

24 March 2026



Bellway p.l.c. today announces its interim results for the half year ended 31 January 2026.

## **Robust first half performance, driving enhanced capital efficiency and shareholder returns**

### **Jason Honeyman, Chief Executive, commented:**

“Bellway has delivered a robust first half performance in a challenging market. While our industry continues to face several headwinds, we have seen an improvement in customer demand and reservations since the start of the new calendar year. At this stage, the situation in the Middle East has not had a material impact on trading and, supported by our forward order book, we are on track to deliver FY26 underlying operating profit within the range of £320m - £330m<sup>2,3</sup>.

The ongoing conflict in the Middle East heightens the risk of both inflationary cost pressures and an impact to customer demand, and we have already seen volatility return to the mortgage market. Notwithstanding this, I am confident that our self-help and drive for capital efficiency will help mitigate the impact on our strategy to increase cash generation and shareholder returns.

Bellway has a strong balance sheet and land bank, and under stable market conditions, the Group is well-positioned to continue delivering volume growth and much needed high-quality new homes in the years ahead.”

### **Financial highlights**

- Growth in total housing completions of 2.7% to 4,702 homes (2025 – 4,577) at an average selling price of £322,180 (2025 – £310,581).
- Underlying operating profit increased by 1.5% to £159.0m<sup>2,3</sup> (2025 – £156.6m) and the underlying operating margin reduced to 10.5%<sup>2,3</sup> (2025 – 11.0%).
- Net adjusting items relating to legacy building safety, before taxation, totalled £10.7m (2025 – £9.4m). This comprised an adjusting finance expense in line with previous guidance, of £6.5m (2025 – £7.3m) and £4.2m (2025 – £2.1m) for the net increase in overall cost estimates.
- Adjusted operating cashflow in the period was £314.1m<sup>2,3</sup> (2025 – £366.1m) and the Group is on track to deliver a significant increase in adjusted operating cashflow in the second half of the financial year.
- The interim dividend has increased to 23.0p per share (2025 – 21.0p) and underlying dividend cover for the full financial year is expected to be 2.5 times<sup>2,3</sup>. The £150m share buyback launched on 14 October 2025 is progressing well, with around £64m of shares repurchased as at 13 March 2026.
- Well-capitalised balance sheet with modest period-end net debt of £72.0m<sup>2</sup> (2025 – £8.0m), after dividends and share buybacks totalling £105.3m. In line with our strategy, adjusted gearing, including land creditors, remains low at 10.3%<sup>2</sup> (2025 – 8.5%).

### **Operational highlights**

- The private reservation rate per outlet per week, including bulk sales, was 0.47 (2025 – 0.51). The private reservation rate excluding bulk sales was 0.46 (2025 – 0.45).
- We have maintained a strong land bank which at 31 January 2026 comprised a total of 94,393 plots<sup>4</sup> (2025 – 95,506) and included 47,793 owned and controlled plots<sup>4</sup> (2025 – 49,406), providing good visibility on outlet openings.
- Reflecting the strength of our land bank and drive for capital efficiency, we have continued with a disciplined approach to land acquisition and contracted to purchase 4,721 owned and controlled plots (2025 – 5,246) during the first half.
- The Group traded from an average of 244 outlets during the period (2025 – 248), in line with our expectations, with a closing position of 238 outlets as at 31 January 2026.
- We have maintained a strong strategic land bank comprising 46,600 plots (2025 – 46,100) which underpins our longer-term growth prospects for a relatively low initial capital outlay.
- We successfully opened our new timber frame facility, Bellway Home Space, in January and have started supplying our divisions with frames for planned housing completions in the second half of FY26.
- Our ongoing focus on providing high-quality homes and service for our customers has resulted in Bellway retaining its position as a five-star<sup>5</sup> homebuilder for the tenth consecutive year.

## Recent trading and outlook

- In the six weeks since 1 February, the private reservation rate per outlet per week, including bulk sales, was 0.70 (1 February to 16 March 2025 – 0.76). The private reservation rate excluding bulk sales was 0.66 (2025 – 0.66).
- The forward order book at 13 March 2026 comprised 5,311 homes (16 March 2025 – 5,582 homes) with a value of £1,551.6m<sup>2</sup> (16 March 2025 – £1,581.0m).
- Volume output in FY26 is now expected to be ahead of previous guidance at between 9,300 and 9,500 homes (31 July 2025 – 8,749). The overall average selling price is now anticipated to be around £325,000 (31 July 2025 – £316,412). The increase from the previous guidance of around £320,000 is mainly due to changes in product mix, including the expected conversion of completions from our bulk sales pipeline.
- We expect the FY26 underlying operating margin to be similar to the first half at around 10.5%<sup>2,3</sup> (31 July 2025 – 10.9%) and, supported by our forward order book, we are on track to deliver FY26 underlying operating profit within the range of £320m - £330m<sup>2,3</sup>.

## Notes and definitions

- All figures relating to completions, order book, reservations, cancellations and average selling price exclude the Group's share of its joint ventures unless otherwise stated.
- Comparatives are for the half year ended 31 January 2025 or as at 31 January 2025 ('2025') unless otherwise stated.
- 1 The definition of capital employed has been updated to deduct net cash. This had no impact on the comparative figures. This was done to ensure consistency in the calculation of the performance measure with other companies in the housebuilding sector to allow for more meaningful comparison (note 15).
- 2 Bellway uses a range of statutory performance measures and alternative performance measures when reviewing the performance of the Group against its strategy. Definitions of the alternative performance measures, and a reconciliation to statutory performance measures, are included in note 15.
- 3 Underlying refers to any statutory performance measure or alternative performance measure before net legacy building safety expense and other exceptional items (note 2).
- 4 Includes the Group's share of land owned and controlled through joint venture partners comprising 740 plots (2025 – 873 plots).
- 5 As measured by the Home Builders' Federation using the eight-week NHBC Customer Satisfaction survey.

## Analyst presentation, webcast and conference call

There will be an analyst presentation held at the offices of Deutsche Numis at 9.00am today. The presentation will be hosted by Jason Honeyman, Chief Executive and Shane Doherty, Chief Financial Officer. A listen-only webcast and conference call will accompany the presentation.

To join the webcast, go to the Bellway p.l.c. corporate website, [www.bellwayplc.co.uk/investor-centre](http://www.bellwayplc.co.uk/investor-centre).

To join via the conference call, participants should dial +44 (0)33 0551 0200 and quote 'Bellway' when prompted by the operator. A playback facility will be available on our corporate website shortly after the presentation has finished.

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## Chief Executive's Market and Operational Review

### Market

Similar to the prior financial year, customer demand was impacted by a prolonged period of uncertainty ahead of the Government's Budget in late November. While we did not experience a typical seasonal step-up in reservations during the autumn, trading was stable and followed by a notable increase in January 2026.

Headline pricing across our regions has remained broadly stable, with incentives averaging between 4.5%-5.0%. This represents an increase compared to incentive levels of around 4% in the comparative period, and they have remained at the upper end of this range and an important element in driving reservation rates in the early part of the spring selling season.

The private reservation rate in the first half was 10.2% lower at an average of 114 per week (2025 – 127), with the reduction primarily driven by a lower number of bulk sales. The Group has a good pipeline of bulk sale opportunities, and we expect a higher level of conversion in the second half of the financial year.

The private reservation rate per outlet per week, including bulk sales, was 0.47 (2025 – 0.51). The private reservation rate excluding bulk sales increased slightly to 0.46 (2025 – 0.45). The overall reservation rate, including social homes, was 7.5% lower at 148 per week (2025 – 160) and the cancellation rate remains low at 13% (2025 – 14%).

Overall customer demand was supported by good availability of mortgage finance and relative stability in mortgage interest rates during the period, although affordability remains constrained for many buyers and particularly those customers requiring higher loan-to-value mortgages. In this regard, and to make meaningful headway against its ambitious housing targets and complement its planning reforms, we reiterate that the Government must make a commitment to ease demand-side pressures by introducing essential financial support for first-time buyers.

### High-quality land bank

The strength and depth of the Group's land bank support our growth plans and largely replacement-only land strategy. We have continued with our disciplined approach to land acquisition, and the table below shows the Group's land holdings:

	31 January 2026	31 January 2025
DPP: plots with implementable detailed planning permission	29,453	31,133
Pipeline: plots pending an implementable DPP	17,600	17,400
<b>Bellway owned and controlled plots</b>	<b>47,053</b>	<b>48,533</b>
Bellway share of land owned and controlled by joint ventures	740	873
<b>Total owned and controlled plots<sup>4</sup></b>	<b>47,793</b>	<b>49,406</b>
Strategic land holdings	46,600	46,100
<b>Total land bank<sup>4</sup></b>	<b>94,393</b>	<b>95,506</b>

Bellway's owned and controlled land bank comprises 47,053 plots (2025 – 48,533 plots), including 29,453 plots (2025 – 31,133 plots) with an implementable detailed planning permission ('DPP') and 17,600 pipeline plots (2025 – 17,400 plots). This represents a land bank length of 5.3 years (2025 – 6.0 years) based on the last 12 months' legal completions.

During the first half the Group contracted to purchase 4,721 owned and controlled plots (2025 – 5,246 plots) across 15 sites (2025 – 32 sites) with a total contract value of £226.5m (2025 – £378.2m). This included a large site comprising around 1,900 plots converted from our strategic land bank in the Dunfermline Strategic Development Area, which will act as an anchor site to support growth for both our Scotland West and Scotland East divisions. We also have a good future pipeline of potential acquisitions, with Heads of Terms agreed on around 5,000 plots at 13 March 2026 and, reflecting our largely replacement-only land strategy, we expect overall plots contracted in FY26 to be similar to volume output.

The Group traded from an average of 244 outlets in the period (2025 – 248), in line with our expectations, with a closing position of 238 outlets at 31 January 2026 (2025 – 245). We remain on track to open over 40 new outlets in the second half of the financial year and expect to operate from an average of around 240 in FY26.

Our investment in strategic land has continued, which has enhanced our overall land supply for a relatively low initial capital outlay, while also supporting our longer-term growth ambitions. We entered into option agreements to buy 11 sites (2025 –

11 sites), and our strategic land team also submitted planning applications for 29 sites comprising around 3,900 plots. We are expecting to submit a further 30 sites for planning, comprising around 6,500 plots, from the strategic land bank by the end of July 2026.

Bellway's strategic land portfolio has grown significantly in recent years and now comprises 46,600 plots (2025 – 46,100 plots). We are focussed on increasing the rate of conversion from our strategically sourced land bank and expect it to deliver a growing proportion of volume output, with a target of over 20% in the medium term.

### **Production and cost control**

Overall build cost inflation was running in the low single digits through the first half, and requests for subcontract labour price increases remain low for most trades. There are presently good levels of product availability across the Group and modest overall material cost inflation on new tenders. Looking ahead, and given the ongoing conflict in the Middle East, there are heightened risks of supply chain disruption and rising cost inflation. In light of this, our experienced procurement teams continue to work closely with our wide range of supply chain partners, to ensure we are well-prepared for our targeted increase in volume output in the current financial year and to minimise the impact of any potential disruption to the supply chain.

Bellway has robust cost controls and a strong focus on driving efficiencies across the Group. Our new portfolio of Bellway Collection standard house types is being finalised, incorporating both traditional and timber frame construction and optionality for building to the requirements of the Future Homes Standard. The new house types will be adopted for planning applications during the second half of the year and together with our centralised approach to design, procurement and site layout reviews, will help the Group maintain efficiency and mitigate cost pressures.

As part of our long-term growth strategy, we are increasing the use of sustainably sourced timber frame construction. As previously announced, the Group is targeting an increase in timber frame use to around 30% of housing output by 2030 (31 July 2025 – 14.0%) which will deliver a range of operational, financial and environmental benefits. The planned growth in timber frame output will be achieved primarily through our own proprietary timber frame manufacturing facility, Bellway Home Space, and will help to improve build times and work-in-progress ('WIP') efficiency together with strengthening our commitment to reducing carbon emissions.

We successfully opened Bellway Home Space in January and have started supplying our divisions with frames for planned housing completions in the second half of FY26. We remain confident that our investment in timber frame in the years ahead will support the delivery of our strategic priorities, to drive long-term volume growth and an improvement in return on equity ('RoE').

### **Refreshing the Bellway brand**

Our consistent focus on providing high-quality homes and service for our customers has resulted in Bellway retaining its position as a five-star<sup>5</sup> homebuilder for the tenth consecutive year. Positive customer recognition is key to our ongoing success and, as reflected by the investment in our new range of house types, we are improving the design of our homes to meet the changing needs and expectations of our customers.

To deliver on our strategic priorities of driving growth and efficiencies across the business we have also refreshed the Bellway brand. The redesigned brand has been successfully launched with a new digital-first approach to simplify the customer journey, attract a broader range of buyers to our outlets and enhance revenue opportunities, including customer additions and upgrades.

As part of the brand refresh process, and following a detailed review, we have decided to phase out the Ashberry brand. With the introduction of our refreshed Bellway brand, new Bellway Collection standard house types, and investment in digital customer experiences, maintaining an additional smaller brand which represents a relatively small part of the Group's volume output, is no longer the most efficient use of resources. We do not anticipate any impact on our plans for outlet growth over the medium term, with the transition to be phased over the next three to four years as existing and new outlets gradually become part of the main Bellway brand.

### **Recent trading**

Since the start of the new calendar year there has been sustained improvement in customer demand compared to autumn 2025. In the six weeks since 1 February, the private reservation rate per outlet per week, including bulk sales, was 0.70 (1 February to 16 March 2025 – 0.76). The private reservation rate excluding bulk sales was 0.66 (2025 – 0.66).

Reflecting recent trading and volume output, the forward order book at 13 March 2026 comprised 5,311 homes (16 March 2025 – 5,582 homes) with a value of £1,551.6m<sup>2</sup> (16 March 2025 – £1,581.0m).

## **Outlook**

There have been good levels of reservation rates and leads for our sales teams in the early part of the spring selling season and, at this stage, the situation in the Middle East has not had a material impact on trading. Supported by our forward order book, we are on track to deliver FY26 underlying operating profit within the range of £320m - £330m<sup>2,3</sup>.

Volume output in FY26 is now expected to be ahead of previous guidance at between 9,300 and 9,500 homes (31 July 2025 – 8,749) and we expect the underlying operating margin to be similar to the first half at around 10.5%<sup>2,3</sup> (31 July 2025 – 10.9%).

Under stable market conditions, we remain well-placed to increase volume output to around 10,000 homes by FY28, however, the ongoing conflict in the Middle East has led to the return of volatility in the mortgage market in recent weeks and heightened the risk of both lower customer demand and inflationary cost pressures.

Notwithstanding the current industry headwinds and geopolitical tensions, I am confident that our self-help and drive for capital efficiency will help mitigate the impact on our strategy to increase cash generation and shareholder returns.

**Jason Honeyman**  
Chief Executive  
23 March 2026

## Chief Financial Officer's Review

### Summary of key performance measures

	Half year ended 31 January 2026	Half year ended 31 January 2025	Movement
Housing completions	4,702	4,577	+2.7%
Revenue	£1,520.1m	£1,429.4m	+6.3%
<b>Underlying performance measures<sup>2,3</sup>:</b>			
Gross profit (underlying)	£247.0m	£233.8m	+5.6%
Gross margin (underlying)	16.2%	16.4%	(20 bps)
Operating profit (underlying)	£159.0m	£156.6m	+1.5%
Operating margin (underlying)	10.5%	11.0%	(50 bps)
Profit before taxation (underlying)	£150.9m	£150.2m	+0.5%
Basic earnings per share (underlying)	91.2p	90.3p	+1.0%
Adjusted operating cashflow	£314.1m	£366.1m	(14.2%)
RoCE (underlying)	8.9%	8.9% <sup>1</sup>	-
Pre-tax RoE (underlying)	8.5%	8.6%	(10bps)
<b>Statutory and other performance measures:</b>			
Adjusting items (pre-tax)	£11.0m	£9.4m	+17.0%
Profit before taxation	£139.9m	£140.8m	(0.6%)
Basic earnings per share	84.5p	84.6p	(0.1%)
Interim dividend per share	23.0p	21.0p	+9.5%
Net asset value per share	3,005p <sup>2</sup>	2,960p <sup>2</sup>	+1.5%
Net debt	£72.0m <sup>2</sup>	£8.0m <sup>2</sup>	+800.0%
Land bank (plots)	94,393 <sup>4</sup>	95,506 <sup>4</sup>	(1.2%)

### Trading performance

The Group has delivered growth in housing revenue of 6.6% to £1,514.9m (2025 – £1,421.6m), which was supported by a strengthened order book at the start of the financial year. Other revenue was £5.2m (2025 – £7.8m) and comprises ancillary items including land and commercial sales, and management fee income earned on our joint venture schemes. Total revenue was 6.3% higher at £1,520.1m (2025 – £1,429.4m).

The table below shows the number and average selling price of homes completed in the period, analysed between private and social homes, and against the prior year period comparative:

	2026		2025		Movement (%)	
	Homes	ASP (£000)	Homes	ASP (£000)	Homes	ASP
Private	3,702	354.6	3,617	345.9	2.4%	2.5%
Social	1,000	202.2	960	177.6	4.2%	13.9%
<b>Total</b>	<b>4,702</b>	<b>322.2</b>	<b>4,577</b>	<b>310.6</b>	<b>2.7%</b>	<b>3.7%</b>

Total housing completions increased by 2.7% to 4,702 homes (2025 – 4,577) and overall private output rose by 2.4% to 3,702 homes (2025 – 3,617). There was a 4.2% increase in social housing output to 1,000 homes (2025 – 960), and the proportion of social completions was in line with the prior year period at 21.3% of the total (2025 – 21.0%). We have good visibility on our near-term build programmes, and we expect a similar number of social housing completions in the second half of the current financial year.

The overall average selling price was in line with our expectations at £322,180 (2025 – £310,581). While there were some geographic and mix changes, headline pricing remained broadly stable and the level of incentives increased modestly and averaged between 4.5%-5.0% (2025 – around 4%). The overall average selling price for the full year is now anticipated to be around £325,000 (31 July 2025 – £316,412). The increase from the previous guidance of around £320,000 is mainly due to changes in product mix, including the expected conversion of higher value private completions in the South of England from our bulk sales pipeline.

## Underlying operating performance

The Group's strong commercial disciplines and proactive management of site-based overheads helped to alleviate some of the margin pressures faced during the period. Notwithstanding this, margins face ongoing pressures from the effects of residual cost inflation and extended site durations, and the absence of underlying house price inflation. As a result, the underlying gross margin reduced slightly to 16.2%<sup>2,3</sup> (2025 – 16.4%). Driven by higher revenues in the period, underlying gross profit increased by 5.6% to £247.0m<sup>2,3</sup> (2025 – £233.8m).

Other operating income and expenses, which net to a modest expense of £1.7m (2025 – £0.3m), relate to the running of our part-exchange programme. Part-exchange activity remains disciplined, and while it is an important selling incentive for customers, it represents a relatively modest proportion of our transactions. During the first half it was used for 5.8% (2025 – 3.1%) of completions with a balance sheet investment at 31 January 2026 of £46.4m (2025 – £15.6m). The Group has strong controls around the use of part-exchange homes as a selling tool, and we have the financial capacity to further increase its use, in a controlled manner, if market conditions require it.

The underlying administrative expense rose by 12.2% to £86.3m<sup>2,3</sup> (2025 – £76.9m). The increase, which was in line with previous guidance, reflects the requirement to continue offering competitive reward packages to attract and retain talent to support our growth plans, together with the costs of our new timber frame manufacturing operations. We expect full year underlying administrative expenses<sup>2,3</sup> to increase to between £170m and £175m (31 July 2025 – £152.0m).

Given the slight reduction in underlying gross margin and lower overhead recovery, the underlying operating margin for the half year reduced to 10.5%<sup>2,3</sup> (2025 – 11.0%). For the full year, reflecting ongoing pressures from build cost inflation and incremental use of sales incentives, together with an anticipated higher proportion of bulk sale completions, we now expect the underlying operating margin to be similar to the first half at around 10.5%<sup>2,3</sup> (31 July 2025 – 10.9%).

The Group will continue with a disciplined approach to land investment and cost management, and with the support of stable conditions in the housing market, the Board is confident that an underlying operating margin in the mid-teens<sup>2,3</sup> is achievable and sustainable over the longer term.

## Adjusting item: Net legacy building safety expense

Bellway has allocated and committed significant resource and funding to remediate its legacy apartments, and we continue to make good progress on addressing building safety issues.

In the first half, the Group recognised a net adjusting expense of £10.7m (2025 – £9.4m) in relation to legacy building safety. The total adjusting expense includes a net adjusting expense of £4.2m (2025 – £2.1m) through cost of sales, which relates to the refinement of overall cost estimates in relation to both the SRT and associated review and structural defects provisions.

The adjusting finance expense in the period was £6.5m (2025 – £7.3m) and related to the unwinding of the discount on both the SRT and associated review provision and the structural defects provision. This is a non-cash interest unwind, which was in line with previous guidance. The adjusting finance expense is subject to a range of assumptions, and based on the 31 January 2026 forward looking discount rate, we currently anticipate an adjusting finance expense of around £7m in the second half of FY26.

The total amount Bellway has set aside for legacy buildings in England, Scotland and Wales since 2017 is £718.2m. Demonstrating our ongoing commitment to deliver appropriate solutions for legacy buildings, the Group has spent £211.7m since the start of the remediation programme, with a remaining provision of £506.5m at 31 January 2026.

Our experienced site remediation teams remain focused on completing works as promptly and efficiently as possible. As at 31 January 2026 and including those buildings that have been awarded an application by the Building Safety Fund or ACM Funds, Bellway had a total of 172 buildings where work is complete or underway.

## Net underlying finance expense

The modest rise in the net underlying finance expense to £6.7m<sup>2,3</sup> (2025 – £5.8m) was primarily due to the unwinding of the higher interest rates charged on the land creditor balance in the period. This resulted in a higher non-cash interest charge on land acquired on deferred terms of £7.7m (2025 – £7.1m). The total underlying non-cash related net finance expense in the first half was £8.1m<sup>2,3</sup> (2025 – £7.5m), and cash related net finance income was £1.4m (2025 – £1.7m).

As outlined at our FY25 results, we will be utilising an efficient capital structure, including running the business with a modest level of average net debt and low year end gearing of up to 5%<sup>2</sup>. As a result, and based on prevailing interest rates, the net underlying interest expense in FY26 is anticipated to be around £20m<sup>2,3</sup> (31 July 2025 – £12.9m).

## Profit for the period

Including our share of loss from joint ventures of £1.4m (2025 – £0.6m), which reflects upfront financing costs on a long-term scheme, underlying profit before taxation increased slightly to £150.9m<sup>2,3</sup> (2025 – £150.2m). Reported profit before taxation was £139.9m (2025 – £140.8m).

The income tax expense was £40.2m (2025 – £40.4m), reflecting an effective tax rate of 28.7% (2025 – 28.7%). The effective tax rate reflects the standard rate of UK corporation tax of 25% and also includes the Residential Property Developer Tax ('RPDT'), which is charged at a rate of 4% of relevant taxable profits.

The underlying profit for the period was £107.6m<sup>2,3</sup> (2025 – £107.1m) and basic underlying earnings per share was 91.2p<sup>2,3</sup> (2025 – 90.3p). After considering the adjusting items, reported profit for the period was £99.7m (2025 – £100.4m) and basic earnings per share was 84.5p (2025 – 84.6p).

## Strong balance sheet and financial position

Bellway's well-capitalised balance sheet principally comprises amounts invested in land and WIP. Within total inventories of £4,761.4m (2025 – £4,764.3m), the carrying value of land reduced by 2.9% to £2,465.2m (2025 – £2,538.2m), and reflecting our broadly stable outlet position, the value of showhomes was similar to the prior year at £145.8m (2025 – £146.3m). The value of part-exchange properties rose to £46.4m (2025 – £15.6m) and there was a modest increase in the WIP balance to £2,104.0m (2025 – £2,064.2m). Notably, the WIP balance was lower than the position of £2,165.0m at the start of the financial year, highlighting good early progress with our capital efficiency drive.

In conjunction with our ongoing disciplined investment in site infrastructure and programme of outlet openings to support growth in volume output, we also have a sharp focus on further monetisation of our well-invested WIP position. We are targeting further reductions in the WIP balance in FY26 and beyond to support increases in asset turn and cash generation.

We have maintained a strong and efficient balance sheet, with modest net debt at 31 January 2026 of £72.0m<sup>2</sup> (2025 – £8.0m), after dividends and share buyback cash expenditure totalling £105.3m. During the first half, expenditure on land, including payment of land creditors, was £302.0m (2025 – £302.0m), primarily comprising cash payments on contracts approved in previous financial years. Committed land obligations were £289.6m (2025 – £289.7m) and adjusted gearing, inclusive of land creditors, remains low at 10.3%<sup>2</sup> (2025 – 8.5%).

## Capital allocation and delivering value for shareholders

Our capital allocation framework is based on maintaining balance sheet strength and low gearing, while driving capital efficiencies to increase cash generation. It is underpinned by a flexible approach to deliver value creation for shareholders through optimising the balance between investment in growth and returns to shareholders.

Our refreshed approach to capital efficiency has been embedded across the Group over the last year and is delivering positive results. Adjusted operating cashflow in the period was £314.1m<sup>2,3</sup> (2025 – £366.1m) and we are on track to deliver a significant increase in adjusted operating cashflow in the second half of the financial year. We will continue to leverage our strong land bank and WIP position to drive further improvements in cash generation, which will enable us to meet the investment needs of the business, legacy building safety obligations, regular dividend payments and additional returns to shareholders.

The £150m share buyback launched on 14 October 2025 is progressing well, with 2.37m shares purchased at a cost of around £64m as at 13 March 2026, and the Group intends to continue with the return of excess capital in future years. Bellway also has a sustainable ordinary dividend policy. The interim dividend has increased to 23.0p per share (2025 – 21.0p) and underlying dividend cover for the full financial year is expected to be 2.5 times<sup>2,3</sup>.

Net assets reduced slightly to £3,522.9m (31 July 2025 – £3,556.2m), with the key drivers being profitability in the period offset by dividend payments of £57.6m, and after accounting for the £75.3m irrevocable first tranche of the share buyback programme announced on 14 October 2025. The effect of the share buybacks undertaken during the period resulted in a slight increase in NAV per share to 3,005p<sup>2</sup> (31 July 2025 – 2,989p). An increase in asset turn was partly offset by the lower underlying operating margin and as a result, underlying return on capital employed ('RoCE') was 8.9%<sup>2,3</sup> (2025 – 8.9%<sup>6</sup>). Underlying pre-tax RoE was 8.5%<sup>2,3</sup> (2025 – 8.6%).

The Board remains confident that, with supportive market conditions, Bellway is in an excellent position to capitalise on future growth opportunities. Together with our drive for greater cash generation and capital efficiency, we are well-placed to deliver a recovery in returns and ongoing value creation for our shareholders.

**Shane Doherty**

Chief Financial Officer

23 March 2026

## Condensed Group Income Statement

	Note	Half year ended 31 January 2026 £m	Half year ended 31 January 2025 £m	Year ended 31 July 2025 £m
<b>Revenue</b>	1	<b>1,520.1</b>	1,429.4	2,782.8
Cost of sales		<b>(1,277.3)</b>	(1,197.7)	(2,363.4)
Analysed as:				
Underlying cost of sales		<b>(1,273.1)</b>	(1,195.6)	(2,326.0)
Adjusting item: net legacy building safety expense	2	<b>(4.2)</b>	(2.1)	(37.4)
<b>Gross profit</b>		<b>242.8</b>	231.7	419.4
Other operating income		<b>46.5</b>	31.5	69.3
Other operating expenses		<b>(48.2)</b>	(31.8)	(70.6)
Administrative expenses		<b>(86.6)</b>	(76.9)	(167.4)
Analysed as:				
Underlying administrative expenses		<b>(86.3)</b>	(76.9)	(152.0)
Adjusting item: other exceptional items	2	<b>(0.3)</b>	-	(15.4)
<b>Operating profit</b>		<b>154.5</b>	154.5	250.7
Finance income	8	<b>4.7</b>	5.0	9.6
Finance expenses	8	<b>(17.9)</b>	(18.1)	(36.9)
Analysed as:				
Underlying finance expenses		<b>(11.4)</b>	(10.8)	(22.5)
Adjusting item: net legacy building safety expense	2,8	<b>(6.5)</b>	(7.3)	(14.4)
Share of result of joint ventures after tax		<b>(1.4)</b>	(0.6)	(1.5)
<b>Profit before taxation</b>		<b>139.9</b>	140.8	221.9
Income tax expense	4	<b>(40.2)</b>	(40.4)	(64.4)
<b>Profit for the period *</b>		<b>99.7</b>	100.4	157.5
<b>Earnings per ordinary share – Basic</b>	3	<b>84.5p</b>	84.6p	132.8p
<b>Earnings per ordinary share – Diluted</b>	3	<b>83.8p</b>	84.0p	131.8p
<b>Dividend per ordinary share</b>	11	<b>23.0p</b>	21.0p	70.0p

\* All attributable to equity holders of the parent.

<b>Adjusting items</b>	Note	<b>Half year ended 31 January 2026 £m</b>	Half year ended 31 January 2025 £m	Year ended 31 July 2025 £m
<b>Gross profit</b>				
Gross profit per the Condensed Group Income Statement		<b>242.8</b>	231.7	419.4
Adjusting item: net legacy building safety expense	2	<b>4.2</b>	2.1	37.4
Underlying gross profit		<b>247.0</b>	233.8	456.8
<b>Operating profit</b>				
Operating profit per the Condensed Group Income Statement		<b>154.5</b>	154.5	250.7
Adjusting item: net legacy building safety expense	2	<b>4.2</b>	2.1	37.4
Adjusting item: other exceptional items	2	<b>0.3</b>	-	15.4
Underlying operating profit		<b>159.0</b>	156.6	303.5
<b>Profit before taxation</b>				
Profit before taxation per the Condensed Group Income Statement		<b>139.9</b>	140.8	221.9
Adjusting item: net legacy building safety expense	2	<b>10.7</b>	9.4	51.8
Adjusting item: other exceptional items	2	<b>0.3</b>	-	15.4
Underlying profit before taxation		<b>150.9</b>	150.2	289.1
<b>Profit for the period</b>				
Profit for the period per the Condensed Group Income Statement		<b>99.7</b>	100.4	157.5
Adjusting item: net legacy building safety expense	2	<b>10.7</b>	9.4	51.8
Adjusting item: other exceptional items	2	<b>0.3</b>	-	15.4
Adjusting item: income tax on exceptional items	2	<b>(3.1)</b>	(2.7)	(15.0)
Underlying profit for the period		<b>107.6</b>	107.1	209.7

## Condensed Group Statement of Comprehensive Income

	Note	<b>Half year ended 31 January 2026 £m</b>	Half year ended 31 January 2025 £m	Year ended 31 July 2025 £m
<b>Profit for the period</b>		<b>99.7</b>	100.4	157.5
<b>Other comprehensive income/(expense)</b>				
Items that will not be recycled to the income statement:				
Remeasurement gains/(losses) on defined benefit pension plans		<b>1.1</b>	(0.4)	-
Income tax on other comprehensive (income)/expense	4	<b>(0.3)</b>	0.1	-
<b>Other comprehensive income/(expense) for the period, net of income tax</b>		<b>0.8</b>	(0.3)	-
<b>Total comprehensive income for the period *</b>		<b>100.5</b>	100.1	157.5

\* All attributable to equity holders of the parent.

## Condensed Group Statement of Changes in Equity

	Note	Issued capital	Share premium	Capital redemption reserve	Other reserves	Retained earnings	Total equity
		£m	£m	£m	£m	£m	£m
<b>Half year ended 31 January 2026</b>							
<b>Balance at 1 August 2025</b>		14.8	183.5	20.6	1.5	3,335.8	3,556.2
<b>Total comprehensive income for the period</b>							
Profit for the period		-	-	-	-	99.7	99.7
Other comprehensive income *		-	-	-	-	0.8	0.8
Total comprehensive income for the period		-	-	-	-	100.5	100.5
<b>Transactions with shareholders recorded directly in equity:</b>							
Dividends on equity shares	11	-	-	-	-	(57.6)	(57.6)
Purchase of own shares		-	-	-	-	(4.7)	(4.7)
Shares issued		-	0.1	-	-	-	0.1
Credit in relation to share options and tax thereon	4	-	-	-	-	3.7	3.7
Share buyback programme and cancellation of shares	10	(0.2)	-	0.2	-	(75.3)	(75.3)
Total contributions by and distributions to shareholders		(0.2)	0.1	0.2	-	(133.9)	(133.8)
<b>Balance at 31 January 2026</b>		<b>14.6</b>	<b>183.6</b>	<b>20.8</b>	<b>1.5</b>	<b>3,302.4</b>	<b>3,522.9</b>
<b>Half year ended 31 January 2025</b>							
<b>Balance at 1 August 2024</b>		14.8	183.2	20.6	1.5	3,245.3	3,465.4
<b>Total comprehensive income for the period</b>							
Profit for the period		-	-	-	-	100.4	100.4
Other comprehensive expense *		-	-	-	-	(0.3)	(0.3)
Total comprehensive income for the period		-	-	-	-	100.1	100.1
<b>Transactions with shareholders recorded directly in equity:</b>							
Dividends on equity shares	11	-	-	-	-	(45.1)	(45.1)
Credit in relation to share options and tax thereon	4	-	-	-	-	2.0	2.0
Total contributions by and distributions to shareholders		-	-	-	-	(43.1)	(43.1)
<b>Balance at 31 January 2025</b>		<b>14.8</b>	<b>183.2</b>	<b>20.6</b>	<b>1.5</b>	<b>3,302.3</b>	<b>3,522.4</b>
<b>Year ended 31 July 2025</b>							
<b>Balance at 1 August 2024</b>		14.8	183.2	20.6	1.5	3,245.3	3,465.4
<b>Total comprehensive income for the year</b>							
Profit for the year		-	-	-	-	157.5	157.5
Other comprehensive expense *		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	157.5	157.5
<b>Transactions with shareholders recorded directly in equity:</b>							
Dividends on equity shares	11	-	-	-	-	(70.0)	(70.0)
Purchase of own shares		-	-	-	-	(1.0)	(1.0)
Shares issued		-	0.3	-	-	-	0.3
Credit in relation to share options and tax thereon	4	-	-	-	-	4.0	4.0
Total contributions by and distributions to shareholders		-	0.3	-	-	(67.0)	(66.7)
<b>Balance at 31 July 2025</b>		<b>14.8</b>	<b>183.5</b>	<b>20.6</b>	<b>1.5</b>	<b>3,335.8</b>	<b>3,556.2</b>

\* An additional breakdown is provided in the Condensed Group Statement of Comprehensive Income.

## Condensed Group Balance Sheet

	Note	At 31 January 2026 £m	At 31 January 2025 £m	At 31 July 2025 £m
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		47.9	41.7	45.5
Financial assets		49.9	49.8	54.0
Equity accounted joint arrangements		0.1	9.3	0.1
Deferred tax assets	4	4.4	0.8	2.7
Retirement benefit assets		2.1	0.6	0.9
		<b>104.4</b>	102.2	103.2
<b>Current assets</b>				
Inventories	5	4,761.4	4,764.3	4,838.1
Trade and other receivables		79.1	87.7	81.0
Corporation tax receivable	4	1.1	-	0.4
Cash and cash equivalents	7	118.0	122.0	171.8
		<b>4,959.6</b>	4,974.0	5,091.3
<b>Total assets</b>		<b>5,064.0</b>	5,076.2	5,194.5
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings	7	(130.0)	(130.0)	(130.0)
Trade and other payables		(104.5)	(100.2)	(90.5)
Provisions	6	(363.3)	(358.1)	(350.5)
		<b>(597.8)</b>	(588.3)	(571.0)
<b>Current liabilities</b>				
Interest-bearing loans and borrowings	7	(60.0)	-	-
Corporation tax payable	4	-	(9.1)	-
Trade and other payables		(740.1)	(812.4)	(901.4)
Provisions	6	(143.2)	(144.0)	(165.9)
		<b>(943.3)</b>	(965.5)	(1,067.3)
<b>Total liabilities</b>		<b>(1,541.1)</b>	(1,553.8)	(1,638.3)
<b>Net assets</b>		<b>3,522.9</b>	3,522.4	3,556.2
<b>EQUITY</b>				
Issued capital	10	14.6	14.8	14.8
Share premium		183.6	183.2	183.5
Capital redemption reserve	10	20.8	20.6	20.6
Other reserves		1.5	1.5	1.5
Retained earnings		3,302.4	3,302.3	3,335.8
<b>Total equity</b>		<b>3,522.9</b>	3,522.4	3,556.2

## Condensed Group Cash Flow Statement

	Note	Half year ended 31 January 2026 £m	Half year ended 31 January 2025 £m	Year ended 31 July 2025 £m
<b>Cash flows from operating activities</b>				
Profit for the period		99.7	100.4	157.5
Depreciation charge		2.8	2.7	5.5
Loss on the sale of property, plant and equipment		-	0.1	-
Finance income	8	(4.7)	(5.0)	(9.6)
Finance expenses	8	17.9	18.1	36.9
Share-based payment expense		3.0	2.4	4.6
Share of post tax result of joint ventures		1.4	0.6	1.5
Income tax expense	4	40.2	40.4	64.4
Decrease/(increase) in inventories		76.7	(49.5)	(101.9)
Decrease/(increase) in trade and other receivables		3.8	(11.5)	(4.4)
(Decrease)/increase in trade and other payables		(181.7)	11.0	74.7
Decrease in provisions	6	(16.4)	(14.4)	(7.2)
<b>Cash from operations</b>		<b>42.7</b>	<b>95.3</b>	<b>222.0</b>
Interest paid		(5.1)	(3.3)	(6.7)
Income tax paid		(42.0)	(40.3)	(76.1)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>(4.4)</b>	<b>51.7</b>	<b>139.2</b>
<b>Cash flows from investing activities</b>				
Acquisition of subsidiary, net of cash acquired		-	-	(4.6)
Acquisition of property, plant and equipment		(5.0)	(6.0)	(11.9)
Proceeds from sale of property, plant and equipment		0.1	-	-
Increase in loans to joint ventures		(0.6)	(0.6)	(6.5)
Repayment of loans by joint ventures		6.0	-	3.3
Dividends from joint ventures		-	1.0	3.1
Interest received		2.1	2.4	3.7
<b>Net cash inflow/(outflow) from investing activities</b>		<b>2.6</b>	<b>(3.2)</b>	<b>(12.9)</b>
<b>Cash flows from financing activities</b>				
Increase in bank borrowings		60.0	-	-
Payment of lease liabilities		(2.1)	(0.9)	(3.3)
Proceeds from the issue of share capital on exercise of share options		0.1	-	0.3
Purchase of own shares		(4.7)	-	(1.0)
Share buyback programme	10	(47.7)	-	-
Dividends paid	11	(57.6)	(45.1)	(70.0)
<b>Net cash outflow from financing activities</b>		<b>(52.0)</b>	<b>(46.0)</b>	<b>(74.0)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(53.8)</b>	<b>2.5</b>	<b>52.3</b>
Cash and cash equivalents at beginning of period		171.8	119.5	119.5
<b>Cash and cash equivalents at end of period</b>	7	<b>118.0</b>	<b>122.0</b>	<b>171.8</b>

## Notes

### Basis of preparation

Bellway p.l.c. (the 'Company') is a company incorporated in England and Wales.

These condensed consolidated interim financial statements, prepared to 31 January 2026, include the results of the Company, its subsidiaries and the Group's interest in joint arrangements (together referred to as the 'Group').

These condensed consolidated interim financial statements are unaudited and were authorised for issue by the Board on 23 March 2026.

#### a) Basis of preparation

This set of condensed consolidated interim financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the UK.

The comparative figures for the financial year ended 31 July 2025 are not the Group's statutory financial statements for that financial year as defined in section 434 of the Companies Act 2006. Those financial statements have been reported on by the Group's auditor and delivered to the Registrar of Companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The annual financial statements of the Group for financial year ending 31 July 2026 will be prepared in accordance with UK adopted International Accounting Standards ('IAS'). As required by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, these condensed consolidated interim financial statements have been prepared applying the accounting policies and presentation that were applied in the preparation of the Group's published consolidated financial statements for the year ended 31 July 2025.

#### b) Going concern

The Group's activities are financed principally by a combination of ordinary shares and cash in hand less debt. At 31 January 2026, Bellway had net debt of £72.0 million<sup>2</sup> (note 7), having utilised cash of £53.8 million (note 7) during the period, including a £4.4 million net cash outflow from operating activities.

The Group has operated within all its debt covenants throughout the period, and covenant compliance was considered as part of the going concern assessment. In addition, the Group had bank facilities of £400 million at 31 January 2026, expiring in December 2030. Furthermore, in February 2021 the Group entered into a contractual arrangement to issue a sterling US Private Placement ('USPP') for a total amount of £130.0 million, as part of its ordinary course of business financing arrangements, which has maturity dates in 2028 and 2031. In aggregate, the Group had committed debt lines of £530.0 million at 31 January 2026.

Including committed debt lines and cash, Bellway had access to total funds of £458.0 million, along with net current assets (excluding cash and bank loans) of £3,958.3 million at 31 January 2026, providing the Group with appropriate liquidity to meet its current liabilities as they fall due.

The Group's internal forecasts have been regularly updated, incorporating our actual experience along with our expected future outturn. The latest available base forecast has been sensitised, setting out the Group's resilience to the principal risks and uncertainties in the most severe but plausible scenario. The sensitivity includes a recession due to economic uncertainty and a deterioration in customer confidence. This could lead to a reduction in both the total number of legal completions and private average selling price, with overheads, land spend and construction spend reducing accordingly.

This sensitivity includes the following principal assumptions:

- Private completions in H2 FY26 are supported by the forward order book. In the 12 months to 31 July 2027, private completions reduce by around 50% compared to the 12-month pre-stress peak achieved in FY22. This is followed by a gradual recovery based on the lower base position.

## Notes (continued)

### Basis of preparation (continued)

#### b) Going concern (continued)

- Private average selling price in H2 FY26 remains in line with internal forecasts due to the forward order book position. In the 12 months to 31 July 2027, the private average selling price reduces by 10% compared to the latest achieved pricing. This is followed by a gradual recovery based on the lower base position.
- These assumptions reflect the Group's experience in the 2008-09 Global Financial Crisis.

A number of prudent mitigating actions within the Directors' control were incorporated into the severe but plausible downside scenario, including:

- Plots in the land bank only being replaced at the same rate that they are utilised.
- Construction spend reducing in line with housing revenue.
- Dividends reducing in line with earnings.

The sensitivity analysis was modelled over the period to 31 July 2027 for the going concern assessment. In addition to the scenario, several additional mitigating measures remain available to management that were not included in the scenario. These include withholding discretionary land spend and instead trading out of the substantial existing land holdings.

In the scenario, the Group had significant headroom in both its financial debt covenants and existing debt facilities and met its liabilities as they fall due. In relation to climate risks, and in particular the requirement of the Group to reduce carbon emissions, the going concern assessment is not considered to be materially affected by the Future Homes Standard.

The Directors consider that the Group is well placed to manage business and financial risks in the current economic environment. Consequently, the Directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for the period to 31 July 2027, aligning with the first year end after the minimum 12 month assessment period, and have therefore prepared the condensed consolidated interim financial statements on a going concern basis.

#### c) Accounting policies

##### Effect of new accounting standards and amendments

The adoption of the new accounting standards and amendments effective for the first time in these condensed consolidated interim financial statements have not had a material effect on the Groups' equity or profit for the period.

#### d) Accounting estimates and judgements

While preparing these condensed consolidated interim financial statements, the Directors are required to make significant estimates and judgements that could have a significant effect on these financial statements when applying the Group's accounting policies.

When preparing these condensed consolidated interim financial statements, the major judgements in applying the Group's accounting policies and the major sources of estimation uncertainty were those applied in the Group's Annual Report and Accounts for the year ended 31 July 2025.

#### e) Seasonality

In common with the rest of the UK housebuilding industry, activity occurs throughout the year, but is subject to the two main house selling seasons of spring and autumn. As these seasons fall in separate half years, the Group's financial results are not usually subject to significant seasonal variations.

## Notes (continued)

### Performance for the period

#### 1. Revenue

##### Segmental analysis

The Executive Board (the Chief Operating Decision Maker as defined in IFRS 8 'Operating Segments') regularly reviews the Group's performance and balance sheet position at both a consolidated and divisional level. Each division is an operating segment as defined by IFRS 8 in that the Executive Board assesses performance and allocates resources at this level. All of the divisions have been aggregated into one reporting segment on the basis that they share similar economic characteristics including:

- National supply agreements are in place for key inputs including materials.
- Debt is raised centrally and the cost of capital is the same at each division.
- Sales demand at each division is subject to the same macroeconomic factors, such as mortgage availability and government policy.

Additional information on average selling prices and the unit sales split between private and social has been included in the Chief Financial Officer's Review. The Board does not, however, consider these categories to be separate reportable segments as they review the entire operations at a consolidated and divisional level when assessing performance and making decisions about the allocation of resources.

##### Revenue from contracts with customers

An analysis of the Group's revenue is as follows:

	Housing completions			Revenue		
	Half year ended 31 January 2026 Number	Half year ended 31 January 2025 Number	Year ended 31 July 2025 Number	Half year ended 31 January 2026 £m	Half year ended 31 January 2025 £m	Year ended 31 July 2025 £m
Housing - private	3,702	3,617	6,924	1,312.7	1,251.1	2,426.4
Housing - social	1,000	960	1,825	202.2	170.5	341.9
<b>Total housing</b>	<b>4,702</b>	<b>4,577</b>	<b>8,749</b>	<b>1,514.9</b>	<b>1,421.6</b>	<b>2,768.3</b>
Non-housing revenue	-	-	-	5.2	7.8	14.5
<b>Total</b>	<b>4,702</b>	<b>4,577</b>	<b>8,749</b>	<b>1,520.1</b>	<b>1,429.4</b>	<b>2,782.8</b>

## Notes (continued)

### 2. Net legacy building safety expense and other exceptional items

Profit before taxation has been arrived at after recognising the following items in the income statement:

	Half year ended 31 January 2026				
	SRT and associated review	Structural defects	Total net legacy building safety expense	Other exceptional items	Total adjusting items
	£m	£m	£m	£m	£m
Provisions (note 6)	4.6	(0.4)	4.2	-	4.2
Reimbursement assets	-	-	-	-	-
<b>Net cost of sales expense/(income) (note 6)</b>	<b>4.6</b>	<b>(0.4)</b>	<b>4.2</b>	<b>-</b>	<b>4.2</b>
Administrative expenses	-	-	-	0.3	0.3
Finance expenses (notes 6, 8)	5.9	0.6	6.5	-	6.5
<b>Total net legacy building safety expense and other exceptional items</b>	<b>10.5</b>	<b>0.2</b>	<b>10.7</b>	<b>0.3</b>	<b>11.0</b>
	Half year ended 31 January 2025				
	SRT and associated review	Structural defects	Total net legacy building safety expense	Other exceptional items	Total adjusting items
	£m	£m	£m	£m	£m
Provisions	3.2	(0.9)	2.3	-	2.3
Reimbursement assets	(0.2)	-	(0.2)	-	(0.2)
<b>Net cost of sales expense/(income)</b>	<b>3.0</b>	<b>(0.9)</b>	<b>2.1</b>	<b>-</b>	<b>2.1</b>
Administrative expenses	-	-	-	-	-
Finance expenses (note 8)	6.4	0.9	7.3	-	7.3
<b>Total net legacy building safety expense and other exceptional items</b>	<b>9.4</b>	<b>-</b>	<b>9.4</b>	<b>-</b>	<b>9.4</b>
	Year ended 31 July 2025				
	SRT and associated review	Structural defects	Total net legacy building safety expense	Other exceptional items	Total adjusting items
	£m	£m	£m	£m	£m
Provisions	50.9	(13.3)	37.6	-	37.6
Reimbursement assets	(0.2)	-	(0.2)	-	(0.2)
<b>Net cost of sales expense/(income)</b>	<b>50.7</b>	<b>(13.3)</b>	<b>37.4</b>	<b>-</b>	<b>37.4</b>
Administrative expenses	-	-	-	15.4	15.4
Finance expenses (note 8)	12.6	1.8	14.4	-	14.4
<b>Total net legacy building safety expense and other exceptional items</b>	<b>63.3</b>	<b>(11.5)</b>	<b>51.8</b>	<b>15.4</b>	<b>67.2</b>

The income tax rate applied to the total net legacy building safety expense and other exceptional items in the income statement is the Group's standard rate of income tax of 29.0%, inclusive of both corporation tax and Residential Property Developer Tax ('RPDT'), adjusted for the impact of non-deductible items (31 January 2025 – 29.0%, 31 July 2025 – 29.0%).

## Notes (continued)

### 2. Net legacy building safety expense and other exceptional items (continued)

#### SRT and associated review

Bellway continues to act responsibly with regards to building and resident safety, and this is reflected by the significant resource and funding the Group has committed to remediate its legacy apartments.

In March 2023 the Group signed the SRT with DLUHC. Under the terms of the SRT, developers have agreed to identify and remediate, life-critical fire safety defects in residential buildings over 11 metres in height that they have developed or refurbished since April 1992. The Group contractually committed to remediate its legacy buildings in both Wales and Scotland by signing the Pact with The Welsh Ministers (the 'Pact') in May 2023 and the Scottish Safer Buildings Accord in July 2023.

Signing the SRT has led to improved clarity on the standards required for internal and external remediation, including Publicly Available Specification ('PAS') 9980:2022, which is the code of practice for Fire Risk Appraisals of External Wall ('FRAEW') construction. Buildings are deemed to be assessed under the requirements of the SRT when a qualifying assessment has been approved by the MHCLG. This requires the completion of both a FRAEW and a Fire Safety Assessment ('FSA').

In total, for the half year ended 31 January 2026 Bellway set aside a net exceptional pre-tax expense of £10.5 million (2025 – £9.4 million), in relation to the SRT and associated review. Of this expense, a net £4.6 million (2025 – £3.0 million) is recognised in cost of sales and an adjusting finance expense of £5.9 million (2025 – £6.4 million) in relation to the unwinding of the discount of the provision to present value. The net expense recognised in cost of sales includes an expense of £27.1 million (2025 – £10.6 million) relating to cost estimate increases, and an expense of £0.1 million (2025 – £2.1 million credit) following a decrease (2025 – increase) in discount rates during the period (note 6), which are offset by provision releases of £22.6 million (2025 – £5.3 million). The net exceptional cost of sales expense includes one-off cost recoveries of £nil (2025 – £0.2 million).

The total amount Bellway has set aside in relation to the SRT and associated review since 2017 is £683.7 million (31 July 2025 – £673.2 million). Costs have been provided regardless of whether Bellway still retains ownership of the freehold interest in the building or whether warranty providers have a responsibility to carry out remedial works.

Cost estimates have been reviewed and updated in the period based on the latest scopes following surveys undertaken, tendered works and progress with remediation. These cost estimates are based on our extensive experience to date, using analysis of previously tendered works, costs to date on similar developments and prudent, professional estimates based on knowledge of known issues.

The provision calculation uses the expected timings of cash outflows which are adjusted for future estimated cost inflation in accordance with the Build Cost Information Service ('BCIS') index, a leading provider of cost and price information to the construction industry. The provision is discounted back to a present value using UK gilt rates with maturities which reflect the expected timing of cash outflows. The unwinding of this discount is charged through the income statement as an adjusting finance expense. The majority of the cash outflow is expected to be over the next five years, although there will be some residual expenditure beyond this. The anticipated timing reflects the complex issues around remediation including identifying the works required, design and planning obligations, interpretation of the PAS 9980:2022, liaison and negotiations with building owners, appointment of contractors and time taken to obtain access licences.

As at 31 January 2026, and including those buildings that have been awarded an application by the Building Safety Fund or ACM Funds, Bellway had a total of 172 buildings where work is complete or underway.

Total recoveries recognised since 2017 are £80.5 million (2025 – £80.5 million). Reimbursement assets of £0.1 million (2025 – £0.1 million) remained outstanding at the period end.

## Notes (continued)

### 2. Net legacy building safety expense and other exceptional items (continued)

#### Structural defects

The Building Safety Act 2022 introduced an amendment to the limitation period applicable to claims under the Defective Premises Act 1972, retrospectively increasing the liability period for structural defects in all dwellings built prior to 28 June 2022 from 6 years to 30 years.

Due to the change in legislation establishing a retrospective legal obligation for structural defects in dwellings, this is seen as a highly unusual event and is the primary reason the structural defects provision is treated as an adjusting item.

As previously reported, the Group has identified a structural defect relating to the reinforced concrete frame at an historical high-rise apartment scheme in Greenwich, London and a mid-rise apartment scheme in Slough.

The increase in the limitation period means Bellway has a legal obligation for undertaking the remedial works at both the Greenwich and Slough sites.

In total, for the half year ended 31 January 2026 Bellway recognised an exceptional pre-tax expense of £0.2 million (2025 – £nil), in relation to the structural defects. Of this, a credit of £0.4 million (2025 – £0.9 million) is recognised in cost of sales and an adjusting finance expense of £0.6 million (2025 – £0.9 million) in relation to the unwinding of the discount of the provision to present value. The amount recognised in cost of sales includes a credit of £0.4 million (2025 – £0.8 million) relating to provisions releases and £nil (2025 – £0.1 million) following a decrease (2025 – increase) in discount rates during the period (note 6).

Cost estimates are based on expert third-party reports and reflects management's expected scope of works.

The provision calculation uses the expected timings of cash outflows which are adjusted for future estimated cost inflation in accordance with the BCIS index. The provision is discounted back to a present value using UK gilt rates with maturities which reflect the expected timing of cash outflows. The unwinding of this discount is charged through the income statement as an adjusting finance expense.

We are actively seeking recoveries in relation to the structural defects identified, but as these are not virtually certain at the balance sheet date, no reimbursement assets have been recognised.

The cash outflow is expected to be over the next three years.

#### Other exceptional items

In the half year ended 31 January 2026, there is an expense of £0.3 million (31 January 2025 – £nil, 31 July 2025 – £15.4 million) relating to the CMA market investigation. These non-recurring costs were classified as exceptional given their size and nature. The amount recognised in the year ended 31 July 2025 included a voluntary commitment to the CMA which was paid during the half year ended 31 January 2026.



## Notes (continued)

### 3. Earnings per ordinary share (continued)

Underlying basic and underlying diluted earnings per share exclude the effect of adjusting items and any associated net tax amounts. Reconciliations of these are outlined below:

	Half year ended 31 January 2026			Half year ended 31 January 2025		
	Underlying profit for the period	Weighted average number of ordinary shares	Underlying earnings per share	Underlying profit for the period	Weighted average number of ordinary shares	Underlying earnings per share
	£m	Number	p	£m	Number	p
For basic underlying earnings per ordinary share	107.6	118,025,956	91.2	107.1	118,656,710	90.3
Dilutive effect of options and awards		997,694	(0.8)		898,347	(0.7)
For diluted underlying earnings per ordinary share	107.6	119,023,650	90.4	107.1	119,555,057	89.6

  

	Year ended 31 July 2025		
	Underlying profit for the year	Weighted average number of ordinary shares	Underlying earnings per share
	£m	Number	p
For basic underlying earnings per ordinary share	209.7	118,644,063	176.7
Dilutive effect of options and awards		889,652	(1.3)
For diluted underlying earnings per ordinary share	209.7	119,533,715	175.4

## Taxation

### 4. Taxation

The income tax expense includes both corporation tax and RPDT. This is calculated by applying the best estimate of the expected annual corporation tax rate and RPDT rate to the profit before taxation adjusted for non-taxable items and enhanced deductions.

The effective rate of taxation, including RPDT, for the period is 28.7% (31 January 2025 – 28.7%, 31 July 2025 – 29.0%).

As part of the UK adoption of the Organisation for Economic Cooperation and Development ('OECD') Pillar Two rules, the UK government announced two new taxes, the Multinational Top-up Tax and the Domestic Top-up Tax which are designed to ensure corporations pay tax at a rate of at least 15%. The Domestic Top-up Tax applied to the Group from 1 August 2024. As the Group's current effective tax rate is in excess of 15%, the introduction of this has not affected Bellway and no additional tax is expected to be due. The Multinational Top-up Tax does not affect Bellway.

The carrying amount of the gross deferred tax assets are reviewed at each balance sheet date and are recognised to the extent that there will be sufficient taxable profits to allow the asset to be recovered.

The deferred tax assets/(liabilities) of the Group at 31 January 2026 were valued at the substantively enacted corporation tax and RPDT rates of 29.0% (31 January 2025 – 29.0%, 31 July 2025 – 29.0%). At 31 January 2026, the Group recognised a deferred tax asset of £4.4 million (31 January 2025 – £0.8 million, 31 July 2025 – £2.7 million).

## Notes (continued)

### Working capital

#### 5. Inventories

	Half year ended 31 January 2026 £m	Half year ended 31 January 2025 £m	Year ended 31 July 2025 £m
Land	2,465.2	2,538.2	2,502.9
Work-in-progress	2,104.0	2,064.2	2,165.0
Showhomes	145.8	146.3	144.9
Part-exchange properties	46.4	15.6	25.3
<b>Total</b>	<b>4,761.4</b>	<b>4,764.3</b>	<b>4,838.1</b>

In the ordinary course of business, inventories have been written down by a net £3.9 million in the period (31 January 2025 – written back by £2.8 million, 31 July 2025 – written down by £1.2 million).

The Directors consider all inventories to be essentially current in nature although the Group's operational cycle is such that a proportion of inventories will not be realised within 12 months. It is not possible to determine with accuracy when specific inventory will be realised as this is subject to a number of factors including consumer demand and planning permission delays.

#### 6. Provisions and reimbursement assets

	SRT and associated review			Structural defects			Total legacy building safety improvements		
	Provision £m	Reimbursement assets £m	Total £m	Provision £m	Reimbursement assets £m	Total £m	Provision £m	Reimbursement assets £m	Total £m
At 1 August 2025	(482.9)	0.1	(482.8)	(33.5)	-	(33.5)	(516.4)	0.1	(516.3)
Adjusting item – cost of sales (note 2)	(4.6)	-	(4.6)	0.4	-	0.4	(4.2)	-	(4.2)
Analysed as:									
Additions	(27.1)	-	(27.1)	-	-	-	(27.1)	-	(27.1)
Released	22.6	-	22.6	0.4	-	0.4	23.0	-	23.0
Change in discount rate	(0.1)	-	(0.1)	-	-	-	(0.1)	-	(0.1)
Utilised	20.2	-	20.2	0.4	-	0.4	20.6	-	20.6
Unwinding of discount (notes 2,8)	(5.9)	-	(5.9)	(0.6)	-	(0.6)	(6.5)	-	(6.5)
<b>At 31 January 2026</b>	<b>(473.2)</b>	<b>0.1</b>	<b>(473.1)</b>	<b>(33.3)</b>	<b>-</b>	<b>(33.3)</b>	<b>(506.5)</b>	<b>0.1</b>	<b>(506.4)</b>

Provisions are classified as follows:

	SRT and associated review £m	Structural defects £m	Total legacy building safety improvements £m
Current	142.4	0.8	143.2
Non-current	330.8	32.5	363.3
<b>Total</b>	<b>473.2</b>	<b>33.3</b>	<b>506.5</b>

The Group has established a provision for the cost of performing fire remedial works on a number of legacy developments and structural defects relating to historical apartment schemes (note 2).

## Notes (continued)

### Financing

#### 7. Analysis of net cash/(debt)

	At 1 August 2025 £m	Cash flows £m	At 31 January 2026 £m
Cash and cash equivalents	171.8	(53.8)	118.0
Bank loans	-	(60.0)	(60.0)
Fixed rate sterling USPP notes	(130.0)	-	(130.0)
<b>Net cash/(debt)</b>	<b>41.8</b>	<b>(113.8)</b>	<b>(72.0)</b>

During the period, the Group refinanced its bank facilities into a £400.0 million club facility expiring in December 2030.

#### 8. Finance income and expenses

	Half year ended 31 January 2026 £m	Half year ended 31 January 2025 £m	Year ended 31 July 2025 £m
Interest receivable on short-term bank deposits	2.0	1.8	3.8
Other interest receivable	2.7	3.2	5.8
<b>Finance income</b>	<b>4.7</b>	<b>5.0</b>	<b>9.6</b>
Interest payable on bank loans	1.6	1.6	3.4
Interest payable on fixed rate sterling USPP notes	1.7	1.7	3.4
Interest on deferred term land payables	7.7	7.1	14.9
Unwinding of the discount on the legacy building safety improvements provision (notes 2, 6)	6.5	7.3	14.4
Interest payable on leases	0.4	0.4	0.8
<b>Finance expenses</b>	<b>17.9</b>	<b>18.1</b>	<b>36.9</b>

The unwinding of the discount on the legacy building safety improvements provision is an adjusting item (note 2).

#### 9. Financial instruments - fair value disclosures

The fair value of financial assets and liabilities are determined based on discounted cash flow analysis using current market rates for similar instruments.

The carrying values of financial assets and liabilities reasonably approximate the fair values of the instruments.

## Notes (continued)

### Shareholder capital

#### 10. Reserves

##### Issued capital

	Half year ended 31 January 2026		Half year ended 31 January 2025		Year ended 31 July 2025	
	Number 000	£m	Number 000	£m	Number 000	£m
<b>Allotted, called up and fully paid 12.5p ordinary shares</b>						
At start of the period	118,992	14.8	118,980	14.8	118,980	14.8
Issued on exercise of options	5	-	2	-	12	-
Buyback and cancellation of shares	(1,756)	(0.2)	-	-	-	-
<b>At end of period</b>	<b>117,241</b>	<b>14.6</b>	<b>118,982</b>	<b>14.8</b>	<b>118,992</b>	<b>14.8</b>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

As announced on the 14 October 2025, the Board approved a return of £150 million of surplus share capital to shareholders through a share buyback programme. The buyback programme consists of two tranches; the first £75 million tranche is irrevocable and is recognised in full as at 31 January 2026. The second £75 million tranche was contracted after the 31 January 2026 (note 14), so was not recognised as a liability at the half year.

As part of the first tranche, the Company purchased 1,756,055 of its ordinary shares for a total consideration of £47.7 million, including transaction costs of £0.3 million, during the half year ended 31 January 2026. All shares purchased were for cancellation. As the first tranche is irrevocable as at 31 January 2026, the remaining share buyback commitment of £27.6 million relating to this tranche was recognised as a financial liability.

##### Own shares held

The Group holds shares within the Bellway Employee Share Trust (1992) (the 'Trust'), on which dividends have been waived, for participants of certain share-based payment schemes. The cost of these is charged to retained earnings.

	Half year ended 31 January 2026 Number	Half year ended 31 January 2025 Number	Year ended 31 July 2025 Number
<b>Allotted, called up and fully paid 12.5p ordinary shares</b>			
At start of the period	370,097	326,114	326,114
Transferred to employees or Directors	(124,993)	(1,000)	(1,000)
Shares purchased	170,000	-	44,983
<b>At end of period</b>	<b>415,104</b>	<b>325,114</b>	<b>370,097</b>
	<b>Half year ended 31 January 2026 £m</b>	<b>Half year ended 31 January 2025 £m</b>	<b>Year ended 31 July 2025 £m</b>
Cost of shares held in Trust	11.0	8.8	9.8
Market value of shares held in Trust	11.3	8.5	9.2

## Notes (continued)

### 10. Reserves (continued)

#### Capital redemption reserve

On 7 April 2014 the Group redeemed 20,000,000 £1 preference shares, being all of the preference shares in issue. An amount of £20.0 million, equivalent to the nominal value of the shares redeemed, was transferred to a capital redemption reserve on the same date.

Over the course of the calendar year 2023 the Group purchased 4,560,057 of its own shares which it cancelled. On cancellation of the shares, the aggregate nominal value of £0.6 million was transferred from issued capital to the capital redemption reserve.

During the period, the Company purchased 1,756,055 of its own shares which it cancelled. On cancellation of the shares, the aggregate nominal value of £0.2 million was transferred from share capital to the capital redemption reserve.

This reserve is not distributable.

### 11. Dividends on equity shares

Amounts recognised as distributions to equity holders in the period:

	Half year ended 31 January 2026 £m	Half year ended 31 January 2025 £m	Year ended 31 July 2025 £m
Final dividend for the year ended 31 July 2025 of 49.0p per share (2024 – 38.0p)	57.6	45.1	45.1
Interim dividend for the year ended 31 July 2025 of 21.0p per share (2024 – 16.0p)	-	-	24.9
	<b>57.6</b>	45.1	70.0
Interim dividend for the year ending 31 July 2026 of 23.0p per share (2025 – 21.0p)	<b>27.0</b>	24.9	24.9

The interim dividend was approved by the Board on 23 March 2026 and, in accordance with IAS 10 'Events after the Reporting Period', has not been included as a liability in these condensed consolidated interim financial statements. The interim dividend will be paid on Wednesday 1 July 2026 to all ordinary shareholders on the Register of Members on Friday 22 May 2026. The ex-dividend date is Thursday 21 May 2026.

### Contingencies and related parties

#### 12. Contingent liabilities

##### SRT and associated review

We continue to take a proactive approach to nationwide concerns with regards to fire safety in high-rise buildings across the UK. Bellway recognises its responsibilities in its legacy apartment portfolio and continues to review combustion risks, in external wall systems, on past highrise developments.

As detailed in note 2, Bellway has identified a number of developments, which obtained building regulation approval at the time of construction, where the building materials used may not fully comply with the most recent government guidance or where remedial works may need to be performed in line with the SRT, Welsh Pact or Scottish Safer Buildings Accord. For these developments we have established that the cost of the remedial works satisfies the accounting requirements of a provision at the balance sheet date. While a prudent approach has been taken, the extent of the provision could increase or reduce in line with normal accounting practice, if new issues are identified or if estimates change, as Bellway and building owners continue to undertake investigative works on these and other schemes within the legacy portfolio.

## **Notes (continued)**

### **13. Related party transactions**

There have been no related party transactions in the first six months of the current financial year which have materially affected the financial position or performance of the Group.

The related parties are consistent with those disclosed in the Group's Annual Report and Accounts for the year ended 31 July 2025.

### **14. Post balance sheet events**

The Board has approved a return of £150 million surplus capital to shareholders, through a share buyback programme. The first £75 million tranche was irrevocable as at 31 January 2026 and was recognised in full at 31 January 2026. The second £75 million tranche was agreed on 19 February 2026 so was not recognised as a liability at 31 January 2026.

## Notes (continued)

### Other information

#### 15. Alternative performance measures

Bellway uses a variety of alternative performance measures ('APMs') which, although financial measures of either historical or future performance, financial position or cash flows, are not defined or specified by IFRSs. The Directors use a combination of APMs and IFRS measures when reviewing the performance, position and cash of the Group.

The APMs used by the Group are defined below:

- **Underlying gross profit and underlying operating profit** – Both of these measures are stated before net legacy building safety expense and other exceptional items, and are reconciled to total gross profit and total operating profit on the face of the Condensed Group Income Statement. The Directors consider that the removal of the net legacy building safety expense and other exceptional items provides a better understanding of the underlying performance of the Group.
- **Underlying gross margin** – This is gross profit before net legacy building safety expense and other exceptional items divided by total revenue. The Directors consider this to be an important indicator of the underlying trading performance of the Group.
- **Underlying administrative expenses as a percentage of revenue** – This is calculated as the administrative expenses before any directly attributable administrative expenses relating to the net legacy building safety expense and other exceptional items divided by total revenue. The Directors consider this to be an important indicator of how efficiently the Group is managing its administrative overhead base.
- **Administrative expenses as a percentage of revenue** – This is calculated as the total administrative expenses divided by total revenue. The Directors consider this to be an important indicator of how efficiently the Group is managing its administrative overhead base.
- **Underlying operating margin** – This is operating profit before net legacy building safety expense and other exceptional items divided by total revenue. The Directors consider this to be an important indicator of the operating performance of the Group.
- **Net underlying finance expense** – This is the net finance expense before any directly attributable finance expense or finance income relating to the net legacy building safety expense and other exceptional items. The Directors consider this to be an important measure when assessing whether the Group is using the most cost effective source of finance.
- **Net finance expense** – This is finance expenses less finance income. The Directors consider this to be an important measure when assessing whether the Group is using the most cost effective source of finance.
- **Underlying profit before taxation** – This is the profit before taxation before net legacy building safety expense and other exceptional items. The Directors consider this to be an important indicator of the profitability of the Group before taxation.
- **Underlying profit for the period** – This is the profit for the period before net legacy building safety expense and other exceptional items. The Directors consider this to be an important indicator of the profitability of the Group.
- **Underlying earnings per share** – This is calculated as underlying profit for the period divided by the weighted average number of ordinary shares in issue during the period (excluding the weighted average number of ordinary shares held by the Group or Trust which are treated as cancelled). This is calculated in note 3.
- **Underlying dividend cover** – This is calculated as underlying profit for the period per ordinary share for the period divided by the dividend per ordinary share relating to that period. At the half year the dividend per ordinary share is the approved interim ordinary dividend, and for the full year it is the interim dividend paid plus the proposed final dividend. The Directors consider this an important indicator of the proportion of underlying earnings paid to shareholders and reinvested in the business.

## Notes (continued)

### 15. Alternative performance measures (continued)

- **Dividend cover** – This is calculated as earnings per ordinary share for the period divided by the dividend per ordinary share relating to that period. At the half year the dividend per ordinary share is the approved interim ordinary dividend, and for the full year it is the interim dividend paid plus the proposed final dividend. The Directors consider this an important indicator of the proportion of earnings paid to shareholders and reinvested in the business.
- **Capital invested in land, net of land creditors, and work-in-progress** – This is calculated as shown in the table below. The Directors consider this as an indicator of the net investment by the Group in the period to achieve future growth.

	31 January 2026			31 January 2025		
	31 January 2026 £m	31 July 2025 £m	Movement £m	31 January 2025 £m	31 July 2024 £m	Movement £m
<b>Per balance sheet</b>						
Land	2,465.2	2,502.9	(37.7)	2,538.2	2,431.4	106.8
Work-in-progress	2,104.0	2,165.0	(61.0)	2,064.2	2,123.9	(59.7)
(Decrease)/increase in capital invested in land and work-in-progress in the period			(98.7)			47.1
Land creditors	(289.6)	(337.6)	48.0	(289.7)	(225.3)	(64.4)
Decrease in capital invested in land, net of land creditors, and work-in-progress in the period			(50.7)			(17.3)

- **Net asset value per ordinary share ('NAV')** – This is calculated as total net assets divided by the number of ordinary shares in issue at the end of each period. The Directors consider this to be a proxy when reviewing whether value, on a share by share basis, has increased or decreased in the period.
- **Capital employed** – Capital employed is defined as the total of equity plus net debt or less net cash. The Directors consider this to be an important indicator of the operating efficiency and performance of the Group. The definition has been updated in the period as explained below in the calculation for underlying return on capital employed.
- **Underlying return on capital employed ('underlying RoCE')** – This is calculated as operating profit before net legacy building safety expense and other exceptional items divided by the average capital employed. Average capital employed is calculated based on opening and half year capital employed. The calculation is shown in the table below. The Directors consider this to be an important indicator of whether the Group is achieving a sufficient return on its investments.

	31 January 2026			31 January 2025*		
	Capital employed £m	Land creditors £m	Capital employed including land creditors £m	Capital employed £m	Land creditors £m	Capital employed including land creditors £m
Underlying operating profit	159.0		159.0	156.6		156.6
Capital employed/land creditors:						
Opening	3,514.4	337.6	3,852.0	3,475.9	225.3	3,701.2
Half year	3,594.9	289.6	3,884.5	3,530.4	289.7	3,820.1
Average	3,554.7	313.6	3,868.3	3,503.2	257.5	3,760.7
Annualised underlying return on capital employed	8.9%		8.2%	8.9%		8.3%

\*The definition of capital employed has been updated to deduct net cash. This had no impact on the comparative figures. This was done to ensure consistency in the calculation of the performance measure with other companies in the housebuilding sector to allow for more meaningful comparison.

## Notes (continued)

### 15. Alternative performance measures (continued)

- **Return on capital employed ('RoCE')** – This is calculated as operating profit divided by the average capital employed. Average capital employed is calculated based on opening and half year capital employed. The calculation is shown in the table below. The Directors consider this to be an important indicator of whether the Group is achieving a sufficient return on its investments.

	31 January 2026			31 January 2025*		
	Capital employed	Land creditors	Capital employed including land creditors	Capital employed	Land creditors	Capital employed including land creditors
	£m	£m	£m	£m	£m	£m
Operating profit	154.5		154.5	154.5		154.5
Capital employed/land creditors:						
Opening	3,514.4	337.6	3,852.0	3,475.9	225.3	3,701.2
Half year	3,594.9	289.6	3,884.5	3,530.4	289.7	3,820.1
Average	<b>3,554.7</b>	<b>313.6</b>	<b>3,868.3</b>	3,503.2	257.5	3,760.7
Annualised return on capital employed	8.7%		8.0%	8.8%		8.2%

\*The definition of capital employed has been updated to deduct net cash, this had no impact on the comparative figures. This was done to ensure consistency in the calculation of the performance measure with other companies in the housebuilding sector to allow for more meaningful comparison.

- **Underlying pre-tax return on equity ('underlying RoE')** – This is calculated as profit for the period before taxation before net legacy building safety expense and other exceptional items, divided by the average of the opening and half year net assets. The Directors consider this to be a good indicator of the operating efficiency of the Group.

	31 January 2026 £m	31 January 2025 £m
Underlying profit before taxation	150.9	150.2
Net assets:		
Opening	3,556.2	3,465.4
Half year	3,522.9	3,522.4
Average	<b>3,539.6</b>	3,493.9
Annualised underlying pre-tax return on equity	8.5%	8.6%

- **Pre-tax return on equity ('RoE')** – This is calculated as profit before taxation divided by the average of the opening and half year net assets. The Directors consider this to be a good indicator of the operating efficiency of the Group.

	31 January 2026 £m	31 January 2025 £m
Profit before taxation	139.9	140.8
Net assets:		
Opening	3,556.2	3,465.4
Half year	3,522.9	3,522.4
Average	<b>3,539.6</b>	3,493.9
Annualised pre-tax return on equity	7.9%	8.1%

## Notes (continued)

### 15. Alternative performance measures (continued)

- **Asset turn** – Asset turn is calculated as revenue divided by the average capital employed. Average capital employed is calculated based on opening and half year capital employed. The Directors consider this to be an important indicator of how efficiently the Group is using its assets to generate revenue.
- **Underlying post-tax return on equity** – This is calculated as profit for the period before net legacy building safety expense and other exceptional items, divided by the average of the opening and half year net assets. The Directors consider this to be a good indicator of the operating efficiency of the Group.

	<b>31 January 2026 £m</b>	31 January 2025 £m
Underlying profit for the period	<b>107.6</b>	107.1
Net assets:		
Opening	<b>3,556.2</b>	3,465.4
Half year	<b>3,522.9</b>	3,522.4
	<hr/> <b>3,539.6</b>	<hr/> 3,493.9
Average		
Annualised underlying post-tax return on equity	<b>6.1%</b>	6.1%

- **Post-tax return on equity** – This is calculated as profit for the period divided by the average of the opening and half year net assets. The Directors consider this to be a good indicator of the operating efficiency of the Group.

	<b>31 January 2026 £m</b>	31 January 2025 £m
Profit for the period	<b>99.7</b>	100.4
Net assets:		
Opening	<b>3,556.2</b>	3,465.4
Half year	<b>3,522.9</b>	3,522.4
	<hr/> <b>3,539.6</b>	<hr/> 3,493.9
Average		
Annualised post-tax return on equity	<b>5.6%</b>	5.7%

- **Total growth in value per ordinary share** – The Directors use this as a proxy for the increase in shareholder value since 31 January 2023. A period of 3 years is used to reflect medium-term growth.

Net asset value per ordinary share:		
At 31 January 2026	3,005p	
At 31 January 2023	2,819p	
	<hr/>	
Net asset value growth per ordinary share		186p
Dividend paid per ordinary share:		
12 months to 31 January 2026	70.0p	
12 months to 31 January 2025	54.0p	
12 months to 31 January 2024	140.0p	
	<hr/>	
Cumulative dividends paid per ordinary share		264.0p
		<hr/>
Total growth in value per ordinary share		<b>450.0p</b>

## Notes (continued)

### 15. Alternative performance measures (continued)

- **Annualised accounting return in NAV and dividends paid since 31 January 2023** – This is calculated as the annualised increase in net asset value per ordinary share plus cumulative ordinary dividends paid per ordinary share since 31 January 2023 (as detailed above) divided by the net asset value per ordinary share at 31 January 2023. The Directors use this as a proxy for the increase in shareholder value since 31 January 2023.

Net asset value growth per ordinary share	186p
Dividend paid per ordinary share	264.0p
	<hr/>
Total growth in value per ordinary share	450.0p
Net asset value per ordinary share at 31 January 2023	<hr/> 2,819p
	<hr/>
Total value per ordinary share	3,269.0p
	<hr/>
Annualised accounting return = $(3,269.0/2,819)^{(1/3)}-1$	<hr/> 5.1%

- **Annualised accounting return in NAV and dividends paid since 31 January 2016** – This is calculated as the annualised increase in net asset value per ordinary share plus cumulative ordinary dividends paid per ordinary share since 31 January 2016 divided by the net asset value per ordinary share at 31 January 2016. The Directors use this as a proxy for the increase in shareholder value since 31 January 2016.

Net asset value per ordinary share:	
At 31 January 2026	3,005p
At 31 January 2016	1,383p
	<hr/>
Net asset value growth per ordinary share	1,622p
Dividend paid per ordinary share:	
12 months to 31 January 2026	70.0p
12 months to 31 January 2025	54.0p
12 months to 31 January 2024	140.0p
12 months to 31 January 2023	140.0p
12 months to 31 January 2022	117.5p
12 months to 31 January 2021	50.0p
12 months to 31 January 2020	150.4p
12 months to 31 January 2019	143.0p
12 months to 31 January 2018	122.0p
12 months to 31 January 2017	<hr/> 108.0p
Cumulative dividends paid per ordinary share	1,094.9p
	<hr/>
Total growth in value per ordinary share	2,716.9p
Net asset value per ordinary share at 31 January 2016	<hr/> 1,383p
	<hr/>
Total value per ordinary share	4,099.9p
	<hr/>
Annualised accounting return = $(4,099.9/1,383)^{(1/10)}-1$	<hr/> 11.5%

## Notes (continued)

### 15. Alternative performance measures (continued)

- **Capital growth in the 12 month period** – This is calculated as the increase in NAV in the 12 month period combined with the ordinary dividend paid in the period.

Net asset value per ordinary share:		
At 31 January 2026		3,005p
At 31 January 2025		2,960p
		<hr/>
Net asset value growth per ordinary share		45p
Dividend paid per ordinary share:		
12 months to 31 January 2026		70.0p
		<hr/>
Capital growth in the 12 month period		<u>115.0p</u>

- **Underlying capital growth in the 12 month period** – This is calculated as capital growth in the 12 month period before net legacy building safety expense and other exceptional items per share.

Capital growth in the 12 month period		115.0p
Net legacy building safety expense and other exceptional items per share		45.5p
		<hr/>
Underlying capital growth in the period		160.5p
Net asset value at 31 January 2025		<u>2,960p</u>
Underlying capital growth (160.5p/2,960p)		<u>5.4%</u>

- **Net (debt)/cash** – This is the cash and cash equivalents less bank debt and fixed rate sterling USPP notes. Net (debt)/cash does not include lease liabilities, which are reported within trade and other payables on the balance sheet. The Directors consider this to be a good indicator of the financing position of the Group. This is reconciled in note 7.
- **Average net (debt)/cash** – This is calculated by averaging the net (debt)/cash position at 1 August and each month end during the period. The Directors consider this to be a good indicator of the financing position of the Group throughout the period.
- **Cash generated from operations before investment in land, net of land creditors, and work-in-progress** – This is calculated as shown in the table below. The Directors consider this as an indicator of whether the Group is generating cash before investing in land and work-in-progress to achieve future growth.

	31 January 2026 £m	31 January 2025 £m
Cash from operations	42.7	95.3
Less: decrease in capital invested in land, net of land creditors, and work-in-progress in the period (as described above)	(50.7)	(17.3)
		<hr/>
Cash (utilised in)/generated from operations before investment in land, net of land creditors, and work-in-progress	<u>(8.0)</u>	<u>78.0</u>

## Notes (continued)

### 15. Alternative performance measures (continued)

- **Adjusted operating cashflow (before land spend, legacy building safety spend, shareholder returns and changes in debt borrowings)** – This is calculated as the net change in cash and cash equivalents, adding back cashflows relating to land spend, the utilisation of the legacy building safety provision, shareholder returns and changes in debt borrowings. Land spend is cashflows related to the acquisition of land in the period. Shareholder returns include payments to shareholders through dividends and share buyback programmes. The Directors consider this as an indicator of how effective the Group is at generating cash to invest in future growth and drive long term value creation for shareholders.

	<b>31 January 2026 £m</b>	31 January 2025 £m
Net (decrease)/increase in cash and cash equivalents	(53.8)	2.5
Add back:		
Land spend	<b>302.0</b>	302.0
Utilisation of total legacy building safety improvements provision, net of reimbursement asset	<b>20.6</b>	16.5
Increase in bank borrowings	<b>(60.0)</b>	-
Dividends paid	<b>57.6</b>	45.1
Share buyback programme	<b>47.7</b>	-
	<hr/>	<hr/>
Adjusted operated cashflow (before land spend, legacy building safety spend, shareholder returns and changes in debt borrowings)	<b>314.1</b>	366.1

- **Adjusted gearing** – This is calculated as the total of net (debt)/cash and land creditors divided by total equity. The Directors believe that land creditors are a source of long-term finance so this provides an alternative indicator of the financial stability of the Group.

	<b>31 January 2026 £m</b>	31 January 2025 £m
Net debt	(72.0)	(8.0)
Land creditors	<b>(289.6)</b>	(289.7)
Total net debt	<b>(361.6)</b>	(297.7)
	<hr/>	<hr/>
Total equity	<b>(3,522.9)</b>	(3,522.4)
Adjusted gearing	<b>10.3%</b>	8.5%

- **Gearing** – This is calculated as net (debt)/cash divided by total equity. The Directors consider this to be a good indicator of the financial stability of the Group.

	<b>31 January 2026 £m</b>	31 January 2025 £m
Net debt	(72.0)	(8.0)
Total equity	<b>(3,522.9)</b>	(3,522.4)
Gearing	<b>2.0%</b>	0.2%

- **Order book** – This is calculated as the total expected sales value of current reservations that have not legally completed. The Directors consider this to be an important indicator of the likely future operating performance of the Group.

## Principal risks and uncertainties

A risk register is maintained detailing all potential risks and our risk management processes ensure that all aspects of the Group are considered, from strategy through to operational execution which includes any specialist business areas.

The risk register is reviewed as part of our management reporting processes, resulting in the regular assessment of risk, severity and any required mitigating actions. The severity of risk is determined based on a defined scoring system assessing risk impact and likelihood.

A summary of risks is reported to management, the Audit Committee, and the Board, which includes risks considered to be outside of our risk appetite after mitigation. This summary is reviewed throughout the year, with the Board systematically considering the risks and any changes that have occurred.

Once a year, via the Audit Committee, the Board determines whether the risk management framework is appropriately designed and operating effectively. The Directors confirm that they have conducted a robust assessment of the principal risks facing the Group.

The Board has completed its assessment of the Group's emerging and principal risks. The following nine principal risks to our business have been identified:

Risk and description	Strategic relevance	KPIs	Mitigation
<b>Construction resources</b> Shortages of building materials and appropriately skilled subcontractors at competitive prices.	<ul style="list-style-type: none"> <li>▪ Failure to secure the required quantity and quality of resources causes delays, impacting the ability to deliver volume growth targets.</li> <li>▪ Pricing pressures / increased costs impact returns.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of homes sold.</li> <li>▪ Operating profit.</li> <li>▪ Operating margin.</li> <li>▪ EPS.</li> <li>▪ Gross margin.</li> <li>▪ Customer satisfaction score.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Robust forecasting and forward planning of labour and materials requirements.</li> <li>▪ Processes are in place to select, appoint, manage, and build long-term relationships with subcontractors and suppliers.</li> </ul>
<b>Climate change and the environment</b> Failure to evolve sustainable business practices and operations in response to climate change, including physical environmental impacts and transition risks associated with new regulation, reporting requirements, and increased social/market expectations.	<ul style="list-style-type: none"> <li>▪ There is an increased focus on the actions taken by businesses in response to climate change and the disclosures made. Failure to improve policies, reporting and performance in line with new government regulations and heightened expectations could lead to financial penalties and reputational damage.</li> <li>▪ The physical impacts of climate change could lead to disruptions within the supply chain and build programmes.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Tonnes of carbon emissions per legal completion.</li> <li>▪ Percentage of renewable electricity.</li> <li>▪ Tonnes of waste per home built.</li> <li>▪ Percentage of waste diverted from landfill.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultation with specialist external advisers and subject matter experts (e.g. sustainability consultants).</li> <li>▪ Continual monitoring of new and evolving requirements as part of our legal and regulatory compliance framework.</li> <li>▪ Carbon reduction is a key priority under the Group's 'Better with Bellway' sustainability strategy.</li> <li>▪ Dedicated sustainability, innovations and biodiversity resources in place to assess risks, monitor performance and drive improvement.</li> <li>▪ Regular review of the design and features of new homes, along with construction methods and the sustainability of materials.</li> </ul>
<b>Economy and market</b> Changes in the external environment (including, but not limited to, house price inflation, interest rates, mortgage availability, unemployment, government policy) reduce the affordability of new homes, resulting in reduced sales rates.	<ul style="list-style-type: none"> <li>▪ Reduced affordability has a negative impact on customer demand for new homes and consequently our ability to generate sales at good returns.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of homes sold.</li> <li>▪ Operating profit.</li> <li>▪ Operating margin.</li> <li>▪ RoCE.</li> <li>▪ EPS.</li> <li>▪ Gross margin.</li> <li>▪ Customer satisfaction score.</li> <li>▪ Reservation rate.</li> <li>▪ Order book value.</li> <li>▪ Average selling price.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Board level monitoring of the housing market and economic environment alongside key business metrics, leading to development of action plans as necessary.</li> <li>▪ Disciplined operating framework, strong balance sheet and low financial gearing.</li> <li>▪ Product range and pricing strategy based on regional market conditions.</li> <li>▪ Regular engagement with industry peers, representative bodies, and new build mortgage lenders.</li> <li>▪ Use of sales incentives such as part-exchange, and government-backed schemes to encourage the selling process.</li> <li>▪ Quarterly site valuations and monthly budget reviews based on latest market data.</li> </ul>

<p><b>Health and safety</b> A serious health and safety or environmental breach and/or incident occurs.</p>	<ul style="list-style-type: none"> <li>▪ Failure to maintain safe working conditions would impact employee wellbeing and the creation of a positive working environment.</li> <li>▪ Injury to an individual while at one of our business locations could delay construction and result in criminal prosecution, civil litigation, and reputational damage.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of RIDDOR seven-day reportable incidents per 100,000 site operatives.</li> <li>▪ Health and safety incident rates.</li> <li>▪ Number of near-miss incidents reported.</li> <li>▪ Number of NHBC Pride in the Job awards.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Health and Safety Policy and procedures in place, supported by Group-wide training.</li> <li>▪ Regular visits to sites by both our Group Health and Safety function (independent of divisions) and external specialist consultants to monitor standards and performance against health and safety policies and legislation.</li> <li>▪ The Board considers health and safety matters at each meeting.</li> </ul>
<p><b>Human resources</b> Inability to attract, recruit and retain high-quality people.</p>	<ul style="list-style-type: none"> <li>▪ Failure to attract and retain people with appropriate skills would affect our ability to perform and deliver our strategy and volume growth targets.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Employee voluntary turnover rate.</li> <li>▪ Number of graduates, trainees, and apprentices.</li> <li>▪ Employees who have worked for the Group for over ten years or more.</li> <li>▪ Training days per employee.</li> <li>▪ Senior management gender split.</li> <li>▪ Percentage of staff in earn and learn roles.</li> <li>▪ Employee Engagement Survey response rate.</li> <li>▪ Percentage of staff who would describe Bellway as a 'great place to work'.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continued development of our Group HR function and implementation of our people strategy.</li> <li>▪ Established human resources programme for apprentices, graduates, and site management.</li> <li>▪ Monitoring staff turnover, absence data and feedback from exit interviews.</li> <li>▪ Competitive salary and benefits packages which are regularly reviewed and benchmarked.</li> <li>▪ Employee engagement activities undertaken, including an annual survey, with results communicated to the Board.</li> <li>▪ Succession plans in place and key person dependencies identified and mitigated.</li> <li>▪ Robust programme of training provided to employees which is regularly updated and refreshed.</li> <li>▪ Development programmes for senior leaders and middle managers in place.</li> </ul>
<p><b>IT and security</b> Failure to have suitable IT systems in place that are appropriately supported and secured.</p>	<ul style="list-style-type: none"> <li>▪ Poor performance of our systems would disrupt operational activity and impact the delivery of our strategy.</li> <li>▪ An IT security breach could result in the loss of data, with significant potential fines and reputational damage.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Operating profit.</li> <li>▪ Operating margin.</li> <li>▪ RoCE.</li> <li>▪ RoE.</li> <li>▪ EPS.</li> <li>▪ Gross margin.</li> <li>▪ Customer satisfaction score.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continued investment in infrastructure and systems.</li> <li>▪ Group-wide systems in operation which are centrally controlled by an in-house IT function, supported by a specialist outsourced provider.</li> <li>▪ IT security policy and procedures in place with regular Group-wide training.</li> <li>▪ Regular review and testing of our IT security measures, contingency plans and policies.</li> <li>▪ Security Committee in place.</li> </ul>
<p><b>Land and planning</b> Inability to source suitable land at appropriate gross margins and return on capital employed.  Delays and complexity in the planning process.</p>	<ul style="list-style-type: none"> <li>▪ Insufficient land at appropriate margins, onerous planning conditions or a failure to obtain planning approval within appropriate timescales would exacerbate the challenge of developing new homes, restrict our ability to deliver volume growth targets and impact future returns.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of homes sold.</li> <li>▪ Operating profit.</li> <li>▪ Operating margin.</li> <li>▪ RoCE.</li> <li>▪ EPS.</li> <li>▪ Gross margin.</li> <li>▪ Number of plots in owned and controlled land bank with DPP.</li> <li>▪ RoE.</li> <li>▪ Number of plots in 'pipeline'.</li> <li>▪ Number of plots in strategic land bank – positive planning status.</li> <li>▪ Number of plots in strategic land bank – longer-term interests.</li> <li>▪ Number of plots acquired with DPP.</li> <li>▪ Number of plots converted from medium-term 'pipeline'.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continued development of our Group Strategic Land function and implementation of our land strategy.</li> <li>▪ Increased investment in land and more sites with DPP.</li> <li>▪ Regular review by Group and divisions of the quantity, location, and planning status of land against growth targets to ensure our land bank supports immediate, medium-term, and strategic requirements.</li> <li>▪ Formal land acquisition process in place for the appraisal and approval of all land purchases, including pre-purchase due diligence and Group level challenge of viability assumptions.</li> <li>▪ Group and divisional planning specialists in place to support the securing of implementable planning permissions.</li> </ul>
<p><b>Legal and regulatory compliance</b> Failure to comply with legislation and regulatory requirements, including the Self Remediation Terms.</p>	<ul style="list-style-type: none"> <li>▪ Lack of an appropriate compliance framework and/or compliance breaches could incur fines, delay business operations and lead to re-work across sites, which will impact our reputation and profitability.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Number of homes sold.</li> <li>▪ Operating profit.</li> <li>▪ Operating margin.</li> <li>▪ RoCE.</li> <li>▪ EPS.</li> <li>▪ Gross margin.</li> </ul>	<ul style="list-style-type: none"> <li>▪ In-house expertise from Group functions such as Company Secretariat, Legal, Health and Safety and Technical/Design, who advise and support divisions on legal compliance and regulatory matters.</li> <li>▪ Consultation with government agencies, specialist external legal advisers and subject matter experts, (e.g. fire safety engineers).</li> <li>▪ Strengthened Group-wide policies, guidance, and training in place supported by externally facilitated whistleblowing and reporting procedures.</li> <li>▪ Continual monitoring and review of changes to legislation and regulation, including government guidance, advice notes and sector specific updates.</li> </ul>

			<ul style="list-style-type: none"> <li>▪ Regular liaison with industry peers and the HBF on compliance requirements and matters.</li> </ul>
<p><b>Unforeseen significant event</b> An unforeseen significant national or global event occurs.</p> <p>We are mindful of the current conflict in the Middle East and continue to monitor the situation, acknowledging the potential impact on the UK economy, supply chains and inflation/interest rates.</p>	<ul style="list-style-type: none"> <li>▪ The economic uncertainty brought about by an unforeseen significant event could materially impact the Group's operations and liquidity.</li> <li>▪ Damage to reputation if the Group is not perceived to be following government guidelines and acting responsibly.</li> </ul>	<ul style="list-style-type: none"> <li>▪ NAV.</li> <li>▪ Operating profit.</li> <li>▪ Operating margin.</li> <li>▪ RoCE.</li> <li>▪ EPS.</li> <li>▪ Total dividend per ordinary share.</li> <li>▪ Gross margin.</li> <li>▪ Reservation rate.</li> <li>▪ Order book value.</li> <li>▪ Employee turnover.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strong balance sheet, low financial gearing, committed bank loan facilities and USPP debt which would help ensure resilience during a recession.</li> <li>▪ Maintenance of business resilience and continuity plans covering offices, sites, and IT.</li> <li>▪ Experienced and well-established senior management team.</li> <li>▪ Continued investment in systems and infrastructure to enable robust agile working.</li> <li>▪ Monitoring of government guidelines (including the Construction Leadership Council).</li> <li>▪ Regular communications with subcontractors and suppliers to understand any potential issues as a result of the event on their own business and supply chain.</li> </ul>

The Group also considers any emerging risks that have the potential to impact the achievement of our strategy, but which cannot yet be fully defined and assessed. These uncertainties are reviewed as part of our established risk management framework, discussed regularly by management, the Audit Committee and the Board, and elevated to principal risks (either as new risks or an extension of existing risks) when warranted.

## Glossary

### **Affordable Housing**

Social rented and intermediate housing provided to specified eligible households whose needs are not met by the market, at a cost low enough for them to afford, determined with regard to local incomes and local house prices. It is generally provided by councils and not-for-profit organisations such as housing associations.

### **Average Selling Price**

Calculated by dividing the total housing revenue by the number of homes sold.

### **Biodiversity Net Gain ('BNG')**

Is an approach to development and land management, that aims to leave the natural environment in a measurably better state than it was beforehand.

### **Cancellation Rate**

The rate at which customers withdraw from a house purchase after paying the reservation fee, but before contracts are exchanged, usually due to difficulties in obtaining mortgage finance. Reservation fees are refunded in accordance with the New Homes Quality Code.

### **Earnings per Share ('EPS')**

Profit attributable to ordinary equity shareholders divided by the weighted average number of ordinary shares in issue during the financial period, excluding the weighted average number of ordinary shares held by the Group or Trust which are treated as cancelled.

### **Executive Board**

The Executive Board is made up of the Executive Directors of Bellway p.l.c.

### **Home Builders' Federation ('HBF')**

The HBF is an industry body representing the homebuilding industry in England and Wales. It represents member interests on a national and regional level to create the best possible environment in which to deliver new homes.

### **Land Bank**

The land bank is comprised of three tiers: i) owned or unconditionally contracted land with an implementable detailed planning permission ('DPP'); ii) medium-term 'pipeline' land owned or controlled by the Group, pending an implementable DPP; iii) strategic long-term plots which are typically held under option or through a promotion agreement.

### **Land with DPP**

Plots owned or unconditionally contracted by the Group where there is an implementable detailed planning permission.

### **Legacy Building Safety Improvements Provision**

Included within this provision, there are two components (i) SRT and associated review, and (ii) structural defects provision.

### **MHCLG**

Ministry for Housing, Communities and Local Government formerly Department for Levelling up, Housing and Communities ('DLUHC').

### **National House Building Council ('NHBC')**

The NHBC is the leading warranty insurance provider and body responsible for setting standards of construction for UK housebuilding for new and newly converted homes.

### **Net Legacy Building Safety Expense**

This contains the income statement movements in relation to the legacy building safety provision and any associated reimbursement assets.

### **New Homes Quality Board ('NHQB')**

An independent not-for-profit body which was established for the purpose of developing a new framework to oversee reforms in the build quality of new homes and the customer service provided by developers.

### **New Homes Quality Code ('NHQC')**

An industry code of practice that lays out a mandatory set of requirements which must be adopted and observed by all registered developers.

**Pipeline**

Plots which are either owned or contracted by the Group, pending an implementable detailed planning permission, with development generally expected to commence within the next three years.

**Planning Permission**

Usually granted by the local planning authority, this permission allows a plot of land to be built on, change its use or for an existing building to be redeveloped or altered. Permission is either 'outline' when detailed plans are still to be approved, or 'detailed' when detailed plans have been approved.

**Residential Property Developer Tax ('RPDT')**

RPDT is a tax, introduced in April 2022, which is charged at a rate of 4% on certain profits of companies carrying out residential property development.

**Self-Remediation Terms ('SRT')**

Is a commitment to remediate buildings over 11 metres in height with identified life critical fire safety issues, which were constructed in England since 5 April 1992.

**Site/Phase**

A site is a concise area of land on which homes are being constructed. Larger sites may be divided into a number of phases which are developed at different times.

**Social Housing**

Housing that is let at low rents and on a secure basis to people in housing need. It is generally provided by councils and not-for-profit organisations such as housing associations.

**Strategic Land Holdings**

These are plots which are typically held under option or through a promotion agreement.

**Underlying**

Underlying refers to any statutory performance measure or alternative performance measure which is before net legacy building safety expense and other exceptional items. The Group believes that underlying metrics are useful for investors as these measures are closely monitored by the Directors in assessing Bellway's operating performance, thereby allowing investors to understand and evaluate performance on the same basis as management.

## Statement of Directors' Responsibilities

We confirm that to the best of our knowledge:

- the condensed consolidated interim financial statements have been prepared in accordance with UK adopted IAS 34 'Interim Financial Reporting';
- the Half Year Report 2026 includes a fair review of the information required by:
  - a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period; and any changes in the related party transactions described in the last annual report that could do so.

The directors of Bellway p.l.c. are listed in the Annual Report and Accounts for the year ended 31 July 2025.

For and on behalf of the Board

**Jason Honeyman**  
Chief Executive

Registered number 1372603  
23 March 2026

### **Note on forward-looking statements**

*Certain statements in this presentation are forward-looking statements which are based on Bellway p.l.c.'s expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. Such forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "may", "could", "should" or other words of similar meaning. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including, but not limited to, those risks set out in the "Principal Risks" section in our most recently published annual report and accounts. Given these risks and uncertainties, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law or regulation, Bellway p.l.c. undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.*