

# AGM TRADING UPDATE

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## STRONG OPERATIONAL MOMENTUM AND STRATEGIC PROGRESS

British Land is publishing an operational update ahead of the Company's Annual General Meeting to be held at 11am today.

### **Simon Carter, CEO, said:**

“We continue to see strong operational momentum in the business, despite ongoing macroeconomic uncertainty, with good leasing activity reflecting our focus on execution and the exceptional quality of our portfolio. Campuses are benefiting from the trend towards best in class space, while retail parks continue to be the winning retail format given their affordability, omni-channel compatibility and low capex requirements. We have also made strategic progress in life sciences and innovation, with one of the largest lab lettings in the market and the launch of modular lab space at Canada Water.”

### **Operational performance**

- 552,000 sq ft of leasing across the portfolio in the first quarter, 11.0% ahead of ERV, with a further 1.2m sq ft under offer, 15.5% ahead of ERV.

#### *Campuses*

- Occupancy remains high at 96% with 164,000 sq ft of leasing completed, 11.4% ahead of ERV and a further 102,000 sq ft under offer, 5.7% ahead of ERV. We have c.1m sq ft in negotiations and have seen a noticeable uptick in viewings in the last few months as demand continues to gravitate to best in class space.
- Secured first pre-let at The Priestley Centre, Guildford with leading global life sciences tools company LGC, for 48,000 sq ft of lab and office space. It is one of the largest life sciences deals in the UK this year and takes the building to 58% pre-let, ahead of practical completion in Q4 2024.
- 19,000 sq ft of Storey leasing, including 7,200 sq ft of renewals with HMD Global and Masdar Offshore Wind at 2 and 4 Kingdom Street respectively.

#### *Retail*

- 387,000 sq ft of Retail leasing completed. This includes 227,000 sq ft of deals across Retail Parks, 13.5% ahead of ERV, with a further 738,000 sq ft under offer, 17.7% ahead of ERV.
- 109,000 sq ft of renewals and extensions completed on our Retail Parks, including 14,700 sq ft and 15,000 sq ft with DFS and Sofology at Teeside Park, and 24,000 sq ft and 20,000 sq ft with Asda at Crown Wharf Shopping Park, Walsall and Prospect Place Retail Park, Dartford.
- The Retail Park format continues to perform strongly, with occupancy at 99%. Footfall is up 1% YOY and sales are up 6% YOY.

## Strategic progress

### *Life sciences and innovation*

- Planning permission received for amendments to the Peterhouse Western Extension, a lab enabled building at Peterhouse Technology Park in Cambridge. Construction has now started and is expected to complete Q1 2025.
- Planning approval secured for a new 100,000 sq ft life sciences and innovation led scheme, to be delivered in the former Debenhams store at SouthGate, Bath.
- We established an Innovation Advisory Council (IAC) to support growth in life science and innovation sectors. IAC is formed of five leading research scientists and executives, and we will benefit from their expertise and networks as we deliver 1.9 million sq ft of lab and innovation space.
- Memorandum of Understanding signed with University College London to form a partnership to promote Regent's Place as a life sciences and innovation campus in the Knowledge Quarter.

### *Canada Water*

- 33,000 sq ft of modular lab space launched at Canada Water with 2,200 sq ft pre-let to CheMastery, a chemical research and manufacturing startup, with discussions ongoing for the remaining space.
- Important milestone reached at Canada Water, with the topping out of The Dock Shed (A2), one of the buildings in Phase 1 of the Masterplan, which will provide a brand-new leisure centre for Southwark alongside around 180,000 sq ft of new workspace.

### *London Urban Logistics*

- In May, we achieved planning consent for a 120,000 sq ft ultra-low carbon urban logistics hub at The Box in Paddington Central and we expect to commence works in Q4 2023.
- Continue to make good progress with 2.1m sq ft of new, multi-storey urban logistics space submitted for planning. Committee dates for Heritage House in Enfield, Thurrock Retail Park, Mandela Way, and Verney Road in Southwark are expected to take place in H2 2023. We are targeting planning submission for a last mile logistics hub at Finsbury Square in the City of London later this year.

## Balance sheet and capital recycling

- Strong liquidity, with £1.7bn of undrawn facilities and cash, with no requirement to refinance until early 2026. British Land has a senior unsecured credit rating at 'A' (Fitch) with a stable outlook.
- Sale of 126-134 Baker Street for £17m.

*British Land will be holding a series of events for analysts and investors to spotlight different parts of our portfolio. The first of these will be on 19<sup>th</sup> September 2023 with a focus on our Retail Park portfolio and strategy. Details to be sent out in due course.*

**-ENDS-**

**Investors:**

Sandra Moura, British Land

07989 755 535

**Media Enquiries:**

Charlotte Whitley, British Land

07887 802 535

**About British Land**

Our portfolio of high quality UK commercial property is focused on London Campuses and Retail & London Urban Logistics. We own or manage a portfolio valued at £13.0bn (British Land share: £8.9bn) as at 31 March 2023 making us one of Europe's largest listed real estate investment companies.

We create Places People Prefer, delivering the best, most sustainable places for our customers and communities. Our strategy is to leverage our best in class platform and proven expertise in development, repositioning and active management, investing behind two key themes: Campuses and Retail & London Urban Logistics.

Our three Campuses at Broadgate, Paddington Central and Regent's Place are dynamic neighbourhoods, attracting growth customers and sectors, and offering some of the best connected, highest quality and most sustainable space in London. We are delivering our fourth Campus at Canada Water, where we have planning consent to deliver 5m sq ft of residential, commercial, retail and community space over 53 acres. Our Campuses account for 63% of our portfolio.

Retail & London Urban Logistics accounts for 37% of the portfolio and is focused on retail parks which are aligned to the growth of convenience, online and last mile fulfilment. We are complementing this with urban logistics primarily in London, focused on development-led opportunities.

Sustainability is embedded throughout our business. Our approach is focused on three key pillars where British Land can create the most benefit: Greener Spaces, making our whole portfolio net zero carbon by 2030, Thriving Places, making a long-lasting, positive social impact in our communities, and Responsible Choices, advocating responsible business practices across British Land and throughout our supply chain, and maintaining robust governance structures. Further details can be found on the British Land website at [www.britishland.com](http://www.britishland.com)