15 September 2026

Results for the year ended 30 June 2026

Strong YoY performance. Focus on growth and capital allocation. FY27 expectations increased.

Kier Group plc ("Kier", the "Company" or the "Group"), a leading UK infrastructure and construction group, announces its results for the year ended 30 June 2026 ("FY26" or the "year") and provides an update on its strategic priorities and medium-term financial targets.

Commenting, Stuart Togwell, Chief Executive, said:

"I am pleased to report that Kier has delivered another year of strong performance, achieving excellent revenue and profit growth. We continued to bolster the Group's financial profile, reaching an average net cash position for the first time in over a decade, a significant milestone from which to build. During my first year as Chief Executive, we have taken important steps to strengthen and simplify the business, enhance the capability of our leadership team and align the Group even more closely with the significant growth opportunities ahead. I have also been particularly encouraged by further improvements in employee engagement and customer satisfaction, which reflect the strength of our culture and provide a strong foundation for future success.

We are building a stronger, more focused Kier, concentrating our expertise, resources and talent where we can create the greatest value for customers, shareholders, communities and colleagues. We enter FY27 with strong foundations and clear strategic priorities, to make the most of the sizeable opportunity in front of us. In particular, we bring good momentum into the new financial year, with recent significant contract and framework awards, strong order book growth and an expanding pipeline. This gives us confidence, looking at FY27, that earnings will be at the top end of the Board's prior expectations. Reflecting this confidence, we have updated our medium-term financial targets to underline our ambition and the value creation opportunity at hand for our shareholders."

FY26 Highlights

- Strong growth in revenue and adjusted operating profit, with average net cash position achieved across FY26:
    - Year-on-year revenue growth of 7.5% delivered at an adjusted operating margin of 3.9% (FY25: 3.9%)
    - Growth in adjusted operating profit of 6.7% to £169.8m (FY25: £159.1m)
    - Operating free cash flow grew to £206m (FY25: £199m) representing 121% cash conversion, significantly above the Group's medium-term target of 90%
    - Strong balance sheet with year-end net cash at £232m, representing a 13.9% increase year-on-year (FY25: £204m)
    - £10.7m of average net cash[1] for FY26, materially improved versus average net debt of £(49.2)m in FY25
    - Proposed full year dividend increased by 8% to 7.8p, representing earnings cover of 3x
    - £25m share buyback announced in March 2026 (over 30% complete at 30 June 2026)

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

- Record order book of high-quality work and excellent forward visibility:
  - Order book grew 8% to £11.9bn as at 30 June 2026 (June 2025: £11.0bn, December 2025: £11.6bn) providing good visibility over future revenues, earnings and cash flows
  - >95% of expected FY27 revenue and >70% of FY28 revenue secured[1]
  - Momentum from significant wins continuing into FY27: Hinchingbrooke (New Hospitals Programme), East/West Rail, Greater Manchester stations
- Extensive framework positions across diverse sectors:
  - Increased framework positions to c.£200bn (FY25: c.£150bn) through wins and renewals across healthcare, water, defence, energy, education, transportation and regional construction
  - Framework win/renewal success rate over 80%[2]
  - These positions underpin the Group's commercial mix, with c.95% of revenues under a combination of either cost reimbursable or two-stage processes[3]

Strategic Priorities & Updated Medium-Term Targets

The divisional structure has been simplified and new senior appointments have further strengthened the management team, providing a strong platform for sustainable growth. To guide this next phase of Kier's development, an in depth review, involving key stakeholders, has identified three strategic priorities:

- *Growth*: focus on core businesses, Infrastructure and Construction, with end markets underpinned by long term structural growth trends
- *Resilience*: further strengthen the balance sheet, targeting >£200m of average net cash by FY29, giving enhanced capital allocation optionality, including bond repayment (due FY29)
- *Performance*: enhance quality of earnings, targeting double-digit adjusted EPS growth

In line with these strategic priorities, from FY27 there will be no investment in new Property developments, with capital re-allocated to enhance the Group's balance sheet strength. This process will be managed in a controlled way to balance timing and value, with capital to be realised in line with existing development schedules.

The medium-term financial targets have been updated (reflecting the above strategic priorities):

- Revenue: mid-single digit growth
- Adjusted operating margin: 4.0-4.5%
- Operating cashflow conversion: >90%
- Dividend cover: c.3x
- Balance sheet: average net cash of >£200m, by FY29
- Adjusted EPS: double-digit growth

[1]Order book cover based on FY27 and FY28 consensus revenue as at 14 September 2026
[2]Infrastructure and Regional Construction businesses
[3]Cost reimbursable includes Target-Cost and Cost-Plus contracts

Financial Highlights

(£m unless otherwise stated)	**Year to 30 June 2026**	Year to 30 June 2025	*Change*
Adjusted results			
Revenue[1]	**4,393.0**	4,087.8	*7.5%*
Adjusted operating profit[2]	**169.8**	159.1	*6.7%*
Adjusted operating margin	**3.9%**	3.9%	-
Adjusted profit before tax[3]	**136.4**	125.4	*8.8%*
Adjusted basic earnings per share (note 9)	**23.5p**	21.6p	*8.8%*
Net cash[4]	**232.4**	204.1	*13.9%*
Average net cash / (debt)[5]	**10.7**	(49.2)	
Statutory reported			
Group revenue	**4,352.5**	4,077.1	*6.8%*
Operating profit	**118.7**	113.7	*4.4%*
Profit before tax	**83.8**	78.1	*7.3%*
Basic earnings per share (note 9)	**14.1p**	12.8p	*10.2%*
Full year dividend per share (note 8)	**7.8p**	7.2p	*8.3%*

[1]Revenue of the Group and its share of revenue from joint ventures.
[2]Stated before adjusting items of £32.1m (FY25: £23.8m) and amortisation of acquired intangible assets of £19.0m (FY25: £21.6m).
[3]Stated before adjusting items of £33.6m (FY25: £25.7m) and amortisation of acquired intangible assets of £19.0m (FY25: £21.6m).
[4]Disclosed net of the effect of hedging instruments and excludes leases – see note 13 to the condensed consolidated financial statements.
[5]Average month-end net cash, an alternative performance measure.

FY26 Results Presentation

Kier Group plc will host a presentation for analysts and investors at 10:00am (BST) on Tuesday 15 September 2026 at the offices of Deutsche Bank AG, 21 Moorfields, London, EC2Y 9DB.

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

Webcast:https://www.investis-live.com/kier/6a884e821263ca001bf7b11b/pvem

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.

Online Retail Investor Presentation

Stuart Togwell, Chief Executive Officer, and Tom Hinton, Chief Financial Officer, will be hosting a live online retail investor presentation at 14:00pm (BST) on Friday, 25 September 2026. To attend, please register via the following link: Webinar Registration – Kier Group investor presentation.

Further Information:

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About Kier

Kier is a leading UK infrastructure and construction group.

Our purpose is to create lasting value through essential infrastructure, and we are committed to leaving lasting legacies through our work.

We create value through our uniquely combined differentiators, including: our leading framework positions across diverse sectors, our approach which combines national scale with local delivery and our end-to-end capability across the project lifecycle.

Combining deep sector expertise, trusted relationships, digital capability and a culture of safety, collaboration and continuous improvement, we help customers achieve better outcomes while creating sustainable long-term value.

You can find out more about Kier on our website.

Financial Summary

The Group delivered a strong operational performance in the year, with good momentum across the Infrastructure and Construction businesses driving growth in revenue, profit and cash flow.

Revenue grew 7.5%, to over £4.39bn (FY25: £4.09bn) reflecting significant momentum in the Group's core Infrastructure and Construction divisions. Adjusted operating profit of £169.8m represents a 6.7% increase on the prior year (FY25: £159.1m) with the adjusted operating profit margin maintained at an industry top tier level of 3.9% (FY25: 3.9%). Reported operating profit increased to £118.7m (FY25: £113.7m).

Underpinned by strong cash conversion, the Group achieved an average net cash position for the full year, closing FY26 with £10.7m of average net cash (FY25: £(49.2)m net debt). This financial milestone reflects the focus on operational delivery and cash management throughout the business and further reinforces the Group's disciplined approach to capital allocation, balancing growth, resilience and shareholder returns.

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 three year term, with options to extend for a further two years, to October 2030. This facility provides flexibility within the Group's capital structure enabling it to optimise future financing as market conditions evolve.

Record order book, with strong operational delivery

The Group's order book grew 8% to a record £11.9bn at the year end, securing >95% of forecast FY27 revenues. This growth reflects customers' continued endorsement of the Group's differentiated and market leading offering within its chosen sectors, together with its ability to pivot to new areas, in line with evolving market opportunities.

Activity levels for the Group were particularly high in water, supported by Kier's in-house design management, which enables early-stage customer engagement and integrated solution delivery. This momentum was supported by key framework positions across the justice & borders, education, healthcare and defence sectors, combined with a strong, well established footprint in the London private sector commercial market.

Strategy and growth drivers

Following an in-depth review, the Group has identified three strategic priorities:

Growth: focus on core businesses, Infrastructure and Construction, with end markets underpinned by long term structural growth trends

Resilience: further strengthen the balance sheet, targeting >£200m of average net cash by FY29, giving enhanced capital allocation optionality, including bond repayment (due FY29)

Performance: enhance quality of earnings, targeting double-digit adjusted EPS growth

These priorities support the Group's fundamental purpose: to deliver vital economic and social infrastructure across the UK, by:

- Working with the UK Government, regulated industries and private sector customers
- Operating through long-term national and local frameworks (totalling c.£200bn*)

*awarded positions by advertised value

Kier's core businesses are well aligned to the Government and regulated industry spending commitments to invest in UK infrastructure, with these core markets remaining resilient throughout past political and economic uncertainties. 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 is driven by structural trends, which provide tailwinds for Kier's chosen markets: population growth, transportation pressures, aging infrastructure, energy and national security, and climate change are all significant drivers of growth for the Group. In particular, the sectors of water, energy, defence and healthcare are expected to contribute significant revenue growth over the next three years for Kier, secured through the Group's proven industry expertise and underpinned by an expanding opportunity of future work that extends up to 15 years.

Property

The rationale underpinning the decision to reallocate capital from Property is four-fold and aligned to the Group's strategic priorities:

- It allows Kier to focus on its core Infrastructure and Construction businesses
- It further strengthens the balance sheet, building the Group's average net cash position
- It enhances the Group's quality of earnings, with lower exposure to the cyclicality inherent in Property
- It provides the Group with greater capital optionality, governed in line with its capital allocation framework

Going forward, Kier will not commit capital to new Property developments, a process managed in a controlled way to balance timing and value, with capital to be realised in line with existing development schedules.

With a simplified operating model, the Group will focus on capturing growth opportunities across its chosen sectors, supported by access to c.£200bn of secured framework positions and significant future investment from government and regulated clients across both capital and operational expenditure programmes over the next 5-15 years.

This positions the Group to deliver more consistent performance in the medium-term, supported by its strong track record of framework renewals, its ability to demonstrate value for money and social value outcomes, and its end-to-end capability, delivered locally at scale across the UK.

Medium-term financial targets

The Group has updated its medium-term financial targets to align with its strategic priorities (above):

- Revenue: mid-single digit growth
- Adjusted operating margin: 4.0-4.5%
- Operating cashflow conversion: >90%
- Dividend cover: c.3x
- Balance sheet: average net cash of >£200m, by FY29
- Adjusted EPS: double-digit growth

Capital Allocation

After capital expenditure and the payment of a dividend, the Group's capital allocation framework prioritises the target of >£200m average net cash by FY29.

Dividend - The outlook for the Group remains strong, underpinned by the large, high-quality order book and characterised by robust cash flow generation. In line with its dividend policy, the Board has proposed a final dividend of 5.2p, making a full year dividend of 7.8p per share (FY25: 7.2p per share). The final dividend will be paid on 4 December 2026 to shareholders on the register at close of business on 30 October 2026. The shares will be marked ex-dividend on 29 October 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 13 November 2026.

Dividends are an important component of the total return strategy and the Board's stated aim is to deliver a dividend, covered c.3x by adjusted earnings and in a payment ratio of approximately one-third interim dividend and two-thirds final dividend.

Acquisitions - The Group may also consider select value accretive acquisitions within its core markets, alongside the return of excess capital via share buybacks.

Share buybacks - The Group has demonstrated strong cash generation over several years, facilitating an initial share buyback of £20m, which completed in December 2025. The Board approved a subsequent share buyback of £25m, which was announced in March 2026 and is expected to be fully executed by the end of calendar 2026.

Operational changes and initiatives

The Group has taken a number of steps to optimise its structure and leadership capability, positioning itself to maximise the market opportunities that exist to shape the future of the UK's vital social and economic infrastructure. These provide a strong platform from which to leverage Kier's framework expertise and end-to-end capability to deliver disciplined, sustainable growth across the Infrastructure and Construction businesses.

During the year, Stuart Togwell assumed the role of Chief Executive Officer as part of the Group's long term succession planning. The executive management team was further strengthened with Kier welcoming Tom Hinton as Chief Financial Officer (previously Interim CEO at Wincanton) and Martin Staehr as Group Managing Director of Construction, (previously a Construction Director at Laing O'Rourke). Additionally, James Askew and Louisa Finlay moved to the newly created roles of Group Commercial Director and Chief Operating Officer, respectively, while Joe Incutti assumed the role of Group Managing Director for Infrastructure, combining Transportation and Natural Resources, Nuclear and Networks into a single infrastructure powerhouse. Together, these appointments provide the appropriate leadership capacity, governance and sector expertise to support the Group's scale and ambitions.

Furthermore, the Group launched its Naturally Digital programme, giving all employees access to the appropriate digital tools and platforms they need to work effectively. Designed to improve productivity, collaboration and data-led decision making across the business, the programme supports project delivery, operational efficiency and customer relationships.

Social and environmental impact

Kier continues to deliver measurable environmental, social and economic benefits, supporting customers, communities and the wider UK economy. This remains a key factor in its success in accessing projects, via established relationships, across multiple sectors.

In May 2026, Kier was recognised in the Financial Times European Climate Leaders and ranked 1st in construction, 3rd in the UK and 13th overall in Europe across 600 companies that were assessed. This reflects the efforts and approach we are taking to prioritise climate action and how we are translating ambition into measurable outcomes. It reflects sustained reductions in operational emissions, supported by clear targets, robust governance and the integration of sustainability into day-to-day decision making.

In FY26, the Group achieved a 34% year-on-year reduction in Scope 1 and 2 carbon emissions. This amounts to an 81% reduction since the FY19 baseline, largely driven by the replacement of diesel with use of HVO (hydrotreated vegetable oil). This continued progress supports its carbon reduction targets to become net zero carbon for Scope 1 and 2 by 2039.

Kier's sustainability framework, 'Building for a Sustainable World', focuses on three pillars: People, Places and Planet, with relevant metrics that report progress. During the year, the Group conducted a review of the framework, with a double materiality assessment to ensure it remains aligned to the Group's needs, stakeholder expectations and sustainability's ever evolving landscape. The 12-month rolling Significant Environmental Incident Rate (SEIR) of 7 represents a substantial reduction compared to FY25 (47), with 2 significant environmental incidents recorded. The Group's 12-month rolling Accident Incident Rate (AIR) of 101 in the year saw a 12% decrease on FY25, while the 12-month rolling All Accident Incident Rate (AAIR) of 269 represents a decrease of 22% compared to FY25. While these measures all demonstrate good progress, the Group strives to meet ambitious targets to further improve its health, safety and wellbeing performance, integrating robust processes, procedures and a risk management framework to underpin a high performing safety culture.

In June 2026, Kier was recognised for its work championing gender equality with a place on the Sunday Times and BITC Gender Top 50. Furthermore, Kier Group was awarded ESG Leader – Contractor at the New Civil Engineer Awards 2026, as well as the Diversity and Inclusion Excellence award at Construction News Awards 2026.

Kier was recognised in 2026 among the top 100 apprenticeship employers by the Department for Education. Our year-on-year ranking increased from 41st to 22nd place, which is a testament not only to the support that we offer to apprentices, but also to the culture of respect and inclusion which we are working hard to nurture.

Operational Review

Infrastructure

	Year to 30 June 2026	Year to 30 June 2025	*Change*
Revenue (£m)	**2,340.1**	2,136.0	*10%*
Adjusted operating profit (£m)[1]	**128.7**	111.0	*16%*
Adjusted operating margin (%)	**5.5%**	5.2%	*30bps*
Reported operating profit (£m)	**109.8**	89.5	*23%*
Order book (£bn)	**7.4**	6.5	*14%*

[1]Stated before adjusting items of £18.9m (FY25: £21.5m)

- Key project and framework wins in the year include:
    - UK Fusion Energy (ILIOS consortium) – first, £200m, tranche of the STEP fusion programme (£10bn total project)
    - Sizewell C's North Plaza – main entrance to the nuclear power station (£38bn total project)
    - National Highways – £968m legacy concrete roads framework
    - Norfolk Highways – £700m maintenance and infrastructure services contract
    - South West Water – c.£140m extension of the Network Services Alliance framework
    - Bridgwater Tidal Barrier Scheme – c.£100m Construction Continuation contract, for the Environment Agency
    - East West Rail –next phase survey work (up to £93m) for one of the UK's largest rail programmes
- Further recent wins include:
    - Thames Water - up to £280m quality improvement contract at Maple Lodge
    - Greater Manchester - major accessibility improvements at six railway stations
- c.95% of forecast revenue secured for FY27[1]

[1]Order book cover based on FY27 consensus revenue as at 14 September 2026

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

The year 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. Water represents a key structural growth opportunity for Kier, capitalising on the Group's 150 strong specialist water M&E capability. The Group has leading positions on £11bn worth of water frameworks with 10 customers, and over 140 live projects currently across the UK.

For roads, 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 well as continuing involvement with major national networks, as the wider sector transitions to the next Control Period 7 (CP7).

The order book grew year-on-year by 14% to £7.4bn underpinned by new work secured with both National Highways and local authorities.

The adjusted operating profit grew 16% to £129m (FY25: £111m), with the margin expanding from 5.2% to 5.5%, reflecting the evolving mix of business in our core markets. Reported operating profit grew to £110m (FY25: £90m), with adjusting items relating to the amortisation of contract rights from the Buckingham Group and other acquisitions.

Construction

	Year to 30 June 2026	Year to 30 June 2025	*Change*
Revenue (£m)	**1,986.8**	1,910.5	*4%*
Adjusted operating profit (£m)[1]	**76.5**	75.0	*2%*
Adjusted operating margin (%)	**3.9%**	3.9%	-
Reported operating profit (£m)	**44.3**	54.9	*(19)%*
Order book (£bn)	**4.5**	4.5	-

[1]Stated before adjusting items of £32.2m (FY25: £20.1m)

- Key project and framework wins in the year included:
  - Hospital 2.0 Alliance - £37bn framework
  - NHS Trust - Princess Alexandra Eye hospital, Edinburgh (initial works) and Chapel Allerton, Leeds Teaching Hospital (upgrade of theatres)
  - Education Construction 2025 - £15bn framework
  - Education - over £300m of projects, across central and local government, and the private sector
- Further recent wins include:
  - Hinchingbrooke hospital - c.£500m redevelopment under the Hospital 2.0 Alliance framework (see above)
  - Holden House - c.£100m office commercial redevelopment with Derwent London
  - Government Commercial Agency, FM and Security Services framework (8 years)
- c.100% of forecast revenue secured for FY27[1]

[1]Order book cover based on FY27 consensus revenue as at 14 September 2026

The Construction business designs and delivers building projects vital to the UK's infrastructure, covering the education, healthcare, justice and defence sectors, together with property management services. As one of the largest Tier 1 regional contractors, Kier combines its national reach with delivery at a local level.

Revenue growth in the full year of 4% (after a slight drop in H1) reflects the ramp up of some significant project works, such as HMP Glasgow, to full delivery phase. The order book for Construction at June 2026 of £4.5bn is in line with that at June 2025, but does not include the Hinchingbrooke hospital redevelopment which was awarded post year-end (c.£500m, July 2026).

Adjusted operating profit grew 2% to £77m (FY25: £75m), maintaining an industry top tier margin of 3.9% along with continued contract selection discipline (FY25: 3.9%). The Group incurred costs of £32m (FY25: £20m) in the year, principally due to fire and cladding compliance, presented as adjusting items.

Included within Construction is Kier Places (15% of FY26 revenue), a business providing recurring revenue streams through long-term facilities management, housing maintenance and specialised works. The Construction offering is further strengthened by the growing use of its in-house mechanical and electrical (M&E) capability across all regions (supporting around 50% of FY26 revenue).

Property

	Year to 30 June 2026	Year to 30 June 2025	*Change*
Revenue (£m)	63.4	38.4	*65%*
Adjusted operating profit (£m)	9.1	12.2	*(25)%*
Adjusted operating margin (%)	14.4%	31.8%	*nm*
Reported operating profit (£m)	9.1	12.2	*(25)%*
Capital employed (£m)	222	198	*12%*
ROCE (%)	4.3%	6.7%	*(240)bps*

The Property business invests in and develops mixed-use commercial and residential urban regeneration schemes across the UK, largely through joint ventures. The business generated revenue of £63m (FY25: £38m), while operating profit, driven by transaction timings, reduced to £9.1m (FY25: £12.2m) impacted by the wider macro-economic turbulence.

Against this challenging backdrop, the business continued to de-risk its portfolio, as follows:

- Planning permission secured to date on c.80% of projects overall, including a residential portfolio of over 5,000 units
- Construction currently in progress on 7 individual projects, including 3 pre-funded projects, with 270 residential units
- Secured tenancy/active marketing on 4 individual projects

From FY27, in line with the Group's strategic priorities, there will be no investment in new Property development opportunities. This process will be managed in a controlled way to balance timing and value, with capital to be realised in line with existing development schedules.

Corporate

	Year to 30 June 2026	Year to 30 June 2025	*Change*
Adjusted operating loss (£m)[1]	(44.5)	(39.1)	*14%*
Reported operating loss (£m)	(44.5)	(42.9)	*4%*

[1] Stated before adjusting items of £nil (FY25: £3.8m)

The Corporate segment comprises the costs of the Group's central functions. Higher costs in the year reflect succession within several executive positions as well as certain strategic initiatives.

Summary and outlook

Kier has delivered another year of strong performance, achieving excellent revenue and profit growth. The Group continued to bolster its financial profile, reaching an average net cash position for the first time in over a decade, a significant milestone from which to build. Kier has taken important steps to strengthen and simplify its business, enhance the capability of its leadership team and align the Group even more closely with the significant growth opportunities ahead. The Group has also seen further improvements in employee engagement and customer satisfaction which reflect the strength of its culture and provide a strong foundation for future success.

Kier is building a stronger, more focused business, concentrating its expertise, resources and talent where it can create the greatest value for customers, shareholders, communities and colleagues. The Group enters FY27 with strong foundations and clear strategic priorities, to make the most of the sizeable opportunity in front of it. In particular, Kier brings good momentum into the new financial year, with recent significant contract and framework awards, strong order book growth and an expanding pipeline. This gives the Group confidence, looking at FY27, that earnings will be at the top end of the Board's prior expectations. Reflecting this confidence, the Group has updated its medium-term financial targets to underline its ambition and the value creation opportunity at hand for its shareholders.

Financial Review

Introduction

The Group delivered a strong performance during the year, with year-on-year growth in revenue and profits, along with the year-end order book standing at £11.9bn. The Group has also achieved an average cash position as a result of disciplined operational delivery and cash management.

The Group achieved growth of 7.5% giving revenues of £4,393.0m (FY25: £4,087.8m) which helped generate an adjusted operating profit of £169.8m (FY25: £159.1m).

The continued strong operational performance led to a 4.4% increase in operating profit to £118.7m (FY25: £113.7m) and an increase in profit before tax to £83.8m (FY25: £78.1m).

Adjusting items were £52.6m (FY25: £47.3m). The current year charge includes £19.0m of amortisation of intangible contract rights and £32.1m of fire and cladding compliance costs, relating to updated regulations on legacy projects.

Net finance charges for the year were £34.9m (FY25: £35.6m), broadly in line with the prior year.

Adjusted earnings per share increased by 8.8% to 23.5p (FY25: 21.6p).

The Group generated Adjusted EBITDA of £236.1m (FY25: £227.9m) and recorded a £165.0m free cash inflow during the year (FY25: £155.4m), with supplier payment days remaining constant at 32 days (HY26: 32 days).
Driven by its strong underlying cash flow growth, the Group achieved average net cash for the year ended 30 June 2026 of £10.7m (FY25: net debt of £(49.2)m).

The order book increased to £11.9bn, an 8.2% increase since the prior year end (FY25: £11.0bn). Over 95% of revenue for FY27 is already secured which provides certainty for next year.

The Group completed its initial share buyback programme during the year and commenced a further buyback programme, in addition to payment of the ordinary dividend. Further cash flow items included adjusting items, pension deficit obligations and purchasing existing Kier shares on behalf of the Group's employees. Net cash at 30 June 2026 of £232.4m was 13.9% higher compared to the prior year (FY25: £204.1m).

Alongside maintaining strict capital discipline, the Group continues to invest in areas that support long-term growth and value creation. This includes the Naturally Digital programme, where the Group will be investing in digital capability and AI-enabled tools designed to improve productivity, further strengthen delivery and help create a more efficient and scalable business. This ongoing investment will support both enhanced customer outcomes and the generation of sustainable returns.

Summary of financial performance

	Adjusted[1] results			Statutory reported results		
	30 Jun 2026	30 Jun 2025	*Change %*	**30 Jun 2026**	30 Jun 2025	*Change %*
Revenue (£m)	**4,393.0**	4.087.8	*7.5*	**4,393.0**	4,087.8	*7.5*
Revenue (£m) - Excluding JV's	**4,352.5**	4,077.1	*6.8*	**4,352.5**	4.077.1	*6.8*
Profit from operations (£m)	**169.8**	159.1	*6.7*	**118.7**	113.7	*4.4*
Profit before tax (£m)	**136.4**	125.4	*8.8*	**83.8**	78.1	*7.3*
Earnings per share (p)	**23.5**	21.6	*8.8*	**14.1**	12.8	*10.2*
Total dividend per share (p)	**7.8**	7.2	*8.3*			
Free cash flow (£m)	**165.0**	155.4	*6.2*			
Net cash (£m)	**232.4**	204.1	*13.9*			
Net cash/(debt) (£m) – average	**10.7**	(49.2)				
Order book (£bn)	**11.9**	11.0	*8.2*			

Revenue

The following table bridges the Group revenue from the year ended 30 June 2025 to the year ended 30 June 2026.

	£m
Revenue for the year ended 30 June 2025	4,087.8
Infrastructure	**204.1**
Construction	**76.3**
Property and Corporate	**24.8**
Revenue for the year ended 30 June 2026	4,393.0

Group revenue grew by £305.2m, with all segments contributing to the growth. In particular, the Infrastructure business reported a 9.6% increase in revenue compared to the prior year.

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.

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

Adjusted operating profit

	£m
Adjusted operating profit for the year ended 30 June 2025	**159.1**
Infrastructure	**17.7**
Construction	**1.5**
Property and Corporate	**(8.5)**
Adjusted operating profit for the year ended 30 June 2026	**169.8**

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

	Operating profit		Profit before tax	
	30 Jun 2026 £m	30 Jun 2025 £m	**30 Jun 2026 £m**	30 Jun 2025 £m
Reported profit	**118.7**	113.7	**83.8**	78.1
Amortisation of acquired intangible assets	**19.0**	21.6	**19.0**	21.6
Fire compliance costs	**32.1**	17.0	**32.1**	17.0
Property-related items	**–**	4.8	**–**	4.8
Net financing costs	**–**	–	**1.5**	1.9
Other	**–**	2.0	**–**	2.0
Adjusted profit	**169.8**	159.1	**136.4**	125.4

Additional information about these items is as follows:

- Amortisation of acquired intangible assets £19.0m (FY25: £21.6m):

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 £32.1m (FY25: £17.0m):

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 year 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 that are considered virtually certain of receipt.

Earnings per share

Earnings per share (EPS), before adjusting items, amounted to 23.5p (FY25: 21.6p). Reported EPS, after adjusting items, from continuing operations amounted to 14.1p (FY25: 12.8p). Both EPS measures have increased due to a combination of improved profitability and a reduction in the Weighted Average Number of Shares as a result of the share buyback programmes.

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 year were £34.9m (FY25: £35.6m), which includes interest on bank borrowings and Senior Notes of £28.5m (FY25: £30.8m).

Lease interest was £10.4m (FY25: £9.1m).

The Group had a net interest credit of £2.7m (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, subject to shareholder approval, a final dividend of 5.2p per share (FY25: 5.2p) which together with the interim dividend of 2.6p represents 3x adjusted earnings cover.

Balance sheet

Net assets

The Group had net assets of £511.4m at 30 June 2026 (FY25: £517.2m).

Goodwill

The Group held intangible assets of £583.1m (FY25: £608.4m) of which goodwill represented £543.5m (FY25: £543.5m).

The Group completed its annual review of goodwill assuming a pre-tax discount rate of 12.4% (FY25: 13.5%) and concluded that no impairment was required.

The Infrastructure 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 deferred tax asset of £127.7m recognised at 30 June 2026 (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 year, 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 five years.

A tax credit of £12.0m (FY25: £8.5m) has been included within adjusting items.

Right-of-use assets and lease liabilities

At 30 June 2026, the Group had right-of-use assets of £110.2m (FY25: £96.5m) and associated lease liabilities of £178.0m (FY25: £151.1m). The movements at each balance sheet date reflect operational equipment requirements less associated depreciation and lease repayments.

Investment properties

As at 30 June 2026, the Group had investment properties with a fair value of £107.6m (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 in and develops primarily mixed-use commercial and residential schemes and sites across the UK. Eight of these sites are held as investment properties.

During the year the Group sold Tempsford Hall, its former head office, for £10.0m, whilst retaining the surrounding agricultural land.

Investment in Joint Ventures (JVs)

A number of projects within the Property division are developed alongside joint venture partners. Investment in JVs at 30 June 2026 was £158.7m (FY25: £145.8m).

Contract assets and 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 2026, total contract assets amounted to £487.4m (FY25: £374.0m).

Contract liabilities were £292.9m (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 30 June 2026, the reported surplus, which is the difference between the aggregate value of the schemes' assets and the present value of their future liabilities (defined benefit obligation), was £59.3m (FY25: £47.2m), before accounting for deferred tax, with the movement in the year primarily as a result of actuarial gains of £6.3m (FY25: losses of £42.5m) and employer contributions of £5.2m (FY25: £7.0m).

The net actuarial gain results from a change in the financial assumptions used to calculate the defined benefit obligation (specifically higher corporate bond yields) and higher than assumed asset returns. These actuarial gains have been partially offset by increases in the defined benefit obligations caused by a change in the demographic assumptions (longer life expectancies). In addition, deficit reduction contributions have increased the schemes' assets.

During the year, the Group agreed triennial funding valuations for six of its seven defined benefit contribution schemes. Following these valuations, aggregate future deficit contributions will continue in line with the level of contributions made in FY26, at £5.2m per annum, until July 2030. In addition, the Group has agreed to pay one-off lump sum contributions totalling £0.9m in FY27.

Free cash flow and net cash

	30 Jun 2026 £m	30 Jun 2025 £m
Operating profit	**118.7**	113.7
Depreciation of owned assets	**6.2**	5.6
Depreciation of right-of-use assets	**47.8**	46.1
Amortisation	**31.3**	38.7
EBITDA	**204.0**	204.1
Adjusting items excluding adjusting amortisation and interest	**32.1**	23.8
Adjusted EBITDA	**236.1**	227.9
Working capital inflow	**9.8**	27.7
Net capital expenditure including finance lease capital payments	**(64.6)**	(64.9)
Joint Venture dividends less profits	**9.1**	5.4
Other free cash flow items	**15.8**	3.1
Operating free cash flow	**206.2**	199.2
Net interest and tax	**(41.2)**	(43.8)
Free cash flow	**165.0**	155.4

	2026 £m	2025 £m
Net cash at 1 July	**204.1**	167.2
Free cash flow	**165.0**	155.4
Adjusting items	**(19.7)**	(17.8)
Net investment in Joint Ventures	**(22.0)**	(51.0)
Pension deficit payments and fees	**(5.9)**	(7.8)
Purchase of own shares – share buyback	**(22.3)**	(6.4)
Purchase of own shares – employee benefit trust	**(29.7)**	(9.7)
Dividends paid	**(34.1)**	(24.1)
Other	**(3.0)**	(1.7)
Net cash at 30 June	**232.4**	204.1

The Group generated a £165.0m free cash inflow during the year (FY25: £155.4m), driven by strong operating cash conversion of 121%. The Group delivered a net cash position of £232.4m at 30 June 2026 (FY25: £204.1m).

The Group reported average cash for the year of £10.7m (FY25: net debt of £(49.2)m). Through its cash flows the Group completed its initial share buyback programme and commenced a further buyback programme, paid dividends, adjusting items, tax and interest and 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 £29.7m (FY25: £9.7m). A further £22.3m (FY25: £6.4m) 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 year.

Treasury facilities

At 30 June 2026, 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 three-year term, with options to extend for a further two 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 12 months from the date of approving these preliminary financial statements and remain covenant compliant. For these reasons, they continue to adopt the going concern basis in preparing these preliminary 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 2026

	Note	2026 £m	2025 £m
Continuing operations			
Group revenue including share of joint ventures[1]	2	4,393.0	4,087.8
Less share of joint ventures	2	(40.5)	(10.7)
Group revenue		4,352.5	4,077.1
Cost of sales		(3,972.0)	(3,746.3)
Gross profit		380.5	330.8
Administrative expenses		(268.5)	(223.2)
Share of post-tax results of joint ventures	12	(5.6)	(1.5)
Other income	4	12.3	7.6
Operating profit	2	118.7	113.7
Finance income	5	7.7	8.0
Finance costs	5	(42.6)	(43.6)
Profit before tax	2	83.8	78.1
Taxation	7	(22.0)	(21.7)
Profit for the year	2	61.8	56.4
Attributable to:			
Owners of the Company		61.7	56.4
Non-controlling interests		0.1	–
		61.8	56.4
Earnings per share			
– Basic	9	14.1p	12.8p
– Diluted	9	13.5p	12.1p
Supplementary information			
Adjusted[2] operating profit	3	169.8	159.1
Adjusted[2] profit before tax	3	136.4	125.4
Adjusted[2] basic earnings per share	9	23.5p	21.6p

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

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

Financial statements
Condensed consolidated statement of comprehensive income
For the year ended 30 June 2026

	Note	2026 £m	2025 £m
Continuing operations			
Profit for the year		61.8	56.4
Other comprehensive income			
Items that may be reclassified subsequently to the income statement			
Fair value movements on cash flow hedging instruments		–	0.4
Fair value movements on cash flow hedging instruments recycled to the income statement	5	–	(0.2)
Items that will not be reclassified to the income statement			
Re-measurement of retirement benefit assets and obligations	6	6.3	(42.5)
Tax on re-measurement of retirement benefit assets and obligations		(1.5)	10.7
Other comprehensive income/(loss) for the year		4.8	(31.6)
Total comprehensive income for the year		66.6	24.8
Attributable to:			
Equity holders of the Company		66.5	24.8
Non-controlling interests		0.1	–
		66.6	24.8

Financial statements
Condensed consolidated balance sheet
As at 30 June 2026

	Note	2026 £m	2025 £m
Non-current assets			
Intangible assets	10	**583.1**	608.4
Property, plant and equipment		**20.5**	28.0
Right-of-use assets		**110.2**	96.5
Investment properties	11	**107.6**	100.6
Investments in and loans to joint ventures	12	**158.7**	145.8
Deferred tax assets	7	**127.7**	136.7
Contract assets		**57.0**	57.0
Trade and other receivables		**35.8**	30.0
Retirement benefit assets	6	**80.6**	74.1
Non-current assets		**1,281.2**	1,277.1
Current assets			
Inventories		**64.6**	65.6
Contract assets		**430.4**	317.0
Trade and other receivables		**255.9**	202.8
Corporation tax receivable		**2.4**	0.6
Cash and cash equivalents	13	**1,899.6**	1,689.4
Current assets		**2,652.9**	2,275.4
Total assets		**3,934.1**	3,552.5
Current liabilities			
Bank overdrafts	13	**(1,402.0)**	(1,221.4)
Lease liabilities		**(52.7)**	(40.8)
Trade and other payables	14	**(1,134.2)**	(1,105.7)
Contract liabilities		**(292.9)**	(168.0)
Provisions		**(81.6)**	(53.1)
Current liabilities		**(2,963.4)**	(2,589.0)
Non-current liabilities			
Borrowings	13	**(265.2)**	(263.9)
Lease liabilities		**(125.3)**	(110.3)
Trade and other payables	14	**(20.9)**	(19.1)
Retirement benefit obligations	6	**(21.3)**	(26.9)
Provisions		**(26.6)**	(26.1)
Non-current liabilities		**(459.3)**	(446.3)
Total liabilities		**(3,422.7)**	(3,035.3)
Net assets	2	**511.4**	517.2
Equity			
Share capital		**4.5**	4.5
Share premium		**3.6**	3.6
Retained earnings		**152.7**	158.6
Merger reserve		**350.6**	350.6
Equity attributable to owners of the Company		**511.4**	517.3
Non-controlling interests		**–**	(0.1)
Total equity		**511.4**	517.2

Financial statements
Condensed consolidated statement of changes in equity
As at 30 June 2026

		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
At 1 July 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
Profit for the year		–	–	61.7	–	–	61.7	0.1	61.8
Other comprehensive income		–	–	4.8	–	–	4.8	–	4.8
Total comprehensive income for the year		–	–	66.5	–	–	66.5	0.1	66.6
Dividends paid	8	–	–	(34.1)	–	–	(34.1)	–	(34.1)
Share-based payments		–	–	11.2	–	–	11.2	–	11.2
Deferred tax on share-based payments		–	–	2.5	–	–	2.5	–	2.5
Purchase of own shares via employee benefit trust		–	–	(29.7)	–	–	(29.7)	–	(29.7)
Purchase of own shares via share buyback		–	–	(22.3)	–	–	(22.3)	–	(22.3)
At 30 June 2026		4.5	3.6	152.7	350.6	–	511.4	–	511.4

1. The share capital includes 452,875,390 of authorised, issued and fully paid Ordinary Shares of 1p each (2025: 452,875,390). 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. No new shares were issued under the Sharesave Scheme (2025: 741,638).
2. The Company has completed its initial share buyback programme to return capital to shareholders. On 3 March 2026, the Company announced a further share buyback of up to £25m. During the year, a total of 10,476,317 Ordinary Shares of 1p each (2025: 4,552,151) were purchased across the two buybacks at a cost of £22.3m (2025: £6.4m). At the balance sheet date, a total of 15,028,468 (2025: 4,552,151) Ordinary Shares have been acquired under buyback programmes and were 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 which were all £nil at 30 June 2025 and 30 June 2026.

Financial statements
Condensed consolidated statement of cash flows
For the year ended 30 June 2026

	Note	2026 £m	2025 £m
Continuing operations			
Cash flows from operating activities			
Profit before tax		83.8	78.1
Net finance cost	5	34.9	35.6
Share of post-tax trading results of joint ventures	12	5.6	1.5
Pension cost charge		2.1	2.1
Equity-settled share-based payments charge		11.2	8.9
Amortisation of intangible assets and mobilisation costs		31.3	38.7
Change in fair value of investment properties	11	(12.3)	(7.6)
Depreciation of property, plant and equipment		6.2	5.6
Depreciation of right-of-use assets		47.8	46.1
Loss on disposal of property, plant and equipment, right-of-use assets and intangible		0.9	0.4
Operating cash inflows before movements in working capital and deficit contributions to pension funds		211.5	209.4
Deficit contributions to pension funds	6	(5.2)	(7.0)
(Increase)/decrease in inventories		(5.2)	2.0
(Increase)/decrease in receivables		(47.9)	19.6
Increase in contract assets		(113.4)	(15.9)
Increase/(decrease) in payables		30.1	(20.5)
Increase in contract liabilities		124.9	39.6
Increase in provisions		29.0	2.0
Cash inflow from operating activities		223.8	229.2
Dividends received from joint ventures	12	3.5	3.9
Interest received	5	5.0	3.7
Income tax paid		(2.9)	(1.8)
Net cash inflow from operating activities		229.4	235.0
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		5.7	1.0
Proceeds from sale of investment property		13.7	–
Purchase of property, plant and equipment and right-of-use assets		(5.9)	(11.1)
Purchase of intangible assets	10	(4.7)	(5.4)
Purchase of capitalised mobilisation costs		(4.0)	(1.9)
Purchase of investment property		(2.5)	–
Investment in joint ventures		(55.6)	(60.9)
Loan repayment and return of equity from joint ventures	12	33.6	9.9
Net cash used in investing activities		(19.7)	(68.4)
Cash flows from financing activities			
Issue of shares		–	0.4
Purchase of own shares via employee benefit trust		(29.7)	(9.7)
Purchase of own shares via share buyback		(22.3)	(6.4)
Interest paid		(39.2)	(40.6)
Cost of raising finance		(1.6)	–
Principal elements of lease payments		(53.2)	(47.5)
Drawdown of borrowings		–	4.7
Repayment of borrowings		–	(44.3)
Settlement of derivative financial instruments		–	7.2
Dividends paid	8	(34.1)	(24.1)
Net cash used in financing activities		(180.1)	(160.3)
Increase in cash, cash equivalents and bank overdrafts		29.6	6.3
Opening cash, cash equivalents and bank overdrafts		468.0	461.7
Closing cash, cash equivalents and bank overdrafts	13	497.6	468.0

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 2026 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 do not constitute the Group's statutory accounts as at and for the year ended 30 June 2026, but are derived from those statutory accounts which are prepared in accordance with UK-adopted International Accounting Standards effective for accounting periods beginning on or after 1 July 2025 and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Group's statutory accounts as at and for the year ended 30 June 2026 were approved by the Board on 14 September 2026 and will be delivered to the Registrar of Companies following the Group's Annual General Meeting on 12 November 2026. The auditors have reported on those accounts; their report was unqualified and did not contain statements under section 498 section (2) and (3) of the Companies Act 2006.

Going concern

In assessing the appropriateness of the going concern basis of preparation, the Directors have considered the Group's ability to continue in operational existence through to 31 December 2027, being at least 12 months from the date of approval of these financial statements.

The assessment included a review of cash flow forecasts across all divisions, recent trading performance, forecast accuracy, available financing facilities, expected covenant compliance and the strength of the Group's order book. At 30 June 2026, the Group's order book totalled £11.9bn, providing strong visibility of secured and probable future work throughout the assessment period.

The Group benefits from a robust funding structure, comprising committed facilities of £440m, including a £190m Revolving Credit Facility available until October 2028, with an option to extend to October 2030, and £250m of Senior Notes maturing in February 2029.

The Directors considered a range of severe but plausible downside scenarios, including reductions in trading activity, project-specific challenges, inflationary pressures, subcontractor insolvency, changes in interest rates and the potential impact of emerging regulatory requirements. The assessment also reflected the ability of management to implement appropriate mitigating actions where necessary.

In addition, reverse stress testing was performed to determine the extent of deterioration required to exhaust available liquidity or breach financial covenants. The analysis demonstrated that a significantly more severe combination of adverse events than those considered plausible would be required before liquidity or covenant headroom was eliminated. The Directors therefore consider such outcomes to be remote.

The Directors also considered wider macroeconomic and political risks. The Group's forecasts are supported by a substantial proportion of revenue that is either secured or highly probable, much of which arises through long-term framework agreements. The Group operates in essential infrastructure and public service sectors, including transport, water, energy, justice, healthcare and education, which continue to benefit from long-term Government investment commitments, including those set out in the UK's 10-Year Infrastructure Strategy.

While inflation remains a factor within both the supply chain and labour market, the Group's contract portfolio provides significant protection, with approximately 95% of contracts being delivered under two-stage or cost-reimbursable arrangements.

The Directors have also considered the impact of climate change. No material short-term physical climate-related risks have been identified. Over the medium term, the Group expects the transition to a lower-carbon economy to create additional opportunities across sustainable infrastructure, water management, environmental services and nuclear projects. Accordingly, climate change is not expected to have a material adverse impact on the Group's ability to continue as a going concern.

Having reviewed the Group's forecasts, downside scenarios and reverse stress testing, the Directors are satisfied that the Group is expected to maintain substantial liquidity headroom and remain compliant with its financial covenants throughout the going concern period.

Accordingly, the Directors conclude that the Group has adequate resources to meet its obligations as they fall due for at least 12 months from the date of approval of these financial statements. The Directors have not identified any material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern and therefore continue to adopt the going concern basis in preparing these financial statements.

[1] Cost reimbursable includes Target-Cost and Cost-Plus contracts

2 Segmental reporting

Year to 30 June 2026

	Infrastructure £m	Construction £m	Property £m	Corporate £m	Group £m
Continuing Operations					
Revenue[1]					
Group revenue including share of joint ventures	2,340.1	1,986.8	63.4	2.7	4,393.0
Less share of joint ventures	(0.8)	–	(39.7)	–	(40.5)
Group revenue	2,339.3	1,986.8	23.7	2.7	4,352.5
Timing of revenue[1]					
Products and services transferred at a point in time	7.4	–	29.3	–	36.7
Products and services transferred over time	2,332.7	1,986.8	34.1	2.7	4,356.3
Group revenue including share of joint ventures	2,340.1	1,986.8	63.4	2.7	4,393.0
Profit/(loss) for the year					
Adjusted operating profit/(loss)[2]	128.7	76.5	9.1	(44.5)	169.8
Adjusting items[2]	(18.9)	(32.2)	–	–	(51.1)
Operating profit/(loss)	109.8	44.3	9.1	(44.5)	118.7
Net finance income/(costs)[3]	8.6	16.3	(7.5)	(52.3)	(34.9)
Profit/(loss) before tax	118.4	60.6	1.6	(96.8)	83.8
Taxation					(22.0)
Profit for the year					61.8
Balance sheet					
Operating assets[4]	1,044.0	361.7	319.1	309.7	2,034.5
Operating liabilities[4]	(641.6)	(893.0)	(14.8)	(206.1)	(1,755.5)
Net operating assets/(liabilities)[4]	402.4	(531.3)	304.3	103.6	279.0
Cash, cash equivalents, bank overdrafts and borrowings	675.6	906.2	(187.9)	(1,161.5)	232.4
Net assets/(liabilities)	1,078.0	374.9	116.4	(1,057.9)	511.4
Other information					
Inter-segmental revenue	6.0	3.5	–	37.6	47.1
Capital expenditure on property, plant, equipment and intangible assets	2.1	1.4	–	6.5	10.0
Depreciation of property, plant and equipment	(0.5)	(0.6)	(0.2)	(4.9)	(6.2)
Amortisation of computer software	(1.2)	(3.4)	–	(6.4)	(11.0)

2 Segmental reporting continued

Year to 30 June 2025

	Infrastructure £m	Construction £m	Property £m	Corporate £m	Group £m
Continuing Operations					
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					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)

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 (2025: 16%). 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% (2025: 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	2026 Adjusted £m	Adjusting items £m	Total £m	2025 Adjusted £m	Adjusting items £m	Total £m
Group revenue	4,352.5	–	4,352.5	4,077.1	–	4,077.1
Cost of sales	(3,941.1)	(30.9)	(3,972.0)	(3,727.3)	(19.0)	(3,746.3)
Gross profit	411.4	(30.9)	380.5	349.8	(19.0)	330.8
Administrative expenses	(248.3)	(20.2)	(268.5)	(197.6)	(25.6)	(223.2)
Share of post-tax results of joint ventures	(5.6)	–	(5.6)	(1.5)	–	(1.5)
Other income	12.3	–	12.3	8.4	(0.8)	7.6
Operating profit	169.8	(51.1)	118.7	159.1	(45.4)	113.7
Net finance charges	(33.4)	(1.5)	(34.9)	(33.7)	(1.9)	(35.6)
Profit before tax	136.4	(52.6)	83.8	125.4	(47.3)	78.1
Taxation	(34.0)	12.0	(22.0)	(30.2)	8.5	(21.7)
Profit for the year	102.4	(40.6)	61.8	95.2	(38.8)	56.4

Adjusting items include:

- Cost of sales – consists of fire and cladding compliance costs of £30.9m (2025: £17.0m) incurred in rectifying legacy issues to comply with the latest Government guidance. The net charge of £30.9m includes a credit of £6.2m (2025: £8.7m) in respect of insurance proceeds.

- Administrative expenses – includes amortisation of acquired intangible assets of £19.0m (2025: £21.6m) comprising amortised contract rights arising from prior year acquisitions. In addition, £1.2m 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 £12.0m (2025: £8.5m) is the tax effect of the items described above.

(b) Cash outflow from adjusting items

	2026 £m	2025 £m
Adjusting items reported in the income statement	52.6	47.3
Less: non-cash items incurred in the year	(42.1)	(38.4)
Add: payment of prior year accruals and provisions	9.2	8.9
Cash outflow from adjusting items	19.7	17.8

4 Other income

	2026 £m	2025 £m
Fair value gain on investment properties	12.3	7.6
Other income	12.3	7.6

5 Finance income and costs

	2026 £m	2025 £m
Finance income		
Bank deposits	3.6	3.6
Interest receivable on loans to related parties	0.4	0.1
Net interest on net defined benefit obligation	2.7	4.3
Interest receivable on leases	1.0	–
	7.7	8.0
Finance costs		
Interest payable on loans and overdrafts	(6.0)	(8.3)
Interest payable on bonds	(22.5)	(22.5)
Interest payable on leases	(10.4)	(9.1)
Foreign exchange movements on foreign denominated borrowings	–	(0.5)
Fair value movements on cash flow hedges recycled from other comprehensive income	–	0.2
Other	(3.7)	(3.4)
	(42.6)	(43.6)
Net finance costs	(34.9)	(35.6)

6 Retirement benefit obligations

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

	2026 %	2025 %
Discount rate	5.75	5.50
Inflation rate (Retail Price Index)	2.95	2.90
Inflation rate (Consumer Price Index)	2.45 – 2.75	2.20 – 2.65

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

	2026			2025		
	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
Credit/(charge) to income statement	1.8	(1.2)	0.6	3.1	(0.9)	2.2
Employer contributions	–	5.2	5.2	–	7.0	7.0
Actuarial gains/(losses)	3.4	2.9	6.3	(31.3)	(11.2)	(42.5)
Closing net surplus/(deficit)	73.9	(14.6)	59.3	68.7	(21.5)	47.2
Comprising:						
Fair value of scheme assets	758.5	381.6	1,140.1	763.0	372.2	1,135.2
Net present value of the defined benefit obligation	(684.6)	(396.2)	(1,080.8)	(694.3)	(393.7)	(1,088.0)
Net surplus/(deficit)	73.9	(14.6)	59.3	68.7	(21.5)	47.2
Presentation of net surplus/(deficit) in the Consolidated balance sheet:						
Retirement benefit assets	73.9	6.7	80.6	68.7	5.4	74.1
Retirement benefit obligations	–	(21.3)	(21.3)	–	(26.9)	(26.9)
Net surplus/(deficit)	73.9	(14.6)	59.3	68.7	(21.5)	47.2

7 Taxation

	2026 £m	2025 £m
Profit before tax	83.8	78.1
Losses from joint venture companies	3.2	–
Profit before tax excluding income from joint ventures	**87.0**	78.1
Current tax	(13.4)	(12.5)
Deferred tax	(8.6)	(9.2)
Total tax charge in the income statement	**(22.0)**	(21.7)
Effective tax rate	**25.3%**	27.8%

The deferred tax asset of £127.7m (2025: £136.7m) includes £90.5m of tax losses (2025: £100.2m) and £37.2m of other deferred tax assets and liabilities (2025: £36.5m).

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 2026;
- 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 5 years.

The Research and Development Expenditure Credit ('RDEC') of £40.7m was included in operating profit during the year (2025: £41.0m). Included in other receivables at 30 June 2026 were RDEC receivables of £40.1m (2025: £31.8m). This predominantly represents in year claims, with the FY25 balance received during the year.

8 Dividends

	2026		2025	
	£m	pence per share	£m	pence per share
Prior year final	22.7	5.2	15.2	3.5
Current year interim	11.4	2.6	8.9	2.0
Total dividend recognised in the year	**34.1**	**7.8**	24.1	5.5

	2026		2025	
	£m	pence per share	£m	pence per share
Interim	11.4	2.6	8.9	2.0
Final	22.4	5.2	22.7	5.2
Total dividend relating to the year	**33.8**	**7.8**	31.6	7.2

The final dividend for the year ending 30 June 2026 of 5.2p per share (2025: 5.2p) was not proposed until after the balance sheet date and so has not been included as a liability in these financial statements. The dividend totalling approximately £22.4m will be paid on 4 December 2026 to shareholders on the register on 30 October 2026.

9 Earnings per share

Continuing operations	2026 Basic £m	2026 Diluted £m	2025 Basic £m	2025 Diluted £m
Profit for the year	61.8	61.8	56.4	56.4
Less: non-controlling interest share	(0.1)	(0.1)	–	–
Profit after tax and minority interests	61.7	61.7	56.4	56.4
Adjusting items (excluding tax)	52.6	52.6	47.3	47.3
Tax impact of adjusting items	(12.0)	(12.0)	(8.5)	(8.5)
Adjusted profit after tax	102.3	102.3	95.2	95.2
Weighted average number of shares (no, m)	436.1	457.5	441.5	466.1
Basic earnings (p)				
Attributable to the ordinary equity holders of the Company	14.1	13.5	12.8	12.1
Adjusted basic earnings (p)				
Adjusted basic earnings per share attributable to the ordinary equity holders of the Company	23.5	22.4	21.6	20.4

The weighted average number of shares is lower than the number of shares in issue by 16.8m (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

	Goodwill £m	Intangible contract rights £m	Computer software £m	**Total £m**
Cost				
At 1 July 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
Additions	–	–	4.7	4.7
Disposals	–	–	(1.0)	(1.0)
Transfers	–	–	0.2	0.2
At 30 June 2026	545.6	243.2	139.0	927.8
Accumulated amortisation and impairment				
At 1 July 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)
Charge for the year	–	(19.0)	(11.0)	(30.0)
Disposals	–	–	1.0	1.0
Transfers	–	–	(0.2)	(0.2)
At 30 June 2026	(2.1)	(234.7)	(107.9)	(344.7)
Net book value				
At 30 June 2026	543.5	8.5	31.1	583.1
At 30 June 2025	543.5	27.5	37.4	608.4

11 Investment properties

	Owned assets £m	Right-of-use assets £m	Total £m
At 1 July 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
Transfers	**6.2**	**–**	**6.2**
Additions	**2.5**	**–**	**2.5**
Disposals	**(14.0)**	**–**	**(14.0)**
Fair value gain/(loss) recognised in other income	**15.0**	**(2.7)**	**12.3**
At 30 June 2026	**82.7**	**24.9**	**107.6**

12 Investment in and loans to joint ventures

	2026 £m	2025 £m
At 1 July	**145.8**	91.7
Additions	**55.6**	76.4
Disposals	**–**	(7.0)
Loan repayments and return of equity	**(33.6)**	(9.9)
Share of:		
Operating profit/(loss)	**2.7**	(0.4)
Finance costs	**(9.2)**	(0.9)
Tax income/(expense)	**0.9**	(0.2)
Post-tax results of joint ventures	**(5.6)**	(1.5)
Dividends received	**(3.5)**	(3.9)
At 30 June	**158.7**	145.8

13 Net cash

	2026 £m	2025 £m
Cash and cash equivalents	**1,899.6**	1,689.4
Bank overdrafts	**(1,402.0)**	(1,221.4)
Net cash, cash equivalents and bank overdrafts	**497.6**	468.0
Borrowings due after one year	**(265.2)**	(263.9)
Net cash	**232.4**	204.1

Average month-end net cash was £10.7m (2025: £49.2m debt). Net cash/(debt) excludes lease liabilities.

14 Trade and other payables

	2026 £m	2025 £m
Current:		
Trade payables	**285.6**	311.0
Accruals	**617.6**	580.7
Subcontract retentions	**34.8**	37.1
Other taxation and social security	**178.2**	168.1
Other payables and deferred income	**18.0**	8.8
	1,134.2	1,105.7
Non-current:		
Subcontract retentions	**20.9**	19.1
	20.9	19.1

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 2025.

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