

# Synergy benefits

We remain on course to deliver our synergy target exit rates of £70 million by the end of 2008 and £100 million by the end of 2009. These incorporate some of the build cost efficiencies outlined on pages 6 and 7, along with a number of other initiatives.





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**1 Procurement**

In addition to savings on site costs, we are reviewing the agreements in place for business services such as company cars and van fleets, media and office supplies.

**2 Sales efficiencies**

There are a number of areas where the merger will enable us to deliver savings on our combined selling costs. A key component of this will be our advertising costs, where our enlarged scale gives us better bargaining power and enables us to make more efficient use of the advertising space that we buy.

**3 Headcount**

In the UK we now expect a total of 593 roles to be removed from the business as a result of duplication. We retained 37% of employees from office closures and found them jobs elsewhere. We did our best to make relocation as straightforward, flexible and financially viable as possible. In North America, the overall headcount reduction is of a similar scale, but this also includes actions taken as a result of the ongoing weakness in the US market.

**4 Property costs**

The merger will deliver reductions in property costs in both the UK and North America as we optimise our business structure. In the UK, we are closing the former Taylor Woodrow head office in Solihull and have closed four regional offices. In North America, we now have nine fewer divisions than the two legacy businesses combined.