





# Highlights of the year ended 30 April 2024

## Financial highlights

### Profit before tax

£557m

2023 | £604m

### Net asset value per share

£33.63

2023 | £31.01

### Pre-tax return on equity

16.2%

2023 | 18.7%

### Cash due on forward sales

£1,701m

2023 | £2,136m

### Net cash

£532m

2023 | £410m

### Future gross margin in land holdings

£6,929m

2023 | £7,629m

## Homes

### Brownfield

87%

homes delivered during the year are on regenerated brownfield land

### Quality

63%

homes had zero defects reported by customers, compared to just 5% across the industry (HBF, March 2024)

### Homes delivered

3,521

homes delivered (plus 406 in joint ventures), including some 10% of London's new private and affordable homes

## Communities

### Regeneration

32

long-term regeneration sites, of which 27 are under construction

### Regreening cities

>580

acres of new or measurably improved natural habitats across 56 biodiversity net gain sites

### Community benefit

£370m

of subsidies provided to deliver affordable housing and committed to wider community and infrastructure benefit

## People

### Customers

+80.2

Net Promoter Score (NPS) from our customers, compared to an industry average of 44 (HBF, March 2024)

### Employees

9.5%

of our employees are graduates, apprentices or sponsored students

### Workforce

26,000

UK jobs supported per annum over the last five years, an average of 6.6 jobs per completed home

## Accreditations



CDP Climate Change  
2023  
A rated



ISS ESG Corporate Rating  
2024  
Prime status



MSCI ESG Rating  
2023  
AAA



FTSE4Good  
Listed since 2003

S&P Global Corporate  
Sustainability Assessment  
2023  
Sustainability Yearbook  
Member and Industry Mover

Sustainalytics ESG Risk  
Rating  
2024  
Low risk rating

See our financial track record on  
pages 16 and 17

Read more about creating long-term  
sustainable value on pages 12 and 13

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.

Front cover and right: The Green Quarter – a place for people, communities and nature. See more on pages 10 and 11





## Strategy for Prevailing Operating Environment

Realise forward sales

Operate efficiently with operating margin in historic range (17.5% to 19.5%)

Controlled delivery – matching supply to demand

Focus on optimising sites – adding value to existing land holding and bringing through pipeline sites

Maintain financial strength at all times

Invest in new sites when conditions for growth return

Establish a Berkeley Build to Rent platform

## Current Guidance

- Targeting to deliver at least £975 million of pre-tax profit across FY25 (£525 million) and FY26 (£450 million)
- Thereafter, pre-tax profitability to remain around FY26 level (£450 million) in the prevailing operating environment and market conditions
- Net cash to be maintained around £400 million for FY25 and FY26
- First Build to Rent completions in FY27

Link to Berkeley's results presentation for the year ended 30 April 2024 which includes full guidance:  
[www.berkeleygroup.co.uk/investors](http://www.berkeleygroup.co.uk/investors)



Kidbrooke Village, Greenwich

## Berkeley's Build to Rent Platform

Attractive opportunity to accelerate delivery of Berkeley's existing assets by building a best-in-class London and South-East focused Build to Rent residential portfolio and platform.

Enables Berkeley to maximise value on its brownfield regeneration sites from this growing market segment.

Developed over the next 10 years; the 4,000 homes will be financed by internally generated funds (over and above annual scheduled returns), debt secured against rental properties once income generating, and the introduction of third-party capital at the appropriate time.

This is a unique and strong value proposition for Berkeley; more detail on pages 14 and 15.



Oval Village



# Investment Case

## Long-term Sustainable Added Value Model

Berkeley is a unique asset-focused 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 both the social, natural and economic value for all stakeholders, and the returns we deliver to our shareholders. We firmly believe these two are mutually compatible and reinforcing.

The pace at which homes are delivered from the land holdings is determined by the prevailing operating environment and Berkeley will always adopt a long-term approach, prioritising financial strength above annual profit targets.

## 5 Key features of Berkeley

**1**  
Only large UK homebuilder focused on brownfield regeneration at scale

**2**  
Core London and South East markets are systematically under supplied

**3**  
Significant financial strength giving the business strategic optionality

**4**  
Unrivalled land holdings sustaining delivery profile for the next 10 years

**5**  
Added value developer focused on maximising returns on every site

— Bottom-up approach which identifies the best development solution and maximises absolute returns from each site

— Sales volumes important on a site-by-site basis, but are not the sole determinant for creating value

— Long-term value is created through the land and planning strategy at any point in the cycle

— Risk managed through land approach and forward selling

— Agile and responsive to the prevailing operating environment

## Capital Allocation Policy

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.

Third, make returns to shareholders through dividends and share buy-backs.



Clarendon, Haringey

# Current Shareholder Returns Framework

Amounts: £m	Cash return made	Dividend		B-Share Return		Share Buy-backs		
		Paid	/share	Paid	/share	Paid	Shares	/share
1 May 12 – 30 April 13	20	20	£0.15	–	–	–	–	–
1 May 13 – 30 April 14	195	195	£1.49	–	–	–	–	–
1 May 14 – 30 April 15	244	244	£1.80	–	–	–	–	–
1 May 15 – 30 April 16	260	260	£1.90	–	–	–	–	–
1 May 16 – 30 April 17	300	255	£1.85	–	–	45	1.5m	£29.38
1 May 17 – 30 April 18	287	147	£1.09	–	–	140	4.0m	£35.38
1 May 18 – 30 April 19	252	53	£0.40	–	–	199	5.6m	£35.59
1 May 19 – 30 April 20	280	150	£1.19	–	–	130	3.5m	£37.05
1 May 20 – 30 April 21	334	145	£1.16	–	–	189	4.4m	£42.84
1 May 21 – 30 April 22	516	–	–	452	£3.71	64	1.5m	£41.81
1 May 22 – 30 April 23	254	99	£0.91	–	–	155	4.0m	£38.25
1 May 23 – 30 April 24	170	98	£0.92	–	–	72	1.8m	£39.62
Cash returns to date	3,112	1,666	£12.86	452	£3.71	994	26.3m	£37.65

Ongoing annual returns of £283 million are in place to September 2025.

The return is made through either dividends or share buy-backs, subject to a dividend underpin of 66 pence per share (approximately £70 million).

The £283 million return currently equates to £2.67 per share and compares to the original £2.00 per share when share buy-backs were initiated in 2016.

In respect of the annual return of £283 million due by 30 September 2024, there is £219 million due which will be completed by:

— A £34.9 million (33 pence per share) interim dividend to be paid on 26 July 2024; and

— A special dividend of £184.0 million (174 pence per share) to be paid in September 2024 accompanied by a share consolidation, subject to approval by shareholders at the September AGM.

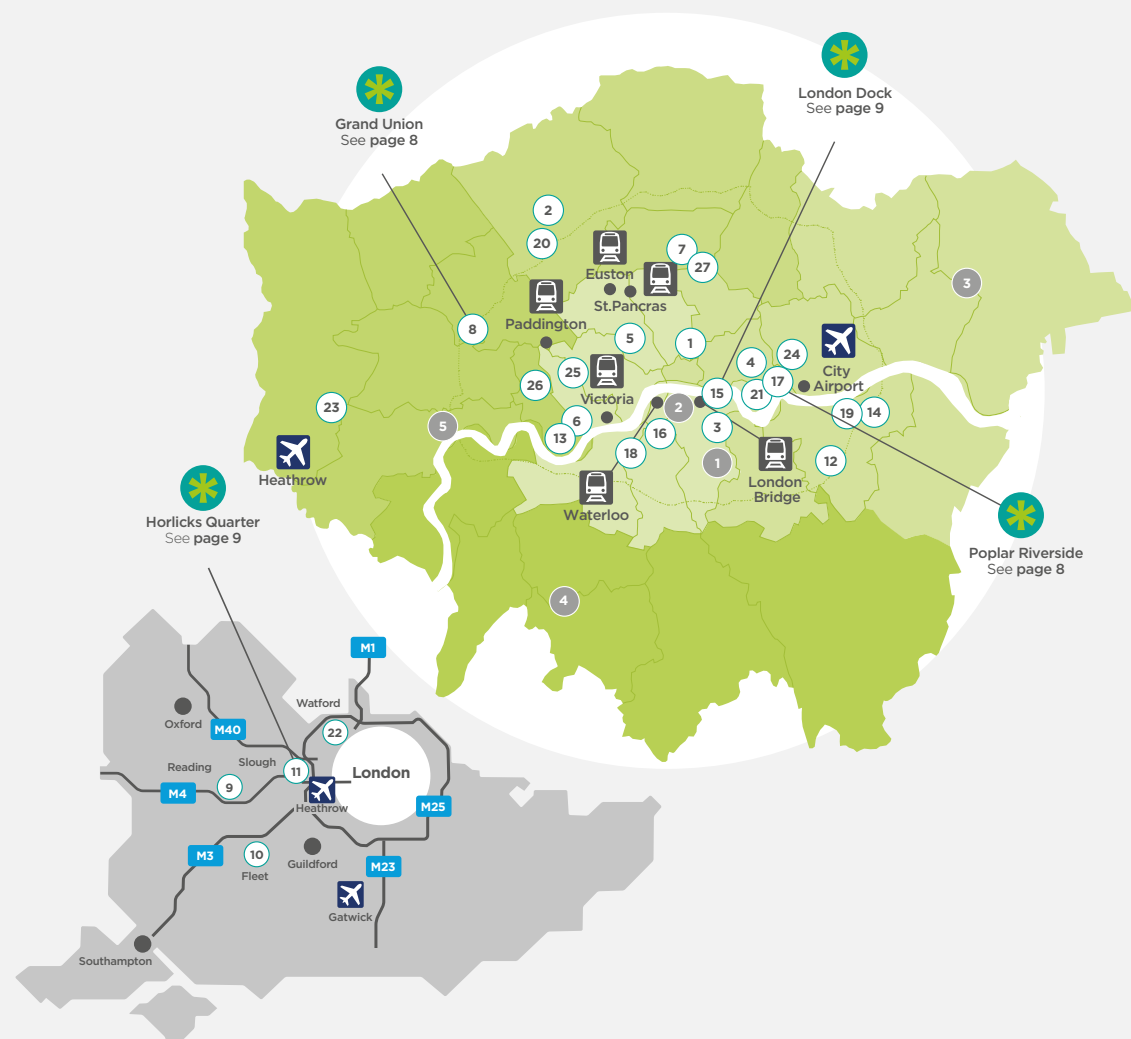
Any further share buy-backs undertaken in the intervening period will therefore count towards the £283 million return for the year to 30 September 2025.



South Quay Plaza

# Brownfield regeneration at scale

Berkeley is the only large UK homebuilder to align with Government on prioritising brownfield land, as we progress 32 of the country's most challenging projects, 27 of which are in delivery.



- |   |  |   |  |
|---|--|---|--|
| <p><b>In production</b></p> <ul style="list-style-type: none"> <li>1 250 City Road, Islington</li> <li>2 Beaufort Park, Hendon</li> <li>3 Bermondsey Place, Southwark</li> <li>4 Bow Green</li> <li>5 Camden Goods Yard</li> <li>6 Chelsea Creek</li> <li>7 Clarendon, Haringey</li> <li>8 Grand Union, Brent</li> <li>9 Green Park Village, Reading</li> <li>10 Hartland Village, Fleet</li> </ul> | <ul style="list-style-type: none"> <li>11 Horlicks Quarter, Slough</li> <li>12 Kidbrooke Village, Greenwich</li> <li>13 King's Road Park, Fulham</li> <li>14 Lombard Square, Plumstead</li> <li>15 London Dock, Wapping</li> <li>16 Oval Village</li> <li>17 Poplar Riverside</li> <li>18 Prince of Wales Drive, Wandsworth</li> </ul> | <ul style="list-style-type: none"> <li>19 Royal Arsenal Riverside, Woolwich</li> <li>20 Silkstream, Barnet</li> <li>21 South Quay Plaza, Docklands</li> <li>22 The Eight Gardens, Watford</li> <li>23 The Green Quarter, Ealing</li> <li>24 TwelveTrees Park, Newham</li> <li>25 West End Gate, Paddington</li> <li>26 White City Living</li> <li>27 Woodberry Down, Finsbury Park</li> </ul> | <p><b>Future sites</b></p> <ul style="list-style-type: none"> <li>1 Aylesham Centre, Peckham</li> <li>2 Borough Triangle</li> <li>3 Romford*</li> <li>4 Sutton</li> <li>5 Syon Lane, Brentford*</li> </ul> |
|---|--|---|--|

\* Pipeline sites

## Unlocking brownfield sites

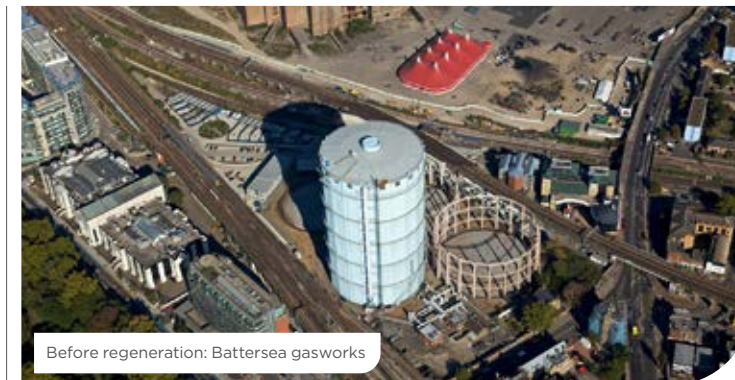
Berkeley is currently the only UK homebuilder with the skills and resources to deliver urban brownfield regeneration at scale.

### What are the challenges?

- **Building trust;** with local communities and councils
- **Planning and regulatory regimes;** which are highly complex and uncertain
- **Capital;** high up-front investment
- **Land assembly;** with multiple land ownerships
- **Design challenges;** to address unique site-specific constraints
- **Infrastructure delivery;** such as new roads, bridges and stations
- **Operations;** building in complex urban environments

### How do we solve them?

- **Partnership working;** based on strong relationships with local stakeholders
- **Diverse inhouse expertise;** to work through complex challenges
- **Design-led solutions;** to unlock sites and create high quality neighbourhoods
- **Patient placemaking;** to help shape strong and engaged communities
- **Strong capital base;** to deliver multiple capital intensive programmes
- **Long term sustainable operating model;** to create value through market cycles



Before regeneration: Battersea gasworks



After regeneration: Prince of Wales Drive



## Brownfield regeneration at scale **continued**

### Grand Union



Unlocking this 22-acre industrial estate in Brent required an upfront capital investment of £170 million, complex enabling infrastructure and close engagement with the council and surrounding community to shape a unique masterplan which meets local needs.

Grand Union is now a popular canal-side neighbourhood, which will deliver 3,350 private and affordable homes, 10 acres of public space, up to 400 permanent jobs and 200 apprenticeships, community amenities and an innovative multi-storey industrial workspace.

### London Dock



Once known as “Fortress Wapping”, this 15-acre former printworks and headquarters for News International Media Group is being transformed into a welcoming neighbourhood with 1,800 private and affordable homes and more than 7 acres of landscaped public spaces, including a new civic square and pedestrian street.

The Grade II Listed Pennington Street Warehouse has been sensitively restored to become the commercial and cultural heart of this growing community. Once complete London Dock will provide 200,000 square feet of commercial space, 1,500 jobs and a new secondary school for Tower Hamlets.

### Poplar Riverside

Part of the Lower Lea Valley Opportunity Area, this 20-acre former gasworks is being transformed into a welcoming riverside neighbourhood with more than 2,500 private and affordable homes.

The open landscape will include a public square, 2.4 acres of parkland, playspace and walking routes, including a riverside walk, along with a secondary school, crèche, shops, cafés, restaurants and flexible commercial space for employment, enterprise and leisure.



### Horlicks Quarter

The regeneration of the 12-acre Horlicks Factory site is creating up to 1,300 private and affordable homes in a sustainable location close to Slough Town Centre.

The iconic factory building, along with its clocktower and 47-metre chimney, are being carefully restored to form the historic centrepiece of this mixed-use neighbourhood, alongside high quality public open spaces and gardens, a new community square, nursery and café.





# A place for people, communities and nature

The 88-acre former Southall Gasworks is being transformed into a nature-rich neighbourhood of 3,750 homes, characterised by 13 acres of beautiful parks, meadows and wetlands, designed in partnership with the London Wildlife Trust. Close to half of the site will be public space, including a mix of natural habitats, fitness trails, public squares, outdoor event space and children's play and recreation areas.



This year we have been delighted to have worked in partnership to deliver the following at The Green Quarter:

- More than 65 community activities and events, engaging more than 8,000 local people and bringing together the local community.
- Supported more than 35 apprentices, hosted 12 work experience placements and 28 site tours. There have also been nearly 30 engagement sessions with local schools to showcase the range of careers available within the built environment sector.

- A new electric bike hire scheme has been launched, helping residents and the local community travel sustainably between the station and all areas of the development.
- A new tree nursery, consisting of 600 air-potted trees of six different species grown in the UK. These will remain on site for at least 15 years before being planted for permanent use across future St George developments.
- A 14-week youth leadership programme with Groundwork London, one of the Berkeley

Foundation's Strategic Partners, alongside Southall Community College.

- A 'Go Green' event in October 2023 which brought the community together in celebration of sustainability and the great outdoors, including workshops led by the London Wildlife Trust.
- A Meanwhile use community hub, Parkside Yards, with retail opportunities and creative activities for all.





# Creating long-term sustainable value

Berkeley delivers long-term value on every new development and ensures that we make lasting contributions that enable communities and people to thrive.

These outcomes demonstrate the impact of our long-term investment and placemaking strategies.



EY completes an Economic Impact Assessment each year based on Berkeley's financial data as well as publicly available statistics.

## Creation of high quality new homes

Leading the industry in producing high quality, safe homes



### 19,608

**EY** Berkeley built 3,927 homes in 2023/24 and a total of 19,608 over the last five years (including joint ventures).

### 10%

Berkeley has delivered 10% of the homes built in London over the past five years.

### 30

Berkeley has had a strategic partnership with RoSPA for five years, helping to create the Safer by Design framework. 30 developments have now achieved Gold status.

### 93%

Berkeley has a long-standing reputation for quality homes. 93% of homes built in the last five years have had fewer than five defects reported by customers, with an average of just two.

## Promoting local skills and employment

Providing good, local jobs and inspiring people to join the built environment sector



### 26,000

**EY** Berkeley has supported on average, 26,000 jobs per annum directly and indirectly through its supply chain over the last five years.

### 2,500

Berkeley has supported 2,500 apprentices in the past five years, including 700 directly and 1,800 gaining experience working on our sites through our contractor workforce.

## Economic Contribution

**EY** On average, every new home built by Berkeley in the last five years has generated £290,000 of value to the state through taxation and contributions to the community.

### £13.3bn

**EY** Berkeley's contribution to UK GDP was £2.5 billion in 2023/24 and £13.3 billion for the last five years.

### £3.6bn

**EY** Berkeley's total UK tax contribution was £0.8 billion in 2023/24 and £3.6 billion during the last five years. This includes taxes paid by its customers and suppliers as a result of Berkeley activities.

## Place creation and impact on services

Collaborative placemaking to revive under-used spaces



### >17,000

Berkeley has built more than 17,000 homes on brownfield land over the past five years. 87% of completed homes have been on brownfield land.

### £2.0bn

**EY** Berkeley made a community contribution of £0.4 million in 2023/24 and around £2.0 billion over the last five years; £1.4 billion in affordable housing subsidies and additional payments of £0.6 billion to help pay for a wide range of facilities and services for local communities.

## Community creation

Ensuring relationships are underpinned by trust and partnership



### 515

Berkeley is delivering 515 public amenities on our developments currently under construction, including indoor community spaces, grocery and retail stores, sports facilities and children's play spaces.

### >40%

The Berkeley Foundation develops long-term, transformational partnerships to ensure a sustained investment in our local communities. More than 40% of Berkeley Foundation Partners have been supported for at least five years.

## Development with low environmental impact

Creating sustainable homes and places



### >15%

Berkeley incorporates water saving measures in new homes. On average, in the last five years homes have been 15% more water efficient than the requirements of the Building Regulations.

### 13,600

Berkeley incorporates sustainable transport measures on all sites. Infrastructure is being installed for 13,600 electric vehicle charging points across our developments under construction.

## Improving access to nature

Connecting people with nature and making a measurable contribution to the natural environment



### >580

Berkeley has committed or delivered more than 580 acres of new or measurably improved natural habitats across 56 biodiversity net gain sites over a seven year period since we made our commitment in 2017.

### 246

Berkeley has committed or delivered 246 acres of woodland over a seven year period since we made our commitment in 2017, together with 160 acres of nature-rich grassland and 56 acres of green roofs.



# Berkeley's Build to Rent Platform

## Market Opportunity

**Severe shortage of high-quality, professionally managed rental homes fuelling demand, rental growth and high occupancy rates**

- c. 5 million people living in private rented sector ("PRS") in the UK (including 31% in London)
- Strong household formation growth forecast to continue
- Rental property demand increasing due to sustained undersupply
- Cost of home ownership and age of first-time buyers increasing
- Smaller Buy-to-Let landlords exiting rental market due to fiscal drag
- Only 100,000 completed BtR homes in the last 13 years.

\* All data provided by Savills



## Unique Opportunity to Berkeley to establish a Best-in-Class BTR Platform

- Berkeley London and South East portfolio
  - 4,000 homes across 17 brownfield urban sites
  - Sites well-suited to rental market – excellent connectivity and nature-rich, low carbon homes
  - Dedicated and purpose specified buildings with BTR amenities
  - Potential to command rental premium from Berkeley quality
  - First completions FY27 and completed by FY34
- Berkeley operating platform (rental and asset management)
  - Operational efficiency from ongoing presence on long-term regeneration sites

## Significant appetite from global institutional investors seeking diversification and competitive returns

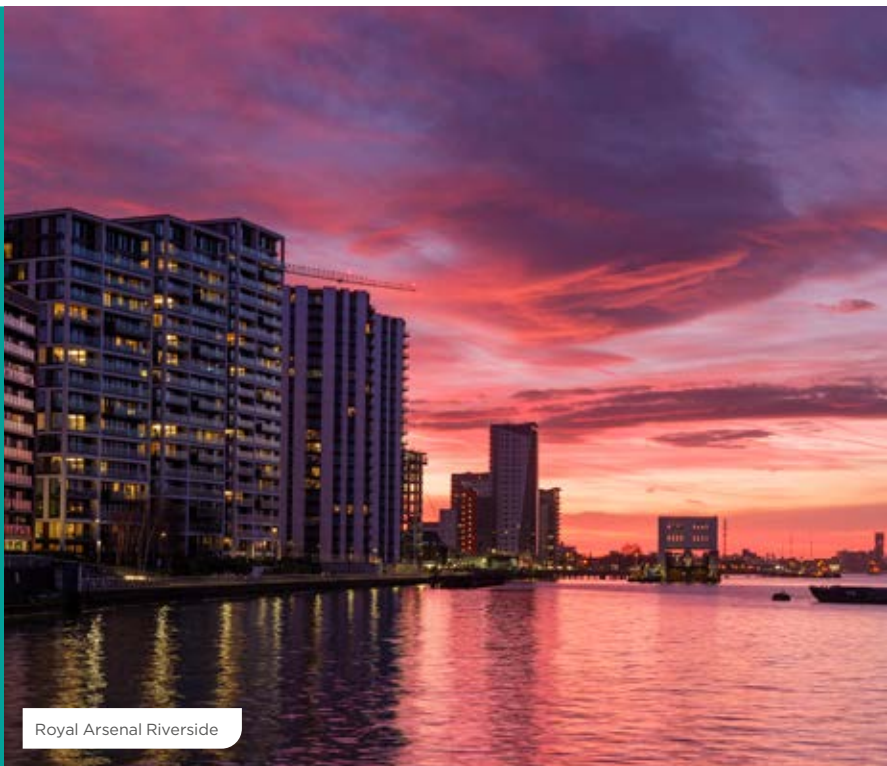
- 3% of UK PRS owned by institutions (US: 40%; Germany: 37%)
- BtR increasingly important – £4.5 billion deployed in 2023
- UK yields attractive compared to mature global markets
- Risk-free rate forecast to fall to sub 3%, suggesting future yield compression
- BtR investment supports ESG strategies

## Favourable rental growth dynamics

- Supply and demand imbalance underpinning growth prospects

Growth %	2024	2025	2026	2027	2028	2024-28
UK	5.8%	4.1%	3.6%	3.2%	3.0%	21.4%
London	5.5%	3.9%	3.6%	3.3%	3.4%	21.3%

\* Average of the Savills, CBRE, JLL and Knight Frank forecasts



## Unique and Strong Value Proposition for Berkeley

- Strong rental growth and cost efficiency from synergistic benefit of on-site presence and asset management
- Maximise value from disposal of stabilised assets
- Third party capital to be introduced at appropriate time
- Efficient balance sheet supportive of long-term 15% ROE target
- Will not inhibit new land acquisitions in core business
- Additional 10% delivery of much needed new homes
- Risk Management
  - Market risk managed through diversification
  - Build cost exposure locked in early in investment cycle
  - Flexible exit route(s) to maximise returns – portfolio / buildings / homes



# Financial track record – through the market cycle

	Years ended 30 April																				
£m (unless otherwise stated)	2024	2023	2022	2021	2020	2019	2018	2017		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Income Statement																					
Units Sold*	3,521	4,043	3,760	2,825	2,723	3,698	3,678	3,802		3,776	3,355	3,742	3,712	3,565	2,544	2,201	1,501	3,167	2,852	3,001	2,292
Average selling price*	£664k	£608k	£603k	£770k	£677k	£748k	£725k	£668k		£515k	£575k	£423k	£354k	£280k	£271k	£263k	£395k	£295k	£285k	£293k	£309k
Revenue*	2,464	2,550	2,348	2,202	1,920	2,957	2,841	2,627		2,048	2,120	1,621	1,373	1,041	743	615	702	992	918	918	795
Operating profit	480	518	508	502	470	768	817	737		502	524	375	280	196	136	106	125	206	177	161	153
Exceptional items	-	-	-	-	-	-	-	-		-	-	-	-	31	-	-	-	-	-	-	-
Share of JV profit	65	96	56	22	33	9	163	63		37	28	12	(1)	(2)	2	-	(1)	(2)	7	12	10
Net finance (costs) / income	12	(11)	(13)	(7)	1	(2)	(3)	(8)		(8)	(13)	(7)	(8)	(9)	(2)	4	(4)	(9)	4	(7)	(8)
Profit before tax	557	604	552	518	504	775	977	793		531	540	380	271	215	136	110	120	194	188	165	155
Operating margin	19.5%	20.3%	21.6%	22.8%	24.5%	26.0%	28.8%	28.1%		24.5%	24.7%	23.1%	20.4%	18.8%	18.3%	17.3%	17.8%	20.8%	19.3%	17.5%	19.3%
Pre-tax return on equity	16.2%	18.7%	17.5%	16.5%	16.6%	27.9%	41.9%	41.3%		30.8%	35.1%	27.5%	22.4%	21.2%	15.3%	13.3%	11.6%	18.8%	16.7%	16.6%	15.9%
Basic earnings per share	374p	427p	418p	339p	325p	481p	587p	456p		296p	313p	222p	160p	121p	72p	60p	71p	114p	113p	101p	95p
Dividends per share**	92p	91p	371p	117p	119p	41p	108p	185p		190p	180p	149p	15p	-	-	-	-	200p	200p	-	517p
Dividend / B-Share**	98	99	452	146	150	53	147	255		260	244	195	20	-	-	-	-	242	242	-	622
Share buy-backs	72	155	64	189	131	199	140	65		5	-	-	-	-	30	13	19	-	-	-	21
Shareholder return	170	254	515	334	280	252	287	319		264	244	195	20	-	30	13	19	242	242	-	643
Balance Sheet																					
Capital employed	3,029	2,922	2,867	2,047	1,963	1,988	1,904	1,789		1,705	1,207	1,312	1,278	1,158	892	545	517	686	701	617	877
Net cash/(debt)	532	410	269	1,128	1,139	975	687	286		107	431	129	45	(58)	42	317	285	(5)	81	221	(255)
Net assets	3,561	3,332	3,136	3,175	3,102	2,963	2,591	2,075		1,813	1,638	1,441	1,322	1,100	934	862	801	682	782	837	621
Closing shares	106m	108m	111m	122m	126m	129m	134m	140m		138m	137m	135m	131m	131m	131m	135m	130m	121m	120m	120m	120m
Net assets per share	£33.63	£31.01	£28.18	£26.12	£24.72	£23.04	£19.38	£14.80		£13.14	£11.99	£10.65	£10.09	£8.39	£7.10	£6.36	£6.15	£5.64	£6.49	£6.97	£5.18
Land Holdings																					
Plots	54,081	58,045	66,163	63,270	58,413	54,955	46,867	46,351		42,858	37,473	35,963	25,684	26,021	27,026	28,099	30,044	31,365	30,128	23,819	23,123
Estimated gross margin	6,929	7,629	8,258	6,884	6,417	6,247	6,003	6,378		6,146	5,272	4,514	2,852	2,580	2,304	2,038	2,014	2,728	2,234	1,672	1,671
Forward sales																					
Cash due***	1,701	2,136	2,171	1,712	1,858	1,831	2,193	2,743		3,259	2,959	2,274	1,453	1,056	814	648	620	1,210	936	582	948

\* Excludes joint ventures.

\*\* The £452 million in 2022 was made via a B-Share payment and constitutes the 371p dividend per share.

\*\*\* Cash due from private customers during the next three financial years under unconditional contracts for sale.





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