PRESS RELEASE **6 DECEMBER 2024**

INTERIM RESULTS ANNOUNCEMENT

STRONG EXECUTION DRIVING ROBUST OPERATING PERFORMANCE WITH THE COMPANY ON TRACK TO DELIVER FY25 AND FY26 PROFIT GUIDANCE

LAUNCH OF NEW GROWTH STRATEGY, BERKELEY 2035, TO DRIVE LONG-TERM SHAREHOLDER VALUE USING THE COMPANY'S OPERATING EXPERTISE AND BALANCE SHEET STRENGTH TO TAKE ADVANTAGE OF OPPORTUNITIES AS THEY ARISE

BERKELEY 2035 PROVIDES AN AGILE CAPITAL ALLOCATION FRAMEWORK TO ENHANCE INVESTMENT IN THE NEAR-TERM TO INCREASE PROFITS AND SHAREHOLDER RETURNS OVER THE LONG-TERM

The Berkeley Group Holdings plc ("Berkeley") today announces its unaudited interim results for the six months ended 31 October 2024.

Rob Perrins, Chief Executive, said:

"Berkeley has delivered £275 million of pre-tax profit for the six months, with net cash at £474 million. Despite ongoing geopolitical and macroeconomic volatility, we remain on track to achieve our pre-tax profit guidance of £525 million for the full year and at least £450 million for FY26. We are also on target to complete the final annual £283 million payment under the current Shareholder Returns programme by 30 September 2025.

There is good underlying demand for our homes, but transaction volumes remain around a third lower than FY23. Whilst we have seen a slight uptick in recent weeks, a meaningful recovery will require a sustained improvement in consumer confidence and stability in the wider macroeconomic environment.

As previously announced, pre-tax return on equity will dip below Berkeley's long-term target of 15% at the above levels of profitability, due to the impact of the operating environment and market conditions of recent years on our industry and the wider economy.

We therefore welcome Government's mission for growth and its brownfield-led housing agenda to resolve the issues in the planning system and deliver 1.5 million new homes over the next five years. Indeed, the strength and tone of Government's housing commitments have already galvanised the planning system.

We are now working closely with all levels of government to ensure that this positive momentum quickly translates into economically viable planning consents to unlock greater investment and delivery on the ground, but this will take time. We also remain alive to the very significant changes to Building Regulations and the establishment of a new industry regulator. This necessary change brings uncertainty as it beds-in and with it the risk of delays and additional costs.

Illustrating the scale of the opportunity, but also the challenge, housing starts in London fell to just 8,450 in the twelve months to 30 June 2024, according to the most recent quarterly statistics issued by MHCLG. This compares to Government's newly identified annual target of 80,000 for the capital.

Berkeley wants to play its full part in addressing this shortfall and helping Government meet its ambitions and believes that we are close to the point of inflection when both the operating environment and market conditions are supportive of investment. In light of this, we are today announcing a new 10-year strategy – *Berkeley 2035* – which takes into account both the volatility that persists in the operating environment and emerging opportunities.

Berkeley 2035 provides a framework within which Berkeley can utilise its entrepreneurial property expertise to: (i) increase return on capital in the core business through optimising existing sites, bringing pipeline sites into delivery and investing in new land; (ii) establish our own market-leading Build to Rent ("BTR") platform and significantly grow its value; and (iii) make returns to shareholders, through share buy-backs or dividends; a strategy that will grow the long-term value of the Company, while retaining financial strength. The opportunity to introduce third party funding to the BTR platform provides the financial capacity and flexibility to increase investment or shareholder returns further.

Berkeley has identified £7 billion of its free cash flow to deploy over the next ten years in a combination of: (i) land investment; (ii) construction of its BTR platform; and (iii) returns to shareholders. This is before introducing any external funding to the BTR platform and anticipates the initial allocation set out below:

	£'billion
Land investment (broadly replacement)	2.5
Existing BTR commitment	1.2
Minimum level of shareholder returns	2.0
Flexible allocation	1.3
	7.0

This agile framework for capital allocation combines necessary near-term resilience with the ability to flex a greater allocation to new land, the BTR platform or shareholder returns as the operating environment evolves. We are targeting to maintain operating margins in the historic range of 17.5% to 19.5% over this period, maintain the future gross margin in our land holdings above £6.0 billion, grow the value of our BTR platform and grow net asset value per share. Adopting this strategy at this point in the cycle will result in Berkeley investing more in the near-term to drive higher profits and returns to shareholders in the long-term, and meeting our long-term 15% pre-tax return on equity target.

Our teams have made fantastic progress throughout the period as we breathe new life into neglected urban sites and create some of the most exciting mixed-use neighbourhoods in the country. St William's stunning Regent's View development in Bethnal Green exemplifies our approach and I am hugely proud that this innovative gasworks regeneration project has been named the world's best Future Residential Project at the World Architecture Festival.

I wish to thank the entire team across Berkeley for their hard work, commitment and sheer ingenuity. They deliver hugely positive outcomes for all of our stakeholders and remain the bedrock of our continued success."

SUMMARY OF FINANCIAL POSITION, EARNINGS AND SHAREHOLDER RETURNS

Financial Position	As at 31-Oct-24	As at 30-Apr-24	Change absolute
Net cash	£474m	£532m	-£58m
Net asset value per share	£34.47	£33.63	+£0.84
Cash due on forward sales [1]	£1,510m	£1,701m	-£191m
Land holdings - future gross margin	£6,723m	£6,929m	-£206m
Pipeline sites / (plots (approx.)	13 (13,500)	13 (13,500)	- (-)

Earnings	HY to 31-Oct-24	HY to 31-Oct-23	Change %
Operating margin	20.2%	19.5%	+0.7%
Profit before tax	£275.1m	£298.0m	-7.7%
Basic earnings per share	186.8p	198.3p	-5.8%
Pre-tax return on equity	15.6%	17.7%	-2.1%

Shareholder Returns	HY to 31-Oct-24	HY to 31-Oct-23
Share buy-backs undertaken	£23.3m	£64.5m
Dividends paid	£218.7m	£63.1m
Shareholder returns	£242.0m	£127.6m
Share buy-backs – volume	0.5m	1.7m
Average price paid for share buy-backs	£46.33	£39.01
Dividends per share	£2.07	£0.59

[1] Cash due on private exchanged forward sales completing within the next three years
See Note 9 of the Condensed Consolidated Financial Information for a reconciliation of alternative performance measures

THE BERKELEY GROUP HOLDINGS PLC

INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 OCTOBER 2024

- Sales during the period have been largely consistent with FY24 run rates, with a slight improvement in recent weeks, and we are on target to achieve our FY25 and FY26 pre-tax profit guidance.

- Sales prices are resilient and build costs are stable with negligible inflation albeit we are alert to wider macroeconomic risk.

- Operating efficiency maintained with operating costs in line with last year.

- Net cash is £474 million, following shareholder returns of £242 million in the period, with £1.2 billion of borrowing capacity providing total liquidity of £1.7 billion.

- Net asset value per share has increased to £34.47 and reflects historic cost.

- Unrivalled land holdings with £6.7 billion of future gross margin – with strong planning momentum during the period.

CAPITAL ALLOCATION

- New 10-year strategy, *Berkeley 2035*, announced to provide resilience and flexibility for Berkeley to allocate capital between land investment, growing its BTR platform and shareholder returns, as the operating environment evolves.

- On track to make the final £283 million annual shareholder return under the current Shareholder Returns programme by 30 September 2025, including a 33 pence per share interim dividend to the paid in March 2025.

DELIVERING FOR ALL STAKEHOLDERS

- 2,103 homes delivered, plus 177 in joint ventures (2023: 1,785, plus 204) – 92% of which are on brownfield land.

- Over £300 million of subsidies provided to deliver affordable housing and committed to wider community and infrastructure benefits in the period.

- Berkeley is delivering some 10% of London's new private and affordable homes – supporting an average of approximately 26,000 UK jobs per annum directly and indirectly through its supply chain over the last five years.

- Industry leading Net Promoter Score (+78.2) and customer satisfaction ratings maintained.

- A recognised leader in the industry for nature, committing to biodiversity net gain seven years before it became mandatory in February 2024. In total, 57 developments are now committed which together will create more than 600 acres of new or measurably improved natural habitats.

- Awarded a place on CDP's "A List" for climate transparency and performance and Supplier Engagement Award. More than 50 embodied carbon studies completed as we progress our Climate Action programme.

- Gold membership of The 5% Club, with 9% of direct employees in 'earn and learn' positions as graduates, apprentices or sponsored students within the period.

Investor and Analyst Presentation:
A pre-recorded presentation by the Directors of Berkeley on the results will be made available on the Company's website at 11:00 today - https://www.berkeleygroup.co.uk/investors/results-and-announcements.

For further information please contact:

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CHIEF EXECUTIVE'S REVIEW

Purpose, Long-term Strategy and Capital Allocation

Berkeley's purpose is to build quality homes, strengthen communities and make a positive difference to people's lives, using our sustained commercial success to make valuable and enduring contributions to society, the economy and natural world.

We are the only large UK homebuilder to prioritise brownfield land, as we progress 32 of the country's most complex regeneration projects, 27 of which are in delivery. Each of these neighbourhoods is uniquely designed in partnership with local councils and communities and includes valuable public amenities alongside tenure-blind private and affordable homes.

Berkeley is a unique, asset-focussed development business that seeks to manage risk and generate value through market cycles, with its inherent latent value rooted in its unrivalled land holdings. We seek to find the optimum development solution for each site in terms of the social, environmental and economic value for all stakeholders, and the returns we deliver to our shareholders. We firmly believe these objectives are mutually compatible and reinforcing. The pace at which we deliver homes from our land holdings is determined by the prevailing operating environment and we will always adopt a long-term approach, prioritising financial strength above annual profit targets.

Our capital allocation policy is clear: first, ensure financial strength reflects the cyclical nature and complexity of brownfield development and is appropriate for the prevailing operating environment; second, invest in the business (land and work-in-progress) at the right time; and third, make returns to shareholders through share buy-backs and dividends.

Strategy Positioning – "Berkeley 2035"

The new Government's clear and decisive commitment to increase the delivery of new homes heralds a new era for home-building. The prioritisation of brownfield development makes Berkeley, with its unrivalled land holdings, ideally placed to play a leading role in this new era. This support for the industry provides a more certain outlook into which businesses can invest, although we cannot ignore the impact of prolonged geopolitical and macroeconomic volatility in re-setting our strategy.

Berkeley 2035 is a clear strategy through which we can take advantage of opportunities that present themselves over the next 10 years. We are forecasting that we will have around £7 billion of free cash flow to deploy over this period into a combination of:

- Land investment (replacement and new);
- Investing in our Build to Rent ("BTR") platform; and
- Shareholder returns – through share buy-backs or dividends

Berkeley will adopt an agile approach to capital allocation over this period, with the ability to flex a greater allocation to new land, its BTR platform or shareholder returns as the operating environment evolves. This is before introducing any external funding to the BTR platform and targets the initial allocation set out below:

	£'billion
Land investment (broadly replacement)	2.5
Existing BTR commitment	1.2
Minimum level of shareholder returns	2.0
Flexible allocation	1.3
	7.0

Land Investment Strategy

Berkeley enters the 10-year period with land holdings comprising some 52,500 future homes (over 90% of which have at least an outline planning consent), with a further 13,500 in its pipeline. With detailed planning in place for all homes being delivered over the next 3½ years, Berkeley has excellent visibility over this period. Beyond this, we will take the necessary time to work with all levels of government and local authorities to ensure each site has the appropriate development solution, aligned with local priorities and the needs of all stakeholders, prior to committing to delivery.

As greater certainty returns to the operating environment, accompanied by Government's support for brownfield development, we anticipate more land opportunities will meet our investment criteria which will allow us to target growth in the second half of the 10-year period. We anticipate around £2.5 billion of available free cash flow will be required to replace the land being used in production over the next 10 years and target £6.0 billion of future gross margin in the land holdings at the end of the period, with a greater allocation possible should the operating environment be favourable.

Berkeley BTR Platform

In June Berkeley announced plans to establish its own BTR platform, identifying around 4,000 homes across 16 sites for an initial portfolio. In the current operating environment, characterised by ongoing cost and affordability pressures, coupled with strong and increasing occupational and institutional demand, Berkeley believes that BTR will be central to the Government meeting its ambition for new homes during this Parliament.

Berkeley will therefore continually review the right allocation of its production to its own BTR platform, seeing this as an opportunity to accelerate delivery and create value for shareholders. The construction of the initial portfolio properties will absorb some £1.2 billion of free cash flow over the next ten years, with the optionality to grow the portfolio more aggressively should this be determined as the best course of action for delivering shareholder value.

Shareholder Returns

Berkeley's current plan for shareholder returns was put in place in 2011 and has returned £3.3 billion to shareholders over thirteen years, weighted towards the second half of the period, which ends in September 2025. This is an increase of £1.6 billion on the original plan which was to return £1.7 billion over 10 years.

Under *Berkeley 2035*, we are targeting a minimum level of shareholder returns of £2.0 billion over the ten years; £0.9 billion of which will be paid by 30 September 2030 and includes the remaining £260 million of the current shareholder returns programme to be paid by 30 September 2025. Returns after September 2025 will be phased over the period and delivered through a combination of share buy-backs, to be undertaken on a dynamic basis, and dividends.

The actual level of shareholder returns will depend upon the extent to which the flexibly allocated free cash flow is deployed into additional land investment, an increase in scale of our BTR platform or other opportunities.

Flexibility to increase investment or shareholder returns

As the table setting out the initial allocation indicates, there is some £1.3 billion of capital that is yet to be allocated. This can be deployed for additional investment in new land or BTR delivery, or used to increase shareholder returns as set out above. Capacity for further investment or shareholder returns can be created to the extent third party funding (debt or equity) is introduced to the BTR platform over the next 10 years.

Conclusion

Berkeley 2035 incorporates the necessary resilience to navigate what remains a volatile near-term operating environment, while providing Berkeley with the flexibility to use its entrepreneurial property expertise to grow profitability, maximise the value and potential of our land holdings and BTR platform, and grow net asset value per share over the 10-year period, within a disciplined framework for capital allocation.

Over this time Berkeley will continue to focus on maintaining its operating margin at or above the long-term historic range of 17.5% to 19.5% and growing net asset value per share in line with its investment plans.

Shareholder Returns

The current shareholder returns framework was put in place in 2011 and is now based upon an annual return of £283 million up to September 2025, which can be made through either dividends or share buy-backs.

Shareholder returns during the six months ended 31 October 2024 totalled £242.0 million:

Six months to 31 October	**2024 £'m**	**2023 £'m**
Dividends paid	34.9	63.1
Special dividend paid	183.8	-
Share buy-backs made	23.3	64.5
Shareholder return for the period	242.0	127.6

The dividend of £34.9 million (33 pence per share) was paid in July and the special dividend of £183.8 million (174 pence per share) was paid in September which completed the £283.2 million shareholder return for the year to 30 September 2024. The special dividend was followed by a share consolidation which reduced the Company's share capital, net of Treasury and EBT shares, by 3.7 million shares (3.5%).

The £23.3 million share buy-backs were across 0.5 million shares (average price: £46.33 per share).

Following the share buy-backs in the period, there is a residual £260.4 million to be returned to shareholders under the prevailing returns programme. £33.6 million (33 pence per share) of this will be paid as an interim dividend in March 2025. Any residual amount, after accounting for share buy-backs, will be paid as a dividend in September 2025.

Housing Market and Operating Environment

Sales

Market conditions have been stable during the period, supported by the systemic undersupply of new homes in London and the South-East, strong employment levels and recent wage growth, alongside a supportive mortgage market and London's reputation as a leading global city. These factors have been balanced by the impact of ongoing geopolitical risks and uncertainty around the domestic macroeconomic environment, with inflation tail risks heightened following the Autumn Budget.

In these conditions, Berkeley's sales have been resilient at levels largely consistent with FY24 run rates, with a slight improvement in recent weeks. Wandsworth Mills and Spring Hill (in Maidenhead) were launched during the period, securing a good level of early sales, alongside new releases at Westmont, London Dock, TwelveTrees Park, Bow Green, Royal Arsenal and Lombard Square amongst others. Sales pricing for the period has generally been ahead of business plan levels, with cancellations at normal rates.

As set out in the FY24 results announcement, these market conditions were anticipated, and the business positioned to operate accordingly. Cash due on exchanged private forward sales has moderated to £1,510 million (30 April 2024: £1,701 million) and completed stock levels increased in line with expectations.

Berkeley's core markets in London and the South-East continue to be, and are set to remain, structurally under-supplied. Focussing on the capital, the latest MHCLG data reports new-build starts for the 12 months to June 2024 of just 8,450 (including private, PRS and affordable homes) below both the current London Plan target of 52,000 per annum and Government's newly identified target of 80,000 per annum.

Land and planning

During the period, Berkeley acquired one new site; a strategic site in Berkshire for 220 homes, following the grant of a planning consent.

We have made good progress on the planning front in the recent weeks, with a resolution to grant planning permission obtained on five future sites in the land holdings and pipeline, including Bromley-by-Bow and Bath. We have also obtained a resolution to grant planning permission for a new master-plan at the Green Quarter, Southall which will see the number of homes delivered on this site double.

We are now working with the respective Local Authorities to conclude the Section 106 agreements in a form that meets their local priorities and our own hurdle rates and will provide further updates on planning progress at the year-end.

At 31 October 2024, Berkeley's land holdings comprise 52,501 plots across 68 developments (30 April 2024: 54,081 plots across 70 developments), including those in the St Edward joint venture. The plots in the land holdings have an estimated future gross profit of £6.72 billion (30 April 2024: £6.93 billion), which includes the Group's 50% share of the anticipated profit on St Edward's joint venture developments.

The net reduction in future gross profit during the period of £0.21 billion arises from the gross profit taken through the Income Statement, partly mitigated by the new site and market and optimisation movements, with some 20 planning amendments agreed in the period, including additional homes at London Dock, Wapping and Poplar Riverside. The estimated future gross margin in the land holdings does not include the impact of new or revised planning consents until this is secured through the Section 106 agreement. The estimated future gross margin is 25.0% (30 April 2024: 25.1%).

The estimated future gross margin represents Management's risk-adjusted assessment of the potential gross profit for each site, taking account of a wide range of factors, including current sales and input prices; the political and economic backdrop; the planning regime; and other market forces; all of which could have a significant effect on the eventual outcome.

The pipeline comprises approximately 13,500 plots across 13 sites at 31 October 2024. This includes the sites at Bromley-By-Bow (2,100 homes) and in Brentford (2,100 homes), a St Edward joint venture site, pending finalisation of the Section 106 agreements for each site.

Positive momentum on planning

The Government's determined start to delivering its 1.5 million homes target has had a profound and hugely positive impact on the planning system, lifting the tone and encouraging a proactive approach to unblocking housing delivery at scale.

We believe there are three key areas that, if addressed, will greatly assist in unlocking the full potential of well-connected urban land and see Government make huge strides in achieving its ambitious housing targets in the regions where homes are most needed. First, is ensuring we make the best possible use of brownfield land through increased density and intensification, which is wholly appropriate for many urban areas. Second, is the setting of clear priorities to ensure these get delivered. Specifically, the need for affordable housing to take priority in the planning system and be delivered directly by Section 106 agreements rather than more cash payments via inflexible mechanisms like the Community Infrastructure Levy. Third, removing the inefficiency and cost of duplicative and incremental local design guidance.

We therefore warmly welcome the Government's clear support for brownfield urban development, as set out in proposed changes to the National Planning Policy Framework, the emerging proposals for National Development Management Policies and the Government's recent working paper on making the most of urban development, which present valuable opportunities to cut through the excess of red tape and enable sustainable brownfield regeneration at far greater scale.

In the first six months of our financial year, Berkeley has provided over £300 million in subsidies to deliver affordable housing and commitments to wider community and infrastructure benefits. At over 150% of post-tax profit, this rate has doubled over the last ten years. Over the same period new starts across the industry in London have more than halved.

Construction

During the period build cost inflation for Berkeley has been stable at negligible levels. There is a complex set of competing factors at play. First, we have seen downward market-led pressure due to the weak macro conditions which has led to lower new starts and construction output and the reduction in materials cost inflation. Upside cost risk comes from the impact of the recent increase in Employers' National Insurance Contributions and ongoing regulatory change, including the transition to a new regulatory regime.

Overall, Berkeley expects build costs to remain benign as we move into 2025 with the market remaining competitive in a subdued environment. However, we are alert to the macroeconomic risk in this respect and continue to focus on efficiency to control costs while working with and supporting our established supply chain partners to ensure sustainability of the supply chain and delivery on our sites.

Berkeley's Build to Rent ("BTR") Platform

During the period, Berkeley has commenced the production of dedicated BTR buildings on six of its regeneration sites. These buildings comprise 833 homes, over 20% of the initial portfolio of 4,000 homes:

Regeneration Development	Location	Initial BTR Homes	Total BTR Homes
London			
- Alexandra Gate, Haringey	Zone 3	187	402
- Grand Union, Brent	Zone 3	177	326
- Kidbrooke Village, Greenwich	Zone 3	90	206
- Silkstream, Hendon	Zone 3	74	183
South-East			
- Eden Grove, Staines	Surrey	158	158
- Horlicks Quarter, Slough	Berkshire	147	327
Total		833	1,602
BTR future production		3,167	-
Other sites		-	2,398
Identified BTR Portfolio		4,000	4,000

The first of these homes will be delivered during FY27. Berkeley will continue to assess the pace at which it allocates its capital to this initial portfolio, alongside potentially allocating further capital to its BTR platform, in line with the strategy announced today.

These BTR homes are included in the aforementioned land holdings plots and future estimated gross profit.

CMA investigation

In February 2024, the Competition and Markets Authority ("CMA") announced an investigation into possible anti-competitive sharing of information in the housebuilding industry. We continue to cooperate with the CMA and its enquiries.

Self-Remediation Terms and Contract

On 13 March 2023 Berkeley entered into the Self-Remediation Terms and Contract with MHCLG, under which developers have responsibility for any life-critical fire safety defects in buildings they have developed in the 30-year period to April 2022.

For the 820 relevant buildings Berkeley has developed over this period, we have third party assessments on over 95%. All of the remaining buildings are where Berkeley is not the freeholder and has not yet been provided access. There are 35 buildings where works are still to be completed, 11 of which are buildings where Berkeley is reimbursing Government for the works under the Developer Remediation Contract. Where works are required and yet to commence, Berkeley intends to begin works as soon as reasonably possible, subject to access being provided by the freeholder. It is Berkeley's preference to take full responsibility for all its relevant buildings and to complete any required works itself as this will speed up the overall process of remediation. We are seeking recoveries from the supply chain and insurers where appropriate.

We welcome the new Government's collaborative approach to remediation and look forward to working with them to deliver our shared aspiration to complete required works as quickly as possible. In conjunction with this, Berkeley continues to work closely with the new Building Safety Regulator, which together with the actions taken to date, should restore trust and confidence to the housing market, enabling it to operate efficiently, effectively and fairly for all.

Outlook

Berkeley is determined to play a full part in helping Government meet its ambition to deliver 1.5 million new homes over the next five years and fully supports the brownfield-led housing agenda to resolve the issues in the planning system.

We have already experienced notable traction in the planning system in recent weeks brought about by the change in tone ushered in by the new Government. This positive intent will lead to the delivery of more homes provided all levels of government now work with developers to deliver economically viable planning consents.

The supply of new homes is unsurprisingly at a low ebb given the meaningful challenges faced by the industry across both the operating environment and market conditions in recent years. While short-term risks remain prevalent, we are optimistic that we are close to the point of inflection when conditions become far more supportive of increased investment and growth. Already, Berkeley has accelerated the production of 833 new homes on our existing regeneration sites through our BTR platform.

The scale of opportunity for a new era of homebuilding is substantial. Berkeley's new 10-year strategy announced today is firmly rooted therein. By investing more in the near-term, we can not only accelerate the delivery of much needed new homes, but also drive higher profits and returns to shareholders in the long-term through optimising our existing sites, acquiring new ones and investing in our own BTR platform to grow the long-term value of the company, while retaining financial strength.

Berkeley embarks on this new plan from a strong financial position with net cash of £0.4 billion, £1.5 billion of cash due on exchanged private forward sales and £6.7 billion of future gross margin in our land holdings, some 85% of which (by plots) is on brownfield land which is now widely recognised as the most sustainable way to solve the UK's housing crisis.

Rob Perrins
Chief Executive

TRADING AND FINANCIAL REVIEW

Trading performance

Berkeley has delivered pre-tax profit of £275.1 million for the six month period:

Six months ended 31 October	2024 £'m	2023 £'m	Change £'m	Change %
Revenue	1,278.9	1,191.9	+87.0	+7.3%
Gross profit	338.5	311.6	+26.9	+8.6%
Operating expenses	(80.1)	(79.7)	-0.4	+0.5%
Operating profit	258.4	231.9	+26.5	+11.4%
Net finance income	9.6	5.1	+4.5	
Share of joint ventures	7.1	61.0	-53.9	
Profit before tax	275.1	298.0	-22.9	-7.7%
Pre-tax return on equity	15.6%	17.7%	-2.1%	
Earnings per share – basic	186.8p	198.3p	-11.5p	-5.8%

Revenue of £1,278.9 million in the period (2023: £1,191.9 million) included £1,275.7 million of residential revenue (2023: £1,153.0 million) and £3.2 million of commercial revenue (2023: £38.9 million). 2,103 new homes (2023: 1,785) were sold across London and the South-East at an average selling price of £600,000 (2023: £624,000) reflecting the mix of properties sold in the period.

The gross margin percentage is 26.5% (2023: 26.1%), reflecting the mix of developments on which homes were completed in the period.

Overheads of £80.1 million are in line with the comparative period (2023: £79.7 million). Consequently, the operating margin is 20.2% (2023: 19.5%) given the higher revenue and slight first half weighting of pre-tax profits in FY25.

The cost of borrowings and amortisation of associated fees and imputed interest on land creditors is outweighed by interest earned from gross cash holdings, resulting in net finance income of £9.6 million for the period (2023: £5.1 million).

Berkeley's share of the results of joint ventures is a profit of £7.1 million (2023: £61.0 million), with St Edward's profits arising from its South-East developments following delivery of its central London developments in the comparative period.

The taxation charge for the period is £79.5 million (2023: £86.5 million) at an effective tax rate of 28.9% (2023: 29.0%), which incorporates the additional 4% RPDT and Corporation Tax of 25%.

Pre-tax return on equity for the period is 15.6% (2023: 17.7%).

Basic earnings per share has decreased by 5.8% from 198.3 pence to 186.8 pence, which takes account of the share consolidation which accompanied the Special Dividend during the period and the buy-back of 0.5 million shares for £23.3 million under the Shareholder Returns Programme.

Financial Position

The Group's net assets decreased by £50.2 million over the six month period to £3,510.3 million:

Summarised Balance Sheet as at	31-Oct- 24 £'m	30-Apr- 24 £'m	Change £'m
Non-current assets	388.8	393.4	-4.6
Inventories	5,230.7	5,283.9	-53.2
Debtors	88.4	127.0	-38.6
Creditors	(2,672.0)	(2,775.8)	+103.8
Capital employed	3,035.9	3,028.5	+7.4
Net cash	474.4	532.0	-57.6
Net assets	3,510.3	3,560.5	-50.2
Shares, net of treasury and EBT	101.8m	105.9m	-4.1m
Net asset value per share	3,447p	3,363p	+84p

Inventory

Inventories of £5,230.7 million include £568.4 million of land not under development (30 April 2024: £725.8 million), £4,346.8 million of work in progress (30 April 2024: £4,347.7 million) and £315.5 million of completed stock (30 April 2024: £210.4 million).

During the period, Milton Keynes, Wandsworth Mills, Spring Hill in Maidenhead and Hurlingham in Fulham have been moved from land not under development into work in progress. The completed stock is spread across 24 developments.

Creditors

Total creditors of £2,672.0 million include £811.1 million of on-account receipts from customers (30 April 2024: £907.7 million) and land creditors of £884.1 million (30 April 2024: £881.7 million). Of the total £884.1 million land creditor balance, £235.4 million is short-term and £648.7 million is spread over the next seven years.

Creditors also include provisions of £223.9 million (30 April 2024: £209.8 million) which represents post-completion development obligations, including those related to building fire-safety matters, and other provisions.

Net cash

The Group ended the period with net cash of £474.4 million (30 April 2024: £532.0 million), a decrease of £57.6 million during the period:

Abridged Cash Flow for the period ended	31-Oct-24 £'m
Profit before taxation	275.1
Taxation paid	(63.4)
Net investment in working capital	(21.2)
Net contribution to joint ventures	(8.0)
Other movements	1.9
Shareholder returns *	(242.0)
Decrease in net cash	(57.6)
Opening net cash	532.0
Closing net cash	474.4

** includes £4.9 million share buy-backs which were settled shortly after the period end with an offsetting adjustment made in Other movements in the table.*

The net cash of £474.4 million comprises gross cash holdings of £1,134.4 million and borrowings of £660.0 million.

Net assets and NAVPS

Net assets decreased over the six-month period by £50.2 million, or 1.4% to £3,510.3 million (30 April 2024: £3,560.5 million) due to the profit after tax for the period of £195.6 million being outweighed by the shareholder returns of £242.0 million and other movements in reserves of £3.8 million.

The shares in issue, net of treasury and EBT shares, closed at 101.8 million compared to 105.9 million at the start of the period. The net reduction of 4.1 million shares comprises three movements (subject to rounding):

- The 0.5 million share buy-backs undertaken during the period for £23.3 million (£46.33 per share),
- The issue of 0.2 million shares under the 2011 LTIP; and
- A reduction of 3.7 million resulting from the share consolidation.

Consequently, the net asset value per share is 3,447 pence, up 2.5% from the 3,363 pence at 30 April 2024.

Funding

The Group's borrowing capacity of £1,200 million was unchanged during the period and comprises:

- £400 million unsecured ten-year Green Bonds which mature in August 2031 at a fixed coupon of 2.5% per annum; and
- £800 million bank facility, including a £260 million Green Term loan and a £540 million undrawn revolving credit facility ("RCF").

Berkeley has allocated the proceeds of the Green Bonds and Green Term Loan to its ongoing development activities in accordance with its Green Financing Framework (available on its website).

With borrowings of £660 million, the Group's gross cash holdings of over £1.1 billion throughout the six-month period have been placed on deposit with its six relationship banks.

Berkeley has a facility with Homes England whereby it may apply amounts borrowed towards financing or re-financing certain infrastructure type costs incurred on three of its developments. The facility totals £125.6 million, is unsecured, has floating interest rates linked to UK base rate and requires 33.33% of any outstanding loans to be repaid by 31 December 2031, 50% by 31 December 2032 and 100% by 31 December 2033. There are no loans outstanding as at 31 October 2024.

Joint Ventures

Included within non-current assets are investments in joint ventures accounted for using the equity method which are at £235.0 million at 31 October 2024 (30 April 2024: £227.0 million). The net £8.0 million increase in the six-month period arises from Berkeley's 50% share of two movements:

- Share of profits earned in joint ventures of £7.1 million; and
- Share of loan contributions to site specific joint ventures of £0.9 million.

In St Edward, 177 homes were completed in the period at an average selling price of £484,000 (2023: 204 homes at £1,204,000). The completions occurred at Hartland Village in Fleet, Green Park Village in Reading and Highcroft in Wallingford.

In total, 2,325 plots (30 April 2024: 2,502 plots) in the land holdings relate to five St Edward developments.

<u>Our Vision 2030: Transforming Tomorrow</u>

Our Vision 2030 is Berkeley's ambitious long-term strategy, which sets ten strategic priorities for the business over the current decade.

Berkeley's independently verified Net Promoter Score is +78.2 on a scale of -100 to +100, exceeding our target and the industry average of +44 (HBF, March 2024).

We continue to strengthen our build safety and quality training and arrangements. We have also produced new standards in response to the Building Safety Act, in addition to a comprehensive guide to the requirements for our workforce.

In partnership with industry peers and Unseen, we have produced a new film to raise awareness about the issue of labour exploitation on construction sites. The aim is for this film to be used across the built environment sector as part of both training programmes and site inductions to raise awareness of this issue and thereby increase the chances of exploitative activity being reported.

Taking action to combat climate change remains a key priority for our industry and during the period Berkeley submitted its response to the UK Government's Energy Savings Opportunity Scheme following external audits undertaken by the Carbon Trust. Recommendations that have arisen from this process will be embedded within the Group's Net Zero Transition Plan which will be published in 2025. We have now completed more than 50 detailed embodied carbon assessments. Direct engagement with our supply chain for high impact materials is key and to date has provided us with important insight on the procurement of lower carbon aluminium and concrete.

As a recognised pioneer in the industry for nature recovery, committing to biodiversity net gain ("BNG") seven years before it became mandatory in February 2024, we are proud to be co-chairing a new BNG Implementation Board with Government to support the industry through any challenges and ensure successful implementation of the new legislation. At Berkeley, we have now committed to achieve BNG on 57 developments, which together will create more than 600 acres of new or measurably improved natural habitats. To strengthen our approach and ensure effective governance of habitats, we have partnered with the London Wildlife Trust to develop guidance on long-term landscape management and maintenance.

We are focused on enhancing Berkeley as a place to work, where all our employees feel included and supported. During the period we have enhanced parental leave policies, introduced a menopause plan and delivered a suite of wellness sessions covering a range of topics such as bereavement support and financial wellbeing. We continue to encourage colleagues to get involved with our growing employee-led networks including for Women, LGBTQ+, Ethnic Minorities and Parents & Carers.

We have maintained our Gold rating with The 5% Club, with 9% of our colleagues during the period being an apprentice, graduate or in formal training. This summer, we celebrated the successful completion of our first large cohort of construction apprentices who joined the business in 2021. In September, we welcomed more than 40 new graduates and apprentices who are now immersed in training programmes, helping to address critical industry skill shortages while developing their expertise and learning from our teams. We are proud to have received the Apprenticeship Initiative of the Year Award at the London Construction Awards 2024 for our inclusive approach to selecting apprentices and are rated top in the Property and Housebuilding sector by the Job Crowd for our graduate programme.

The Berkeley Foundation continues to work in partnership with expert frontline charities, investing in their work to help communities thrive. The Foundation's Annual Review for FY24 has recently been published sharing highlights of the £3.6 million given in the year to reach nearly 12,000 people. During the period, the Foundation also launched five new partnerships through its Resilience Fund, committing £300,000 in grants over two years to charities working with young people experiencing or at risk of homelessness.

Principal risks and uncertainties

The Board is conscious of the ongoing volatility in the operating environment and the Group's business model and risk management approach ensures Berkeley is agile and responsive to evolving market conditions. As such, the Group's risk appetite remains dynamic and is respectful of the cyclical nature of the industry and the risks and opportunities this presents.

The principal business risks and uncertainties facing Berkeley for the next six months are the same as those set out on pages 94 to 103 of The Berkeley Group Holdings plc Annual Report for the year ended 30 April 2024. These comprise the economic and political outlook, the impact of regulation on the business and the wider industry, the availability of land, the planning process, retention of our people, securing sales, liquidity and working capital management, mortgage availability, climate change and sustainability considerations, health and safety on the Group's developments, product quality and customers, control of build costs and maintaining programmes, and cyber and data risk. In preparing this interim report, full account has been taken of this risk profile and the future outlook for the Group's developments as embraced within the Group's strategy and outlook.

- End -

Statement of Directors' Responsibilities

This statement, which should be read in conjunction with the independent review of the auditors set out at the end of these Condensed Consolidated Financial Statements (the "Interim Financial Statements"), is made to enable shareholders to distinguish the respective responsibilities of the Directors and the auditors in relation to the Interim Financial Statements which the Directors confirm have been presented on a going concern basis. The Directors consider that the Group has used appropriate accounting policies, consistently applied and supported by reasonable and appropriate judgements and estimates.

A copy of the Interim Financial Statements of the Group is placed on the website of The Berkeley Group Holdings plc: www.berkeleygroup.co.uk. The Directors are responsible for the maintenance and integrity of the information on the website. Information published on the internet is accessible in many countries with different legal requirements. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The Directors confirm that this set of Interim Financial Statements has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the United Kingdom and that the interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- an indication of important events that have occurred during the first six months and their impact on the set of Interim Financial Statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- material related party transactions in the first six months and any material changes in the related party transactions described in the last annual report.

The Directors of The Berkeley Group Holdings plc are listed in the Annual Report of The Berkeley Group Holdings plc for the year ended 30 April 2024. A list of current Directors is maintained on The Berkeley Group Holdings plc's website.

On behalf of the Board

R C Perrins
Chief Executive
5 December 2024

R J Stearn
Chief Financial Officer
5 December 2024

Condensed Consolidated Income Statement

	Notes	**Six months ended 31 October 2024 Unaudited £m**	Six months ended 31 October 2023 Unaudited £m	Year ended 30 April 2024 Audited £m
Revenue		**1,278.9**	1,191.9	2,464.3
Cost of sales		**(940.4)**	(880.3)	(1,819.8)
Gross profit		**338.5**	311.6	644.5
Net operating expenses		**(80.1)**	(79.7)	(164.8)
Operating profit		**258.4**	231.9	479.7
Finance income	3	**30.8**	25.9	53.9
Finance costs	3	**(21.2)**	(20.8)	(41.9)
Share of results of joint ventures using the equity method		**7.1**	61.0	65.6
Profit before taxation for the period		**275.1**	298.0	557.3
Income tax expense	4	**(79.5)**	(86.5)	(159.7)
Profit after taxation for the period		**195.6**	211.5	397.6
Earnings per share (pence):				
Basic	5	**186.8**	198.3	373.9
Diluted	5	**185.8**	196.7	371.1

Condensed Consolidated Statement of Comprehensive Income

	Six months ended 31 October 2024 Unaudited £m	Six months ended 31 October 2023 Unaudited £m	Year ended 30 April 2024 Audited £m
Profit after taxation for the period	**195.6**	211.5	397.6
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss			
Actuarial gain/(loss) recognised in the pension scheme	**0.7**	(1.0)	(0.7)
Total items that will not be reclassified to profit or loss	**0.7**	(1.0)	(0.7)
Other comprehensive income/(expense) for the period	**0.7**	(1.0)	(0.7)
Total comprehensive income for the period	**196.3**	210.5	396.9

Condensed Consolidated Statement of Financial Position

	Notes	**31 October 2024 Unaudited £m**	31 October 2023 Unaudited £m	30 April 2024 Audited £m
Assets				
Non-current assets				
Intangible assets		**17.2**	17.2	17.2
Property, plant and equipment		**28.1**	33.8	28.0
Right-of-use assets		**3.5**	5.0	4.3
Investments accounted for using the equity method		**235.0**	217.6	227.0
Deferred tax assets		**105.0**	110.8	116.9
		388.8	384.4	393.4
Current assets				
Inventories	6	**5,230.7**	5,370.3	5,283.9
Trade and other receivables		**84.6**	89.3	119.8
Current tax assets		**3.8**	3.8	7.2
Cash and cash equivalents	8	**1,134.4**	1,081.6	1,192.0
		6,453.5	6,545.0	6,602.9
Total assets		**6,842.3**	6,929.4	6,996.3
Liabilities				
Non-current liabilities				
Borrowings	8	**(660.0)**	(660.0)	(660.0)
Trade and other payables		**(648.7)**	(868.0)	(683.6)
Lease liability		**(1.9)**	(3.0)	(2.3)
Provisions for other liabilities and charges		**(154.6)**	(153.2)	(140.7)
		(1,465.2)	(1,684.2)	(1,486.6)
Current liabilities				
Trade and other payables		**(1,795.7)**	(1,774.2)	(1,878.0)
Lease liability		**(1.8)**	(2.2)	(2.1)
Provisions for other liabilities and charges		**(69.3)**	(55.0)	(69.1)
		(1,866.8)	(1,831.4)	(1,949.2)
Total liabilities		**(3,332.0)**	(3,515.6)	(3,435.8)
Total net assets		**3,510.3**	3,413.8	3,560.5
Equity				
Shareholders' equity				
Share capital		**6.2**	6.2	6.2
Share premium		**49.8**	49.8	49.8
Capital redemption reserve		**25.3**	25.3	25.3
Other reserve		**(961.3)**	(961.3)	(961.3)
Retained earnings		**4,390.3**	4,293.8	4,440.5
Total equity		**3,510.3**	3,413.8	3,560.5

Condensed Consolidated Statement of Changes in Equity

	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserve £m	Retained earnings £m	Total equity £m
Unaudited						
At 1 May 2024	6.2	49.8	25.3	(961.3)	4,440.5	3,560.5
Profit after taxation for the period	**-**	**-**	**-**	**-**	**195.6**	**195.6**
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**0.7**	**0.7**
Purchase of own shares	**(0.0)**	**-**	**0.0**	**-**	**(23.3)**	**(23.3)**
Transactions with shareholders:						
- Charge in respect of employee share schemes	**-**	**-**	**-**	**-**	**(5.3)**	**(5.3)**
- Deferred tax in respect of employee share schemes	**-**	**-**	**-**	**-**	**0.8**	**0.8**
- Dividends to equity holders of the Company	**-**	**-**	**-**	**-**	**(218.7)**	**(218.7)**
At 31 October 2024	**6.2**	**49.8**	**25.3**	**(961.3)**	**4,390.3**	**3,510.3**
Unaudited						
At 1 May 2023	6.3	49.8	25.2	(961.3)	4,212.3	3,332.3
Profit after taxation for the period	-	-	-	-	211.5	211.5
Other comprehensive expense for the period	-	-	-	-	(1.0)	(1.0)
Purchase of own shares	(0.1)	-	0.1	-	(64.5)	(64.5)
Transactions with shareholders:						
- Charge in respect of employee share schemes	-	-	-	-	(4.2)	(4.2)
- Deferred tax in respect of employee share schemes	-	-	-	-	2.8	2.8
- Dividends to equity holders of the Company	-	-	-	-	(63.1)	(63.1)
At 31 October 2023	6.2	49.8	25.3	(961.3)	4,293.8	3,413.8
Audited						
At 1 May 2023	6.3	49.8	25.2	(961.3)	4,212.3	3,332.3
Profit after taxation for the year	-	-	-	-	397.6	397.6
Other comprehensive expense for the year	-	-	-	-	(0.7)	(0.7)
Purchase of own shares	(0.1)	-	0.1	-	(72.3)	(72.3)
Transactions with shareholders:						
- Charge in respect of employee share schemes	-	-	-	-	(0.8)	(0.8)
- Deferred tax in respect of employee share schemes	-	-	-	-	2.5	2.5
- Dividends to equity holders of the Company	-	-	-	-	(98.1)	(98.1)
At 30 April 2024	6.2	49.8	25.3	(961.3)	4,440.5	3,560.5

Condensed Consolidated Cash Flow Statement

	Notes	**Six months ended 31 October 2024 Unaudited £m**	Six months ended 31 October 2023 Unaudited £m	Year ended 30 April 2024 Audited £m
Cash flows from operating activities				
Cash generated from operations	8	**234.0**	157.1	383.0
Interest received		**31.4**	22.6	50.4
Interest paid		**(19.9)**	(18.4)	(29.5)
Income tax paid		**(63.4)**	(87.6)	(170.5)
Net cash flow from operating activities		**182.1**	73.7	233.4
Cash flows from investing activities				
Purchase of property, plant and equipment		**(1.0)**	(0.9)	(1.4)
Proceeds on disposal of property, plant and equipment		**0.1**	0.4	0.3
Dividends from joint ventures		**-**	74.9	74.9
Movements in loans with joint ventures		**(0.4)**	(8.1)	(12.9)
Net cash flow from investing activities		**(1.3)**	66.3	60.9
Cash flows from financing activities				
Lease capital repayments		**(1.3)**	(1.2)	(2.3)
Purchase of own shares		**(18.4)**	(64.5)	(72.3)
Dividends to Company's shareholders		**(218.7)**	(63.1)	(98.1)
Net cash flow from financing activities		**(238.4)**	(128.8)	(172.7)
Net (decrease)/increase in cash and cash equivalents		**(57.6)**	11.2	121.6
Cash and cash equivalents at the start of the financial period		**1,192.0**	1,070.4	1,070.4
Cash and cash equivalents at the end of the financial period		**1,134.4**	1,081.6	1,192.0

Notes to the Condensed Consolidated Financial Information

1 General information

The Berkeley Group Holdings plc (the Company) is a public limited company incorporated and domiciled in the United Kingdom. The address of its registered office is Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG. The Company and its subsidiaries (together the Group) are engaged in residential led, mixed use property development.

This Condensed Consolidated Financial Information was approved for issue on 5 December 2024. It does not comprise statutory accounts within the meaning of Section 434(3) of the Companies Act 2006. Statutory accounts for the year ended 30 April 2024 were approved by the Board of Directors on 19 June 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not include reference to any matters to which the auditor drew attention by way of emphasis without qualifying their audit report, and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006. The Interim Financial Statements have been reviewed, not audited.

2 Basis of preparation

2.1 Introduction

This Condensed Consolidated Financial Information for the six months ended 31 October 2024 has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted for use in the UK and the Disclosure Guidance and Transparency Rules of the UK's Financial Conduct Authority.

The comparative figures for the year ended 30 April 2024 do not constitute statutory accounts as defined in Section 434(3) of the Companies Act 2006 and have been extracted from the statutory accounts, which were prepared in accordance with International Accounting Standards (IAS) in conformity with the requirements of the Companies Act 2006 and UK-adopted International Financial Reporting Standards (IFRS) and were delivered to the Registrar of Companies.

The accounting policies, presentation and method of computations adopted in the preparation of the 31 October 2024 Interim Financial Statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 April 2024 except in respect of taxation which is based on the expected effective tax rate for the year ending 30 April 2025.

The following amendments to standards and interpretations are applicable to the Group and are mandatory for the first time for the financial year beginning 1 May 2024:

— Amendments to IAS 1 Presentation of Financial Statements; and
— Amendments to IFRS 16 Leases.

These amendments are not expected to have a significant impact on the results of the Group.

Notes to the Condensed Consolidated Financial Information (continued)

2 Basis of preparation (continued)

2.2 Going concern

The Directors have assessed the business plan and funding requirements of the Group over the medium-term and compared these with the level of committed debt facilities and existing cash resources. As at 31 October 2024, the Group had net cash of £474.4 million and total liquidity of £1,674.4 million when this net cash is combined with banking facilities of £800 million (committed to February 2029) and £400 million listed bonds (which mature in August 2031). Furthermore, the Group has cash due on forward sales of £1,510 million, a significant proportion of which covers delivery for the next 18 months.

In making this assessment, consideration has been given to the uncertainty inherent in future financial forecasts and where applicable, severe but plausible sensitivities have been applied to the key factors affecting the financial performance of the Group. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for not less than 12 months from the date of approval of these Interim Financial Statements. For this reason, it continues to adopt the going concern basis of accounting in preparing its Interim Financial Statements.

3 Net finance income

	Six months ended 31 October 2024 Unaudited £m	Six months ended 31 October 2023 Unaudited £m	Year ended 30 April 2024 Audited £m
Finance income	**30.8**	25.9	53.9
Finance costs			
Interest payable on borrowings and non-utilisation fees	**(14.7)**	(14.6)	(29.2)
Amortisation of fees incurred on borrowings	**(1.1)**	(1.0)	(2.0)
Other finance costs	**(5.4)**	(5.2)	(10.7)
	(21.2)	(20.8)	(41.9)
Net finance income	**9.6**	5.1	12.0

Finance income predominantly represents interest earned on cash deposits.

Other finance costs represent imputed interest on land purchased on deferred settlement terms and lease interest.

Notes to the Condensed Consolidated Financial Information (continued)

4 Income tax expense

	Six months ended 31 October 2024 Unaudited £m	Six months ended 31 October 2023 Unaudited £m	Year ended 30 April 2024 Audited £m
Current tax including RPDT			
UK current tax payable	**(67.7)**	(80.9)	(166.0)
Adjustments in respect of previous years	**0.9**	0.7	6.4
	(66.8)	(80.2)	(159.6)
Deferred tax including RPDT			
Deferred tax movements	**(11.9)**	(5.6)	2.8
Adjustments in respect of previous years	**(0.8)**	(0.7)	(2.9)
	(12.7)	(6.3)	(0.1)
	(79.5)	(86.5)	(159.7)

5 Earnings per share

Basic earnings per share are calculated as the profit for the financial period attributable to shareholders of the Group divided by the weighted average number of shares in issue during the period.

	Six months ended 31 October 2024 Unaudited	Six months ended 31 October 2023 Unaudited	Year ended 30 April 2024 Audited
Profit attributable to shareholders (£m)	**195.6**	211.5	397.6
Weighted average no. of shares (m)	**104.7**	106.7	106.3
Basic earnings per share (p)	**186.8**	198.3	373.9

For diluted earnings per ordinary share, the weighted average number of shares in issue is adjusted to assume the conversion of all potentially dilutive ordinary shares.

At 31 October 2024, the Group had two (2023: one) categories of potentially dilutive ordinary shares: 0.5 million (2023: 0.9 million) share options under the 2011 LTIP and 0.1 million (2023: nil) under the Restrictive Share Plan.

A calculation is undertaken to determine the number of shares that could have been acquired at fair value based on the aggregate of the exercise price of each share option and the fair value of future services to be supplied to the Group, which is the unamortised share-based payments charge. The difference between the number of shares that could have been acquired at fair value and the total number of options is used in the diluted earnings per share calculation.

Notes to the Condensed Consolidated Financial Information (continued)

5 Earnings per share (continued)

	Six months ended 31 October 2024 Unaudited	Six months ended 31 October 2023 Unaudited	Year ended 30 April 2024 Audited
Profit used to determine diluted EPS (£m)	**195.6**	211.5	397.6
Weighted average no. of shares (m)	**104.7**	106.7	106.3
Adjustments for:			
Share options – 2011 LTIP	**0.5**	0.9	0.7
Share options – Restrictive Share Plan	**0.1**	-	0.1
Shares used to determine diluted EPS (m)	**105.3**	107.6	107.1
Diluted earnings per share (p)	**185.8**	196.7	371.1

6 Inventories

	Six months ended 31 October 2024 Unaudited £m	Six months ended 31 October 2023 Unaudited £m	Year ended 30 April 2024 Audited £m
Land not under development	**568.4**	912.0	725.8
Work in progress: Land cost	**1,778.4**	1,649.5	1,715.3
Total land	**2,346.8**	2,561.5	2,441.1
Work in progress: Build cost	**2,568.4**	2,661.1	2,632.4
Completed units	**315.5**	147.7	210.4
Total inventories	**5,230.7**	5,370.3	5,283.9

7 Contingent Liability

In February 2024, the Competition and Markets Authority ("CMA") announced an investigation into possible anti-competitive sharing of information in the housebuilding industry. We continue to cooperate with the CMA and their enquiries. The timetable for conclusion of the CMA's investigation and any potential impact on the Group, if any, is unknown.

Notes to the Condensed Consolidated Financial Information (continued)

8 Notes to the Condensed Consolidated Cash Flow Statement

	Six months ended 31 October 2024 Unaudited £m	Six months ended 31 October 2023 Unaudited £m	Year ended 30 April 2024 Audited £m
Net cash flows from operating activities			
Profit for the financial period	**195.6**	211.5	397.6
Adjustments for:			
Taxation	**79.5**	86.5	159.7
Depreciation	**2.1**	2.5	4.8
Loss on sale of PPE	**-**	-	5.2
Finance income	**(30.8)**	(25.9)	(53.9)
Finance costs	**21.2**	20.8	41.9
Share of results of joint ventures after tax	**(7.1)**	(61.0)	(65.6)
Non-cash charge in respect of share awards	**(5.3)**	(4.2)	(0.8)
Changes in working capital:			
Decrease/(increase) in inventories	**53.1**	(68.2)	18.2
Decrease/(increase) in trade and other receivables	**35.0**	5.9	(24.4)
Decrease in trade and other payables	**(109.3)**	(10.8)	(99.7)
Cash generated from operations	**234.0**	157.1	383.0

Reconciliation of net cash flow to net cash			
Net (decrease)/increase in net cash and cash equivalents, including bank overdraft	**(57.6)**	11.2	121.6
Movement in borrowings	**-**	-	-
Movement in net cash in the financial period	**(57.6)**	11.2	121.6
Opening net cash	**532.0**	410.4	410.4
Closing net cash	**474.4**	421.6	532.0
Net cash			
Cash and cash equivalents	**1,134.4**	1,081.6	1,192.0
Non-current borrowings	**(660.0)**	(660.0)	(660.0)
Net cash	**474.4**	421.6	532.0

The total share buy-backs in the period were £23.3 million. On the Condensed Consolidated Cash Flow Statement the share buy-backs total £18.4 million as £4.9 million was settled shortly after the period end.

Cash equivalents comprise amounts placed in fixed term deposit and notice accounts which are all held in order to meet short-term cash requirements and are subject to an insignificant risk of changes in value. Cash equivalents include an amount of £311.1 million (30 April 2024: £210.2 million) that is accessible between 90 and 120 days.

9 Alternative performance measures

The Group uses a number of alternative performance measures ("APMs") which are not defined by IFRS. The Directors consider these measures useful to assess underlying performance alongside the relevant IFRS financial information. The information below provides a definition of APMs and reconciliation to the relevant IFRS information, where required:

Net cash

Net cash is defined as cash and cash equivalents, less total borrowings. This is reconciled in note 8.

Notes to the Condensed Consolidated Financial Information (continued)

9 Alternative performance measures (continued)

Net assets per share attributable to shareholders (NAVPS)

This is defined as net assets attributable to shareholders divided by the number of shares in issue, excluding shares held in treasury and shares held by the employee benefit trust.

	Six months ended 31 October 2024 Unaudited	Six months ended 31 October 2023 Unaudited	Year ended 30 April 2024 Audited
Net assets (£m)	**3,510.3**	3,413.8	3,560.5
Total shares in issue (million)	**110.2**	114.9	114.7
Less:			
Treasury shares held (million)	**(8.3)**	(8.8)	(8.7)
Employee benefit trust shares held (million)	**(0.1)**	(0.1)	(0.1)
Net shares used to determine NAVPS (million)	**101.8**	106.0	105.9
Net asset per share attributable to shareholders (pence)	**3,447**	3,219	3,363

Return on capital employed (ROCE)

This measures the profitability and efficiency of capital being used by the Group and is calculated as profit before interest and taxation (including joint venture profit before tax) divided by the average net assets adjusted for (debt)/cash.

	Six months ended 31 October 2024 Unaudited	Six months ended 31 October 2023 Unaudited	Year ended 30 April 2024 Audited
Operating profit (£m)	**258.4**	231.9	**479.7**
Share of joint ventures using the equity method (£m)	**7.1**	61.0	**65.6**
Profit used to determine ROCE (£m)	**265.5**	292.9	**545.3**
Opening capital employed:			
Net assets (£m)	3,560.5	3,332.3	3,332.3
Net cash (£m)	(532.0)	(410.4)	(410.4)
Opening capital employed (£m)	3,028.5	2,921.9	2,921.9
Closing capital employed:			
Net assets (£m)	**3,510.3**	3,413.8	**3,560.5**
Net cash (£m)	**(474.4)**	(421.6)	**(532.0)**
Closing capital employed (£m)	**3,035.9**	2,992.2	**3,028.5**
Average capital employed (£m)	**3,032.2**	2,957.1	**2,975.2**
Return on capital employed (%)	**17.5%**	19.8%	**18.3%**

Notes to the Condensed Consolidated Financial Information (continued)

9 Alternative performance measures (continued)

Return on equity (ROE) before tax

This measures the efficiency of returns generated from shareholder equity before taxation and is calculated as profit before taxation attributable to shareholders as a percentage of the average of opening and closing shareholders' funds.

	Six months ended 31 October 2024 Unaudited	Six months ended 31 October 2023 Unaudited	Year ended 30 April 2024 Audited
Opening shareholders equity (£m)	**3,560.5**	3,332.3	3,332.3
Closing shareholders equity (£m)	**3,510.3**	3,413.8	3,560.5
Average shareholders' equity (£m)	**3,535.4**	3,373.1	3,446.4
Return on equity before tax:			
Profit before tax (£m)	**275.1**	298.0	557.3
Return on equity before tax (%)	**15.6%**	17.7%	16.2%

Cash due on forward sales

This measures cash still due from customers, with a risk adjustment, at the relevant Balance Sheet date during the next three years under unconditional contracts for sale. It excludes forward sales of affordable housing, commercial properties and institutional sales as well as forward sales within the Group's joint ventures.

Future gross margin in land holdings

This represents management's risk-adjusted assessment of the potential gross profit for each of the Group's sites, including the proportionate share of its joint ventures, taking account of a wide range of factors, including: current sales and input prices; the economic and political backdrop; the planning and regulatory regimes; and other market factors; all of which could have a significant effect on the eventual outcome.

10 Related party transactions

The Group has entered into the following related party transactions:

Transactions with Directors

There were no transactions with Directors during the period. In the comparative 2023 period, Mr R C Perrins paid £87,123 and Mr P M Vallone paid £5,831 to the Group in connection with works carried out at their respective homes at commercial rates in accordance with the relevant policies of the Group.

Transactions with Joint Ventures

During the period, the joint ventures paid management fees and other recharges to the Group of £5.2 million (2023: £7.0 million). Other transactions in the period include the movements in loans of £0.9 million (2023: £8.1 million) and there was no receipt of dividends (2023: £74.9 million).

The outstanding loan balances with joint ventures at 31 October 2024 total £54.7 million (30 April 2024: £53.8 million).

INDEPENDENT REVIEW REPORT TO THE BERKELEY GROUP HOLDINGS PLC

Conclusion

We have been engaged by The Berkeley Group Holdings Plc (the Company) to review the Condensed Consolidated set of Financial Statements in the Interim Results Report for the six months ended 31 October 2024 which comprises the Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Cash Flow Statement and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the Condensed Consolidated set of Financial Statements in the half-yearly financial report for the six months ended 31 October 2024 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and the Disclosure Guidance and Transparency Rules (the DTR) of the UK's Financial Conduct Authority (the UK FCA).

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Financial Information Performed by the Independent Auditor of the Entity (ISRE (UK) 2410) issued for use in the UK. A review of financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the Condensed Consolidated set of Financial Statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the Directors have inappropriately adopted the going concern basis of accounting, or that the Directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

The annual financial statements of the Group are prepared in accordance with UK-adopted international accounting standards.

The Directors are responsible for preparing the Condensed Consolidated set of Financial Statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the Condensed Consolidated set of Financial Statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT REVIEW REPORT TO THE BERKELEY GROUP HOLDINGS PLC (continued)

Our responsibility

Our responsibility is to express to the company a conclusion on the Condensed Consolidated set of Financial Statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Anna Jones
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

5 December 2024