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Galliford Try Holdings PLC
03 October 2024

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GALLIFORD TRY HOLDINGS PLC
ANNUAL RESULTS STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

Strong Performance and Confident Outlook
Delivering Sustainable Growth

- **Strong performance across all operations** delivering increased revenue and profit, ahead of analysts' previous expectations at 1 July 2024.
- **Pre-exceptional profit before tax increased by 39.7% to £32.7m** (2023: £23.4m).[1]
- **Divisional operating margin increased 13bps to 2.5%** (2023: 2.4%).[2]
- **Final dividend payment of 11.5p** (2023: 7.5p), together with an interim dividend of 4.0p giving a total dividend for the financial year of 15.5p, up 47.6%.
- **Well-capitalised debt-free balance sheet**, £227.0m cash (2023: £220.2m), average month end cash for the year of £154.8m (2023: £134.7m), PPP asset portfolio of £41.8m (2023: £44.6m) and no pension liabilities.
- **Confident outlook** with a high quality £3.8bn order book (2023: £3.7bn) positioned across our chosen sectors and 92% of FY25 revenue already secured.
- **Additional capital return through £10m share buyback programme.**
- **Capital Markets Event, held on 23 May 2024, set out the Group's updated growth strategy and targets to 2030**, building further on the strong operational and financial performance delivered since 2021.
- **Kris Hampson joined the Group as Chief Financial Officer** on 2 September 2024.

Financial results	**2024**	**2023**	**Change**
Revenue	**£1,772.8m**	£1,393.7m	**+27.2%**
Operating profit before amortisation[1,2]	**£29.6m**	£21.9m	**+35.2%**
Divisional operating margin[2]	**2.5%**	2.4%	**+13bps**
Pre-exceptional profit before tax[1,2]	**£32.7m**	£23.4m	**+39.7%**
Pre-exceptional earnings per share	**27.9p**	18.9p	**+47.6%**
Average month-end cash	**£154.8m**	£134.7m	**+14.9%**
Order book	**£3.8bn**	£3.7bn	**+2.7%**

Statutory results			
Revenue	**£1,772.8m**	£1,393.7m	**+27.2%**
Statutory profit before tax	**£30.9m**	£10.1m	**+205.9%**
Statutory earnings per share	**36.2p**	8.7p	**+316.1%**
Full year dividend per share	**15.5p**	10.5p	**+47.6%**
Net Cash	**£227.0m**	£220.2m	**+3.1%**

[1] Operating profit is stated before exceptional items throughout the statement unless otherwise noted. Exceptional items relate to our investment in cloud-based Enterprise Resource Planning (ERP) and recovery of a Corporation Tax Group Relief adjustment. FY23 is stated excluding the effect of the contract settlement announced on 8 June 2023.
[2] Divisional operating margin is defined as operating profit before amortisation as a percentage of revenue.

Bill Hocking, Chief Executive, commented:

"Galliford Try has delivered another year of sequential, robust revenue and margin growth. Our strong progress, well ahead of plan, provided us with the confidence to reset our ambitions over the mid-term, and to announce our updated Sustainable Growth targets to 2030 at the Capital Markets Event held in May 2024.

Our commitment to risk management, careful contract selection and operational excellence underpins the consistent year on year performance and our future prospects. The UK's planned, and required, investment in economic and social infrastructure continues to support growth in our chosen markets; and our confidence in the Group's outlook is supported by our carefully selected, sector focused, high quality order book which provides visibility and security of future workloads. We will continue doing what we said we would do, consistently delivering strong performance - supported by our professional teams, a strong balance sheet, solid order book and excellent supply chain and client relationships.

I am very much looking forward to working with Kris Hampson, our new Chief Financial Officer, who brings a wealth of stakeholder experience to the Group and positions us to further progress our sustainable growth ambition. I continue to be impressed by our people, their professionalism and work ethic and thank them all for their contribution to the ongoing success of the Group.

We are confident in the outlook for the current financial year, with 92% of FY25 revenue already secured, and are encouraged by our recent framework and sector wins which align with our strategy to 2030 and underpin the opportunity to deliver further strong performance and sustainable long-term value for all stakeholders."

Enquiries:

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This announcement contains inside information. The person responsible for making this announcement on behalf of Galliford Try is Kevin Corbett, General Counsel & Company Secretary.

Investor presentations

Webcast and conference call

A webcast presentation and conference call for Analysts and Investors will be held at 09:30am BST today, Thursday 3 October 2024. To register for this event please follow the link *https://brrmedia.news/GFRD_FY_24*. This will be available for playback after the event.

Analysts who wish to ask a question are requested to dial in on the conference line detailed below. Other participants may submit their questions via the webcast.

Telephone number: +44 (0) 330 551 0200.

Password: Quote **Galliford Try Full Year** if prompted by the operator.

Investor Meet Company

A live presentation and Q&A session for retail investors will be held on 11 October 2024 at 11:30am BST via the Investor Meet Company platform. The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until **10 Oct 2024, 09:00 BST**, or at any time during the live presentation. Investors can register for the event via this link:

https://www.investormeetcompany.com/galliford-try-holdings-plc/register-investor

FINANCIAL REVIEW[1]

The Group delivered another year of growth, resulting in improved profitability and dividends, which in turn, delivered an excellent total shareholder return over the 12-month period.

Revenue

Revenue for the year increased by 27.2% to £1,772.8m (2023: £1,393.7m), reflecting c.£379m from continuing strong organic growth. Building increased its revenue by 17.7% to £938.3m (2023: £797.1m). Revenue benefited from the ongoing organic growth as well as the delivery of the work that was previously communicated as delayed by the macro inflation and public sector procurement challenges in 2022. Infrastructure (comprising Highways and Environment) recorded revenue of £819.8m (2023: £590.8m), up 38.8%, with Environment also benefiting from ongoing organic growth as well as strong AMP7 spending. PPP Investments' revenue was £14.7m, up 153.4% (2023: £5.8m).

Profit

The Group's pre-exceptional operating profit before amortisation was up 35.2% to £29.6m (2023: £21.9m) reflecting strong organic growth and operational leverage. The combined divisional operating margin improved by 13 basis points to 2.5% (2023: 2.4%), in line with our margin improvement strategy as outlined in the operational review below.

The Group's pre-exceptional profit before tax for the year was £32.7m (2023: £23.4m) reflecting organic and acquisitive growth and the impact of our risk management and margin improvement initiatives.

Exceptional items outside of Profit before Tax of £1.8m were incurred in the year (2023: £10.5m), as set out in note 5 to the financial statements relating to our investment in cloud-based Enterprise Resource Planning (ERP) finance and commercial systems of £2.6m (HY24 £2.6m, no further costs expected in FY25) partially offset by £0.8m interest relating to the recovery of a Corporation Tax Group Relief adjustment from 2019. These ERP systems costs are part of our investment in our digital and data capabilities. The new system, Orbit, went into operation in September 2023, and is driving efficiency by joining up processes across our people, pre-construction, commercial, finance and procurement processes and supporting decision-making with its data and insights. Investing in systems such as Orbit enables us to continuously improve and optimise our processes.

Tax

The exceptional tax credit of £9.6m arises following amendments to company tax returns filed in March 2024 and agreed by HMRC for the period ended 30 June 2019. The £9.6m credit arises from additional group relief claims being filed for the period, resulting in a refund due from HMRC for overpaid corporation tax. The £0.8m exceptional interest credit arises as a direct result of the £9.6m exceptional tax credit being due from HMRC. The time lag between the due dates for the initial corporation tax payments for 30 June 2019 period and the subsequent refund from HMRC in August 2024 resulted in the £0.8m of repayment interest. The tax and interest amounts have been accrued before year end with the cash received in August 2024.

We recorded pre-exceptional earnings per share for the year of 27.9p (2023: 18.9p). The post-exceptional earnings per share in 2024 was 36.2p (2023: 8.7p). Dividend per share of 15.5p is based on the pre-exceptional EPS of 27.9p.

The table below reconciles profit before income tax to our alternative performance measure of pre-exceptional profit before income tax, which is a key metric for monitoring performance of the business.

	2024 **£m**	2023 £m
Profit before income tax	**30.9**	10.1
Exceptional items	**(1.8)**	(10.5)

Exceptional items	**[illegible]**	[illegible]
Impairment of Financial Assets	**-**	(2.8)
Pre-exceptional profit before income tax and impairment of financial assets	**32.7**	23.4

Balance Sheet

The Group has no debt or defined benefit pension obligations, and at 30 June 2024 had a cash balance of £227.0m (2023: £220.2m). The Group operates with daily net cash and the average month-end cash balance in the year was £154.8m (2023: £134.7m) demonstrating the Group's continued robust cash performance. We anticipate similar levels of average cash in FY25.

We are proud of our collaborative and open approach with all our supply chain. Under the Prompt Payment Code, and in a year when we implemented our new ERP system, we paid 96% of invoices within 60 days (2023: 98%), with the average payment being made in 26 days (2023: 26 days).

At 30 June 2024, we had a PPP portfolio of £41.8m (2023: £44.6m), reflecting a blended 7.6% discount rate (2023: 7.3%). This portfolio contributes to our balance sheet strength and during the year generated interest income of £3.8m (2023: £3.9m).

At 30 June 2024, net working capital employed was £274.6m (2023: £268.5m).

Dividend and Share Buyback

Having reviewed the Group's results and the outlook, the Directors are recommending a final dividend of 11.5 pence per share which, subject to approval will be paid on 5 December 2024 to shareholders on the register at 8 November 2024. Together with the interim dividend of 4.0 pence per share paid in April 2024, this will result in a total full year dividend for 2024 of 15.5 pence per share.

The Company has commenced a share buyback programme to repurchase up to £10 million of ordinary shares of 50 pence per share reflecting both the receipt of a corporation tax refund and our confidence in the ongoing future cash generation of the Group, while maintaining flexibility for growth related investments, including acquisitions.

[1] *Pre-exceptional items unless otherwise stated.*

CURRENT TRADING AND OUTLOOK

The Group's operations are predominantly in the public and regulated sectors and we continue to see a strong pipeline of new opportunities across our chosen sectors. We operate across the UK and are well positioned to deliver on local and national commitments to improve the UK's economic and social infrastructure.

Our businesses are performing well and the Group is consistently delivering increased dividends and profit growth, supported by a strong balance sheet, excellent order book and good supply chain and client relationships. We will continue our disciplined approach to risk management, careful contract selection and operating sustainably.

The UK's planned, and required, investment in economic and social infrastructure continues to support growth in our chosen markets and our confidence in the Group's future outlook is supported by our high-quality order book as well as the robust and resilient pipeline of opportunities we see across our chosen sectors.

During the year, the Group enjoyed the benefits of both strong AMP7 revenues from its water clients and the realisation of delayed Building division projects that had been delayed due to public sector challenges and inflation delays in 2022. As AMP7 now runs off, we are pleased by the early trading on the change over to the much larger AMP8 water plan, with the contract awards reflecting recognition of our differentiated quality offering, supporting delivery of our Sustainable Growth Strategy target of in excess of £2.2bn of revenue by 2030.

OPERATIONAL REVIEW

BUILDING

Building operates through nine regional businesses, serving a range of public and private sector clients across the UK, with a focus on the Education, Defence, Health and Custodial sectors, and going forward in Affordable Homes, where we have core and proven strengths. Our Facilities Management (FM) business continues to complement our operations by providing high-quality building maintenance services. Building maintains a substantial presence in Scotland, operating as Morrison Construction.

	2024	2023	Change
Revenue (£m)	**938.3**	797.1	+17.7%
Operating profit before amortisation (£m)	**24.0**	18.5	+29.7%
Operating profit margin (%)	**2.6**	2.3	+23bps
Order book (£m)	**2,294**	2,249	+2.0%

Building (which includes our FM business) increased its revenue by 17.7% to £938.3m (2023: £797.1m) generating an improved operating profit before amortisation, up 29.7% at £24.0m (2023: £18.5m), representing a margin of 2.6% (2023: 2.3%). Revenue benefited from the volume of new work that was previously delayed by inflation and public sector procurement challenges in 2022.

We plan to continue growing the capabilities of our FM operations, providing high-quality building maintenance services as well as focusing on decarbonising existing buildings through retrofit and other measures.

Building won contracts and positions on frameworks worth over £989m, (2023: £999m). Significant appointments and wins for Building included:

- £835m NHS North of England Commercial Procurement Collaborative (NOE CPC) Specialist Estates Engineering & Maintenance Services (Hard FM) Framework, for its Asset Intelligence, Facilities Management (FM) and Oak Specialist Services businesses.
- the £72m remodelling and refurbishment of Adelaide House in central London for St Martin's Property Investments Limited.
- a £52m 30-storey build to rent development in Cardiff.
- a £87m build to rent development for Related Argent and Invesco Real Estate at Brent Cross Town.

- the £3.2bn Communities & Housing Investment Consortium (CHIC) Newbuild Development Framework for affordable homes.
- £101m of public sector building projects for the Ministry of Justice and Defence Infrastructure Organisation.
- the new £69m Paisley Grammar School Community Campus on behalf of Renfrewshire Council.

Building's order book stands at £2,294m up 2.0%, compared to £2,249m last year. The order book is well diversified across our chosen sectors comprising of 27.6% in Education, 19.0% in Defence, 14.4% in Custodial, 14.1% in Facilities Management, 21.1% in Commercial and 3.8% in Health.

INFRASTRUCTURE

Infrastructure carries out projects across the UK, focused on Highways and Environment (incorporating our activities in water and wastewater). This business has established long term relationships with customers where we have a strong track record on capital delivery and a growing capability in capital maintenance and asset optimisation.

	2024	2023	Change
Revenue (£m)	**819.8**	590.8	+38.8%
Operating profit before amortisation (£m)	**20.1**	14.5	+38.6%
Operating profit margin (%)	**2.5**	2.5	-
Order book (£m)	**1,546**	1,464	+5.6%

Infrastructure's revenue was up 38.8% to £819.8m (2023: £590.8m) generating an operating profit before amortisation of £20.1m (2023: £14.5m) and margin 2.5% (2023: 2.5%). The improved performance is in line with our expectations.

Infrastructure won contracts and positions on frameworks worth £889m (2023: £659m). These included:

- £3.1bn AMP8 Southern Water Capital Programme Strategic Delivery Partner Framework.
- South West Water's Tier 2 Delivery Partners MEICA framework.
- the Scottish government's £600m public sector civil engineering works framework.
- £500m Generation Five (Gen5) Civil Engineering, Highways and Transportation Collaborative Framework 2024-2028.
- £98m of Infrastructure projects, in South London for Thames Water, the Netley Water Treatment Works in Surrey and, in highways, redevelopment of the A629 route into central Halifax.

Infrastructure's current order book is £1,546m, up 5.6% compared to £1,464m last year, including £641m in Infrastructure (Highways) and £905m in Environment.

On 8 November 2023 the Group acquired AVRS Systems, a Mechanical, Electrical, Instrumentation, Controls and Automation (MEICA) solutions specialist, delivering projects predominantly within the water and energy sectors with specialist preparation works in areas of sites like Sellafield. AVRS was integrated into the Environment business.

In October 2023 the Group disposed of its non-core Rock & Alluvium piling business to Van Elle Holdings plc.

INVESTMENTS

Investments delivers major developments through public-private partnerships and co-development opportunities in the Private Rented Sector (PRS), generating work for the wider Group in the process.

	2024	2023	Change
Revenue (£m)	**14.7**	5.8	153.4%
Profit/(loss) from operations (£m)	**(1.0)**	1.4	-171.4%
Net interest income	**3.8**	3.8	-
Directors' valuation (£m)	**41.8**	44.6	-6.3%

Revenue was £14.7m (2023: £5.8m) up 153.4% with an operating loss of £1m (2023: profit of £1.4m). Performance includes the recognition of initial development fees related to the financial close of the PRS scheme in Cardiff as well as the ongoing project management fees associated with the construction of the scheme itself. In 2023, operating profit included £3.6m relating to the profit on disposal of our interest in a joint venture arrangement.

At the year-end the business was preferred bidder on 6 further PRS schemes with a gross development value of c£505m and potential further opportunities in the future.

At the year end, the directors' valuation of our Public, Private Partnerships (PPP) portfolio was £41.8m (2023: £44.6m), which is the fair value included in the balance sheet reflecting a blended discount rate of 7.6% (2023: 7.3%). The valuation compared with a value invested of £33.9m (2023: £35.2m). The portfolio generated an annuity interest income of £3.8m (2023: £3.9m before £0.1m of IFRS16 costs).

SUSTAINABLE GROWTH STRATEGY

Our strategy is to deliver high-quality buildings and infrastructure in a socially responsible way, while providing a sustainable financial return for our shareholders and delivering on our aspirations to create long term value for all our stakeholders. The Group's strategic enablers are a progressive culture, socially responsible delivery, focus on quality and innovation, and disciplined risk management to give sustainable financial returns.

The Group performed well throughout the year and as a result of the strong progress against its strategic targets set in 2021, the Group, in May 2024, updated its sustainable financial growth targets through to 2030, which include:

Revenue	growing to in excess of **£2.2bn**, maintaining disciplined contract selection and robust risk management in resilient market sectors
Divisional operating margin	increasing to **4.0%** through a focus on both top and bottom line growth and accelerated growth in our higher-margin adjacent market businesses
Cash	retain a **strong balance sheet** and operating cash generation
Dividends	sustainable **dividends with earnings cover of 1.8x**

Our strategy is designed to:

- retain our strong platform for sustainable growth, with a particular focus on our progressive culture, robust risk management and commercial discipline.
- improve our operational performance and drive margin progression; and

- deliver strong predictable cash flows, margin growth and sustainable returns.

We intend to grow revenue in our existing core markets of Building and Infrastructure. As well as organic growth, we will leverage our national footprint, core capabilities, excellent client, supplier and community relationships to increase volumes. Margin improvement will be driven by contract selection, the right embedded margins in the business and operational excellence including digitalisation and modern methods of construction.

We will also grow our higher margin specialist businesses, including within Environment where we have completed several acquisitions (increasing our capital maintenance and asset optimisation capabilities); our Specialist Services division; and within our Affordable Homes business, we are making progress in re-establishing relationships, winning framework positions and bidding selectively to grow the business.

Risk management and order book

The Group's embedded culture of risk awareness enables us to identify and manage the risks associated with operating in a dynamic external environment. This culture gives us a well-established approach to strong risk management, commercial discipline and contract selection, and is one of the key enablers to delivering our Sustainable Growth Strategy. The management of recent past inflationary pressures, demonstrate the value and importance of the Group's risk management framework and focus and this approach is reflected in the high quality of our order book.

At 30 June 2024, the Group had an order book of £3.8bn (2023: £3.7bn), of which 91% is in the public and regulated sectors and 9% is in the private sector (2023: 87% and 13% respectively).

The Group's strong participation in frameworks provides good visibility of future revenue and amounts to 86% of our order book (2023: 82%). Importantly, frameworks provide the certainty of a pipeline of work with repeat known clients on established terms and conditions. Our reputation for quality and delivery is allowing us to price for value and is demonstrated in our improving margin position and underpins our 2030 margin targets.

During the year ended 30 June 2024, Building and Infrastructure were appointed to contracts and frameworks worth over £989m and £889m, respectively.

The Group started the new financial year with 92% of planned revenue secured for the 2025 financial year (2023: 92%).

Capital Allocation

A strong balance sheet is an important element in delivering the Group's Sustainable Growth Strategy, as it provides a competitive advantage in the market, supports the Group's disciplined approach, and provides confidence to our clients and supply chain. The current outlook across our markets remains encouraging and supports our strategy. The Group will also always ensure that it is prepared for any adverse change in market conditions that may arise. Our strong balance sheet is particularly important for the Group to continue to operate its disciplined approach to contract selection and focus on operating margin, irrespective of any short-term economic concerns.

The Group's capital allocation priorities are:

- Invest in the business

  We are able to allocate capital to assist the development of our adjacent markets, as demonstrated by our acquisition during the year of AVRS Systems. Our strong cash balance sheet enables the Group to react quickly to strategic opportunities, including bolt-on acquisitions that enhance our capabilities and increase value, and to continue to invest in enablers of growth such as digital capabilities.

- Paying sustainable dividends to shareholders

  The Board understands the importance of dividends to shareholders and in setting its dividend considers the Group's profitability and retained reserves, its strong balance sheet, high-quality order book and longer-term prospects. Consistent with this approach the Group expects dividend per share to increase in line with earnings as the business grows.

  The Group has a dividend policy of earnings covering the dividend by 1.8 times. Alongside dividend growth from our operational performance, the policy also reflects the low-risk nature of the PPP asset portfolio and its annuity interest income and provides a sustainable increase in dividend to shareholders while retaining capital to invest in growing the business.

- Returning excess cash

  We continue to assess the cash requirements of the business to ensure the Group remains well positioned to deliver on its Sustainable Growth Strategy and has sufficient funds to invest in the business. As previously announced, where average month-end cash and PPP assets increase above the level required, the Board will consider making additional returns to shareholders where this represents the best return for shareholders.

ENVIRONMENT, SOCIAL and GOVERNANCE (ESG)

Operating sustainably helps us to win work, engages our employees, benefits communities and the environment, and makes us more efficient. This is why ESG remains an integral part of our updated strategy, and at the core of how we deliver stakeholder value. We monitor progress against the six pillars of our sustainability framework as set out below:

Health and Safety

Health and Safety is the number one priority for our business, with our commitment to no harm driving the actions that we take to keep each other safe every day. This was, once again, highlighted in our Employee Survey, where 96% of respondents stated that we give health and safety a high priority.

As part of our drive for no harm, we made a concerted effort to address our Lost Time Frequency Rate (LTFR), which measures every incident that results in an employee taking more than a day away from work. During the year this figure improved from 0.20 to 0.14. Our Accident Frequency Rate (AFR), which measures where the number of injuries resulting in more than seven days away from work, also fell from 0.09 to 0.04, with 13 of our 19 business units recording zero AFR.

During the year, we launched an update to the leadership module within our award-winning Challenging Beliefs, Affecting Behaviour (CBAB) safety programme, to reinforce the link between safety and quality in construction and safety in use. This approach allows us to use our strong culture surrounding Health and Safety and apply it with a quality focused mindset.

People

Retaining, attracting and developing talent continues be a focus of our people strategy. We have invested further in our Employee Value Proposition (EVP) 'Grow Together' which delivers on our promise to be a people-orientated, progressive employer driven by our values. In support of this, we launched a dedicated Careers website to better showcase the opportunities we have on offer; continued to promote our internal mobility programme Explore, delivered training on Equity, Diversity and Inclusion (EDI) and made improvements to our learning and development offer. During the year we promoted 352 staff within the company.

Employee advocacy is a powerful indicator of the effectiveness of our people strategy, measuring how engaged employees are and how likely they are to recommend our business as a great place to work. In our 2024 employee survey, we achieved an employee advocacy score of 87% compared to a sector average of 75%.

Our EDI team is working with The Clear Assured Company, a global diversity and inclusion specialist, so that we continue to embed the most inclusive practices across our organisation on the back of our accreditation to their Bronze level in our first ever EDI review in 2023. Key developments in this area have been the design and commencement of Inclusive Leadership awareness sessions, which aim to equip senior management with knowledge of how EDI influences business performance, and provide them with skills to progress a culture of inclusion that contributes to high performance.

Early careers roles (apprentices, trainees, graduates and sponsored students) remain a key area of focus for both retention and recruitment as these roles help us to grow our own talent, shape our leaders and influence the skill sets and composition of our future workforce, including diversity. We were pleased to be voted the number one place for apprentices to work, and number two for graduates, in TheJobCrowd's list of Top Construction and Civil Engineering Companies. We were also among 20 companies out of a total of 600 to be awarded the new Platinum membership of The 5% Club's Employer Audit Scheme in recognition of our approach to providing 'earn and learn' opportunities for our young people.

Environment and Climate Change

We have pledged to achieve net zero carbon across our own operations by 2030 and all activities by 2045, and set near-term emissions reduction targets which have been validated by the Science Based Targets initiative (SBTi),

In support of this ambition, during the year we developed our first net zero route map which identifies 16 activities where action is required if we are to achieve our emission reduction targets. These include the use of diesel, company vehicles, site compounds, permanent offices, business travel, design, construction materials, emissions measurement, internal carbon charging and offsetting.

In calendar year 2023, our scope 1 and 2 emissions demonstrated a continued transition from fossil fuels to electricity. Emissions relating to the use of diesel on our sites were down 9.1%, and emissions relating to company cars and vans were down 6.9%. This was partially offset by an increase in emissions relating to electricity consumption, resulting in our overall scope 1 and 2 emissions reducing by 2.5% compared to 2022.

Our full scope 3-foot printing exercise performed in 2022, using a spend-based approach, estimated that emissions relating to the materials and subcontract services that go into our projects represent circa 89% of our total carbon footprint. To help us monitor the impact of the design and procurement decisions we are making to reduce carbon, we are working with our supply chain and technology partners to develop and trial technology solutions that allow us to estimate our supply chain carbon emissions more accurately using actual quantities and product specific emissions factors.

We continue to participate in the CDP, a global disclosure system for organisations to manage their environmental impacts. In 2023, we achieved an improved score of B 'Management level', (2022: C 'Awareness level'), recognising the progress we are making in embedding climate action into our governance, strategy and operations. We also retained our MSCI AAA rating.

Communities

Delivering a legacy of positive social value outcomes is increasingly important for our clients and employees. Since 2022, we have delivered circa £935 million in social and local economic value by providing employment, work for the local supply chain, and opportunities for training and apprenticeships.

During the year, we launched a pilot mentoring scheme aimed at encouraging the next generation of women into construction by teaming up initially with five schools in the East Midlands. Mentors from our business have been paired with students and the three-year programme aims to provide upskilling of students' communication skills for the workplace, career matching to their interests, and guidance with CV writing and interviewing.

We continue to take part in the Considerate Constructors Scheme (CCS), which assesses sites on their approach to communities, the environment and workforce. We maintained our high score of 42.9 (2023: 43.4) out of 50, which remains above the industry average of 40.6.

Clients

Delivering excellence for our clients is key to the long-term sustainability of our business. Our approach is reflected by the fact that 93% of our order book is repeat business (2023: 87%) and we have already secured 92% of our order book for FY25 (2024: 92%).

Our focus on delivering quality outcomes and building trusted relationships with our clients is reflected by the fact that 86% of our order book is in frameworks. Frameworks are a vehicle for the public and regulated sectors to procure projects in a collaborative manner, forming long-term relationships, improving quality and creating efficiencies. Securing positions on frameworks is our preferred route to market as it provides us with greater certainty and the ability to act more strategically.

Quality is a key priority for the construction industry; our approach is to embed quality into our designs and to follow through into project delivery and handover. This is supported by Modern Methods of Construction, our Business Management System (BMS), which contains the processes and templates required to provide quality assurance at every step of a project's journey.

The digitalisation tools we are deploying are driving margin growth by creating a more efficient approach to project delivery.

However, they also drive better outcomes for our clients by improving safety, enhancing quality, enabling collaboration, improving visualisation, lowering carbon, and driving down costs. As an example, we are using software to overlay 3D design models with augmented reality to simulate the next sequence of activity, highlighting potential issues before they happen and creating operational efficiencies.

Our capability in supporting clients to design, build and maintain low carbon infrastructure and buildings is recognised by our representation on two of the working groups developing the UK Net Zero Carbon Buildings Standard (NZCBS), a cross-industry initiative which will provide a single agreed definition and methodology for the industry to determine what constitutes a net zero carbon building.

Supply Chain

The majority of our work is delivered in partnership with our supply chain, so we align key supply chain members with our culture and develop collaborative relationships that improve social, environmental and economic outcomes. This is led through our Advantage through Alignment (AtA) programme and 61% of our core aligned trades spend is now with aligned subcontractors. Training and education remain a key theme beyond AtA, and we continue to offer our CBAB and net zero programmes to key supply chain members.

During the year, we have upgraded our supplier on-boarding platform, which now includes a Risk Radar to help us monitor and manage supply chain risk. The radar includes live updates on financial health scores, health and safety incidents, environmental incidents, employment tribunals, and tax cases.

We are signatories of the Prompt Payment Code and pay 96% of invoices within 60 days (FY23: 98%), with an average days to pay of 26 days. We are also making progress against the additional metric of paying 95% of invoices from suppliers with fewer than 50 employees within 30 days.

BOARD

Kris Hampson joined the board as Chief Financial Officer on 2 September 2024 replacing Andrew Duxbury, Group Finance Director who left the Group on 31 May 2024. The Board thanks Andrew for his significant contribution to the Group. Kevin Boyd joined the Board as a Non-executive Director on 1 March 2024.

Consolidated income statement

for the year ended 30 June 2024

		2024			2023		
	Notes	**Pre-Exceptional items £m**	**Exceptional items (note 5) £m**	**Total £m**	Pre-Exceptional items £m	Exceptional items (note 5) £m	Total £m
Revenue	4	**1,772.8**	**-**	**1,772.8**	1,393.7	-	1,393.7
Cost of sales		**(1,641.4)**	**-**	**(1,641.4)**	(1,292.3)	-	(1,292.3)
Gross profit		**131.4**	**-**	**131.4**	101.4	-	101.4
Other income	12	**-**	**-**	**-**	3.6	-	3.6
Administrative expenses		**(104.1)**	**(2.6)**	**(106.7)**	(86.1)	(10.5)	(96.6)
Impairment of financial assets	13	**-**	**-**	**-**	(2.8)	-	(2.8)
Operating profit/(loss)		**27.3**	**(2.6)**	**24.7**	16.1	(10.5)	5.6
Finance income	6	**8.8**	**0.8**	**9.6**	6.3	-	6.3
Finance costs	6	**(3.4)**	**-**	**(3.4)**	(1.8)	-	(1.8)
Profit/(loss) before income tax		**32.7**	**(1.8)**	**30.9**	20.6	(10.5)	10.1
Income tax (expense)/credit	7	**(4.8)**	**10.1**	**5.3**	(3.1)	2.1	(1.0)
Profit/(loss) for the year		**27.9**	**8.3**	**36.2**	17.5	(8.4)	9.1
Earnings per share							
Basic							
Profit attributable to ordinary shareholders	9	**27.9p**		**36.2p**	16.6p		8.7p
Diluted							
Profit attributable to ordinary shareholders	9	**26.7p**		**34.7p**	15.6p		8.1p

The notes are an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

for the year ended 30 June 2024

	Notes	**2024 £m**	2023 £m
Profit for the year		**36.2**	9.1
Other comprehensive expense:			
Items that may be reclassified subsequently to profit or loss			
Movement in fair value of PPP and other investments	12	**(1.5)**	(2.4)

Total items that may be reclassified subsequently to profit or loss	**(1.5)**	(2.4)
Other comprehensive expense for the year net of tax	**(1.5)**	(2.4)
Total comprehensive income for the year	**34.7**	6.7

The notes are an integral part of the consolidated financial statements.

Balance sheet

	Notes	Group **30 June 2024 £m**	 30 June 2023 £m
Assets			
Non-current assets			
Intangible assets	10	**4.3**	5.6
Goodwill	11	**93.6**	92.7
Property, plant and equipment		**5.3**	7.2
Right-of-use assets		**51.4**	38.6
PPP and other investments	12	**41.8**	44.6
Deferred income tax assets	18	**15.0**	15.5
Total non-current assets		**211.4**	204.2
Current assets			
Trade and other receivables	13	**370.8**	286.5
Current income tax assets		**11.6**	1.8
Cash and cash equivalents	14	**227.0**	220.2
Total current assets		**609.4**	508.5
Total assets		**820.8**	712.7
Liabilities			
Current liabilities			
Trade and other payables	15	**(609.2)**	(525.1)
Lease liabilities		**(20.5)**	(14.9)
Provisions for other liabilities and charges	16	**(36.2)**	(29.9)
Total current liabilities		**(665.9)**	(569.9)
Non-current liabilities			
Lease liabilities		**(32.5)**	(24.2)
Total non-current liabilities		**(32.5)**	(24.2)
Total liabilities		**(698.4)**	(594.1)
Net assets		**122.4**	118.6
Equity			
Share Capital		**52.0**	52.4
Share premium		**0.8**	-
Other reserves	20	**136.4**	135.3
Retained earnings	20	**(66.8)**	(69.1)
Total equity attributable to owners of the Company		**122.4**	118.6

Consolidated statements of changes in equity

for the year ended 30 June 2024

	Notes	Ordinary shares £m	Share premium £m	Other reserves £m	Retained earnings £m	Total shareholders' equity £m
Consolidated statement						
At 30 June 2022		55.5	-	132.2	(55.6)	132.1
Profit for the year		-	-	-	9.1	9.1
Other comprehensive expense		-	-	-	(2.4)	(2.4)
Total comprehensive income for the year		-	-	-	6.7	6.7
Transactions with owners:						
Dividends	8	-	-	-	(9.6)	(9.6)
Purchase of shares		-	-	-	(14.0)	(14.0)
Share-based payments	19	-	-	-	3.4	3.4
Cancellation of shares	20	(3.1)	-	3.1	-	-
At 30 June 2023		**52.4**	**-**	**135.3**	**(69.1)**	**118.6**
Profit for the year		**-**	**-**	**-**	**36.2**	**36.2**
Other comprehensive expense					[illegible]	[illegible]

Other comprehensive expense		-	-	-	**(1.5)**	**(1.5)**
Total comprehensive income for the year		-	-	-	**34.7**	**34.7**
Transactions with owners:						
Dividends	8	-	-	-	**(24.2)**	**(24.2)**
Purchase of shares		-	-	-	**(12.0)**	**(12.0)**
Share-based payments	19	-	-	-	**1.8**	**1.8**
Tax relating to share-based payments		-	-	-	**2.0**	**2.0**
Issue of shares		**0.7**	**0.8**	-	-	**1.5**
Cancellation of shares	20	**(1.1)**	-	**1.1**	-	-
At 30 June 2024		**52.0**	**0.8**	**136.4**	**(66.8)**	**122.4**

Statement of cash flows

for the year ended 30 June 2024

		Group	
	Notes	**2024 £m**	2023 £m
Cash flows from operating activities			
Profit for the year		**36.2**	9.1
Adjustments for:			
Income tax (credit)/expense - continuing operations		**(5.3)**	1.0
Net finance income - continuing operations	6	**(6.2)**	(4.5)
Profit before finance costs and taxation for continuing operations		**24.7**	5.6
Depreciation, amortisation and impairment of non-current assets	10	**20.7**	17.1
Profit on disposal of joint venture	12	**-**	(3.6)
Share-based payments	19	**1.8**	3.4
Impairment of financial asset		**-**	2.8
Other non-cash movements		**(0.4)**	(0.2)
Net cash generated from operations before changes in working capital		**46.8**	25.1
(Increase) in trade and other receivables	13, 22	**(84.1)**	(43.3)
Increase in trade and other payables	15, 22	**84.9**	47.7
Increase in provisions	16	**6.3**	2.5
Net cash generated from operations		**53.9**	32.0
Interest received		**6.2**	6.3
Interest paid		**(3.4)**	(1.8)
Income tax (paid)/received		**(0.5)**	(1.0)
Net cash generated from operating activities		**56.2**	35.5
Cash flows from investing activities			
Dividends received from joint ventures and associates		**-**	0.3
Decrease in amounts due from joint ventures		**0.1**	0.2
Proceeds from disposal of joint venture		**-**	3.6
PPP loan repayments	12	**1.3**	0.5
Acquisition of business combinations, net of cash acquired	22	**(3.5)**	(1.0)
Proceeds from disposal of subsidiaries		**1.8**	-
Acquisition of property, plant and equipment		**(1.0)**	(2.2)
Net cash (used)/generated from investing activities		**(1.3)**	1.4
Cash flows from financing activities			
Repayment of lease liabilities		**(16.7)**	(12.0)
Purchase of own shares		**(8.7)**	(14.0)
Dividends paid to Company shareholders	8	**(24.2)**	(9.6)
Net proceeds from issue of ordinary share capital		**1.5**	-
Net cash used in financing activities		**(48.1)**	(35.6)
Net increase in cash and cash equivalents		**6.8**	1.3
Cash and cash equivalents at 1 July	14	**220.2**	218.9
Cash and cash equivalents at 30 June	14	**227.0**	**220.2**

Notes to the consolidated financial statements

1 Basis of preparation

The financial information set out in this preliminary announcement does not constitute Galliford Try Holdings plc's statutory accounts for the years ended 30 June 2024 and 30 June 2023. Statutory accounts for the year ended 30 June 2024 will be delivered to the Registrar of Companies following the Company's Annual General Meeting. The Auditor has reported on those accounts; their report was unqualified, did not draw attention by way of emphasis, and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006. The Board approved the Statutory accounts for the year ended 30 June 2024 on 3 October 2024.

Statutory accounts for the year ended 30 June 2023 have been delivered to the Registrar of Companies. The Auditor has reported on those accounts; their report was unqualified, did not draw attention by way of emphasis, and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

In preparing the consolidated financial statements the directors have considered the risks and potential impact of climate change to the Group. It is unlikely that these risks will have a material financial impact in the short and medium term, particularly given the nature of the contractual arrangements in place, however the directors continue to monitor this, particularly regarding any judgements on construction contracts, impairment reviews and going concern.

Galliford Try Holdings plc (the Company) is a public limited company incorporated, listed and domiciled in the UK, and registered under the laws of England and Wales. The address of the registered office is 3 Frayswater Place, Cowley, Uxbridge, UB8 2AD. The Company has its listing on the London Stock Exchange.

The financial information contained in this results announcement has been prepared on the basis of the accounting policies set out in the statutory statements for the year ended 30 June 2024. Whilst the financial information included in this announcement has been computed in accordance with the recognition and measurement requirements of UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006, this announcement does not itself contain sufficient disclosures to comply with IFRS.

2 Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2023.

3 Segmental reporting

Segmental reporting is presented in the consolidated financial statements in respect of the Group's business segments, which are the primary basis of segmental reporting. The business segmental reporting reflects the Group's management and internal reporting structure. Segmental results include items directly attributable to the segment, as well as those that can be allocated on a reasonable basis. As the Group has no activities outside the UK, segment reporting is not required by geographical region.

The Chief Operating Decision-Makers (CODM) have been identified as the Group's Chief Executive and Chief Financial Officer. The CODM review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments of the Group to be Building, Infrastructure, Investments and Central (primarily representing central overheads).

The CODM assess the performance of the operating segments based on a measure of adjusted earnings before finance costs, amortisation, exceptional items and taxation. This measurement basis excludes the effects of non-recurring expenditure and exceptional items from the operating segments, such as restructuring costs and impairments when the impairment is the result of an isolated, non-recurring event. In the financial year ended 30 June 2023, the Group has also presented pre-exceptional performance excluding the impairment of financial assets as a result of a one-off contract settlement as announced on 8 June 2023 (disclosed in the consolidated income statement as an impairment of financial assets of £2.8m). Interest income and expenditure are included in the result for each operating segment that is reviewed by the CODM. Other information provided to them is measured in a manner consistent with that in the financial statements.

Income statement

Year-ended 30 June 2024	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Revenue	**938.3**	**819.8**	**14.7**	**-**	**1772.8**
Pre-exceptional operating profit/(loss) before amortisation	**24.0**	**20.1**	**(1.0)**	**(13.5)**	**29.6**
Finance income	**0.1**	**0.3**	**3.8**	**4.6**	**8.8**
Finance costs	**(1.2)**	**(1.6)**	**-**	**(0.6)**	**(3.4)**
Pre-exceptional profit/(loss) before amortisation and taxation	**22.9**	**18.8**	**2.8**	**(9.5)**	**35.0**
Amortisation of intangible assets	**(1.0)**	**(1.1)**	**-**	**(0.2)**	**(2.3)**
Pre-exceptional profit/(loss) before taxation	**21.9**	**17.7**	**2.8**	**(9.7)**	**32.7**
Exceptional items	**-**	**0.8**	**-**	**(2.6)**	**(1.8)**
Profit before tax	**21.9**	**18.5**	**2.8**	**(12.3)**	**30.9**
Income tax credit					**5.3**
Profit for the year					**36.2**

Year-ended 30 June 2023	Building £m	Infrastructure £m	PPP Investments £m	Central £m	Total £m
Revenue	797.1	590.8	5.8	-	1,393.7
Pre-exceptional operating profit/(loss) before amortisation and impairment of financial assets	18.5	14.5	1.4	(12.5)	21.9
Finance income	-	0.3	3.9	2.1	6.3
Finance costs	(0.7)	(0.7)	(0.1)	(0.3)	(1.8)
Pre-exceptional profit/(loss) before amortisation and taxation and impairment of financial assets	17.8	14.1	5.2	(10.7)	26.4
Amortisation of intangible assets	(1.0)	(0.9)	-	(1.1)	(3.0)
Pre-exceptional profit/(loss) before taxation and impairment of financial assets	16.8	13.2	5.2	(11.8)	23.4
Impairment of financial assets	-	(2.8)	-	-	(2.8)
Exceptional items	-	-	-	(10.5)	(10.5)
Profit before tax	16.8	10.4	5.2	(22.3)	10.1
Income tax credit					(1.0)
Profit for the year					9.1

Inter-segment revenue is eliminated from revenue above. In the year to 30 June 2024, this amounted to £91.8m (2023: £61.0m) for continuing operations, of which £0.6m (2023: £nil) was in Building, £57.8m (2023: £40.1m) was in Infrastructure, £13.8m (2023: £nil) was in Investments and £19.6m (2023: £20.9m) was in central costs.

Balance sheet

30 June 2024	Notes	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Goodwill and intangible assets		**40.0**	**57.9**	**-**	**-**	**97.9**
Other including working capital employed		**(60.2)**	**(160.7)**	**42.7**	**(24.3)**	**(202.5)**
Net cash	14	**158.3**	**50.4**	**(7.0)**	**25.3**	**227.0**
Net assets/(liabilities)		**138.1**	**(52.4)**	**35.7**	**1.0**	**122.4**
Total Group liabilities						**(698.4)**
Total Group assets						**820.8**

30 June 2023	Notes	Building £m	Infrastructure £m	Investments £m	Central £m	Total £m
Goodwill and intangible assets		41.0	57.1	-	0.2	98.3
Other including working capital employed		(60.9)	(178.2)	43.3	(4.1)	(199.9)
Net cash	14	139.0	42.7	(8.6)	47.1	220.2
Net assets/(liabilities)		119.1	(78.4)	34.7	43.2	118.6
Total Group liabilities						(594.1)
Total Group assets						712.7

4 Revenue

Nature of revenue streams

(i) Building and Infrastructure segments

Our Construction business operates nationwide, working with clients predominantly in the public and regulated sectors, such as health, education and defence markets within the Building segment and road and water markets within the Infrastructure segment (as well as private commercial clients). Projects include the construction of assets (with services including design and build, construction only and refurbishment) in addition to the maintenance, renewal, upgrading and managing of services across utility and infrastructure assets.

Revenue stream	Nature, timing of satisfaction of performance obligations and significant payment terms
Fixed price	A number of projects within these segments are undertaken using fixed-price contracts. Contracts are typically accounted for as a single performance obligation; even when a contract (or multiple combined contracts) includes both design and build elements, they are considered to form a single performance obligation as the two elements are not distinct in the context of the contract, given that each is highly interdependent on the other. The Group typically receives payments from the customer based on a contractual schedule of value that reflects the timing and performance of service delivery. Revenue is therefore recognised over time (the period of construction) based on an input model (reference to costs incurred to date). On a number of contracts, the Group recognised revenue over time (the period of construction) based on an output model (reference to milestone reached, units delivered or work certified).Un-invoiced amounts are presented as contract assets. No significant financing component typically exists in these contracts.
Cost-reimbursable	A number of projects are undertaken using cost reimbursable/target price (possibly with a pain/gain share mechanism) contracts. These projects are often delivered under frameworks, however, individual performance obligations under the framework are normally determined at a project level where multiple services are supplied. The Group constrains revenue and calculates any pain/gain mechanism at the framework level where appropriate. The Group typically receives payments from the customer based on actual costs incurred. Revenue is therefore recognised over time (the period of construction) based on an input model (reference to costs incurred to date). Un-invoiced amounts are presented as contract assets. No significant financing component typically exists in these contracts.
Facilities management*	Contracts undertaken within the Building segment that provide full life-cycle solutions to clients, are accounted for as a single performance obligation, with revenue recognised over time and typically on a straight-line basis.

* Facilities management represents around 5% of the total Building segment turnover.

(ii) Investments segment

Our Investments business specialises in managing construction through to operations for major building projects through public private partnerships and co-development opportunities. The business leads bid consortia and arranges finance, as well as making debt and equity investments (which are recycled).

Revenue stream	Nature, timing of satisfaction of performance obligations and significant payment terms
Investments	The Group has investments in a number of PPP Special Purpose Vehicles (SPVs), delivering major building and infrastructure projects. Development fees and land sales on co-development private rental schemes represent a performance obligation that is recognised at a point in time when control is deemed to pass to the customer (on financial close). The business additionally provides management services and project manages developments under Management Service Agreements (MSA) or separate development arrangements. Revenue for these services is typically recognised over time as and when the service is delivered to the customer

delivered to the customer.

The business additionally provides management services to the SPVs under Management Service Agreements (MSA). Revenue for these services is typically recognised over time as and when the service is delivered to the customer.

Disaggregation of revenue

The Group considers the split of revenue by operating segment to be the most appropriate disaggregation. All revenue has been derived from performance obligations settled over time, except for £7.3m (2023: £nil) that is recognised at a point in time within the investments segment.

Revenue on existing contracts, where performance obligations are unsatisfied or partially unsatisfied at the balance sheet date, is expected to be recognised as follows:

Revenue - year ended 30 June 2024	2025 £m	2026 £m	2027 onwards £m	Total £m
Building	660.1	177.0	1.9	839.0
Infrastructure	572.3	157.9	16.6	746.8
Total Construction	**1,232.4**	**334.9**	**18.5**	**1,585.8**
Investments	**2.8**	**2.5**	**25.3**	**30.6**
Total transaction price allocated to performance obligations yet to be satisfied	**1,235.2**	**337.4**	**43.8**	**1,616.4**

Revenue - year ended 30 June 2023	2024 £m	2025 £m	2026 onwards £m	Total £m
Building	614.4	214.4	32.7	861.5
Infrastructure	453.1	185.0	49.4	687.5
Total Construction	1,067.5	399.4	82.1	1,549.0
Investments	3.2	2.6	26.5	32.3
Total transaction price allocated to performance obligations yet to be satisfied	1,070.7	402.0	108.6	1,581.3

Any element of variable consideration is estimated at a value that is highly probable not to result in a significant reversal in the cumulative revenue recognised.

5 Exceptional items

	2024 £m	2023 £m
Implementation costs of cloud based arrangements[1] - administrative expenses	**(2.6)**	(10.5)
Finance income[2]	**0.8**	-
Loss before tax	**(1.8)**	(10.5)
Associated tax credit on items above	**0.5**	2.1
Exceptional income tax credit[2]	**9.6**	-
Total	**8.3**	(8.4)

1 The Group incurred £2.6m (2022: £10.5m) of customisation and configuration costs associated with the move to Oracle Fusion, a cloud-based computing arrangement, during the period. Taking into account the IFRIC Agenda Decision issued by the IFRS IC in March 2021, the Group has analysed the costs and concluded that these costs should be expensed in the period. In accordance with the Group's existing accounting policy, management considers that the costs should be separately disclosed as exceptional because they are significant and irregular. The move to Oracle Fusion is now complete with no further exceptional costs expected.

2 The Group previously disclosed that it had not recognised an asset in respect of historic trading losses due to the losses being subject to agreement with HMRC. This led to an uncertain tax treatment which, based on the advice of tax advisors, the group concluded it was not probable HMRC would accept. During the year to 30 June 2024 HMRC agreed a quantum of historic trading losses available and that they could be utilised against historical trading profits, resulting in a cash tax refund of £9.6m with associated interest of £0.8m, which was received after 30 June 2024. Management considers that the refund should be disclosed separately as exceptional given it is material in quantum and one off in nature.

An associated tax credit of £0.5m (2023: £2.1m) has been recognised in respect of the implementation costs of cloud based arrangements and the exceptional finance income (£0.2m tax charge (2023: n/a)).

6 Net finance income

Group	2024 £m	2023 £m
Interest receivable on bank deposits	**4.6**	2.4
Interest receivable from PPP Investments and joint ventures	**4.2**	3.9
Finance income	**8.8**	6.3
Other (including interest on lease liabilities)	**(3.4)**	(1.8)
Finance costs before exceptional items	**(3.4)**	(1.8)
Exceptional items	**0.8**	**-**
Net finance income	**6.2**	4.5

7 Income tax charge/(credit)

2024 2023

Group	Notes	2024 £m	2023 £m
Analysis of expense in year			
Current year's income tax			
Current tax - pre-exceptional items		**3.3**	-
Current tax - exceptional items	5	**(0.5)**	-
Deferred tax - pre-exceptional items		**5.0**	3.0
Deferred tax - exceptional items	18	**-**	(2.1)
Adjustments in respect of prior years			
Current tax - exceptional items		**(9.6)**	-
Deferred tax - pre-exceptional items	18	**(3.5)**	0.1
Income tax (credit)/expense		**(5.3)**	1.0
Tax on items recognised in other comprehensive income			
Tax recognised in other comprehensive income		**-**	-
Total tax (credit)/expense		**(5.3)**	1.0

The total income tax credit for the year of £5.3m (2023: charge of £1.0m) is lower (2023: lower) than the expected charge based on the standard rate of corporation tax in the UK of 25.0% (2023: 20.50%). The differences are explained below:

	2024 £m	2023 £m
Profit before income tax	**30.9**	10.1
Profit before income tax multiplied by the blended standard corporation tax rate in the UK of 25% (2023: 20.5%)	**7.7**	2.1
Effects of:		
Expenses not deductible for tax purposes	**0.2**	0.1
Non-taxable income	**(0.2)**	(1.0)
Adjustments in respect of prior years	**(13.1)**	0.1
Change in tax rates	**-**	0.1
Other	**0.1**	(0.4)
Income tax (credit)/expense	**(5.3)**	1.0

The adjustments in respect of prior years include a £9.6m tax credit for exceptional items, as explained in note 5.

The Group is within the scope of OECD Pillar Two rules. The rules are designed to ensure a minimum effective tax rate of 15% across each country of operation.

The rules were enacted into UK law in July 2023 and are effective from 1 July 2024 to the Group. Due to the Group trading only in the UK, it is not expected there will be a significant impact as a result of the implementation of the rules, however the Group continues to review any potential implications with advisors.

In the Spring Budget 2021, the UK Government announced that from 1 April 2023, the corporation tax rate would increase from 19% to 25%. This new law was substantively enacted in the Finance Bill 2021 and received Royal Assent on 10 June 2021. Where appropriate, deferred taxes at the balance sheet date have been measured using the appropriate tax rates (based on when the underlying balance is expected to crystallise) and reflected in these financial statements.

8 Dividends

	2024		2023	
Group	£m	pence per share	£m	pence per share
Previous year final	**7.7**	**7.5**	6.4	5.8
Special	**12.5**	**12.0**	-	-
Current year interim	**4.0**	**4.0**	3.2	3.0
Dividend recognised in the year	**24.2**	**23.5**	9.6	8.8

The following dividends were declared by the Company in respect of each accounting period presented:

	2024		2023	
	£m	pence per share	£m	pence per share
Interim	**4.1**	**4.0**	3.2	3.0
Special	**-**	**-**	12.6	12.0
Final	**11.9**	**11.5**	7.9	7.5
Dividend relating to the year	**16.0**	**15.5**	23.7	22.5

The directors are proposing a final dividend in respect of the financial year ended 30 June 2024 of 11.5 pence per share (2023: 7.5 pence per share), bringing the total dividend in respect of 2024 to 15.5 pence per share (2023: 10.5p excluding the special dividend). The final dividend will absorb approximately £11.9m of equity. Subject to shareholders' approval at the AGM to be held on 28 November 2024, the dividend will be paid on 5 December 2024 to shareholders who are on the register of members at the close of business on 8 November 2024.

The directors declared a special dividend of 12.0 pence per share on 8 June 2024 following the settlement of its long-standing dispute concerning three contracts with entities owned by a major infrastructure fund, returning a substantial portion of the proceeds to shareholders.

9 Earnings per share

Basic and diluted earnings per share (EPS)

Basic EPS is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, excluding those held by the Trust, which are treated as cancelled.

Under normal circumstances, the average number of shares is diluted by reference to the average number of potential ordinary shares held under option in the year. The dilutive effect amounts to the number of ordinary shares which would be purchased using the aggregate difference in value between the market value of shares and the share option price. Only shares that have met their cumulative performance criteria are included in the dilution calculation. The Group has two classes of potentially dilutive ordinary shares: those share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year and the contingently issuable shares under the Group's long-term incentive plans. A loss per share cannot be reduced through dilution, hence this dilution is only applied where the Group has reported a profit.

The earnings and weighted average number of shares used in the calculations are set out below.

	2024			2023		
	Earnings £m	Weighted average number of shares	Per share amount pence	Earnings £m	Weighted average number of shares	Per share amount pence
Basic EPS - pre-exceptional						
Earnings attributable to ordinary shareholders pre-exceptional items	**27.9**	**100,051,095**	**27.9**	17.5	105,180,316	16.6
Basic EPS						
Earnings attributable to ordinary shareholders post-exceptional items	**36.2**	**100,051,095**	**36.2**	9.1	105,180,316	8.7
Effect of dilutive securities:						
Options	**n/a**	**4,315,217**	**n/a**	n/a	7,286,375	n/a
Diluted EPS - pre-exceptional	**27.9**	**104,366,312**	**26.7**	17.5	112,466,691	15.6
Diluted EPS	**36.2**	**104,366,312**	**34.7**	9.1	112,466,691	8.1

The 2023 pre-exceptional EPS (basic) excluding the impact of the one-off contract settlement as announced on 8 June 2023 (note 13) is 18.9p (and diluted EPS is 17.7p).

10 Intangible assets

Group	Notes	Customer contracts and relationships £m	Computer software £m	Total £m
Cost				
At 1 July 2022		17.4	11.5	28.9
Additions	22	0.3	-	0.3
At 30 June 2023		17.7	11.5	29.2
Additions	22	**1.0**	**-**	**1.0**
At 30 June 2024		**18.7**	**11.5**	**30.2**
Accumulated amortisation and impairment loss				
At 1 July 2022		(10.7)	(9.4)	(20.1)
Amortisation in year		(1.8)	(1.2)	(3.0)
Impairment loss		-	(0.5)	(0.5)
At 1 July 2023		(12.5)	(11.1)	(23.6)
Amortisation in year		**(1.9)**	**(0.4)**	**(2.3)**
At 30 June 2024		**(14.4)**	**(11.5)**	**(25.9)**
Net book amount				
At 30 June 2024		**4.3**	**-**	**4.3**
At 30 June 2023		5.2	0.4	5.6
At 30 June 2022		6.7	2.1	8.8

11 Goodwill

Group	Notes	£m
Cost		
At 30 June 2022		88.2
Additions	22	4.5
At 30 June 2023		92.7
Additions	22	0.9
At 30 June 2024		**93.6**
Aggregate impairment at 30 June 2022, 2023, and 2024		**-**
At 30 June 2022, 2023, and 30 June 2024		**-**
Net book amount		
At 30 June 2024		**93.6**
At 30 June 2023		92.7
At 30 June 2022		88.2

Goodwill is allocated to the Group's CGUs identified according to business segment. The goodwill is attributable to the following business segments:

	2024 £m	2023 £m
Building	**40.0**	40.0

Building	**40.0**	40.0
Infrastructure	**53.6**	52.7
	93.6	92.7

Impairment review of goodwill and key assumptions

Goodwill is tested for impairment at least annually. The recoverable amount of a CGU is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on future financial budgets approved by the Board, based on past performance and its expectation of market developments. The key assumptions within these budgets relate to revenue and the future profit margin achievable, in line with our strategy and targets. Future budgeted revenue is based on management's knowledge of actual results from prior years and latest forecasts for the current year, along with the existing secured works and management's expectation of the future level of work available within the market sector. In establishing future profit margins, the margins currently being achieved are considered in conjunction with expected inflation rates in each revenue and cost category. In Building and Infrastructure, the margins currently being achieved are expected to increase in line with the strategy set out in the Strategic report within the Annual Report for the year ended 30 June 2024. The Building and Infrastructure CGUs are not sensitive to changes in key assumptions and management does not consider that any reasonable possible change in any single assumption would give rise to an impairment of the carrying value of goodwill and intangibles.

12 PPP and other investments

Group	**2024 £m**	2023 £m
At 1 July	**44.6**	47.5
Disposals and subordinated loan repayments	**(1.3)**	(0.5)
Movement in fair value	**(1.5)**	(2.4)
At 30 June	**41.8**	44.6

These comprise debt and equity investments in PPP/PFI investments (joint ventures and associates) over which the Group has significant influence.

The debt element of the investments represents over 99% of the total portfolio balance and is held at fair value. The fair value reflects a blended discount rate of 7.6% (2023: 7.3%). A 0.5% increase/reduction in the discount rate would result in a corresponding decrease/increase in the value of the investments recorded in the balance sheet of approximately £1.5m (2023: £1.6m).

During the year, there were no additions (2023: £nil) to the Group's PPP/PFI investments and subordinated loans of £1.3m (2023: £0.5m) were repaid. Of the total fair value movement in the year of £1.5m, all of it relates to the movement in the fair value of the PPP/PFI investments (2023: £2.4m) and has been recorded through other comprehensive income.

During the year to 30 June 2023 the Group disposed of equity accounted interests in joint ventures held at £nil, generating a profit on disposal of £3.6m.

13 Trade and other receivables

		Group	
	Notes	**2024 £m**	2023 £m
Amounts falling due within one year:			
Trade receivables		**43.7**	52.0
Less: provision for impairment of receivables		**(0.4)**	(0.1)
Trade receivables - net		**43.3**	51.9
Contract assets	17	**290.1**	204.9
Amounts due from joint ventures		**0.8**	0.9
Research and development expenditure credits		**5.4**	5.8
Other receivables		**14.0**	7.6
Prepayments		**17.2**	15.4
		370.8	286.5

The Group announced on 8 June 2023 that it had agreed settlement terms in respect of its long-standing dispute concerning three contracts with entities owned by a major infrastructure fund. The settlement brought to a conclusion a complex and challenging multi-contract dispute. Taking into account the requirements of IFRS 15, the Group had constrained the revenue recognised in prior periods to the extent that it was highly probable not to result in a significant reversal in the future and had also previously assessed any expected credit loss provision in accordance with IFRS 9. As a result of the settlement a further one-off expected credit loss of £2.8m was recognised in the financial year ended 30 June 2023.

14 Cash and cash equivalents

	Group	
	2024 £m	2023 £m
Cash at bank and in hand and per the statement of cash flows	**227.0**	220.2

Cash at bank above includes £21.7m (2023: £11.0m), being the Group's share of cash held by jointly controlled operations. The Group has no bank borrowings or loans.

Net cash excludes IFRS 16 lease liabilities.

15 Trade and other payables

		Group	
	Notes	**2024 £m**	2023 £m
Trade payables		**107.6**	136.6
Contract liabilities	17	**121.8**	106.6
Other taxation and social security payable		**70.4**	53.4
Other payables		**2.4**	1.9
Accruals		**307.0**	226.6

		609.2	525.1

16 Provisions for other liabilities and charges

Group	Onerous contracts	Rectification	**Total £m**
At 30 June 2023	(2.0)	(27.9)	(29.9)
Balance sheet reclassifications[1]	**(0.5)**	**(4.5)**	**(5.0)**
Utilised	**1.6**	**3.6**	**5.2**
Released	**-**	**2.3**	**2.3**
Additions	**(0.6)**	**(8.2)**	**(8.8)**
At 30 June 2024	**(1.5)**	**(34.7)**	**(36.2)**

[1] Correction of immaterial balance sheet classifications in the previous year.

Onerous contract provisions are made on loss-making contracts the Group is obliged to complete.

Rectification provisions are made for potential claims and defects for remedial works against work completed by the Group and includes provisions for dilapidations on premises the Group occupies.

As at 30 June 2024 £14.6m of provision related to one contract. Further details are provided in the critical accounting estimates and judgements. The remaining balance of the provision relates to a number of immaterial balances. Due to the level of uncertainty, combination of cost and income variables and timing across the remaining portfolio of contracts, it is impracticable to provide a quantitative analysis of the aggregated judgements that are applied at a portfolio level and therefore management has not given a range of expected outcomes.

Due to the nature of the provisions, the timing of any potential future outflows is uncertain, however they are expected to be utilised within the Group's normal operating cycle, and accordingly are classified as current liabilities. Of the total provisions, £24.6m (2023: £16.4m) is likely to be utilised within 12 months, with the remainder utilised in more than 12 months. The impact of discounting is not material.

The Group regularly engages in contracts with general or defect warranty rectification requirements, typically less than 3 years. Within the pool of open warranty period contracts, the group built, as part of a joint venture arrangement with 2 other partners, a single infrastructure scheme under a contract that included various defect warranty obligations, with the longest obligation lasting up to 12 years. At 30 June 2024, there remained 7 years of the longest warranty liability period remaining. This is the only contract the group has that has a general defect warranty period of this length. The contractual nature of the defect warranty liability and the completion of the scheme are the obligating events and the group, as part of the joint operation, has remediated items since completion and has other known issues ongoing that will likely result in future cash outflows, though the timing and quantum remain uncertain.

The Group also believes that there will be further unknown but probable cash outflows relating to as yet unknown items as scheduled inspections of various structural elements of the scheme are completed that have a potentially material range of outcomes.

The Group has provided £14.6m (2023: £16.9m) against future defect costs and this represents management's best estimate of potential future payments associated with the warranty rectification responsibilities. The provision requires a limited number of significant estimates and assumptions by management, with a significant level of estimation risk as a result arising from the level of defects and associated cost that may arise. Management estimates the reasonable range of estimates to be between £7.3m and £17.5m at 30 June 2024. Management has sought input from external experienced industry figures and industry bodies to support the provision it has made. During the year £0.1m and £2.3m of the opening provision of £16.9m was utilised and released respectively, with additions of £0.1m made in the year.

17 Contract balances

Contract assets and liabilities are included within 'trade and other receivables' and 'trade and other payables' respectively on the face of the balance sheet. Where there is a corresponding contract asset and liability in relation to the same contract, the balance shown is the net position. The timing of work performed (and thus revenue recognised), billing profiles and cash collection results in trade receivables (amounts billed to date and unpaid), contract assets (unbilled amounts where revenue has been recognised) and contract liabilities (customer advances and deposits where no corresponding work has yet to be performed), being recognised on the Group's balance sheet.

The reconciliation of the Group opening to closing contract balances is shown below:

	2024		2023	
	Contract asset £m	**Contract liability £m**	Contract asset £m	Contract liability £m
At 1 July	**204.9**	**(106.6)**	173.4	(104.4)
Revenue recognised in the year	**1,725.0**	**47.8**	1,334.9	58.8
Net cash received in advance of performance obligations being fully satisfied	**-**	**(63.0)**	-	(61.0)
Transfers in the year from contract assets to trade receivables	**(1,639.8)**	**-**	(1,303.4)	-
30 June	**290.1**	**(121.8)**	204.9	(106.6)

Revenue allocated to performance obligations that are unsatisfied at 30 June, is expected to be recognised as disclosed in note 4.

The amount of revenue recognised in the year from performance obligations satisfied in previous periods amounts to £4.7m (2023: £4.8m).

18 Deferred income tax

Deferred income tax is calculated in full on temporary differences under the liability method and is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities. The net deferred tax position at 30 June was:

	Group	
	2024	2023

	£m	£m
Deferred income tax assets	**15.6**	16.6
Deferred income tax liabilities	**(0.6)**	(1.1)
Net deferred income tax	**15.0**	15.5

The movement for the year in the net deferred income tax account is as shown below:

	Group	
	2024 £m	2023 £m
At 1 July	**15.5**	14.0
Current year's deferred income tax	**(5.7)**	(0.9)
Adjustment in respect of prior years	**4.5**	(0.1)
Transfer from current tax assets and change in rates of deferred income tax	**0.3**	2.5
Acquisition of subsidiaries	**(0.2)**	-
Disposal of subsidiaries	**0.6**	-
At 30 June	**15.0**	15.5

All remaining unutilised tax losses have now been recognised. The Group previously disclosed that it had not recognised £53.0m of trading losses due to them being subject to agreement with HMRC. During the year to 30 June 2024 HMRC confirmed the quantum of the trading losses available and that they could be utilised against historical trading profits, resulting in a cash refund of £9.6m and associated interest of £0.8m. This is recorded as an income tax receivable at 30 June 2024. This has been disclosed as exceptional as explained in note 5.

19 Share-based payments

The Group operates performance-related share incentive plans for Executives, details of which are set out in the Directors' Remuneration report. The Group also operates save as your earn and other long term bonus schemes. The total charge for the year before tax relating to employee share-based payment plans was £1.8m (2023: £3.4m), all of which related to equity-settled share-based payment transactions.

20 Other reserves and retained earnings

Group	**Notes**	**Other reserves £m**	**Retained earnings £m**
At 30 June 2022		132.2	(55.6)
Profit for the year		-	9.1
Dividends paid	8	-	(9.6)
Share-based payments	19	-	3.4
Movement in fair value of PPP and other investments	12	-	(2.4)
Purchase of own shares		-	(14.0)
Cancellation of shares		3.1	-
At 30 June 2023		135.3	(69.1)
Profit for the year		**-**	**36.2**
Dividends paid		**-**	**(24.2)**
Share-based payments		**-**	**1.8**
Tax relating to share-based payments		**-**	**2.0**
Movement in fair value of PPP and other investments		**-**	**(1.5)**
Purchase of own shares		**-**	**(12.0)**
Cancellation of shares		**1.1**	**-**
At 30 June 2024		**136.4**	**(66.8)**

The Group's other reserves relate to a merger reserve amounting to £132.2m (2023: £132.2m) and a capital redemption reserve of £4.2m (2023: £3.1m).

The purchase of own shares represents shares purchased by the Galliford Try Employee Share Trust of £4.3m (2023: £1.9m) and other share related transactions of £3.3m (2023: £1.5m), in addition to £4.4m (2023: £10.6m) purchased as part of the share buyback announced in September 2022. The buyback programme has now completed as announced on 17 November 2023.

21 Guarantees and contingent liabilities

The Group has surety bonding facilities and bank guarantees. These are supported by counter indemnities given by the Company and certain subsidiaries in the Group in the normal course of business. Utilisation of the bonding and guarantee facilities total £182.1m at 30 June 2024 (2023: £165.5m). It is not expected that any material liabilities will arise.

Disputes arise in the normal course of business, some of which lead to litigation or arbitration procedures. While the outcome of disputes and arbitration is never certain, the directors believe that the resolution of all existing actions will not have a material adverse effect on the Group's financial position.

Where the Group has received such claims, the directors have made provision in the financial statements when they believe it is probable a liability exists and it can be reliably estimated, but no provision has been made where the Group's liability is considered only possible or remote. This is based on the best estimates of future costs to be incurred after assessing all relevant information and taking legal advice where appropriate. The Group has currently assessed a pool of non-fire safety related claims that meet the contingent liability threshold for disclosure. These claims are of a similar nature with a collective range of between £nil and £8.6m. The Group's assessment of liability and estimates of future costs could change in the future. Although the Group has appropriate insurance arrangements in place that should mitigate any significant exposure, the recognition thresholds under IAS 37 would mean a liability could be recognised before a corresponding asset.

The continuing evolution of Government legislation and guidance, such as the Building Safety Act and its implications for cladding solutions used on historical contracts, also creates ongoing uncertainty that the Group manages.

The Group is tracking a pool of three fire safety claims which meet the definition of contingent liabilities under IAS37.

Management do not think consider it is practicable to value the pool because of the lack of supporting evidence from the claimants and the length of time it takes for these cases to evolve and for any reliable quantum, if any, to be established. Factors include the complexity of the building projects in question, the many suppliers involved in the supply chain and the potential for reimbursement from subcontractors. The Group believes it has strong legal positions with contractual support on all the cases, however, at this time, it cannot fully rule out that material settlements may result, should this be the case, management expects there will be recovery from the supply chain, designers or insurers that can be full or partial.

As Government legislation and guidance changes in the future, the Group will reassess the estimates made accordingly.

22 Business combinations

During the year, the Group acquired 100% of the share capital AVRS Systems Limited. The Group has also finalised (with no changes to the provisional values) the acquisition accounting of MCS Control Systems Limited and certain contracts and assets of Ham Baker Limited (in administration) having previously reported the balances as provisional in accordance with IFRS 3. In the prior year, the acquisition accounting for nmcn was also finalised.

AVRS Systems Limited

On 8 November 2023, the Group acquired 100% of the share capital of AVRS Systems Limited ("AVRS"), a leading mechanical and electrical engineering specialist for £4.5m settled in cash. The addition of AVRS's capabilities is complementary to the operations of Galliford Try's expanding Environment asset optimisation and capital maintenance business in line with the Groups strategy. In particular, AVRS provides additional competencies that complement those acquired over the past two years with nmcn's Water business, Lintott Control Systems Limited, MCS Control Systems Limited and the capital maintenance business of Ham Baker.

The goodwill of £0.9m arising from the acquisition is significantly attributable to the acquired workforce and their technical expertise and the opportunity to leverage this expertise across the Group to enhance the asset optimisation and capital maintenance strategy

The following table summarises the consideration paid, and the provisional fair value of the assets acquired and liabilities assumed.

	£m
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property plant and equipment (including right of use assets)	1.0
Intangible assets	1.0
Trade and other receivables	2.5
Cash and cash equivalents	1.0
Trade and other payables	(0.9)
Corporation tax liability	(0.3)
Lease liabilities	(0.5)
Deferred tax liability	(0.2)
Total identifiable net liabilities	**3.6**
Goodwill	0.9
Total	**4.5**
Consideration	
Cash	**4.5**
Total	**4.5**

As part of the conditions of the sale and in addition to the initial consideration of £4.5m, an earn out arrangement is in place, whereby the sellers are entitled up to additional £2.5m. Due to the nature of the earn out, this will be treated as remuneration as it requires the sellers to remain in employment during the earn out period of two years.

The acquisition contributed £9.5m of revenue and a profit before tax of £0.4m in the period to 30 June 2024. If the acquisition had taken place at 1 July 2023, it would have contributed £13.2m of revenue and a profit before tax of £1.1m.

23 Alternative performance measures

Throughout the Annual Report and Accounts, the Group has presented financial performance measures which are used to manage the Group's performance. These financial performance measures are chosen to provide a balanced view of the Group's operations and are considered useful to investors as they provide relevant information on the Group's performance. They are also aligned to measures used internally to assess business performance in the Group's budgeting process and when determining compensation. An explanation of the Group's financial performance measures and appropriate reconciliations to its statutory measures are provided below.

Providing clarity on the Group's alternative performance measures

The Group has included this note and the enclosed explanations and reconciliations with the aim of providing transparency and clarity on the measures adopted internally to assess performance. The APMs adopted by the Group are also commonly used in the sectors it operates in. This additional information is not defined under international accounting standards and may therefore not be comparable with similarly titled profit measures reported by other companies. It is not intended to be a substitute for, or superior to, international accounting standards measures of profit.

The Board believes that disclosing these performance measures enhances investors' ability to evaluate and assess the underlying financial performance of the Group's operations and the related key business drivers.

Measuring the Group's performance

The following measures are referred to in this report:

Statutory measures

Statutory measures are derived from the Group's reported financial statements, which are prepared in accordance with UK adopted International Accounting Standards and in line with the Group's accounting policies, that can be found in note 1.

The Group's statutory measures take into account all of the factors, including exceptional items which do not reflect the ongoing underlying performance of the Group.

Alternative performance measures

In assessing its performance, the Group has adopted certain non-statutory measures that reflect the underlying performance of the Group. These typically cannot be directly extracted from its financial statements but are reconciled to statutory measures below:

a) Pre-exceptional performance

The Group adjusts for certain significant irregular (exceptional) items which the Board believes assist in understanding the

The Group adjusts for certain significant irregular (exceptional) items which the Board believes assist in understanding the performance achieved by the Group as this reflects the underlying and ongoing performance of the business. A reconciliation of the statutory measure to the pre-exceptional measure is provided in the following tables. In the financial year ended 30 June 2023, the Group also presented pre-exceptional performance excluding the impairment of financial assets as a result of a one off contract settlement as announced on 8 June 2023 (disclosed in the consolidated income statement as an impairment of financial assets of £2.8m).

b) Operating profit before amortisation

The Group adjusts operating profit to exclude the amortisation of intangible assets as this reflects the ongoing performance of the business. Operating margin reflects the ratio of pre-exceptional operating profit before amortisation of intangible assets and revenue. In the financial year to 30 June 2023, operating margin also excludes the impairment of financial assets as a result of the one off contract settlement as announced on 8 June 2023. This differs from the statutory measure of operating profit which includes the amortisation of intangible assets. Divisional operating margin is the combined operating margin of Building and Infrastructure.

A reconciliation of the statutory measure to the Group's performance measure is shown below, based on continuing operations:

	Building £m	**Infrastructure £m**	**Investments £m**	**Central £m**	**Total £m**
Year ended 30 June 2024					
Statutory operating profit/(loss)	23.0	19.0	(1.0)	(16.3)	24.7
exclude: amortisation of intangible assets	1.0	1.1	-	0.2	2.3
exclude: exceptional items	-	-	-	2.6	2.6
Pre-exceptional operating profit before amortisation	24.0	20.1	(1.0)	(13.5)	29.6
Revenue	938.3	819.8	14.7	-	1722.8
Operating margin	2.6%	2.5%	n/a	n/a	1.7%
Year ended 30 June 2023					
Statutory operating profit/(loss)	17.5	10.8	1.4	(24.1)	5.6
exclude: amortisation of intangible assets	1.0	0.9	-	1.1	3.0
exclude: exceptional items)	-	-	-	10.5	10.5
Pre-exceptional operating profit before amortisation	18.5	11.7	1.4	(12.5)	19.1
exclude: impairment of financial assets	-	2.8	-	-	2.8
Pre-exceptional operating profit before amortisation excluding the impairment of financial assets	18.5	14.5	1.4	(12.5)	21.9
Revenue	797.1	590.8	5.8	-	1,393.7
Operating margin excluding the impairment of financial assets	2.3%	2.5%	n/a	n/a	1.6%

c) Pre-exceptional profit before tax

The Group uses a profit before tax measure which excludes exceptional items and other items as noted above. This differs from the statutory measure of profit before income tax, which includes these items.

A reconciliation of the statutory measure to the Group's performance measure is shown below, based on continuing operations:

	2024 £m	2023 £m
Statutory profit before tax	30.9	10.1
exclude: exceptional items	1.8	10.5
Pre-exceptional profit before tax	32.7	20.6

Pre-exceptional profit before tax excluding the impairment of financial assets in 2023 was £23.4m.

d) Pre-exceptional earnings per share

In line with the Group's measurement of adjusted performance, the Group also presents its earnings per share on an adjusted basis. This differs from the statutory measure of earnings per share, which includes these items. A reconciliation of the statutory measure to the Group's performance measure (post-tax) is shown below, based on continuing operations:

	2024			2023		
	Earnings £m	**Weighted average number of shares**	**EPS pence**	Earnings £m	**Weighted average number of shares**	EPS pence
Statutory results	36.2	100,051,095	36.2	9.1	105,180,316	8.7
exclude: exceptional items	(8.3)	n/a	n/a	8.4	n/a	n/a
Pre-exceptional earnings per share	27.9	100,051,095	27.9	17.5	105,180,316	16.6

Pre-exceptional earnings per share excluding the impairment of financial assets in 2023 was 18.9p based on post tax profit of £ £19.9m.

24 Events after the reporting date

On 3 October 2024, the Group announced a further share buyback programme of up to a maximum of £10m, details can be found in the announcement on the Group's investor website.

There were no other material post balance sheet events arising after the reporting date.

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