Results Presentation

Bellway

Year ended

31 July 2022

Agenda

1. Introduction
2. Finance review
3. Operating review
4. Q&A
5. Appendices

Unless otherwise stated, all numbers throughout this presentation excludes the Group's share of its joint ventures.

Introduction

Jason Honeyman

Chief Executive

Highlights

Housing completions	Underlying profit before taxation	Proposed total dividend per share	Record land bank
11,198 homes +10.5%	**£650.4m** +22.5%	**140.0p** +19.1%	**97,706 plots[1]** +12.9%

[1] Includes the Group's share of land owned and controlled through joint venture partners comprising 962 plots (2021: 938 plots).

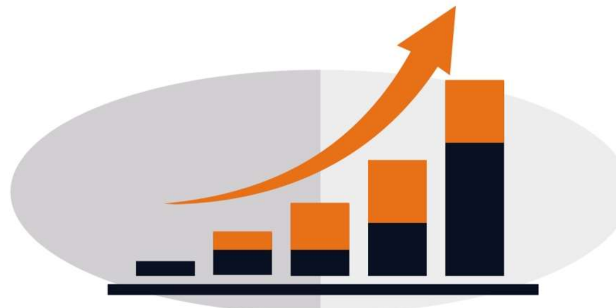
Strategic priorities

Bellway

Volume growth

11,198 homes sold in FY22

Value creation



Compounding NAV and dividend growth

BETTER WITH Bellway

New sustainability strategy

Resilience and long-term growth

Resilience	
Strengthened land bank	Early investment in land market from summer 2020.
	Flexibility to reduce investment in the year ahead.
Strong balance sheet	Net cash of £245.3m at 31 July 2022.
Operational strength	Proven track record of delivery in challenging environments.

Long-term growth	
FY23 volume output	Plan to open 120 new selling outlets in FY23 to help offset slower sales rates.
	WIP investment and volume output more biased towards social housing completions.
	Strong order book of over £2bn.
Long-term demand	Underlying demand for new homes.
	Cross-party political support.

Platform to deliver above sector average volume growth over long-term.

Finance review

Keith Adey

Finance Director

Strong financial performance

Bellway

For the year ended 31 July

		2022			2021			Change	
		Underlying	Adjusting items	Total	Underlying	Adjusting items	Total	Underlying	Total
Revenue	Housing revenue	£3,520.6m	-	£3,520.6m	£3,107.1m	-	£3,107.1m	13.3%	13.3%
	Other revenue	£16.2m	-	£16.2m	£15.4m	-	£15.4m	5.2%	5.2%
	Total revenue	**£3,536.8m**	**-**	**£3,536.8m**	**£3,122.5m**	**-**	**£3,122.5m**	**13.3%**	**13.3%**
Trading	Gross profit	£787.0m	(£344.2m)	£442.8m	£651.9m	(£51.8m)	£600.1m	20.7%	(26.2%)
	Gross margin	*22.3%*		*12.5%*	*20.9%*		*19.2%*	*140bps*	*(670bps)*
	Operating profit	**£653.2m**	**(£344.2m)**	**£309.0m**	**£531.5m**	**(£51.8m)**	**£479.7m**	**22.9%**	**(35.6%)**
	Operating margin	*18.5%*		*8.7%*	*17.0%*		*15.4%*	*150bps*	*(670bps)*
Earnings	Profit before taxation	£650.4m	(£346.2m)	£304.2m	£530.8m	(£51.8m)	£479.0m	22.5%	(36.5%)
	Earnings per share	**420.8p**	**(223.9p)**	**196.9p**	**350.9p**	**(34.0p)**	**316.9p**	**19.9%**	**(37.9%)**
RoCE	**RoCE**	**19.4%**		**9.2%**	**16.9%**		**15.2%**	**250bps**	**(600bps)**
	RoCE incl. land creditors	**17.4%**		**8.2%**	**15.0%**		**13.6%**	**240bps**	**(540bps)**

Record housing revenue

Bellway

For the year ended 31 July

	2022		2021	
	Units	**ASP**	**Units**	**ASP**
Private	9,140	£349.1k	7,896	£346.7k
Social	2,058	£160.2k	2,242	£165.0k
Bellway completions	**11,198**	**£314.4k**	**10,138**	**£306.5k**
Share of JVs	95	£613.9k	134	£466.6k
Total completions	**11,293**	**£316.9k**	**10,272**	**£308.6k**

FY22

Record housing revenue of over £3.5bn principally driven by a 10.5% growth in completions.

15.8% increase in private completions has offset the reduction in the number of social completions.

FY23 guidance

Volume will be underpinned by construction programmes weighted towards social housing.

Higher social housing output means overall ASP will moderate to around £300k.

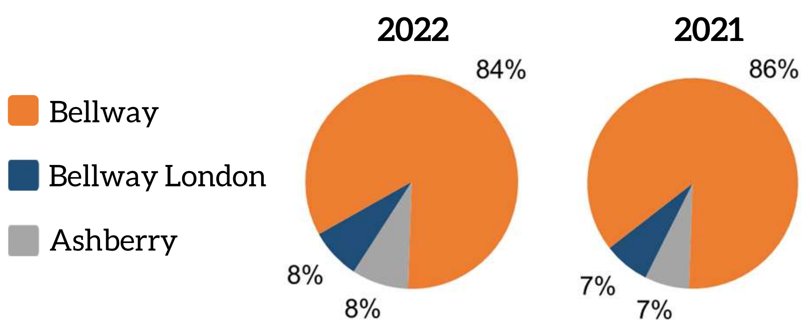
Three brands and wide geographic presence

Bellway

For the year ended 31 July

Group	2022 Units	2022 ASP	2021 Units	2021 ASP
North	5,454	£283.1k	4,697	£275.9k
South	5,744	£344.1k	5,441	£332.9k
Total	**11,198**	**£314.4k**	**10,138**	**£306.5k**

Completions by brand



Bellway London	2022 Units	2022 ASP	2021 Units	2021 ASP
Private	700	£421.5k	417	£408.1k
Social	161	£247.5k	301	£239.4k
Total	**861**	**£389.7k**	**718**	**£337.3k**

Reduced volume and lower ASP in London in FY23.

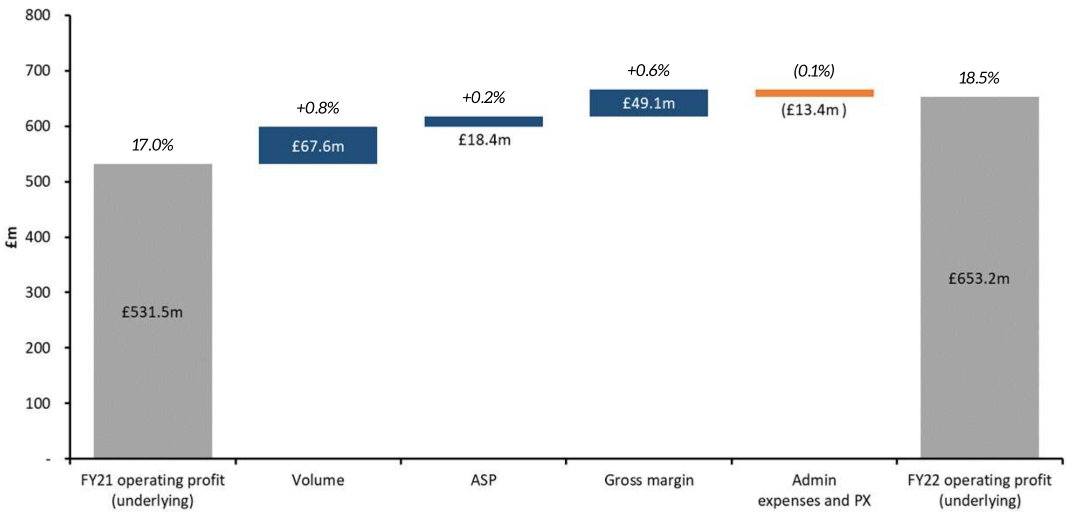
Ashberry Homes	2022 Units	2022 ASP	2021 Units	2021 ASP
Ashberry	966	£302.0k	693	£293.7k

Dual outlets mitigate slower market conditions.

Good operating performance

For the year ended 31 July

FY22	
Underlying gross margin of 22.3%.	Some legacy COVID costs remain in valuations.



FY23 guidance: admin expenses
Tightly controlled investment, but necessary to maintain long-term health of business.
Improved employee benefits to ensure competitiveness.
Restrained investment in divisional teams to prioritise outlet openings.
New Building Safety division.
General inflation.
Likely to exceed £150m.

FY23 guidance: underlying operating margin
Over 18% based on current prices and volume output similar to FY22.

Further growth in underlying earnings

For the year ended 31 July

	Underlying 2022	2021	Change
Operating profit	**£653.2m**	**£531.5m**	**£121.7m**
Net finance expense	(£12.1m)	(£11.1m)	(£1.0m)
Share of result of JVs	£9.3m	£10.4m	(£1.1m)
Profit before taxation	**£650.4m**	**£530.8m**	**£119.6m**
Taxation	(£131.9m)	(£98.1m)	(£33.8m)
Profit after taxation	**£518.5m**	**£432.7m**	**£85.8m**
Underlying earnings per share	**420.8p**	**350.9p**	**69.9p**

FY23 guidance: underlying earnings

Joint venture loss of c.£1m reflecting lower JV output and up front financing costs.

Net finance expense will increase by around £5m based on current interest rates.

Effective rate of tax, including RPDT, likely to be c.25%.

Building safety pledge

	H1	H2	FY22
Cost of sales	(£22.1m)	(£324.9m)	(£347.0m)
Finance expense	-	(£2.0m)	(£2.0m)
Gross expense	**(£22.1m)**	**(£326.9m)**	**(£349.0m)**
Recoveries	£2.5m	£0.3m	£2.8m
Net legacy building safety expense	**(£19.6m)**	**(£326.6m)**	**(£346.2m)**

	Since 2017
Total provision	(£513.7m)
Total recoveries	£30.0m
Net legacy building safety expense	**(£483.7m)**

Building safety provision	
Known and likely issues.	Possible issues.
Surveyed cost estimate.	Probability based assessment of discovering issues going back to 1992.

Remaining provision
£441.5m at 31 July 2022 in relation to England, Scotland and Wales.

A responsible approach to building safety

Bellway

Judgements and estimates due to uncertainties regarding	Final detail of the government contract.
	PAS 9980:2022 and EWS 1.
	Inflation.
	Timing of cash flows.
Cost estimates based on	Surveyed cost estimates, where possible.
Discounting	Modest adjusting finance expense in the years ahead.
Cash expenditure supported by	£3.4bn asset-backed balance sheet.

Recoveries	Continue to pursue third parties.
	Limited potential as 30 year Pledge timeframe does not apply to supply chain.

New Building Safety division	New Managing Director.
	Additional resources, as required, ensures no detraction from core operations.
Work completed on	6 developments
Work underway on	15 developments
Work due to commence on	3 developments

Method is prudent and considered, and uses learnings from our responsible approach to date.

A strong balance sheet

As at 31 July

		2022	2021	Change
Assets	Fixed assets	£34.2m	£35.7m	(£1.5m)
	Investments in joint arrangements	£30.2m	£55.3m	(£25.1m)
	Inventory	£4,423.6m	£4,032.2m	£391.4m
	Land	£2,786.4m	£2,483.9m	£302.5m
	WIP	£1,637.2m	£1,548.3m	£88.9m
	Debtors	£121.8m	£93.3m	£28.5m
	Net cash	£245.3m	£330.3m	(£85.0m)
	Total assets	**£4,855.1m**	**£4,546.8m**	**£308.3m**
Liabilities	Creditors	(£652.4m)	(£687.2m)	£34.8m
	Land creditors	(£393.4m)	(£455.8m)	£62.4m
	Legacy building safety provision	(£441.5m)	(£116.0m)	(£325.5m)
	Total liabilities	**(£1,487.3m)**	**(£1,259.0m)**	**£228.3m**
NAV	**Net assets**	**£3,367.8m**	**£3,287.8m**	**£80.0m**
	NAV per share	**2,727p**	**2,664p**	**2.4%**

Strong asset-backed balance sheet.

Net pension asset of £7.1m.

£441.5m legacy building safety provision.

Low land creditors of £393.4m.

Strengthened overall land bank [1]

As at 31 July

	2022	2021
Land with DPP	32,344	30,933
Pipeline	28,800	24,300
Bellway owned & controlled plots	**61,144**	**55,233**
Bellway share of land owned & controlled by joint ventures	962	938
Total owned and controlled plots	**62,106**	**56,171**
Strategic plots	35,600	30,400
Overall land bank plots	**97,706**	**86,571**

	2022	2021	Mvt
Land with DPP	£1,812.3m	£1,808.4m	£3.9m
Pipeline and strategic	£974.1m	£675.5m	£298.6m
Total land value	**£2,786.4m**	**£2,483.9m**	**£302.5m**

Strengthened land bank

Will drive outlet growth in H2 of FY23 and beyond to help offset softening customer demand.

Reinforces our disciplined and selective land buying criteria in year ahead.

Plan to contract fewer plots and reduce cash expenditure in the year ahead.

[1] See appendix 14 for definitions.

Focused investment in work-in-progress

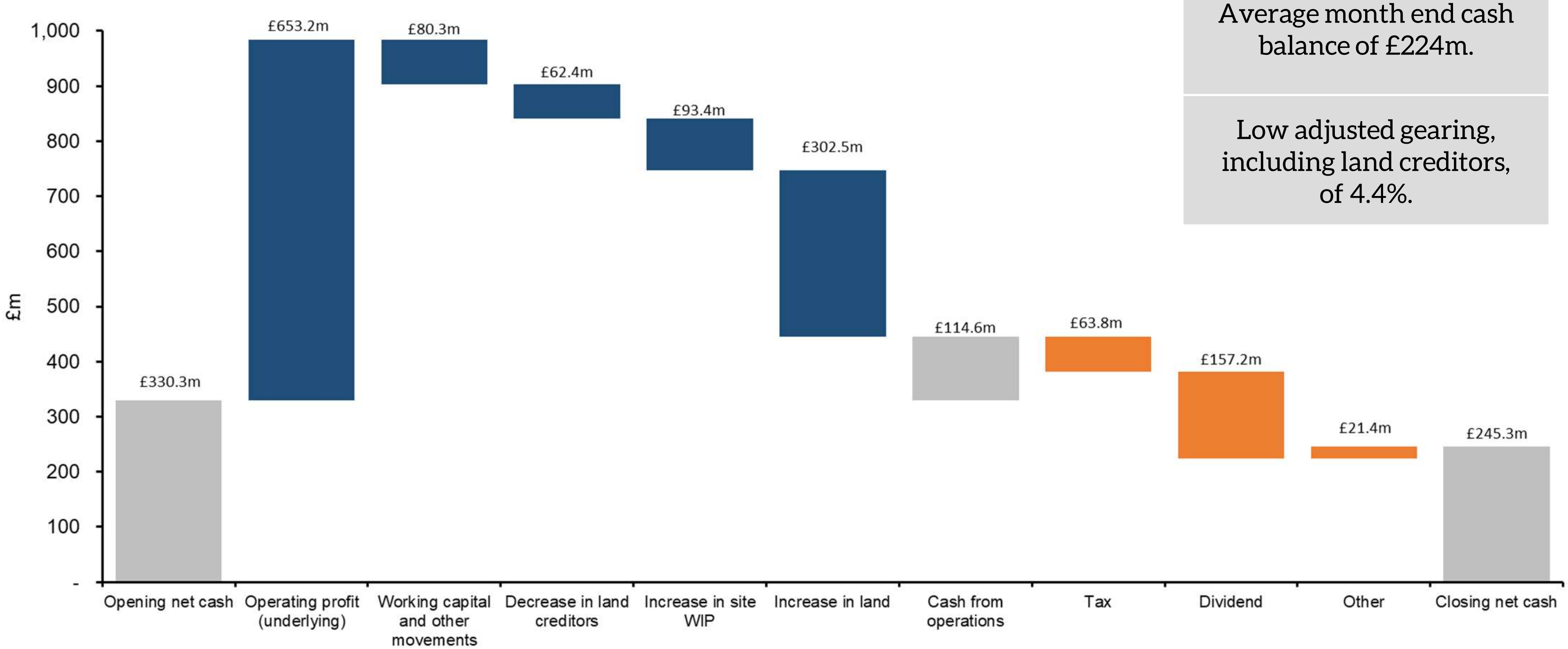
As at 31 July

	2022	2021	Change
Site WIP	£1,524.8m	£1,431.4m	£93.4m
Showhomes	£107.0m	£115.1m	(£8.1m)
Part-exchange stock	£5.4m	£1.8m	£3.6m
Total WIP	**£1,637.2m**	**£1,548.3m**	**£88.9m**

Preserving resilience in FY23	
	Build out current order book.
	Accelerate production of contracted social homes.
	Drive H1 volume towards 5,700 homes.

Strong cash balance provides resilience

For the year ended 31 July



Average month end cash balance of £224m.

Low adjusted gearing, including land creditors, of 4.4%.

Prioritising cash and preserving value

Robust business model
Bellway is agile, responsive and strategically flexible.
Sensible cash balance provides resilience and downside protection.

In the year ahead		
Strong land bank means less spend on land.	WIP investment focusing on cash collection.	Controlling overheads.
Expect to maintain average net cash in FY23.		
Ensure long-term health of Bellway is not compromised.		

Committed, diversified facilities	
£400m	RCFs from four relationship banks.
£130m	Fixed rate USPP loan notes.
£530m	Total committed facilities provide substantial headroom and diversified sources of capital.

Rising dividend and value creation

For the year ended 31 July

	2022	2021	Change
Interim dividend	45.0p	35.0p	28.6%
Proposed final dividend	95.0p	82.5p	15.2%
Total dividend	**140.0p**	**117.5p**	**19.1%**

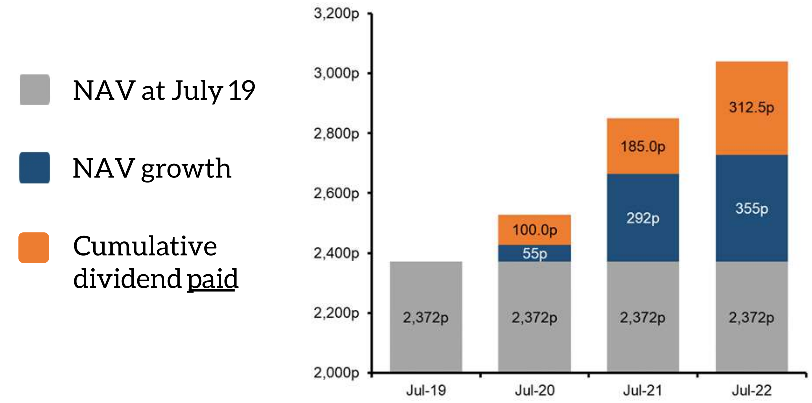
Reducing cover to 2.5x underlying earnings by FY24.

Forward looking policy which supports long-term growth with recurring shareholder returns.

Allows for necessary land investment in the years ahead.

Balance sheet provides resilience at a time of global uncertainty.

8.6% p.a. return over 3 years from pre COVID-19 peak



Underlying RoCE	Underlying RoCE (inc. land creditors)	Underlying RoE	NAV
19.4% (2021: 16.9%) +250bps	**17.4%** (2021: 15.0%) +240bps	**15.4%** (2021: 13.7%) +170bps	**2,727p** (2021: 2,664p) +2.4%

Better with Bellway

Bellway

	People							Planet
	Customers and communities	Employer of choice	Building quality homes safely	Sustainable supply chain	Charitable engagement	Carbon reductions	Resource efficiency	Biodiversity
Business priority	Putting customers and communities at the heart of everything that we do.	First choice for a great place to work.	Quality and safety first for everyone.	Driving sustainability through long-term partnerships.	Giving, to build better lives.	Delivering low carbon homes.	Designing out waste by building better.	Protecting and preserving nature.
Headline target	Increase year on year the 9-month survey score to 90% by 2026.	>90% of employees recommending Bellway as 'a great place to work' (FY22-FY24 average score).	Achieve a rolling 3-year average RIDDOR incident rate of <305 by FY24.	75% of our top 100 suppliers to be GOLD members of the Supply Chain Sustainability School by July 23.	Reach £3m in cumulative fundraising and donations for Cancer Research UK by December 23.	Achieve a 46% reduction in scope 1 & 2 emissions and a 55% reduction in scope 3 emissions by 2030.	Reduce waste generated per home built by 20% by FY25.	Achieve 10% biodiversity net gain on all new sites submitted for planning from FY23 onwards.

Flagship priority

Ambitious carbon reduction plans

Bellway

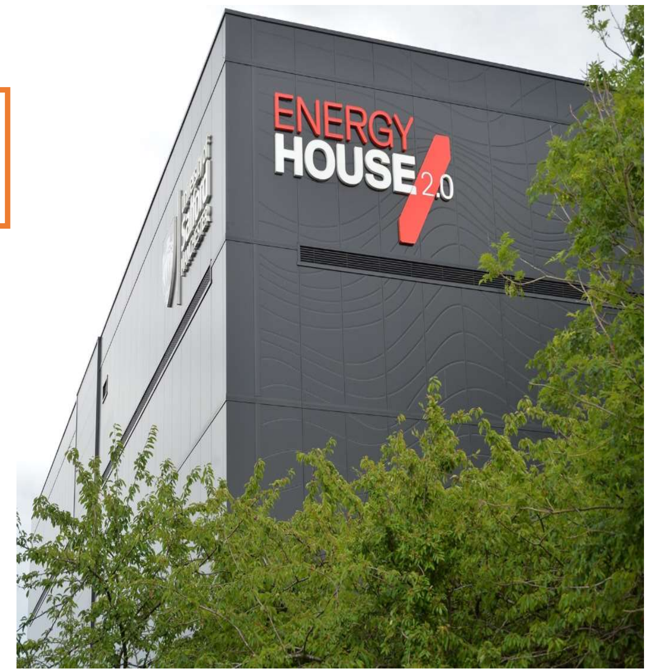
Ambition is to restrict rise in global temperature to 'well below 2ºC'.

Scope 1 and 2

- Target to reduce scope 1 and scope 2 emissions by 46% by 2030.
- Launched new green car scheme.
- Extending the use of renewable energy across our offices.
- Trialling biodiesel fuels in generators on construction sites.

Scope 3

- Target to reduce scope 3 emissions by 55% on a physical intensity basis by 2030.
- Future Homes Standard projects in five locations.
- Energy House 2.0 being built in a laboratory chamber in Salford.
- Testing practical implications of low carbon innovations.
- Ongoing supplier engagement.



Long-term and responsible business model which benefits all our stakeholders.

Summary

Bellway

FY23 guidance More uncertainty, but guidance based on today's pricing and volume output similar to FY22.	
Underlying operating margin	Over 18%.
Overall ASP	Moderate to around £300k.
Balance sheet	Robust, with strengthened land bank and significant, diversified sources of capital.
Cash	Maintain average net cash position.
Dividend	Dividend cover to reduce to 2.5x underlying earnings by FY24.

Bellway is in an excellent position to deliver long-term value for shareholders.

Operating review

Bellway

Jason Honeyman

Chief Executive

Strong trading in FY22

For the year ended 31 July

Weekly reservation rate ~

	2022	2021	Change
Private	170	169	0.6%
Social	48	35	37.1%
Total	**218**	**204**	**6.9%**

Average outlets ~

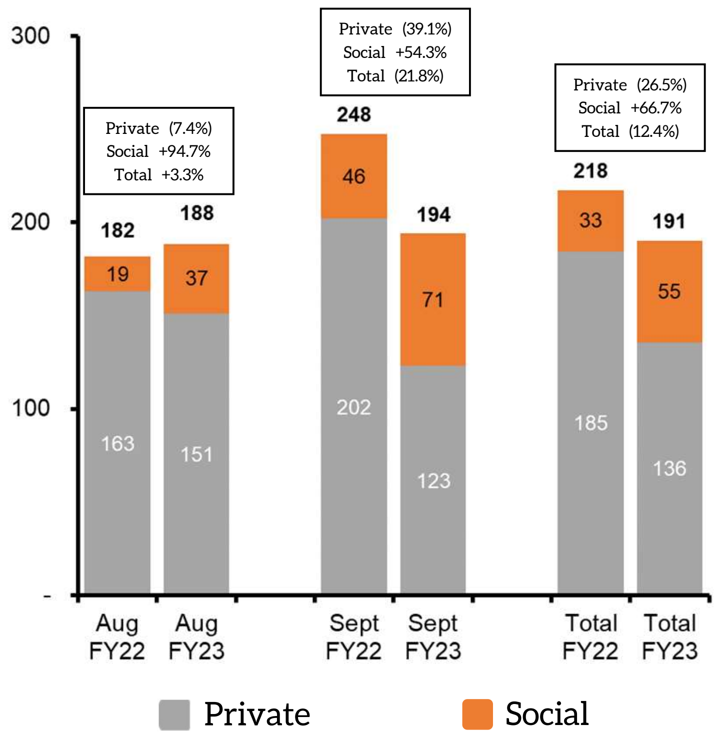
	2022	2021	Change
Average outlets	**242**	270	(10.4%)

~ Weekly reservation rates and average outlets are rounded to the nearest integer.

- Strong trading period with total reservations increasing by 6.9%.
- Mid-to-high single digit house price inflation.
- Modest cancellation rate of 13%.
- Traded through more outlets than expected during FY22.
- Good demand throughout the year.
- Limited stock availability towards the end of the year.

Current trading in FY23

Reservations in the first nine weeks



First nine weeks of FY23
August sales broadly in line with expectations.
Reduction in both visitors and reservations in September.
Cancellation rate remains modest at 14%.

October trading (weeks 10 and 11)
Similar pattern to September.
Customer caution given volatility in mortgage rates.

Operational drivers	
Fewer outlets.	Fewer plots available for sale.
Plots in earlier stages of production.	
Construction weighted towards social output.	

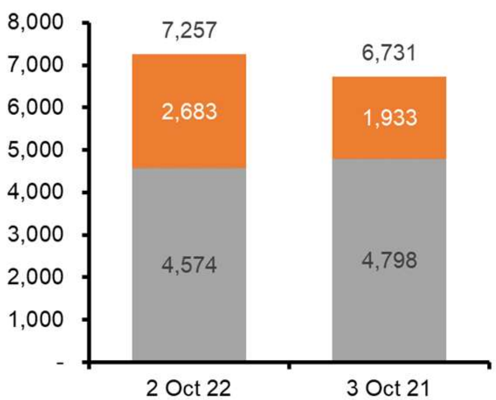
Market drivers
Moderating demand.
Extended period of mourning following the Queen's passing.
Sudden changes in the mortgage market.

Current order book and demand

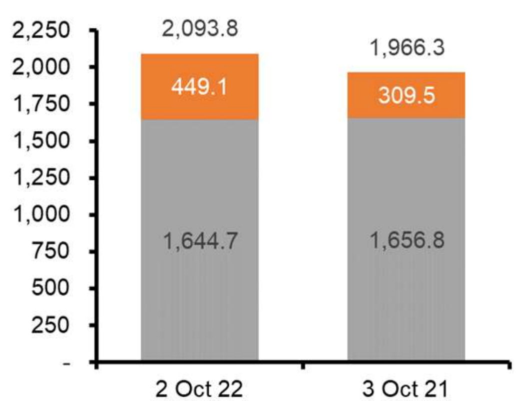
Bellway

Order book at week 9

Order book units (number)



Order book value (£m)



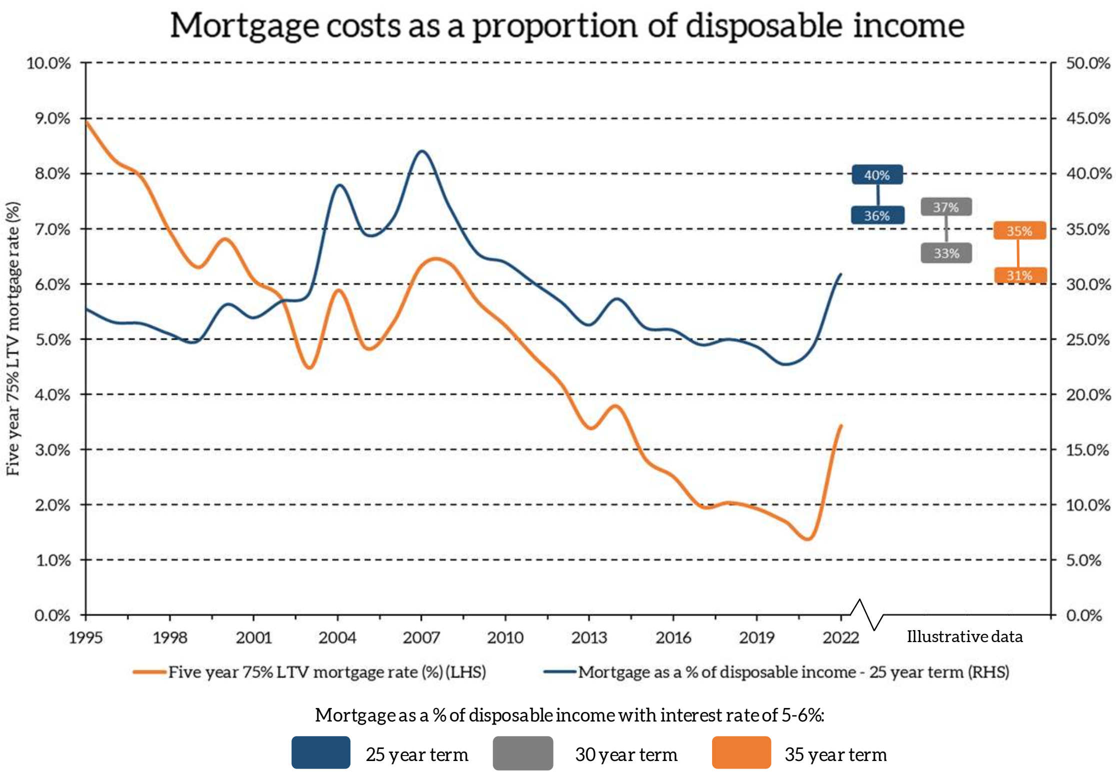
Private Social

Strong order book of 7,257 homes, with 71% contracted.

Supportive backdrop
Including completions to date, the Group is 77% forward sold for FY23.
Structural demand for new homes.
Energy efficiency and lower running costs of new build homes.
Stamp duty savings following the Mini-Budget last month.
High employment levels.

Mortgages and affordability

Bellway



Mortgage costs as a proportion of UK average household disposable income, based on Bellway private ASP in FY22 and historical Nationwide house price index. Interest rates from Bank of England monthly average quoted mortgage rates. Household disposable income data from the ONS. All figures in real terms in 2022 prices and adjusted using RPI from the ONS.

Mortgage availability initially fell at the end of September.

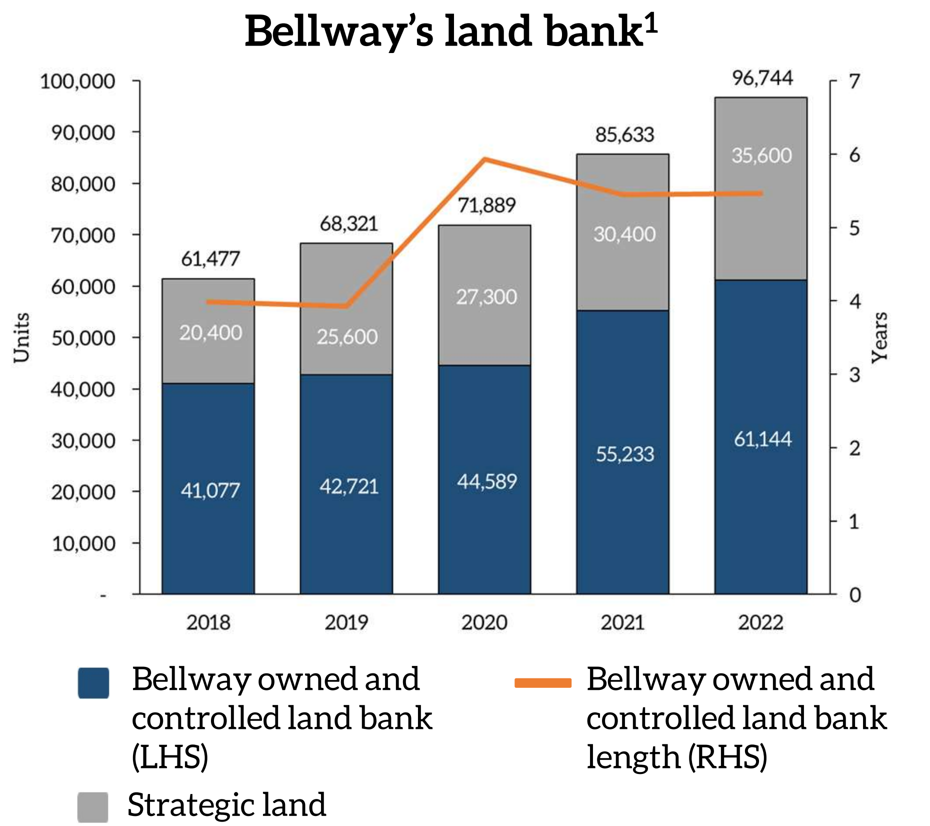
Improved mortgage availability over recent weeks, albeit at higher interest rates.

Higher mortgage rates are in line with longer-term norm.

Expect a short-term period of slower sales as customers and markets adapt to higher interest rates.

Sources: Bank of England, Nationwide Building Society, Office for National Statistics.

Strengthened land bank supports resilience



Land buying approach
Flexibility to be more selective in land investment.
All land purchases are reviewed at Head Office to challenge divisional due diligence.
Disciplined approach ensures hurdle rates are satisfied.
Land viability assessment includes costs associated with implementing the Future Homes Standard.
Currently applying caution to land investment.

[1] Excludes Bellway's share of land owned and controlled by joint ventures.

Strategic land supports long-term growth

Bellway

Intend to continue investment in less capital intensive strategic land.

Strategic land department restructured c.18 months ago.

Successfully increased strategic land bank by 30% to 35,600 plots over two years.

Strategic land strengthens the long-term success of the Group.

Bellway | STRATEGIC LAND

Managing production and improving efficiency

Bellway

Managing production
Extended lead times for certain materials including bricks, roof tiles and windows.
Supply chain issues and costs being well-managed by our experienced procurement teams.
Strong relationships with supply chain partners help mitigate delays.

Improving efficiency - Artisan
Standard house type range drives improved site layouts and cost savings.
Subcontractor familiarity with Artisan.
Plotted on over 95% of all new sites.
Will account for c.40% of completions in FY23.

THE ARTISAN COLLECTION

Better with Bellway - Employer of Choice

Bellway

Being an 'Employer of Choice' is a key priority

Target for more than 90% of colleagues to rate Bellway as 'a great place to work' over the three years to FY25.

Progress to date
In FY22 95% of colleagues said Bellway is 'a great place to work'.
Increased pension contributions.
New low emissions company car scheme.
Actively promote an inclusive culture.

Going forward
Focused on training at every level.
Aim to increase 'earn and learn' roles to 12% of staff over next two years.

Better with Bellway - Customer First

Bellway

Customer First is a key priority

Target to improve 9 month Customer Satisfaction survey score to 90% over the four years to FY26.

Progress to date
8 week customer satisfaction survey score of 93.6%.
9 month customer satisfaction score of 82.1%.
One of the first home builders to sign up to the New Homes Quality Code.

CUSTOMER FIRST

NHBC PRIDE IN THE JOB AWARDS 2022

5 STAR HOME BUILDER CUSTOMER SATISFACTION HBF 2022 HOME BUILDERS FEDERATION

NEW HOMES QUALITY CODE

Outlook

Resilience	Strong balance sheet with net cash of £245.3m at 31 July 2022.
	Strengthened land bank supports less investment in year ahead.
Demand	More outlets to help offset softer demand.
	Social units help underpin FY23 volume.
	Order book at 2 October was over £2bn.
FY23 volume	Volume similar to FY22.
	Dependent on strength of autumn and spring selling season.

Q&A

New Cardington Fields

Bedfordshire

Appendices

1. Income statement
2. Net finance expense
3. Housing revenue
4. ASP per square foot
5. Geographic split
6. Product analysis
7. Buyer analysis (completions)
8. Order book at 31 July
9. Mortgage products and affordability
10. Land with DPP
11. Land supply
12. Strategic land
13. Land creditors
14. Land bank glossary

Appendix 1 - Income statement

For the year ended 31 July

	2022				2021				Change
	Underlying		Adjusting items	Total	Underlying		Adjusting items	Total	
Homes sold	11,198		-	11,198	10,138		-	10,138	10.5%
Average selling price	£314,399		-	£314,399	£306,479		-	£306,479	2.6%
Housing revenue	£3,520.6m		-	£3,520.6m	£3,107.1m		-	£3,107.1m	13.3%
Other revenue	£16.2m		-	£16.2m	£15.4m		-	£15.4m	5.2%
Total revenue	**£3,536.8m**		**-**	**£3,536.8m**	**£3,122.5m**		**-**	**£3,122.5m**	**13.3%**
Gross profit	**£787.0m**	*22.3%*	**(£344.2m)**	**£442.8m**	**£651.9m**	*20.9%*	**(£51.8m)**	**£600.1m**	**20.7%[1]**
Net PX trading profit/(loss)	£0.2m	*0.0%*	-	£0.2m	(£0.3m)	*(0.1%)*	-	(£0.3m)	166.7%
Administrative expenses	(£134.0m)	*(3.8%)*	-	(£134.0m)	(£120.1m)	*(3.8%)*	-	(£120.1m)	11.6%
Operating profit	**£653.2m**	*18.5%*	**(£344.2m)**	**£309.0m**	**£531.5m**	***17.0%***	**(£51.8m)**	**£479.7m**	**22.9%[1]**
Net finance expense	(£12.1m)		(£2.0m)	(£14.1m)	(£11.1m)		-	(£11.1m)	9.0%[1]
Share of JV result	£9.3m		-	£9.3m	£10.4m		-	£10.4m	(10.6%)
Profit before taxation	**£650.4m**		**(£346.2m)**	**£304.2m**	**£530.8m**		**(£51.8m)**	**£479.0m**	**22.5%[1]**
Taxation expense	(£131.9m)		£70.3m	(£61.6m)	(£98.1m)		£9.8m	(£88.3m)	34.5%[1]
Profit after taxation	**£518.5m**		**(£275.9m)**	**£242.6m**	**£432.7m**		**(£42.0m)**	**£390.7m**	**19.8%[1]**
Earnings per share	**420.8p**		**(223.9p)**	**196.9p**	**350.9p**		**(34.0p)**	**316.9p**	**19.9%[1]**

[1] Underlying

Appendix 2 – Net finance expense

For the year ended 31 July

	2022	2021	Change
Net bank interest payable including fees	£2.0m	£3.1m	(35.5%)
Fixed rate sterling USPP notes	£3.4m	£1.6m	112.5%
Other interest:	£6.7m	£6.4m	4.7%
Made up of:-			
Land creditors – IFRS 9	£7.3m	£6.5m	12.3%
Lease liabilities – IFRS 16	£0.5m	£0.5m	-
Net interest on pension asset	(£0.1m)	-	(100.0%)
Other interest receivable	(£1.0m)	(£0.6m)	(66.7%)
Underlying net finance expense	**£12.1m**	**£11.1m**	**9.0%**
Unwinding of the discount on the legacy building safety provision	£2.0m	-	100.0%
Total net finance expense	**£14.1m**	**£11.1m**	**27.0%**

Appendix 3 – Housing revenue

For the year ended 31 July

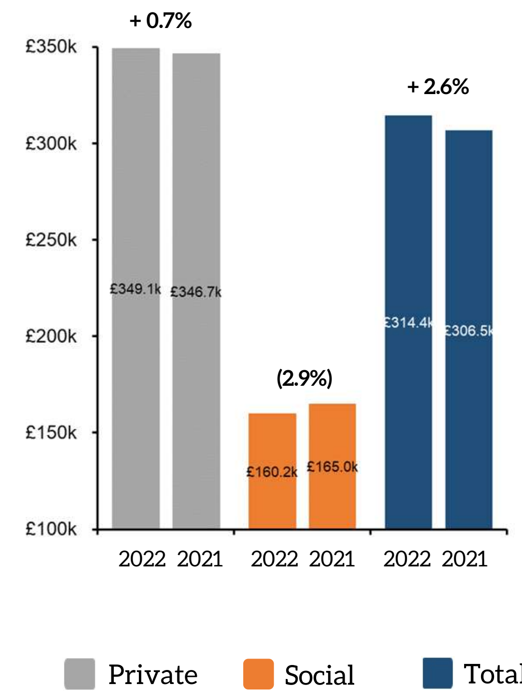
Homes sold (No.)

	2022			2021			Change		
	Private	Social	Total	Private	Social	Total	Private	Social	Total
North	4,637	817	5,454	3,983	714	4,697	16.4%	14.4%	16.1%
South	4,503	1,241	5,744	3,913	1,528	5,441	15.1%	(18.8%)	5.6%
Group	**9,140**	**2,058**	**11,198**	**7,896**	**2,242**	**10,138**	**15.8%**	**(8.2%)**	**10.5%**

Average selling price (£000)

	2022			2021			Change		
	Private	Social	Total	Private	Social	Total	Private	Social	Total
North	312.1	118.7	283.1	304.4	116.7	275.9	2.5%	1.7%	2.6%
South	387.3	187.5	344.1	389.7	187.5	332.9	(0.6%)	-	3.4%
Group	**349.1**	**160.2**	**314.4**	**346.7**	**165.0**	**306.5**	**0.7%**	**(2.9%)**	**2.6%**

Average selling price ('ASP')



Appendix 4 – ASP per square foot

Bellway

For the year ended 31 July

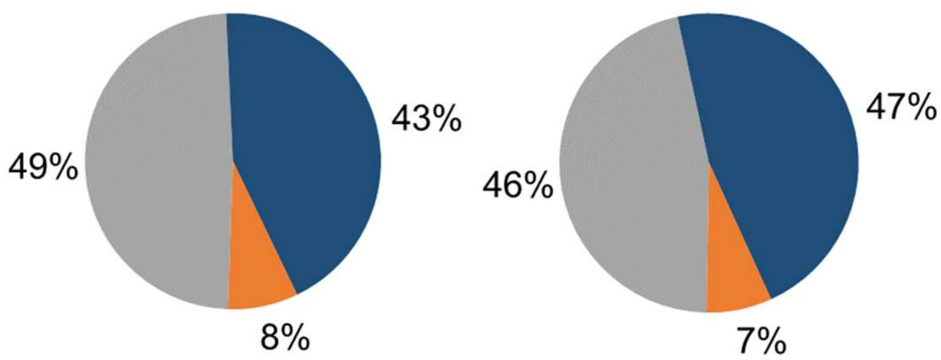
	2022			2021			Change		
	Private	**Social**	**Total**	**Private**	**Social**	**Total**	**Private**	**Social**	**Total**
North	269	153	257	250	147	240	7.6%	4.1%	7.1%
South - made up of:-	387	231	358	360	235	333	7.5%	(1.7%)	7.5%
London	536	311	494	516	316	434	3.9%	(1.6%)	13.8%
Non-London	366	219	339	347	217	321	5.5%	0.9%	5.6%
Group average	**323**	**201**	**305**	**302**	**207**	**286**	**7.0%**	**(2.9%)**	**6.6%**

Appendix 5 – Geographic split

For the year ended 31 July

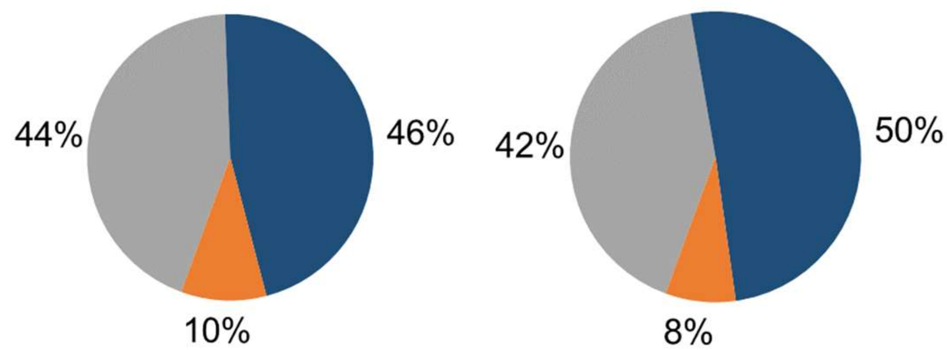
Completion analysis

2022 **2021**



Revenue analysis

2022 **2021**



North South (excl. London) London

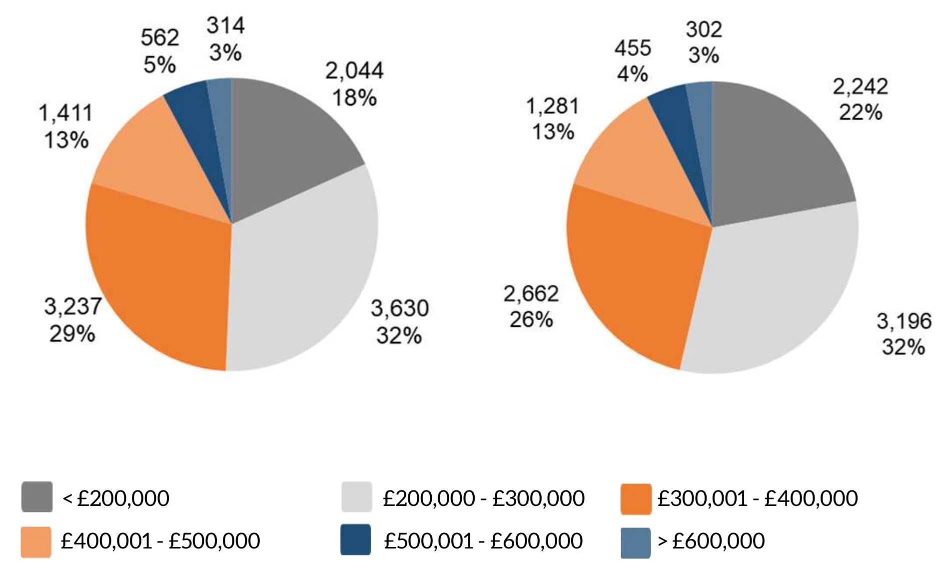
Appendix 6 – Product analysis

Bellway

For the year ended 31 July

Product mix analysis

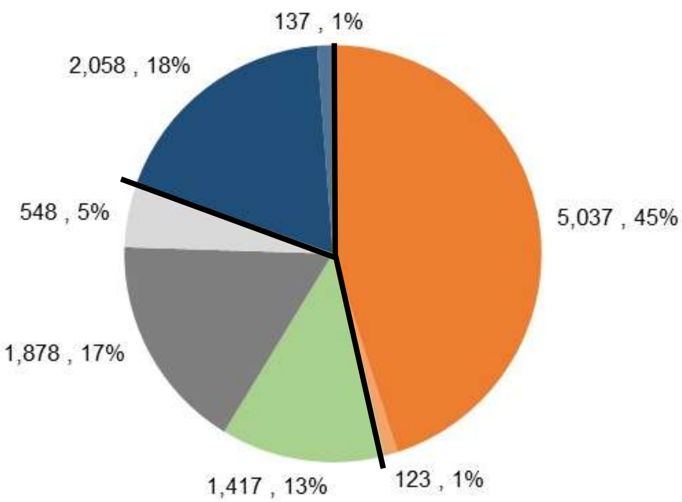
Selling price analysis



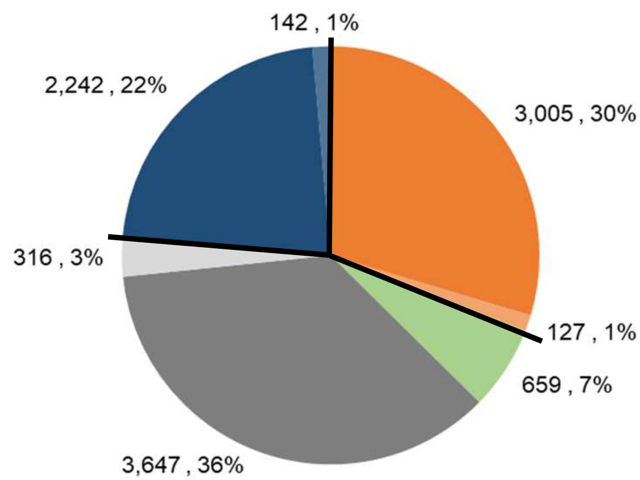
Appendix 7 – Buyer analysis (completions)

For the year ended 31 July

2022



2021



Second time buyers

- Other second time buyers
- Part-exchange

Deposit assisted and first time buyers

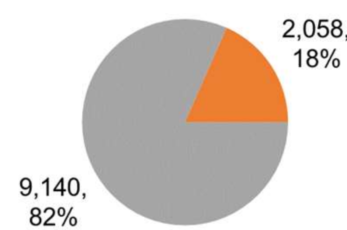
- Unassisted first time buyers
- Help to Buy – non-London
- Help to Buy – London

Other buyers

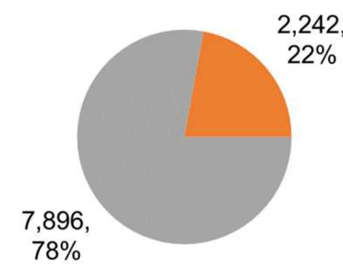
- Housing Association
- Investor

Homes sold

2022



2021

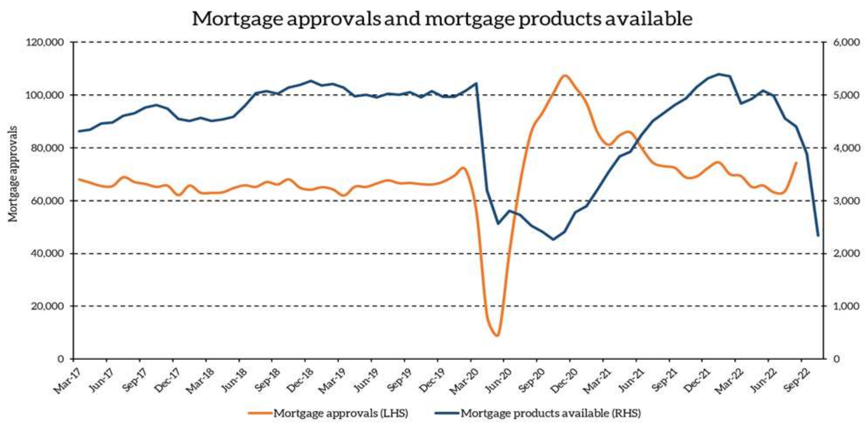


Private Social

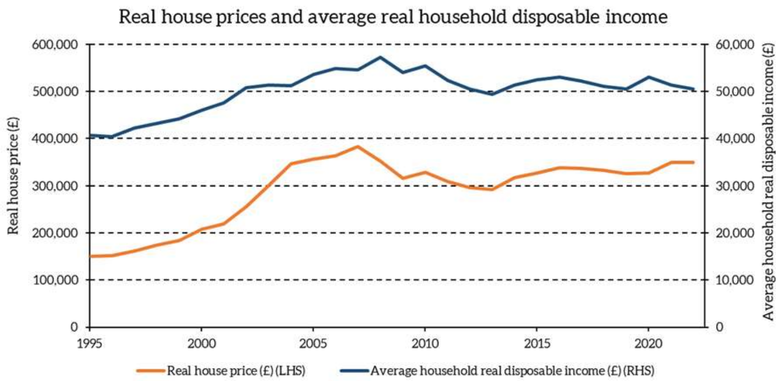
Appendix 8 – Order book at 31 July

	2022			2021			Change		
	Private	Social	Total	Private	Social	Total	Private	Social	Total
At 1 August	4,991	2,091	7,082	4,101	2,487	6,588	21.7%	(15.9%)	7.5%
Reservations	8,861	2,478	11,339	8,786	1,846	10,632	0.9%	34.2%	6.6%
Completions	(9,140)	(2,058)	(11,198)	(7,896)	(2,242)	(10,138)	15.8%	(8.2%)	10.5%
At 31 July	**4,712**	**2,511**	**7,223**	**4,991**	**2,091**	**7,082**	**(5.6%)**	**20.1%**	**2.0%**

Appendix 9 – Mortgage products and affordability



Sources: Bank of England, MoneyFacts.



Real house price based on the Bellway private ASP in FY22 and the historical Nationwide house price index. UK household disposable income data from the Office for National Statistics ('ONS'). All figures in real terms in 2022 prices and adjusted using RPI from the ONS.

Mortgage availability reduced in September 2022 and has improved in October as lenders re-price products.	Across all mortgage sales, over 40% have terms of more than 25 years, up from 14% in 2006.
At current interest rates, mortgage payments as a proportion of take-home pay are within long-term range.	Increased use of 30 and 35-year mortgages can improve affordability in period of higher interest rates.

Appendix 10 - Land with detailed planning permission[1]

As at 31 July

	2022			2021		
	Plots	Cost	Average plot cost	Plots	Cost	Average plot cost
At 1 August	30,933	£1,808.4m	£58.5k	28,289	£1,743.3m	£61.6k
Net purchases	12,609	£704.5m	£55.9k	12,782	£722.2m	£56.5k
Sold	(11,198)	(£700.6m)	£62.6k	(10,138)	(£657.1m)	£64.8k
At 31 July	**32,344**	**£1,812.3m**	**£56.0k**	**30,933**	**£1,808.4m**	**£58.5k**

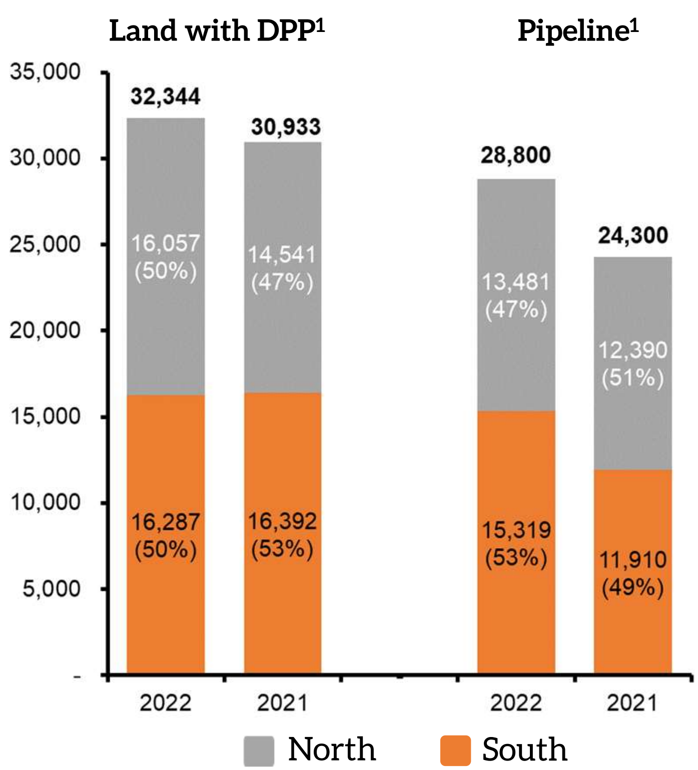
Land bank

Good visibility with regards to construction and sales profile.

[1] See appendix 14 for definitions.

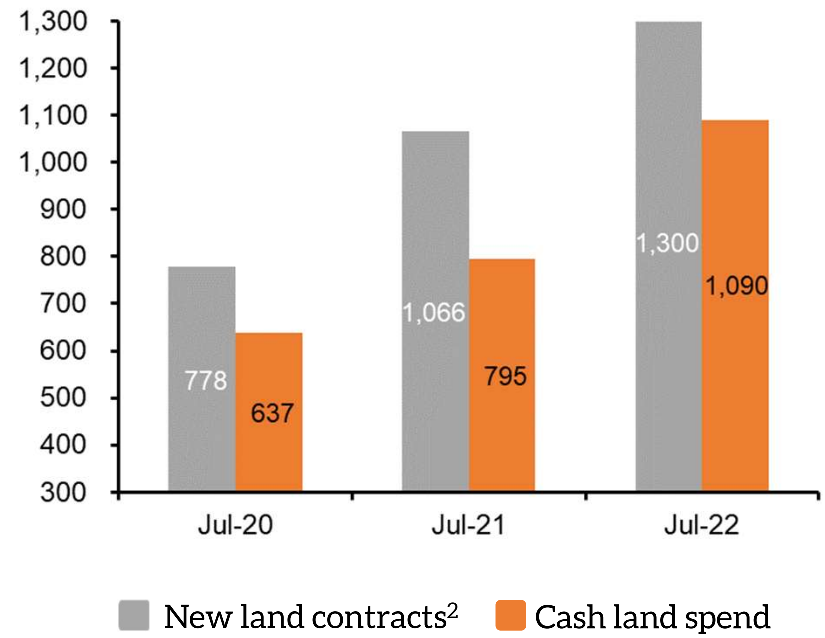
Appendix 11 – Land supply

Bellway owned and controlled land (plots)



[1] See appendix 14 for definitions.

Cash land spend and value of new land contracts (£m)



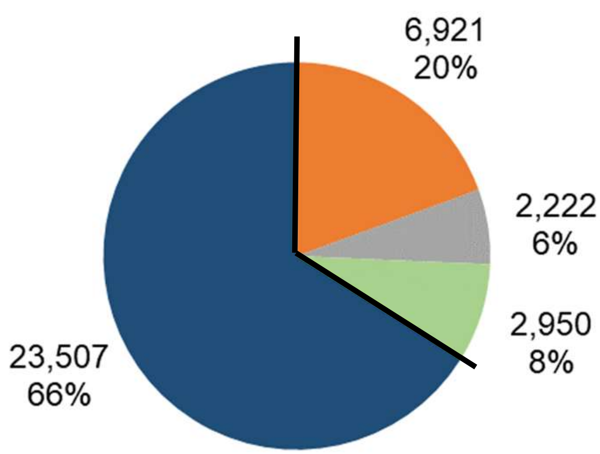
[2] Includes the Group's share of land contracted through joint venture partners with a contract value of £12.7m (2021: £39.2m, 2020: £15.3m).

Appendix 12 – Strategic land

Bellway

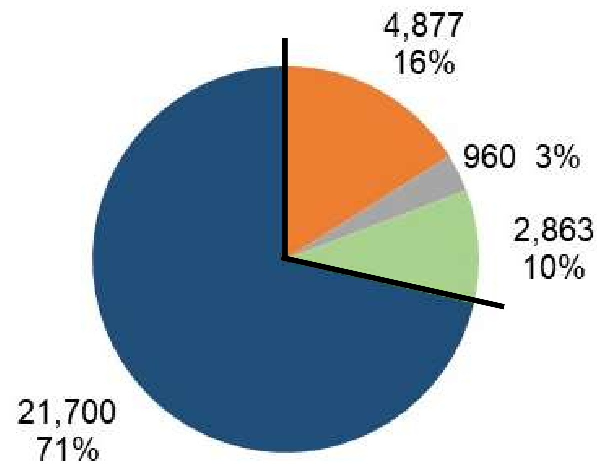
As at 31 July

2022



Total: 35,600

2021



Total: 30,400

Positive planning status

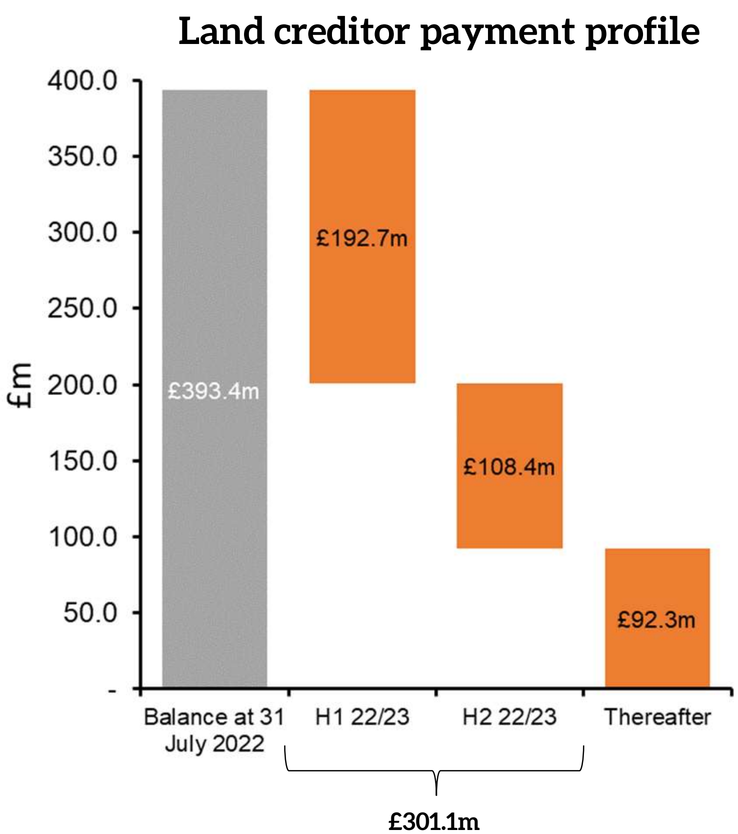
- Allocated
- Application
- Both

Longer term interests

- Longer term interests

Appendix 13 – Land creditors

As at 31 July



- Often able to secure a discount on land deals in return for making up front payments.
- Seek to defer payments where it is cost effective to do so.
- £301.1m due for payment in the next 12 months.

Appendix 14 – Land bank glossary

Owned and controlled plots

- **Land with DPP:** Plots owned or unconditionally contracted by the Group where there is an implementable **detailed planning permission**.

- **Pipeline:** Plots owned or controlled by the Group pending an implementable detailed planning permission, with development generally expected to commence within the next three years.

Strategic plots

- **Strategic:** Longer term plots which are typically held under option.

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