

Half Year Results

30 September 2021



Introduction

Simon Carter



BusinessGreen
Leaders Awards 2021
WINNER

Green Building Project
of the Year
British Land
– 100 Liverpool Street

Themes underpinning our strategy are strengthening

- **Innovation Campuses**
 - Development-led investment
 - Demand polarising to best, most sustainable space
 - 1m sq ft Campus leasing since 1 April
 - Central London vacancy: Prime 3.5% vs. All 9.1%
- **Retail Park value play**
 - Increasingly retailers' preferred format
 - Rents stabilising and yields compressing
 - Values up 7.1%
- **Urban Logistics in London**
 - Growing demand driven by same day delivery
 - Very low supply, strong upward pressure on rents



A1 Retail Park, Biggleswade

Strategy driving performance and positioning us for growth

- **Good early progress on strategy**
 - On site with 1.6m sq ft development
 - £312m invested in Retail Parks and Campus opportunities
 - GDV Urban Logistics pipeline c. £600m
- **Reflected in our results**
 - Portfolio value up 2.9%
 - Total accounting return +6.1% for H1
 - 2m sq ft leasing activity
- **Well positioned for the future**



Financial Results

Bhavesh Mistry



Norton Folgate

Delivering improved financial performance

£120m

Underlying Profit

+12.1% vs Sep 20

681p

EPRA NTA per share

+5.1% vs Mar 21

£9.8bn

Portfolio valuation

+2.9% vs Mar 21

96%

HY22 rent collected

Offices 100%, Retail 93%

33.4%

Loan to value

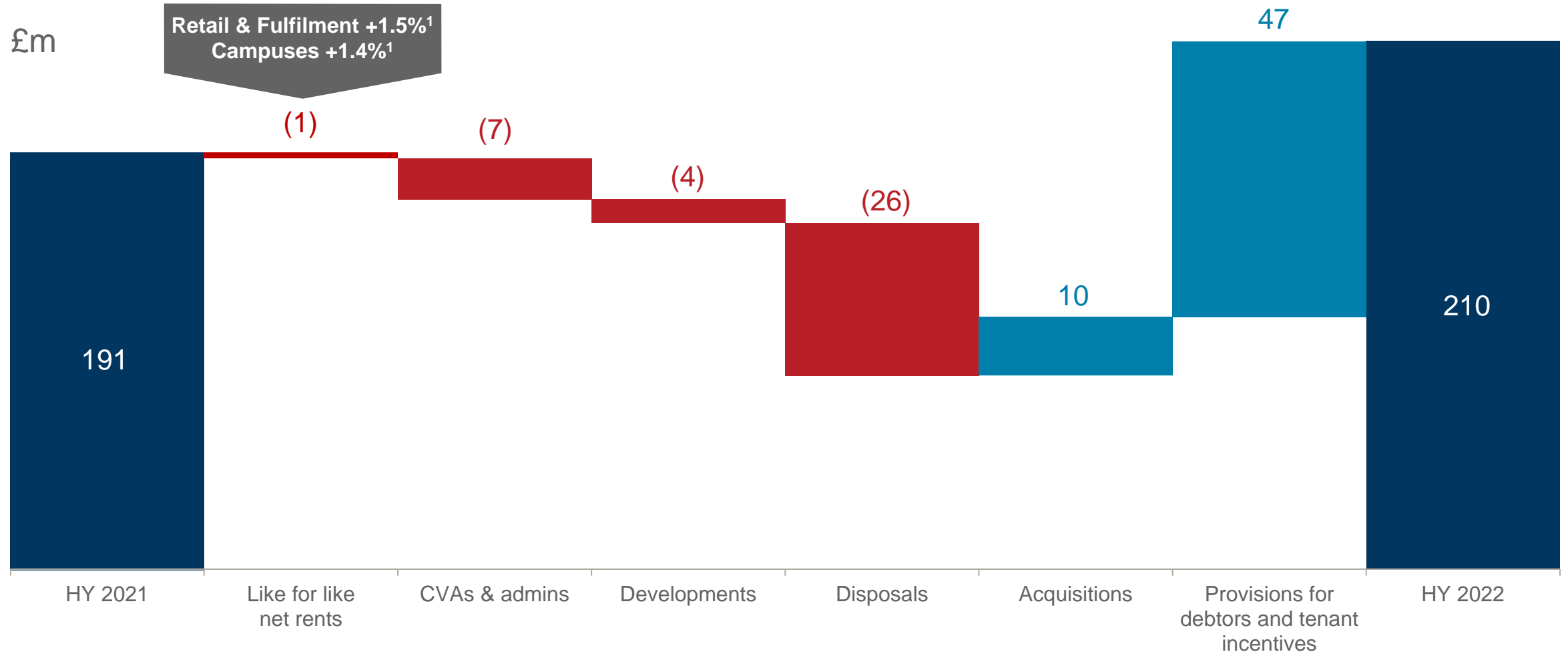
*No requirement to refinance
until late 2024*

10.32p

Dividend per share

+22.9% vs Sep 20

Net rental income



¹ Like for like % excludes the impact of surrender premia, CVAs & admins and provisions for debtors and tenant incentives. Including the impact of CVAs & admins, like for like growth for Campuses is +1.2% and for Retail & Fulfilment is -7.6%.

Collecting rents near pre-pandemic levels

HY22 rent due (25 March 2021 to 28 September 2021)

As at 9 th November	Offices	Retail ¹	Total
Received	100%	93%	96%
Rent forgiven	-	2%	1%
Outstanding	-	5%	3%
Total	100%	100%	100%
	£94m	£137m	£231m

September 21 quarter rent collection is 93%, with offices at 99% and retail at 87%

¹ Includes non-office customers located within our London campuses.

Significantly reduced the impact of provisioning

HY22 Income statement impact	£m
Provision release for FY21 debtors	24
Provisions for debtors billed in HY22	(21)
Net provision release for tenant debtors & accrued income	3
Increase in provisions for tenant incentives	(3)
HY22 P&L Impact	-
HY21 P&L Impact	(47)
HY21 vs HY22 variance	47

Income statement

6 months to 30 September (£m)	H1 2021	H1 2022	Change %
Net rental income	191	210	9.9%
Fees & other income	6	5	(16.7)%
Administrative expenses	(38)	(44)	(15.8)%
Net finance costs	(52)	(51)	1.9%
Underlying Profit	107	120	12.1%
Underlying earnings per share (p)	10.5	12.9	22.9%
Dividend per share (p)	8.40	10.32	22.9%

Dividend policy that provides strategic flexibility

Clear & simple policy

- 80% of Underlying earnings per share
- Based on the most recently completed six-month period

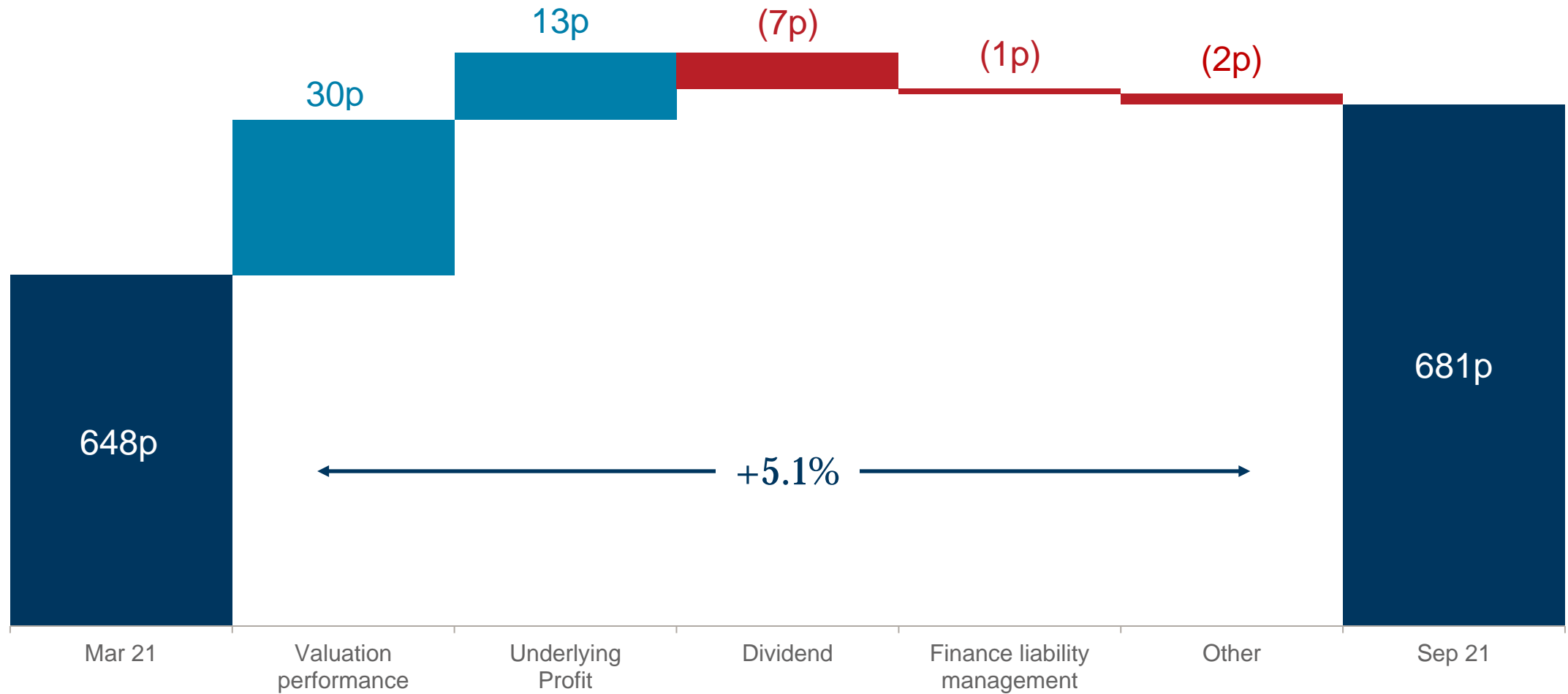
Maintains strategic flexibility

- Dividend adjusts to reflect the impact of capital activity and trading conditions
- REIT compliant

HY22 dividend

- 10.32p dividend per share for HY22
- Interim dividend paid January 2022

EPRA NTA performance reflects valuation improvements



Our strategic activity is a key driver of returns

+6.1%

Total Accounting Return

Driven primarily by our strategic activity:

+1.0%

Active asset management

+1.5%

Development Profits

+1.9%

Retail Park value play

Significant development pipeline providing future returns

Recently completed & committed pipeline¹

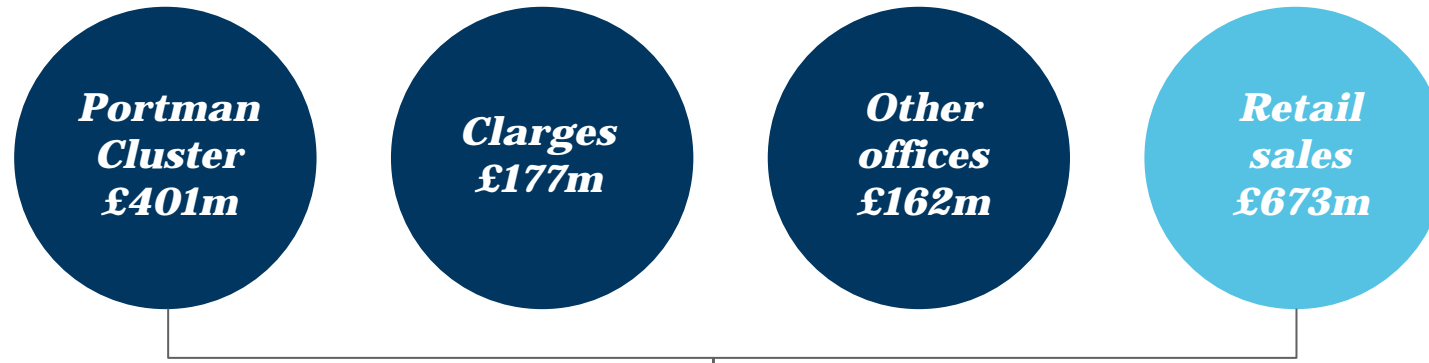
- ERV of £91m, delivering up to 7.3p of earnings
- Speculative exposure now 8%
- 95% of costs fixed for Norton Folgate, Aldgate Place and Canada Water, Phase 1
- Maintaining strong returns (forecast IRR 10-12%)
- Remaining mindful of inflationary pressures

£m - ERV



¹Completed and committed developments includes 1 Triton Square which PC'd in May 2021. 1 Triton Square has an ERV of £24.3m of which £23.9m is pre-let.

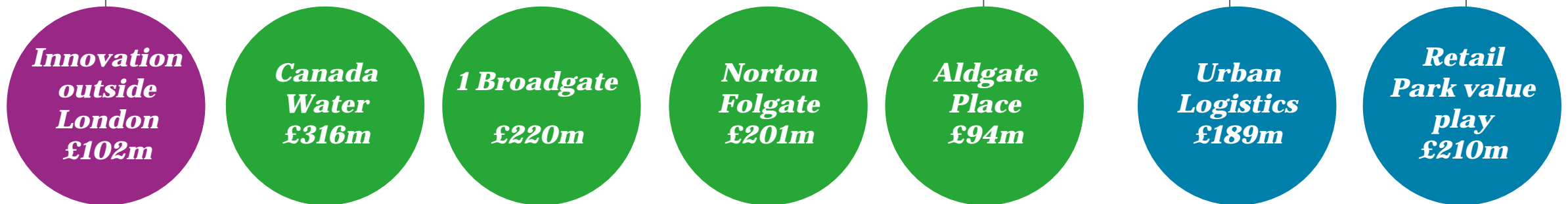
Actively recycling capital into opportunities to drive returns



£1.4bn of asset sales invested into¹:

Campuses

Retail & Fulfilment



Target IRRs:

Development 10-15%, standing investments 6-9%

¹Disposals made since 1 April 2020

Maintaining a strong financial position

A

*Senior unsecured credit
rating (Fitch)*

£1.5bn

Undrawn facilities & cash

33.4%

Loan to value¹

2.7%

*Weighted average interest
rate¹*

2024

*No requirement to refinance
until late 2024*

43%

Valuation headroom²

¹ On a proportionally consolidated basis including the Group's share of Joint ventures and Funds and excluding non-controlling interests in the Group's subsidiaries.

² Headroom on the Group's unsecured debt covenants from valuation falls

Continued progress against our 2030 sustainability strategy



- **Achieved a GRESB 5* rating**
- **All developments net zero carbon**
 - 100 Liverpool Street: 389kg CO₂e per sqm
 - 1 Triton Square: 436kg CO₂e per sqm
 - Residual carbon offset through certified schemes
- **Retrofitting standing portfolio for EPC requirements**
 - Total estimated cost c.£100m



**Regents Place – Young Readers Programme
10 year partnership with National Literacy Trust**

Returns focused and positioned for growth

- A strong set of results and positive outlook
- Rent collection near pre-pandemic levels
- Financial position that can drive future growth



Operations & markets

Darren Richards



1 Broadgate

Strong valuation performance driven by our actions

	Valuation £m	Valuation movement	Yield Movement	ERV Movement
Total	9,840	2.9%	-15bps	-1.0%
Campuses	6,903	3.0%	-6bps	-0.3%
<i>Central London</i>	<i>6,245</i>	<i>2.8%</i>	<i>-6bps</i>	<i>-0.3%</i>
<i>Canada Water & other Campuses</i>	<i>600</i>	<i>6.9%</i>	<i>+1bps</i>	<i>-0.2%</i>
Retail & Fulfilment	2,937	2.7%	-32bps	-1.9%
<i>Retail Parks</i>	<i>1,732</i>	<i>7.1%</i>	<i>-54bps</i>	<i>-1.1%</i>
<i>Shopping Centres</i>	<i>814</i>	<i>(4.2%)</i>	<i>+8bps</i>	<i>-3.8%</i>
<i>Urban Logistics¹</i>	<i>118</i>	<i>3.7%</i>	<i>-10bps</i>	<i>-</i>

¹ Excludes the impact of purchasers costs. Including purchasers cost valuation movement was (0.9)%

Campus leasing strongest in 5 years

- **819,000 sq ft leasing activity**
 - Representing £37.7m of rents, 6.1% ahead of ERV¹
 - 330,000 sq ft under offer
- **1 Broadgate offices fully let or under option**
 - 254,000 sq ft pre-let to A&O post period end
- **Retail at 100 Liverpool Street fully let**
- **Storey occupancy above 80%**
 - 100,000 sq ft let since 1 April (87,000 sq ft in H1)

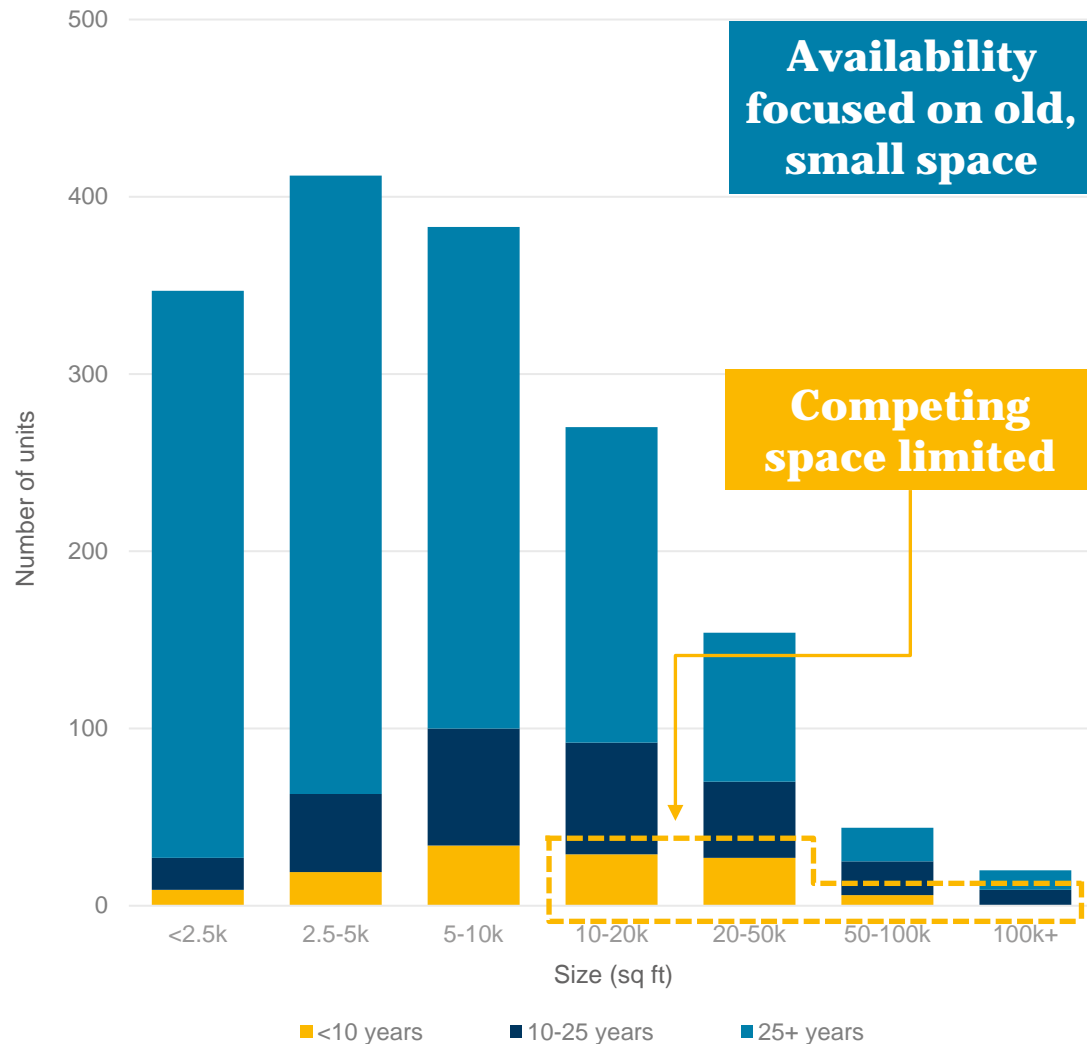


155 Bishopsgate, Broadgate

¹ Excludes Storey and temporary deals with terms of less than one year

Market polarising towards new and best in class space

Second hand C. London availability by age and size



- **Increased activity with a focus on quality**
 - Q3 under offers at 3.9m sq ft, highest since Q3 2019
 - 38% of C. London deals over £75 psf vs 27% pre-pandemic
- **75% of available space is second hand**
 - 70% below 10k sq ft and 90% older than 10 years¹
 - 41% of second hand supply is sublet
- **Supply of new space remains constrained**
 - 8m sq ft of speculative space under construction to 2025
 - Vs. annual average take up of new space of 4.7m sq ft

Campuses more attractive post Covid as themes accelerate

Campus advantages



Modern, high quality space



Emphasis on Wellness



Sustainability



Well connected



Great public realm and amenities



Flexibility: ability to grow with us as a partner

Post Covid trends



Demand polarising to best in class



Key to attract and retain talent; encourages return to office



Occupiers more focused on carbon footprint



Ease of commute more important



Central to the modern employee offer



Occupiers value trusted partners. A unique benefit of our campus proposition

Focus on flexibility – a unique benefit of our offer

Expansion

facebook



STARLING BANK



BIG



bai communications

Consolidation & relocation



Energy efficient space a competitive advantage

- 2030 commitment to improve whole building energy efficiency by 25%
- Offices fully compliant with 2023 EPC requirements
 - 100% A-E rated today
- Proactive approach to improving EPC ratings
 - Net zero carbon audits cover over 90% of landlord procured energy
 - Development & refurbishment to play a key role
- All-electric refit of 3 Sheldon Square



3 Sheldon Square

Retail & Fulfilment continued strong leasing momentum

- **1m sq ft of total leasing activity**
 - 0.2% ahead of ERV
- **Retail Parks over 60% of activity**
 - 1.8% ahead of ERV¹
- **Strong pipeline, 571,000 sq ft under offer**
 - 6.6% ahead of ERV¹
- **Occupancy improving to 95.9%**
 - WAULT² of 5 years

Diverse occupier base with strong covenants

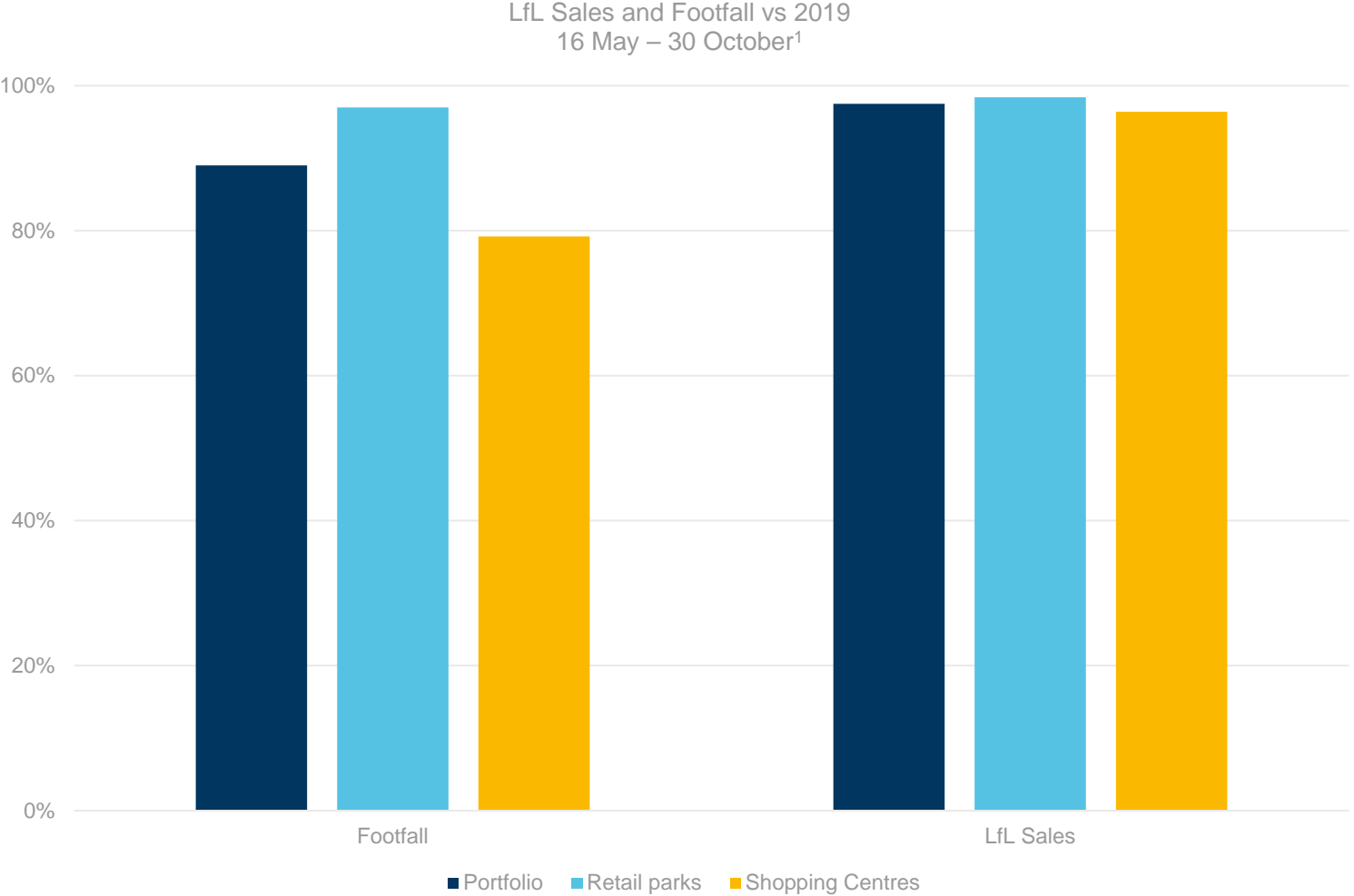


¹Excludes temporary deals with terms of less than one year

²Weighted average lease length to first break

Outperforming on footfall and sales

Footfall and Sales since reopening



Footfall vs benchmark¹

+8.8ppt
HY22²
Outperformance

Retail Parks are in line with pre-pandemic levels for both footfall and LfL sales

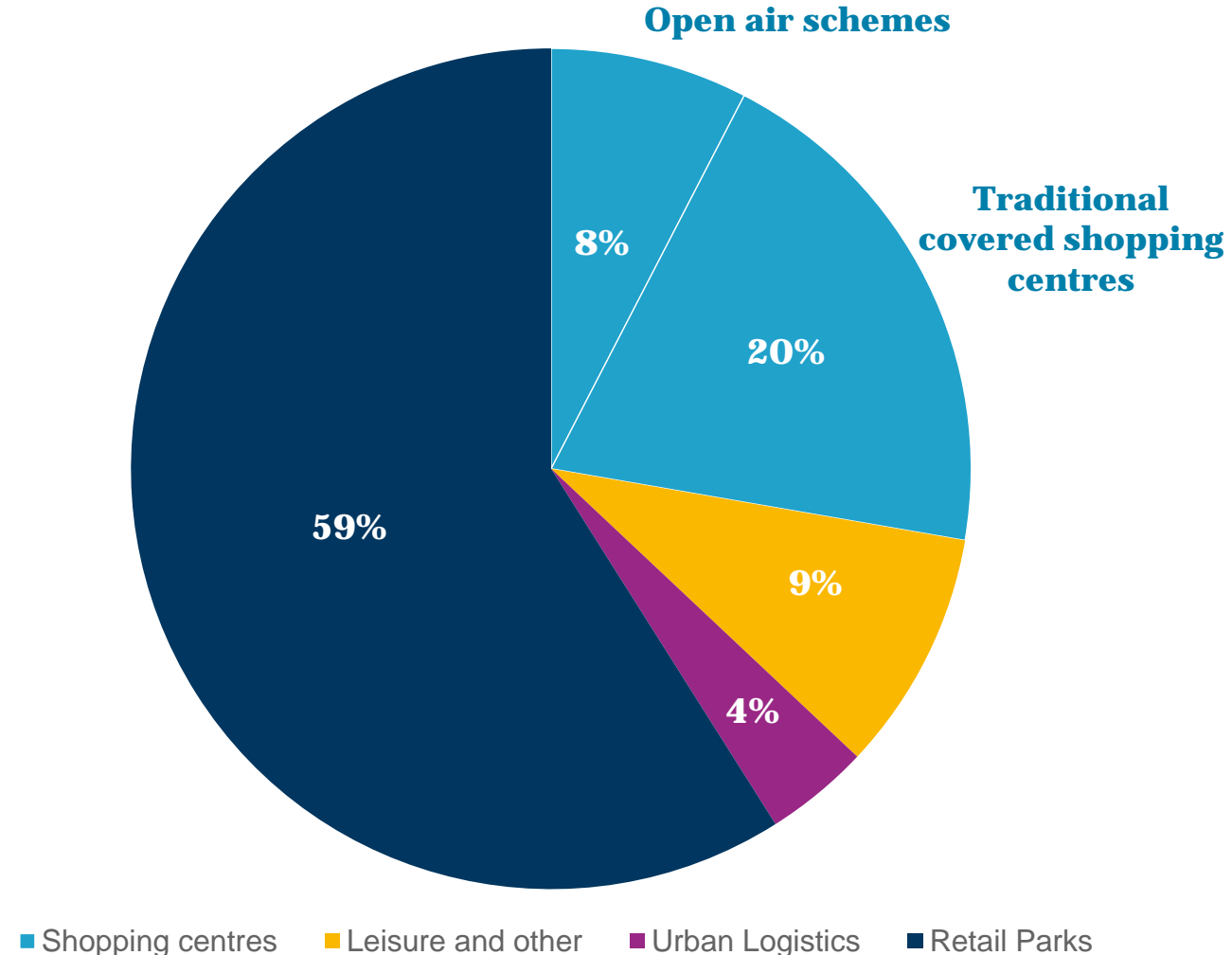
¹ Footfall benchmark: FY21 - ShopperTrak UK National Index, HY22 – Springboard

² For the period 16 May – 30 October

Retail & Fulfilment portfolio weighted to Retail Parks

- Increasingly strong occupier base focused on Retail Parks
 - Affordable rents
 - Online compatible & online resilient customers
- Occupational market recovering in our key subsectors
- Building our exposure to urban logistics

Retail & Fulfilment Portfolio - £2.9bn



Driving operational performance at Shopping Centres

- **Near term focus:**
 - Maximising occupancy
 - Stabilising rental income
- **Attractive returns as yields and cash flows stabilise**
- **Longer term opportunities for London and South East centres**



Leveraging the crossover between retail and fulfilment

Traditional Retail Park

Fort Kinnaird



30% of occupiers shipping from store
76% offer click and collect
3rd party logistics providers targeting retail parks

Adding logistics space

Teesside Shopping Park



Utilising additional space on well connected retail sites
Actively progressing opportunities at Teesside and Meadowhall

Conversion

Thurrock Shopping Park



Partial conversion of retail parks that are well located, close to arterial roads
Rationale for Thurrock RP
Benefit from existing conventional use

Strategic activity driving operational performance

- **Strong leasing across the business**
 - 2m sq ft leasing activity
- **Campus proposition delivering**
 - 1 Broadgate fully pre-let or under option
- **Retail Parks driving value**
 - +7.1% in the half
 - £1.7bn Retail Park portfolio



Strategy and outlook

Simon Carter



Peterhouse Technology Park, Cambridge

Our Strategy

Places people prefer.

With a focus on development, active management and repositioning opportunities.

Investing behind two strategic themes:

Campuses

Dynamic neighbourhoods focused on growth customers and sectors



Retail & Fulfilment

Retail Parks & Urban Logistics aligned to the growth of convenience, online and last mile fulfilment

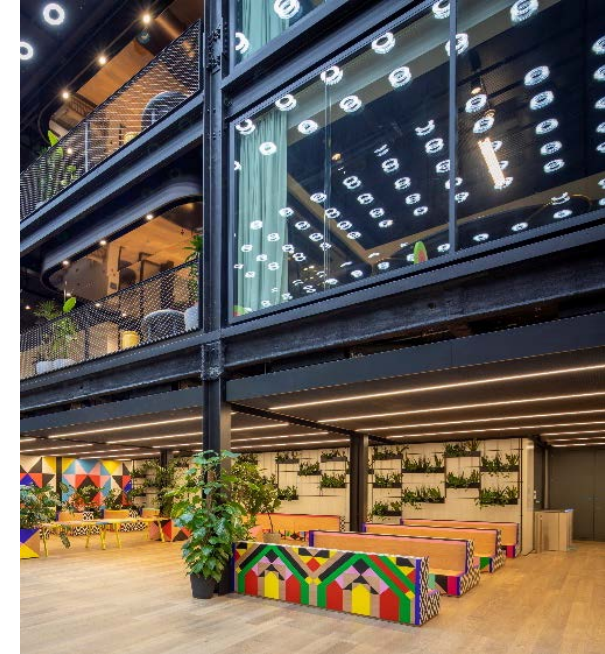
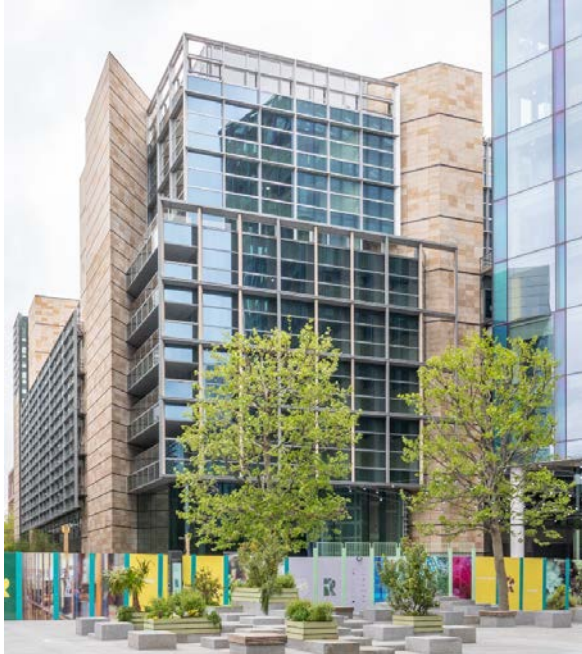


Leveraging our Campus proposition to drive value

- **Sweet spot for today's occupiers**
 - Modern high quality space and market leading sustainability credentials
 - Excellent transport connections, public realm & amenities
- **Campus development delivered £2bn of profits over ten years**
- **Successfully appealing to fast growing innovation sectors**
 - 50% of C. London take up and forecast to increase
 - 73% of Cambridge take up



Recently completed developments delivered attractive IRRs



1 Triton Square
 12% pa IRR¹
 Offices fully let to Facebook
 BREEAM Outstanding
 436kg CO₂e per sqm²

100 Liverpool Street
 15% pa IRR¹
 94% let
 BREEAM Outstanding
 389kg CO₂e per sqm²

135 Bishopsgate
 9% pa IRR¹
 Fully let
 BREEAM Excellent

1 Finsbury Avenue
 14% pa IRR¹
 94% let
 BREEAM Very Good

¹ Completed project IRRs
² Embodied carbon; not comparable at 135 Bishopsgate and 1 Finsbury Avenue which were lighter touch redevelopments

On site with 1.6m sq ft Campus development



1 Broadgate

10% forecast IRR¹

Fully pre-let on offices

901kg CO₂e per sqm²

51kWh_e per sqm³

BREEAM Outstanding⁴

Norton Folgate

12% forecast IRR¹

Speculative

444kg CO₂e per sqm²

76kWh_e per sqm³

BREEAM Excellent⁴

Aldgate Place

11% forecast IRR¹

Build to rent

620kg CO₂e per sqm²

98kWh_e per sqm³

BREEAM Excellent⁴

Canada Water Phase 1

11% forecast IRR¹

Speculative

682kg CO₂e per sqm²

Targeting <80kWh_e per sqm³

BREEAM Outstanding⁴

¹ Current Project IRR

² Embodied carbon; higher at 1 Broadgate but operational energy intensity is one sixth of the previous building

³ Landlord energy efficiency, offices only

⁴ Offices only

Delivering Phase 1 at Canada Water



BREEAM[®]

NABERS
UNITED KINGDOM

**HOME
QUALITY
MARK**



WiredScore
CERTIFIED



A1, 272,000 sq ft

186 build to sell homes

120,000 sq ft workspace

Rents £50+ psf

9,000 sq ft retail

A2, 248,000 sq ft

180,000 sq ft workspace

Rents £50+ psf

10,000 sq ft retail

55,000 sq ft leisure centre
funded by Southwark Council

K1, 62,000 sq ft

79 affordable homes pre sold
to London Borough of
Southwark

70% social rent

30% intermediate housing

Phase 1 IRR 11%. Whole project IRR low teens

Large pipeline of attractive campus development opportunities

Near Term



5 Kingdom Street
438,000 sq ft
Workspace



The Priestley Centre
116,000 sq ft
Lab-enabled space

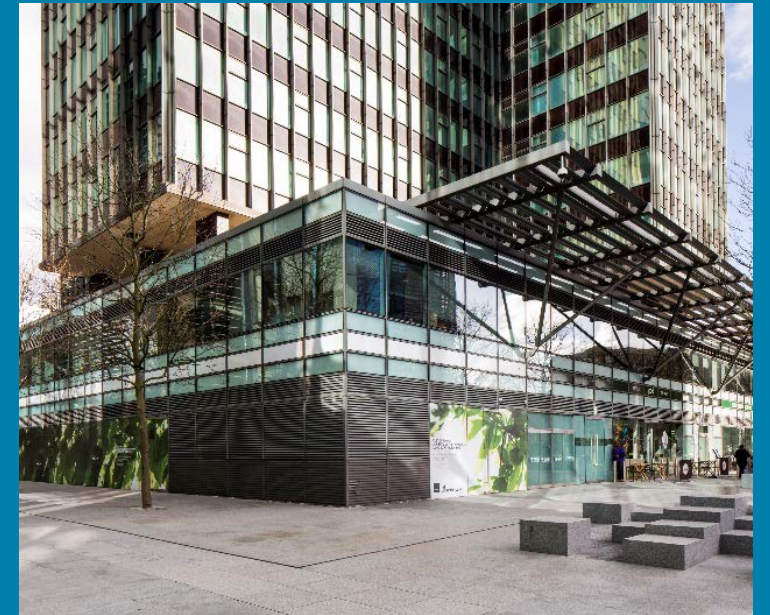
Medium Term



2-3 Finsbury Avenue
718,000 sq ft
Workspace



Canada Water, later phases
4.5m sq ft
Fully mixed use



Euston Tower
574,000 sq ft
Life Sciences, Innovation

Investing in Innovation – the Golden Triangle

Golden Triangle rationale



Investment: £65bn VC funding in London, Oxford & Cambridge



Talent: Account for majority of successful university spinouts



Supply: limited supply and complex planning environments



Rents: Strengthening for prime London; Cambridge c.+3% pa growth

Plays to our strengths

Planning & development

Track record of securing planning and delivering high quality buildings

Campus expertise

Well established and successful campus model

Working with partners

Strong partnerships with local authorities, sovereign wealth and institutional capital

Acquiring assets aligned to growth and innovation

- **Peterhouse Technology Park, Cambridge**
 - Acquired for £75m, 4.15% NIY
 - Fully let to Arm, UK's leading tech business
 - Highly reversionary, passing rent of £25.85 psf
- **Surrey Research Park, Guildford**
 - £27m acquisitions
 - Development potential
- **Screening market for further opportunities**
- **Development-led acquisitions targeting 10%+ IRRs**



Peterhouse Technology Park, Cambridge

Retail Park value play – our hypothesis

- **Retailers rotating into retail parks – occupational market stronger**
 - Affordable rents
 - Online compatible: click & collect, ship from store
 - Online resilient: attractive to discounters
- **Institutional investors entering the market**
 - £1.6bn deals, April – September
 - 54bps yield contraction to NEY of 6.9% on our portfolio
- **Values rising**
 - Retail Parks +7.1% on our portfolio



Retail Parks delivering quicker than expected

Indicative 5 year view in May

Attractive net initial yield of 8%



ERV decline, c.5% then stabilisation



Occupancy increase, c.5%



Yield compression



Double digit 5yr IRRs in base case

Investment thesis playing out

6 months to 30 Sept 2021:

Mild ERV decline, down 1.1%



Occupancy increase, +1.8%



54 bps yield compression



Total property return of 11.7%



Urban Logistics in London

- **Creating new logistics warehouse space for last mile delivery in London via:**
 - Repurposing
 - Densification
 - Incorporating into mixed use
- **Strong drivers of demand**
 - E-commerce, in particular same day delivery
 - Attractive sustainability credentials
- **Attractive market dynamics**
 - ERV growth of 5-6% for 2021
 - 9% pa for Inner London micro units in recent years
 - Vacancy within the M25 c.2%



Three key themes which play to our strengths

Retail Park Conversions

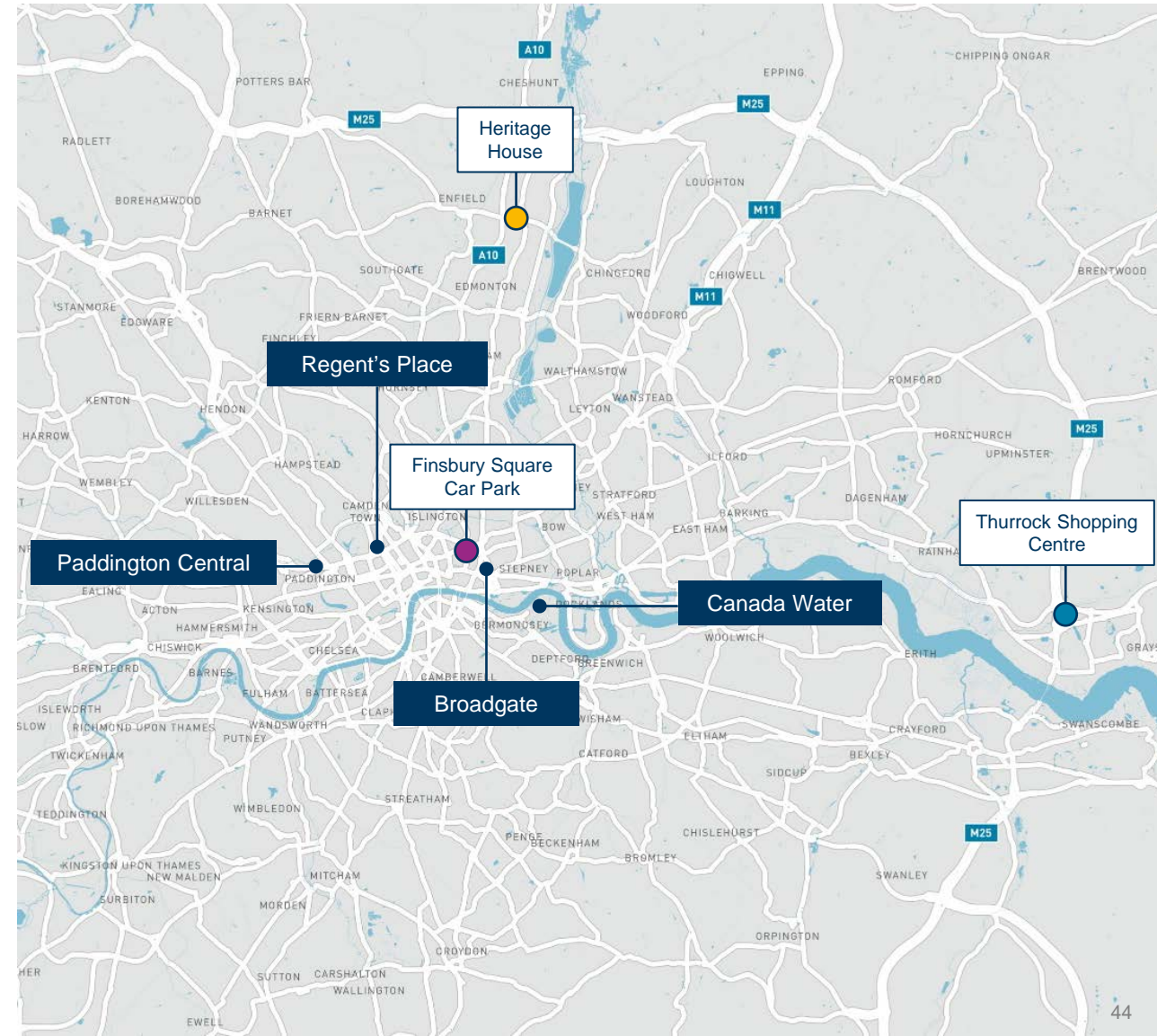
Thurrock Shopping Park

Densification opportunities

Heritage House, Enfield

Repurposing & mixed use in C. London

Finsbury Square car park Opportunities on our campuses



Retail Park Conversion – Thurrock

**Retail &
Fulfilment**

- **Attractive entry price**
 - £82m, £3.8m per acre
- **Well suited for urban logistics**
 - 21.5 acres, M25 location
 - Elevated location facilitates multi-storey development without a ramp
- **Target IRR c.15%¹**
- **Target market:**
 - Retailer fulfilment
 - Third party logistics providers



Thurrock Shopping park

¹ From acquisition to end of letting void

Densification opportunities – Enfield

- £87m acquisition
- Opportunity to deliver multi-storey urban logistics warehouse
 - 11 acres, inside the M25
 - 40% coverage ratio – low for London
 - Area identified for intensification
- Target IRR c.10%¹
- Target market:
 - Retailer fulfilment
 - Third party logistics providers
 - Quick commerce



Heritage House, Enfield

¹ From acquisition to end of letting void

Repurposing in Central London – Finsbury Square car park

- £20m acquisition
- Ideal as a city-centre logistics hub
 - 75,000 sq ft GIA today
 - Zone 1 close to Broadgate
- Target IRR c.15%¹
- Target market:
 - Third party logistics providers
 - Quick commerce
 - Dark kitchens



Finsbury Square car park

¹ From acquisition to end of letting void

Maintaining momentum – next steps

Realising the potential of our Campuses

Pre-lets at Norton Folgate and Canada Water

Increase scale in Golden Triangle

Deliver Place Based initiatives

Progressing value accretive development

Progress pipeline including 5 Kingdom Street & Euston Tower

Progress next phase at Canada Water

All developments now net zero

Deliver on Pathway to Net Zero

Targeting the opportunities in retail fulfilment

Acquire assets with urban logistics potential in London

Progress planning at Meadowhall & Teesside

Progress plans for Thurrock & Enfield

Selective acquisitions of Retail Parks

Active capital recycling

Further recycling out of dry and mature assets

Outlook for our markets – next 12 months

- **Campuses**

- Expect London Campus ERV growth of 0-3%
- Yield compression likely

- **Retail Parks**

- ERVs to stabilise with growth returning for small, well located parks
- Further yield compression, appetite extending to larger lot sizes

- **Shopping Centres**

- ERV decline slowing and continued yield stabilisation

- **Urban Logistics**

- Continuing strong rental growth in London
- Further yield compression possible



Summary

- Themes underpinning strategy strengthening
- Good progress delivering
 - Development-led investment in Innovation Campuses
 - Retail Park value play
 - Urban Logistics in London
- Well placed to deliver attractive total returns





Appendices

A high-quality portfolio, focusing on two themes **£9.8bn**

(BL share)

Retail & Fulfilment (30%)

Campuses (70%)



Retail parks (18%)



Shopping centres (8%)



Other retail (3%)



Urban logistics (1%)



London campuses (63%)



Canada Water & other campuses (6%)



Residential (1%)

HY22 rent collection

Rent due between 25 March 2021 and 28 September 2021

As at 9 th November	Offices	Retail ¹	Total
Received	100%	93%	96%
Rent forgiven	-	2%	1%
Outstanding	-	5%	3%
Total	100%	100%	100%
	£94m	£137m	£231m

¹ Includes non-office customers located within our London campuses.

September quarter 2021 rent collection

Rent due between 29 September 2021 and 9 November 2021

As at 9 th November	Offices	Retail ¹	Total
Received	99%	87%	93%
Rent forgiven	-	-	-
Customer paid monthly	-	4%	2%
Outstanding	1%	9%	5%
Total	100%	100%	100%
	£48m	£52m	£100m

¹ Includes non-office customers located within our London campuses.

Major retail property holdings

As at 30 September 2021		BL Share %	Sq ft 000's	Rent (100%) £m pa ^{1,4}	Occupancy Rate % ^{2,4}	Lease Length yrs ^{3,4}
1	Meadowhall, Sheffield	50	1,500	70	97.0	4.1
2	Glasgow Fort, Glasgow	100	510	17	94.3	5.3
3	Teesside, Stockton	100	569	14	94.2	3.0
4	Ealing Broadway, London	100	540	11	93.6	3.8
5	Drake's Circus, Plymouth	100	1,190	17	90.7	5.1
6	Speke, New Mersey	88	502	13	96.1	4.6
7	Fort Kinnaird, Edinburgh	50	560	17	93.9	5.4
8	Giltbrook, Nottingham	100	198	7	100.0	5.2
9	Broughton, Chester	100	337	8	97.5	4.0
10	Woolwich, London	100	307	3	98.8	2.5

¹ Annualised EPRA contracted rent including 100% of Joint Ventures & Funds

² Including accommodation under offer or subject to asset management

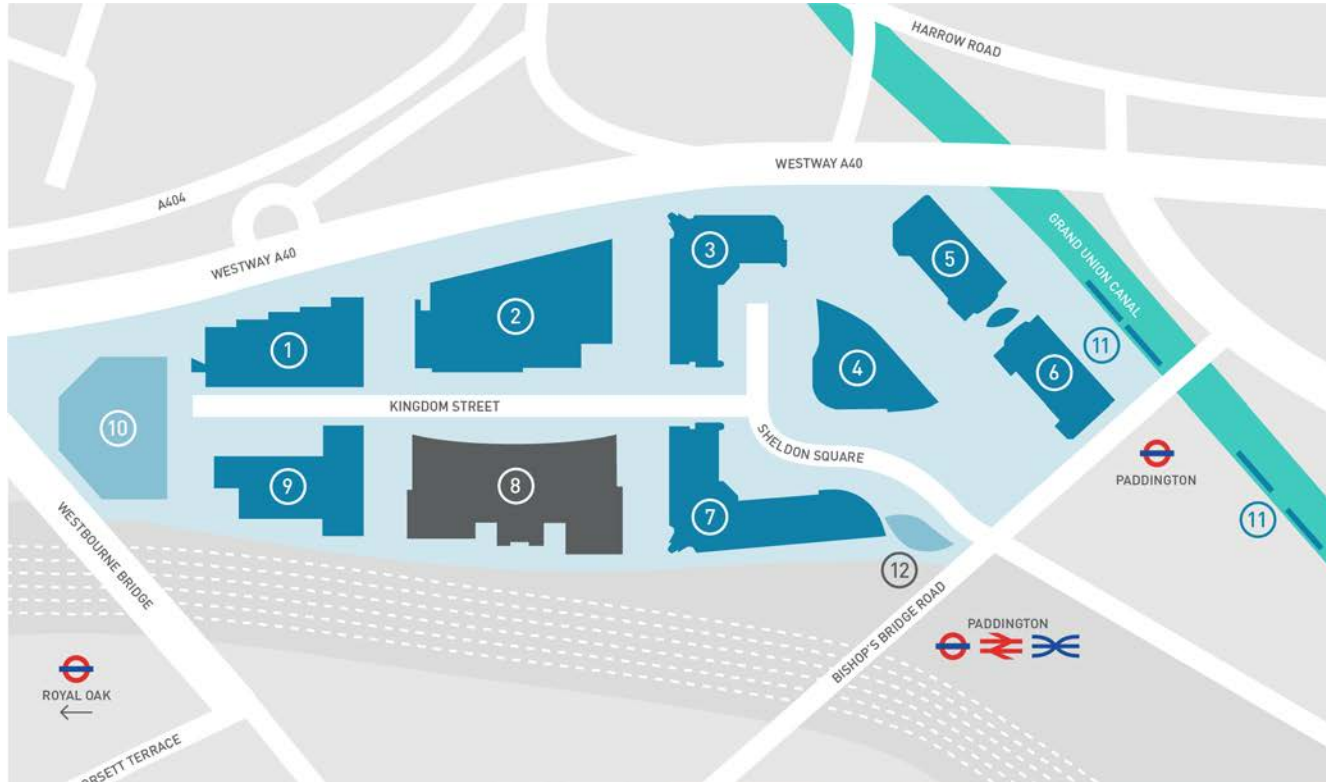
³ Weighted average to first break

⁴ Excludes committed and near term developments

Broadgate Campus



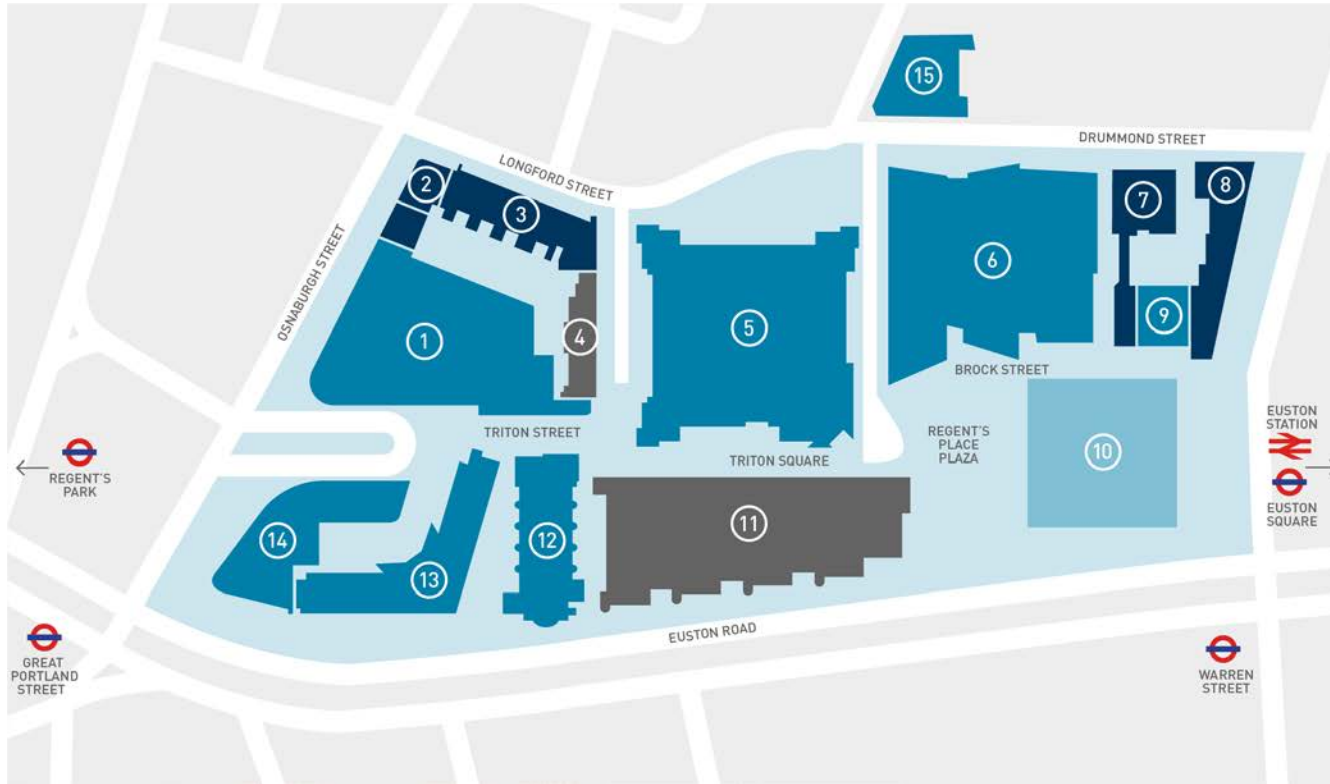
Paddington Central Campus



- 1 Four Kingdom Street
- 2 Two Kingdom Street
- 3 Three Sheldon Square
- 4 Sheldon Square
- 5 British Land owned ground floor retail with non-British Land owned residential above
- 6 British Land owned ground floor retail with non-British Land owned residential above
- 7 One Sheldon Square
- 8 One Kingdom Street
- 9 Novotel Hotel
- 10 Five Kingdom Street and The Box
- 11 Retail Canal Boats
- 12 The Gateway Building

- British Land ownership
- British Land ownership (development)
- Non-British Land ownership
- Crossrail (Elizabeth Line)

Regent's Place Campus



- 1 20 Triton Street
- 2 1 Osnaburgh Street
- 3 1-8 Longford Street
- 4 UKPN Substation
- 5 1 Triton Square
- 6 10 Brock Street
- 7 20 Brock Street
- 8 15-31 Hampstead Road
- 9 30 Brock Street
- 10 Euston Tower
- 11 2 Triton Square
- 12 338 Euston Road
- 13 350 Euston Road
- 14 10 Triton Street
- 15 184-192 Drummond St

- British Land ownership
- British Land ownership [development]
- Residential
- Non-British Land ownership

Storey roll out



Our 2030 Sustainability Strategy



Net Zero Carbon by 2030

- **50% less** embodied carbon emissions at our developments, to below 500kg CO₂e per sqm by 2030 (versus industry benchmark)
- **100% of developments** delivered to be net zero embodied carbon
- **75% reduction** in operational carbon intensity across our portfolio by 2030 (versus 2019 baseline)
- **Transition vehicle** financing the retrofitting of our standing portfolio from an internal carbon levy of £60 per tonne on our developments



Place based approach

- **Place-based approach to social contribution**
- Using our **Local Charter** to focus on key issues
- **Partnering with local stakeholders**
- Delivering placed based initiatives on key social issues at priority assets

Responsible business

- Champion of responsible employment
 - Promoting diversity and inclusion, everywhere
 - Responsible procurement
- Championing UN SDGs**



Environmental leadership

- Maintaining GRESB 5 star rating



Sustainability Metrics

Developments – Net Zero Carbon

Net Zero Carbon – Completed and Committed developments		
Net Zero Developments	Embodied emissions offset % of total embodied emissions	Embodied carbon intensity kg CO ₂ e per sqm (A1-A5)
Completed		
100 Liverpool Street	100%	389
1 Triton Square	100%	436
Committed^A		
Norton Folgate	-	444
1 Broadgate	-	901
Aldgate Place, Phase 2	-	620
Canada Water, Plot A1	-	641
Canada Water, Plot A2	-	721
Canada Water, Plot K1	-	722

Operational – EPC ratings

EPC Rating	% of total ERV			% of total Sq Ft		
	Offices	Retail	Portfolio	Offices	Retail	Portfolio
A	3	1	2	2	1	1
B	33	20	27	31	23	26
C	16	40	26	15	40	32
D	32	23	29	34	22	26
E	16	9	13	18	7	10
F	0	3	1	0	3	2
G	0	4	2	0	4	3
Total	100	100	100	100	100	100

^AThe embodied emissions are offset after the project achieves practical completion.

Sustainability Indices Performance

HY 2022 performance



Global Real Estate Sustainability Benchmark¹

2021: 5-star
(Standing Investment and Development)



Carbon Disclosure Project

2020: A-
2019: B



EPRA Sustainability Reporting Awards

2021: Gold for 10th year



SUSTAINALYTICS

a Morningstar company



MSCI ESG Ratings²

2021: AAA rating



FTSE4Good

FTSE4Good

2021: 81st percentile



Social Mobility Index

2020: Top 75 for the third consecutive year



rated by
ISS-oekom

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² MSCI disclaimer and details on additional ESG benchmarks are available at:

<https://www.britishland.com/sustainability/performance/benchmarking>

Top 20 occupiers

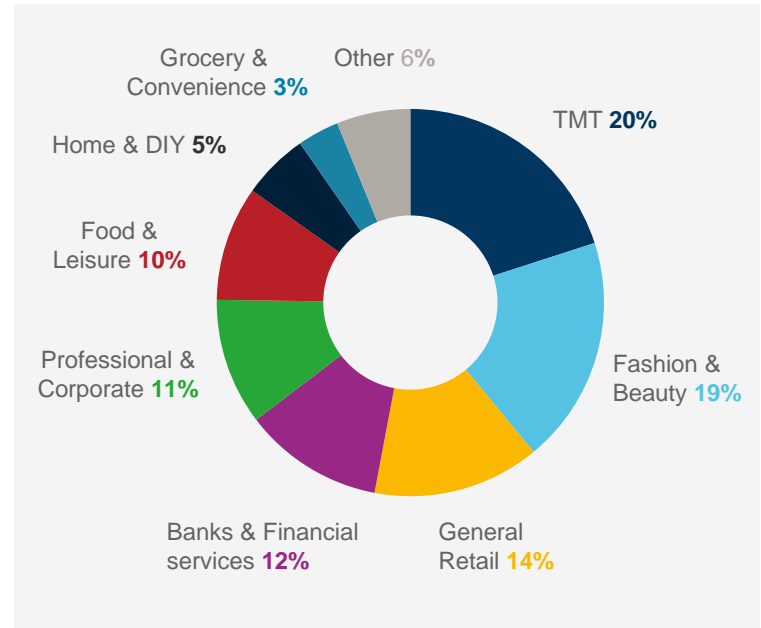
Retail & Fulfilment

As at 30 September 2021	% of Retail Rent
Next	5.4
Walgreens (Boots)	4.9
M&S	4.3
JD Sports	3.2
J Sainsbury	3.0
Frasers Group	2.8
TJX (TK Maxx)	2.7
Dixons Carphone	2.6
Asda Group	2.3
Tesco	2.1
DFS Furniture	1.9
Hutchison Whampoa	1.9
TGI Fridays	1.8
River Island	1.6
Homebase	1.5
Primark	1.5
H&M	1.4
Wilkinson	1.3
Kingfisher	1.3
Pets at Home	1.3
Total top 20	48.8

Campuses

As at 30 September 2021	% of Office Rent
Meta (Facebook)	17.6
dentsu international	4.5
Visa	4.1
Herbert Smith Freehills	3.4
Gazprom	2.7
Microsoft Corp	2.5
SMBC	2.3
Vodafone	2.0
Deutsche Bank	1.9
Henderson	1.8
Reed Smith	1.7
TP ICAP	1.6
The Interpublic Group (McCann)	1.6
Mayer Brown	1.5
Softbank Group	1.5
Ctrip.com (Skyscanner)	1.3
Mimecast	1.3
Credit Agricole	1.2
Kingfisher	1.2
Milbank LLP	1.1
Total top 20	56.8

Occupier Split by Industry (% of rent)



Capital Activity

Since 1 April 2021	Campuses £m	Retail & Fulfilment £m	Total £m
Purchases ¹	102	399	501
Sales ²	(79)	(117)	(196)
Development Spend	90	4	94
Capital Spend	13	10	23
Net Investment	126	296	422
Gross Capital Activity	284	530	814

On a proportionally consolidated basis including the Group's share of joint ventures and funds

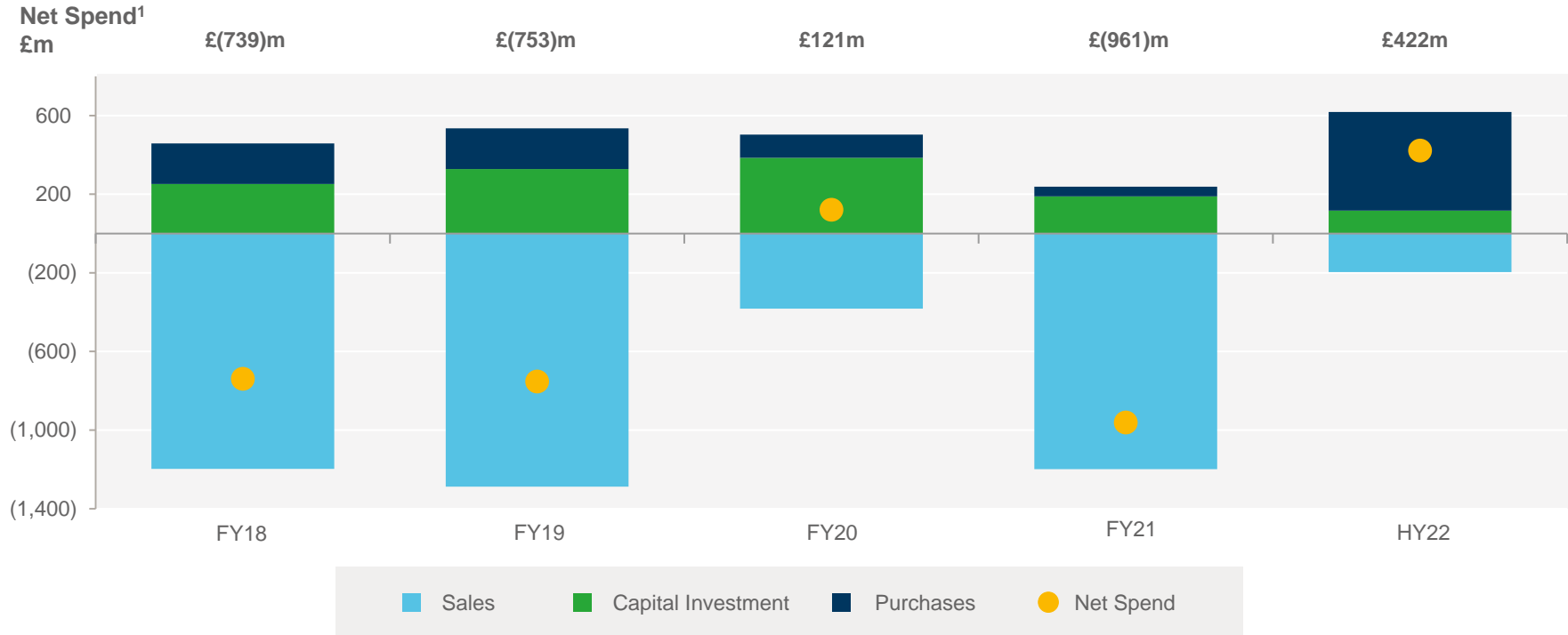
¹ Includes the purchase of Blackwater Shopping Park (£38m), Waterside House, Guildford (£15m) and B&Q, Cambridge (£24m) which exchanged and completed post period end.

² Includes Virgin Active, Brighton (£14m) and Debenhams, Plymouth (£4m) which exchanged post period end and St Anne's (£6m) which exchanged prior to 1 April 2021.

Capital Activity

£6.6bn

Gross investment activity since April 2017



¹ Previous periods have been restated to exclude transactions exchanged in the period that have now completed. Includes post period capital activity including the acquisition of Blackwater Shopping Park, Waterside House, B&Q, Cambridge and the disposal of Virgin Active, Brighton and Debenhams, Plymouth.

Purchases

Since 1 April 2021	Sector	Price (100%) £m	Price (BL Share) £m	Annual Passing Rent £m ¹
Completed				
Hercules Unit Trust units	Retail	148	148	12
Thurrock Retail Park	Retail	82	82	5
Blackwater Shopping Park, Farnborough ²	Retail	38	38	2
B&Q, Cambridge ²	Retail	24	24	1
Heritage House, Enfield	Logistics	87	87	2
Finsbury Square car park, London	Logistics	20	20	1
Peterhouse Technology Park, Cambridge	Campuses	75	75	3
Waterside House, Guildford ²	Campuses	15	15	1
The Priestley Centre, Guildford	Campuses	12	12	-
Total		501	501	27

¹ BL share of annualised rent topped up for rent frees.

² Exchanged and completed post period end.

Sales

Since 1 April 2021	Sector	Price (100%) £m	Price (BL Share) £m	Annual Passing Rent £m ¹
Completed				
Virgin Active, Chiswick	Retail	54	54	2
Woodfields Retail Park, Bury (part-sale)	Retail	36	36	2
Beaumont Leys (Fletcher Mall), Leicester	Retail	9	9	1
Wardrobe Court, London	Residential	70	70	-
St Anne's, Regents Place ³	Residential	6	6	-
Clarges, Mayfair	Residential	3	3	-
Exchanged				
Virgin Active, Brighton ²	Retail	14	14	2
Debenhams, Plymouth ²	Retail	4	4	-
Total		196	196	7

¹ BL share of annualised rent topped up for rent frees

² Exchanged and completed post period end.

³ Exchanged prior to 1 April 2021

H2 FY22 income statement guidance

Gross Rents

- Annualised accounting gross rent of £449m as at 30 Sep 2021¹.
- Retail % like for like movement, absent any material tenant events, is expected to be at a similar level for FY22 as the first half.
- In Offices, rental income will primarily be driven by like-for-like growth across the portfolio.
- Post period capital activity (i.e. acquisition of B&Q Cambridge, Blackwater Shopping Park, Waterside House Guildford and the disposal of the Brighton Virgin Active) is expected to increase annualised gross rents by £4m.

Operating costs

- Our full year provision assumptions will take into account historical rental collection data – it will therefore be dependent on the level of rental collection experienced across H2 FY22, absent any changes in government guidance or related restrictions.
- Administrative costs expected to be in line with H1 level.

Financing

- Weighted average interest rate now 2.7% on gross debt of £3.5bn.
- Undrawn facilities of £1.4bn, with commitment fees of c.30bps p.a.

Dividend

- Dividends will be paid semi annually in January and August at a fixed percentage of 80% of Underlying Earnings Per Share, based on the most recently completed six-month period.

Capital activity

- Capital activity has the potential to significantly impact profits. For example, selling/acquiring £100m of Retail / Campus assets could reduce / increase annual profits by c.£6.5m / c.£3.0m and LTV by c.0.7%. This is based on topped up NIY of 7.4% (Retail & Fulfilment) / 3.9% (Campuses) and marginal cost of debt of 0.9%.

¹ This incorporates the reduction to contracted rents as a result of CVAs and administrations prior to 30th September 2021

² See further detail in note 7 & 10 to the condensed interim financial statements

Illustrative future income profile breakdown (cash basis)

For the year to 31 March	2022	2023	2024	2025	2026	Total	Accounting Basis
As at 30 September 2021	£m	£m	£m	£m	£m	£m	
Current Passing Rent						448	452
Contracted uplifts ⁴	12	17	13	23	-	65	
Pre-lets of Committed Developments ¹	-	-	-	-	5	5	4
Contracted rent						518	456
Letting of completed developments	4	-	-	-	-	4	3
Lease Expiries – Development pipeline	(3)	(2)	(1)	-	-	(6)	(5)
Letting of Committed Developments ¹ – speculative	-	-	23	23	15	61	50
Letting of Near Term Developments ¹	-	3	2	-	-	5	4
RPI Linked Leases ²	1	1	1	1	1	5	5
Reversion ³	(5)	(6)	(6)	(5)	(8)	(30)	(26)
Vacancies	34					34	29
						591	516
Letting of Medium Term Developments (Incl. 5 Kingdom Street)						154	119

On a proportionally consolidated basis including the Group's share of joint ventures and funds. Figures based on valuation rent and include assumptions on outstanding rent review settlements

¹ Assumes lettings contracted are rent producing at practical completion

² Assumed at 3.3% per annum

³ Includes reversion on expiries and open market rent reviews within 5 years

⁴ Includes £4m agreement for lease rents

Gross rental income¹

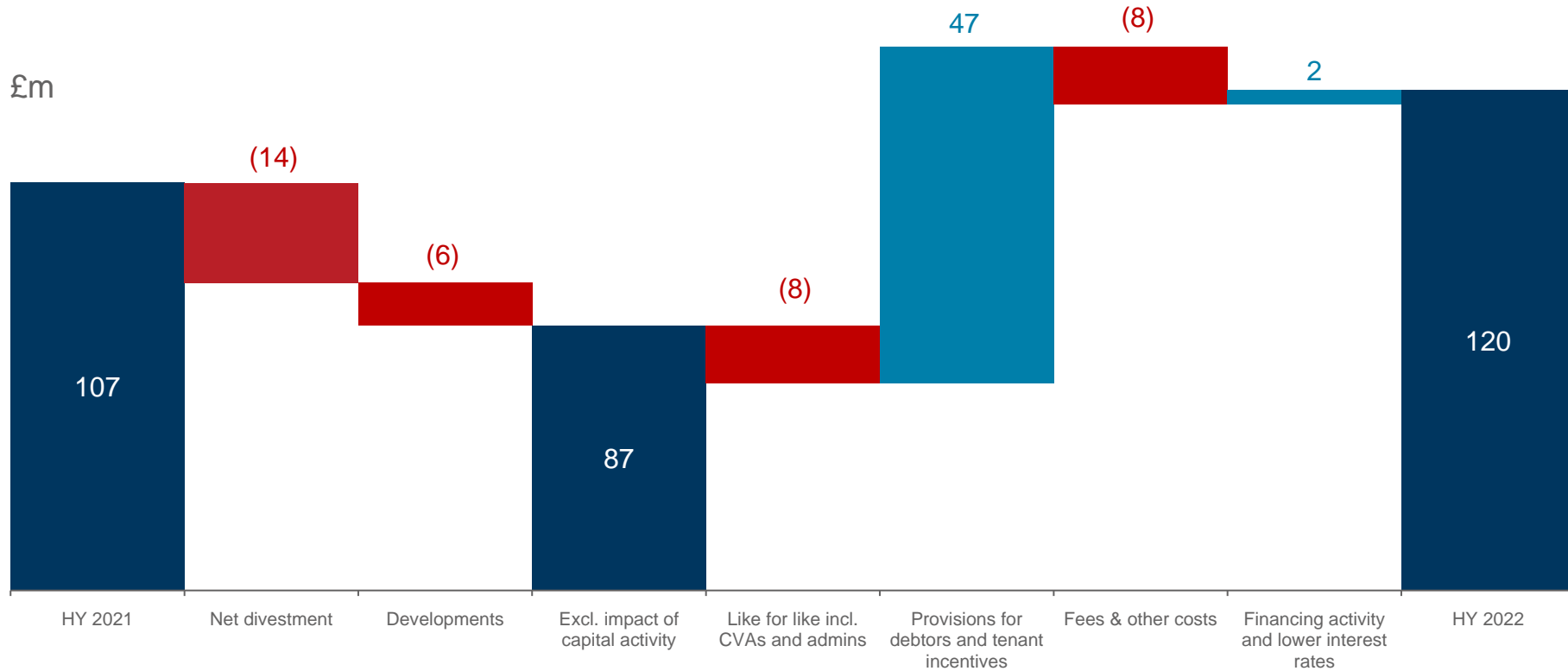
Accounting Basis £m	6 months to 30 September 2021			Annualised as at 30 September 2021		
	Group	JVs & Funds	Total	Group	JVs & Funds	Total
West End	57	3	60	122	5	127
City	6	42	48	6	74	80
Canada Water & other Campuses	5	-	5	7	-	7
Residential ²	1	-	1	1	-	1
Campuses	69	45	114	136	79	215
Retail Parks	40	32	72	74	63	137
Shopping Centre	21	20	41	37	39	76
Other Retail	13	-	13	17	1	18
Urban Logistics	1	-	1	3	-	3
Retail & Fulfilment	75	52	127	131	103	234
Total	144	97	241	267	182	449

On a proportionally consolidated basis including the group's share of joint ventures and funds

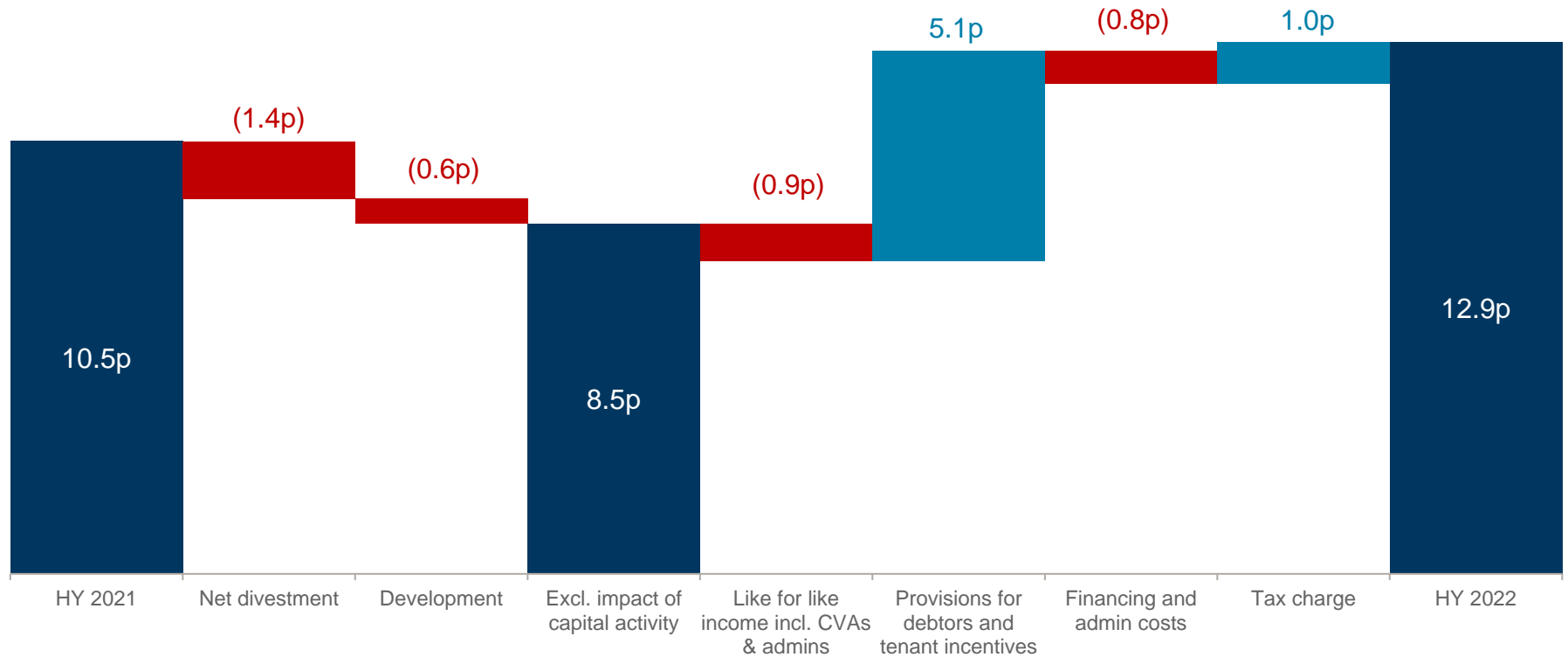
¹ Gross rental income differs from annualised rents due to accounting adjustments for fixed & minimum contracted rental uplifts and lease incentives

² Standalone residential

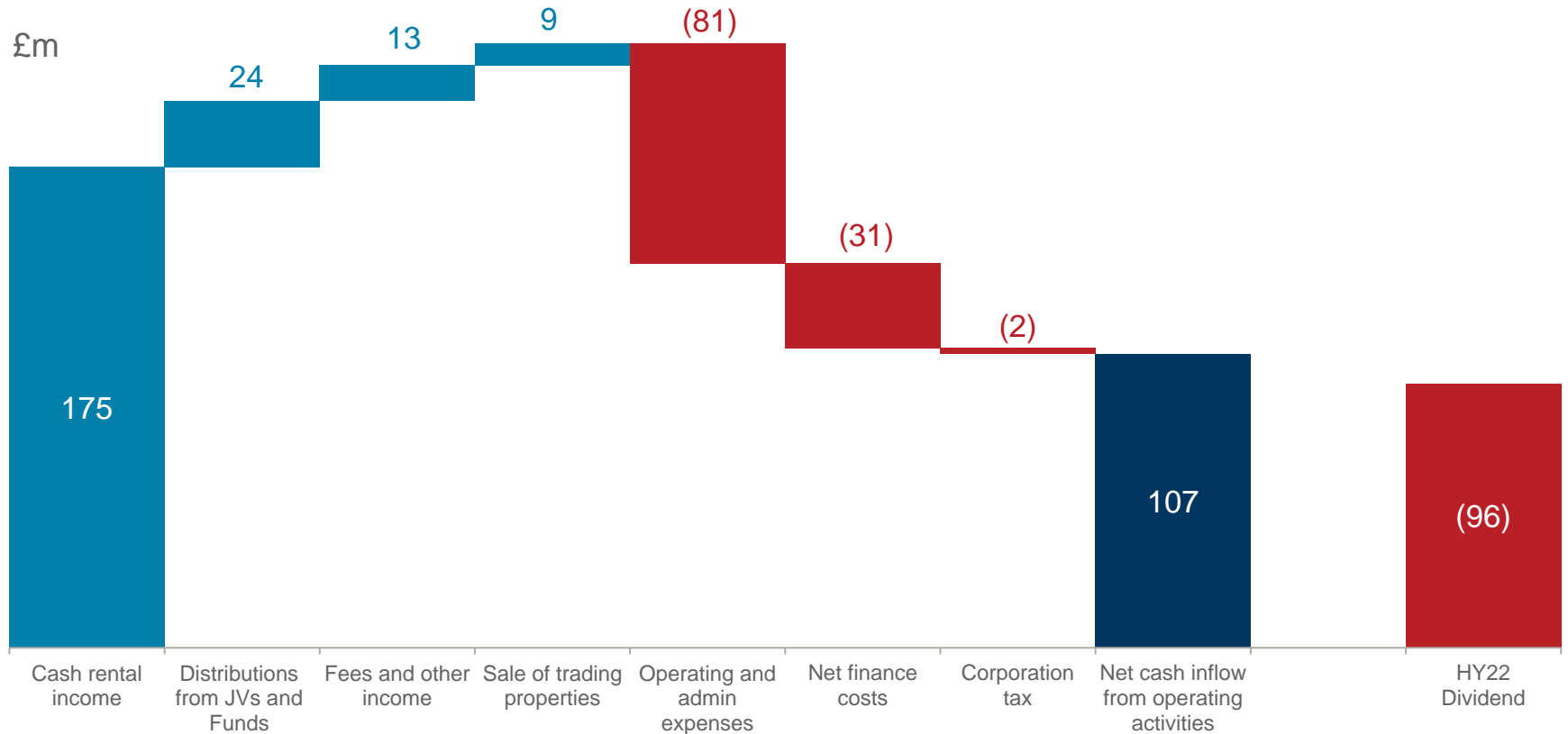
Underlying Profit Bridge



Underlying earnings per share



Operating cash flow bridge



HY22 Dividend equates to dividend declared and payable in January 2022.

Administrative expenses

6 months to 30 September	2020 £m	2021 £m
Personnel costs	21	26
Share scheme costs	3	3
Other administrative expenses	17	18
Total	41	47
Capitalised costs	(3)	(3)
Total administrative expenses	38	44

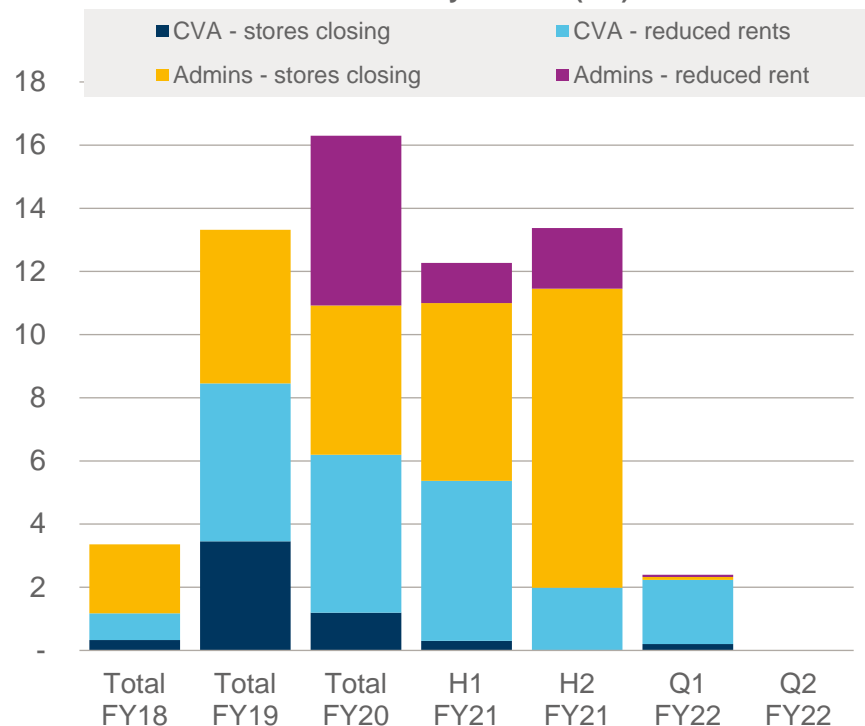
On a proportionally consolidated basis including the Group's share of Joint ventures and Funds and excluding non-controlling interests in the Group's subsidiaries.

CVAs and Administrations

Data since April 2017

	Contracted rent reduction £m	Number of Stores	% split of Units
Number of units in portfolio		c.3,000	
Stores under CVA/admins		407	
Administrations	35.6	205	
<i>Unaffected</i>	-	19	9%
Reduced Rents	8.6	41	20%
Closures	27.0	145	71%
CVAs	25.4	202	
<i>Unaffected</i>	-	56	28%
Reduced Rents	19.9	116	57%
Closures	5.5	30	15%
Total Rent Impact	61.1		

Annualised contracted rent lost by Quarter (£m)



12.2% of total group contracted rent has been lost due to CVAs and Administrations since Apr 2017

Operating costs metric

6 months to 30 September	2020 £m	2021 £m
Property operating expenses	77	31
Administrative expenses	38	44
Net fees and other income	(6)	(5)
Ground rent costs and operating expenses de facto included in rents	(10)	(10)
EPRA Costs (including direct vacancy costs)	99	60
Gross rental income	268	241
Ground rent costs and operating expenses de facto included in rents	(12)	(12)
Gross Rental Income (EPRA basis)	256	229
EPRA Cost Ratio (including direct vacancy costs)	38.7%	26.2%
Impairment of tenant debtors, tenant incentives and accrued income	47	-
Adjusted EPRA Cost ratio (including direct vacancy costs and excluding impairment of tenant debtors, tenant incentives and accrued income)	20.3%	26.2%

On a proportionally consolidated basis including the Group's share of Joint ventures and Funds and excluding non-controlling interests in the Group's subsidiaries.

Reconciliation of Underlying Profit

6 months to 30 September	2020 £m	2021 £m
IFRS (loss) / profit after tax attributable to shareholders	(730)	370
Net valuation loss / (gain)	875	(279)
Profit on disposal of investment and trading properties	(19)	(3)
Capital financing costs	11	1
Non-controlling interests	(36)	-
Taxation	6	2
EPRA Earnings	107	91
Capital surrender premia payable ¹	-	29
Underlying Profit	107	120

On a proportionally consolidated basis including the Group's share of Joint ventures and Funds and excluding non-controlling interests in the Group's subsidiaries.

¹ See note 2 of the condensed interim financial statements

Number of shares

As at	31 March 2021 (m)	30 Sep 2021 (m)
IFRS Basic		
Weighted average ¹	927	927
IFRS Diluted		
Weighted average ²	927	930
Underlying/EPRA diluted		
Weighted average ³	930	930
Period end ⁴	933	932

¹ For use in IFRS basic earnings per share.

² For use in IFRS diluted earnings per share. A loss in the prior period results in an anti-dilutive effect, therefore no adjustment was made for the dilutive effect of share options.

³ For use in Underlying/EPRA diluted earnings per share.

⁴ For use in EPRA NTA, NDV and NRV per share.

EPRA balance sheet

	31 March 2021	Group	JVs & Funds	30 Sep 2021
Total properties (£m) ¹	9,140	6,719	3,131	9,850
Adjusted net debt (£m)	(2,938)	(2,293)	(1,003)	(3,296)
Other net liabilities (£m)	(152)	(166)	(42)	(208)
EPRA Net Tangible Assets (£m)	6,050	4,260	2,086	6,346
Loan to value (LTV) ²	32.0%			33.4%
Weighted average interest rate ²	2.9%			2.7%
Interest cover	3.0x			3.4x
Weighted average maturity of drawn debt (years) ²	7.6			7.0

¹ Included within the total property value of £9,850m (2020/21: £9,140m) are right-of-use assets net of lease liabilities of £10m (2020/21: £8m), which in substance, relate to properties held under leasing agreements. The fair value of right-of-use assets are determined by calculating the present value of net rental cashflows over the term of the lease agreements.

² On a proportionally consolidated basis including the Group's share of Joint ventures and Funds and excluding non-controlling interests in the Group's subsidiaries.

EPRA Net Asset Metrics

	31 March 2021			30 Sep 2021		
	EPRA NTA ¹	EPRA NDV ²	EPRA NRV ³	EPRA NTA ¹	EPRA NDV ²	EPRA NRV ³
IFRS Net Assets	5,983	5,983	5,983	6,249	6,249	6,249
Mark to market on derivatives and related debt adjustments	115	-	115	103	-	103
Adjust to fully diluted on exercise of share options	14	14	14	11	11	11
Surplus on trading properties	9	9	9	9	9	9
Non-controlling interests	(59)	(59)	(59)	(15)	(15)	(15)
Deferred tax arising on revaluation movements	-	(1)	-	-	(2)	-
Mark to market on debt	-	(268)	-	-	(293)	-
Purchasers' costs	-	-	537	-	-	585
Intangibles	(12)	-	-	(11)	-	-
EPRA Net Assets	6,050	5,678	6,599	6,346	5,959	6,942
Per share measure (pence)	648	609	707	681	639	745

¹ Net Tangible Assets ² Net Disposal Value ³ Net Reinstatement Value

EPRA NTA is considered to be the most relevant measure for the Group and is now the primary measure of net assets. EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax. Due to the Group's REIT status, deferred tax is only provided at each balance sheet date on properties outside the REIT regime. As a result deferred taxes are excluded from EPRA NTA for properties within the REIT regime. For properties outside of the REIT regime, deferred tax is included to the extent that it is expected to crystallise, in accordance with the second recommended option per EPRA Best Practice Recommendations. EPRA NDV reflects shareholders' value which would be recoverable under a disposal scenario, with deferred tax and financial instruments recognised at the full extent of their liability. EPRA NRV reflects what would be needed to recreate the Group through the investment markets based on its current capital and financing structure.

Gross and net debt reconciliation

As at 30 Sep 2021	Group £m	JVs & Funds £m	Less non- controlling interests £m	Total £m
Gross Debt (principal)	(2,361)	(1,096)	-	(3,457)
IFRS adjustments:				
Issue costs and premia	10	4	-	14
Fair value hedge adjustments	(102)	-	-	(102)
IFRS gross debt	(2,453)	(1,092)	-	(3,545)
Market value of derivatives	(7)	(7)	-	(14)
Cash	72	89	(1)	160
IFRS net debt	(2,388)	(1,010)	(1)	(3,399)
Adjustments:				
Remove market value of derivatives				16
Remove fair value hedges				87
Adjusted net debt				(3,296)

Loan to value (LTV)

	As at 31 March 2021 £m	Valuation movement	Acquisitions	Capital spend	Disposals	Operating cashflow	Dividend	Other	As at 30 Sep 2021 £m
Total properties	9,132	279	432	143	(159)	(9)	-	22	9,840
Other investments	26	5	-	-	-	-	-	4	35
LTV assets	9,158	284	432	143	(159)	(9)	-	26	9,875
Adjusted net debt	2,938	-	390	132	(169)	(107)	64	48	3,296
Other	(3)	-	-	-	-	-	-	3	-
LTV liabilities	2,935	-	390	132	(169)	(107)	64	51	3,296
LTV	32.0%	(1.0)%	2.7%	1.0%	(1.3)%	(1.2)%	0.7%	0.5%	33.4%

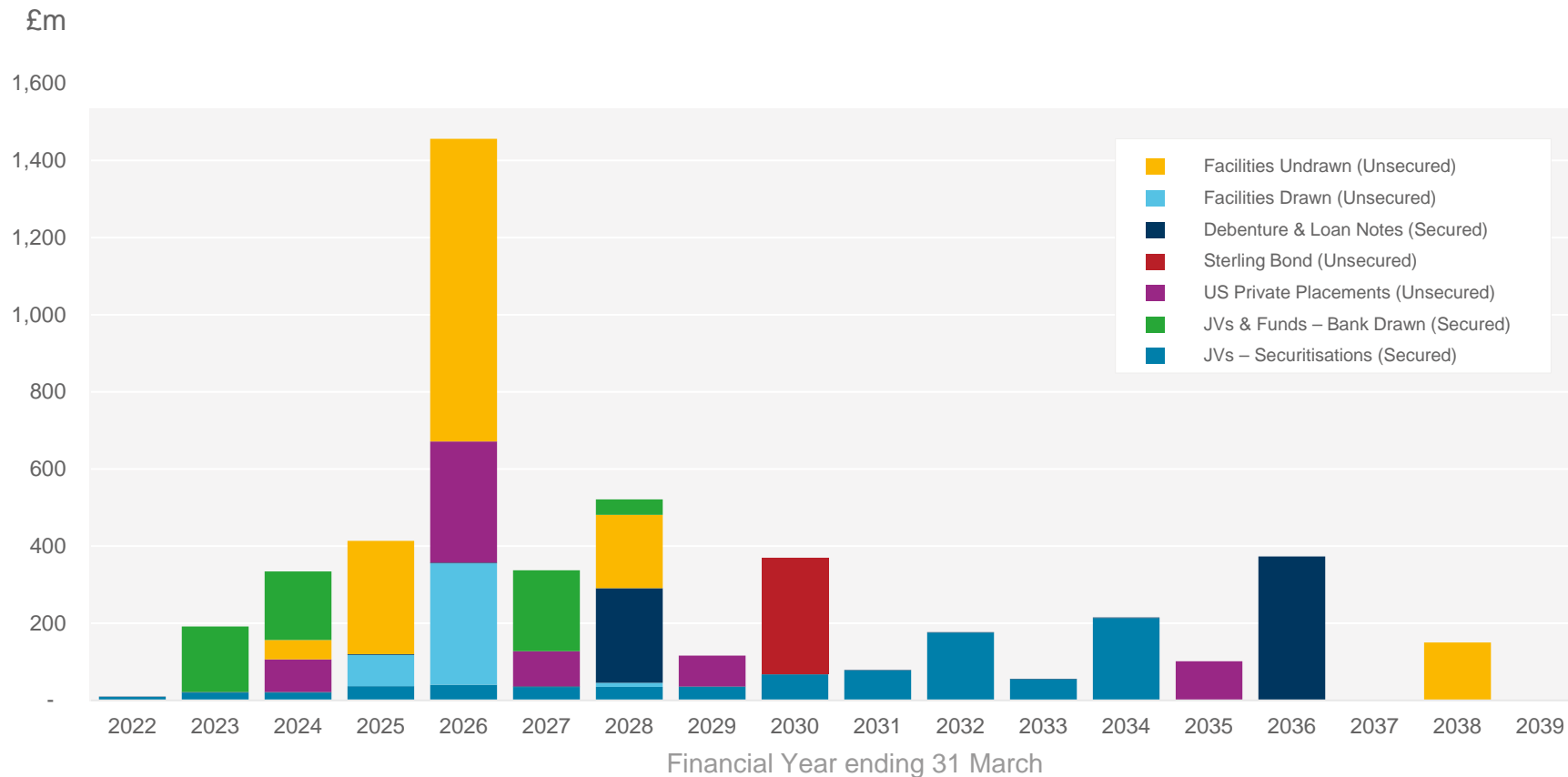
On a proportionally consolidated basis including the Group's share of Joint ventures and Funds and excluding non-controlling interests in the Group's subsidiaries.

Debt metrics

Proportionally Consolidated	31 Mar 2021	30 Sep 2021
Loan to value (LTV)	32.0%	33.4%
Weighted average interest rate	2.9%	2.7%
Interest cover	3.0x	3.4x
Weighted average maturity of drawn debt	7.6yrs	7.0yrs

Group	31 Mar 2021	30 Sep 2021
Loan to value (LTV)	25.1%	26.0%
Available undrawn facilities and cash	£1.8bn	£1.5bn
Weighted average interest rate	2.2%	2.1%
Interest cover	4.3x	5.3x
Senior unsecured credit rating (Fitch)	A	A

Debt maturity

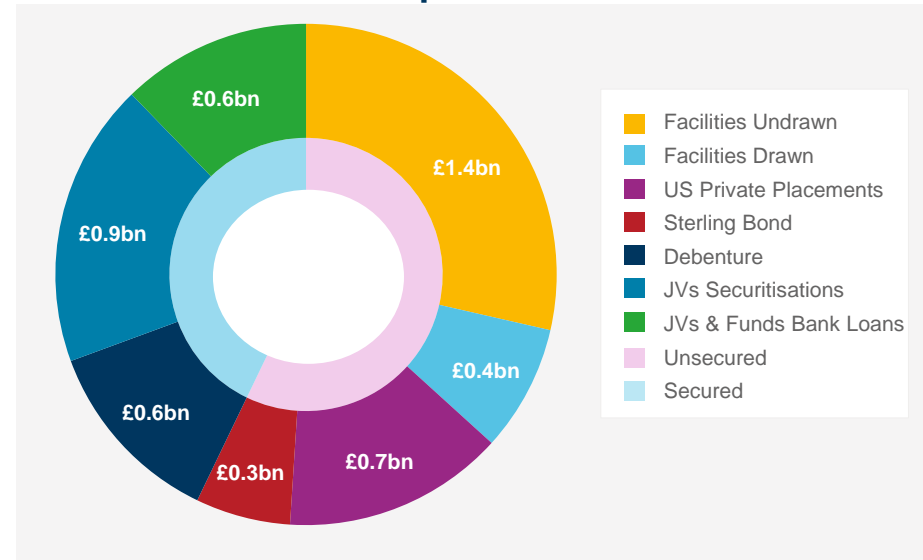


On a proportionally consolidated basis including the Group's share of joint ventures and funds and excluding non-controlling interests in the Group's subsidiaries.

Debt financing – diverse profile

- £1.5bn undrawn facilities and cash
- Refinanced 100 Liverpool Street;
 - Broadgate joint venture raised new £420m, 5 year secured ‘Green Loan’
 - 100 Liverpool Street released from Broadgate securitisation alongside the redemption of £107m of bonds.
- No requirement to refinance until late 2024
- LTV 33.4%²
- Weighted average interest rate 2.7%²
- Weighted average drawn debt maturity 7.0 years²
- Fitch affirmed all our credit ratings, including senior unsecured at ‘A’, with Stable Outlook

£4.9bn Debt and facilities (£3.5bn drawn)¹ 30 September 2021



¹ Proportionally consolidated. HUT's debt shown within JVs & Funds Bank Loans.

² On a proportionally consolidated basis

Portfolio valuation by sector

At 30 September 2021	Group	JVs & Funds	Total	Change % ¹	
	£m	£m	£m	%	£m
West End	3,409	128	3,537	2.8	98
City	369	2,339	2,708	2.6	70
Canada Water & other Campuses	600	-	600	6.9	38
Residential ²	58	-	58	(0.8)	(1)
Campuses	4,436	2,467	6,903	3.0	205
Retail Parks	1,461	271	1,732	7.1	117
Shopping Centre	341	473	814	(4.2)	(36)
Other Retail	257	16	273	(0.4)	(1)
Urban Logistics	114	4	118	(0.9)	(1)
Retail & Fulfilment	2,173	764	2,937	2.7	79
Total	6,609	3,231	9,840	2.9	284
Standing Investments	5,546	3,118	8,664	2.2	183
Developments	1,063	113	1,176	6.3	101

On a proportionally consolidated basis including the group's share of joint ventures and funds

¹ Valuation movement during the period (after taking account of capital expenditure) of properties held at the balance sheet date, including developments (classified by end use), purchases and sales

² Standalone residential

Valuation movement – Campuses

6 months to 30 Sep 2021	Valuation £m	Change £m	Change % ¹	Yield movement Bps ²	ERV movement % ²
West End	3,537	98	2.8	-6bps	(0.4)
City	2,708	70	2.6	-7bps	(0.1)
Central London	6,245	168	2.8	-6bps	(0.3)
Canada Water & other Campuses	600	38	6.9	+1bps	(0.2)
Residential	58	(1)	(0.8)	0bps	(11.7)
Campuses	6,903	205	3.0	-6bps	(0.3)

¹ Valuation movement during the period (after taking account of capital expenditure) of properties held at the balance sheet date, including developments (classified by end use), purchases and sales

² Excluding committed developments, assets held for development and residential assets

Valuation movement – Retail & Fulfilment

6 months to 30 Sep 2021	Valuation £m	Change £m	Change % ¹	Yield movement Bps ²	ERV movement % ²
Retail Parks	1,732	117	7.1	-54	(1.1)
Shopping Centre	814	(36)	(4.2)	+8	(3.8)
Other Retail	273	(1)	(0.4)	-15	0.5
Urban Logistics	118	(1)	(0.9)	-26	-
Retail & Fulfilment	2,937	79	2.7	-32	(1.9)

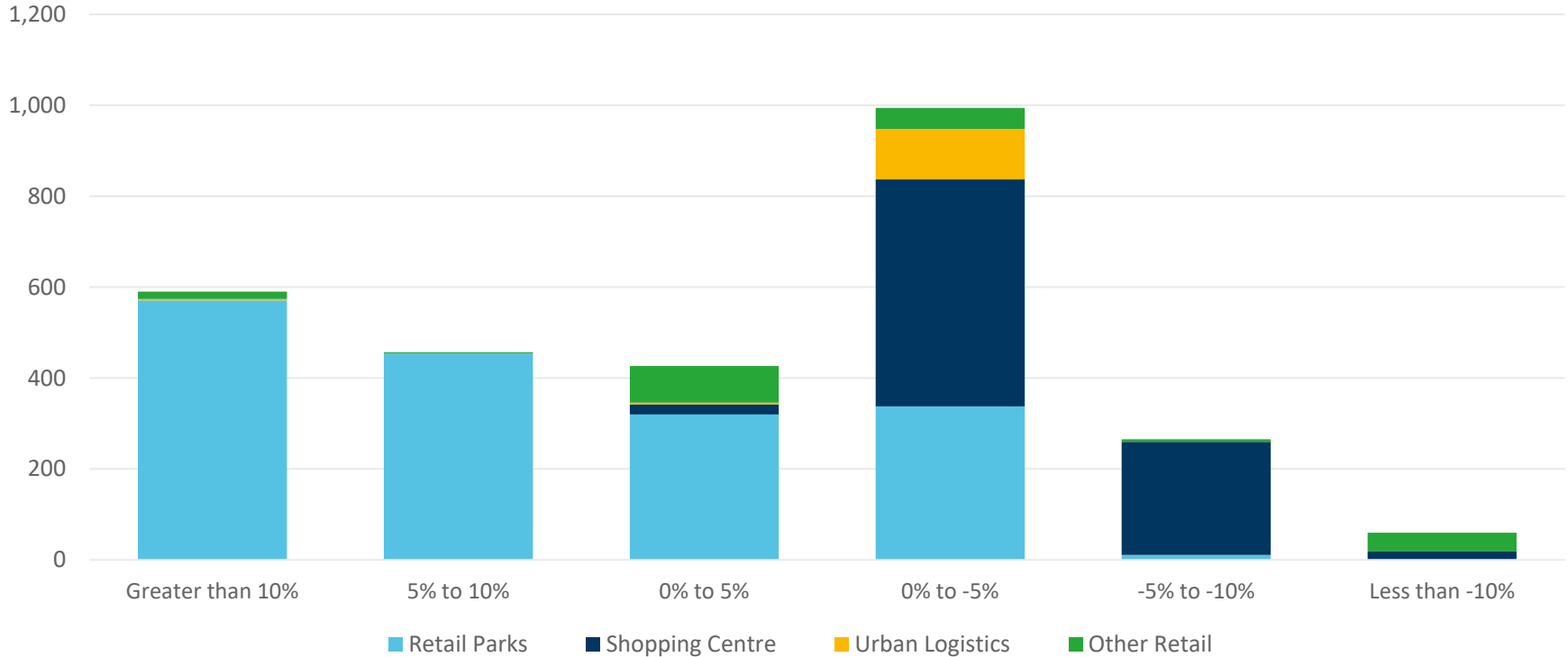
¹ Valuation movement during the period (after taking account of capital expenditure) of properties held at the balance sheet date, including developments (classified by end use), purchases and sales

² Excluding committed developments, assets held for development and residential assets

Retail & Fulfilment Valuation Movements

+3%
H1 FY22 valuation movement

Sep '21
Valuations (£'m)



% Valuation Movement in H1 FY22

Portfolio net yields^{1,2}

As at 30 Sep 2021	EPRA net initial yield %	EPRA topped up net initial yield % ³	Overall topped up net initial yield % ⁴	Net equivalent yield %	Net equivalent yield movement bps	Net reversionary yield %	ERV Growth % ⁵
West End	3.2	4.0	4.0	4.4	-6	4.7	(0.4)
City	2.9	3.7	3.7	4.4	-7	4.8	(0.1)
Other Campuses	2.7	2.9	2.9	5.3	1	7.0	(0.2)
Residential	3.8	3.8	3.8	4.0	-	3.1	(11.7)
Campuses	3.1	3.8	3.9	4.4	-6	4.8	(0.3)
Retail Parks	7.2	7.6	7.8	6.9	-54	6.8	(1.1)
Shopping Centre	7.4	7.9	8.1	7.6	8	7.9	(3.8)
Other Retail	5.0	5.4	5.7	6.6	-15	6.8	0.5
Urban Logistics	2.6	2.6	2.6	3.2	-26	3.3	-
Retail & Fulfilment	6.9	7.3	7.4	6.9	-32	7.0	(1.9)
Total	4.4	5.0	5.1	5.2	-15	5.5	(1.0)

On a proportionally consolidated basis including the group's share of joint ventures and funds

Canada Water is excluded from the standing investment analysis as it is valued as a development asset on a residualised basis

¹ Including notional purchaser's costs

² Excluding committed developments, assets held for development and residential assets

³ Including rent contracted from expiry of rent-free periods and fixed uplifts not in lieu of rental growth

⁴ Including fixed/minimum uplifts (excluded from EPRA definition)

⁵ As calculated by MSCI

Portfolio weighting

As at 30 September 2021	2020 %	2021 %	2021 £m
West End	39.5	35.9	3,537
City	24.6	27.5	2,708
Canada Water & other Campuses	3.5	6.1	600
Residential ¹	1.3	0.6	58
Campuses	68.9	70.1	6,903
Retail Parks	14.7	17.6	1,732
Shopping Centre	12.2	8.3	814
Other Retail	4.1	2.8	273
Urban Logistics	0.1	1.2	118
Retail & Fulfilment	31.1	29.9	2,937
Total	100	100	9,840
<i>Of which London</i>	74%	74%	7,319

On a proportionally consolidated basis including the group's share of joint ventures and funds

¹ Standalone residential

Lease length and occupancy

As at 30 September 2021	Average Lease Length (yrs)		Occupancy Rate (%)	
	To Expiry	To Break	EPRA Occupancy	Occupancy ^{1,2,3}
West End	7.9	7.3	96.7	97.1
City	8.0	6.9	85.1	93.8
Other Campuses	6.9	5.5	82.0	82.6
Residential	17.0	16.7	100.0	100.0
Campuses	7.9	7.1	91.3	95.1
Retail Parks	6.3	4.7	92.8	96.5
Shopping Centre	5.5	4.3	93.1	94.7
Other Retail	8.5	8.2	93.5	95.2
Urban Logistics	6.3	6.2	99.6	99.6
Retail & Fulfilment	6.2	4.8	93.1	95.9
Total	7.1	6.0	92.1	95.5

Canada Water is now excluded from the standing investment analysis as it is valued as a development asset on a residualised basis

¹ Space allocated to Storey is shown as occupied where there is a Storey tenant in place otherwise it is shown as vacant. Total occupancy would rise from 95.1% to 96.3% if Storey space were assumed to be fully let.

² Including accommodation under offer or subject to asset management

³ Where occupiers have entered administration or CVA but are still liable for rates, these are treated as occupied. If units in administration are treated as vacant, then the occupancy rate for Retail would reduce from 95.9% to 93.1%, and total occupancy would reduce from 95.5% to 94.2%

Annualised rent & estimated rental value (ERV)

As at 30 September 2021	Annualised Rents (Valuation Basis) £m ¹			ERV £m	Average Rent (£psf)	
	Group	JVs & Funds	Total	Total	Contracted ²	ERV
West End ³	114	5	119	160	64.5	68.8
City ³	6	71	77	124	54.0	56.8
Other Campuses	7	-	7	12	20.1	36.6
Residential ⁴	1	-	1	1	41.7	30.9
Campuses³	128	76	204	297	51.7	56.6
Retail Parks	117	27	144	131	22.5	19.4
Shopping Centre	39	41	80	77	24.6	22.8
Other Retail	17	-	17	20	9.3	10.4
Urban Logistics	3	-	3	5	11.2	15.0
Retail	176	68	244	233	20.7	18.8
Total	304	144	448	530	29.4	30.0

On a proportionally consolidated basis including the group's share of joint ventures and funds, excluding committed, near term and assets held for development

Canada Water is now excluded from the standing investment analysis as it is valued as a development asset on a residualised basis

¹ Gross rents plus, where rent reviews are outstanding, any increases to ERV (as determined by the Group's external valuers), less any ground rents payable under head leases, excludes contracted rent subject to rent free and future uplift

² Annualised rent, plus rent subject to rent free

³ £psf metrics shown for office space only

⁴ Standalone residential

Rent subject to open market rent review

For the year to 31 March	2022	2023	2024	2025	2026	2022–24	2022–26
As at 30 September 2021	£m	£m	£m	£m	£m	£m	£m
West End	5	22	5	14	9	32	55
City	-	2	15	8	27	17	52
Canada Water & other Campuses	-	-	-	1	-	-	1
Residential	1	-	-	-	-	1	1
Campuses	6	24	20	23	36	50	109
Retail Parks	5	9	8	9	7	22	38
Shopping Centre	3	7	3	3	1	13	17
Other Retail	-	1	1	1	1	2	4
Urban Logistics	-	-	-	1	-	-	1
Retail & Fulfilment	8	17	12	14	9	37	60
Total	14	41	32	37	45	87	169

Rent subject to lease break or expiry

For the year to 31 March	2022	2023	2024	2025	2026	2022-24	2022-26
As at 30 September 2021	£m	£m	£m	£m	£m	£m	£m
West End	9	16	13	10	14	38	62
City	4	2	15	4	16	21	41
Other Campuses	2	1	2	-	-	5	5
Residential	-	-	-	-	-	-	-
Campuses	15	19	30	14	30	64	108
Retail Parks	10	20	27	15	19	57	91
Shopping Centre	10	14	10	8	13	34	55
Other Retail	1	3	1	1	1	5	7
Urban Logistics	-	-	1	-	2	1	3
Retail & Fulfilment	21	37	39	24	35	97	156
Total	36	56	69	38	65	161	264
% of contracted rent	7.1	11.2	13.5	7.5	12.9	31.8	52.2

On a proportionally consolidated basis including the group's share of joint ventures and funds excluding committed, near term and assets held for development
Canada Water is now excluded from the standing investment analysis as it is valued as a development asset on a residualised basis

Contracted rental increases (cash flow basis)

For the year to 31 March	2022	2023	2024	2025	2026	2022-24	2022-26
As at 30 September 2021	£m	£m	£m	£m	£m	£m	£m
Expiry of rent free periods	8	15	12	22	-	35	57
Fixed uplifts (EPRA basis)	-	1	-	-	-	1	1
Fixed & minimum uplifts	-	1	1	1	-	2	3
Total	8	17	13	23	-	38	61

Total Property Return (as calculated by MSCI)

6 months to 30 September 2021	Offices		Retail		Total	
	British Land	MSCI	British Land	MSCI	British Land	MSCI
Capital Return	3.3	1.2	2.9	2.4	3.1	5.4
– ERV Growth	(0.3)	0.5	(1.9)	(1.6)	(1.0)	0.8
– Yield Movement ¹	(6) bps	(14) bps	(32) bps	(33) bps	(15) bps	(32) bps
Income Return	1.3	1.9	3.8	2.9	2.0	2.1
Total Property Return	4.6	3.1	6.8	5.4	5.1	7.6

¹ Net equivalent yield movement

De-risked development pipeline focused on campuses



Recently Completed & Committed developments

As at 30 September 2021	Sector	BL Share	Sq ft (100%)	PC Calendar Year	Current Value	Cost to Come	ERV	Let & under offer	Forecast IRR
		%	'000		£m	£m ¹	£m ²	£m	%
1 Triton Square	Office	100	369	Q2 2021	514	-	24.3	23.9	12
Total Completed in the period			369		514	-	24.3	23.9	
Norton Folgate	Office	100	336	Q3 2023	171	201	23.1	-	12
1 Broadgate	Office	50	543	Q2 2025	104	220	20.2	13.7	10
Aldgate Place, Phase 2	Residential	100	136	Q2 2024	30	94	6.0	-	11
Canada Water – Plot A1 ³	Mixed Use	100	272	Q3 2024	25	186	6.7	-	11 Blended
Canada Water – Plot A2 ³	Mixed Use	100	248	Q3 2024	16	101	10.4	-	
Canada Water – Plot K1 ³	Residential	100	62	Q2 2023	5	29	-	-	
Total Committed			1,597		351	831	66.4	13.7	
Other Capital Expenditure ³						55			

On a proportionally consolidated basis including the group's share of joint ventures and funds (except area which is shown at 100%)

¹ From 1 October 2021. Cost to come excludes notional interest as interest is capitalised individually on each development at our capitalisation rate

² Estimated headline rental value net of rent payable under head leases (excluding tenant incentives)

³ Capex committed and underway within our investment portfolio relating to leasing, infrastructure and asset management

Near term development pipeline

As at 30 September 2021	Sector	BL Share	Sq ft (100%)	Earliest Start on Site	Current Value	Cost to Come	ERV	Let & Under Offer	Planning Status
		%	'000	Calendar Year	£m	£m ¹	£m ²	£m	
Near Term Pipeline									
5 Kingdom Street	Office	100	438	Q4 2022	122	350	30.0	-	Consented
Meadowhall, Logistics	Urban Logistics	500	571	Q4 2022	6	27	2.0	-	Consented
The Priestley Centre	Office	100	116	Q2 2022	12	16	2.6	-	Pre-submission
Total Near Term			1,125		140	393	34.6	-	
Other Capital Expenditure ³						97			

On a proportionally consolidated basis including the group's share of joint ventures and funds (except area which is shown at 100%)

¹ From 1 October 2021. Cost to complete excludes notional interest as interest is capitalised individually on each development at our capitalisation rate

² Estimated headline rental value net of rent payable under head leases (excluding tenant incentives)

³ Forecast capital commitments within our investment portfolio over the next 12 months relating to leasing and asset enhancement

Medium term development pipeline

As at 30 September 2021	Sector	BL Share	Sq ft (100%)	Planning status
		%	'000	
Medium term Pipeline				
2-3 Finsbury Avenue	Office	50	718	Consented
Eden Walk Retail & Residential	Mixed Use	50	452	Consented
Ealing – 10-40 The Broadway	Mixed Use	100	303	Pre-submission
Ealing – International House	Office	100	165	Consented
Gateway Building	Leisure	100	105	Consented
Finsbury Square Carpark	Urban Logistics	100	47	Pre-submission
Teesside, Phase 3 Logistics	Urban Logistics	100	299	Pre-submission
Euston Tower	Office	100	574	Pre-submission
Canada Water – Future phases ¹	Mixed Use	100	4,498	Consented
Total Medium Term			7,161	

¹ The London Borough of Southwark has the right to invest in up to 20% of the completed development. The BL ownership share will change over time depending on the level of contributions made, but will be no less than 80%

Estimated future development spend and capitalised interest

As at 30 September 2021	PC Calendar Year	Cost to Come £m (excluding notional interest) – 6 months breakdown								
		Mar-22	Sep-22	Mar-23	Sep-23	Mar-24	Sep-24	Mar-25	Sep-25	Total
1 Triton Square	Q2 2021	-	-	-	-	-	-	-	-	-
Total Completed		-	-	-	-	-	-	-	-	-
Norton Folgate	Q3 2023	48	58	43	34	18	-	-	-	201
Aldgate Place, Phase 2	Q2 2024	7	18	24	23	14	6	2	-	94
1 Broadgate	Q2 2025	22	33	41	42	37	28	15	2	220
Canada Water – Plot A1	Q3 2024	23	38	46	42	28	9	-	-	186
Canada Water – Plot A2	Q3 2024	6	19	28	26	18	4	-	-	101
Canada Water – Plot K1	Q2 2023	7	12	9	1	-	-	-	-	29
Total Committed		113	178	191	168	115	47	17	2	831
The Priestley Centre	2023	1	9	6	-	-	-	-	-	16
Meadowhall, Logistics	2024	1	1	6	13	6	-	-	-	27
5 Kingdom Street	2026	4	8	60	37	55	62	58	44	350
Total Near Term		6	18	72	50	61	62	58	44	393
Indicative Interest Capitalised on above at attributable rates		4	6	9	11	8	8	6	2	

Canada Water – Illustrative Scheme

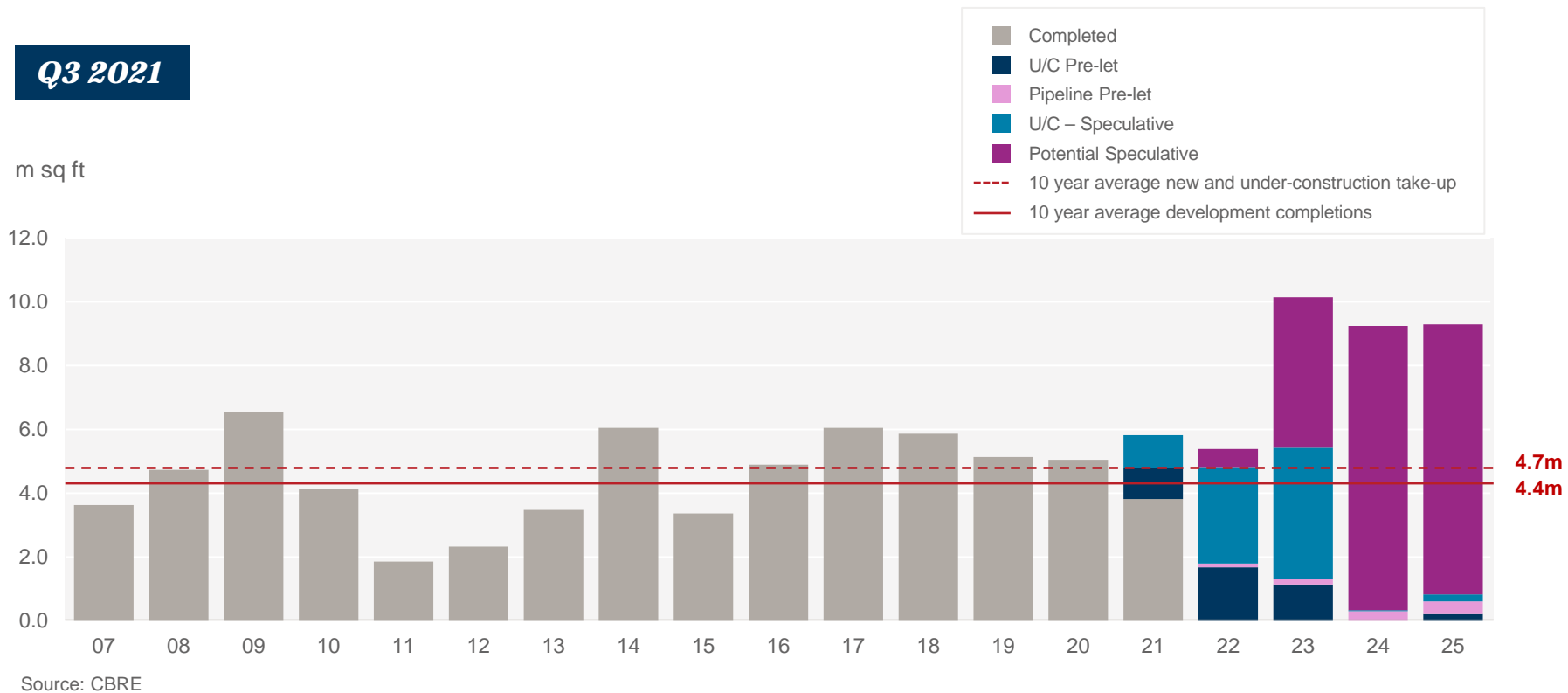
	<i>Masterplan</i>	<i>First detailed plots</i>
Total NIA (sq ft)	5.0m	0.6m
Commercial (sq ft)	2.1m	0.3m
Retail & Leisure (sq ft)	0.6m	0.1m
New Homes (units)	3,000	265



Buildings highlighted above reflect indicative First Major Scheme

Central London development pipeline

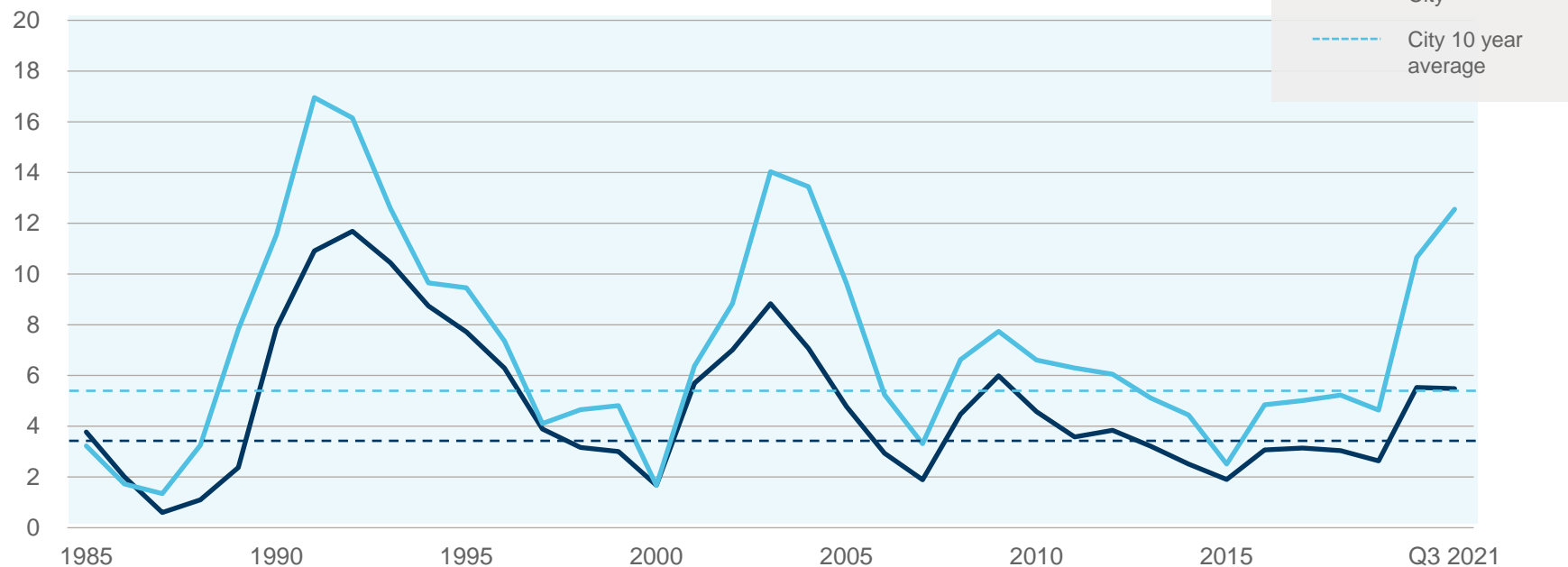
Q3 2021



Note: Forecast reflects CBRE's estimate of earliest completions. Central London comprises the City, Docklands, Midtown, Southbank and West End areas

Vacancy Central London

West End & City Vacancy Rates



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