</sup> HY25
<b>Home completions (units)</b>				
Underlying Private	5,378	5,285	1.8%	5,090
PRS	423	272	55.5%	272
Other MUS	76	148	(48.6%)	147
<b>Total Private</b>	<b>5,877</b>	<b>5,705</b>	<b>3.0%</b>	<b>5,509</b>
Affordable	1,428	1,130	26.4%	1,065
<b>Wholly owned</b>	<b>7,305</b>	<b>6,835</b>	<b>6.9%</b>	<b>6,574</b>
% Affordable	19.5%	16.5%	300 bps	16.2%
JV	139	272	(48.9%)	272
<b>Total (inc JVs)</b>	<b>7,444</b>	<b>7,107</b>	<b>4.7%</b>	<b>6,846</b>

1. Barratt and Redrow aggregated performance from 1 July 2024 based on individual accounting policies of Barratt and Redrow  
 2. Barratt Redrow as reported in HY25

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Turning to completions on slide 8. We delivered 7,444 homes, an increase of 4.7% on the aggregated performance last year. Both private and affordable completions were ahead, although this is more about timing so our guidance for FY26 is unchanged. Underlying private completions were 1.8% ahead and PRS completions were up over 50% to 423 homes. This increase was largely a function of our order book coming into the year, and as I said earlier, the market has subsequently hardened.

Affordable home completions were up 26%, helped by the rebuilding of our order book in the prior year and are now 19.5% of wholly owned completions, which is in line with our expected affordable mix. Joint venture completions were lower than the prior year due to timing but we are on track to deliver approximately 600 units in the full year.

In terms of pricing, the wholly owned average selling price was up 4.9%. More detail is provided in the appendix but this was driven by a combination of mix, producing a slightly larger average unit size and geographical volume variances given the spread of average selling prices between the regions. There were some notable variations by region with our Central and East regions seeing the strongest average selling price growth.

## Sales performance: underlying sales resilient



- Underlying private reservation rate ahead despite Budget uncertainty
- PRS and other MUS activity slower
- Modest sales outlet reduction consistent with unchanged full year guidance
- Private order book lower, due to lower sales outlets and timing of FY26 completions
- Completion guidance of 17,200 to 17,800 homes unchanged

	Barratt Redrow HY26	Barratt Redrow Aggregated <sup>1</sup> HY25	Change	Barratt Redrow Reported <sup>1</sup> HY25
<b>Average net private reservations per active outlet per week</b>				
Wholly owned	0.57	0.59	(3.4%)	0.60
<b>- Underlying private</b>	<b>0.55</b>	<b>0.54</b>	<b>1.9%</b>	<b>0.54</b>
- PRS and Other MUS	0.02	0.05	(60.0%)	0.06
JV	0.89	0.80	11.3%	0.80
<b>Total</b>	<b>0.58</b>	<b>0.60</b>	<b>(3.3%)</b>	<b>0.61</b>
<b>Average active sales outlets</b>				
Wholly owned	396	421	(5.9%)	387
JV	9	10	(10.0%)	10
<b>Total</b>	<b>405</b>	<b>431</b>	<b>(6.0%)</b>	<b>397</b>
<b>Private forward sales roll (homes)</b>				
<b>29 / 30 June</b>	<b>4,781</b>	<b>4,505</b>	<b>6.1%</b>	<b>3,386</b>
Redrow acquired order book				1,358
Reservations	5,842	6,496	(10.1%)	6,061
Completions	(5,677)	(5,705)	3.0%	(5,509)
<b>28 / 29 December</b>	<b>4,746</b>	<b>5,296</b>	<b>(10.4%)</b>	<b>5,296</b>

<sup>1</sup> Barratt and Redrow included from 1 July 2024

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Now turning to sales performance here on slide 9. The underlying private rate remains solid at 0.55 reservations per week, ahead of last year, with customers benefiting from an improvement in mortgage availability and affordability. This good performance came despite the uncertainties which overshadowed much of the period.

PRS and other multi-unit sales effectively paused in the run up to the Budget, and although we saw a pick-up afterwards, this added just 0.02 reservations per week over the period, down on last year. We operated from an average of 405 sales outlets below last year but very much in line with our plans. David will cover our view on sales evolution later in the presentation.

Turning to the private forward order book, this was 10% lower at the half year stage. This partly reflected a high starting point coming into the year but also, the reduced reservation rate, lower number of sales outlets and increased completions in the first half, all of which contributed to the overall lower number. Given the solid start to the calendar year, we are confident that we can deliver full year completions in line with the guidance.

## Maintaining our industry leading credentials

- Industry leading customer service: HBF 5 star rating for 16 consecutive years
- Pride in the job: industry leader for 21 years
- RIs: Barratt remains strong, shared best practice will deliver improvement

	HY26	HY25
<b>Performance metrics</b>		
HBF survey (star rating)	5*	5*
Pride in the Job Awards (number) <sup>1</sup>	115	111
Major housebuilder rank	1 <sup>st</sup>	1 <sup>st</sup>
Average Reportable Items (RIs) per NHBC inspection (rolling 12 months) <sup>2</sup>	0.14	0.12



1. Aggregated for Barratt and Redrow  
2. Data points cover the 12-month rolling performance through to December, for HY25 0.12 is Barratt only, Redrow reported RI was 0.24

I would like to wrap up with our industry-leading credentials around design, build quality and customer service. It's what underpins our brands and is key to our sales success. We achieved a five-star rating for customer service in the HBF survey for the 16th consecutive year and our site managers have secured an industry-leading total of 115 Pride in the Job Awards and 45 Seals of Excellence.

Reportable items per NHBC inspection have increased slightly following the Redrow acquisition but with opportunities to share best practice across the divisions, we expect to see this improve.

Finally, I would like to take this opportunity to congratulate Dane Mumford from our East Midlands division who was runner-up in the large builder category at last month's Pride in the Job Supreme Awards, an excellent achievement.

On that note, I will hand over to John for an update on our financial performance.

### John Messenger, Group Investor Relations Director

Thanks, Mike, and good morning, everyone. Today I will take you through our half year '26 performance, an update on our land bank, and also on building safety.

Here is an overview of the half year numbers. To be as clear as possible, we have set out here the pre-tax profits before PPA adjustments, then the adjusted profit before tax, after PPA, and finally, the statutory pre-tax after adjusted items.

## HY26 financial performance



- Adjusted PBT measures are stated before finance charges on legacy property provisions
- HY25 has been restated for:
  - PPA adjustments recognised in FY25; and
  - legacy property provision non-cash finance charges

	Barratt Redrow HY26	Barratt Redrow aggregated HY25 <sup>2</sup>	Change	Barratt Redrow reported HY25 <sup>5</sup>
<b>£m (unless otherwise stated)</b>				
Total completions	7,444	7,107	4.7%	6,846
Adjusted PBT before the impact of PPA adjustments	199.9	231.4	(13.6%)	232.1
Adjusted PBT <sup>1</sup>	186.3	181.0	2.9%	181.7
Statutory PBT	156.2	85.0	83.8%	113.4

1. These measures have been restated for the reclassification of legacy property provision finance charges of £19.6m in HY26 with a corresponding adjustment of £18.4m in HY25 on both a reported and aggregated basis  
 2. Aggregated HY25 has been retrospectively adjusted to reflect new information obtained about circumstances that existed at the date of acquisition of Redrow plc, as required under IFRS 3, and includes Redrow from 1 July 2024  
 5. Reported HY25 has been retrospectively adjusted to reflect new information obtained about circumstances that existed at the date of acquisition of Redrow plc, as required under IFRS 3

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The first point to note is that both adjusted measures are now stated prior to the impact of imputed interest charges on legacy property provisions. We believe this measure provides you with the best view of the underlying performance of the business, which is obviously in line with peer reporting and includes the reclassification of £19.6 million of non-cash imputed interest in half year '26 and £18.4 million in half year '25, which has been added back in arriving at the reclassified results you see here.

We also show the comparables, and just to flag the aggregated and reported periods, have seen minor restatements for the finalisation of the purchase price allocation process which was completed at the end of last year.

I will focus on our performance relative to Barratt and Redrow aggregated for the whole of half year '25, and you will remember we consolidated Redrow actually from 22 August. Adjusted profit before tax, before PPA impacts was down 13.6% in the half year to £200 million and I will take you through the key drivers of that in a moment. The good news is that the purchase price allocation impacts largely fall away from next year, which will make all of our lives a lot easier.

## HY26 margin performance



- Gross margin movement reflects:
  - positive impact of volume growth
  - targeted use of sales incentives
  - underlying build cost inflation of c. 1%
- Operating margin lower reflecting gross margin movement but benefitted from:
  - cost disciplines
  - cost synergies

	Barratt Redrow HY26	Aggregated HY25 (unaudited)	Change
<b>£m (unless otherwise stated)</b>			
Total home completions (homes)	7,444	7,107	4.7%
Revenue	2,632.1	2,381.9	10.5%
Adjusted gross profit before the impact of PPA adjustments	394.8	405.3	(2.6%)
Adjusted gross margin before the impact of PPA adjustments %	15.0%	17.0%	(200 bps)
Adjusted operating profit before the impact of PPA adjustments	210.2	210.8	(0.3%)
Adjusted operating margin before the impact of PPA adjustments %	8.0%	8.9%	(90 bps)
Adjusted PBT before the impact of PPA adjustments	199.9	231.4	(13.6%)
Adjusted earnings per share before the impact of PPA adjustments (pence)	10.0		
Dividend per share (pence) <sup>2</sup>	5.0	5.5	(9.1%)

1. Aggregated HY25 has been retrospectively adjusted to reflect new information obtained about circumstances that existed at the date of acquisition of Redrow plc, as required under IFRS 3, and includes Redrow from 1 July 2024  
 2. Dividend per share in HY25 is that paid by Barratt Redrow plc

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Slide 13. This slide looks at the margin performance in more detail and there are several points to highlight. The increase in home completions, coupled with an increase in ASP generated revenue growth of 10.5% to £2.6 billion. However, the adjusted gross margin was 200 basis points lower at 15%, giving an adjusted profit of £394.8 million.

There were three drivers behind the margin movement. Firstly, while we benefited from growth in completion volumes, underlying pricing was flat. We then saw two headwinds on two fronts, our targeted but increase use of non-cash sales incentives, particularly extras and upgrades, to convert reservations against the challenging backdrop through 2025 was a negative to gross margin. These incentives added directly to cost of goods sold and had a direct impact on the gross margin. We also experienced underlying build cost inflation of approximately 1% including procurement cost synergies.

Operating profit. Through both cost discipline and the benefit of cost synergies, adjusted operating profit before the impact of PPA adjustments was flat at £210.2 million with the margin down 90 basis points to 8%. I will cover margin movements in a moment but just the final parts in the mix here, adjusted finance charges at £12.4 million compared to finance income last half at £12.2 million. This reflected reduced average cash balances, utilisation of our RCF in the period, and the imputed interest rate on new land creditors relative to those being settled.

JV income with lower completions in the period has reduced to £2.1 million. As a result, adjusted PBT before PPA impact was £200 million, giving adjusted earnings per share of £0.10. We have proposed an interim dividend of £0.05 per share with our two times dividend cover ratio in place for the full year. In summary, we saw good momentum on home completions and are pleased to see the benefits of Redrow integration coming through. Looking forward, there are clear opportunities to improve our gross margin, which David will cover.

## Strong land bank supporting outlet growth



- Land bank remains strong at 5.6 years of supply
  - compares to a target of 3.5 years owned and 1 year controlled
- Detailed consented plot / outlet ratio a focus
- Good progress on strategic land planning applications

	28 Dec 2025	29 June 2025	29 Dec 2024
<b>Plots (unless otherwise stated)</b>			
With detailed planning consent	58,544	59,645	57,653
With outline planning consent	23,786	24,072	18,040
With resolution to grant and other	1,370	3,994	7,943
<b>Owned</b>	<b>85,700<sup>1</sup></b>	<b>87,711</b>	<b>83,636</b>
Controlled	10,521	12,293	10,586
<b>Total</b>	<b>94,221</b>	<b>100,004</b>	<b>94,222</b>
<i>Owned land bank years (exc JVs)</i>	<i>5.0</i>	<i>5.4</i>	<i>5.0</i>
<i>Controlled land bank years (exc JVs)</i>	<i>0.6</i>	<i>0.8</i>	<i>0.6</i>
<i>Detailed consented plot / sales outlet ratio</i>	<i>146</i>	<i>150</i>	<i>139</i>
JV – Owned and controlled	13,573	8,651	4,359
<b>Total including JV</b>	<b>107,794</b>	<b>108,655</b>	<b>98,581</b>
Strategic land	148,005	145,043	148,157

1. Owned land bank movements in HY26 includes a transfer of 3,050 plots from our owned land bank to the strategic land bank, further detail in the appendices  
Note: All data relates to Barratt Redrow plc

Turning now to our land bank, on slide 14. A steadier pace of land acquisition, growth in completions and a reclassification of some Redrow plots into our strategic land bank has seen the duration of our owned and controlled land bank move to 5.6 years in December. Our land bank is in a strong position and very consistent with our plans to optimise our capital employed, as David will set out.

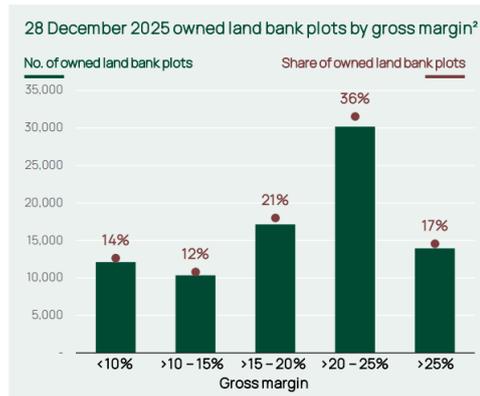
A key metric here on the slide which we are increasingly focused on is the average number of detailed consented plots on each of our sales outlets. This is clearly a function of the size of the

outlets and the timeframe over which it has been actively selling, but we are looking to ensure our land bank is efficient with sales outlets sized to deliver typically sales over a three-to-four-year period. With more than 27,500 strategic land bank plots submitted to local planning authorities across a hundred and three applications, we expect to make further progress on strategic land conversions over the coming years too.

## Land bank gross margin supporting margin progression



- Decrease of 30 bps since 29 June 2025:
  - up 40 bps from trade through of completed plots at 14.5%<sup>1</sup> adjusted gross margin
  - down 90 bps due to incremental sales incentives and underlying build cost inflation
  - up 20 bps from plots added in the period at 23% gross margin
- Blended land bank gross margin of c. 18.9% at 28 December 2025



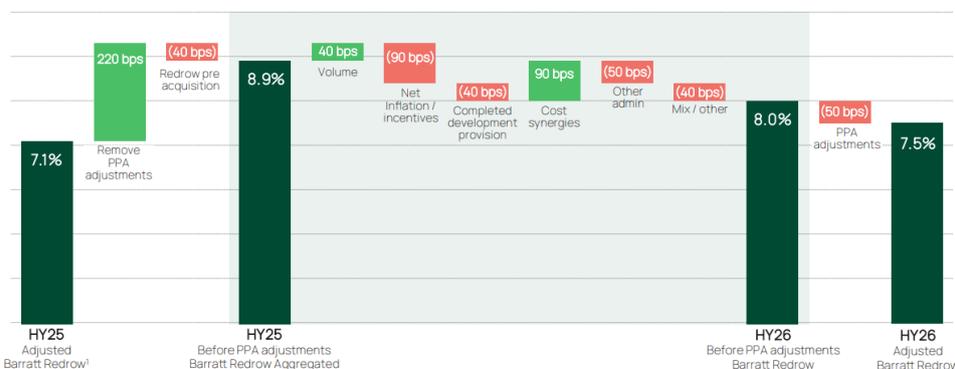
<sup>1</sup> Weighted gross margin based on plots utilised for home completions in HY25 including PPA adjustment  
<sup>2</sup> Weighted gross margin based on revenues and costs at 28 December 2025. Redrow land has been incorporated at policy aligned cost including PPA adjustment

Now looking at our embedded margin in the land bank. Here you will see the updated plot distribution of embedded gross margins across our owned land bank plots. There are three moving parts to highlight. First, a positive 40 basis point impact reflecting the plot mix traded out through completions this half at a margin of 14.5% after including the PPA impact.

Second, a negative 90 basis point impact from the flow-through of flat pricing, build cost inflation, and incremental sales incentives. Thirdly, a 20 basis point improvement from land acquired in the period at a 23% gross margin.

As a result, the embedded gross margin ended the half 30 basis points lower at 18.9%. Improving the embedded gross margin is a clear priority. With little movement on pricing, we will do this best by managing cost-based inflation, driving development pace, and buying land appropriately.

## Adjusted operating margin bridge



<sup>1</sup> HY25 has been retrospectively adjusted to reflect new information obtained about circumstances that existed at the date of acquisition of Redrow plc, as required under IFRS 3

To slide 16. Here we look at our adjusted operating margin in the bridge. On a pre-PPA basis, including Redrow for the full 26 weeks, this was 8.9% for the combined operations in half year '25, the first column shaded here on the left. We saw a benefit of 40 basis points due to the gearing effect of higher volumes. The combination of flat pricing but underlying build cost inflation at 1% and the targeted use of non-cash incentives created a negative inflation impact of 90 basis points.

Completed development provisions reflecting local authority delays in adoption of roads and public spaces accounted for a negative 40 basis points. The impact of cost synergies, which I will set out in a moment, added 90 basis points and these savings covered off both the underlying inflation and your admin expenses as well as mix and other items. This has resulted in the operating margin before PPA impacts of 8% for the half, and finally, you can see the PPA dropping off to deliver the 7.5% margin on an adjusted basis.

## Significant reduction in administrative expenses



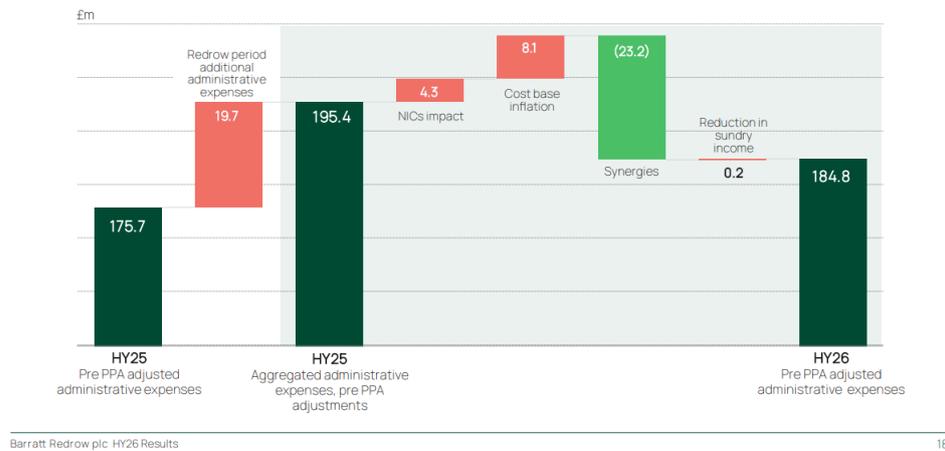
- Adjusted administrative expenses reduced by 5.4%
- Net adjusted items in administrative expenses of £23.9m comprises:
  - further reorganisation costs;
  - legal fees
- Significant legacy property recoveries of £13.4m with cost of sales
- Net impact of adjusted items of £10.5m

£m	Barratt Redrow HY26	Barratt Redrow aggregated HY25	Barratt Redrow Reported HY25
Sundry income	(8.2)	(8.4)	(7.4)
Other administrative and employee costs	193.0	203.8	183.1
<b>Adjusted administrative expenses</b>	<b>184.8</b>	<b>195.4</b>	<b>175.7</b>
Costs incurred in respect of the acquisition of Redrow plc	-	35.5	35.5
Reorganisation and restructuring costs	18.1	14.4	14.4
Legal fees with respect to legacy property recoveries	5.8	-	-
Redrow plc adjusted items pre acquisition	-	27.7	-
<b>Net administrative expenses per income statement</b>	<b>208.7</b>	<b>273.0</b>	<b>225.6</b>

Turning to administrative expenses and adjusted items. We reduced our adjusted admin expenses by 5.4% in the half year to £184.8 million when compared to the aggregated business last year at £195.4 million. We also then show the adjusted items here in arriving our reported admin expenses at £208.7 million. This included adjusted items charges of £23.9 million with £18 million charged on further restructuring and integration and legal costs on legacy property recoveries at £5.8 million.

Whilst not shown here, the net impact of adjusted items in the period was £10.5 million with significant legacy property-related recoveries from third parties of £13.4 million, recognised in gross profit. It's positive to see both cash-based adjusted items falling away as well as receipts coming in with respect to building remediation.

## Administrative expenses bridge: positive impact of synergies



Here is just a quick bridge in terms of the admin expenses. The movement in admin expenses from the aggregated base of £195.4 million to the £184.8 is set out on this slide and shaded in light green. We saw an increase of £4.3 million related to changes in national insurance contributions and a further £8.1 million from total cost-based inflation.

Cost synergies then delivered a £23.2 million positive impact which then coupled with a reduction of £0.2 million in sundry income which covers JV management fees and ground rents, delivered the outturn at £184.8 million. It's positive to see the synergies we identified at acquisition having a meaningful impact on our profit-and-loss account.

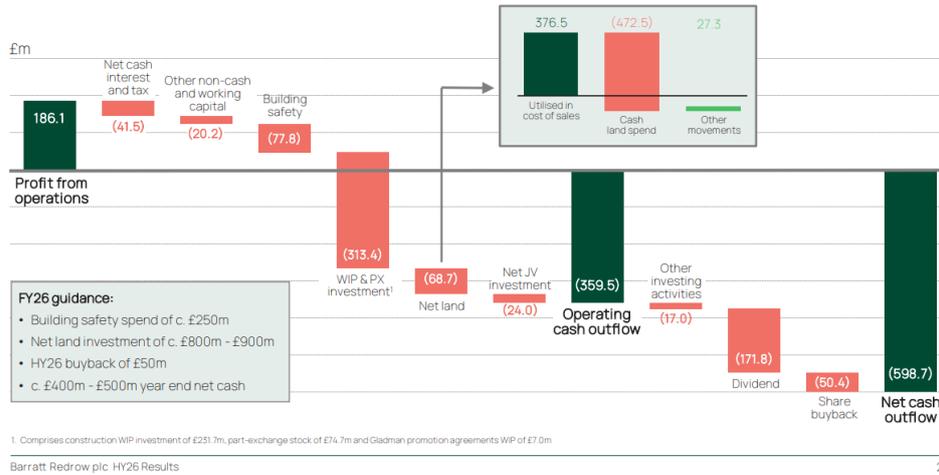
## Legacy property provision position unchanged

- No changes to the Barratt Redrow legacy property portfolio provision estimates
- Existing works proceeding in line with our expectations across both portfolios
- Provision spend of £77.8m in HY26 (HY25: £46.5m)
- Imputed non-cash interest of £19.6m (HY25: £18.4m) reclassified as an adjusted item

	Building safety	Reinforced concrete frames	Total
<b>£m</b>			
<b>At 29 June 2025</b>	<b>886.4</b>	<b>187.4</b>	<b>1,073.8</b>
Net additions / (releases)	-	-	-
Revaluation	-	-	-
Imputed interest	15.9	3.7	19.6
Utilisation	(73.4)	(4.4)	(77.8)
<b>At 28 December 2025</b>	<b>828.9</b>	<b>186.7</b>	<b>1,015.6</b>

Turning to building safety, where I am pleased to report that there is very little to cover. There were no changes required to our provision position and having spent £77.8 million on works across our building safety and reinforced concrete frame portfolios in the half, and seeing the unwinding of imputed interest of £19.6 million, our total legacy property provisions sat at just over £1 billion.

## Cash flow movement reflects seasonality



To cash flow. Slide 20 sets out the cash flow bridge for Barrett Redrow from reported operating profit on the left to the net cash outflow on the right, with just a couple of cash flow numbers to point out. The biggest driver of cash outflow in the period was the seasonal increase in construction work-in-progress alongside part exchange investment, together equating to just over £313 million. Three-quarters of this is construction work in progress, very much following our sales cycle and construction seasonality.

Our net investment in land was relatively modest at £68.7 million and adjusting for the dividend payments of £172 million and £50 million in share buybacks, the net cash outflow was just under £600 million. We would expect an inflow of circa £300 million in the second half and for the year-end cash position to be in line with guidance at between £400 million and £500 million. For ease, we have included on the slide here a reminder of some of the other relevant guidance points around cash flow.

## Strong balance sheet: solid net cash position

	28 December 2025	29 June 2025	Change	29 December 2024 <sup>1</sup>
<b>£m (unless otherwise stated)</b>				
Goodwill and intangible assets	1,579.1	1,583.2	(4.1)	1,588.4
Investment in jointly controlled entities	219.3	193.2	26.1	170.4
Gross land bank	5,125.4	5,104.9	20.5	4,905.1
Land creditors	(767.2)	(809.4)	42.2	(594.6)
<b>Net land bank</b>	<b>4,358.2</b>	<b>4,295.5</b>	<b>62.7</b>	<b>4,310.5</b>
Land creditor %	15.0%	15.9%	(90 bps)	12.1%
WIP	<b>3,210.7</b>	<b>2,979.0</b>	<b>231.7</b>	<b>3,240.3</b>
Gladman land promotion WIP	119.4	112.4	7.0	109.4
<b>Net cash</b>	<b>173.9</b>	<b>772.6</b>	<b>(598.7)</b>	<b>458.9</b>
Trade payables	(402.2)	(507.6)	105.4	(382.6)
Other working capital	(670.4)	(599.7)	(70.7)	(699.4)
Part-exchange properties and other inventories	219.0	144.3	74.7	109.0
Provisions in relation to legacy properties	(1,015.6)	(1,073.8)	58.2	(991.7)
Other net assets / liabilities	(29.3)	(26.1)	(3.2)	(33.9)
<b>Net assets</b>	<b>7,762.1</b>	<b>7,873.0</b>	<b>(110.9)</b>	<b>7,879.3</b>

Note: All data relates to Barratt Redrow plc

1. The balance sheet as at 29 December 2024 has been retrospectively adjusted to reflect new information obtained about circumstances that existed at the date of acquisition of Redrow plc, as required under IFRS 3

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Turning to slide 21. Here is our usual balance sheet breakout. Limited points really to highlight but over the 26 weeks we saw a £21 million net investment in our gross land bank and land credit is reduced by just over £42 million, giving a net land position at £4,358 million with land creditors funding 15% of our land investment.

Land credit has clearly remained below our target range of 20% to 25% but we are looking to add a larger proportion of land purchases on to third terms to take us towards our target range and also to manage our land bank more efficiently, as I alluded to earlier.

The other balance sheet item to mention here, as already discussed by Mike, is our part exchange investment, which you can see closed out at £219 million with £74.7 million added in the half year period.

## Unchanged capital allocation priorities



STRONG BALANCE SHEET	INVESTMENT IN THE BUSINESS	SHAREHOLDER RETURNS
<ul style="list-style-type: none"> <li>• Solid net cash position</li> <li>• Building safety provision position unchanged</li> </ul>	<ul style="list-style-type: none"> <li>• Growing outlet numbers</li> <li>• Continued firm control of WIP investment</li> <li>• Continue to invest in innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Ordinary dividend at 2.0x cover<sup>1</sup></li> <li>• £100m share buyback underway with £50m completed in HY26</li> </ul>

1. Based on adjusted earnings per share before PPA adjustments

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Before I wrap up, I thought it would be helpful to remind you of our capital allocation priorities set out here. Our enhanced scale and balance sheet strength clearly put us in a strong financial position, but we are very mindful of the obligations we have particularly with respect to building safety, how we are managing this appropriately. The Redrow acquisition has multiplied the opportunities we have to drive growth and value from the business so we will invest in these but at the same time we will look to drive efficiencies in the way we manage both our capital employed and our cost base.

Finally, we recognise the importance our shareholders place on capital returns. We have a clear dividend policy and this is alongside an active £100 million buyback program with £50 million completed in the first half and a further £50 million underway and set to complete in the second half of the year.

To summarise, our operational performance in the half year has been resilient and that's despite the macro uncertainties faced. Our balance sheet remains solid and we are capturing the cost synergies from the Redrow integration with our cost synergies confirmed.

## Summary and guidance

### Solid financial performance for the half

- Completions +4.7% at 7,444 homes
- Adjusted PBT before the impact of PPA adjustments £199.9m<sup>1</sup>
- Target cost synergies confirmed

### FY26 guidance

- 17,200 to 17,800 total completions
- Underlying pricing broadly flat in FY26
- Build cost inflation now c. 2% including synergies
- c. £250m building safety spend
- c. £400m - £500m year end net cash



1. Adjusted profit before tax and the impact of PPA adjustments

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Turning to guidance, you will find a detailed slide in the appendices but I thought it helpful to cover the main points here. As previously set out, we expect full year '26 total completions to be within the range of 17,200 to 17,800 homes. Underlying pricing is expected to be broadly flat and we expect build cost inflation to be around 2% including the benefit of procurement synergies.

Reflecting the reclassification of imputed interest on the legacy property provisions, we anticipate an adjusted finance charge of approximately £30 million with provision-related adjusted item imputed finance at £32 million for FY26. Our building safety program remains in line with guidance at approximately £250 million of spend in the year. We expect to finish the year with between £400 million and £500 million of net cash.

Happy to take questions later but I will now hand back to David. Thank you.

## David Thomas, Chief Executive Officer

Thanks very much, John. I would like to start this section with an overview of the housing market.

## The housing market

Sector fundamentals		Current market
<p>Need for homes across all tenures</p> 	<p>Government targeting increased delivery</p> 	<p><b>Macro &amp; Budget</b></p> <ul style="list-style-type: none"> <li>• Customers remain cautious in a subdued market</li> <li>• Budget did not deliver additional support for first time buyers</li> <li>• Unemployment and consumer confidence a source of uncertainty</li> <li>• Expectation that interest rates will fall during 2026</li> </ul>
<p>Demand significantly outstrips supply</p> 	<p>Planning reform set to unlock growth</p> 	<p><b>Affordability</b></p> <ul style="list-style-type: none"> <li>• Remains a constraint, particularly for first time buyers</li> <li>• Mortgage competition and product innovation increasingly supportive</li> </ul>
		<p><b>Planning &amp; regulation</b></p> <ul style="list-style-type: none"> <li>• Planning &amp; Infrastructure Bill passed but progress limited on the ground</li> <li>• Building Safety Regulator – delays being addressed</li> </ul>

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We've talked before about the fundamentals of the market which underpin our sector and these continue to be strong. There is a longstanding imbalance between demand and supply. The challenges for our industry are affordability constraints on the demand side and planning constraints on the supply side.

Housing and planning reforms are clear priorities for the government, and we welcome the steps that they are taking to improve the planning environment. However, it will take some time for these reforms to feed through at a local level and with many local authorities having elections in May, the planning backdrop in those areas could remain challenging until the second half of the year.

Meanwhile, some of the near-term indicators on the demand side are more encouraging. Uncertainty has definitely moderated post-Budget. Markets are pricing in further interest rate cuts and mortgage availability continues to improve. But consumer confidence remains weak and despite some slight improvements, affordability remains challenging, particularly for first-time buyers needing to bridge the deposit gap.

In this environment we recognise that self-help measures are very important. As Mike outlined, we continue to develop our part exchange offer particularly for Redrow, and in the half we also launched our own shared equity offer alongside our popular first-time buyer and key worker schemes. We continue to believe that the key to a sustained recovery in the housing market and volume increases across the sector is government support for prospective home buyers of the type which has been in place for many decades until two years ago.

## Current trading resilient



- Underlying private reservation rate slightly lower at 0.59
- Completions YTD 5.3% ahead with 398 more homes delivered
- Forward sales position now moving in line with last year's position
- Housing market activity remains sensitive to macro uncertainties

	2HY26 to date	2HY25 to date	Change
<b>5 weeks trading performance</b>			
Net private reservation rate <sup>2</sup>	0.59	0.60	(1.7%)
- excluding PRS and Other MUS	0.59	0.60	(1.7%)
Year to date total completions <sup>3,4</sup>	7,973	7,575	5.3%
Total forward sales <sup>3,4</sup>	11,168	10,903	2.4%

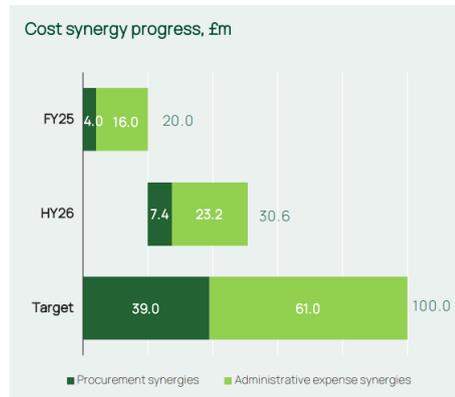
1. All data relates to Barratt Redrow plc  
 2. Net private reservation rate per active outlet per week excluding JVs  
 3. Including JVs  
 4. As at 1 February 2026 and 2 February 2025

Overall, given the market context, recent trading has been resilient. We have seen encouraging consumer activity since the Budget, but consumers are still taking their time, so our net private reservation rate over the five-week period was down slightly on last year. The FY26 opening order book and slightly improved affordable housing sector backdrop means that year-to-date completions and forward sales are both ahead of the position last year.

But there continues to be a lot of political and economic volatility at the macro level which is clearly unhelpful for consumer confidence. Given the broader market context, for us to maintain a sharp focus on efficiency and leveraging the benefits of the integration is going to be key for Barratt Redrow. I would like you to give you an update on our synergy program.

## Delivering on cost synergies

- On track to deliver £100m of cost synergies per annum
- Good progress made on realising synergies
  - £20.0m achieved in FY25
  - £30.6m incremental cost synergies achieved in HY26
- Now targeting c. £50m incremental cost synergies in FY26 revised from c. £45m previously



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If we start with cost synergies, we have confirmed our target of £100 million of annual cost synergies. In FY25 we delivered £20 million of cost synergies through the P&L as you can see on the chart. We expect to deliver a further £50 million through the P&L in the current financial year having already delivered over £30 million in the half year. So, we are very definitely on track for that cost synergy delivery.

## Good progress on revenue synergies

- We continue to target 45 incremental sales outlets to deliver revenue synergies
  - 31 planning applications submitted
  - 16 have received planning approval
  - remainder awaiting decision
- Remaining outlets to be submitted during the balance of FY26
- Expect first sites ready for opening at start of FY27



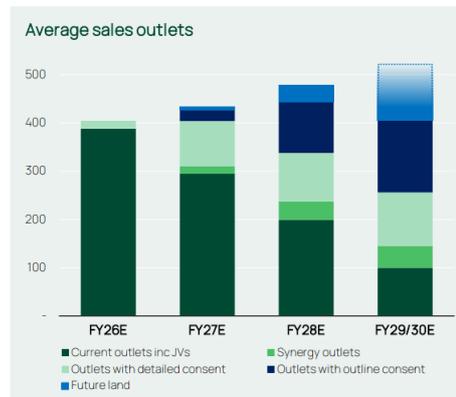
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Looking at revenue synergies, our target is to open 45 incremental sales outlets. To date we have submitted 31 planning applications of which 16 have already received approval. We are on track to submit the remaining applications in the second half of the financial year and we expect the first site to be ready for sales opening at the start of FY27.

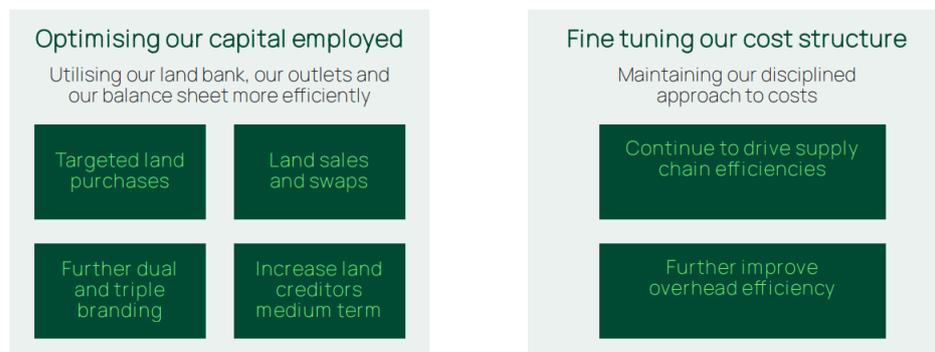
## Sales outlets growth from FY27

- FY26 average outlets expected to be flat
- FY27 average outlet growth will reflect:
  - 15 Redrow synergy outlets; and
  - organic growth
- FY27 sales outlets expected to be in the range 425-435
- Excellent visibility on outlets in the medium-term



Moving on to outlets. As we've said, the planning reform is positive, but we do have to experience that improvement on the ground. As we have previously guided, we expect average outlets to be flat in the current year, but we would expect to see a good uptick in FY27 both through organic growth and with around 15 synergy outlets coming onstream. This should bring average outlets for FY27 to between 425 and 435. Importantly, given the strength of our land bank, we do not have to make significant future land purchases to drive our outlet opening plan. It is primarily about using the land that we already have.

## Disciplined execution



As you can see, our integration activity is largely complete. Looking forward, our focus is on two key areas, optimizing our capital employed and fine-tuning our cost structure. This half, given the strength for our land bank following the combination and our land approvals in FY24 and FY25, we have substantially reduced approvals but alongside some land swaps and land sales we will continue to make targeted acquisitions, and we anticipate approval of between 10,000 and 12,000 plots in FY26. Dual and triple branding our sites means we can reach more customers which should improve our sales volumes and help our asset turn.

Turning to costs. Given our scale and reach, we see opportunities to drive efficiencies across our supply chains and to make marginal reductions in our overheads. This discipline is business as usual for us.

Barratt Redrow is well placed to deliver through the cycle



<p><b>STRONG FUNDAMENTALS</b></p> 	<p><b>CUSTOMER FOCUS</b></p> 	<p><b>PARTNER OF CHOICE</b></p> 	<p><b>POSITIONED FOR GROWTH</b></p> 	<p><b>FINANCIAL STRENGTH</b></p> 
<p>Positioned to capitalise on underlying demand</p>	<p>Unrivalled quality, service and sustainability</p>	<p>Strong relationships allow flexibility and innovation</p>	<p>Possess the scale to capture opportunity</p>	<p>Underpins sustainable shareholder returns</p>

Pulling this together, we remain very confident that Barratt Redrow is best placed to navigate the market for all points of the cycle. Fundamental to this are our three high-quality and differentiated brands and we have the skills and experience to deploy them effectively. These brands allow us to operate in a variety of locations and local markets with the optimal divisional infrastructure to match.

Our customer focus has been established by our numerous third-party credentials over the long term. We are the reliable partner of choice across the private and public sector, allowing us to be flexible and innovative. Our reorganised divisional structure and brand portfolio positions us well for growth over the medium term. Finally, we remain financially strong with a robust balance sheet and a solid net cash position.

## Summary



- Leading platform for future growth:
  - three market leading brands
  - strong landbank with 5 years owned supply
  - sales outlets set to grow from FY27
- Cost synergies confirmed and systems integration to be completed by April 2026
- Revenue synergies on track
- Focus is on optimising capital employed and fine tuning the cost structure to drive the business forward



To wrap up, we do have three high-quality differentiated brands. We have a strong land bank, we have clear visibility over our outlet opening program, and we are a leading platform for growth. Virtually all of the £100 million of synergies are confirmed and we expect the integration to complete by April this year. Looking forward our focus will be on continuing to drive our operational efficiency and using the opportunities we have identified to drive growth and value for all of our stakeholders.

Thank you. Thank you very much and we are now going to open up for Q&A. John is going to facilitate the Q&A and he is looking forward to the large number of questions I know you are going to put his way.

## Q&A SESSION

### Chris Millington - Deutsche Numis

Morning, everyone. Thanks for taking the question. I just wanted to ask about the pricing experience so far in calendar year '26 and whether or not you have seen any sort of improvement there, and perhaps you can just put a regional overlay on that.

The second one is just around the outlet opening profile. It's a big ramp-up, you've got there. Now, if I understand what you say correctly, you're going to be flattish in the second half but then potentially up at 430 next year, so roughly about 8% growth. Now, if that's linear it means the open and close is going to have to be 16%-ish higher. It feels a big number with some of the uncertainties out there, but perhaps you can give me some confidence there.

The final one is just really about the gross margin in the land bank. It looks like you're taking the lower-margin pots at the frontend, but it makes a little bit of sense because of the new land coming in at higher margins. How long do you think it will take you to get to the average land bank margin, because you're under-indexing, what, 400, 500 bps at the moment versus the average? Thank you.

### David Thomas

Chris, thanks very much. If I take in terms of pricing and incentives to start with, and then I'll say a few words about outlet opening, then John will follow up in terms of outlet opening and then John will pick up in terms of gross margin.

I think in terms of pricing and incentives, the first thing that I would just put in context is that if you went back to August '25, we started to see a lot of news flow about what may or may not be in the Budget. At the beginning of October, we made a very conscious decision that we needed to push harder in terms of incentives. Not in terms of gross price, so generally keeping gross price as is, but pushing more in terms of incentives. I think that has driven a step up in relation to part exchange and a step up in relation to incentives.

Coming into the new calendar year post the Budget, I just think we've seen a higher level of customer interest, and we have a bit more confidence in terms of our ability to maybe gear back a little bit on incentives. Not in that we're going to move it 1% or something in a short period of time but there is just more interest out there, and I think all of our divisions feel that that is a slightly better backdrop, with a possible caveat around one of them, which I would say is pretty much unchanged.

Then, just before I pass over to John, in terms of the outlet opening program, I think the really key point is that we have the land under control. In terms of our FY27 position, we're in the high 90s in terms of having a planning position in relation to that. We would see some uptick in outlets late in this year which will not impact reservations, and we overall will see quite a substantial uplift in FY27, but I think the key point is we don't need lots of planning to deliver that. Bear in mind a big chunk of it is coming from synergy outlets which are already under our control. John, do you want to expand on outlets?

## John Messenger

Yes. David has stolen some of my thunder with a with the synergy points but there you go. Yes, if you look at where we are broadly at the end of this to where we'll be at the end of next, a big part of that is effectively 30 synergy outlets in there, which will leave you with a balance of 20 to 25 that need to come through the organic Group, Chris. I guess we are certainly comfortable in terms of that profile coming through.

When we look at the timing of it, there is quite a significant outlet opening program clearly across '27 but there'll be certainly a decent boost in the second quarter which will obviously lead us into the spring selling season for Q3. We actually have a pretty good program plan for that second quarter which will obviously give us a January start into that new calendar year.

The other one was around gross margin. Just to be clear, the embedded gross margin at 18.9% is post-PPA so it's all in, so the Redrow plots are in there including their PPA component. We expensed at 14.5%, as you saw in the slides. The embedded is 18.9%, so you've got a 440 basis point differential there.

I think when you look at the length of the land bank at five years, clearly the average, we're probably talking about 2.5 to three years realistically before you're going to hit that point. Because obviously it's partly about the timing of when we purchased and when those new sites that are coming in at the higher gross margin start to really feed through in terms of volumes, and not just in reservations but in the completion mix. I hope that's a help.

## Will Jones – Rothschild Redburn

Thanks. Maybe just three, please. Perhaps just touching base on build costs, I think your guidance for the second half implies about 3% perhaps including some synergy benefit as well. So, just the moving parts within the latest on build costs.

Secondly, perhaps, just more of an overview and reflection six months plus on from the formal integration, just your view of how the Redrow brand and business is performing post-acquisition.

Then lastly, if we just cover off on building safety. I could see no movement in the provision but just your level of confidence as you assess the portfolio and what you may still not know about potentially as we look forward. Thanks.

## David Thomas

Okay, Will. Thank you. Mike will pick up in terms of build costs, and I'll pick up in terms of Redrow and building safety. I think in terms of Redrow, we said at the time we are admirers of the Redrow brand. We think it's an absolutely fantastic brand, and getting Redrow really focused on the heritage brand, because inevitably to grow the business, Redrow were doing more than just heritage. We think Redrow will be focused on the heritage brand, it's where they want to be and it's where we want them to be, and it is the premium brand in our portfolio.

In combining with the business, they have a fantastic land bank and so I think the opportunity for us to be able to take Barratt to the Redrow sites, to work together and maybe Barratt deliver more of the affordable housing, for example, alongside the Barratt housing is a really big opportunity.

Then where we have sites where perhaps we were already Barratt and David Wilson, and we might have sold land to a third party, we can bring Redrow onto those sites. We clearly have a number of those sites, both in terms of the synergy sites - but the synergy sites are just the start of the story. I think all of our land acquisition going forward where all three brands operate in that geography, then we're looking for opportunities for those brands to operate

well. I really feel that in terms of the brand, the consumer proposition, and in terms of the build, sales teams, it's really done well and we integrated well. That's all positive.

I know we've touched on the synergies, but I think it's just pleasing to be in a situation that we've effectively banked £100 million of cost synergies. We're obviously looking for more, but the reality is our main focus now is on the delivery of those cost synergies and then ensuring that we get the revenue synergies executed, which I think we're well on the way with.

In terms of building safety, what John said, that we are pleased that we'd be saying nothing. I think that's a nice position for us to be in. I think it's too bold for anyone to say we're absolutely comfortable with all our provisions and so on. I think everyone has seen that the evolution of this has been challenging, but we feel that we really have our arms around both building safety in terms of the remediation of buildings and also our concrete frame. Both parts of it I think are moving well and we'll just continue to update on a six-monthly basis.

Mike, do you want to pick up build costs?

### Mike Roberts

Yes. We have guided inflation at around 2% for the full year. We estimate that that will be split between labour and materials, 1.5% labour, 0.5% materials. Labour – generally we're seeing 2% to 3% price pressures around national insurance and salary reviews as would be the norm. What we're not seeing is any inflationary pressure around scarcity of labour or labour availability, so there is no excessive pressure on the inflation for the labour content.

The materials, pretty variable, actually. We're obviously bringing the Redrow business into the Barratt David Wilson team. We've improved our procurement capabilities but we're seeing bricks and blocks around 3%, un-engineered timber up at maybe 10% but lots of materials at flatline or very low digits, really. Overall, we're pretty confident that we'll be able to land that at around 2% for the full year.

### Emily Biddulph - Barclays

Morning. Emily Biddulph from Barclays. I've got two, please. The first one just on how we should think about the margin bridge for the second half of the year. I'm conscious you've guided build cost inflation higher but presumably the way that you account for that, you've already reflected that in the first half margin, and then the positive things around the potential for incentives to be a touch lower. Is that the way we should think about it?

Then on top of that, can you just remind us the extent to which you benefit from fixed cost of goods and some leverage over that in the second half of the year, and potentially that little bit of land bank evolution, can you give us a sense of what the magnitude of that might be?

Then secondly, I think David mentioned the evolution of the part ex offering in Redrow. When we look at that on the balance sheet, is there is a number that you're comfortable with it ticking up to be, or is that what you're trying to tell us, that it might actually be a little more in the balance sheet towards the end of the year, or how should we think about it?

### David Thomas

Emily, thank you very much. I think that first question you asked and answered at the same time. You've given John too much of a clue.

### Emily Biddulph - Barclays

Can you give us the whole margin bridge?

## David Thomas

Yes. John will cover the margin bridge. In terms of part exchange, I think most of the house builders have a part exchange offer. It is a fantastic way for us to compete in the marketplace. Bear in mind that the vast majority of customers sell a second-hand home and buy a second-hand home, so where we are able to break into that, we are best to break into it with a part exchange offer. I think you will see that part exchange is two things for us.

One is we have something that we would call Movemaker where we would effectively give a commitment to buy the property, but we would primarily focus on the property being sold before we get to the point of completion on the new build house. We would then have a part exchange offer where either that Movemaker doesn't work, or we agree to take the property from the beginning.

The number of properties and the value of properties is not a huge concern to us. The operational and the financial risks are similar. Mike touched on that we have about 180 properties that are not reserved, which I think when you look at the size of the Group across 30 divisions, or 32 divisions, is a small number of properties, so the more part exchange we can do in the current market, the better.

In terms of Redrow, I think Redrow did have a Movemaker equivalent and they did have a part exchange offer, but I would say that they were reluctant to use it. We just see in the market that we need to do more of it and so the Redrow position in the underlying numbers has grown from what in the FY25 was around 2% of their business was using the PX offer to it now being above 10% of their businesses using the PX offer. So yes, we are very, very positive about that offer in the market.

## John Messenger

Then just to pick up on the margin bridge, Emily. I think there are probably four aspects to this to keep in mind in terms of the bridge from last year to this year.

First, plot mix wise, which was mentioned there. If we look at the delta, I guess that implies with 440 basis points from where we reported in the first half to the average in the land bank, that broadly equates to 80 or 90 bps per annum, thinking of that movement. So, that's pretty - call it 50 bps in a half year period if I was looking to try and work a number through there, Emily.

Second one is then on build cost inflation and you're correct in terms of given the accounting approach and margins on site-based approach, a lot of that cost inflation is already built into the margin that we're recognising, but clearly, we've got to work hard in the second half to control and limit that impact from build cost inflation.

The positive on the other side of that is clearly from an incentive level where we added circa 1% to our incentives in the first half. That was very much driven by the Budget, and the need to convert people and to give people a call to action, effectively, to reserve and move through to completion. Obviously, as we work through the spring and given we've had a pretty encouraging start, certainly in the four weeks of January post the first week we had, then we'll be working site by site, literally trying to move and make sure that we're optimising both the balance of volume and value in that around the incentive that's applied. There will clearly be a push to try to get that incentive lower.

Then finally, on the volume gearing aspect. When you look at our volumes, we're broadly 40% more volume in the second half than the first. That mathematically obviously will come through in terms of a bit of operational gearing and that should again help on the second half margin. Those are the four ingredients in terms of that movement there. Thanks.

## Aynsley Lammin – Investec

Thanks. Morning. Aynsley Lammin from Investec. Just two, please. Just picking up on your comment actually around the sales rates, John. I think you said the last four weeks particularly have been good. I just wonder if you had any more colour. Has it been progressively improving? You've maintained your full year completion guidance, but I think you mentioned that offsets depend on the sales activity. How much risk is there? What do you need to see in the spring selling season to meet that full year completion guidance?

Then second question on the provision. As you said, good to see it stay around the £1 billion level, but could you just remind us how long you expect to work through that and what the annual cash outflow profile looks like during that period?

## David Thomas

Aynsley, hi, good morning. Let me just make a comment on the sales rate and the sales risk and pick up on the provisions. I'm just going to answer them both, that's it. Look, in terms of sales rate, we had quite a bit of debate about this. The reality is we've always said we're not going to split current trading, whether that's positive or negative, because it's such a short period and then we get into saying well, the first week was this and the third week was that and so on. So, we're not going to break with that.

I think what we would say is that our business is positive about what we've seen during the month of January, and December is always a tricky month, but when we come into January, we've just seen good consumer interest, good level of appointments, and reasonable levels of reservation. Now, bear in mind that we're not comparing really to last year. We're presenting the numbers compared to last year because that's the convention but we're really talking about what was it like in October compared to what is it like in January, and it is substantially better in January than it was in October. That's the reality of that October-November period.

In terms of looking at the risk, we really work on the basis that we need to sell at about 0.6 and we feel comfortable in terms of that sale. We give ranges. It's a problem if you do and it's a problem if you don't. I would say that we've got a higher level of confidence of hitting the midpoint of the range and we don't see lots of downside to that and potentially there's a little bit of upside, but I think we've got to focus on that midpoint of the range.

Then provisions, the cash run rate on provisions. Well, my sense is there's another four years at least in terms of runoff of the provisions. We would expect expenditure will start to accelerate in '27 so there's a huge amount of setup to be done to get the developments through the Building Safety Regulator because all of these developments have to go through the Building Safety Regulator.

We see that that backdrop with the Building Safety Regulator has improved from where it was 12 months ago. We know there's much more transparency about what is happening, but they have a huge amount to address in terms of the backlog. As we are getting stuff through the Building Safety Regulator, there will therefore be substantial expenditure in '27 and '28, but realistically on a £250 million run rate cash spend this year, I think we're very unlikely to be above that cash spend and we'll just run it off over the next three or four years.

## Clyde Lewis – Peel Hunt

Thanks. Clyde Lewis at Peel Hunt. Three if I may as well. Probably following up on Aynsley's question there about recent activity, I'm still a little confused as to where we are because normally spring is the best selling season for all house builders, and obviously we've had the pretty shocking October-November-December period, so there's a catch-up. I'm just again really trying to get a feel for whether it really does feel better than last spring or spring in '24

or spring in '23 compared to where you would have been in Q4. I understand clearly, it's better than Q4, which it traditionally is, so we're just pushing a little bit more on that.

On land creditors, I'd be interested to hear how quickly you can get into that range of 20% to 25% that you're talking about. Inevitably, there's a trade-off with chasing a higher gross margin on new land sales, so just interested in probing that a little bit more.

The last one was - obviously can't not ask it - was really the government support, and David, you've mentioned it, others increasingly mention it in their updates. Do you think the government is starting to move, to think about this a little bit more? From what I understand, Treasury is the bigger blocker rather than maybe the political side, but I'd be interested on your views there.

## David Thomas

Yes, okay. I feel I've had a go at the sales rates and stuff, so I think I'm going to ask maybe Mike to comment on it looking particularly at where we were October-November compared to where we are now. I think that's really the key thing. I would say on the sales rates, our forward forecasts are very much thinking okay, we need to be at this level of 0.06 which we're not far away from.

In terms of land creditors, I think probably just two comments. One, us increasing the land creditor position is obviously dependent on land intake, and our land intake in the first half is - or land approvals is obviously very low. First point. Second point. I think when you look at the next couple of years, it would seem that there is going to be a huge amount of land coming through planning. John referenced in his presentation that we have more than 100 strategic sites in for planning.

What I would see is the ability to defer land payments will be greater if there is much more land coming into the marketplace, and we're already focused on the deferral of payment. I think it's very achievable to get into that higher banding of 20% to 25% in terms of land creditors but it will depend on land intake.

In terms of government support, well, I think really two things. I think everyone would agree, I believe that everyone would agree that you have to address the supply side. If you don't address the supply side, then you are just going to create issues like putting in demand-side support. I think that's been well documented. The government have really gone after the supply side.

Now, I understand it hasn't changed yet, but from what we can see, the supply side changes are far more powerful than the original conservative government National Planning Policy Framework, et cetera, and therefore numbers can go much higher. We're back to top-down and there's an obligation on the local authorities of some scale. That is not going to improve the position on affordability in the short term.

Even if you believe that there will be a lot more supply in the future, there won't be a lot more supply to change the affordability equation over the next 12, 18 months. We do think the affordability equation is key if we want higher volume levels. We're doing the self-help. We've got a shared equity offer, we're doing part exchange, we're providing good incentives to our customers, but government stimulus would be a game changer in terms of the demand side.

The industry - certainly Barratt Redrow, but I think the industry have been uniform in saying that they are quite happy to pay. We launched the scheme with government back in 2012 and we paid for that scheme. The reality is that we are very happy to pay for the scheme, but we think it would be a game changer, and that would be particularly true in terms of London and the southeast.

John, do you want to - sorry, Mike.

### Mike Roberts

Okay. I feel like I might just be repeating what David said when he answered the question, but I'll just try and add a bit more colour. We certainly showed after the Budget a level of interest and leads and web visits and the like from the market. I guess that's because there was no negative news in the Budget around housing. I think that carried on through Christmas and we have seen an uptick since the October-November performance in the trading since Christmas.

I think in the slide we say that it's very slightly down year-on-year. I think there's a slight anomaly maybe in the first week but if you look at more recent trade in the last four weeks or so, five weeks, then that is in line year-on-year and gives us very confidence that we'll hit our full-year completions. So really, the message is year-on-year it's the same and we're confident with our completions.

### Alison Sun

Morning. Two questions from my side. One is following up on the demand stimulus, because if you said bidders are happy to contribute to the scheme, do you think that it will probably increase the chance for the government to want to actually launch something given right now there's a lot of noise going on right now as well.

The second is on the outlets, if I can follow up a little bit as well, because you said in 2027, you're expecting average outlets around 425 to 435. That's probably an incremental of around 20 to 30 year-over-year. I might remember, could be completely wrong, but I think previously you are probably more guiding around the 30 incremental outlets opening. I don't know if there is any colour you can give on maybe the planning environment or maybe why it's not hitting the 30 level, instead it's 20 to 30. Thank you.

### David Thomas

Okay. John will pick up in terms of the outlets. I think in terms of government, while I do understand that the government position in terms of funding generally has got challenges. I think the reality is that the housebuilding industry, mainly through the HBF, our trade body, have been very clear that if there was a new scheme then the house builders would expect to pay for it.

As I say, we launched the scheme in conjunction with government in 2012, pre-Help to Buy, and we paid for that scheme. I don't think the idea that the housebuilder is paying for a scheme is unusual. Yes, of course, that will help but there are clearly other considerations that the government have to take account of.

### John Messenger

On the outlets, your maths is correct, Alison, so broadly 20 to 30. I think we were more at the 30 end of the scale. I think we still are, but we just have to be pragmatic in terms of - I think everyone in the room is aware that planning is taking time, and Mike mentioned it earlier, to see the actual on-the-ground benefits of that coming through.

We're shooting to deliver 30 but clearly setting a banded range there of 20 to 30 outlets just looks a prudent position to be holding. Clearly, all of our divisions and all of our teams are working damn hard to try and pull through this and get them open because ultimately, that's going to drive our top line and drive the volume growth as we look forward.

## Zaim Beekawa - JP Morgan

Morning. Thanks for taking my question. The first will just be on the PRS market and the view for the remainder of the year and what's in your expectations. Then secondly, I think you mentioned 31 planning applications submitted and 16 received back. Talk about any anecdotes and how easy or quicker have those been since all the government changes. Thank you.

## David Thomas

Yes, of course, if I pick up those. I think in terms of PRS, again just in context, the PRS market was building a lot of momentum pre the Budget in 2022, and the reality is that the funding costs for the PRS operators, as they did for everyone, changed fundamentally. I think there was less activity in the marketplace, first of all, simply less people looking to buy PRS.

I think we're seeing the return of more interest in terms of PRS. We announced I think in '21, and it became effective in '22, our cooperation with Lloyds Bank and Lloyds Living. We have undertaken three groups of transactions with Lloyds Living. We've undertaken transactions with other PRS providers as well.

So, we felt that setting a range of 5% to 10% of our completions being through PRS was the kind of range that we felt comfortable with, which we set out last year. We are definitely still looking to do PRS but we're only looking to do it at the right price. It's something that can work very, very well for us in terms of return on capital employed, very well in terms of the efficiency of our build teams, but we've got to make sure that we are pricing it properly.

I think in terms of planning in relation to the synergy sites, I don't think there's been any particular issues. Bear in mind that these sites have already got a detailed consent. We would probably have expected to have been able to agree more plot substitutions rather than having to go to a full committee, but that is what it is at a local level. Again, we're very confident we will get the planning, and we will get those outlets through as we outlined in F27.

## Alastair Stewart - Progressive Equity Research

Alastair Stewart from Progressive. Three questions based actually on one chart on slide 7. In terms of the moving parts in the private reservation by buyer type, the biggest change was in part exchange, going from 14% to 23%. Obviously, Redrow's greater uptake is a big part of that but was it all? Within part exchange, do you get a sense of how many people are using it in the second-hand going into new? Is it they have to use it because they just get stuck in chains elsewhere and how much is it a nice-to-have?

Then the next one was first-time buyers going from 31% to 33%. Do you get any sense in there how much is bank of mum and dad and how much is using your own part exchange?

Then finally, following on from the previous question, PRS and other going from 9% to 4%. You've said you were originally aiming at 5% to 10%. Is it going to take some time to get to the top of that range? Are other financial costs for PRS investors just too high at the current moment?

## David Thomas

Thanks, Alastair. I've never had three questions on one slide. I think we're going to have a bit of a joint go at this one, if I pick up in terms of PRS and first-time buyers and if Mike picks up in terms of the part exchange element of it.

I think on first-time buyers, unquestionably the bank of family, as I think it's referred to, is very, very important. Now, I can't say this is the percentage because as you know, we are separate

from the independent financial advisors, so we don't really get into the nuts and bolts of that. I think it's well documented that that has become more and more important post '22 as interest costs have risen substantially.

It's good to see a little bit of a tick-up generally in first-time buyers but as we've touched on, in some parts of the country, particularly London and the southeast, I think first-time buyers are largely priced out of the market, even in some cases with bank of family. You're looking at deposit levels that are well in excess of £100,000 for a lot of purchasers because they don't want to be in there on a 95% loan-to-value, they want to be in on our 85% et cetera. So, that's the first thing.

In terms of PRS, we can unquestionably operate in a 5% to 10% range. The deals tend to be quite large. They might not all be delivered in the same year, but I think you would tend to be looking at deals that would be for us historically between 250 and maybe 750 homes. That might be delivered over two financial years, but it can have a significant impact, one deal, in terms of the percentages. At the 4% percentage we're obviously just outside that range but we are hopeful of closing some PRS deals, certainly in calendar '26, which will materially alter those percentages.

Mike, do you want to talk about the PX?

### Mike Roberts

We have introduced our PX proposition more heavily into Redrow and that's seen an increase. Part of that increase is certainly just the extra volume that's coming through Redrow. It's not all of it by any stretch of the imagination, it's a more popular incentive that our customers are utilising. The reason for their utilisation is - I think there's many factors.

A lot of it is around just simplicity in that clearly, we sell the houses eventually so we don't carry PX for the next 12 months that they can't sell. We can sell their houses so they could sell their houses, it's just about simplicity. There's an element of when somebody visits the site and sets their heart on a plot, if they're not in a position ready to go, if they PX we can take that reservation and then reserve the plot that they want. A lot of it is around consumer choice rather than necessity. Does that answer the question? I think that's it there.

### Glynis Johnson - Jefferies

John, I'm going to throw some at you, actually. Just a few that hopefully are very short answers. I'll reel through them.

Given the order book on the affordable, what should we anticipate in terms of the affordable private mix this year and maybe into next year? Second of all, the gross margin on your acquired land, can you confirm what you're actually buying in at? Thirdly, just in terms of the completed development provision, what was it last year? Is it always around that level? If this year's was unusual, why?

Next, the third-party payments for the build safety provisions. That's in the gross profit but you're taking the legal fees for getting them in the adjusted, is that correct?

Then two require perhaps a little bit more colour. One, the size of the outlets, is that to do with the just the fact you're putting three ranges on it therefore each size of site is three outlets? How should we be expecting that average size of outlets to progress. Then lastly, just in terms of the land approvals, there obviously the guidance has changed quite substantially. Can you give us a bit of colour about why that's happened and what that might mean one or two years out?

## David Thomas

If we start off, we can't do just one word on each, but we'll try. So, order book, affordable through the mix. I think if you look at 10 years for us you would conclude that somewhere around 20%, 21%, that sort of level is what we would deliver in terms of affordable housing. What we saw last year was really quite an unusually low level of affordable housing, a lot of which was driven from Redrow because Redrow had been very high in the year to June '24. So in terms of the pre-acquisition position Redrow was very high in that year. When you look forward, I would think that 20% to 21% is what we should look at.

In terms of gross margin on acquired land, we've said that we were acquiring on gross margin at 23%. We're very comfortable with that in terms of the forward acquisition position, and once all of our cost and procurement synergies are embedded, we should be acquiring on a gross margin at 24%, which is just in line with what we said last year.

The CDP I'm going to pass to John because I'm not sure I understood it, so I'm just going to pass it to John. Then building safety, anything relating to building safety should be in adjusted. The legal fees in respect of recovery are in adjusted and any recovery of costs would be part of our adjusted provisioning and therefore is in adjusted. We're not putting the recovery in gross margin and the costs in adjusted. Everything else is over to you.

## John Messenger

Right, yes. Just on that one, gross profit, the ones I quoted here were excluding that £13.4 million gain. We're obliged to recognise that through income rather than take it as a deduction against our provision as well, just the IFRS rules we operate within.

On the completed development accruals of provision, that does tend to move around a little bit. If you look back at the full year, it was a credit, so it helped us at the last full year set of results. It does ebb and flow depending on sites and the number of outlets coming to closure basically as well, Glynis. When a site closes out, you obviously then have that period - waiting for local authorities to adopt is the big issue there. It does tend to be up and down but it's the incremental, that's the change year-over-year, so you can see that impact there, but happy to talk about afterwards.

Outlet size, coming onto that one. If you look at the outlet size, of we look at - we think of developments and then we think of outlets. Clearly, as we look at particularly land deals that involve larger-size developments, that's where the opportunity is for us to bring on two or three brands to optimise those at that 140, 150 per sales outlet, which then gives you the lifetime of three to four years.

As we look at land opportunities and how that will be driven by development activity, it's looking at those and thinking okay, what can we do there that will optimise the brand choices, and that is the differential there. It's all about trying to optimise the speed at which we're going to be there with a show home, with a sales team building out and completing the sales.

On approvals, really more a function of just the opportunity in the market but also a deliberate point for ourselves is that that pipeline that David mentioned on the strategic land conversions, we've got a hopper there of about 27,500 plots. Now, those have all gone into planning across 103 applications.

The timeframe over which they come through on planning is something we want to be prepared for and therefore the focus has been on really optimising the existing land bank because obviously we were sitting there in excess of 5.5 years when you look back six months ago. For the last six months it's been about what can we do across the portfolio, either slicing and dicing the current land but also looking at that strategic and what's going to come through. This will give us flexibility to infill and to look at the strategic stuff as that comes

through and then look at elsewhere in the market. I think that that hopefully covers that one there.

I think that covers the lot.

## David Thomas

Glynis, just on the only consented plots number, you can see that over the last three-year reporting periods, it's reasonably consistent, but just to illustrate it, when we add in the revenue synergy outlets, what we should do is see an increase in outlets and no increase in plots, and therefore the revenue synergy outlets will drive that number down.

I do think that when you look at the land bank, that number is very important because that is a measure of the efficiency of the land bank, i.e. if you've got one site for 1,000 plots, the answer is 1,000, and if you've got three sites on that 1,000 plots the answer is going to be 330. I think it's an absolutely key measure in terms of looking at that efficiency ratio.

## Rebecca Parker

Hi, just a couple from me. The first one, just wondering if you can talk to how that net cash balance moves into the year end. I think you're sitting at about £170 million at the half, expecting that to rise to £400 million to £500 million. Just some of the moving parts there, that there's going to some more volumes coming through but then I guess an increase in WIP as you increase your outlet profile.

Then just following on, on the approvals on the land bank question before. Would we expect to see the land bank roughly stable here as I guess you're doing less approvals but getting more from your strategic land bank?

Then on the outlet opening profile as well, just wondering how many of those 20 to 30 increase in outlets you think that you'll be doing dual or triple-branded outlets? How many of those outlets? Thanks.

## David Thomas

Okay. If John picks up in terms of the net cash balance and how that will progress towards the yearend, and then I think I'd ask John to pick up on the outlet opening profile. What I would say on the outlet opening profile, and I'm sure John will restate that position, but we are talking average outlets. Therefore, if we're saying our average outlets are going to move from just above 400 to 425, to 435, we've also got to open a lot more outlets during the course of that year, but John can just outline that in terms of figures.

I think in terms of the land bank and the approvals, we feel that we have a lot of flexibility. We've set out what I think is quite a strong growth agenda in terms of our outlets profile, so to move from where we are now to a net outlet position of around 500, so broadly we're moving from 400 to 500 over a period of time. I think with our land bank at 5.6 years and the strategic sites that we have in for planning, we see that we have a lot of flexibility.

We've set a target which we'll obviously keep under review, but we've set a target of between 10,000 and 12,000 for this year. We'd be happy to be at replacement level so if in FY27 we were at replacement level, say, but the reality is we are very happy to shrink the land bank as long as we're delivering the required number of outlets. I think we see that drive to 500 outlets as being the absolute key thing that we're trying to achieve.

## John Messenger

Maybe just before going to cash flow, just finishing off on the outlets point. I guess certainly when we think about the 30 synergy outlets that are opening, by default those are generally

dual because they're an existing site that's adding Redrow to it or Barratt or David Wilson onto a Redrow.

I'll get hold of some numbers so we can always share them with you, Rebecca, but primarily it's dualling but there are I think a handful of triple sites as well. Within that mix of synergy sites. Some of them were already David Wilson and Barratt and are having Redrow added to them. I think there's half a dozen that will be ultimately broadly triple-site opportunities once we get through there.

Then on cash flow, I guess three big ingredients really in terms of cash flow performance in the second half. First is clearly operating profit in terms of driving the inflow so our profits from operations in the second half should start as a significantly higher number. If we look at our working capital and particularly the construction WIP where we had that £313 million outflow including part ex, broadly three quarters if not more of that should come back into the second half given the seasonality of our working capital cycle in terms of completions in the second half.

The other one in there is then land where we would expect, as David mentioned, we're probably going to actually end up unlocking a bit of value in land in the second half. If you put those together, plus the dividend obviously in terms of the interim going out which is probably £60 million, and the buyback at £50 million, those together should get you back to somewhere between the £400 million and £500 million net cash at the yearend.

### Charlie Campbell - Stifel

Thanks, John and thanks for taking the question. Charlie Campbell at Stifel. Just one, really, just on mortgage availability, not something you've talked about today. There are clearly quite a few changes going on there, so just wondering what the banks are telling you in terms of mortgage availability for calendar '26, any changes there. I suppose just to help us think about that a bit more, any changes in the customer mix in January versus I don't know, say July for the sake of an argument, before people started to worry about property taxes in other direction?

### David Thomas

Okay, John, if I pick them up. I think the mortgage backdrop is a gradually improving backdrop, I would say from probably three particular points, one from a regulatory point that there has been a free-up of the regulatory environment in terms of - as an example, the earnings multiples that is allowed to be lent. There's no question there's a free-up in the regulatory environment, which is a positive, but it's obviously been a relatively slow burn. So, that is good.

Secondly, I think generally there are more and more mortgage offers that are at 95%. Now, the reality is that that isn't necessarily fully addressing affordability because the 95% mortgages can be expensive and therefore if somebody is comparing that to renting or staying at home, it isn't necessarily giving them what they need.

Then I think the third area, which isn't particularly big for us but it's certainly big in London, is that there has obviously been more of a movement to higher loan-to-values on apartments. We came from a situation, albeit a long time ago, where most banks were lending perhaps 10% different as a maximum LTV, so if they were at 90% in houses they would be at 80% on apartments. Again, we've seen some freeing-up in terms of that environment.

I would say overall that there's not any big change in customer mix. To some extent, I know it's both product and customer but we're giving some indication of customer mix on the slide that we went through in the Q&A. I think there's two customers that can really just sit out the market in periods of uncertainty. One is a first-time buyer who I would say generally can sit

out. They would normally be living at home or renting, and they can sit it out for some period of time. The other category of customer who can sit it out is the downsizer, and the downsizer was a significant part of the Redrow business.

I don't think that those are customers that have gone forever. Almost by definition, the first-time buyer and the downsizer can come back into the market but they can certainly sit it out, and Redrow have seen that in terms of maybe where they were on cash sales. Circa 40% of their business was cash sales and they're now around about 30% of the business being cash sales. That will be primarily first-time buyers sitting it out - sorry, downsizers sitting it out.

### Peter Ajose-Adeogun - Morgan Stanley

Thank you. Peter Ajose-Adeogun, Morgan Stanley. It was a similar question really just in terms of the growth going forward. Which customer segment do you expect to grow the fastest? Just because when I look at some of the metrics on first-time buyers, I think one in three now in terms of purchasers in the UK will be first-time buyers. There's perhaps a notion that - maybe not to disagree with you but they can't sit it out because maybe they've got family formation or they'll do more to get it done.

So, just in terms of where you think the growth will come from, if first-time buyers are starting to run too hot in terms of the level of completions they make up in the UK and also maybe if you can give some colour on how down it is from the peak for you, first-time buyers in your business.

### David Thomas

Okay, thanks. That's quite a big question. I think if you step back from it for new build and for Barratt Redrow in particular, I think a really big opportunity for us over the next three to five years is about the efficiency of our homes and the substantially lower running costs of our homes. Therefore, I think from a Barratt Redrow point of view, I would say that we mainly want to take market share from the second-hand market.

We don't mind if they're first-time buyers, second-time movers, or downsizers, we should be actively seeking share and we can do that, as we talked about, through a part exchange offer for existing homeowners, but we can also do that through demonstrating substantially lower running costs. The running costs are not just about the heating or so on, the running costs are also about you don't have to put in a new bathroom or a new kitchen within the first two or three years. In cash terms, there are big, big benefits of new build. That's the first area we should look at.

Then really in terms of the mix point, I would say that we should expect to see more growth on first-time buyers and more growth on downsizers across the piece. I do think for downsizers that there is more we could be doing in terms of part exchange offers with downsizers, and that's something that we've been looking at quite actively because we would tend to say that your house can't be worth more than the house you're buying, and therefore that precludes a lot of downsizers.

I think that's something where we need to challenge ourselves in terms of how attractive we can be to downsizers. You see on downsizers that a lot of what they want is low maintenance, low running costs and not having to think about it replacing kitchens and bathrooms and so on.

### John Messenger

Thank you, everybody and over to David.

David Thomas

Thank you very much. I appreciate all the questions, thank you, and we will be back in April with a trading update. Thanks very much.

[End]