16 September 2025

Kier Group plc

FY25 Results

Continued strong operational delivery, profitable growth and increased shareholder returns

Kier Group plc ("Kier", the "Company" or the "Group"), a leading UK infrastructure services, construction and property group, announces its results for the year ended 30 June 2025 ("FY25").

Financial Highlights – Continuing Operations

(£m unless otherwise stated)	**Year to 30 June 2025**	Year to 30 June 2024	*Change*
Adjusted results			
Revenue[1]	**4,087.8**	3,969.4	*3%*
Adjusted operating profit[2]	**159.1**	150.2	*6%*
Adjusted operating margin (%)	**3.9**	3.8	*10bps*
Adjusted profit before tax[3]	**125.4**	118.1	*6%*
Adjusted basic earnings per share (p) (note 9)	**21.6**	20.6	*5%*
Net cash[4]	**204.1**	167.2	*22%*
Average month-end net debt	**(49.2)**	(116.1)	*58%*
Free cash flow	**155.4**	185.9	*(16)%*
Order book (£bn)	**11.0**	10.8	*2%*
Statutory reported			
Group revenue	**4,077.1**	3,905.1	*4%*
Operating profit	**113.7**	103.1	*10%*
Profit before tax	**78.1**	68.1	*15%*
Basic earnings per share (p) (note 9)	**12.8**	11.8	*8%*
Proposed full year dividend per share (p) (note 8)	**7.2**	5.2	*38%*

FY25 Highlights

- Revenue and operating profit growth with strong positive cashflow:
  - Revenue growth of 3% and adjusted operating profit growth of 6%
  - Strong operational delivery across all businesses
  - Adjusted operating margin grew 10bps to 3.9%, progressing towards increased long-term margin target of 4.0%-4.5%
  - Reported operating profit increased 10% to £113.7m (FY24: £103.1m)
  - Free cash flow of £155.4m (FY24: £185.9m), representing 125% operating cash conversion, significantly above sustainable growth plan target of 90%
  - Strengthened balance sheet: average month-end net debt materially improved by £67m to £(49)m
- Record order book:
  - High quality order book increased to £11.0bn (FY24: £10.8bn) providing significant visibility of future cashflows
  - 91% of expected FY26 revenue and c.70% of FY27 revenue secured
- Creating value through a disciplined approach to capital allocation:
  - Proposed full year dividend increased by 38% to 7.2p, representing earnings cover of 3x
  - £20m share buyback announced in January 2025 (over 30% complete at 30 June 2025)

[1] Revenue of the Group and its share of revenue from joint ventures.
[2] Stated before adjusting items of £23.8m (FY24: £23.9m) and amortisation of acquired intangible assets of £21.6m (FY24: £23.2m).
[3] Stated before adjusting items of £25.7m (FY24: £26.8m) and amortisation of acquired intangible assets of £21.6m (FY24: £23.2m).
[4] Disclosed net of the effect of hedging instruments and excludes leases – see note 13 to the preliminary financial statements.

- Increased investment in the Property segment: capital employed now £198m and on track to deliver ROCE target of 15% by FY28

Andrew Davies, Chief Executive, said:

“In the first year of our long-term sustainable growth plan the Group delivered strongly, with profit performance, in particular, ahead of our initial expectations. Our adjusted operating profit margin of 3.9% has progressed well towards our target range of 4.0%-4.5%, while we also grew our order book to a record £11bn, providing considerable, multi-year revenue visibility. These achievements, together with our strong recurring cashflow and balance sheet discipline, enabled us to invest further in our Property business; commence an initial £20m share buyback programme; and significantly increase the level of dividends payable to shareholders.

Building on our outperformance in FY25, the Group has started the current financial year well and for FY26 is trading slightly ahead of the Board’s expectations. Kier remains well positioned to continue to deliver infrastructure that matters and benefit from the UK Government’s 10-year Infrastructure Strategy spending commitments. We remain confident in our strong sustainable cash generation, allowing us to allocate capital efficiently, utilising our integrated capabilities to drive compounding returns for our stakeholders.

On a personal note, it has been a privilege to lead Kier over the last six years and to see the Group transformed into a strong and sustainable business with enhanced resilience and a reinforced financial position. That transformation has only been possible due to the capability, professionalism and hard work of Kier’s teams and the support of our customers and partners. I would like to thank them for their support and commitment in ensuring Kier’s continued success in delivering infrastructure that is vital to the UK.

Finally, I would like to congratulate Stuart on his well-deserved appointment as the next Chief Executive of Kier and wish him every success.”

FY25 Results Presentation

Kier Group plc will host a presentation for analysts and investors at 9:00am on 16 September 2025 at the offices of Deutsche Numis, 45 Gresham Street, London EC2V 7BG.

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/6891d8e85467670031fffd77/ofwg

United Kingdom: +44 808 189 0158

United Kingdom (Local): +44 20 3936 2999

Conference password: 480556

An audio recording will be available on our website in due course.

Online Retail Investor Presentation

Andrew Davies, Chief Executive Officer, Stuart Togwell, CEO Designate and Simon Kesterton, Chief Financial Officer, will be hosting a live online retail investor presentation 10:30 on Thursday 25th September 2025. To attend, please register via the following link: Webinar Registration – Kier Group investor presentation.

Further Information:
Kier Group plc

Investor Relations	**+44 (0) 7933 388 746**
Kier Press office	**+44 (0) 1767 355 096**
FTI Consulting	**+44 (0) 20 3727 1340**
Richard Mountain	

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 2024 for a discussion of the factors that could affect the Group's future performance and the industry in which it operates.

About Kier

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

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

We take pride in bringing specialist knowledge, sector-leading experience and fresh thinking to create workable solutions for our clients across the country.

Together, we have the scale and breadth of skills of a major company, while retaining a local focus and pride that comes from never being far from our clients, through a network of offices spanning across England, Wales, Scotland and Northern Ireland.

For further information and to subscribe to our news alerts, please visit: www.kier.co.uk

Connect with us on LinkedIn: Kier Group

Introduction

The Group's continued focus on operational excellence and disciplined cash management has produced another strong set of results for the year. We have continued to deliver against our long-term sustainable growth plan as our operational activity converts into high levels of profitability and cash generation, enhancing our balance sheet flexibility.

On 21 January 2025, we announced the launch of an initial £20m share buyback programme, building on the reintroduction of dividend payments during FY24. Given our significant operational and financial progress, allied to the Board's ongoing confidence in the Group's performance, a final dividend of 5.2p has been proposed (subject to shareholder approval) which would total a 7.2p dividend for the full year representing a 38% increase on the FY24 total dividend.

The future prospects for the Group are underpinned by the order book growing to a record £11bn at the end of FY25, with 91% of Group revenue for FY26 now secured. During the year, Kier won new, high-quality and profitable work in our markets reflecting our leading operational capabilities, as well as the bidding discipline and risk management embedded in the business. Long-term frameworks, as well as pipeline opportunities and income from the Property division, represent additional areas of opportunity, all of which provide us with substantial multi-year revenue visibility.

Long-term sustainable growth plan

The Group is focused on delivering against its long-term sustainable growth plan, first announced in September 2024 and subsequently evolved in June 2025 for an improved margin target range:

Revenue:	GDP + growth through the cycle
Adjusted operating profit margin:	4.0% - 4.5%, in 3 to 5 years
Cashflow conversion of operating profit:	c.90%
Balance sheet:	Average net cash with investment of surplus cash
Dividend:	Sustainable dividend policy: c.3x earnings cover through the cycle

Strategy

The Group's strategy continues to be focused on:

- UK Government, regulated industries and blue-chip customers
- Operating in the business-to-business market
- Contracting through long-term frameworks

Our core businesses are well placed to benefit from Government and regulated industry spending commitments in respect of UK infrastructure. We are a strategic supplier to the UK Government and c.90% of our contracts are with the public sector and regulated companies.

Despite wider political and economic uncertainties, our core markets remain favourable with a clear commitment to long-term UK infrastructure spending driven by key structural factors, such as population growth, transportation pressures, aging infrastructure, energy security and climate change.

Given that public funding may be insufficient to maintain public assets, customer behaviours continue to shift towards long-term partnerships, which continues to favour Kier, given our scale, integrated design and project management capability, track record of delivery and Environmental, Social and Governance ('ESG') credentials.

Customers and winning new work

Our contract awards reflect our longstanding customer relationships and regionally focused operations across the UK. During the year, we saw significant growth in both Infrastructure Services and Construction orders, providing us with good multi-year revenue visibility.

Highlights include:

- **Infrastructure Services:**
  - Secured our first contracts on Southern Water's AMP8 framework, working on clean and waste water schemes totalling c. £45m.
- **Construction:**
  - Awarded a more than £100m contract to deliver additional prison places at HMP Northumberland, as part of the Small Secure Houseblocks (SSHP) Alliance for the Ministry of Justice (MoJ)

- Education – awarded four projects worth c.£210m
- Kier Places – appointed by Wiltshire Council to their five-year Facilities Management contract worth £3.4m p.a.

Financial summary

Kier's revenue of £4.1bn reflects solid growth, with strong performances achieved across the business.

Our order book has continued to grow, up 2% year over year to £11.0bn. Approximately 60% of the order book is under target cost or cost reimbursable contracts, with the remainder based on fixed priced contracts where the risk is negotiated and managed with our customers and supply chain partners.

Additionally, with over 400 live projects at any given time, we are regularly delivering existing projects and pricing new contracts which mitigates against any rising cost pressures. Furthermore, we have a modest average order size, of c.£20m in our Construction business, limiting our exposure in the event a project does not go to plan.

The Group delivered adjusted operating profit of £159.1m, representing a 6% increase on the prior year (FY24: £150.2m) as growth from Infrastructure Services and evolution of Construction mix converted to profits, combined with a more favourable overall mix of profitability by business. The adjusted operating profit margin of 3.9% represented 10bps growth on the prior year (FY24: 3.8%). Reported operating profit increased 10% to £113.7m (FY24: £103.1m).

Adjusted earnings per share (EPS) increased 5% to 21.6p (FY24: 20.6p) and reported EPS increased 8% to 12.8p (FY24: 11.8p).

The Group generated £155.4m of free cash flow in FY25 (FY24: £185.9m), driven by strong operating cash conversion of 125%. This reflects more normalised working capital flows compared to FY24 but maintains cash conversion significantly above the long-term sustainable growth plan target of 90%. The resulting capital has been allocated in line with the Group's priorities, including increasing returns to shareholders through a share buyback programme, and higher dividend payments. Furthermore, we have invested additional capital in the Property business, in order to optimise returns in this area.

The Group's net cash position at 30 June 2025 was £204.1m (FY24: £167.2m) with supplier payment days remaining consistent with the prior year as volume growth translated to increased cash receipts.

Average month-end net debt for the year ended 30 June 2025 was £(49.2)m (FY24: £(116.1)m). The strong operational cash flow allowed the Group to continue to reduce levels of debt, while also providing scope to allocate capital as mentioned above.

In January 2025, the Group fully repaid its remaining USPP Notes and the RCF reduced to £150m in line with both facility agreements. This RCF, combined with the £250m five-year Senior Notes, provides the Group with £400m of committed liquidity.

Capital allocation

The Group maintains a disciplined approach to capital allocation and continuously reviews priorities with the aim of maximising shareholder returns:

- **Capex** – ongoing investment to support the business
- **Ordinary Dividend** – targeting dividend cover of c.3x earnings through the cycle
- **Investment in Property** – disciplined investment in the Property segment. ROCE target of 15% with up to £225m of capital deployed
- **Acquisitions** – the Group will consider value accretive acquisitions in core markets

We have committed to returning any remaining unallocated capital to shareholders:

- **Incremental Shareholder returns** – initial £20m share buyback programme launched in January 2025

These priorities are underpinned by the Group's commitment to maintain a strong balance sheet targeting an average month-end net cash position.

Dividend

Given the continuing operating and financial progress made during the year, the Board is proposing a final dividend of 5.2p per share and thus a total dividend of 7.2p representing cover of 3x, compared to 4x in FY24.

Subject to shareholder approval, the final dividend amounting to approximately £22.7m will be paid on 3 December 2025 to shareholders on the register at close of business on 31 October 2025. The shares will be marked ex-dividend on 30 October 2025. Kier has a Dividend Reinvestment Plan ("DRIP"), provided by Equiniti Financial

Services Limited, which allows shareholders to reinvest their cash dividends in our shares. The final election date for the DRIP is 14 November 2025.

Performance Excellence

Through our Performance Excellence programme Kier maintains a strong operational and financial risk management framework across the Group which is embedded into contract selection and delivery processes.

The Group's core themes for FY25 have been *Digitalisation* and *Simplification* as we look to continuously improve the operational performance of the business. The key elements of these themes were as follows:

- Site set-up – standardisation of site offices and enhancing site connectivity
- Health, safety and wellbeing – simplifying health and safety data and sharing best practice
- Quality assurance – improving capability and digital tools
- Functions – simplifying processes and enhancing current systems

Supply chain partners

We continue to focus on maintaining and growing relationships with our key stakeholders, including our supply chain, where many of our suppliers are valued long-term partners of the Group.

We are pleased to report that in the period 1 January 2025 to 30 June 2025, the Group's aggregate average payment days was 34 (H1: 33 days) and the percentage of payments made to suppliers within 60 days was 91% (H1: 92%).

We remain committed to further improvements in our payment practices and continue to work with customers and suppliers to achieve this. We are fully committed to complying with updated procurement legislation including the 30-day payment requirements for small and medium-sized firms.

Environmental, Social and Governance (ESG)

Kier's purpose is to sustainably deliver infrastructure which is vital to the UK economy. Our role serving the UK Government and regulated industries means we are closely aligned to act responsibly for both the environment and the communities we service. As UK Government contracts (above £5m p.a.) require net zero carbon and social value commitments, our ESG credentials are fundamental to our ability to win work and secure positions on long-term frameworks.

Our sustainability framework, 'Building for a Sustainable World', focuses on three pillars: *Our People, Our Places* and *Our Planet*, with relevant metrics that report progress. During the year we have developed these metrics across all three pillars and strengthened our disclosures in these areas.

Health, Safety and Wellbeing

The Group's 12-month rolling Accident Incident Rate (AIR) in FY25 of 115 represents a decrease of 25.8% compared to the prior year (155).

The Group's 12-month rolling All Accident Incident Rate (AAIR) in FY25 of 343 has reduced by 5.5% compared to the prior year (FY24: 363).

The improved FY25 safety performance reflects the Group's consistent approach to health, safety and wellbeing: integrating robust processes, procedures and a risk management framework to ensure that Kier has a high-performing safety culture.

Environment

Climate action

The current year has seen continued progress towards meeting our carbon reduction targets, to become net zero carbon for Scope 1 and 2 by 2039. In FY25 we achieved a 4.3% year-on-year reduction in Scope 1 and 2 carbon emissions. This amounts to a 71% reduction in Scope 1 & 2 emissions since FY19.

Regarding Scope 3 (supply chain) emissions we have begun to target strategic supply chain partners and materials in order to achieve meaningful reductions. During FY25 we transferred six key suppliers to a more granular, activity-based inventory methodology building towards our aim to be net zero carbon by 2045 across our value chain.

Accreditations

In FY25, we received external verification of our approach to delivering our sustainability ambitions:

- Independent limited assurance from the British Standards Institution (BSI) for our sustainability framework measures (outside of carbon) for the first time
- Independent reasonable assurance from BSI of our carbon footprint to ISO14064-1 standards. This has been in place since FY23.

As well as reducing our own carbon footprint, Kier continues to work with its customers to remove carbon from UK infrastructure designs. Since FY23 Kier has achieved the London Stock Exchange Green Economy Mark, with 71% of our FY25 revenue derived from green products and services, increasing by 200bps from FY24 (69%).

Social

In FY25 we delivered £531m (FY24: £548m) of added social value[5] through our workforce, supply chain and the overall positive impact on our local communities.

Emerging Talent

Attracting, developing and retaining future talent are key to the Group delivering our long-term sustainable growth strategy. We offer numerous apprenticeships and graduate programmes to achieve this.

In FY25 11.3% of our people were in formal training and development programmes, with the Group earning 'Platinum' membership of the 5% Club[6]. The Group also welcomed 86 future graduates on work experience placements and 179 graduates onto our graduate programme, 40.8% of which were women. We also make places on these programmes available to current Kier employees who wish to develop their careers further.

Community engagement

In addition to the training and development opportunities we offer our people, we identify those with the potential to become the next generation of talent, operating schemes such as:

- Kierriculum: our award-winning educational outreach programme to inspire the next generation to work in construction.
- STEM ('Science, Technology, Engineering and Mathematics') ambassadors: our network of ambassadors are the bridge between school experiences of studying STEM topics and real-world exposure to a career in construction.
- Open Doors Week: we participate in Build UK's Open Doors week which is a nationwide programme, showcasing the range of careers available in the construction industry.

Built by Brilliant People™

Kier is Built by Brilliant People™ who have been instrumental in delivering the success of the Group to date and will continue to do so in the future. To ensure that Kier is the construction employer of choice we have invested in the rewards and benefits we offer to our people and their families:

- We are a proud Real Living Wage employer, meaning that we have been accredited by the United Kingdom's Living Wage Foundation as paying a fair wage, which reflects the cost of living in the UK.
- All our people receive life assurance and access to a range of wellbeing support including a virtual GP, confidential advice and counselling services.
- Other initiatives include Your Voice, a survey tracking employee engagement and focused on wellbeing, where the FY25 score of 80.5% represents an increase from the previous year (76.1%[7]).

Summary and outlook

In the first year of our long-term sustainable growth plan the Group delivered strongly, with profit performance, in particular, ahead of our initial expectations. Our adjusted operating profit margin of 3.9% has progressed well towards our target range of 4.0%-4.5%, while we also grew our order book to a record £11bn, providing considerable, multi-year revenue visibility. These achievements, together with our strong recurring cashflow and balance sheet discipline, enabled us to invest further in our Property business; commence an initial £20m share buyback programme; and significantly increase the level of dividends payable to shareholders.

Building on our outperformance in FY25, the Group has started the current financial year well and for FY26 is trading slightly ahead of the Board's expectations. Kier remains well positioned to continue to deliver infrastructure that matters and benefit from the UK Government's 10-year Infrastructure Strategy spending commitments. We remain confident in our strong sustainable cash generation, allowing us to allocate capital efficiently, utilising our integrated capabilities to drive compounding returns for our stakeholders.

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[5] In FY25, we adjusted how we report social value created by SME and VCSE spend, moving from gross reporting to net reporting. This was in response to improving assurance and transparency of social value data. In FY24, we reported £583m of added social value using a gross spend method. The equivalent value using a net spend method is £548m.

[6] *5percentclub.org.uk*

[7] In previous years, we reported employee engagement based on 'positive emotions'. This metric was based on the average number of positive emotions selected across our surveys. To improve our measurement of how our people feel about working with Kier, we have moved to an employee engagement 'index', which is based on the average score across eight questions in our survey. This evolution allows us to better understand contributing factors to employee engagement across a wider range of indicators. As such, we have restated our previously reported 67% as 76.1% according to the new methodology.

Operational Review

Infrastructure Services *– 52% of FY25 Group revenue*

	Year ended 30 June 2025	Year ended 30 June 2024	*Change*
Revenue (£m)	**2,136.0**	1,988.3	*7%*
Adjusted operating profit (£m)[8]	**111.0**	112.3	*(1)%*
Adjusted operating margin (%)	**5.2**	5.6	*(40)bps*
Reported operating profit (£m)	**89.5**	88.7	*1%*
Order book (£bn)	**6.5**	6.4	*2%*

- Key contract wins include:

  Natural Resources, Nuclear & Networks:

  - Secured our first contracts on Southern Water's AMP8 framework, working on clean and waste water schemes totalling c. £45m.

- 87% of revenue secured for FY26

Infrastructure Services comprises the Transportation and Natural Resources, Nuclear & Networks businesses.

Revenue increased 7% against the prior year reflecting the continued acceleration of HS2 works together with growth in the water and nuclear sectors. Adjusted operating profit reduced by 1% to £111.0m (FY24: £112.3m), reflecting the benefit of a one-off £6m customer claim in the prior year, excluding which underlying growth would be 4%. Adjusting items include the amortisation of contract rights from the Buckingham and other acquisitions.

The **Transportation** business division undertakes design, build and maintenance of assets primarily in the road, rail and aviation sectors.

The business benefited from the start of several contracts won in previous periods and the continued successful delivery of works for HS2. This has been partly offset by anticipated delays in finalising the new phase of the Road Investment Strategy (RIS3) as well as a later than anticipated start to work under Control Period 7 (CP7) for our rail business.

The **Natural Resources, Nuclear & Networks** division delivers long-term contracts in maintenance and capital projects to the water, nuclear and energy sectors as well as the protection of habitats and communities in our natural environment and waterways. The business is well positioned to benefit from the increase in opportunities from the new water spending cycle (AMP8) as well as growth in the environment and energy sectors.

During the period we saw marked revenue growth in Water and Nuclear, as we start to fulfil projects delivered under these new spending cycles.

Currently, the Group is working with a total of 9 customers through 17 frameworks with an advertised value of up to £15bn. In addition to the Government's £104bn long term commitment to the AMP8 investment programme, the Group is seeing opportunities to grow market share by broadening support for natural water management.

[8] Stated before adjusting items of £21.5m (FY24: £23.6m).

***Construction** – 47% of FY25 Group revenue*

	Year ended 30 June 2025	Year ended 30 June 2024	*Change*
Revenue (£m)	**1,910.5**	1,907.8	*-%*
Adjusted operating profit (£m)[9]	**75.0**	69.2	*8%*
Adjusted operating margin (%)	**3.9**	3.6	*30bps*
Reported operating profit (£m)	**54.9**	59.6	*(8)%*
Order book (£bn)	**4.5**	4.4	*2%*

- Key contract wins include:
    - Awarded a more than £100m contract to deliver additional prison places at HMP Northumberland, as part of the Small Secure Houseblocks (SSHP) Alliance for the Ministry of Justice (MoJ)
    - Education – awarded four projects worth c.£210m
    - Kier Places – appointed by Wiltshire Council to their five-year Facilities Management contract worth £3.4m p.a.
- 95% of revenue secured for FY26

The Construction segment comprises both regional and large scale strategic projects, together with property management services (Kier Places). The business delivers schools, hospitals, prisons and defence estate optimisation, as well as commercial, residential and heritage buildings for local authorities, the Ministry of Justice, other government departments, and the private sector.

Revenue remained in line with the prior year overall, with growth from both regional and strategic projects such as the successful hand over of HMP Millsike during FY25 offsetting the exit of some lower margin contracts within Kier Places. Work also commenced on the HMP Glasgow project towards the end of FY25 with full activity levels anticipated to be reached in the second half of FY26.

Adjusted operating profit increased 8% to £75m driven by the improved business mix, including the Kier Places contract management mentioned above. Adjusting items include £17m relating to fire and cladding compliance costs.

As a regional Tier 1 contractor, we continue to be well placed to benefit from the UK Government's focus on spending to improve under-invested assets such as schools, hospitals and custodial services, where our Construction business has specialist expertise.

***Property** – 1% of FY25 Group revenue*

	Year ended 30 June 2025	Year ended 30 June 2024	*Change*
Revenue (£m)[10]	**38.4**	71.0	*(46)%*
Adjusted operating profit (£m)[11]	**12.2**	6.2	*97%*
Adjusted operating margin (%)	**31.8**	8.7	*2,310bps*
Reported operating profit (£m)	**12.2**	1.9	*542%*
Capital employed (£m)	**198**	166	*19%*
ROCE (%)	**6.7**	3.9	*280bps*

- Planning secured for:
    - Six Trade City industrial units at Maple Cross
    - 55 homes in Saffron Walden under the Vistry Joint Venture
- Construction phase:
    - Eleven Trade City units at Bognor Regis
    - Ten Trade City units at St Albans

[9] Stated before adjusting items of £20.1m (FY24: £9.6m)
[10] Revenue of the Group and its share of revenue from joint ventures
[11] Stated before adjusting items of £nil (FY24: £4.3m)

- Acquired a four-acre site at Sharston, Manchester
- Further development at Watford with development starting on new Town Square, Riverwell Square

The Property business invests in and develops mixed-use commercial and residential schemes across the UK, largely through joint ventures. For FY25, Property generated revenue of £38.4m (FY24: £71.0m) reflecting a large one-off asset sale (Southampton) in the prior year, as well as a higher proportion of land (vs building) sales overall. In FY25 Property transaction volumes grew, to nine (from five in the prior year), driving the growth in adjusted operating profit, to £12m (FY24: £6m).

The Group is focused on the disciplined expansion of the Property business through select investments and strategic joint ventures, targeting a consistent ROCE of 15% by 2028. As at 30 June 2025, the capital employed in the Property segment was £198m excluding third-party debt and fair value gains. We expect to increase the average capital employed towards £225m, while reinvesting to deliver more consistent returns over the medium term. The ROCE result for FY25 demonstrates modest but steady progress, particularly in the second half of the year, towards the targeted level of returns as the property portfolio continues to season and overall capital employed approaches more optimal levels.

Corporate

	Year ended 30 June 2025	Year ended 30 June 2024	*Change*
Adjusted operating loss (£m)[12]	**(39.1)**	(37.5)	*(4)%*
Reported operating loss (£m)	**(42.9)**	(47.1)	*9%*

The Corporate segment comprises the costs of the Group's central functions which have increased over the prior year due to underlying cost inflation and investment in people and systems to support the Group's growth in operational activity. Net adjusting items of £3.8m in the year primarily relate to corporate property.

[12] Stated before adjusting items of £3.8m (FY24: £9.6m)

Financial Review

Introduction

The Group performed well during the year, with further improvement in the order book being converted into revenue and profit growth. The Group continues to deleverage with average month-end debt improving significantly as a result of the focus on operational delivery and cash management.

The Group delivered growth of 3.0% giving total revenues of £4,087.8m (FY24: £3,969.4m) and which helped generate an adjusted operating profit of £159.1m (FY24: £150.2m).

The continued strong operational performance led to a 10.3% increase in operating profit to £113.7m (FY24: £103.1m) and an increase in profit before tax to £78.1m (FY24: £68.1m).

Adjusting items were £47.3m (FY24: £50.0m). The current period charge includes £21.6m of amortisation of intangible contract rights and £17.0m of fire and cladding compliance costs.

Net finance charges for the period were £35.6m (FY24: £35.0m), broadly in line with the prior year.

Adjusted earnings per share increased by 4.9% to 21.6p (FY24: 20.6p).

The Group generated a free cash inflow of £155.4m during the year (FY24: £185.9m), driven by strong operating cash conversion of 125%. The reduction compared to FY24 is due to the prior year working capital inflow benefitting from a year on year increase in revenue of 17%, whilst FY25 has had more modest revenue growth of 3.0%. In addition, interest payments increased compared to the prior year as a result of the Senior Notes issued in February 2024.

Out of its free cashflow, the Group has invested in its Property division joint ventures, commenced a share buyback programme, paid dividends, adjusting items and pension deficit obligations and purchased existing Kier shares on behalf of its employees. Net cash at 30 June 2025 of £204.1m was significantly improved compared to the prior year (FY24: £167.2m).

Average month-end net debt for the year ended 30 June 2025 was £(49.2)m (FY24: £(116.1)m), a significant reduction from the prior year end.

The Group continued to win new, high quality and profitable work in its markets on terms and rates which reflect the Group's bidding discipline and risk management.

The order book increased to £11.0bn, a 1.9% increase since the year-end (FY24: £10.8bn). Approximately 91% of revenue for FY26 is already secured which provides certainty for next year.

Summary of financial performance

	Adjusted[13] results			Statutory reported results		
	30 Jun 2025	30 Jun 2024	*Change %*	**30 Jun 2025**	30 Jun 2024	*Change %*
Revenue (£m) - Total	**4,087.8**	3,969.4	*3.0*	**4,087.8**	3,969.4	*3.0*
Revenue (£m) - Excluding JV's	**4,077.1**	3,905.1	*4.4*	**4,077.1**	3,905.1	*4.4*
Profit from operations (£m)	**159.1**	150.2	*5.9*	**113.7**	103.1	*10.3*
Profit before tax (£m)	**125.4**	118.1	*6.2*	**78.1**	68.1	*14.7*
Earnings per share (p)	**21.6**	20.6	*4.9*	**12.8**	11.8	*8.5*
Total dividend per share (p)	**7.2**	5.2	*38.5*			
Free cash flow (£m)	**155.4**	185.9	*(16.4)*			
Net cash (£m)	**204.1**	167.2	*22.1*			
Net debt (£m) - average month-end	**(49.2)**	(116.1)	*57.6*			
Order book (£bn)	**11.0**	10.8	*1.9*			

[13] Reference to 'Adjusted' excludes adjusting items, see note 3.

Revenue

The following table bridges the Total Group revenue from the year ended 30 June 2024 to the year ended 30 June 2025.

	£m
Total Group revenue for the year ended 30 June 2024	**3,969.4**
Infrastructure Services	**147.7**
Construction	**2.7**
Property and Corporate	**(32.0)**
Total Group revenue for the year ended 30 June 2025	**4,087.8**

Total Group revenue grew by £118.4m in the year, primarily through its Infrastructure Services business, which reported revenue growth of 7.4% compared to the prior year primarily due to the ramp up in AMP 8 related activity.

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 results 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 nonrecurring 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 year ended 30 June 2024	**150.2**
Volume / price / mix changes	**0.6**
Property transactions, net of valuation gains	**6.0**
Cost inflation	**(9.3)**
Management actions	**11.6**
Adjusted operating profit for the year ended 30 June 2025	**159.1**

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

	Operating profit		Profit before tax	
	30 Jun 2025 £m	30 Jun 2024 £m	**30 Jun 2025 £m**	30 Jun 2024 £m
Reported profit	**113.7**	103.1	**78.1**	68.1
Amortisation of acquired intangible assets	**21.6**	23.2	**21.6**	23.2
Fire compliance costs	**17.0**	15.0	**17.0**	15.0
Property-related items	**4.8**	7.2	**4.8**	7.2
Recycling of foreign exchange	–	(5.9)	–	(5.9)
Refinancing fees	–	4.5	–	4.5
Net financing costs	–	–	**1.9**	2.9
Other	**2.0**	3.1	**2.0**	3.1
Adjusted profit	**159.1**	150.2	**125.4**	118.1

Additional information about these items is as follows:

- Amortisation of acquired intangible assets £21.6m (FY24: £23.2m): Comprises the amortisation of acquired contract rights through the acquisitions of MRBL Limited (Mouchel Group), May Gurney Integrated Services plc, McNicholas Construction Holdings Limited and the Buckingham Group.

- Fire and cladding compliance costs £17.0m (FY24: £15.0m): 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 confirmed liability and has a reasonable estimate of the cost to rectify the issues identified, less any confirmed insurance recoveries.

- Property-related items £4.8m (FY24: £7.2m): This includes costs relating to vacated corporate offices, including the purchase and subsequent sale of a vacant leasehold office in Manchester, which allows the Group to de-risk the balance sheet and eliminate future rental payments. In addition, costs have been included in relation to the relocation and rationalisation of the Group's corporate offices in London. This rationalisation is now complete and the Group expects no further adjusting items in respect of corporate offices.

- Other £2.0m (FY24: £3.1m): Other costs consist of a payment made to settle part of an insurance-related claim that has previously been treated as an adjusting item

Earnings per share

Earnings per share ("EPS"), before adjusting items, amounted to 21.6p (FY24: 20.6p). Reported EPS, after adjusting items, from continuing operations amounted to 12.8p (FY24: 11.8p).

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 £35.6m (FY24: £35.0m).

Interest on bank borrowings and Senior Notes amounted to £30.8m (FY24: £31.5m), the decrease being as a result of the lower average month-end net debt. The Group was able to partially mitigate the risk of higher interest rates with a £50m interest rate swap which expired in June 2025.

Lease interest was £9.1m (FY24: £9.5m).

The Group had a net interest credit of £4.3m (FY24: £5.7m) in relation to the defined benefit pension schemes which has arisen due to the overall pension surplus. We anticipate this will be a c.£2.5m credit in FY26.

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

Dividend

The Board reinstated a dividend in FY24. Through the cycle, the Board's target is to deliver a sustainable dividend, covered 3x by adjusted earnings and in a payment ratio of approximately one-third interim dividend and two thirds final dividend.

As a result, the Board has proposed, subject to shareholder approval, a final dividend of 5.2p per share (FY24: 3.5p) which together with the interim dividend of 2.0p represents 3x adjusted earnings cover.

Balance sheet

Net assets

The Group had net assets of £517.2m at 30 June 2025 (FY24: £520.1m).

Goodwill

The Group held intangible assets of £608.4m (FY24: £638.2m) of which goodwill represented £543.5m (FY24: £543.5m).

The Group completed its annual review of goodwill assuming a pre-tax discount rate of 13.5% (FY24: 12.4%) and concluded that no impairment was required.

The Infrastructure Services group of cash generating units ('CGU') comprise £523.1m of the total goodwill balance. No impairment is noted as management believes the discounted cash flows are underpinned by the order book and current pipeline prospects and the CGU is not sensitive to changes in key assumptions.

Deferred tax asset

The Group has a significant deferred tax asset of £136.7m recognised at 30 June 2025 (FY24: £133.1m) primarily due to historical losses. The year-on-year increase in the asset is driven by the tax impact of the actuarial pension losses in the year, partly offset by 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 (FY24: eight years).

A tax credit of £8.5m (FY24: £11.6m) has been included within adjusting items.

Right-of-use assets and lease liabilities

At 30 June 2025, the Group had right-of-use assets of £96.5m (FY24: £95.0m) and associated lease liabilities of £151.1m (FY24: £173.1m). The movements at each balance sheet date, reflect operational equipment requirements less associated depreciation and lease repayments.

Investment properties

As at 30 June 2025, the Group had investment properties of £100.6m (FY24: £104.9m).

The Group had long-term leases on three office buildings which were formerly utilised by the Group that have been vacated and are now leased out to third parties, as well as one freehold property no longer used by the business that is being held for capital appreciation. These are all held as investment properties.

During the period the Group disposed of one of the leasehold properties (Fountain Street, Manchester), and moved back into the vacant floors in Foley Street, London.

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 30 June 2025 was £145.8m (2024: £91.7m), an increase of 59%, and is as a result of the commitment to further invest in the Property business.

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 30 June 2025, total contract assets amounted to £374.0m (FY24: £358.1m).

Contract liabilities were £168.0m (FY24: £128.4m).

Retirement benefits obligation

Kier operates a number of defined benefit pension schemes. At 30 June 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 £47.2m (FY24: £80.5m), before accounting for deferred tax, with the movement in the period primarily as a result of actuarial losses of £42.5m (FY24: £36.5m).

The net actuarial loss is due to lower than assumed asset returns, partially offset by changes in financial assumptions, in particular higher corporate bond yields leading to decreased pension scheme liabilities. In addition, deficit reduction contributions have further reduced the schemes’ liabilities.

The Group has started the process of agreeing its triennial pension valuations, which are due to be completed by June 2026.

Free cash flow and Net cash

	30 Jun 2025 £m	30 Jun 2024 £m
Operating profit	**113.7**	103.1
Depreciation of owned assets	**5.6**	8.3
Depreciation of right-of-use assets	**46.1**	39.0
Amortisation	**38.7**	33.8
EBITDA	**204.1**	184.2
Adjusting items excluding adjusting amortisation and interest	**23.8**	23.9
Adjusted EBITDA	**227.9**	208.1
Working capital inflow	**27.7**	68.4
Net capital expenditure including finance lease capital payments	**(64.9)**	(57.3)
Joint Venture dividends less profits	**5.4**	0.7
Other free cash flow items	**3.1**	(2.8)
Operating free cash flow	**199.2**	217.1
Net interest and tax	**(43.8)**	(31.2)
Free cash flow	**155.4**	185.9

	2025 £m	2024 £m
Net cash at 1 July	**167.2**	64.1
Free cash flow	**155.4**	185.9
Adjusting items	**(17.8)**	(36.7)
Net investment in Joint Ventures	**(51.0)**	(18.2)
Pension deficit payments and fees	**(7.8)**	(9.2)
Net purchase of own shares	**(16.1)**	(3.7)
Acquisition of Buckingham	–	(9.4)
Dividends paid	**(24.1)**	(7.3)
Other	**(1.7)**	1.7
Net cash at 30 June	**204.1**	167.2

The Group generated £155.4m of free cash flow in FY25 (FY24: £185.9m), driven by strong operating cash conversion of 125%. This reflects more normalised working capital flows compared to FY24, due to the FY24 working capital inflow benefiting from a 17% increase in revenue compared to a 3% increase in FY25. The Group delivered a net cash position of £204.1m at 30 June 2025 (FY24: £167.2m).

The average month-end net debt position is better than the comparative year at £(49.2)m, (FY24: £(116.1)m). The business generated adjusted operating profit and positive working capital which was used to invest in our Property business joint ventures, commence a share buyback programme, pay dividends, adjusting items, tax and interest, pension deficit obligations, and purchase existing Kier shares on behalf of employees. Capital employed in our Property division increased from £166m at 30 June 2024, to £198m at 30 June 2025.

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 £9.7m (FY24: £3.7m). A further £6.4m (FY24: £nil) of shares were purchased as part of the share buyback programme.

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 30 June 2025, the Group had committed debt facilities of £400m as well as access to uncommitted short-term borrowing facilities, such as overdrafts.

The committed facilities comprised £250m Senior Notes and £150m Revolving Credit Facility. In January 2025 the Group repaid the remaining £37.3m USPP notes and reduced its RCF facility by £111m, the repayments having been made from operating free cash flow.

With £400m of facilities, consisting of £250m Senior Notes maturing in February 2029 and a £150m RCF expiring in March 2027, the Group has significant committed funding to support its evolved long-term sustainable growth plan.

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. The US dollar denominated USPP notes were hedged with fixed cross-currency swaps at inception to mitigate the foreign exchange risk. Following the repayment of the final USPP notes in January 2025 these swaps have now matured.

One non-recourse, project specific, property joint venture loan is hedged using an interest rate derivative to fix the cost of borrowing.

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 financial statements and remain covenant compliant. For these reasons, they continue to adopt the going concern basis in preparing these financial statements. Further information on this assessment is detailed in note 1 of the consolidated financial statements.

Financial statements

Condensed consolidated income statement

For the year ended 30 June 2025

	Note	2025 £m	2024 £m
Continuing operations			
Group revenue including share of joint ventures[1]	2	**4,087.8**	3,969.4
Less share of joint ventures	2	**(10.7)**	(64.3)
Group revenue		**4,077.1**	3,905.1
Cost of sales		**(3,746.3)**	(3,570.1)
Gross profit		**330.8**	335.0
Administrative expenses		**(223.2)**	(240.0)
Share of post-tax results of joint ventures	12	**(1.5)**	1.6
Other income	4	**7.6**	6.5
Operating profit	2	**113.7**	103.1
Finance income	5	**8.0**	9.2
Finance costs	5	**(43.6)**	(44.2)
Profit before tax	2	**78.1**	68.1
Taxation	7	**(21.7)**	(16.8)
Profit for the year from continuing operations	2	**56.4**	51.3
Discontinued operations			
Loss for the year from discontinued operations (attributable to equity holders of the Company)	2,3	**–**	(8.3)
Profit for the year	2	**56.4**	43.0
Attributable to:			
Owners of the Company		**56.4**	42.7
Non-controlling interests		**–**	0.3
		56.4	43.0
Earnings/(losses) per share			
Basic:			
– Continuing operations	9	**12.8p**	11.8p
– Discontinued operations	9	**–**	(1.9)p
Total		**12.8p**	9.9p
Diluted:			
– Continuing operations	9	**12.1p**	11.3p
– Discontinued operations	9	**–**	(1.8)p
Total		**12.1p**	9.5p
Supplementary information – continuing operations			
Adjusted[2] operating profit	3	**159.1**	150.2
Adjusted[2] profit before tax	3	**125.4**	118.1
Adjusted[2] basic earnings per share	9	**21.6p**	20.6p

1 Group revenue including share of joint ventures is an alternative performance measure.
2 References to 'adjusted' excludes adjusting items, see note 3. These are alternative performance measures.

Financial statements
Condensed consolidated statement of comprehensive income
For the year ended 30 June 2025

	Note	**2025 £m**	2024 £m
Profit for the year		**56.4**	43.0
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to the income statement			
Fair value movements on cash flow hedging instruments		**0.4**	(2.6)
Fair value movements on cash flow hedging instruments recycled to the income statement	5	**(0.2)**	–
Deferred tax on fair value movements on cash flow hedging instruments		**–**	0.9
Foreign exchange translation differences		**–**	(0.1)
Foreign exchange movements recycled to the income statement		**–**	(9.2)
Items that will not be reclassified to the income statement			
Re-measurement of retirement benefit assets and obligations	6	**(42.5)**	(36.5)
Tax on re-measurement of retirement benefit assets and obligations		**10.7**	9.1
Other comprehensive loss for the year		**(31.6)**	(38.4)
Total comprehensive income for the year		**24.8**	4.6
Attributable to:			
Equity holders of the Company		**24.8**	4.3
Non-controlling interests		**–**	0.3
		24.8	4.6
Total comprehensive income/(loss) for the year attributable to equity holders of the Company arises from:			
Continuing operations		**24.8**	12.6
Discontinued operations		**–**	(8.3)
		24.8	4.3

Financial statements
Condensed consolidated balance sheet
As at 30 June 2025

	Note	2025 £m	2024 £m
Non-current assets			
Intangible assets	10	**608.4**	638.2
Property, plant and equipment		**28.0**	27.7
Right-of-use assets		**96.5**	95.0
Investment properties	11	**100.6**	104.9
Investments in and loans to joint ventures	12	**145.8**	91.7
Deferred tax assets	7	**136.7**	133.1
Contract assets		**57.0**	53.6
Trade and other receivables		**30.0**	28.5
Retirement benefit assets	6	**74.1**	105.0
Non-current assets		**1,277.1**	1,277.7
Current assets			
Inventories		**65.6**	74.0
Contract assets		**317.0**	304.5
Trade and other receivables		**202.8**	237.3
Corporation tax receivable		**0.6**	–
Other financial assets		**–**	7.1
Cash and cash equivalents	13	**1,689.4**	1,563.1
Current assets		**2,275.4**	2,186.0
Total assets		**3,552.5**	3,463.7
Current liabilities			
Bank overdrafts	13	**(1,221.4)**	(1,101.4)
Borrowings	13	**–**	(58.8)
Lease liabilities		**(40.8)**	(42.2)
Trade and other payables	14	**(1,105.7)**	(1,109.8)
Contract liabilities		**(168.0)**	(128.4)
Provisions		**(53.1)**	(55.3)
Current liabilities		**(2,589.0)**	(2,495.9)
Non-current liabilities			
Borrowings	13	**(263.9)**	(242.0)
Lease liabilities		**(110.3)**	(130.9)
Trade and other payables	14	**(19.1)**	(28.4)
Retirement benefit obligations	6	**(26.9)**	(24.5)
Provisions		**(26.1)**	(21.9)
Non-current liabilities		**(446.3)**	(447.7)
Total liabilities		**(3,035.3)**	(2,943.6)
Net assets	2	**517.2**	520.1
Equity			
Share capital		**4.5**	4.5
Share premium		**3.6**	3.2
Retained earnings		**158.6**	162.1
Merger reserve		**350.6**	350.6
Other reserves		**–**	(0.2)
Equity attributable to owners of the Company		**517.3**	520.2
Non-controlling interests		**(0.1)**	(0.1)
Total equity		**517.2**	520.1

Financial statements
Condensed consolidated statement of changes in equity
As at 30 June 2025

		Share capital[1] £m	Share premium[2] £m	(Accumulated losses)/ retained earnings[3] £m	Merger reserve[4] £m	Other reserves[5] £m	Equity attributable to owners of the Company £m	Non-controlling interests £m	Total equity £m
At 1 July 2023		4.5	684.3	(539.5)	350.6	13.5	513.4	(0.4)	513.0
Profit for the year		–	–	42.7	–	–	42.7	0.3	43.0
Other comprehensive loss		–	–	(27.4)	–	(11.0)	(38.4)	–	(38.4)
Total comprehensive income/(loss) for the year		–	–	15.3	–	(11.0)	4.3	0.3	4.6
Dividends paid	8	–	–	(7.3)	–	–	(7.3)	–	(7.3)
Issue of own shares		–	3.3	–	–	–	3.3	–	3.3
Capital reduction		–	(684.4)	687.1	–	(2.7)	–	–	–
Share-based payments		–	–	9.3	–	–	9.3	–	9.3
Deferred tax on share-based payments		–	–	0.9	–	–	0.9	–	0.9
Purchase of own shares via employee benefit trust		–	–	(3.7)	–	–	(3.7)	–	(3.7)
At 30 June 2024		4.5	3.2	162.1	350.6	(0.2)	520.2	(0.1)	520.1
Profit for the year		**–**	**–**	**56.4**	**–**	**–**	**56.4**	**–**	**56.4**
Other comprehensive (loss)/income		**–**	**–**	**(31.8)**	**–**	**0.2**	**(31.6)**	**–**	**(31.6)**
Total comprehensive income for the year		**–**	**–**	**24.6**	**–**	**0.2**	**24.8**	**–**	**24.8**
Dividends paid	8	**–**	**–**	**(24.1)**	**–**	**–**	**(24.1)**	**–**	**(24.1)**
Issue of own shares		**–**	**0.4**	**–**	**–**	**–**	**0.4**	**–**	**0.4**
Share-based payments		**–**	**–**	**8.9**	**–**	**–**	**8.9**	**–**	**8.9**
Deferred tax on share-based payments		**–**	**–**	**3.2**	**–**	**–**	**3.2**	**–**	**3.2**
Purchase of own shares via employee benefit trust		**–**	**–**	**(9.7)**	**–**	**–**	**(9.7)**	**–**	**(9.7)**
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**

1. The share capital includes 452,875,390 of authorised, issued and fully paid Ordinary Shares of 1p each (2024: 452,133,752). 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 year, 741,638 shares were issued under the Sharesave Scheme (2024: 5,819,317).
2. On 22 December 2023, the Company completed a capital reduction exercise, resulting in £684.4m of share premium being cancelled and transferred to retained earnings.
3. On 21 January 2025, the Company commenced a share buyback programme to return capital to shareholders. During the year, the Company purchased a total of 4,552,151 shares with a negligible nominal value at a cost of £6.4m. These are held as treasury shares at the balance sheet date.
4. £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.
5. Other reserves include capital redemption reserve, cash flow hedge reserve and translation reserve. On 22 December 2023, the Company completed a capital reduction exercise, resulting in £2.7m of capital redemption being cancelled and transferred to retained earnings.

Financial statements
Condensed consolidated statement of cash flows
For the year ended 30 June 2025

	Note	2025 £m	2024[1] £m
Cash flows from operating activities			
Profit before tax - continuing operations		**78.1**	68.1
- discontinued operations	3	**–**	(9.1)
Net finance cost	5	**35.6**	35.0
Share of post-tax trading results of joint ventures	12	**1.5**	(1.6)
Pension cost charge		**2.1**	1.8
Equity-settled share-based payments charge		**8.9**	9.3
Amortisation of intangible assets and mobilisation costs		**38.7**	33.8
Change in fair value of investment properties	11	**(7.6)**	(6.5)
Depreciation of property, plant and equipment		**5.6**	8.3
Depreciation of right-of-use assets		**46.1**	39.0
Recycling of foreign exchange movements to the income statement		**–**	(9.2)
Loss/(profit) on disposal of property, plant and equipment, right-of-use assets and intangible assets		**0.4**	(1.3)
Operating cash inflows before movements in working capital and deficit contributions to pension funds		**209.4**	167.6
Deficit contributions to pension funds	6	**(7.0)**	(8.6)
Decrease/(increase) in inventories		**2.0**	(1.1)
Decrease/(increase) in receivables		**19.6**	(48.6)
(Increase)/decrease in contract assets		**(15.9)**	43.8
(Decrease)/increase in payables		**(20.5)**	23.7
Increase in contract liabilities		**39.6**	37.9
Increase in provisions		**2.0**	8.1
Cash inflow from operating activities		**229.2**	222.8
Dividends received from joint ventures	12	**3.9**	6.7
Interest received	5	**3.7**	3.5
Income tax paid		**(1.8)**	(2.9)
Net cash inflow from operating activities		**235.0**	230.1
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**1.0**	1.8
Purchase of property, plant and equipment		**(11.1)**	(7.1)
Purchase of intangible assets	10	**(5.4)**	(9.5)
Purchase of capitalised mobilisation costs		**(1.9)**	(1.9)
Acquisition of assets		**–**	(9.4)
Investment in joint ventures		**(60.9)**	(23.8)
Loan repayment and return of equity from joint ventures	12	**9.9**	5.6
Net cash used in investing activities		**(68.4)**	(44.3)
Cash flows from financing activities			
Issue of shares		**0.4**	3.3
Purchase of own shares		**(16.1)**	(3.7)
Interest paid		**(40.6)**	(32.7)
Principal elements of lease payments		**(47.5)**	(40.6)
Drawdown of borrowings		**4.7**	247.5
Repayment of borrowings		**(44.3)**	(267.4)
Settlement of derivative financial instruments		**7.2**	–
Dividends paid	8	**(24.1)**	(7.3)
Net cash used in financing activities		**(160.3)**	(100.9)
Increase in cash, cash equivalents and bank overdrafts		**6.3**	84.9
Effect of change in foreign exchange rates		**–**	(0.1)
Opening cash, cash equivalents and bank overdrafts		**461.7**	376.9
Closing cash, cash equivalents and bank overdrafts	13	**468.0**	461.7

[1] In the comparative information, £28.3m of research and development credit cash flows that were previously disclosed within operating cash flows before movements in working capital have been re-presented as part of movements in receivables in cash flow from operating activities.

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 consolidated financial statements (financial statements) for the year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interest in joint arrangements.

Basis of preparation

These results have been prepared in accordance with the UK Financial Conduct Authority and in accordance with the UK-adopted International Accounting Standards effective for accounting periods beginning on or after 1 July 2024 and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The financial information contained in this preliminary announcement does not constitute the Company's statutory accounts as at and for the year ended 30 June 2025, but is derived from those statutory accounts. The Company's statutory accounts as at and for the year ended 30 June 2025 were approved by the Board on 15 September 2025 and received an unqualified audit report. These will be delivered to the Registrar of Companies following the Company's Annual General Meeting on 13 November 2025.

Going concern

In determining the appropriate basis of preparation of the 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 31 December 2026.

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 financial statements. This assessment has involved the review of cash flow forecasts for the period to 31 December 2026 for each of the Group's divisions; and also considered recent historical trading performance where the Group's cashflow forecasts have been achieved. The Directors have also considered the strength of the Group's order book which amounted to £11.0bn at 30 June 2025 and will provide a pipeline of secured work over the going concern assessment period.

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 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 Directors have also considered the potential impact of climate change and 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.

In January 2025, the Group repaid the remaining £37.3m USPP notes and reduced its RCF facility by £111m, the result being that the Group now has £400m of committed facilities, consisting of 5 Year £250m Senior Notes maturing in February 2029 and a £150m RCF facility to March 2027.

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 financial statements and, for this reason, they continue to adopt the going concern basis in preparing these financial statements.

2 Segmental reporting

Year to 30 June 2025

	Infrastructure Services £m	Construction £m	Property £m	Corporate £m	Group £m
Revenue[1]					
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**
Timing of revenue[1]					
Products and services transferred at a point in time	**6.9**	**–**	**33.1**	**–**	**40.0**
Products and services transferred over time	**2,129.1**	**1,910.5**	**5.3**	**2.9**	**4,047.8**
Group revenue including share of joint ventures	**2,136.0**	**1,910.5**	**38.4**	**2.9**	**4,087.8**
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 from continuing operations					**56.4**
Loss for the year from discontinued operations					**–**
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 financial assets					–
Net assets/(liabilities)	**1,051.5**	**319.9**	**34.8**	**(889.0)**	**517.2**
Other information					
Inter-segmental revenue	**11.2**	**3.5**	**–**	**40.2**	**54.9**
Capital expenditure on property, plant, equipment and intangible assets	**2.2**	**1.0**	**–**	**13.3**	**16.5**
Depreciation of property, plant and equipment	**(0.5)**	**(0.2)**	**(0.2)**	**(4.7)**	**(5.6)**
Amortisation of computer software	**(1.7)**	**(0.8)**	**–**	**(11.1)**	**(13.6)**

2 Segmental reporting continued

Year to 30 June 2024

	Infrastructure Services £m	Construction £m	Property £m	Corporate £m	Group £m
Revenue[1]					
Group revenue including share of joint ventures	1,988.3	1,907.8	71.0	2.3	3,969.4
Less share of joint ventures	–	(2.4)	(61.9)	–	(64.3)
Group revenue	1,988.3	1,905.4	9.1	2.3	3,905.1
Timing of revenue[1]					
Products and services transferred at a point in time	5.9	0.6	57.8	–	64.3
Products and services transferred over time	1,982.4	1,907.2	13.2	2.3	3,905.1
Group revenue including share of joint ventures	1,988.3	1,907.8	71.0	2.3	3,969.4
Profit/(loss) for the year					
Adjusted operating profit/(loss)[2]	112.3	69.2	6.2	(37.5)	150.2
Adjusting items[2]	(23.6)	(9.6)	(4.3)	(9.6)	(47.1)
Operating profit/(loss)	88.7	59.6	1.9	(47.1)	103.1
Net finance income/(costs)[3]	4.4	1.4	(3.7)	(37.1)	(35.0)
Profit/(loss) before tax	93.1	61.0	(1.8)	(84.2)	68.1
Taxation					(16.8)
Profit for the year from continuing operations					51.3
Loss for the year from discontinued operations					(8.3)
Profit for the year					43.0
Balance sheet					
Operating assets[4]	908.3	424.4	217.9	342.9	1,893.5
Operating liabilities[4]	(499.8)	(814.2)	(14.8)	(212.6)	(1,541.4)
Net operating assets/(liabilities)[4]	408.5	(389.8)	203.1	130.3	352.1
Cash, cash equivalents, bank overdrafts and borrowings	540.4	700.4	(171.3)	(908.6)	160.9
Net financial assets	–	–	–	7.1	7.1
Net assets/(liabilities)	948.9	310.6	31.8	(771.2)	520.1
Other information					
Inter-segmental revenue	4.9	0.1	–	39.8	44.8
Capital expenditure on property, plant, equipment and intangible assets	2.4	4.4	–	9.8	16.6
Depreciation of property, plant and equipment	(0.7)	(0.4)	(0.2)	(7.0)	(8.3)
Amortisation of computer software	(1.1)	(0.2)	–	(6.1)	(7.4)

1 Revenue is stated after the exclusion of inter-segmental revenue. 100% of the Group's revenue is derived from UK-based customers. 16% of the Group's revenue was received from High Speed Two (HS2) Limited (2024: 15%). Group revenue including 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% (2024: 4.0%).
4 Net operating assets/(liabilities) represent assets excluding cash, cash equivalents, bank overdrafts, borrowings, financial assets and liabilities, and interest-bearing inter-company loans.

3 Adjusting items

(a) Reconciliation to adjusted profit

Continuing operations	2025 Adjusted £m	2025 Adjusting items £m	2025 Total £m	2024 Adjusted £m	2024 Adjusting items £m	2024 Total £m
Group revenue	**4,077.1**	**–**	**4,077.1**	3,905.1	–	3,905.1
Cost of sales	**(3,727.3)**	**(19.0)**	**(3,746.3)**	(3,555.1)	(15.0)	(3,570.1)
Gross profit	**349.8**	**(19.0)**	**330.8**	350.0	(15.0)	335.0
Administrative expenses	**(197.6)**	**(25.6)**	**(223.2)**	(216.2)	(23.8)	(240.0)
Share of post-tax results of joint ventures	**(1.5)**	**–**	**(1.5)**	6.0	(4.4)	1.6
Other income	**8.4**	**(0.8)**	**7.6**	10.4	(3.9)	6.5
Operating profit	**159.1**	**(45.4)**	**113.7**	150.2	(47.1)	103.1
Net finance charges	**(33.7)**	**(1.9)**	**(35.6)**	(32.1)	(2.9)	(35.0)
Profit before tax	**125.4**	**(47.3)**	**78.1**	118.1	(50.0)	68.1
Taxation	**(30.2)**	**8.5**	**(21.7)**	(28.4)	11.6	(16.8)
Profit for the year from continuing operations	**95.2**	**(38.8)**	**56.4**	89.7	(38.4)	51.3
Loss for the year from discontinued operations	**–**	**–**	**–**	–	(8.3)	(8.3)
Profit for the year	**95.2**	**(38.8)**	**56.4**	89.7	(46.7)	43.0

Adjusting items include:

- Cost of sales:
  - Fire and cladding compliance costs of £17.0m – these consist of costs incurred in rectifying legacy issues to comply with the latest Government guidance. The net charge of £17.0m includes a credit of £8.7m in respect of insurance proceeds.
  - Other adjusting items of £2.0m – other costs consist of a payment made to settle part of an insurance-related claim that has previously been treated as an adjusting item.

- Administrative expenses:
  - Amortisation of acquired intangible assets of £21.6m – comprises amortised contract rights arising from prior year acquisitions.
  - Property-related items of £4.0m – these costs include the impact of the purchase and subsequent sale of a vacant leasehold office in Manchester, as well as income and costs incurred in respect of corporate properties vacated as part of the review of Group premises.

- Net finance charges:
  - Net financing costs of £1.9m – these relate to IFRS 16 interest charges on leased investment properties previously used as offices.

(b) Discontinued operations

Following the sale of its residential property building business (‘Kier Living’) in FY21, the Group retained responsibility for the cost of defect rectification works relating to former Kier Living sites. At the time of the sale, provisions were made for the expected rectification costs. These costs were included in discontinued operations as they were directly associated with the disposal of Living.

During FY24, the Group reviewed the remaining liabilities for the defect rectification works, based on the outstanding scope of works to be completed and current market price. The cost increased by £8.3m, net of tax credit of £0.8m, the majority of which remained as a provision on the year-end balance sheet. The £8.3m was recognised as an adjusting item within discontinued operations.

(c) Cash outflow from adjusting items

	2025 £m	2024 £m
Adjusting items reported in the income statement		
– Continuing operations	**47.3**	50.0
– Discontinued operations	**–**	8.3
Less: non-cash items incurred in the year	**(38.4)**	(31.4)
Add: payment of prior year accruals and provisions	**8.9**	9.8
Cash outflow from adjusting items	**17.8**	36.7

4 Other income

	2025 £m	2024 £m
Fair value gain on investment properties	**7.6**	6.5
Other income	**7.6**	6.5

5 Finance income and costs

	2025 £m	2024 £m
Finance income		
Bank deposits	**3.6**	3.4
Interest receivable on loans to related parties	**0.1**	0.1
Net interest on net defined benefit obligation	**4.3**	5.7
	8.0	9.2
Finance costs		
Interest payable on loans and overdrafts	**(8.3)**	(23.1)
Interest payable on bonds	**(22.5)**	(8.4)
Interest payable on leases	**(9.1)**	(9.5)
Foreign exchange movements on foreign denominated borrowings	**(0.5)**	(0.6)
Fair value movements on cash flow hedges recycled from other comprehensive income	**0.2**	–
Other	**(3.4)**	(2.6)
	(43.6)	(44.2)
Net finance costs	**(35.6)**	(35.0)

6 Retirement benefit obligations

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

	2025 %	2024 %
Discount rate	**5.50**	5.15
Inflation rate (Retail Price Index)	**2.90**	3.20
Inflation rate (Consumer Price Index)	**2.20 – 2.65**	2.40 – 2.85

1 CPI rates are based on individual scheme expected durations.

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

			2025			2024
	Kier Group £m	Acquired schemes £m	Total £m	Kier Group £m	Acquired schemes £m	Total £m
Opening net surplus/(deficit)	96.9	(16.4)	**80.5**	117.5	(13.0)	104.5
Credit/(charge) to income statement	3.1	(0.9)	**2.2**	4.8	(0.9)	3.9
Employer contributions	–	7.0	**7.0**	–	8.6	8.6
Actuarial losses	(31.3)	(11.2)	**(42.5)**	(25.4)	(11.1)	(36.5)
Closing net surplus/(deficit)	**68.7**	**(21.5)**	**47.2**	96.9	(16.4)	80.5
Comprising:						
Fair value of scheme assets	763.0	372.2	**1,135.2**	825.2	393.4	1,218.6
Net present value of the defined benefit obligation	(694.3)	(393.7)	**(1,088.0)**	(728.3)	(409.8)	(1,138.1)
Net surplus/(deficit)	**68.7**	**(21.5)**	**47.2**	96.9	(16.4)	80.5
Presentation of net surplus/(deficit) in the Consolidated balance sheet:						
Retirement benefit assets	68.7	5.4	**74.1**	96.9	8.1	105.0
Retirement benefit obligations	–	(26.9)	**(26.9)**	–	(24.5)	(24.5)
Net surplus/(deficit)	**68.7**	**(21.5)**	**47.2**	96.9	(16.4)	80.5

7 Taxation

	2025 £m	2024 £m
Profit before tax	**78.1**	68.1
Losses from joint venture companies	**–**	1.6
Profit before tax excluding income from joint ventures	**78.1**	69.7
Current tax	**(12.5)**	(12.2)
Deferred tax	**(9.2)**	(4.6)
Total tax charge in the income statement	**(21.7)**	(16.8)
Effective tax rate	**27.8%**	24.1%

The deferred tax asset of £136.7m (2024: £133.1m) includes £100.2m of tax losses (2024: £106.8m) and £36.5m of other deferred tax assets and liabilities (2024: £26.3m).

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.

The following evidence has been considered when assessing whether these forecasts are achievable and realistic:

- The business traded in line with Board expectations in 2025;
- The Group has completed its restructuring activities and is focusing on the achievement of the long-term sustainable growth plan; and
- The Group's core businesses are well-placed to benefit from the announced and committed UK Government spending plans to invest in infrastructure and decarbonisation.

When considering the length of time over which the losses are expected to be utilised, the Group has taken into account that generally only 50% of profits in each year can be offset by brought forward losses.

Based on these forecasts, the Group is expected to utilise its deferred tax asset over a period of approximately 7 years.

The Research and Development Expenditure Credit ('RDEC') of £41.0m was included in operating profit during the year (2024: £28.3m). Included in other receivables at 30 June 2025 were RDEC receivables of £31.8m (2024: £30.0m). This predominantly represents in year claims, with the FY24 balance received during the year.

8 Dividends

	2025		2024	
	£m	**pence per share**	£m	pence per share
Prior year final	**15.2**	**3.5**	–	–
Current year interim	**8.9**	**2.0**	7.3	1.7
Total dividend recognised in the year	**24.1**	**5.5**	7.3	1.7

	2025		2024	
	£m	**pence per share**	£m	pence per share
Interim	**8.9**	**2.0**	7.3	1.7
Final	**22.7**	**5.2**	15.1	3.5
Total dividend relating to the year	**31.6**	**7.2**	22.4	5.2

The proposed final dividend for the year ending 30 June 2025 of 5.2p pence per share (2024: 3.5p) was not declared until after the balance sheet date and so has not been included as a liability in these financial statements. The dividend totalling approximately £22.7m will be paid on 3 December 2025 to shareholders on the register on 31 October 2025.

9 Earnings per share

Continuing operations	2025 Basic £m	2025 Diluted £m	2024 Basic £m	2024 Diluted £m
Profit for the year	**56.4**	**56.4**	51.3	51.3
Less: non-controlling interest share	**–**	**–**	(0.3)	(0.3)
Profit after tax and minority interests	**56.4**	**56.4**	51.0	51.0
Adjusting items (excluding tax)	**47.3**	**47.3**	50.0	50.0
Tax impact of adjusting items	**(8.5)**	**(8.5)**	(11.6)	(11.6)
Adjusted profit after tax from continuing operations	**95.2**	**95.2**	89.4	89.4
Discontinued operations				
Adjusting items from discontinued operations (net of tax)	**–**	**–**	(8.3)	(8.3)
Weighted average number of shares (no, m)	**441.5**	**466.1**	433.5	451.7
Basic earnings (p)				
Attributable to the ordinary equity holders of the Company from continuing operations	**12.8**	**12.1**	11.8	11.3
Attributable to the ordinary equity holders of the Company from discontinued operations	**–**	**–**	(1.9)	(1.8)
Total basic earnings per share attributable to the ordinary equity holders of the Company	**12.8**	**12.1**	9.9	9.5
Adjusted basic earnings (p)				
Adjusted basic earnings per share attributable to the ordinary equity holders of the Company	**21.6**	**20.4**	20.6	19.8

The weighted average number of shares is lower than the number of shares in issue by 11.4m (2024: 18.6m) 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

	Goodwill £m	Intangible contract rights £m	Computer software £m	**Total £m**
Cost				
At 1 July 2023	538.8	235.7	125.7	**900.2**
Additions	–	–	9.5	**9.5**
Arising on acquisition	6.8	7.5	–	**14.3**
Disposals	–	–	(0.1)	**(0.1)**
At 30 June 2024	**545.6**	**243.2**	**135.1**	**923.9**
Additions	**–**	**–**	**5.4**	**5.4**
Disposals	**–**	**–**	**(5.4)**	**(5.4)**
At 30 June 2025	**545.6**	**243.2**	**135.1**	**923.9**
Accumulated amortisation and impairment				
At 1 July 2023	(2.1)	(170.9)	(82.2)	(255.2)
Charge for the year	–	(23.2)	(7.4)	(30.6)
Disposals	–	–	0.1	0.1
At 30 June 2024	(2.1)	(194.1)	(89.5)	(285.7)
Charge for the year	**–**	**(21.6)**	**(13.6)**	**(35.2)**
Disposals	**–**	**–**	**5.4**	**5.4**
At 30 June 2025	**(2.1)**	**(215.7)**	**(97.7)**	**(315.5)**
Net book value				
At 30 June 2025	**543.5**	**27.5**	**37.4**	**608.4**
At 30 June 2024	543.5	49.1	45.6	638.2

11 Investment properties

	Owned assets £m	Right-of-use assets £m	Total £m
At 1 July 2023	52.9	45.5	98.4
Fair value gain/(loss) recognised in other income	8.2	(1.7)	6.5
At 30 June 2024	**61.1**	**43.8**	**104.9**
Transfers	**3.6**	**(15.5)**	**(11.9)**
Fair value gain/(loss) recognised in other income	**8.3**	**(0.7)**	**7.6**
At 30 June 2025	**73.0**	**27.6**	**100.6**

12 Investment in and loans to joint ventures

	2025 £m	2024 £m
At 1 July	**91.7**	78.6
Additions	**76.4**	23.8
Disposals	**(7.0)**	–
Loan repayments and return of equity	**(9.9)**	(5.6)
Share of:		
Operating loss	**(0.4)**	(0.7)
Finance costs	**(0.9)**	(0.5)
Tax (expense)/income	**(0.2)**	2.8
Post-tax results of joint ventures	**(1.5)**	1.6
Dividends received	**(3.9)**	(6.7)
At 30 June	**145.8**	91.7

13 Net cash

	2025 £m	2024 £m
Cash and cash equivalents	**1,689.4**	1,563.1
Bank overdrafts	**(1,221.4)**	(1,101.4)
Net cash, cash equivalents and bank overdrafts	**468.0**	461.7
Borrowings due within one year	**–**	(58.8)
Borrowings due after one year	**(263.9)**	(242.0)
Impact of cross-currency hedging	**–**	6.3
Net cash	**204.1**	167.2

Average month-end net debt was £49.2m (2024: £116.1m). Net debt excludes lease liabilities.

In January 2025, the Group repaid the remaining £37.3m USPP notes and the associated cross-currency swap matured.

14 Trade and other payables

	2025 £m	2024 £m
Current:		
Trade payables	**311.0**	328.4
Accruals	**580.7**	580.2
Subcontract retentions	**37.1**	30.8
Other taxation and social security	**168.1**	152.1
Other payables and deferred income	**8.8**	18.3
	1,105.7	1,109.8
Non-current:		
Trade payables	**–**	3.9
Subcontract retentions	**19.1**	24.5
	19.1	28.4

15 Guarantees, contingent liabilities and contingent assets

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). Financial guarantees over the obligations of the Company's subsidiaries and joint ventures are initially measured at fair value, based on the premium received from the joint venture or the differential in the interest rate of the borrowing including and excluding the guarantee. Subsequent to initial recognition, financial guarantee contracts are measured at the higher of the initial fair value measurement (adjusted for any income amounts recognised) and the amount determined in accordance with the expected credit loss model. Performance guarantees are treated as a contingent liability until such time as it becomes probable that payment will be required under its terms.

In line with comparable construction businesses, from time to time, the Group is involved in legal claims in the ordinary course of business. The Group assesses the likelihood of success of claims taking into consideration specific circumstances in each case and any legal advice received. Provisions are recorded for the Directors' best estimate of the probable outflow in respect of such matters. If the Directors consider that a claim is unlikely to succeed, no provision is made.

Fire and cladding review

The Group continues to review 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.

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 detailed expert reports, fire safety assessments and physical inspections undertaken.

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.

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 timing of the recognition of assets and liabilities.

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 2024.

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