

3 March 2026

Kier Group plc
Results for the period ended 31 December 2025

Average net cash achieved and new £25m share buyback announced. Full year expectations unchanged.

Kier Group plc (Kier, the Company or the Group), a leading UK infrastructure services, construction and property group, announces its results for the six months ended 31 December 2025 (HY26 or the period).

Commenting, Stuart Togwell, Chief Executive, said:

“We have delivered a strong first half, with good growth in both revenue and profits, reaching an average net cash position for the first time in 13 years, a significant milestone for the Group. These results reflect the strength of our customer relationships, the quality of our teams and our operational excellence. Underpinned by our robust cash generation, we are pleased to announce an increase in the interim dividend, in line with earnings, and a further £25m share buyback programme.

Our order book has grown to a record £11.6bn and we have seen this momentum continue into the second half with a number of appointments to frameworks in key sectors of health, education, water and roads, with further clear opportunities ahead in energy and defence. This underpins the confidence we have in our ability to shape the future of infrastructure, supporting the delivery of the UK Government’s 10-year pipeline of investment.

Across the Group, there is real energy and optimism supported by the recent steps we have taken to optimise our structure and leadership capability, to maximise the opportunities ahead and ensure we are poised for further sustainable growth.

Following our strong first half performance, the Group continues to trade well with full year performance forecast to be in line with the Board’s expectations. With a growing, high quality order book, expert project delivery, robust cash generation and disciplined use of capital, we remain confident in driving further returns for our stakeholders.”

HY26 Highlights

- Year-on-year revenue growth and operating profit margin progression, with delivery of average net cash:
 - Revenue growth of 2.6% and adjusted operating profit growth of 6.6%
 - Adjusted operating margin grew 10bps to 3.5%
 - Free Cash outflow improved to £42m (HY25: £50m) with working capital inflows weighted to the second half
 - Strong balance sheet with net cash at period-end of £103m, representing significant progress on the prior period-end (HY25: £58m)
 - Average net cash¹ delivered, of £17m, materially improved versus the prior period net debt of £(38)m
- Record order book and excellent forward visibility:
 - Order book grew 5% to a record £11.6bn as at 31 December 2025 (FY25: £11.0bn) providing a clear path for future cash flows and earnings
 - 94% of expected FY26 revenue and 78% of FY27 revenue secured
 - Momentum from significant wins continuing in H2: £37bn New Hospitals Programme 2.0 Alliance framework, £15bn DfE Construction framework, £280m Thames Water Maple Lodge water treatment project
- Creating value through a disciplined approach to capital allocation:
 - Increase in the interim dividend to 2.6p, representing adjusted earnings cover of c.3x
 - Completion of initial £20m share buyback and announcement of a subsequent £25m programme
 - Property segment: capital employed £197m with 60% planning consent (including a portfolio of 5,500 residential units), provides a path to the 15% ROCE target by FY28
- Results underpinned by social and environmental focus
 - CDP A for climate disclosure, top 4% of 22,000 companies

- Recognised in Glassdoor's 50 Best Places to Work
- FTSE Women Leader's Review – 1st in sector for women in senior roles
- Signatory to UK Government's Youth Guarantee
- Over 500 employees on apprenticeship programmes, among Top 100 Apprenticeship Employers

¹Average month-end net cash, an alternative performance measure.

Financial Highlights

| <i>(£m unless otherwise stated)</i> | Six months to 31 December 2025 | Six months to 31 December 2024 | <i>Change</i> |
|--|---|--------------------------------------|---------------|
| Adjusted results | | | |
| Revenue ¹ | 2,029 | 1,979 | 2.6% |
| Adjusted operating profit ² | 71.0 | 66.6 | 6.6% |
| Adjusted operating margin | 3.5% | 3.4% | 10bps |
| Adjusted profit before tax ³ | 54.5 | 50.6 | 7.7% |
| Adjusted basic earnings per share (note 9) | 9.5p | 8.7p | 9.2% |
| Net cash ⁴ | 102.9 | 57.9 | 78% |
| Average net cash / (debt) | 16.8 | (37.6) | 145% |
| Statutory reported | | | |
| Group revenue | 2,012 | 1,973 | 2.0% |
| Operating profit | 49.9 | 45.7 | 9.2% |
| Profit before tax | 32.6 | 28.6 | 14% |
| Basic earnings per share (note 9) | 5.7p | 4.6p | 24% |
| Interim dividend per share (note 8) | 2.6p | 2.0p | 30% |

¹Revenue of the Group and its share of revenue from joint ventures.

²Stated before adjusting items of £10.7m (HY25: £9.6m) and amortisation of acquired intangible assets of £10.4m (HY25: £11.3m).

³Stated before adjusting items of £11.5m (HY25: £10.7m) and amortisation of acquired intangible assets of £10.4m (HY25: £11.3m).

⁴Disclosed net of the effect of hedging instruments and excludes leases – see note 13 to the condensed consolidated financial statements.

HY26 Results Presentation

Kier Group plc will host a presentation for analysts and investors at 10:00am (GMT) on 3 March 2026 at the offices of FTI Consulting, 200 Aldersgate Street, London EC1A 4HD.

Analysts wishing to attend should contact FTI Consulting to register – Connie.Gibson@fticonsulting.com

Analysts unable to attend in person will be able to join the webcast using the details below:

Webcast: <https://www.investis-live.com/kier/69738baf7df74d000fa25485/lrtgh>

United Kingdom (Local): +44 20 3936 2999, United Kingdom (Toll-Free): +44 808 189 0158

Conference password: 316410. An audio recording will be available on our website in due course.

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About Kier

Kier is a leading UK infrastructure services, construction and property group.

Our purpose is to sustainably deliver infrastructure which is vital to the UK, and we are committed to leaving lasting legacies through our work.

We provide specialist design and build capabilities and the knowledge, skills and intellectual capital of our people to ensure we are able to project manage and integrate all aspects of a project.

You can find out more about Kier on [our website](#).

Kier Group plc – results for the six months ended 31 December 2025

Financial Summary

The Group displayed strong operational delivery in the period, ahead of the seasonally stronger second half for revenues, profit and cash flow.

Revenue growth of 2.6%, to over £2.0bn (HY25: £2.0bn) reflects solid momentum, particularly from Infrastructure Services. Kier continues to win profitable cash generative work across its chosen market sectors resulting in a 5% increase in the order book to a record £11.6bn.

Adjusted operating profit of £71.0m represents a 6.6% increase on the prior period (HY25: £66.6m) and the adjusted operating profit margin grew 10bps to 3.5% (HY25: 3.4%). Reported operating profit thus increased to £49.9m (HY25: £45.7m).

The Group's target of an average net cash position was achieved in the period, finishing HY26 with £16.8m of net cash, (HY25: £(37.6)m net debt). Reaching this position is testament to a continued focus on operational delivery and cash management across the business, while it also constitutes a key measure that underpins its capital allocation framework.

In October 2025, the Group completed the refinancing of its existing £150m Revolving Credit Facility (RCF), with a new £190m RCF, for an initial committed 3 year term, with an option to extend for a further 2 years, to October 2030. This flexibility within the Group's capital structure enables it to optimise future financing as market conditions evolve.

Strategy

The Group's strategy continues to be focused on providing funding, design, build and maintenance services to deliver vital economic and social infrastructure:

- UK Government, regulated industries and private sector customers
- Contracting predominantly through long-term national and local frameworks

Kier's core businesses are well placed to benefit from UK Government and regulated industry spending commitments to invest in UK infrastructure. Despite political and economic uncertainties, its core markets have remained favourable. The Group is a 'strategic supplier' to the UK Government and c.90% of contract revenues are with the public sector and regulated companies.

UK infrastructure spending commitments are driven by structural demand which has a positive influence on Kier's chosen markets. Population growth, transportation pressures, aged infrastructure, energy security and climate change are significant drivers of structural growth in the markets in which it operates.

HY26 Strategic progress

The Group has taken a number of steps to optimise its structure and leadership capability to maximise the market opportunities that exist to shape the future of the UK's vital social and economic infrastructure.

Recent measures include strengthening the Executive Committee to ensure the appropriate leadership capacity, governance and sector expertise to support the Group's scale and ambitions. The Group has also seen the recent arrival of Tom Hinton (previously interim CEO at Wincanton) as Chief Financial Officer and Martin Staehr (previously a Director at Laing O'Rourke) as Group Managing Director for Construction, while the new roles of Chief Operating Officer and Group Commercial Director provide industry-leading functional expertise for the Group.

In addition, two complementary divisions, Transportation and Natural Resources, Nuclear and Networks, were brought together to form a combined infrastructure "powerhouse", creating an integrated delivery platform to meet customers' needs.

The Group introduced its Naturally Digital programme, to ensure all employees have access to the appropriate digital tools and platforms. Designed to improve productivity, collaboration and data-led decision making across the business, the programme supports project delivery, operational efficiency and customer relationships.

Kier's 360 approach leverages the Group's capabilities across the whole fund, design, build and maintain project lifecycle, enabling the most appropriate solutions, tailored for customer needs, to be achieved, while meeting the environmental, social and digital requirements of national and local frameworks.

Kier continues to deliver measurable environmental, social and economic benefits, supporting customers, communities and the wider UK economy. It achieved a CDP A climate disclosure rating and a 53% reduction in

significant environmental incidents. The Group also achieved recognition as a Glassdoor Best Places to Work and as a sector leader for women in senior roles. During the period, Kier had over 500 people engaged in apprenticeship programmes and was included within the Top 100 Apprenticeship Employers, while strong supply chain partnerships and improved payment performance further reinforce these key relationships.

Record order book, with strong operational delivery

The Group's order book has increased to a record £11.6bn, securing 94% of forecast FY26 revenues. This growth reflects customers' continued confidence in the Group's breadth of chosen, robust, sectors, as well as its ability to pivot to new areas, in line with its risk appetite.

Infrastructure Services saw high levels of activity, with a particular acceleration in water, supported by the Group's in-house design consultancy, enabling early-stage customer engagement and integrated solution delivery (supporting 30% of HY26 highways revenue). For Construction, order book momentum was driven through key framework positions across the justice, education, healthcare and defence sectors, with a strong footprint in the London private sector commercial market.

Property moving through the cycle

Kier Property continues to see good progress across its projects, remaining on track to achieve its targeted 15% ROCE by FY28. Overall, 60% of projects have planning permission secured, (including a portfolio of 5,500 residential units) with construction in progress across 6 projects and 4 being actively marketed for sale. Overall, the property portfolio has a GDV¹ of £3bn and a clear pathway to the 15% ROCE target in FY28.

¹Gross development value, available to Property joint ventures, based on 100% project build out.

Capital Allocation

Share buyback

The Group has demonstrated strong cash generation over several years, facilitating an initial share buyback of £20m, which completed in December 2025. Reflecting confidence in this strong cash flow profile, the Board has approved a subsequent share buyback of £25m, which is anticipated to complete within 12 months. Full details of the programme will be contained in a separate announcement today.

Dividend

The outlook for the Group remains strong, underpinned by the large order book and characterised by robust cash flow generation. In line with its dividend policy, the Board has declared an interim dividend of 2.6p per share, representing one third of the expected total FY26 dividend and an increase of 30% on HY25 (2.0p). The interim dividend will be paid on 22 May 2026 to shareholders on the register at close of business on 17 April 2026. The shares will be marked ex-dividend on 16 April 2026.

Kier has a Dividend Reinvestment Plan (DRIP), which allows shareholders to reinvest their cash dividends in shares. The final election date for the DRIP is 1 May 2026. Dividends are an important component of the total return strategy and the Board's stated aim is to deliver a dividend, covered at least 3x by adjusted earnings through the cycle and in a payment ratio of approximately one third interim dividend and two-thirds final dividend.

Medium-term financial targets

The Group is focused on delivering against its medium-term financial targets:

| | |
|--------------------------------------|---|
| Revenue: | GDP + through the cycle |
| Adjusted operating profit margin: | 4.0% - 4.5%, in 3 to 5 years |
| Cash conversion of operating profit: | c.90% |
| Balance sheet: | Maintaining an average net cash position, with investment of surplus cash in line with its capital allocation framework |
| Dividend: | Sustainable dividend policy: c.3x earnings cover through the cycle |

Operational Review

Infrastructure Services

| | Six months to 31 December 2025 | Six months to 31 December 2024 | Change |
|---|--------------------------------------|--------------------------------------|--------|
| Revenue (£m) | 1,083 | 1,032 | 5% |
| Adjusted operating profit (£m) ¹ | 48.2 | 46.1 | 5% |
| Adjusted operating margin (%) | 4.5% | 4.5% | -bps |
| Reported operating profit (£m) | 37.8 | 34.8 | 9% |
| Order book (£bn) | 7.1 | 6.7 | 6% |

¹Stated before adjusting items of £10.4m (HY25: £11.3m)

- Key contract wins in the period include:
 - Appointed to a place on the British Airways (BA) Tier 1 collaborative framework tender, supporting BA's Better Buildings programme, initially at Heathrow, with scope to extend across other airports².
 - Awarded two Early Contractor Involvement (ECI) contracts, worth £44m, by Southern Water under its £3.1bn AMP8 Strategic Delivery Partner Framework².
 - Awarded a two-year extension on the Minor Civils Framework at Hinkley Point C nuclear power station².
 - Appointed to a place on the £968m National Highways Legacy Concrete Roads Framework, to replace concrete stretches of motorway over the next 6 years.
 - Awarded the Maple Lodge sewage treatment works quality improvement contract by Thames Water worth up to £280m.
- 92% of forecast revenue secured for FY26

²Included in trading statement 20 January 2026

Infrastructure Services delivers capital and maintenance projects in the UK's road, rail, aviation, water, environment and energy sectors.

Revenue growth was driven by design work on National Highways projects, including the A66 dualling and M6 Lune Gorge viaducts, under the Road Investment Strategy (RIS 3) and delivery of services for local highways authorities, including Birmingham, Northamptonshire and TFL. For Rail, momentum was sustained by the successful delivery of new stations in Willenhall and Darlaston, as the wider sector transitions to the next Control Period 7 (CP7), while there was further volume growth for HS2, where we continue to engage constructively with the new leadership.

The period also saw strong growth from the water business, where project activity continues to ramp up significantly, as part of increased spend in the sector under AMP8. This more than offset the impact of several sizeable, long running projects in the Environmental and Nuclear sectors reaching their term, although the pipeline opportunities in these areas remain considerable.

The order book grew period-on-period by 6% to £7.1bn with new work won for both National Highways and local authorities.

Reported operating profit grew to £37.8m (HY25: £34.8m), with adjusting items relating to the amortisation of contract rights from the Buckingham Group and other acquisitions.

Construction

| | Six months to 31 December 2025 | Six months to 31 December 2024 | Change |
|---|--------------------------------------|--------------------------------------|--------|
| Revenue (£m) | 920 | 932 | (1)% |
| Adjusted operating profit (£m) ¹ | 36.3 | 36.5 | (1)% |
| Adjusted operating margin (%) | 3.9% | 3.9% | -bps |
| Reported operating profit (£m) | 25.6 | 29.0 | (12)% |
| Order book (£bn) | 4.5 | 4.3 | 5% |

¹Stated before adjusting items of £10.7m (HY25: £7.5m)

- Key contract wins in the period include:
 - Appointed to Department of Health and Social Care and NHS England Hospital 2.0 Alliance Framework, (part of the New Hospital Programme), with advertised value of £37bn (12 year duration).
 - Appointed to Department for Education Construction Framework 2025 (CF25), with places on the North and South High Value Lots and an advertised value of £15bn (6 year duration).
 - Awarded eight projects under existing DfE Construction Framework (CF21).
 - Awarded contract to deliver the Government Property Agency (GPA) Hub in Darlington, worth £85m².
- 96% of forecast revenue secured for FY26

The Construction business designs and delivers building projects vital to the UK's infrastructure, at a regional and national level, covering the Education, Healthcare, Justice and Defence sectors, together with property management services.

Revenue in H1 reflects the transition towards more modular and phased construction processes, with the ramp up of HMP Glasgow works expected to benefit H2. The order book for Construction grew 5% period-on-period to £4.5bn (HY25: £4.3bn), reflecting the good underlying momentum in the building business, particularly in the Education sector.

Reported operating profit was £25.6m (HY25: £29.0m), with the reduction driven by an increase in fire and cladding compliance costs. The Group incurred costs of £10.7m (HY25: £7.5m) in the period, presented as adjusting items, with full year costs expected to be in the region of £30m. On an adjusted basis, the operating margin remained consistent at 3.9%.

As a regional tier 1 contractor, Kier continues to be well placed to benefit from the UK Government's focus on spending on schools, defence estate, hospitals and justice and borders, where the Construction business has specialist expertise.

Included within Construction is Kier Places (15% of HY26 revenue), a business providing recurring revenue streams through long-term facilities management, housing maintenance and specialised works under £10m. The Construction offering is further strengthened by the growing use of its in-house mechanical and electrical capability across all regions (supporting around 40% of HY26 revenue).

² Included in trading statement 20 January 2026

Property

| | Six months to 31 December 2025 | Six months to 31 December 2024 | Change |
|---|--------------------------------------|--------------------------------------|--------|
| Revenue (£m) | 24.9 | 13.1 | 90% |
| Adjusted operating profit (£m) ¹ | 2.1 | 0.9 | 133% |
| Adjusted operating margin (%) | 8.4% | 6.9% | 150bps |
| Reported operating profit (£m) | 2.1 | 0.9 | 133% |
| Capital employed (£m) | 197 | 194 | 2% |
| ROCE (%) | 2.1% | 1.0% | 110bps |

¹ Stated before adjusting items of £nil (HY25: £nil)

- On track to reach 15% ROCE target by FY28, with up to £225m of capital employed and £3bn GDV
- Planning permission secured to date on 60% of projects overall (including 5,500 residential unit portfolio)
- Construction currently in progress on 6 individual projects
 - including 270 residential units pre-funded, across 3 projects, for sale within FY26
- Secured tenancy/active marketing on 4 individual projects

The Property business invests in and develops mixed-use commercial and residential urban regeneration schemes across the UK, largely through joint ventures. Despite a relatively small number of sale transactions in the first half of the year, the business generated revenue of £24.9m (HY25: £13.1m) and an operating profit margin of £2.1m (HY25: £0.9m).

Activity levels, as in the prior year, are expected to be second half weighted, with the business actively marketing 4 projects, (including 19 Cornwall St, a 139,000 sq ft office). Property remains on track to meet target ROCE levels of 15% by FY28 (delivering 7% in FY25).

As at 31 December 2025, the capital employed in the Property segment was £197m (excluding third party debt and fair value gains).

Corporate

| | Six months to 31 December 2025 | Six months to 31 December 2024 | Change |
|---|--------------------------------------|--------------------------------------|--------|
| Adjusted operating loss (£m) ² | (15.6) | (16.9) | 8% |
| Reported operating loss (£m) | (15.6) | (19.0) | 18% |

² Stated before adjusting items of £nil (HY25: £2.1m)

The Corporate segment comprises the costs of the Group's central functions.

Social and environmental impact

In January 2026, Kier was awarded its first A rating by CDP for climate disclosure, placing us in the top 4% of c.22,000 companies that disclosed in 2025.

The Group's 12-month rolling Significant Environmental Incident Rate (SEIR) of 22 represents a 53% decrease compared to FY25 (47), with no significant environmental incidents recorded.

The Group's 12-month rolling Accident Incident Rate (AIR) of 126 in the period saw a 10% increase on FY25, while the 12-month rolling All Accident Incident Rate (AAIR) of 347 represents a slight increase of 1% compared to FY25. While these are still among the highest standards in the industry, the Group is working hard to lower these scores, exemplified by the recent launch of Kier's Health, Safety and Wellbeing three-year strategy, to drive improved observations rates, inspections and visible leadership tours, as well as supervisor competency and training programmes.

Additionally, the Group is launching The Kier Way, a human and organisational performance programme, across the Group, to simplify management systems in terms of safety, health and environment, while continuing to digitalise and further simplify processes and forms.

In January 2026, Kier secured a place among Glassdoor's Best Places to Work 2026, rewarding the Group's focus on colleagues' overall engagement and motivation, while it was recognised as first in sector, for women in senior roles, by the FTSE Women Leader's Review. Kier is a signatory to the UK Government's Youth Guarantee, with over 500 employees participating in apprenticeship programmes, and it is ranked among the Top 100 Apprenticeship Employers.

Summary and outlook

Kier has delivered a strong first half, with good growth in both revenue and profits. The Group reached an average net cash position for the first time in 13 years, representing a significant milestone. These results reflect the strength of its customer relationships, the quality of its teams and its operational excellence. Underpinned by its robust cash generation, the Group is pleased to announce an increase in the interim dividend, in line with earnings, and a further £25m share buyback programme.

At December 2025, the order book stood at a record £11.6bn and this momentum is continuing into the second half with a number of appointments to frameworks in the key sectors of health, education, water and highways, with further clear opportunities ahead in energy and defence. This underpins the confidence the Group has in its ability to shape the future of infrastructure, supporting the delivery of the UK Government's 10-year pipeline of investment.

Across the Group, there is energy and optimism, supported by the recent steps taken to optimise the structure and leadership capability, to maximise the opportunities ahead and ensure Kier is poised for further sustainable growth.

Following the strong first half performance the Group continues to trade well with full year performance forecast to be in line with the Board's expectations. With a growing, high quality order book, expert project delivery, robust cash generation and disciplined use of capital, Kier remains confident in driving further returns for its stakeholders.

Financial Review

Introduction

The Group performed well during the period, with further improvement in the order book being converted into revenue and profit growth. The Group delivered an average cash position as a result of the focus on operational delivery and cash management.

The Group achieved growth of 2.6% giving total revenues of £2,029.2m (HY25: £1,978.6m, FY25: £4,087.8m) which helped generate an adjusted operating profit of £71.0m (HY25: £66.6m, FY25: £159.1m).

The continued strong operational performance led to a 9.2% increase in operating profit to £49.9m (HY25: £45.7m, FY25: £113.7m) and an increase in profit before tax to £32.6m (HY25: £28.6m, FY25: £78.1m).

Adjusting items were £21.9m (HY25: £22.0m, FY25: £47.3m). The current period charge includes £10.4m of amortisation of intangible contract rights and £10.7m of fire and cladding compliance costs, relating to updated regulations on legacy projects.

The Group recorded a £(41.9)m free cash outflow in HY26 (HY25: £(49.8)m), reflecting the normal seasonal working capital profile of the business.

Net finance charges for the period were £17.3m (HY25: £17.1m, FY25: £35.6m), broadly in line with the prior period.

Adjusted earnings per share increased by 9.2% to 9.5p (HY25: 8.7p, FY25: 21.6p).

The Group generated Adjusted EBITDA of £100.8m (HY25: £100.5m) and recorded a £41.9m free cash outflow during the period (HY25: £49.8m outflow, FY25: £155.4m inflow), reflecting the expected seasonal working capital movements, which typically unwind in the second half of the year.

Within its cash flow, the Group has completed its share buyback programme, paid dividends, adjusting items and pension deficit obligations and purchased existing Kier shares on behalf of its employees. Net cash at 31 December 2025 of £102.9m was significantly higher compared to the prior period (HY25: £57.9m).

Driven by its strong underlying cash flow growth, the Group achieved average net cash for the period ended 31 December 2025 of £16.8m (HY25: net debt of (£37.6)m, FY25: net debt of (£49.2)m).

The order book increased to £11.6bn, a 5.5% increase since the year-end (HY25: £11.0bn, FY25: £11.0bn). Approximately 94% of revenue for FY26 is already secured which provides certainty for the full year.

Summary of financial performance

| | Adjusted ¹ results | | | Statutory reported results | | |
|--------------------------------|-------------------------------|----------------|-------------|----------------------------|----------------|-------------|
| | 31 Dec 2025 | 31 Dec 2024 | Change % | 31 Dec 2025 | 31 Dec 2024 | Change % |
| Revenue (£m) - Total | 2,029.2 | 1,978.6 | 2.6 | 2,029.2 | 1,978.6 | 2.6 |
| Revenue (£m) - Excluding JV's | 2,012.2 | 1,973.0 | 2.0 | 2,012.2 | 1,973.0 | 2.0 |
| Profit from operations (£m) | 71.0 | 66.6 | 6.6 | 49.9 | 45.7 | 9.2 |
| Profit before tax (£m) | 54.5 | 50.6 | 7.7 | 32.6 | 28.6 | 14.0 |
| Earnings per share (p) | 9.5 | 8.7 | 9.2 | 5.7 | 4.6 | 23.9 |
| Interim dividend per share (p) | 2.6 | 2.0 | 30.0 | | | |
| Free cash flow (£m) | (41.9) | (49.8) | 15.9 | | | |
| Net cash (£m) | 102.9 | 57.9 | 77.7 | | | |
| Net debt (£m) - average | 16.8 | (37.6) | 144.7 | | | |
| Order book (£bn) | 11.6 | 11.0 | 5.5 | | | |

¹ Reference to 'Adjusted' excludes adjusting items, see note 3.

Revenue

The following table bridges the total Group revenue from the period ended 31 December 2024 to the period ended 31 December 2025.

| | £m |
|--|----------------|
| Revenue for the period ended 31 December 2024 | 1,978.6 |
| Infrastructure Services | 50.7 |
| Construction | (11.9) |
| Property and Corporate | 11.8 |
| Revenue for the period ended 31 December 2025 | 2,029.2 |

Total Group revenue grew by £50.6m, primarily through its Infrastructure Services business, which reported revenue growth of 4.9% compared to the prior period.

The Group continues to focus on delivering high quality and high margin work.

Alternative performance measures (APMs)

The Directors continue to consider that it is appropriate to present an income statement that shows the Group's statutory profits only.

In addition to the Group's statutory results, the Directors believe it is appropriate to disclose those items which are one-off, material or non-recurring in size or nature. The Group is disclosing as supplementary information an adjusted profit APM. The Directors consider doing so clarifies the presentation of the financial statements and better reflects the internal management reporting and is therefore consistent with the requirements of IFRS 8.

Adjusted operating profit

| | £m |
|--|-------------|
| Adjusted operating profit for the period ended 31 December 2024 | 66.6 |
| Infrastructure Services | 2.1 |
| Construction | (0.2) |
| Property | 1.2 |
| Corporate | 1.3 |
| Adjusted operating profit for the period ended 31 December 2025 | 71.0 |

A reconciliation of reported to adjusted operating profit is provided below:

| | Operating profit | | Profit before tax | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 31 Dec 2025 £m | 31 Dec 2024 £m | 31 Dec 2025 £m | 31 Dec 2024 £m |
| Reported profit | 49.9 | 45.7 | 32.6 | 28.6 |
| Amortisation of acquired intangible assets | 10.4 | 11.3 | 10.4 | 11.3 |
| Fire compliance costs | 10.7 | 7.5 | 10.7 | 7.5 |
| Net financing costs | – | – | 0.8 | 1.1 |
| Property-related items | – | 2.1 | – | 2.1 |
| Adjusted profit | 71.0 | 66.6 | 54.5 | 50.6 |

Additional information about these items is as follows:

- Amortisation of acquired intangible assets £10.4m (HY25: £11.3m): Comprises the amortisation of acquired contract rights through the acquisitions of MRBL Limited (Mouchel Group), May Gurney Integrated Services plc and the Buckingham Group. These balances will be fully amortised by the end of FY27.
- Fire and cladding compliance costs £10.7m (HY25: £7.5m): The Group continues to review all of its current and legacy constructed buildings where it has used cladding solutions and continues to assess the action required in line with the latest updates to Government guidance, as it applies, to multi-storey and multi-occupied residential buildings.

The charge incurred in the period is for those projects where the Group has now confirmed liability and has a reasonable estimate of the cost to rectify the issues identified, less any confirmed insurance recoveries.

Earnings per share

Earnings per share (EPS), before adjusting items, amounted to 9.5p (HY25: 8.7p, FY25: 21.6p). Reported EPS, after adjusting items, from continuing operations amounted to 5.7p (HY25: 4.6p, FY25: 12.8p).

Finance income and charges

The Group's finance charges include interest on the Group's bank borrowings and Senior Notes as well as finance charges relating to leases recorded under IFRS 16.

Net finance charges for the period were £17.3m (HY25: £17.1m, FY25: £35.6m), which includes interest on bank borrowings and Senior Notes of £14.8m (HY25: £14.9m, FY25: £30.8m).

Lease interest was £4.5m (HY25: £4.7m, FY25: £9.1m).

The Group had a net interest credit of £1.3m (HY25: £2.1m, FY25: £4.3m) in relation to the defined benefit pension schemes which has arisen due to the overall pension surplus.

The Group continues to exclude lease liabilities from its definition of net cash/(debt).

Dividend

The Board has declared an interim dividend of 2.6p (HY25: interim dividend of 2.0p per share, FY25: final dividend of 5.2p).

Balance sheet

Net assets

The Group had net assets of £520.8m at 31 December 2025 (HY25: £497.9m, FY25: £517.2m).

Goodwill

The Group held intangible assets of £594.8m (HY25: £621.4m, FY25: £608.4m) of which goodwill represented £543.5m (HY25: £543.5m, FY25: £543.5m). No impairment triggers were identified in the period.

Deferred tax asset

The Group has a deferred tax asset of £130.1m recognised at 31 December 2025 (HY25: £141.3m, FY25: £136.7m) primarily due to historical losses. The year-on-year decrease in the asset is driven by the tax impact of the actuarial pension gains in the period, as well as the utilisation of tax losses.

Due to the improved profitability of the business, based on the Group's forecasts it is expected that the deferred tax asset will be utilised over a period of approximately seven years.

A tax credit of £5.3m (HY25: £4.2m, FY25: £8.5m) has been included within adjusting items.

Right-of-use assets and lease liabilities

At 31 December 2025, the Group had right-of-use assets of £113.7m (HY25: £94.3m, FY25: £96.5m) and associated lease liabilities of £167.4m (HY25: £155.3m, FY25: £151.1m). The movements at each balance sheet date reflect operational equipment requirements less associated depreciation and lease repayments.

Investment properties

As at 31 December 2025, the Group had investment properties of £98.5m (HY25: £95.5m, FY25: £100.6m).

The Group has long-term leases on two office buildings which were formerly utilised by the Group that have been vacated and are now leased out to third parties, and as such are held as investment properties.

In addition, the Group's Property business invests and develops primarily mixed-use commercial and residential schemes and sites across the UK. Four of these sites are held as investment properties.

Investment in JVs

A number of projects within the Property division are developed alongside joint venture partners. Investment in JVs at 31 December 2025 was £140.2m (HY25: £107.7m, FY25: £145.8m).

Contract assets & liabilities

Contract assets represent the Group's right to consideration in exchange for works which have already been performed. Similarly, a contract liability is recognised when a customer pays consideration before work is performed. At 31 December 2025, total contract assets amounted to £378.6m (HY25: £349.0m, FY25: £374.0m).

Contract liabilities were £309.4m (HY25: £171.2m, FY25: £168.0m), reflecting an increase in cash advances across several projects.

Retirement benefits obligation

Kier operates a number of defined benefit pension schemes. At 31 December 2025, the reported surplus, which is the difference between the aggregate value of the schemes' assets and the present value of their future liabilities, was £81.1m (HY25: £52.8m, FY25: £47.2m), before accounting for deferred tax, with the movement in the period primarily as a result of actuarial gains of £31.1m (HY25: losses of £32.4m, FY25: losses of £42.5m).

The net actuarial gain is mainly due to higher than assumed asset returns. An additional gain has arisen as a result of actual inflation in the period being lower than previously assumed. These actuarial gains have been partially offset by increases in the defined benefit obligations caused by changes in financial assumptions (specifically lower corporate bond yields) and a change in the mortality assumptions. In addition, deficit reduction contributions have further reduced the schemes' liabilities.

The Group has not yet finalised its triennial pension valuations for the main schemes, which are due to be completed by June 2026.

Free cash flow and Net cash

| | 31 Dec 2025 | 31 Dec 2024 |
|--|------------------------|----------------|
| | £m | £m |
| Operating profit | 49.9 | 45.7 |
| Depreciation of owned assets | 3.2 | 2.7 |
| Depreciation of right-of-use assets | 22.0 | 22.3 |
| Amortisation | 15.0 | 20.2 |
| EBITDA | 90.1 | 90.9 |
| Adjusting items excluding adjusting amortisation and interest | 10.7 | 9.6 |
| Adjusted EBITDA | 100.8 | 100.5 |
| Working capital outflow | (107.3) | (110.3) |
| Net capital expenditure including finance lease capital payments | (24.3) | (26.9) |
| Joint Venture dividends less profits | 4.3 | 0.8 |
| Other free cash flow items | 4.6 | 5.4 |
| Operating free cash flow | (21.9) | (30.5) |
| Net interest and tax | (20.0) | (19.3) |
| Free cash flow | (41.9) | (49.8) |
| | 2025 | 2024 |
| | £m | £m |
| Net cash at 1 July | 204.1 | 167.2 |
| Free cash flow | (41.9) | (49.8) |
| Adjusting items | (4.4) | (15.2) |
| Net investment in Joint Ventures | 1.2 | (16.8) |
| Pension deficit payments and fees | (2.9) | (4.1) |
| Purchase of own shares – share buyback | (13.8) | - |
| Purchase of own shares – employee benefit trust | (15.3) | (7.4) |
| Dividends paid | (22.7) | (15.2) |
| Other | (1.4) | (0.8) |
| Net cash at 31 December | 102.9 | 57.9 |

The Group recorded a £41.9m free cash outflow during the period (HY25: £49.8m outflow, FY25: £155.4m inflow), reflecting the expected seasonal working capital movements, which typically unwind in the second half of the year. The Group delivered a net cash position of £102.9m at 31 December 2025 (HY25: £57.9m, FY25: £204.1m).

The Group reported average cash at the period end of £16.8m (HY25: net debt of £(37.6)m, FY25: net debt of £(49.2)m). Through its cash flows the Group completed its share buyback programme, paid dividends, adjusting items, tax and interest, pension deficit obligations, and purchased existing Kier shares on behalf of employees.

The purchase of existing shares relates to the Group's employee benefit trusts which acquire Kier shares from the market for use in settling the Long Term Incentive Plan (LTIP) and Sharesave share schemes when they vest. The trusts purchased and sold shares at a net cost of £15.3m (HY25: £7.4m, FY25: £9.7m). A further £13.8m (HY25: £nil, FY25: £6.4m) of shares were purchased as part of the share buyback programme, which is now complete.

Accounting policies

The Group's annual consolidated financial statements are prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006. There have been no significant changes to the Group's accounting policies during the period.

Treasury facilities

At 31 December 2025, the Group had committed debt facilities of £440m as well as access to uncommitted short-term borrowing facilities, such as overdrafts.

In October 2025 the Group refinanced its Revolving Credit Facility (RCF). The new £190m RCF replaces the previous £150m facility and has been made available to the Group for an initial committed 3-year term, with an option to extend for a further 2 years to October 2030.

With committed facilities now comprising £250m of Senior Notes maturing in February 2029 and an extended £190m RCF, the Group has significant committed funding to support its growth plans.

The Group's remaining financial instruments mainly comprise cash and liquid investments. The Group selectively enters into derivative transactions (interest rate and currency swaps) to manage interest rate and currency risks arising from its sources of finance.

There are minor foreign currency risks arising from the Group's operations both in the UK and through its limited number of international activities. Currency exposure to international assets is hedged through inter-company balances and borrowings, so that assets denominated in foreign currencies are matched, as far as possible, by liabilities. Where exposures to currency fluctuations are identified, forward exchange contracts are completed to buy and sell foreign currency.

The Group does not enter into speculative transactions.

Going concern

The Directors are satisfied that the Group has adequate resources to meet its obligations as they fall due for a period of at least twelve months from the date of approving these interim financial statements and remain covenant compliant. For these reasons, they continue to adopt the going concern basis in preparing these interim financial statements. Further information on this assessment is detailed in note 1 of the consolidated financial statements.

Statement of directors' responsibilities

The Directors confirm that these condensed interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting', and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months of the financial year and any material changes in the related-party transactions described in the last annual report.

The directors of Kier Group plc are as listed on pages 72 and 73 of the 2025 Annual Report and Accounts, with the exception of the following changes:

- Andrew Davies retired from the Board on 31 October 2025;
- Simon Kesterton retired from the Board on 31 December 2025;
- Stuart Togwell was appointed as Chief Executive on 1 November 2025; and
- Tom Hinton was appointed to the Board as Chief Financial Officer on 1 January 2026

A list of the current directors is maintained on Kier Group plc's website at: www.kier.co.uk.

Signed on 2 March 2026 on behalf of the Board.

Stuart Togwell
Chief Executive

Tom Hinton
Chief Financial Officer

Cautionary Statement

This announcement does not constitute an offer of securities by the Company. Nothing in this announcement is intended to be, or intended to be construed as, a profit forecast or a guide as to the performance, financial or otherwise, of the Company or the Group whether in the current or any future financial year. This announcement may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “plans”, “target”, “aim”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. They may appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the directors, the Company or the Group concerning, amongst other things, the operating results, financial condition, prospects, growth, strategies and dividend policy of the Group or the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company’s ability to control or predict. Forward-looking statements are not guarantees of future performance. The Group’s actual operating results, financial condition, dividend policy or the development of the industry in which it operates may differ materially from the impression created by the forward-looking statements contained in this announcement. In addition, even if the operating results, financial condition and dividend policy of the Group, or the development of the industry in which it operates, are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to, general economic and business conditions, industry trends, competition, changes in government and other regulation, changes in political and economic stability and changes in business strategy or development plans and other risks.

Other than in accordance with its legal or regulatory obligations, the Company does not accept any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

Principal Risks and Uncertainties

You are advised to read the section headed “Principal risks and uncertainties” in the Company’s Annual Report and Accounts for the year ended 30 June 2025 for a discussion of the factors that could affect the Group’s future performance and the industry in which it operates. There have been no changes to these in the first half of the year. The Board is currently in the process of reviewing these risks, however it does not foresee significant changes to those currently disclosed in the 2025 Annual Report and Accounts and that these principal risks and uncertainties will continue to apply to the Group in the second half of the financial year.

Independent review report to Kier Group plc Report on the interim condensed consolidated financial statements

Our conclusion

We have reviewed Kier Group plc’s interim condensed consolidated financial statements (the “interim financial statements”) in the Results for the period ended 31 December 2025 of Kier Group plc for the 6 month period ended 31 December 2025 (the “period”).

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

The interim financial statements comprise:

- the condensed consolidated balance sheet as at 31 December 2025;
- the condensed consolidated income statement and the condensed statement of comprehensive income for the period then ended;
- the condensed consolidated statement of cash flows for the period then ended;
- the condensed consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Results for the period ended 31 December 2025 of Kier Group plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Results for the period ended 31 December 2025 and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Results for the period ended 31 December 2025, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Results for the period ended 31 December 2025 in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Results for the period ended 31 December 2025, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Results for the period ended 31 December 2025 based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
2 March 2026

Financial statements
Condensed consolidated income statement
For the six months ended 31 December 2025

| | Note | Unaudited six months to 31 December 2025 £m | Unaudited six months to 31 December 2024 £m | Year to 30 June 2025 £m |
|--|------|---|---|----------------------------------|
| Continuing operations | | | | |
| Group revenue including share of joint ventures ¹ | 2 | 2,029.2 | 1,978.6 | 4,087.8 |
| Less share of joint ventures | 2 | (17.0) | (5.6) | (10.7) |
| Group revenue | | 2,012.2 | 1,973.0 | 4,077.1 |
| Cost of sales | | (1,856.9) | (1,826.7) | (3,746.3) |
| Gross profit | | 155.3 | 146.3 | 330.8 |
| Administrative expenses | | (103.0) | (100.2) | (223.2) |
| Share of post-tax results of joint ventures | | (4.3) | (0.6) | (1.5) |
| Other income | 4 | 1.9 | 0.2 | 7.6 |
| Operating profit | 2 | 49.9 | 45.7 | 113.7 |
| Finance income | 5 | 3.4 | 4.3 | 8.0 |
| Finance costs | 5 | (20.7) | (21.4) | (43.6) |
| Profit before tax | 2 | 32.6 | 28.6 | 78.1 |
| Taxation | 7 | (7.9) | (8.2) | (21.7) |
| Profit for the period from continuing operations | 2 | 24.7 | 20.4 | 56.4 |
| Attributable to: | | | | |
| Owners of the Company | | 24.7 | 20.4 | 56.4 |
| | | 24.7 | 20.4 | 56.4 |
| Earnings per share | | | | |
| Basic | | | | |
| – Basic | 9 | 5.7p | 4.6p | 12.8p |
| – Diluted | 9 | 5.4p | 4.4p | 12.1p |
| Supplementary information | | | | |
| Adjusted ² operating profit | 3 | 71.0 | 66.6 | 159.1 |
| Adjusted ² profit before tax | 3 | 54.5 | 50.6 | 125.4 |
| Adjusted ² basic earnings per share | 9 | 9.5p | 8.7p | 21.6p |

¹ Group revenue including share of joint ventures is an alternative performance measure.

² Reference to 'adjusted' excludes adjusting items, see note 3. These are alternative performance measures.

Financial statements
Condensed consolidated statement of comprehensive income
For the six months ended 31 December 2025

| | Note | Unaudited six months to 31 December 2025 £m | Unaudited six months to 31 December 2024 £m | Year to 30 June 2025 £m |
|--|------|---|---|----------------------------------|
| Profit for the period | | 24.7 | 20.4 | 56.4 |
| Other comprehensive income/(loss) | | | | |
| Items that may be reclassified subsequently to the income statement | | | | |
| Fair value movements on cash flow hedging instruments | | – | 0.2 | 0.4 |
| Fair value movements on cash flow hedging instruments recycled to the income statement | 5 | – | (0.3) | (0.2) |
| Deferred tax on fair value movements on cash flow hedging instruments | | – | (0.1) | – |
| Items that will not be reclassified to the income statement | | | | |
| Re-measurement of retirement benefit assets and obligations | 6 | 31.1 | (32.4) | (42.5) |
| Tax on re-measurement of retirement benefit assets and obligations | | (7.8) | 8.1 | 10.7 |
| Other comprehensive income/(loss) for the period | | 23.3 | (24.5) | (31.6) |
| Total comprehensive income/(loss) for the period | | 48.0 | (4.1) | 24.8 |

| | | | |
|-------------------------------|-------------|-------|------|
| Attributable to: | | | |
| Equity holders of the Company | 48.0 | (4.1) | 24.8 |
| | 48.0 | (4.1) | 24.8 |

Financial statements
Condensed consolidated balance sheet
As at 31 December 2025

| | Note | Unaudited 31 December 2025 £m | Unaudited 31 December 2024 £m | 30 June 2025 £m |
|---|------|--|--|-----------------------|
| Non-current assets | | | | |
| Intangible assets | 10 | 594.8 | 621.4 | 608.4 |
| Property, plant and equipment | | 27.9 | 26.7 | 28.0 |
| Right-of-use assets | | 113.7 | 94.3 | 96.5 |
| Investment properties | 11 | 98.5 | 95.5 | 100.6 |
| Investments in and loans to joint ventures | 12 | 140.2 | 107.7 | 145.8 |
| Deferred tax assets | 7 | 130.1 | 141.3 | 136.7 |
| Contract assets | | 57.0 | 53.6 | 57.0 |
| Trade and other receivables | | 28.0 | 23.9 | 30.0 |
| Retirement benefit assets | 6 | 96.5 | 81.6 | 74.1 |
| Non-current assets | | 1,286.7 | 1,246.0 | 1,277.1 |
| Current assets | | | | |
| Inventories | | 68.0 | 94.8 | 65.6 |
| Contract assets | | 321.6 | 295.4 | 317.0 |
| Trade and other receivables | | 337.8 | 234.4 | 202.8 |
| Corporation tax receivable | | 2.6 | – | 0.6 |
| Other financial assets | | – | 7.1 | – |
| Cash and cash equivalents | 13 | 1,134.7 | 1,136.7 | 1,689.4 |
| Current assets | | 1,864.7 | 1,768.4 | 2,275.4 |
| Total assets | | 3,151.4 | 3,014.4 | 3,552.5 |
| Current liabilities | | | | |
| Bank overdrafts | 13 | (768.2) | (777.9) | (1,221.4) |
| Borrowings | 13 | – | (64.5) | – |
| Lease liabilities | | (41.0) | (38.6) | (40.8) |
| Trade and other payables | 14 | (985.6) | (969.7) | (1,105.7) |
| Contract liabilities | | (309.4) | (171.2) | (168.0) |
| Corporation tax payable | | – | (1.8) | – |
| Provisions | | (72.8) | (53.6) | (53.1) |
| Current liabilities | | (2,177.0) | (2,077.3) | (2,589.0) |
| Non-current liabilities | | | | |
| Borrowings | 13 | (263.6) | (243.2) | (263.9) |
| Lease liabilities | | (126.4) | (116.7) | (110.3) |
| Trade and other payables | 14 | (21.8) | (20.3) | (19.1) |
| Retirement benefit obligations | 6 | (15.4) | (28.8) | (26.9) |
| Provisions | | (26.4) | (30.2) | (26.1) |
| Non-current liabilities | | (453.6) | (439.2) | (446.3) |
| Total liabilities | | (2,630.6) | (2,516.5) | (3,035.3) |
| Net assets | 2 | 520.8 | 497.9 | 517.2 |
| Equity | | | | |
| Share capital | | 4.5 | 4.5 | 4.5 |
| Share premium | | 3.6 | 3.6 | 3.6 |
| Retained earnings | | 162.2 | 139.7 | 158.6 |
| Merger reserve | | 350.6 | 350.6 | 350.6 |
| Other reserves | | – | (0.4) | – |
| Equity attributable to owners of the Company | | 520.9 | 498.0 | 517.3 |
| Non-controlling interests | | (0.1) | (0.1) | (0.1) |
| Total equity | | 520.8 | 497.9 | 517.2 |

Financial statements
Condensed consolidated statement of changes in equity
For the six months ended 31 December 2025

| | Note | Share capital ¹ £m | Share premium £m | Retained earnings ² £m | Merger reserve ³ £m | Other reserves ⁴ £m | Equity attributable to owners of the Company £m | Non-controlling interests £m | Total equity £m |
|---|------|----------------------------------|---------------------|--------------------------------------|-----------------------------------|-----------------------------------|--|---------------------------------|--------------------|
| 1 July 2024 | | 4.5 | 3.2 | 162.1 | 350.6 | (0.2) | 520.2 | (0.1) | 520.1 |
| Profit for the period | | – | – | 20.4 | – | – | 20.4 | – | 20.4 |
| Other comprehensive expense | | – | – | (24.3) | – | (0.2) | (24.5) | – | (24.5) |
| Total comprehensive expense for the period | | – | – | (3.9) | – | (0.2) | (4.1) | – | (4.1) |
| Dividends paid | 8 | – | – | (15.2) | – | – | (15.2) | – | (15.2) |
| Issue of own shares | | – | 0.4 | – | – | – | 0.4 | – | 0.4 |
| Share-based payments | | – | – | 4.1 | – | – | 4.1 | – | 4.1 |
| Purchase of own shares via employee benefit trust | | – | – | (7.4) | – | – | (7.4) | – | (7.4) |
| At 31 December 2024 | | 4.5 | 3.6 | 139.7 | 350.6 | (0.4) | 498.0 | (0.1) | 497.9 |
| Profit for the period | | – | – | 36.0 | – | – | 36.0 | – | 36.0 |
| Other comprehensive (expense)/income | | – | – | (7.5) | – | 0.4 | (7.1) | – | (7.1) |
| Total comprehensive income for the period | | – | – | 28.5 | – | 0.4 | 28.9 | – | 28.9 |
| Dividends paid | 8 | – | – | (8.9) | – | – | (8.9) | – | (8.9) |
| Share-based payments | | – | – | 4.8 | – | – | 4.8 | – | 4.8 |
| Deferred tax on share-based payments | | – | – | 3.2 | – | – | 3.2 | – | 3.2 |
| Purchase of own shares via employee benefit trust | | – | – | (2.3) | – | – | (2.3) | – | (2.3) |
| Purchase of own shares via share buyback | | – | – | (6.4) | – | – | (6.4) | – | (6.4) |
| At 30 June 2025 | | 4.5 | 3.6 | 158.6 | 350.6 | – | 517.3 | (0.1) | 517.2 |
| Profit for the period | | – | – | 24.7 | – | – | 24.7 | – | 24.7 |
| Other comprehensive income | | – | – | 23.3 | – | – | 23.3 | – | 23.3 |
| Total comprehensive income for the period | | – | – | 48.0 | – | – | 48.0 | – | 48.0 |
| Dividends paid | 8 | – | – | (22.7) | – | – | (22.7) | – | (22.7) |
| Share-based payments | | – | – | 5.1 | – | – | 5.1 | – | 5.1 |
| Deferred tax on share-based payments | | – | – | 2.3 | – | – | 2.3 | – | 2.3 |
| Purchase of own shares via employee benefit trust | | – | – | (15.3) | – | – | (15.3) | – | (15.3) |
| Purchase of own shares via share buyback | | – | – | (13.8) | – | – | (13.8) | – | (13.8) |
| At 31 December 2025 | | 4.5 | 3.6 | 162.2 | 350.6 | – | 520.9 | (0.1) | 520.8 |

1. The share capital includes 452,875,390 of authorised, issued and fully paid ordinary shares of 1p each (31 December 2024: 452,875,390; 30 June 2025: 452,875,390), of which 10,978,468 are held as treasury shares (31 December 2024: nil; 30 June 2025: 4,552,151) and 3,176,453 were held by the Kier employee benefit trust (31 December 2024: 8,750,475; 30 June 2025: 9,944,522). The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. During the period, no shares were issued under the Sharesave Scheme (six months to 31 December 2024: 741,638; year to 30 June 2025: 741,638).
2. On 21 January 2025, the Company commenced a share buyback programme to return capital to shareholders. During the period to 31 December 2025, the Company purchased a total of 6,426,317 shares, with a total nominal value of £0.1m, at a cost of £13.8m (31 December 2024: nil; 30 June 2025: 4,552,151 shares at a cost of £6.4m). Shares purchased under the buyback programme are held as treasury shares.
3. £134.8m of the merger reserve arose on the shares issued at a premium to acquire May Gurney on 8 July 2013. In addition, a further £215.8m relates to the issue of share capital on 18 June 2021.
4. Other reserves include capital redemption reserve, cash flow hedge reserve and translation reserve.

Financial statements
Condensed consolidated statement of cash flows
For the six months ended 31 December 2025

| | Note | Unaudited six months to 31 December 2025 £m | Unaudited six months to 31 December 2024 £m | Year to 30 June 2025 £m |
|---|------|---|---|----------------------------------|
| Cash flows from operating activities | | | | |
| Profit before tax | | 32.6 | 28.6 | 78.1 |
| Net finance cost | 5 | 17.3 | 17.1 | 35.6 |
| Share of post-tax trading results of joint ventures | 12 | 4.3 | 0.6 | 1.5 |
| Pension cost charge | | 1.1 | 1.2 | 2.1 |
| Equity-settled share-based payments charge | | 5.1 | 4.1 | 8.9 |
| Amortisation of intangible assets and mobilisation costs | | 15.0 | 20.2 | 38.7 |
| Change in fair value of investment properties | 11 | (1.9) | (0.2) | (7.6) |
| Depreciation of property, plant and equipment | | 3.2 | 2.7 | 5.6 |
| Depreciation of right-of-use assets | | 22.0 | 22.3 | 46.1 |
| Loss on disposal of property, plant and equipment, right-of-use assets, investment properties and intangible assets | | 0.3 | 0.5 | 0.4 |
| Operating cash inflows before movements in working capital and deficit contributions to pension funds | | | | |
| Deficit contributions to pension funds | 6 | (2.6) | (3.8) | (7.0) |
| (Increase)/decrease in inventories | | (2.4) | (29.6) | 2.0 |
| (Increase)/decrease in receivables | | (139.1) | 3.0 | 19.6 |
| (Increase)/decrease in contract assets | | (4.6) | 9.1 | (15.9) |
| Decrease in payables | | (117.4) | (148.9) | (20.5) |
| Increase in contract liabilities | | 141.4 | 42.8 | 39.6 |
| Increase in provisions | | 20.0 | 6.6 | 2.0 |
| Cash (outflow)/inflow from operating activities | | | | |
| Dividends received from joint ventures | 12 | 0.1 | 0.2 | 3.9 |
| Interest received | 5 | 2.1 | 2.2 | 3.7 |
| Income tax paid | | (2.1) | (0.9) | (1.8) |
| Net cash (outflow)/inflow from operating activities | | | | |
| Cash flows from investing activities | | | | |
| Proceeds from sale of property, plant and equipment | | – | 1.3 | 1.0 |
| Purchase of property, plant and equipment | | (3.1) | (3.5) | (11.1) |
| Purchase of intangible assets | 10 | (1.0) | (1.8) | (5.4) |
| Purchase of capitalised mobilisation costs | | (1.0) | – | (1.9) |
| Proceeds from sale of investment property | | 3.6 | – | – |
| Investment in joint ventures | | (16.9) | (21.3) | (60.9) |
| Loan repayment and return of equity from joint ventures | 12 | 18.1 | 4.5 | 9.9 |
| Net cash used in investing activities | | | | |
| Cash flows from financing activities | | | | |
| Issue of shares | | – | 0.4 | 0.4 |
| Purchase of own shares via employee benefit trust | | (15.3) | (7.4) | (9.7) |
| Purchase of own shares via share buyback | | (13.8) | – | (6.4) |
| Interest paid | | (19.6) | (19.9) | (40.6) |
| Principal elements of lease payments | | (22.6) | (23.1) | (47.5) |
| Cost of raising finance | | (1.6) | – | – |
| Drawdown of borrowings | | – | 5.3 | 4.7 |
| Repayment of borrowings | | – | – | (44.3) |
| Settlement of derivative financial instruments | | – | – | 7.2 |
| Dividends paid | 8 | (22.7) | (15.2) | (24.1) |
| Net cash used in financing activities | | | | |
| (Decrease)/increase in cash, cash equivalents and bank overdrafts | | | | |
| Opening cash, cash equivalents and bank overdrafts | | 468.0 | 461.7 | 461.7 |
| Closing cash, cash equivalents and bank overdrafts | 13 | 366.5 | 358.8 | 468.0 |

Financial statements
Notes to the interim condensed consolidated financial statements
For the period ended 31 December 2025

1 Significant accounting policies

Reporting entity

Kier Group plc (the Company) is a public limited company which is listed on the London Stock Exchange and incorporated and domiciled in the UK. The Company's registered number is 2708030. The address of its registered office is 2nd Floor, Optimum House, Clippers Quay, Salford, M50 3XP.

The interim condensed consolidated financial statements (interim financial statements) for the half year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interest in jointly controlled entities.

Basis of preparation

The interim condensed consolidated financial statements for the half year ended 31 December 2025 have been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The unaudited interim financial statements contained in this announcement does not constitute the Company's statutory accounts as at and for the six months ended 31 December 2025. Statutory financial statements for the year ended 30 June 2025 were approved by the Board of Directors on 16 September 2025 and delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain a statement under section 498 of the Companies Act 2006.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting any amendments to standards that became effective for the first time in the current reporting period.

Going concern

In determining the appropriate basis of preparation of the interim financial statements, the Directors are required to consider whether the Group can continue in operational existence during the going concern period, which the Directors have determined to be until 30 June 2027.

The Directors have carried out an assessment of the Group's ability to continue as a going concern for the period of at least 12 months from the date of approval of the interim financial statements. This assessment has involved the review of cash flow forecasts for the period to 30 June 2027 for each of the Group's divisions; and also considered recent historical trading performance where the Group's cash flow forecasts have been achieved.

The Directors have considered the strength of the Group's order book which amounted to £11.6bn at 31 December 2025 and will provide a pipeline of secured work over the going concern assessment period.

The Directors have also taken account of the refinancing of its existing Revolving Credit Facility (RCF) that was completed in October 2025. The new £190m RCF replaces the previous £150m facility and has been made available to the Group for an initial committed 3-year term, with an option to extend for a further 2 years to October 2030. The additional facility further strengthens the going concern assessment by providing additional liquidity.

The Directors have considered a number of stressed but plausible downside scenarios in assessing going concern:

- potential reductions in trading volumes;
- potential future challenges in respect of ongoing projects;
- project inflation and subcontractor insolvency;
- plausible changes in the interest rate environment;
- other potential issues, including the cost of adoption of green legislation; and
- the availability of proportionate and reasonable mitigating actions that could be taken by management in such a scenario.

The Directors also considered the macroeconomic and political risks affecting the UK economy. The Directors noted that the Group's forecasts are underpinned by a significant proportion of revenue that is either secured or considered probable, often as part of long-term framework agreements. The Group operates primarily in sectors such as road, rail, water, energy, prisons, health and education, which are considered likely to remain largely unaffected by macroeconomic factors and will continue to benefit from sustained government investment commitments reinforced in the June 2025 Spending Review. Although inflationary pressures remain a risk, both in the supply chain and the labour market, this is partly mitigated by c.60% of contracts being target cost or cost plus.

The potential impact of climate change has also been considered and the Directors do not consider the Group's operations are at risk from physical climate-related risks such as hurricanes and temperature changes in the short term. In the medium term the Directors have concluded that any adverse financial impacts from required changes to operations in line with ESG requirements will be offset by opportunities which present the Group with additional volumes and profits, such as construction of sustainable buildings, climate impact and water management, as well as nuclear infrastructure. As such, the longevity of the Group's business model means that climate change has no material adverse impact on going concern.

Having reviewed the Group's cash flow forecasts, the Directors consider that the Group is expected to continue to have available liquidity headroom under its finance facilities and operate within its financial covenants over the going concern period, including in a severe but plausible downside scenario.

As a result, the Directors are satisfied that the Group has adequate resources to meet its obligations as they fall due for a period of at least 12 months from the date of approving these interim financial statements and, for this reason, they continue to adopt the going concern basis in preparing these interim financial statements.

2 Segmental reporting

The Group operates three divisions: Infrastructure Services, Construction and Property, which is the basis on which the Group manages and reports its primary segmental information. Corporate includes unrecovered overheads and the charge for defined benefit pension schemes.

Segmental information is based on the information, which is provided to the Chief Executive, together with the Board, who is the Chief Operating Decision Maker. The segments are strategic business units with separate management and have different core customers and offer different services.

The accounting policies of the operating segments are consistent across the Group. The Group evaluates segmental information on the basis of profit or loss from operations before adjusting items (see note 3), interest and tax expense. The segmental results reported to the Chief Executive include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Unaudited six months to 31 December 2025

| | Infrastructure Services £m | Construction £m | Property £m | Corporate £m | Group £m |
|--|----------------------------------|--------------------|----------------|-----------------|----------------|
| Continuing operations | | | | | |
| Revenue¹ | | | | | |
| Group revenue including share of joint ventures | 1,082.8 | 920.3 | 24.9 | 1.2 | 2,029.2 |
| Less share of joint ventures | (0.4) | – | (16.6) | – | (17.0) |
| Group revenue | 1,082.4 | 920.3 | 8.3 | 1.2 | 2,012.2 |
| Profit for the period | | | | | |
| Adjusted operating profit/(loss) ² | 48.2 | 36.3 | 2.1 | (15.6) | 71.0 |
| Adjusting items ² | (10.4) | (10.7) | – | – | (21.1) |
| Operating profit/(loss) | 37.8 | 25.6 | 2.1 | (15.6) | 49.9 |
| Net finance income/(costs) ³ | 4.5 | 6.7 | (3.6) | (24.9) | (17.3) |
| Profit/(loss) before tax | 42.3 | 32.3 | (1.5) | (40.5) | 32.6 |
| Taxation | | | | | (7.9) |
| Profit for the period | | | | | 24.7 |
| Balance sheet | | | | | |
| Operating assets ⁴ | 960.0 | 421.9 | 299.7 | 335.1 | 2,016.7 |
| Operating liabilities ⁴ | (512.2) | (843.6) | (22.3) | (220.7) | (1,598.8) |
| Net operating assets/(liabilities)⁴ | 447.8 | (421.7) | 277.4 | 114.4 | 417.9 |
| Cash, cash equivalents, bank overdrafts and borrowings | 361.4 | 460.3 | (165.8) | (553.0) | 102.9 |
| Net assets/(liabilities) | 809.2 | 38.6 | 111.6 | (438.6) | 520.8 |

Unaudited six months to 31 December 2024

| | Infrastructure Services £m | Construction £m | Property £m | Corporate ⁵ £m | Group £m |
|--|----------------------------------|--------------------|----------------|------------------------------|----------------|
| Continuing operations | | | | | |
| Revenue¹ | | | | | |
| Group revenue including share of joint ventures | 1,032.1 | 932.2 | 13.1 | 1.2 | 1,978.6 |
| Less share of joint ventures | (0.9) | – | (4.7) | – | (5.6) |
| Group revenue | 1,031.2 | 932.2 | 8.4 | 1.2 | 1,973.0 |
| Profit for the period | | | | | |
| Adjusted operating profit/(loss) ² | 46.1 | 36.5 | 0.9 | (16.9) | 66.6 |
| Adjusting items ² | (11.3) | (7.5) | – | (2.1) | (20.9) |
| Operating profit/(loss) | 34.8 | 29.0 | 0.9 | (19.0) | 45.7 |
| Net finance income/(costs) ³ | 3.7 | 1.9 | (2.2) | (20.5) | (17.1) |
| Profit/(loss) before tax | 38.5 | 30.9 | (1.3) | (39.5) | 28.6 |
| Taxation | | | | | (8.2) |
| Profit for the period | | | | | 20.4 |
| Balance sheet | | | | | |
| Operating assets ⁴ | 894.0 | 397.8 | 253.5 | 325.3 | 1,870.6 |
| Operating liabilities ⁴ | (428.4) | (767.3) | (9.2) | (226.0) | (1,430.9) |
| Net operating assets/(liabilities)⁴ | 465.6 | (369.5) | 244.3 | 99.3 | 439.7 |
| Cash, cash equivalents, bank overdrafts and borrowings | 345.3 | 470.5 | (215.1) | (549.6) | 51.1 |
| Net financial assets | – | – | – | 7.1 | 7.1 |
| Net assets/(liabilities) | 810.9 | 101.0 | 29.2 | (443.2) | 497.9 |

Year to 30 June 2025

| | Infrastructure Services £m | Construction £m | Property £m | Corporate £m | Group £m |
|--|----------------------------------|--------------------|----------------|-----------------|----------------|
| Revenue¹ | | | | | |
| Group revenue including share of joint ventures | 2,136.0 | 1,910.5 | 38.4 | 2.9 | 4,087.8 |
| Less share of joint ventures | (1.3) | – | (9.4) | – | (10.7) |
| Group revenue | 2,134.7 | 1,910.5 | 29.0 | 2.9 | 4,077.1 |
| Profit/(loss) for the year | | | | | |
| Adjusted operating profit/(loss) ² | 111.0 | 75.0 | 12.2 | (39.1) | 159.1 |
| Adjusting items ² | (21.5) | (20.1) | – | (3.8) | (45.4) |
| Operating profit/(loss) | 89.5 | 54.9 | 12.2 | (42.9) | 113.7 |
| Net finance income/(costs) ³ | 6.7 | 4.4 | (5.9) | (40.8) | (35.6) |
| Profit/(loss) before tax | 96.2 | 59.3 | 6.3 | (83.7) | 78.1 |
| Taxation | | | | | (21.7) |
| Profit for the year | | | | | 56.4 |
| Balance sheet | | | | | |
| Operating assets ⁴ | 920.8 | 351.0 | 297.0 | 294.3 | 1,863.1 |
| Operating liabilities ⁴ | (511.9) | (788.5) | (37.0) | (212.6) | (1,550.0) |
| Net operating assets/(liabilities)⁴ | 408.9 | (437.5) | 260.0 | 81.7 | 313.1 |
| Cash, cash equivalents, bank overdrafts and borrowings | 642.6 | 757.4 | (225.2) | (970.7) | 204.1 |
| Net assets/(liabilities) | 1,051.5 | 319.9 | 34.8 | (889.0) | 517.2 |

¹ Revenue is stated after the exclusion of inter-segmental revenue. 100% of the Group's revenue is derived from UK-based customers (31 December 2024: 100%; 30 June 2025: 100%). 17% of the Group's revenue was received from High Speed Two (HS2) Limited (31 December 2024: 16%; 30 June 2025: 16%). Group revenue including share of joint ventures is an alternative performance measure.

² See note 3 for adjusting items.

³ Interest was (charged)/credited to the divisions at a notional rate of 4.0%.

⁴ Net operating assets/(liabilities) represent assets and liabilities excluding cash, cash equivalents, bank overdrafts, borrowings, financial assets and liabilities, and interest-bearing inter-company loans.

⁵ The prior period comparatives have been re-presented to move £777.9m of cash overdrafts from operating liabilities to cash, cash equivalents, bank overdrafts and borrowings to be consistent with note 13. There has been no overall change in reported net assets/(liabilities).

3 Adjusting items

(a) Reconciliation to adjusted profit

| | Unaudited six months to 31 December 2025 £m | | | Unaudited six months to 31 December 2024 £m | | | Year to 30 June 2025 £m | | |
|---|--|--------------------------|----------------|--|--------------------------|-------------|----------------------------------|--------------------------|-------------|
| Continuing operations | Adjusted £m | Adjusting items £m | Total £m | Adjusted £m | Adjusting items £m | Total £m | Adjusted £m | Adjusting items £m | Total £m |
| Group revenue | 2,012.2 | – | 2,012.2 | 1,973.0 | – | 1,973.0 | 4,077.1 | – | 4,077.1 |
| Cost of sales | (1,846.8) | (10.1) | (1,856.9) | (1,819.2) | (7.5) | (1,826.7) | (3,727.3) | (19.0) | (3,746.3) |
| Gross profit | 165.4 | (10.1) | 155.3 | 153.8 | (7.5) | 146.3 | 349.8 | (19.0) | 330.8 |
| Administrative expenses | (92.0) | (11.0) | (103.0) | (86.9) | (13.3) | (100.2) | (197.6) | (25.6) | (223.2) |
| Share of post-tax results of joint ventures | (4.3) | – | (4.3) | (0.6) | – | (0.6) | (1.5) | – | (1.5) |
| Other income | 1.9 | – | 1.9 | 0.3 | (0.1) | 0.2 | 8.4 | (0.8) | 7.6 |
| Operating profit | 71.0 | (21.1) | 49.9 | 66.6 | (20.9) | 45.7 | 159.1 | (45.4) | 113.7 |
| Net finance charges | (16.5) | (0.8) | (17.3) | (16.0) | (1.1) | (17.1) | (33.7) | (1.9) | (35.6) |
| Profit before tax | 54.5 | (21.9) | 32.6 | 50.6 | (22.0) | 28.6 | 125.4 | (47.3) | 78.1 |
| Taxation | (13.2) | 5.3 | (7.9) | (12.4) | 4.2 | (8.2) | (30.2) | 8.5 | (21.7) |
| Profit for the period | 41.3 | (16.6) | 24.7 | 38.2 | (17.8) | 20.4 | 95.2 | (38.8) | 56.4 |

Adjusting items include:

- Cost of sales – consists of Fire and cladding compliance costs of £10.1m (six months ended 31 December 2024: £7.5m; year ended 30 June 2025: £17.0m) incurred in rectifying legacy issues to comply with the latest Government guidance.
- Administrative expenses – includes amortisation of acquired intangible assets of £10.4m (six months ended 31 December 2024: £11.3m; year ended 30 June 2025: £21.6m) comprising amortised contract rights arising from prior year acquisitions. In addition, £0.6m has been included in relation to central costs incurred in managing fire and cladding claims.
- Net finance charges – these relate to IFRS 16 interest charges on leased investment properties previously used as offices.
- Taxation – the taxation credit of £5.3m (six months ended 31 December 2024: £4.2m; year ended 30 June 2025: £8.5m) is the tax effect of the items described above.

(b) Cash outflow from adjusting items

| | Unaudited six months to 31 December 2025 £m | Unaudited six months to 31 December 2024 £m | Year to 30 June 2025 £m |
|---|---|---|----------------------------------|
| Adjusting items before tax reported in the income statement | 21.9 | 22.0 | 47.3 |
| Less: non-cash items incurred in the period | (21.6) | (13.8) | (38.4) |
| Add: payment of prior period accruals and provisions | 4.1 | 7.0 | 8.9 |
| Cash outflow from adjusting items | 4.4 | 15.2 | 17.8 |

4 Other income

| | Unaudited six months to 31 December 2025 £m | Unaudited six months to 31 December 2024 £m | Year to 30 June 2025 £m |
|--|---|---|----------------------------------|
| Fair value gain on investment properties (see note 11) | 1.9 | 0.2 | 7.6 |
| Other income | 1.9 | 0.2 | 7.6 |

5 Finance income and costs

| | Unaudited six months to 31 December 2025 £m | Unaudited six months to 31 December 2024 £m | Year to 30 June 2025 £m |
|---|---|---|----------------------------------|
| Finance income | | | |
| Bank deposits | 1.9 | 2.2 | 3.6 |
| Interest receivable on loans to related parties | 0.2 | – | 0.1 |
| Net interest on net defined benefit obligation | 1.3 | 2.1 | 4.3 |
| | 3.4 | 4.3 | 8.0 |
| Finance costs | | | |
| Interest payable on loans and overdrafts | (3.5) | (3.6) | (8.3) |
| Interest payable on bonds | (11.3) | (11.3) | (22.5) |
| Interest payable on leases | (4.5) | (4.7) | (9.1) |
| Foreign exchange movements on foreign denominated borrowings | – | (0.3) | (0.5) |
| Fair value movements on cash flow hedges recycled from other comprehensive income | – | 0.3 | 0.2 |
| Other | (1.4) | (1.8) | (3.4) |
| | (20.7) | (21.4) | (43.6) |
| Net finance costs | (17.3) | (17.1) | (35.6) |

6 Retirement benefit assets and obligations

The principal assumptions used by the independent qualified actuaries are shown below.

| | Unaudited 31 December 2025 % | Unaudited 31 December 2024 % | 30 June 2025 % |
|---------------------------------------|---------------------------------------|---------------------------------------|----------------------|
| Discount rate | 5.45 | 5.40 | 5.50 |
| Inflation rate (Retail Price Index) | 2.85 | 3.20 | 2.90 |
| Inflation rate (Consumer Price Index) | 2.25 – 2.60 | 2.45 – 2.90 | 2.20 – 2.65 |

The amounts recognised in the financial statements in respect of the Group's defined benefit schemes are as follows:

| | Unaudited six months to 31 December 2025 | | | Unaudited six months to 31 December 2024 | | | Year to 30 June 2025 | | |
|--|---|---------------------------|-------------|---|---------------------------|-------------|----------------------------|---------------------------|-------------|
| | Kier Group £m | Acquired schemes £m | Total £m | Kier Group £m | Acquired schemes £m | Total £m | Kier Group £m | Acquired schemes £m | Total £m |
| Opening net surplus/(deficit) | 68.7 | (21.5) | 47.2 | 96.9 | (16.4) | 80.5 | 96.9 | (16.4) | 80.5 |
| Credit/(charge) to income statement | 0.8 | (0.6) | 0.2 | 1.6 | (0.7) | 0.9 | 3.1 | (0.9) | 2.2 |
| Employer contributions | – | 2.6 | 2.6 | – | 3.8 | 3.8 | – | 7.0 | 7.0 |
| Actuarial gains/(losses) | 18.1 | 13.0 | 31.1 | (22.5) | (9.9) | (32.4) | (31.3) | (11.2) | (42.5) |
| Closing net surplus/(deficit) | 87.6 | (6.5) | 81.1 | 76.0 | (23.2) | 52.8 | 68.7 | (21.5) | 47.2 |
| Comprising: | | | | | | | | | |
| Fair value of scheme assets | 777.1 | 385.8 | 1,162.9 | 781.0 | 376.4 | 1,157.4 | 763.0 | 372.2 | 1,135.2 |
| Net present value of the defined benefit obligation | (689.5) | (392.3) | (1,081.8) | (705.0) | (399.6) | (1,104.6) | (694.3) | (393.7) | (1,088.0) |
| Net surplus/(deficit) | 87.6 | (6.5) | 81.1 | 76.0 | (23.2) | 52.8 | 68.7 | (21.5) | 47.2 |
| Presentation of net surplus/(deficit) in the consolidated balance sheet: | | | | | | | | | |
| Retirement benefit assets | 87.6 | 8.9 | 96.5 | 76.0 | 5.6 | 81.6 | 68.7 | 5.4 | 74.1 |
| Retirement benefit obligations | – | (15.4) | (15.4) | – | (28.8) | (28.8) | – | (26.9) | (26.9) |
| Net surplus/(deficit) | 87.6 | (6.5) | 81.1 | 76.0 | (23.2) | 52.8 | 68.7 | (21.5) | 47.2 |

7 Taxation

| | Unaudited six months to 31 December 2025 £m | Unaudited six months to 31 December 2024 £m | Year to 30 June 2025 £m |
|---|---|---|----------------------------------|
| Profit before tax | 32.6 | 28.6 | 78.1 |
| Less: Profit/(loss) from joint venture companies | 1.3 | (0.2) | – |
| Profit before tax excluding income from joint ventures | 33.9 | 28.4 | 78.1 |
| Current tax | (7.5) | (5.8) | (12.5) |
| Deferred tax | (0.4) | (2.4) | (9.2) |
| Total tax charge in the income statement | (7.9) | (8.2) | (21.7) |
| Effective tax rate | 23.3% | 28.9% | 27.8% |

The deferred tax asset of £130.1m (31 December 2024: £141.3m; 30 June 2025: £136.7m), includes £98.4m in relation to tax losses (31 December 2024: £107.5m; 30 June 2025: £100.2m), and £31.7m of other temporary differences (31 December 2024: £33.8m; 30 June 2025: £36.5m).

At 31 December 2025, the Group had unused tax losses of £164.4m (six months ended 31 December 2024: £164.4m; year ended 30 June 2025: £164.4m) on which no deferred tax has been recognised.

When considering the recoverability of net deferred tax assets, the taxable profit forecasts are based on the same Board-approved information used to support the going concern and goodwill impairment assessments. Based on these forecasts, the Group is expected to utilise its deferred tax asset over a period of approximately 7 years.

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate is 23.3%, compared to 28.9% for the six months ended 31 December 2024.

The Group is within the scope of global minimum tax (GMT) under the OECD Pillar Two rules (Pillar 2). Pillar Two reporting requirements were enacted for the UK on 18 July 2023 and apply to the Group for the period ended 30 June 2025 onwards. Under these requirements, the Group is liable to pay a top up tax for any deficit between the minimum tax rate of 15% and the effective tax rate per jurisdiction. As a primarily UK focused group, there is no material impact of GMT.

8 Dividends

| | Unaudited six months to 31 December 2025 £m | | Unaudited six months to 31 December 2024 £m | | Year to 30 June 2025 £m | |
|--|---|--------------------|---|--------------------|----------------------------------|--------------------|
| | £m | pence per share | £m | pence per share | £m | pence per share |
| Current year interim | – | – | – | – | 8.9 | 2.0 |
| Prior year final | 22.7 | 5.2 | 15.2 | 3.5 | 15.2 | 3.5 |
| Total dividend recognised in the period | 22.7 | 5.2 | 15.2 | 3.5 | 24.1 | 5.5 |

In addition to the above dividends, since the end of the interim period, the directors have recommended the payment of an interim dividend for the year ending 30 June 2026 of 2.6p pence per share (31 December 2024: interim 2.0p; 30 June 2025: final 5.2p). The dividend totalling approximately £11m will be paid on 22 May 2026 to shareholders on the register at the close of business on 17 April 2026, but is not recognised as a liability at the end of the reporting period.

9 Earnings per share

| | Unaudited six months to 31 December 2025 | | Unaudited six months to 31 December 2024 | | Year to 30 June 2025 | |
|--|---|---------------|---|---------------|-------------------------|---------------|
| | Basic £m | Diluted £m | Basic £m | Diluted £m | Basic £m | Diluted £m |
| Continuing operations | | | | | | |
| Profit for the period | 24.7 | 24.7 | 20.4 | 20.4 | 56.4 | 56.4 |
| Less: non-controlling interest share | – | – | – | – | – | – |
| Profit after tax and minority interests | 24.7 | 24.7 | 20.4 | 20.4 | 56.4 | 56.4 |
| Adjusting items (excluding tax) | 21.9 | 21.9 | 22.0 | 22.0 | 47.3 | 47.3 |
| Tax impact of adjusting items | (5.3) | (5.3) | (4.2) | (4.2) | (8.5) | (8.5) |
| Adjusted profit after tax | 41.3 | 41.3 | 38.2 | 38.2 | 95.2 | 95.2 |
| Weighted average number of shares (no, m) | 436.7 | 459.7 | 440.9 | 464.2 | 441.5 | 466.1 |
| Basic and diluted earnings (p) | | | | | | |
| Attributable to the ordinary equity holders of the Company from continuing operations | 5.7 | 5.4 | 4.6 | 4.4 | 12.8 | 12.1 |
| Adjusted basic and diluted earnings (p) | | | | | | |
| Adjusted basic and diluted earnings per share attributable to the ordinary equity holders of the Company | 9.5 | 9.0 | 8.7 | 8.2 | 21.6 | 20.4 |

The weighted average number of shares is lower than the number of shares in issue by 16.2m (31 December 2024: 12.0m; 30 June 2025: 11.4m) primarily due to the movement of shares that are held by the Group's employee benefit trusts and treasury shares acquired through Kier's share buyback programme, which are excluded from the calculation.

Options granted to employees under the Sharesave and LTIP schemes are considered to be potential ordinary shares. They have been included in the determination of diluted earnings per share if the required performance obligations would have been met based on the Group's performance up to the reporting date, and to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share.

10 Intangible assets

| | Unaudited Goodwill £m | Unaudited Intangible contract rights £m | Unaudited Computer software £m | Unaudited Total £m |
|---------------------------------|-----------------------------|--|---|--------------------------|
| Cost | | | | |
| At 1 July 2024 | 545.6 | 243.2 | 135.1 | 923.9 |
| Additions | – | – | 1.8 | 1.8 |
| Disposals | – | – | (5.4) | (5.4) |
| At 31 December 2024 | 545.6 | 243.2 | 131.5 | 920.3 |
| Additions | – | – | 3.6 | 3.6 |
| At 30 June 2025 | 545.6 | 243.2 | 135.1 | 923.9 |
| Additions | – | – | 1.0 | 1.0 |
| Transfers | – | – | 0.2 | 0.2 |
| At 31 December 2025 | 545.6 | 243.2 | 136.3 | 925.1 |
| Accumulated amortisation | | | | |
| At 1 July 2024 | (2.1) | (194.1) | (89.5) | (285.7) |
| Charge for the period | – | (11.3) | (7.3) | (18.6) |
| Disposals | – | – | 5.4 | 5.4 |
| At 31 December 2024 | (2.1) | (205.4) | (91.4) | (298.9) |
| Charge for the period | – | (10.3) | (6.3) | (16.6) |
| At 30 June 2025 | (2.1) | (215.7) | (97.7) | (315.5) |
| Charge for the period | – | (10.4) | (4.2) | (14.6) |
| Transfers | – | – | (0.2) | (0.2) |
| At 31 December 2025 | (2.1) | (226.1) | (102.1) | (330.3) |
| Net book value | | | | |
| At 31 December 2025 | 543.5 | 17.1 | 34.2 | 594.8 |
| At 30 June 2025 | 543.5 | 27.5 | 37.4 | 608.4 |
| At 31 December 2024 | 543.5 | 37.8 | 40.1 | 621.4 |

11 Investment properties

| | Unaudited Owned assets £m | Unaudited Right-of-use assets £m | Unaudited Total £m |
|----------------------------|---------------------------------|---|--------------------------|
| At 1 July 2024 | 61.1 | 43.8 | 104.9 |
| Transfers | – | (9.6) | (9.6) |
| Fair value gain | 0.2 | – | 0.2 |
| At 31 December 2024 | 61.3 | 34.2 | 95.5 |
| Transfers | 3.6 | (5.9) | (2.3) |
| Fair value gain/(loss) | 8.1 | (0.7) | 7.4 |
| At 30 June 2025 | 73.0 | 27.6 | 100.6 |
| Fair value gain/(loss) | 3.0 | (1.1) | 1.9 |
| Disposals | (4.0) | – | (4.0) |
| At 31 December 2025 | 72.0 | 26.5 | 98.5 |

12 Investment in and loans to joint ventures

| | Unaudited 31 December 2025 £m | Unaudited 31 December 2024 £m | Year to 30 June 2025 £m |
|--------------------------------------|--|--|----------------------------------|
| At 1 July | 145.8 | 91.7 | 91.7 |
| Additions | 16.9 | 21.3 | 76.4 |
| Disposals | – | – | (7.0) |
| Loan repayments and return of equity | (18.1) | (4.5) | (9.9) |
| Share of: | | | |
| Operating loss | (0.7) | (0.7) | (0.4) |
| Finance costs | (4.0) | – | (0.9) |
| Tax income/(expense) | 0.4 | 0.1 | (0.2) |
| Post-tax results of joint ventures | (4.3) | (0.6) | (1.5) |
| Dividends received | (0.1) | (0.2) | (3.9) |
| At 31 December/30 June | 140.2 | 107.7 | 145.8 |

13 Net cash

| | Unaudited 31 December 2025 £m | Unaudited 31 December 2024 £m | Year to 30 June 2025 £m |
|---|--|--|----------------------------------|
| Cash and cash equivalents | 1,134.7 | 1,136.7 | 1,689.4 |
| Bank overdrafts | (768.2) | (777.9) | (1,221.4) |
| Net cash, cash equivalents and bank overdrafts | 366.5 | 358.8 | 468.0 |
| Borrowings due within one year | – | (64.5) | – |
| Borrowings due after one year | (263.6) | (243.2) | (263.9) |
| Impact of cross-currency hedging | – | 6.8 | – |
| Net cash | 102.9 | 57.9 | 204.1 |

Average month-end net cash/(debt)¹ for the six months ended 31 December 2025 was £16.8m (six months ended 31 December 2024: £(37.6)m; year ended 30 June 2025: £(49.2)m). Net cash/(debt) excludes lease liabilities.

14 Trade and other payables

| | Unaudited 31 December 2025 £m | Unaudited 31 December 2024 £m | 30 June 2025 £m |
|------------------------------------|--|--|-----------------------|
| Current: | | | |
| Trade payables | 252.8 | 331.6 | 311.0 |
| Accruals | 504.6 | 436.7 | 580.7 |
| Sub-contract retentions | 37.1 | 37.0 | 37.1 |
| Other taxation and social security | 161.1 | 145.2 | 168.1 |
| Other payables and deferred income | 30.0 | 19.2 | 8.8 |
| | 985.6 | 969.7 | 1,105.7 |
| Non-current: | | | |
| Sub-contract retentions | 21.8 | 20.3 | 19.1 |
| | 21.8 | 20.3 | 19.1 |

¹ Average month-end net cash/(debt) is an alternative performance measure.

15 Guarantees and contingent liabilities

The Company has given guarantees and entered into counter-indemnities in respect of bonds relating to certain of the Group's own contracts. The Company has also given guarantees in respect of certain contractual obligations of its subsidiaries and joint ventures, which were entered into in the normal course of business, as well as certain of the Group's other obligations (for example, in respect of the Group's finance facilities and its pension schemes).

Provisions are made for the Directors' best estimate of known legal claims, investigations and legal actions relating to the Group which are considered more likely than not to result in an outflow of economic benefit. If the Directors consider that a claim, investigation or action relating to the Group is unlikely to succeed, no provision is made. If the Directors cannot make a reliable estimate of a potential, material obligation, no provision is made but details of the claim are disclosed.

Fire and cladding compliance review

The Group has undertaken a review of all of its current and legacy constructed buildings where it has used cladding solutions and continues to assess the action required in line with the latest Government guidance, as it applies, to multi-storey and multi-occupied residential buildings. The buildings, including the cladding works, were signed off by approved inspectors as compliant with the relevant Building Regulations at the time of completion.

Where an obligation has been established and a reliable estimate of the costs to rectify is available, a provision has been made. No provision has been made where an obligation has not been established.

In preparing the financial statements, currently available information has been considered, including the current best estimate of the extent and future costs of work required, based on the reviews and physical inspections undertaken.

These estimates may be updated as further inspections are completed and as work progresses which could give rise to the recognition of further liabilities. Such liabilities, should they arise, are expected to be covered materially by the Group's insurance arrangements thereby limiting the net exposure. Any insurance recovery must be considered virtually certain before a corresponding asset is recognised and so this could potentially lead to an asymmetry in the recognition of assets and liabilities.

The accounting policy in respect of these claims is set out in note 1 of the 2025 Annual Report and Accounts.

16 Related parties

The Group has related party relationships with its joint ventures, key management personnel and pension schemes in which its employees participate.

There have been no significant changes in the nature of related party transactions since the last annual financial statements for the year ended 30 June 2025.

Details of contributions made to the pension schemes by the Group are detailed in note 6.