RNS Number : 7642O
Vistry Group PLC
14 January 2026

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Trading update

Strong second half performance, full year profit growth

Vistry Group PLC ("Vistry" or the "Group") is issuing a scheduled trading update for the year ended 31 December 2025 ("FY25"), ahead of publication of its full year results on 4 March 2026.

FY25 highlights

- Group adjusted profit before tax is anticipated to be around £270m (FY24: £263.5m), in line with expectations
- Demonstrating the resilience of our differentiated strategy in a challenging private sales market, revenue was broadly flat at £4.2bn with total completions of c. 15,700 (FY24: 17,225)
- Strong operating margin progression in H2, full year operating margin of 8.4% (H1: 6.7%)
- Allocated maximum award of £50m from Homes England as part of the £2bn of additional grant funding for FY21-26, reflecting our performance as a Strategic Partner, expected to be received during Q2 2026
- Active investment in attractive new land and development opportunities in H2 taking advantage of a subdued land market, securing 9,500 plots in H2 (FY25:12,600)
- Group net debt position as at 31 December 2025 of c. £145m (31 December 2024: £180.7m), in line with guidance for a year-on-year reduction

Greg Fitzgerald, Chief Executive commented:
"I am pleased that we delivered on our full year guidance, with a particularly strong second half performance despite continued challenges in the Open Market and the uncertainty related to the November Budget, which delayed the timing of some Partner Funded deals. Strong margins enabled us to mitigate top line headwinds and reflects the focus within the business on driving improved site mix and cost management over the last 12 months.

Our partnership housing strategy positions us well to play a key role in the delivery of the Social and Affordable Homes Programme (SAHP) 2026-2036. We will be targeting early deployment of allocations for our partners and ourselves to kick start the growth of affordable housing supply and we expect this to contribute to our second half performance in 2026. Encouragingly, we have already completed a first site acquisition for the Group's joint venture with Homes England.

Whilst market conditions remain uncertain in the near term, further benefits of our cost, productivity and mix enhancement initiatives will support the delivery of good year-on-year financial and strategic progress."

Full year performance
Total units were down c. 9% on prior year at c. 15,700 (FY24: 17,225) including c. 3,000 (FY24: 3,216) from JVs. The mix for the full year was stable at 74% Partner Funded and 26% Open Market.

Full year Partner Funded units reduced by c. 8% to c. 11,600 (FY24: 12,633) mainly reflecting partners' funding uncertainty in H1. Additional affordable housing volumes increased by c.30% in the second half compared to the same period last year, benefitting from the increased clarity of future funding following June's Spending Review. Conversely, during the second half a number of active PRS partners paused delivery while they refinanced which contributed to a c.25% reduction in PRS volumes versus the prior year.

While Open Market sales conditions remained similar to FY24, Open Market units decreased by c. 11% to c. 4,100 (FY24: 4,592) due to lower sales outlets. The Group has supported its Open Market sales strategy during the year with incentives of up to c. 6% of open market sales price.

The Group expects total adjusted revenue to be broadly flat at £4.2bn (FY24: £4.3bn), with total average selling price up 3% at £282k (FY24: £275k) mainly due to geographical mix. The Group's sales rate for FY25 averaged 0.96 (FY24: 1.07) sales per site per week reflecting uncertainty driven by the Autumn Budget causing a more subdued market in Q3 and the first half of Q4. As planned and in line with our strategy, we completed a higher volume of land sales in FY25, contributing c.£200m of revenue in the year (FY24: £91m).

Strong operating margin progression in H2 led to a full year operating margin of 8.4% driven by the commencement of new, higher margin developments, increased operating leverage and reduced impact of the cost issues identified in the former South division in FY24. Build cost inflation was low single digit in FY25, given the benefits of scale inherent in our Partnerships model and our focus on standardisation and increasing use of off-site construction. Vistry Works delivered in excess of 4,600 timber frame units in FY25 (FY24: 2,900). Overall, Group adjusted profit before tax is expected to be up from prior year at around £270m (FY24: £263.5m), in line with expectations.

We have selectively taken advantage of a subdued land market, securing c.9,500 plots on 30 sites in the second half of the year (FY25: 12,600 plots, 44 sites), including three large strategic sites in Worcester, Rugeley and Bury St Edmunds with a combined c.5,000 plots between them. While continuing to reduce our legacy housebuilding landbank, we have a very healthy pipeline of new acquisitions for 2026 which achieve the target metrics of our partnership model.

The Group's net debt position as at 31 December 2025 was c. £145m (31 December 2024: £180.7m), achieving the objective of a year-on-year reduction but reflecting higher than anticipated land spend and some partner deal-related delays due to the Q4 market uncertainty. Average daily net debt for FY25 was c.£730m (FY24: £698m) reflecting the higher opening debt level and later-than-expected timing of Partner Funded deals in the latter part of the year.

Market Conditions and Outlook
Vistry is uniquely positioned as a leading provider of affordable, mixed tenure housing to play a key role in the delivery of the £39 billion, 10-year SAHP and this gives us a significant opportunity for growth in the medium-term. We expect bids for the SAHP to be invited in H1 and are hopeful that early allocations commence by the half year or in early Q3.

An announcement of the outcome of the rent convergence consultation is expected during January, which, coupled with the 10-year rent settlement announced in 2025, will further reinforce investment capacity for partner affordable housing providers. We also welcome the modernising and streamlining of the planning system as part of the refreshed National Planning Policy Framework, currently under consultation.

As with all these initiatives, we are encouraging pace of decision-making and process in order to accelerate the much-needed step up in housebuilding.

The Group enters the new year with a forward sales position totalling c.£4.0bn (31 December 2024: £4.4bn) providing strong coverage for 2026 delivery. The SAHP will drive increased activity, supporting our growth strategy with the grant funding timetable providing greater visibility in the second half. We expect pricing amongst PRS partners to strengthen in response to increased demand for portfolio delivery and the opportunity to acquire assets through our pre-sold model which provides visibility and consistency of product. This, together with a cautiously optimistic view on the impact of lower interest rates on open market conditions, is likely to result in a second half weighting to performance again in 2026, albeit less pronounced than in 2025.

Whilst market conditions remain uncertain in the near term, further benefits of our cost, productivity and mix enhancement initiatives will support the delivery of good year-on-year financial and strategic progress.

Conference call at 09:00am today
There will be a short call for analysts and investors at 9am today hosted by Greg Fitzgerald (Executive Chair and CEO) and Tim Lawlor (CFO). To join the call please register at https://storm-virtual-uk.zoom.us/webinar/register/WN_kZc3HatNTmKa9KmOziNUqw
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