

Full Year Results Presentation

Year ended 31 March 2021



Key Highlights

- **Financial performance impacted by Covid-19**
 - Underlying profit down 34% to £201m
 - EPRA NTA down 16% to 648p
- **Operational performance resilient**
 - £1.2bn asset sales, 6.2% ahead of book value
 - 2.2m sq ft leasing activity including 1.7m sq ft in retail
- **New strategy exploiting our competitive strengths, investing behind two key themes:**
 - *Campuses* and *Retail & Fulfilment*
- **Well positioned to deliver our strategy**
 - Strong balance sheet, with LTV reduced to 32%
 - Improving economic & occupational backdrop
 - Embedded growth opportunities in our portfolio



Eataly at Broadgate

Financial Results

David Walker



100 Liverpool Street



Results Overview

£201_m

Underlying Profit

-34.3% vs Mar 20

648_p

*EPRA Net Tangible Assets
per share*

-16.3% vs Mar 20

£9.1_{bn}

Portfolio valuation

*-10.8% vs March 20
(Retail -24.7%, Offices -3.8%)*

83%

FY21 rent collected

Offices 99%, Retail 71%

32.0%

Loan to value

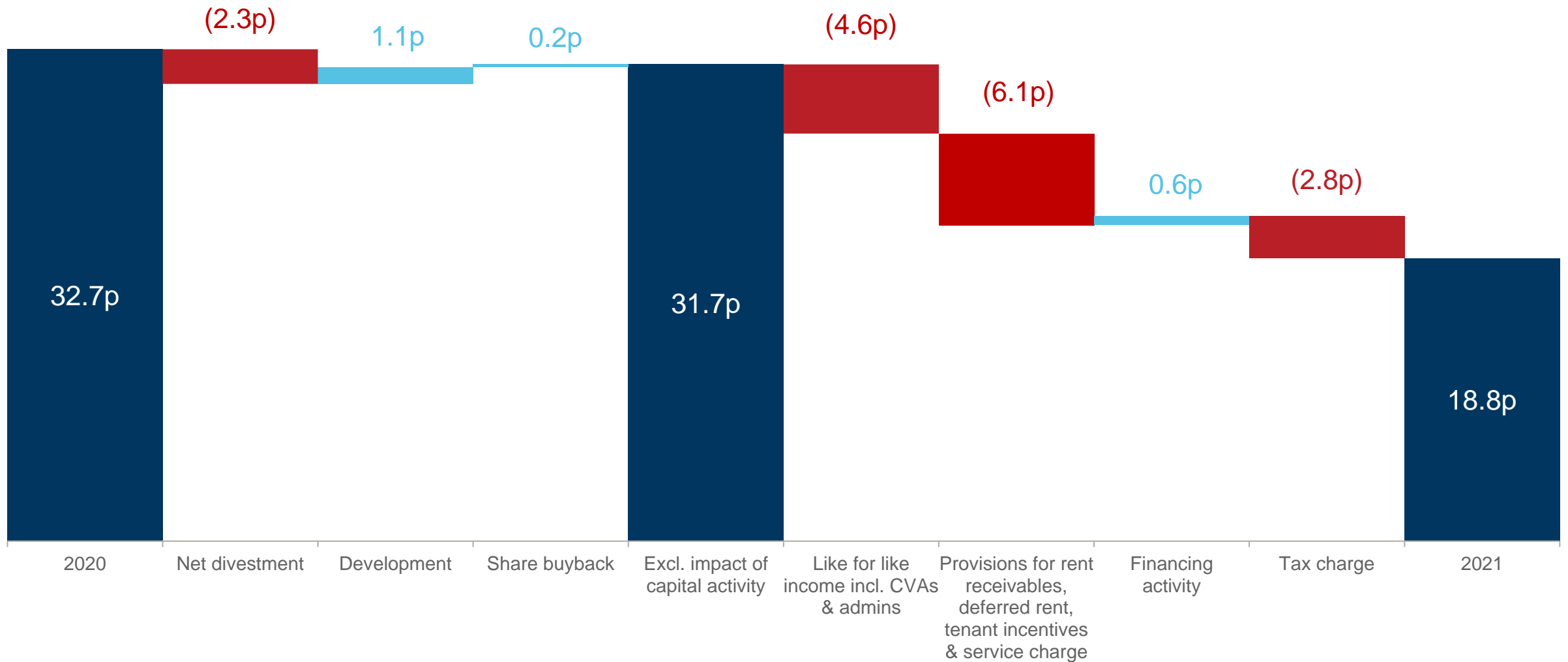
*No requirement to refinance
until early 2025*

15.0_p

Dividend per share

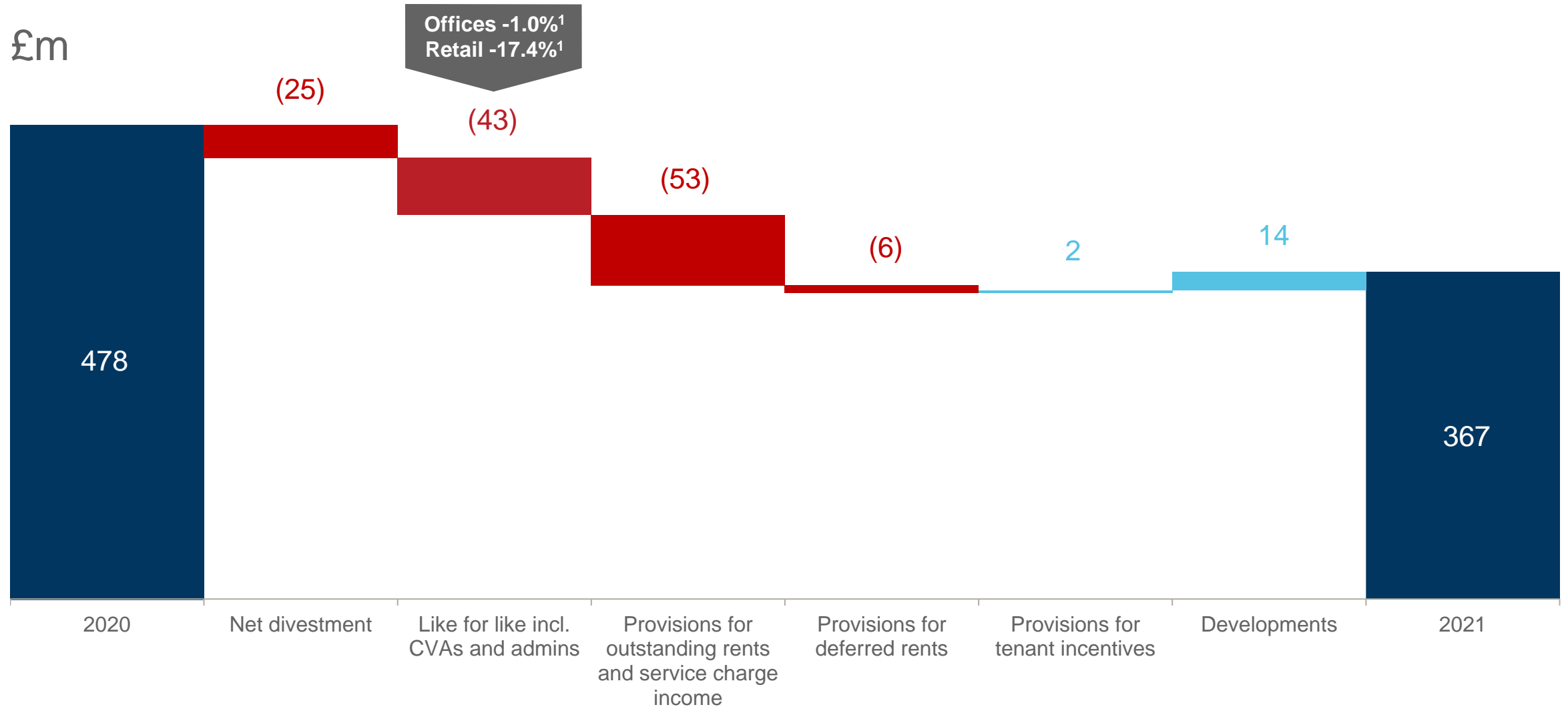
*80% of underlying earnings
per share*

Underlying earnings per share



Recently completed and committed developments will add a further 5.4p to annualised EPS once fully let

Net rental income



¹ Like for like % excludes the impact of surrender premia, provisions for outstanding rent, service charge, deferred rents and tenant incentives

FY21 rent collection

Rent due between 25 March 2020 and 24 March 2021

As at 18 th May	Offices	Retail ¹	Total
Received	99%	71%	83%
Rent deferrals	1%	5%	3%
Rent forgiven	-	9%	5%
Moved into administration	-	3%	2%
Outstanding	-	12%	7%
Total	100%	100%	100%
	£225m	£305m	£530m
Collection of adjusted billing²	100%	83%	90%

March 21 quarter rent collection has improved to 84%, with offices at 98% and retail at 72%

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

² Total billed rents exclusive of rent deferrals and rent forgiven.

Debtors and provisioning

Receivable	Debtor balance	Provision balance	% provided for	FY21 impact	Description
<i>Less than 91 days</i>	£45m	£14m	31%	£14m	<i>We take a systematic approach to provisioning based on ageing and credit quality of individual debtor balances</i>
<i>91 – 182 days</i>	£20m	£14m	70%	£14m	
<i>183 – 365 days</i>	£31m	£31m	100%	£31m	
<i>More than 365 days</i>	£13m	£13m	100%	-	
Tenant debtors	£109m	£72m	66%	£59m	
Deferred rents (accrued income)	£10m	£6m	60%	£6m	<i>Primarily rents deferred from March 2020 due over the next three quarters</i>
Total as at 31 March 2021	£119m	£78m	66%	£65m	

Since 1 April, a further £24m of outstanding rents and service charge has been collected

Income statement

Financial Year to 31 March	2020	2021	Change %
Net rental income (£m)	478	367	(23.2%)
Fees & other income (£m)	13	11	(15.4%)
Administrative expenses (£m)	(74)	(74)	-
Net finance costs (£m)	(111)	(103)	(7.2%)
Underlying Profit (£m)	306	201	(34.3%)
Underlying tax charge ¹	-	(26)	-
Underlying earnings per share (p)	32.7	18.8	(42.5%)
Dividend per share (p)	15.97	15.04	(5.8%)

¹ Underlying tax charge relates to the Corporation Tax charge incurred as a result of temporary suspension of dividend payments related to FY20. Underlying tax is included within the calculation of Underlying earnings per share.

New dividend policy provides clarity

Clear & simple policy

- *80% of Underlying Earnings per Share*
- *Based on the most recently completed six-month period*

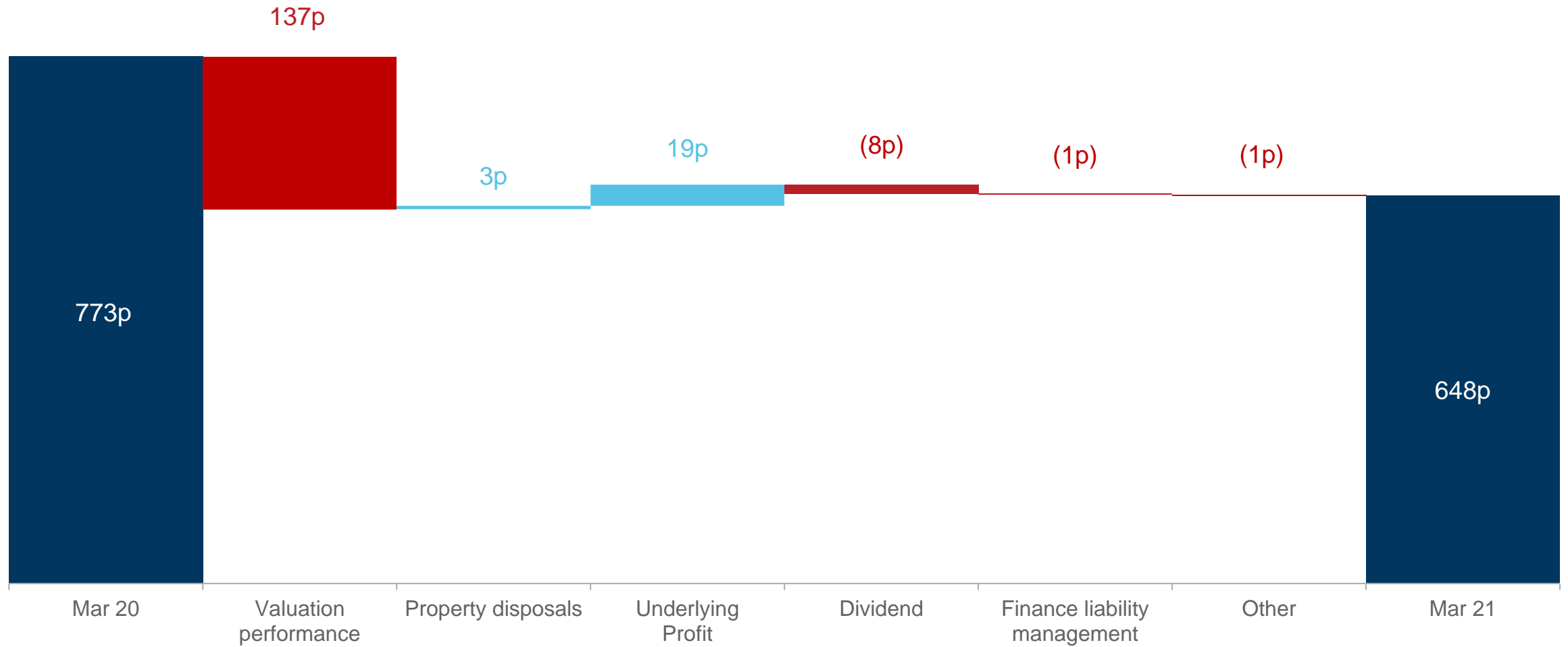
Maintains strategic flexibility

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

FY21 dividend

- *15.04p dividend per share for FY21*
- *Final dividend paid August 2021*

EPRA Net Tangible Assets



Strength of debt metrics

	31 March 2020	31 March 2021
Undrawn Facilities and Cash	£1.3bn	£1.8bn
No requirement to refinance until:	2024	2025
Loan to value ¹	34.0%	32.0%
Weighted Average Interest Rate ¹	2.5%	2.9%
Interest Cover ¹	3.8x	3.0x
Weighted Average Drawn Debt Maturity ¹	7.5yrs	7.6yrs
Senior unsecured credit rating (Fitch)	A	A
Unsecured debt covenants:		
Net Borrowings not to exceed 175% of Adjusted Capital and Reserves	40%	33%
Net Unsecured Borrowings not to exceed 70% of Unencumbered Assets	30%	25%
Valuation headroom	45%	46%

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.

Progress against our 2030 sustainability strategy

- Achieved a GRESB 5* rating and awarded a green star rating for the 11th consecutive year
- Validation of our climate commitment by the Science Based Target initiative
- First Net Zero Carbon development at 100 Liverpool Street
- 1 Broadgate will be our most operationally energy efficient building yet, in line with our 2030 target
- Supported 364 people into employment at our places



Proven resilience, positioned for opportunity and growth

Strong financial position to act at pace

- £1.8bn of cash and facilities
- LTV low at 32.0%
- Completed and committed developments add an additional £50m of earnings

New dividend policy provides clarity and flexibility

Challenging year, but resilient throughout

- 99% of office rents collected, 83% overall
- 85% of outstanding rent and service charge debtors provided for¹
- £1.2bn of disposals at 6.2% above book
- No requirement to refinance until 2025



¹ Taking into consideration post year end receipts







Operations & markets

Darren Richards



100 Liverpool St, Broadgate

Valuation performance

	Valuation £m	Valuation movement			Yield Movement		ERV movement
		H2 21	FY 21				
Total	9,132	(3.8%)	(10.8%)		+33bps		-7.6%
Offices	6,032	(0.8%)	(3.8%)		+9bps		+0.7%
Retail	2,592	(11.4%)	(24.7%)		+81bps		-16.8%
<i>Retail Parks</i>	<i>1,367</i>	<i>(6.5%)</i>	<i>(18.6%)</i>		<i>+45bps</i>		<i>-15.2%</i>
<i>Shopping Centres</i>	<i>896</i>	<i>(19.9%)</i>	<i>(35.7%)</i>		<i>+143bps</i>		<i>-20.3%</i>
Residential	121	(1.9%)	(10.6%)				
Canada Water	387	3.4%	(2.5%)				

Office leasing

- **Leasing volumes lower, reflecting our high occupancy and a subdued market**
 - 395,000 sq ft offices leasing; 168,000¹ sq ft over one year, 2.3% ahead of ERV²
 - 161,000 sq ft deals post year end, including 134,000 sq ft to JLL at 1 Broadgate
 - 94.1% occupancy on our offices portfolio
 - 474,000 sq ft under offer or in negotiations
- **Storey resilient and improving**
 - 61,000 sq ft leasing; rental premium 30%+
 - Enquiries up significantly; 100+ in March
 - 48,000 sq ft under offer
 - 100% rent collection; occupancy on stabilised buildings 79%



Storey Club, 4 Kingdom Street

¹ Excludes temporary deals with terms of less than one year

² Excludes Storey

Office insights & demand dynamics

What our customers are saying

How much space will be needed

Three main groups of thought:

1. Taking the opportunity to downsize
2. Weighing up options and waiting for the reopening to unfold
3. Looking to growth and new requirement for space

How will space be used

- An increased need for space that enhances collaboration and social interaction
- Enables hybrid working and considers peak occupancy
- Quality across all aspects: Sustainable, tech enabled, promoting wellbeing and productivity

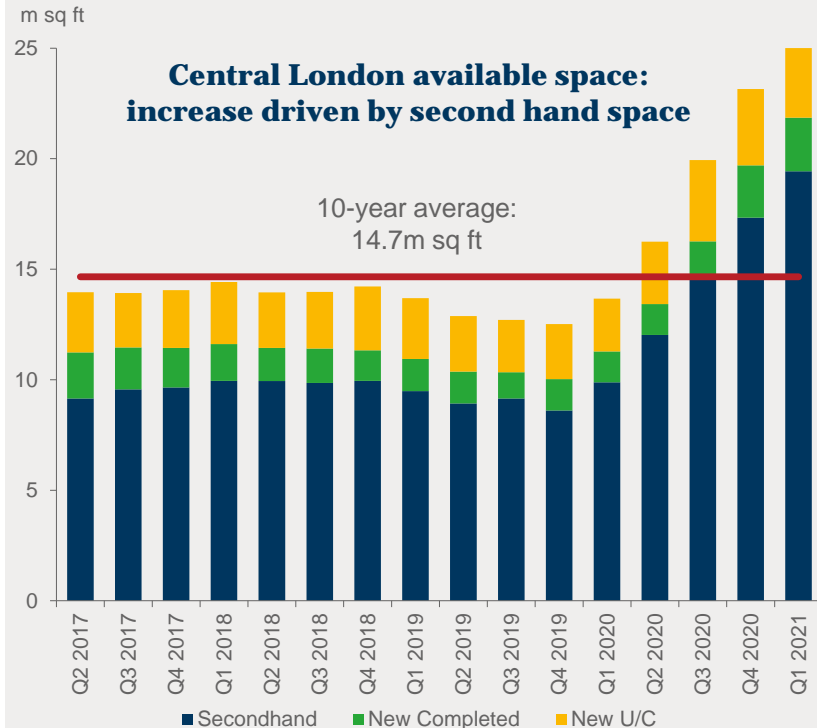
Demand dynamics

- Take up is down: 36% of long term average
- 21% of recent deals above £90 psf vs 6% prior to the pandemic¹
- Physical viewings near normal levels
- 1.5m sq ft of RFPs in the year
- Record level of Storey viewing in March and April
- Strong levels of interest within our development pipeline

¹based on last 6 months in Central London, vs 6 months prior to the start of the pandemic

Demand focused on best space where supply most constrained

Market focused on quality



Quality supply remains constrained

- 77% of available space in London is second hand
- Tenant controlled space up 104% year on year
- Total pipeline for new and refurbished space 8m sq ft vs. 5m sq ft annual take up
- 34% space under construction is pre let

Campus proposition in action

New openings at Broadgate

TOMMY HILFINGER

Kiehl's
SINCE 1851

STOREY
CLUB

EAT ALY
alti cibi

JR JOHN REED
FITNESS

Sustainability key to JLL pre-let of 1 Broadgate

Targeting strong sustainability
credentials:

BREEAM®
OUTSTANDING



Retail Leasing

- **1.7m sq ft retail leasing**
 - 962,000 sq ft over one year; 19.3% below previous passing rent¹, 11.5% below March 2020 ERV¹
- **Pragmatic approach focused on maximising occupancy**
 - Accepting lower rents to generate sustainable cash flow to underpin value
- **Encouraging pipeline of activity**
 - Under offer on 583,000 sq ft; 29.3% below previous passing rent; 5.8% below March 21 ERV
 - Retail parks account for 60% of pipeline
- **71% of rent collected for FY21**

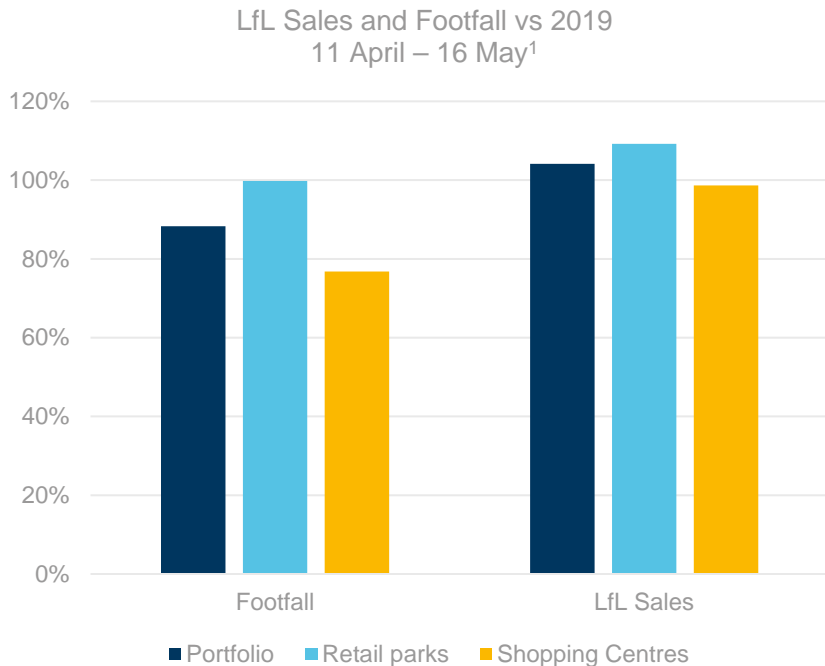
¹Excludes temporary deals with terms of less than one year

Working with high quality occupiers

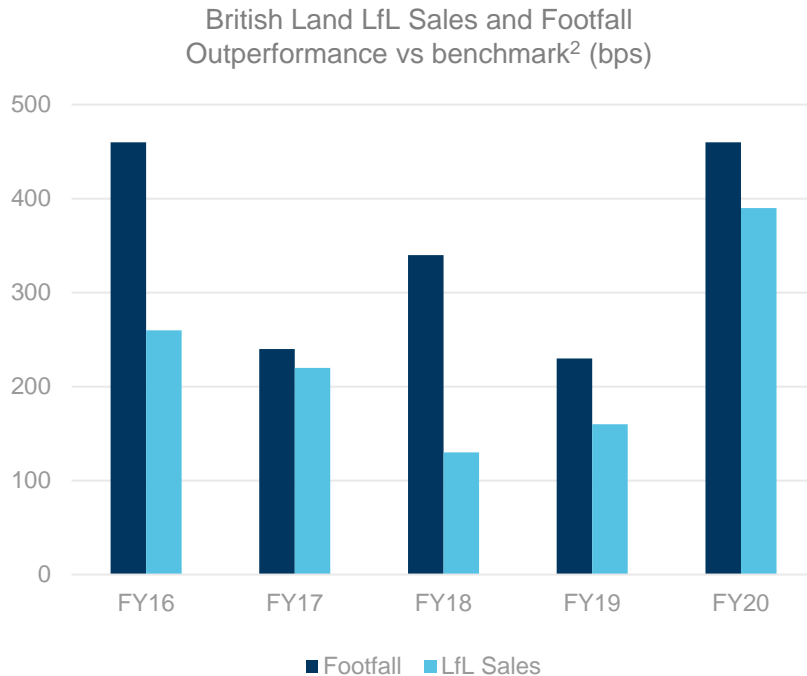


Outperforming on footfall and sales

Footfall and Sales since reopening



Outperformance vs benchmarks



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

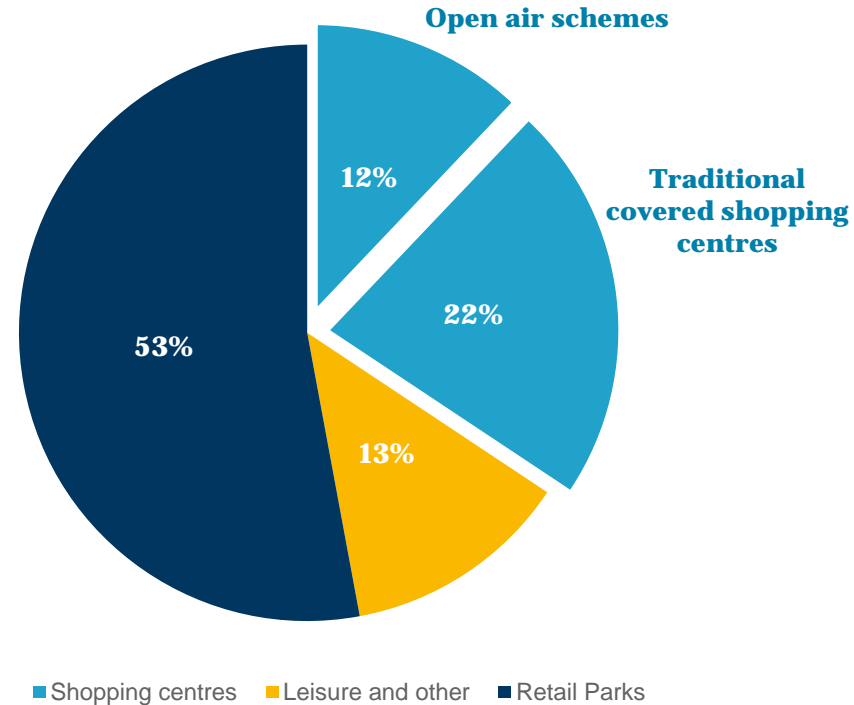
¹ Excludes F&B and excludes assets for periods when non-essential retail was required to close

² LfL Sales benchmark: BRC KPMG In-Store LFL Non-Food Index, Footfall benchmark: ShopperTrak UK National Index

Deep dive on Retail

- **Our portfolio primarily comprises retail parks and open air schemes**
 - Only 22% are traditional covered shopping centres
- **Increasingly strong occupier base**
 - Targeting well capitalised companies that are online compatible e.g. Next and JD Sports
 - As well as grocery and discount operators which are online resilient e.g. Home Bargains and Aldi
- **Occupiers have a strong preference for out of town retail parks which support fulfilment**
 - They support an online offer: 82% of stores offer click and collect¹
 - Many key occupiers use their stores to complement their logistic networks, including shipping to their customers from store¹

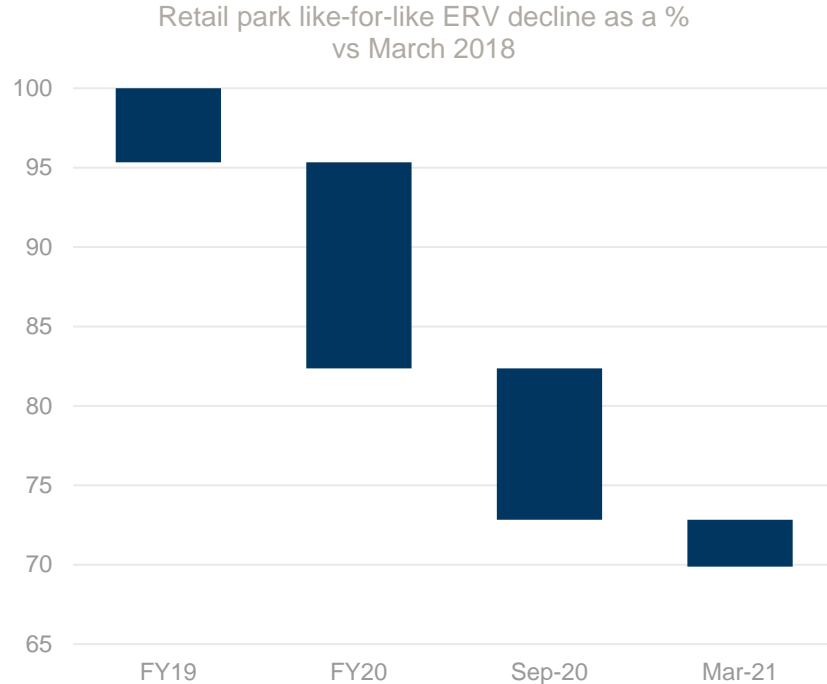
Retail Portfolio - £2.6bn



¹ Based on an internal survey covering 180 stores within our retail assets

Retail Parks increasingly affordable

Retail park ERV decline decelerating



Pipeline deals now transacting at current ERVs

Increasing affordability on our portfolio

11%
Occupancy Cost Ratio for
our Retail Parks¹

- Further upside when lower ERVs reflected within rates
- Higher cost ratios for shopping centres (15%)
- Cost ratios will benefit from potential rates reform

¹Assumes current ERVs and pre pandemic retail sales as at September 2019

Strategy and outlook

Simon Carter



1 Broadgate

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



We have four priorities to deliver this

Realising the potential of our Campuses

Progressing value accretive development

Targeting the opportunities in Retail & Fulfilment

Active capital recycling

How we create value

Source value & growth opportunities

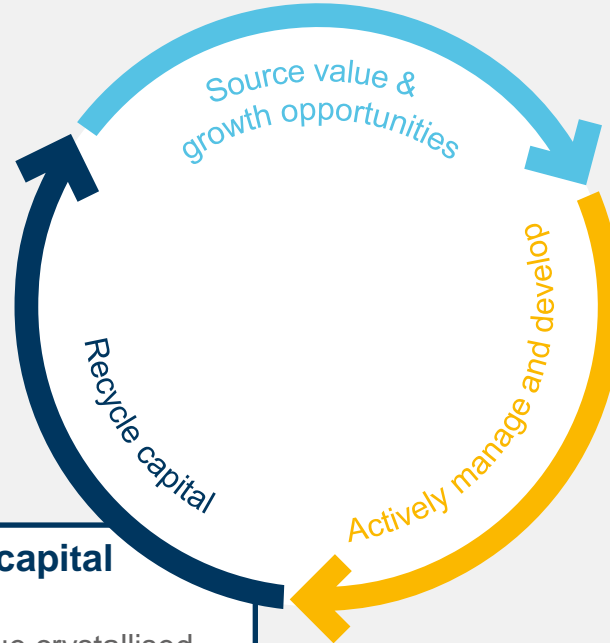


A1 Retail Park, Biggleswade
Value opportunity

Heritage House, Enfield
Development-led urban logistics opportunity

Recycle capital

Allianz JV
£400m value crystallised
Ongoing 25% share and asset management



Actively manage & develop



Development
Norton Folgate
1 Broadgate
Canada Water

Active management
Broadgate repositioning
Life sciences at Regent's Place

Our campuses benefit from today's trends

Our campus proposition



Sustainable, high quality space supporting wellbeing



Great locations & excellent transport links



Engaging public realms & amenities embedded in local communities



Flexible with ability to grow

Aligned to the way we work



BREEM[®]
OUTSTANDING

**100 Liverpool Street
& Broadgate Circle**

Driving campus performance through development

Committed

1 Broadgate 546,000 sq ft



Norton Folgate 336,000 sq ft



Near term

Canada Water – Phase 1

582,000 sq ft



5 Kingdom Street

438,000 sq ft



Medium term

2-3 Finsbury Avenue

704,000 sq ft



Canada Water

Later phases, 4.5m sq ft



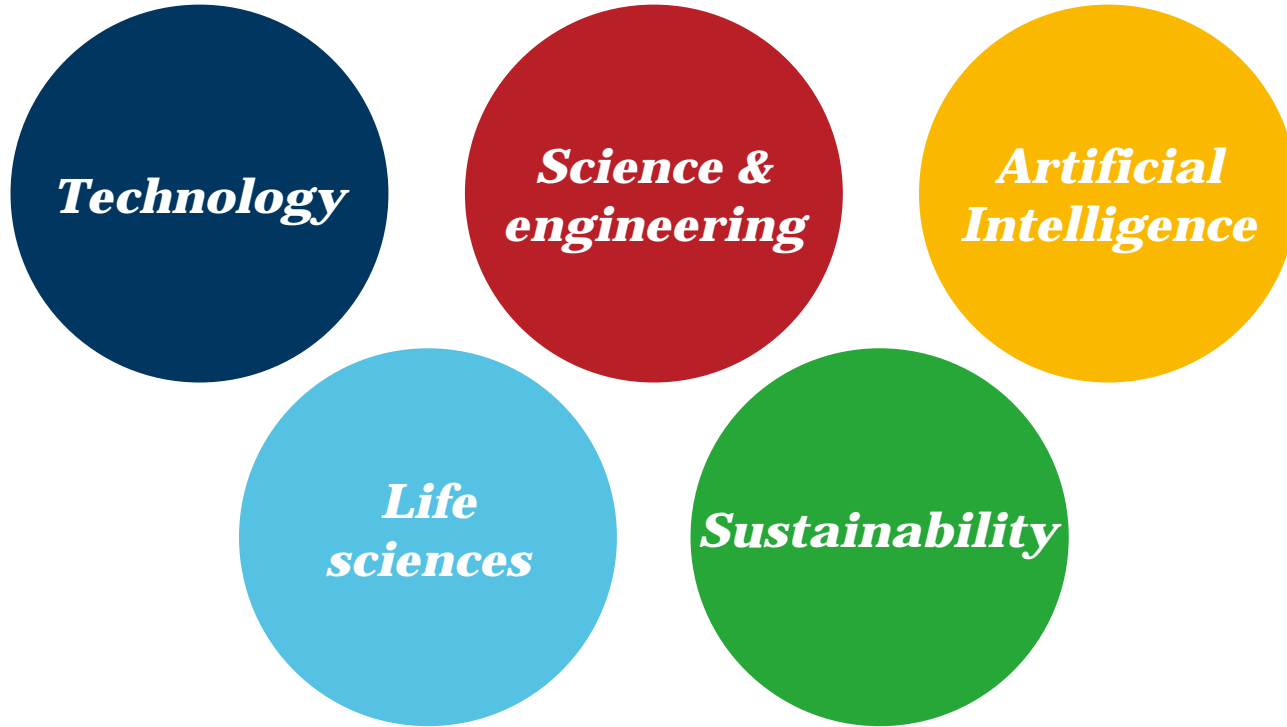
Developing our fourth campus at Canada Water

- **Drawdown of 500-year headlease completed**
 - Following grant of planning
- **Flexible planning consent, ranging from:**
 - 2,000 to c.4,000 residential units
 - 500,000 sq ft to 2.5m sq ft workspace
- **10-12 year programme**
- **Targeting annualised development returns in the low teens**
 - Exploring partnership opportunities to accelerate returns and mitigate risk
- **TEDI-London, engineering, higher education provider signed**
 - Conversations with other occupiers in this space
- **Opportunities to target other growth sectors**



TEDI modular campus

Aligning to innovation sectors



Aligning to innovation sectors: life sciences

Attractive market fundamentals



Government investment to double to £22bn by 2025¹



Growing overseas investment



Personalisation of healthcare through technology



Employment growth + 5% pa²

Why we are well placed

**Unique
mixed use
campuses**

Clustering of world leading research institutions in the Knowledge Quarter

Innovation

Ability to deliver in new sectors

**Best in
class
platform**

Track record of supporting growing businesses

¹ UK Budget, March 2020

² To 2025, UKBIA

Retail Parks: affordable and support fulfilment

Attractive market drivers



Affordable: OCRs at current ERVs of 11%



Complementary to online; click & collect, returns, ship from store



Preferred by retailers



Downside protection: alternative use and low capital value psf

Retail Park value opportunity

Illustrative example

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

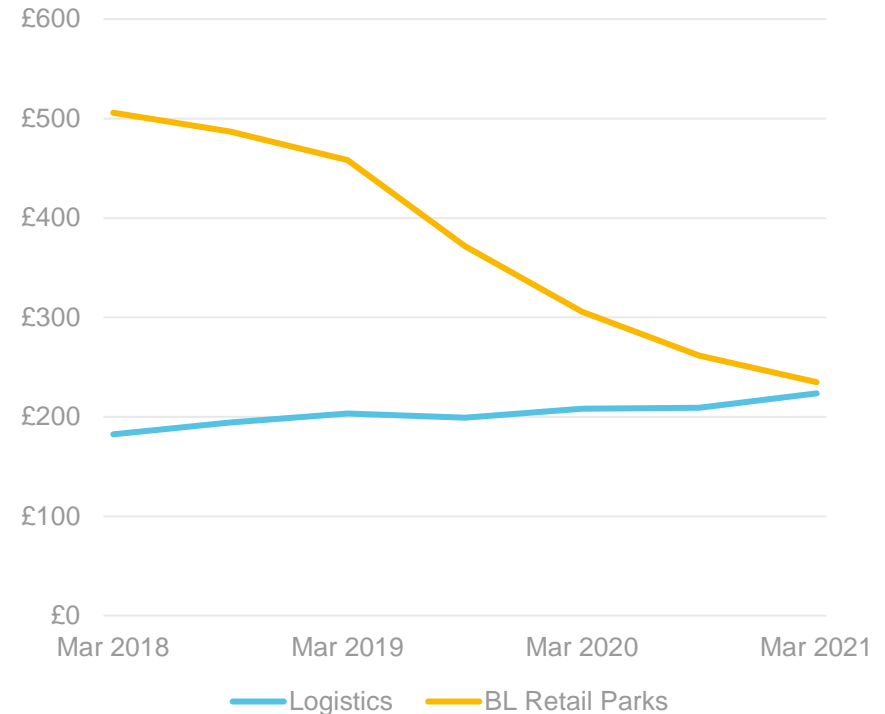
Retail Parks: crossover with urban logistics

Role of retail parks in logistics

- **Used by retailers to support last mile delivery**
 - Click & collect
 - Returns
 - Ship from store
- **Conversations on our space with third party logistics providers**
- **Retail parks have been acquired in the south east for conversion to logistics**
 - Amazon / Pentavia retail park, Mill Hill
 - Prologis / Ravenside retail park, Edmonton

Capital values converging

Capital value, £psf



Source: MSCI

Urban logistics: a strong growth market

Attractive market drivers



Growth of e-commerce



Demand for same day delivery accelerating; expected to double over 5 yrs



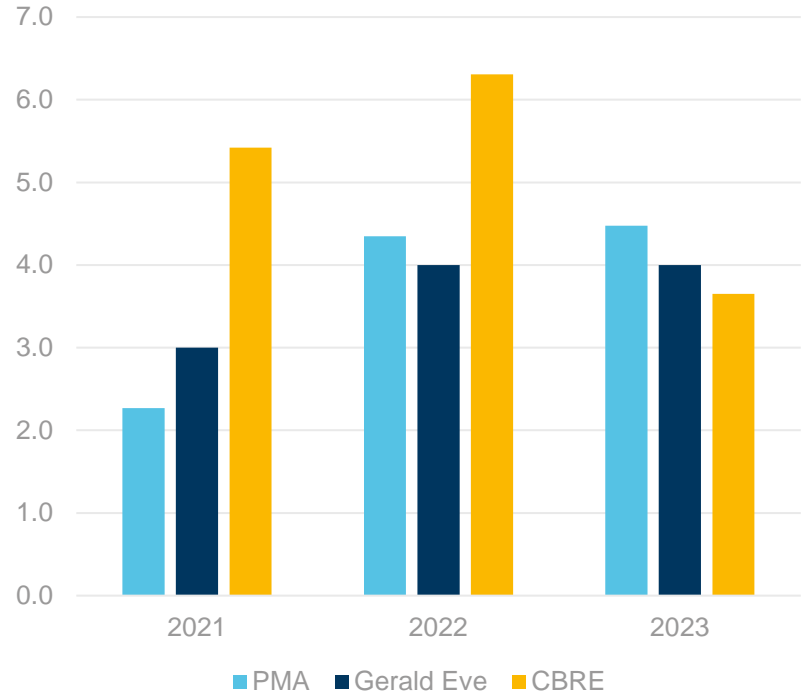
Limited supply given competing uses for land in London



60% demand growth 2020-25, of which 70% focused on London

Forecast rental growth, London

ERV growth, %



Urban logistics: our ability to deliver

Why we are well placed

- **Our Central London expertise**
 - To source opportunities
 - Obtain planning
- **Requires innovative solutions**
 - Multi-storey
 - Underground
 - Incorporating into mixed use
- **Development expertise**
 - To meet rapidly evolving demand
 - ESG credentials
 - Building on constrained sites

Heritage House, Enfield



Delivering on our priorities and next steps

Realising the potential of our campuses

Progress:

Pre-let 1 Broadgate to JLL

Headlease drawdown at Canada Water & TEDI-London signed

Next steps:

Sign further pre-lets
Target innovation sectors inc. life sciences
Deliver Place Based initiatives in our communities

Progressing value accretive development

Progress:

Delivered our first net zero development

Commitment to 1 Broadgate and Norton Folgate

Next steps:

Commitment to Phase 1 Canada Water
All developments now net zero
Deliver on Pathway to net zero

Targeting the opportunities in retail fulfilment

Progress:

c.£200m retail park acquisitions

Urban logistics acquisition
Progressing planning at Meadowhall & Teesside

Next steps:

Increase retail park weighting
Drive occupancy & cash flow quality
Acquire further logistics development opportunities

Active capital recycling

Progress:

£1.2bn asset sales, 6% ahead of book

Reinvestment in development & acquisitions

Next steps:

Further recycling of mature assets into developments and acquisitions

Outlook

Campuses

- Offices market rents expected to decline up to 5% before recovering
- Campus rents to outperform given demand concentrated on best space
- Downward pressure on office yields as confidence improves driven by low interest rates and yield differential with the Continent

Retail & Fulfilment

- Retail park rents expected to decline a further c.5% before stabilising with some yield compression
- Shopping centres will take longer to stabilise; business rates may be a catalyst
- Urban logistics in London to see continued rental growth of c. 4-5% pa



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

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Active capital recycling

Appendices



COCO DI MAMA

ITALIAN TO GO

ITALIAN TO GO

COCO DI MAMA

HOT STUFF
BEHIND THE COUNTER

A diverse, high quality portfolio

£9.1bn
(BL share)

Retail & Fulfilment (25%)



Retail Parks (15%)



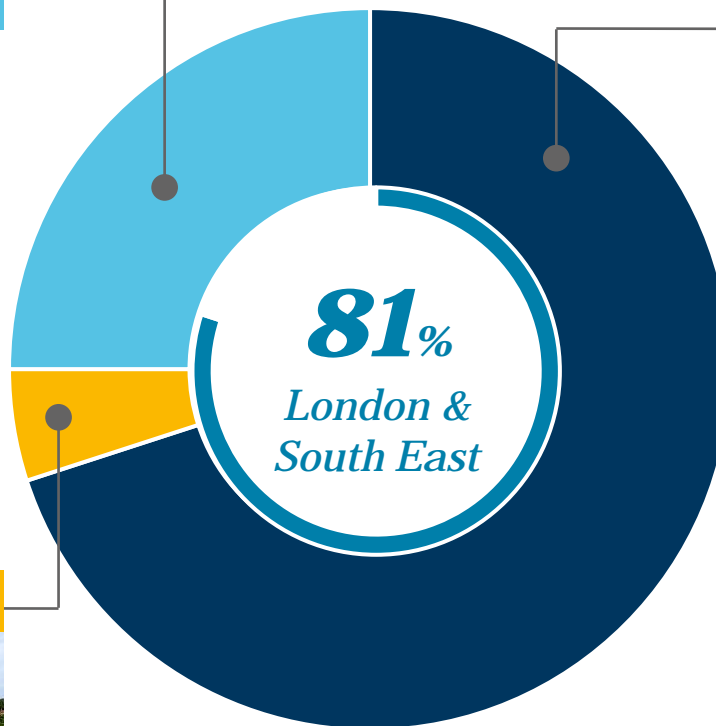
Shopping Centres
(10%)

Other (5%)



Residential (1%)

Other Retail (4%)



Campuses (70%)



London campuses (59%)



Standalone offices (7%)



Canada Water (4%)

Storey roll out

STOREY

Paddington Central



2 Kingdom Street



4 Kingdom Street

STOREY

Regent's Place



338 Euston Road

STOREY

Broadgate



2&3 Finsbury Avenue



Appold Studios



1 Finsbury Avenue



100 Liverpool Street



STOREY

Ealing



International House

STOREY

Fitzrovia



19 Wells Street

STOREY

Haggerston



6 Orsman Road

Ealing



Paddington



Bond St.



Tottenham Court Rd



Farringdon



Liverpool St.



Whitechapel



Woolwich



March 2021 rent collection

Rent due between 25 March 2021 and 18 May 2021

As at 18 th May	Offices	Retail ¹	Total
Received	98%	72%	84%
Rent deferrals	-	-	-
Rent forgiven	-	1%	1%
Customer paid monthly	1%	5%	3%
Outstanding	1%	22%	12%
Total	100%	100%	100%
	£45m	£50m	£95m
Collection of adjusted billing²	99%	76%	87%

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

² Total billed rents exclusive of rent deferrals, rent forgiven and tenants moved to monthly payments.

FY21 rent collection

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Collection of adjusted billing²	100%	83%	90%

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Major retail property holdings

As at 31 March 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	72	94.9	4.1
2	Drake's Circus, Plymouth	100	1,190	14	87.0	5.4
3	Teesside, Stockton	100	569	14	90.9	3.2
4	Glasgow Fort	78	510	16	91.7	5.4
5	Ealing Broadway	100	540	13	90.7	3.4
6	Speke, New Mersey	68	502	13	95.8	4.6
7	Giltbrook, Nottingham	100	198	7	100.0	5.6
8	Fort Kinnaird, Edinburgh	39	560	17	92.1	4.5
9	Broughton, Chester	78	337	8	97.2	4.1
10	SouthGate, Bath	50	198	9	96.6	6.2

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

² Including accommodation under offer or subject to asset management

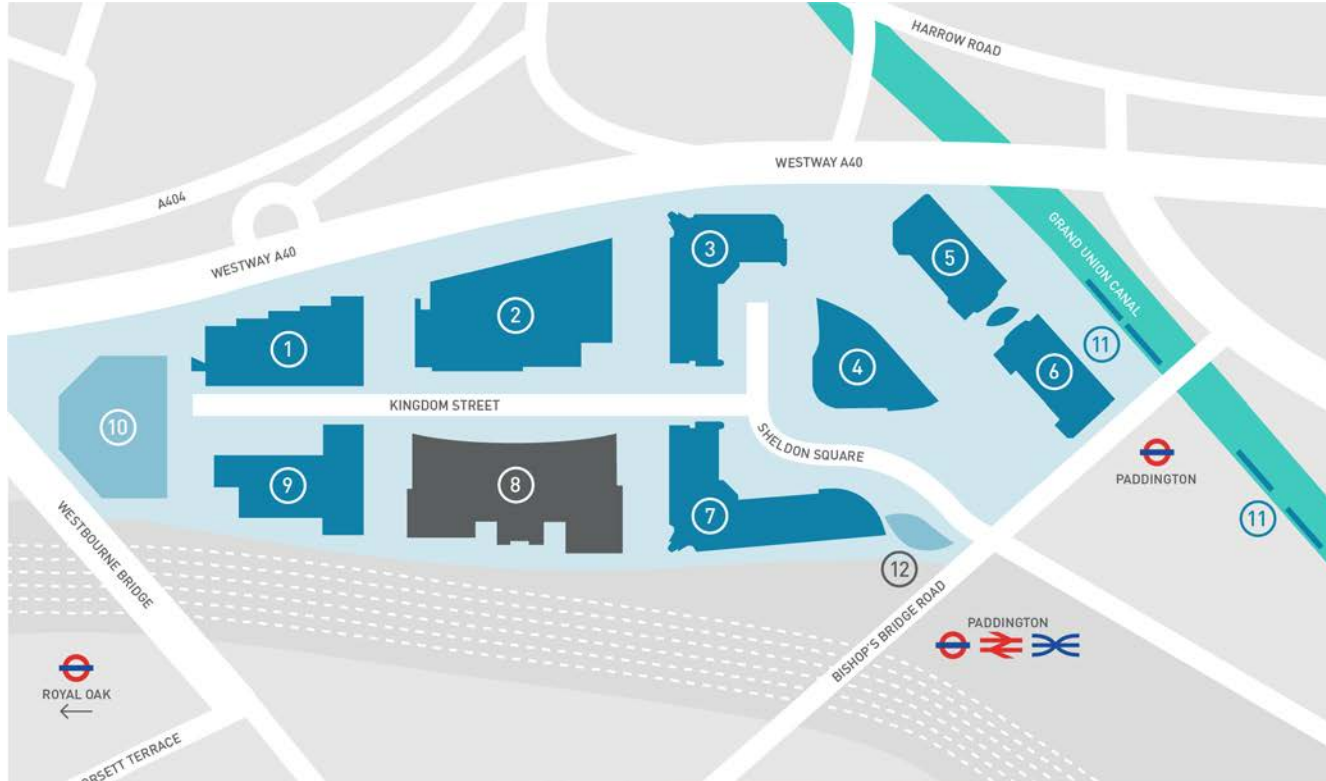
³ Weighted average to first break

⁴ Excludes committed and near term developments

Broadgate Campus



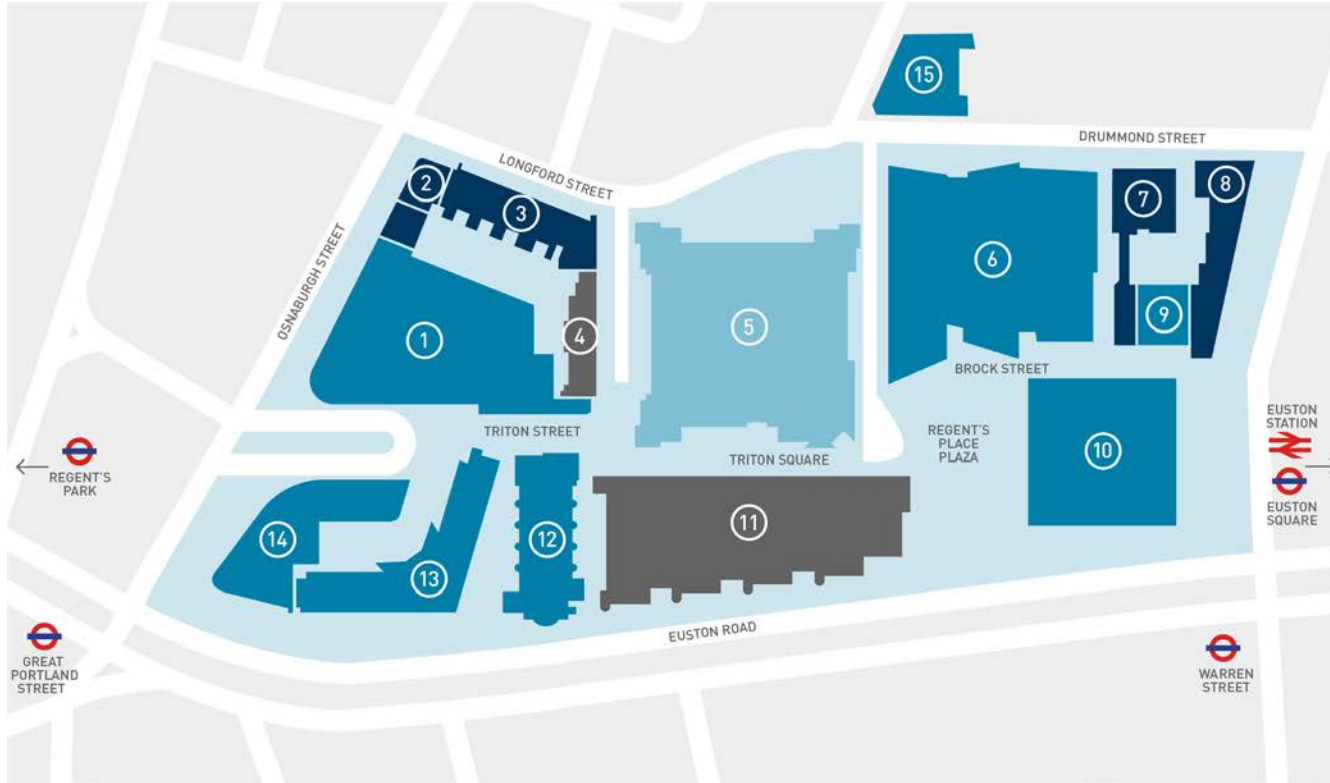
Paddington Central Campus



- 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

Top 20 occupiers

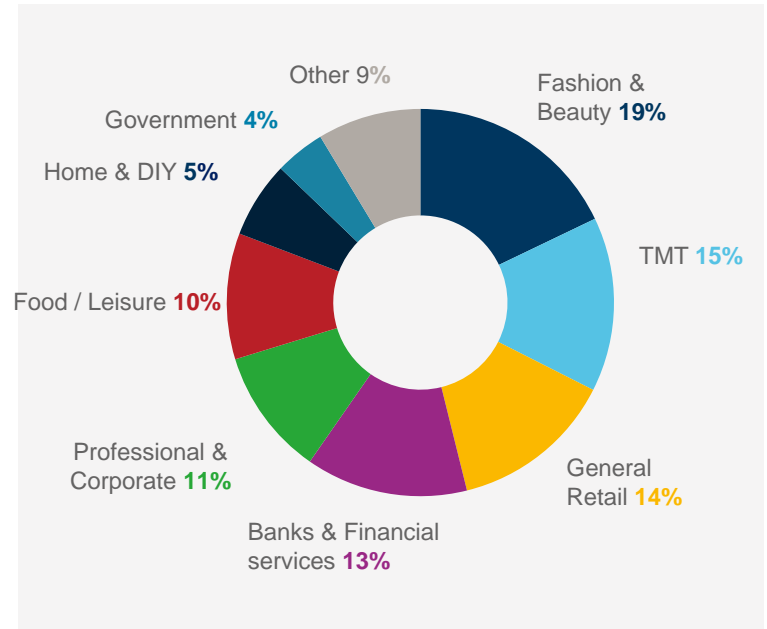
Retail

As at 31 March 2021	% of Retail Rent
Next	5.4
Walgreens (Boots)	4.7
M&S Plc	4.2
Tesco	3.1
J Sainsbury	3.1
JD Sports	2.9
Dixons Carphone	2.9
Frasers Group	2.6
TJX (Tk Maxx)	2.5
Virgin	2.0
Asda Group	2.0
Hutchison Whampoa Ltd	1.9
DFS Furniture	1.9
TGI Fridays	1.8
River Island	1.6
H&M	1.5
Primark	1.5
Wilkinson	1.5
Homebase	1.5
Pets at Home	1.2
Total top 20	49.8

Offices

As at 31 March 2021	% of Office Rent
Facebook	8.6
UK Government	6.9
Dentsu Aegis ¹	4.8
Visa	4.3
Herbert Smith Freehills	3.5
Gazprom	2.9
Microsoft Corp	2.7
TP ICAP Plc	2.5
SMBC	2.4
Vodafone	2.2
Deutsche Bank	2.1
Henderson	1.9
Reed Smith	1.8
The Interpublic Group (McCann)	1.7
Mayer Brown	1.6
Ctrip.com (Skyscanner)	1.5
Mimecast Ltd	1.4
Credit Agricole	1.3
Kingfisher	1.3
Milbank LLP	1.2
Total top 20	56.3

Occupier Split by Industry (%)



¹ Taking into account their pre-let of 310,000 sq ft at 1 Triton Square, and the break of existing space at 10 & 20 Triton St, % contracted rent would rise to 8.9%

Capital Activity

Since 1 April 2020	Offices £m	Retail £m	Residential £m	Canada Water £m	Total £m
Purchases ¹	-	284	-	-	284
Sales ²	(643)	(556)	(18)	-	(1,217)
Development Spend	98	3	2	26	129
Capital Spend	35	25	-	-	60
Net Investment	(510)	(244)	(16)	26	(744)
Gross Investment	776	868	20	26	1,690

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

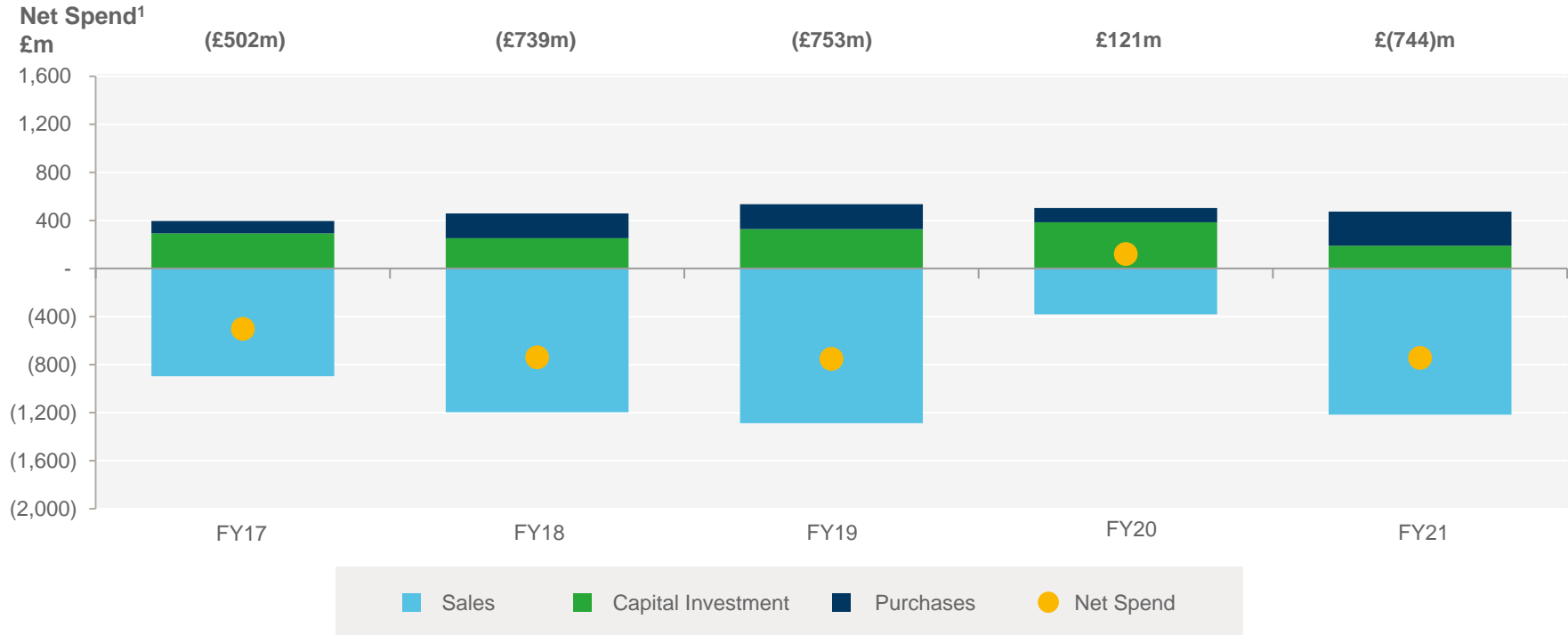
¹Includes the purchase of Heritage House, Enfield which exchanged and completed post period end, as well as the commitment to acquire the remaining 22% interest of HUT at a GAV of £148m.

²Includes Beaumont Leys sale for £9m which exchanged in the year and completed post period end and St Anne's sales for £6m which exchanged in the year.

Capital Activity

£7.3bn

Gross investment
activity since April 2016



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 Heritage House, Enfield, the 22% remaining interest of HUT and the disposal of Beaumont Leys (Fletcher Mall).

Sales (1 of 2)

Since 1 April 2020	Sector	Price (100%) £m	Price (BL Share) £m	Annual Passing Rent £m ¹
Completed				
Tescos, Milton Keynes & Peterborough	Retail	149	149	9
Portfolio of Sainsbury's stores ²	Retail	102	102	-
B&Qs, Various	Retail	100	100	8
Beaumont Leys (Bradgate Mall)	Retail	63	63	5
Beaumont Leys (Fletcher Mall) ³	Retail	9	9	1
David Lloyd, Northwood	Retail	51	51	2
Tesco, Brislington	Retail	42	42	3
Valentine Retail Park, Lincoln	Retail	24	9	1
Picton Place / James Street, London	Retail	14	14	1
Studlands Retail Park, New Market	Retail	11	11	1
Debenhams, Chelmsford	Retail	4	4	-
Deepdale Retail Park (unit A), Preston	Retail	4	2	-

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

² The portfolio was the indirect ownership (25.5%) of the reversionary interest of 26 Sainsbury's stores.

³ Exchanged in the year and completed post period end.

Sales (2 of 2)

Since 1 April 2020	Sector	Price (100%) £m	Price (BL Share) £m	Annual Passing Rent £m ¹
Completed				
Marble Arch House, York House & 10 Portman Sq	Offices	535	401	12
Clarges, Mayfair	Offices	177	177	5
Yalding House, London	Offices	42	42	2
Orwell House, London	Offices	23	23	1
Clearwater Development, Theale	Residential	12	12	-
Exchanged				
St Anne's, Regents Place ²	Residential	6	6	-
Total		1,368	1,217	51

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

² St. Anne's is an 8 storey, affordable housing block that forms part of the development at Triton Square.

Purchases

Since 1 April 2020	Sector	Price (100%) £m	Price (BL Share) £m	Annual Passing Rent £m ¹
Completed				
A1 Retail Park, Biggleswade	Retail	49	49	5
Heritage House, Enfield ²	Logistics	87	87	2
Exchanged				
Hercules Unit Trust units	Retail	148	148	12
Total		284	284	19

¹ BL share of annualised rent topped up for rent frees

² Completed post period end.

FY22 income statement – key moving parts and sensitivities

Gross Rents

- Annualised accounting gross rent of £426m as at 31 March 2021¹.
- c.£12m will move into vacant possession for development, principally Euston Tower (VP as of April 2021).
- Increase of c.£19m of annualised accounting rents expected following the practical completion of 1 Triton Square in May 2021.

Operating costs

- A key sensitivity will be rent collection in FY22, which we expect will continue being impacted to the extent that the rent moratorium continues to be in place. We currently expect our provision methodology to be consistent with that of FY21². As a reminder, the impact of tenant debtors and deferral provisions in FY21 was £65m, with an additional £18m of provisions for tenant incentives.
- We remain focused on controlling costs; however, we identify the following known increases:
 - £2.5m annualised York House lease depreciation/rent, following partial sale in FY21.
 - P&L credits of £2.9m taken in FY21 relating to the closure of the defined benefit pension scheme.

Financing

- Weighted average interest rate now 2.9% on gross debt of £3.2bn.
- Undrawn facilities of £1.7bn, with commitment fees of c.30bps p.a.

Dividend

- Dividends will be paid semi annually in February 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 / Office assets could reduce / increase annual profits by c.£6.7m / c.£3.4m and LTV by c.0.6%. This is based on topped up NIY of 7.6% (Retail) / 4.1% (Offices) and marginal cost of debt of 0.9%.
- Post period capital activity (i.e. acquisition of Enfield and HUT, disposal of Beaumont Leys) is expected to increase underlying profit by £7m.

¹ This incorporates the reduction to contracted rents as a result of CVAs and administrations prior to 31st March 2021

² See further detail in note 10 to the condensed 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 31 March 2021	£m	£m	£m	£m	£m	£m	
Current Passing Rent						425	428
Contracted uplifts ⁴	34	11	12	-	-	57	
Pre-lets of Committed Developments ¹	-	22	-	-	5	27	23
Contracted rent						509	451
Letting of completed developments	4	-	-	-	-	4	3
Lease Expiries – Development pipeline	(20)	(1)	-	-	-	(21)	(18)
Letting of Committed Developments ¹ – speculative	-	1	22	-	15	38	31
Letting of Near Term Developments ¹	-	-	-	6	30	36	31
RPI Linked Leases ²	1	1	1	1	1	5	5
Reversion ³	(5)	(4)	(6)	(4)	(7)	(26)	(23)
Vacancies	36					36	29
						581	509
Letting of Medium Term Developments (excl. Canada Water & Eden Walk)						105	82

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 2.9% per annum

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

⁴ Includes £3m agreement for lease rents

Gross rental income¹

Accounting Basis £m	12 months to 31 March 2021			Annualised as at 31 March 2021		
	Group	JVs & Funds	Total	Group	JVs & Funds	Total
West End	131	18	149	116	7	123
City	16	80	96	6	77	83
Offices	147	98	245	122	84	206
Retail Parks	84	51	135	71	46	117
Shopping Centre	50	43	93	40	40	80
Superstores	5	-	5	3	-	3
Department Stores	1	-	1	1	-	1
High Street	5	-	5	5	-	5
Leisure	12	1	13	12	1	13
Retail	157	95	252	132	87	219
Residential²	3	-	3	1	-	1
Canada Water	7	-	7	-	-	-
Total	314	193	507	255	171	426

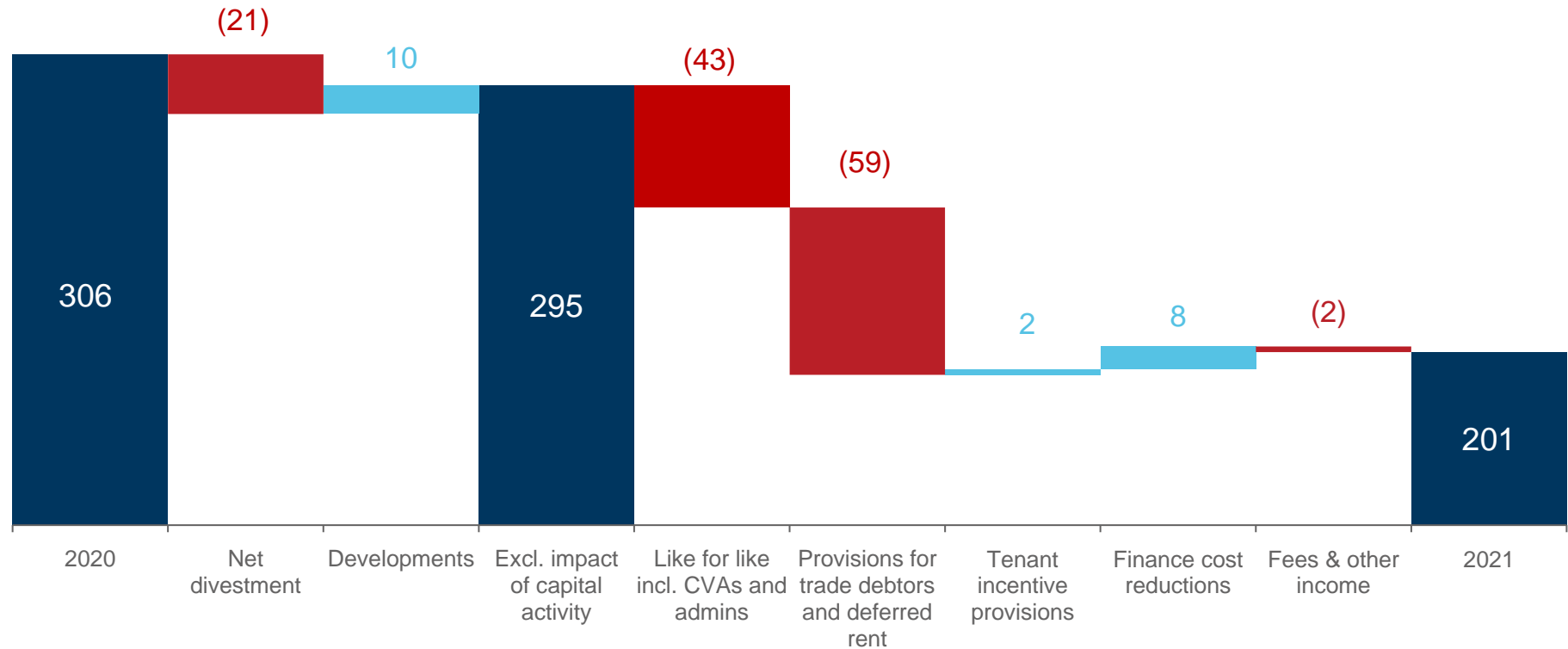
On a proportionally consolidated basis including the group's share of joint ventures and funds

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

² Standalone residential

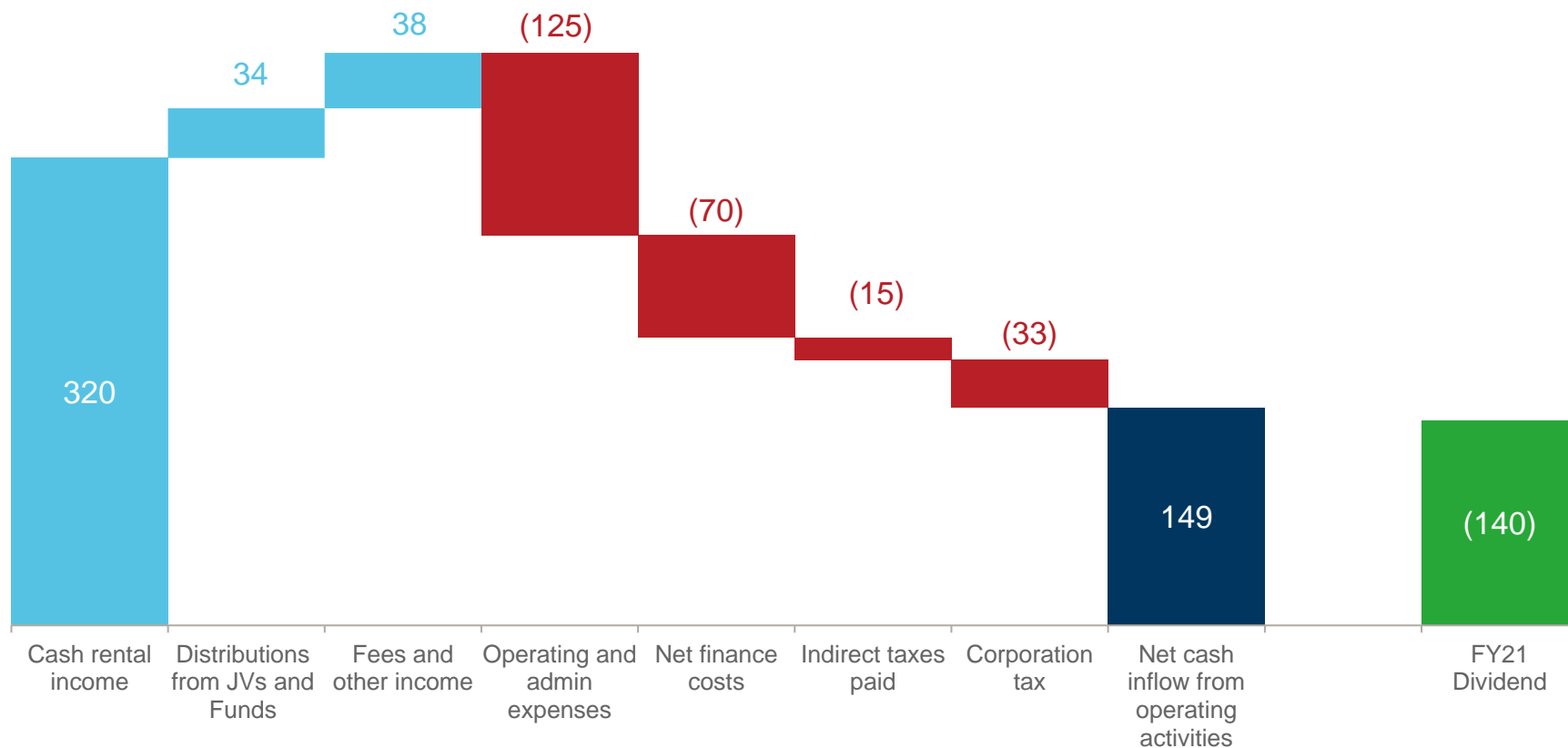
Underlying Profit Bridge

£m



Operating cash flow bridge

£m



Administrative expenses

Financial Year to 31 March	2020 £m	2021 £m
Personnel costs	50	48
Share scheme costs	(3)	2
Other administrative expenses	33	31
Total	80	81
Capitalised costs	(6)	(7)
Total administrative expenses	74	74

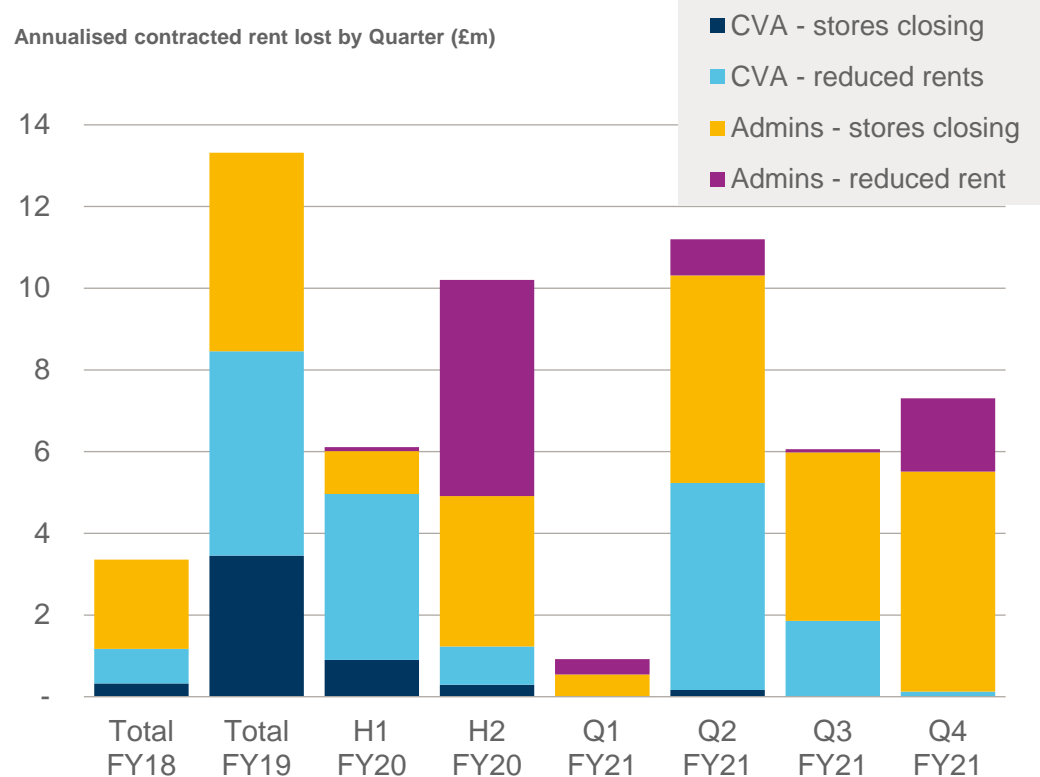
On a proportionally consolidated basis including the Group's share of Joint ventures and Funds and excluding non-controlling interests in the Group's subsidiaries.

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		433	
Administrations	35.4	203	
<i>Unaffected</i>	-	13	6%
Reduced Rents	8.5	43	21%
Closures	26.9	147	73%
CVAs	23.0	230	
<i>Unaffected</i>	-	71	31%
Reduced Rents	17.9	135	59%
Closures	5.1	24	10%
Total Rent Impact	58.5		

Annualised contracted rent lost by Quarter (£m)



11.7% of total group contracted rent has been lost due to CVAs and Administrations since Apr 2017

Operating costs metric

Financial Year to 31 March	2020 £m	2021 £m
Property operating expenses	83	141
Administrative expenses	73	74
Net fees and other income	(13)	(11)
Ground rent costs and operating expenses de facto included in rents	(16)	(21)
EPRA Costs (including direct vacancy costs)	127	183
Gross rental income	560	508
Ground rent costs and operating expenses de facto included in rents	(20)	(25)
Gross Rental Income (EPRA basis)	540	483
EPRA Cost Ratio (including direct vacancy costs)	23.5%	37.9%
Impairment of tenant debtors, tenant incentives and accrued income	26	83
Adjusted EPRA Cost ratio (including direct vacancy costs and excluding impairment of tenant debtors, tenant incentives and accrued income)	18.7%	20.7%

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

Financial Year to 31 March	2020 £m	2021 £m
IFRS loss after tax attributable to shareholders	(1,027)	(1,031)
Net valuation loss	1,389	1,297
Profit on disposal of investment and trading properties	(18)	(27)
Capital financing costs	63	(12)
Non-controlling interests	(99)	(55)
Taxation	(2)	29
Underlying Profit and EPRA Earnings	306	201

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.

Number of shares

As at	31 March 2020 (m)	31 March 2021 (m)
IFRS Basic		
Weighted average ¹	934	927
IFRS Diluted		
Weighted average ²	934	927
Underlying/EPRA diluted		
Weighted average ³	937	930
Year/Period end ⁴	932	933

¹ For use in IFRS basic earnings per share.

² For use in IFRS diluted earnings per share. A loss in the current and prior years results in an anti-dilutive effect, therefore no adjustment has been 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 2020	Group	JVs & Funds	31 March 2021
Total properties (£m) ¹	11,177	6,118	3,022	9,140
Adjusted net debt (£m)	(3,854)	(2,071)	(867)	(2,938)
Other net liabilities (£m)	(121)	(103)	(49)	(152)
EPRA Net Tangible Assets (£m)	7,202	3,944	2,106	6,050
Loan to value (LTV) ²	34.0%			32.0%
Weighted average interest rate	2.5%			2.9%
Interest cover	3.8x			3.0x
Weighted average maturity of drawn debt (years)	7.5			7.6

¹Included within the total property value of £9,140m (2019/20: £11,177m) are right-of-use assets net of lease liabilities of £8m (2019/20: £20m), 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..

²On 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 Value Metrics

	31 March 2020 (£m)			31 March 2021 (£m)		
	EPRA NTA ¹	EPRA NDV ²	EPRA NRV ³	EPRA NTA ¹	EPRA NDV ²	EPRA NRV ³
IFRS Net Assets	7,147	7,147	7,147	5,983	5,983	5,983
Deferred tax arising on revaluation movements	6	6	6	-	-	-
Mark to market on derivatives and related debt adjustments	141	-	141	115	-	115
Adjust to fully diluted on exercise of share options	18	18	18	14	14	14
Surplus on trading properties	13	13	13	9	9	9
Non-controlling interests	(112)	(112)	(112)	(59)	(59)	(59)
Deferred tax arising on revaluation movements	-	(9)	-	-	(1)	-
Mark to market on debt	-	(301)	-	-	(268)	-
Purchasers' costs	-	-	659	-	-	537
Intangibles	(11)	-	-	(12)	-	-
EPRA Net Assets	7,202	6,762	7,872	6,050	5,678	6,599
Per share measure (pence)	773	726	845	648	609	707

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, replacing the previously reported EPRA NAV metric. 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.

Reconciliation of new EPRA net asset valuation metrics to previous metrics

	31 March 2020 £m	31 March 2021 £m
EPRA NRV	7,872	6,599
Purchasers' costs	(659)	(537)
EPRA NAV	7,213	6,062
Per share measure	774p	650p
EPRA NTA	7,202	6,050
Intangibles	11	12
EPRA NAV	7,213	6,062
Per share measure	774p	650p
EPRA NDV	6,762	5,678
EPRA NNAV¹	6,762	5,678
Per share measure	726p	609p

¹ As the Group's EPRA NDV is the same as the EPRA NNAV, there are no reconciling items.

Gross and net debt reconciliation

As at 31 March 2021	Group £m	JVs & Funds £m	Less non- controlling interests £m	Total £m
Gross Debt (principal)	(2,291)	(971)	79	(3,183)
IFRS adjustments:				
Issue costs and premia	12	3	-	15
Fair value hedge adjustments	(131)	-	-	(131)
IFRS gross debt	(2,410)	(968)	79	(3,299)
Market value of derivatives	7	(9)	-	(2)
Cash	154	104	(10)	248
IFRS net debt	(2,249)	(873)	69	(3,053)
Adjustments:				
Remove market value of derivatives				2
Remove fair value hedges				113
Adjusted net debt				(2,938)

Loan to value (LTV)

	As at 31 March 2020 £m	Valuation movement	Acquisitions	Capital spend	Disposals	Operating cashflow	Dividend	Other	As at 31 March 2021 £m
Total properties	11,157	(1,245)	52	185	(1,040)	-	-	23	9,132
Other investments	131	1	-	5	(109)	-	-	(2)	26
LTV assets	11,288	(1,244)	52	190	(1,149)	-	-	21	9,158
Adjusted net debt	3,854	-	52	230	(1,186)	(149)	76	61	2,938
Other	(12)	-	-	-	-	-	-	9	(3)
LTV liabilities	3,842	-	52	230	(1,186)	(149)	76	70	2,935
LTV	34.0%	4.2%	0.3%	1.4%	(7.8%)	(1.3%)	0.7%	0.5%	32.0%

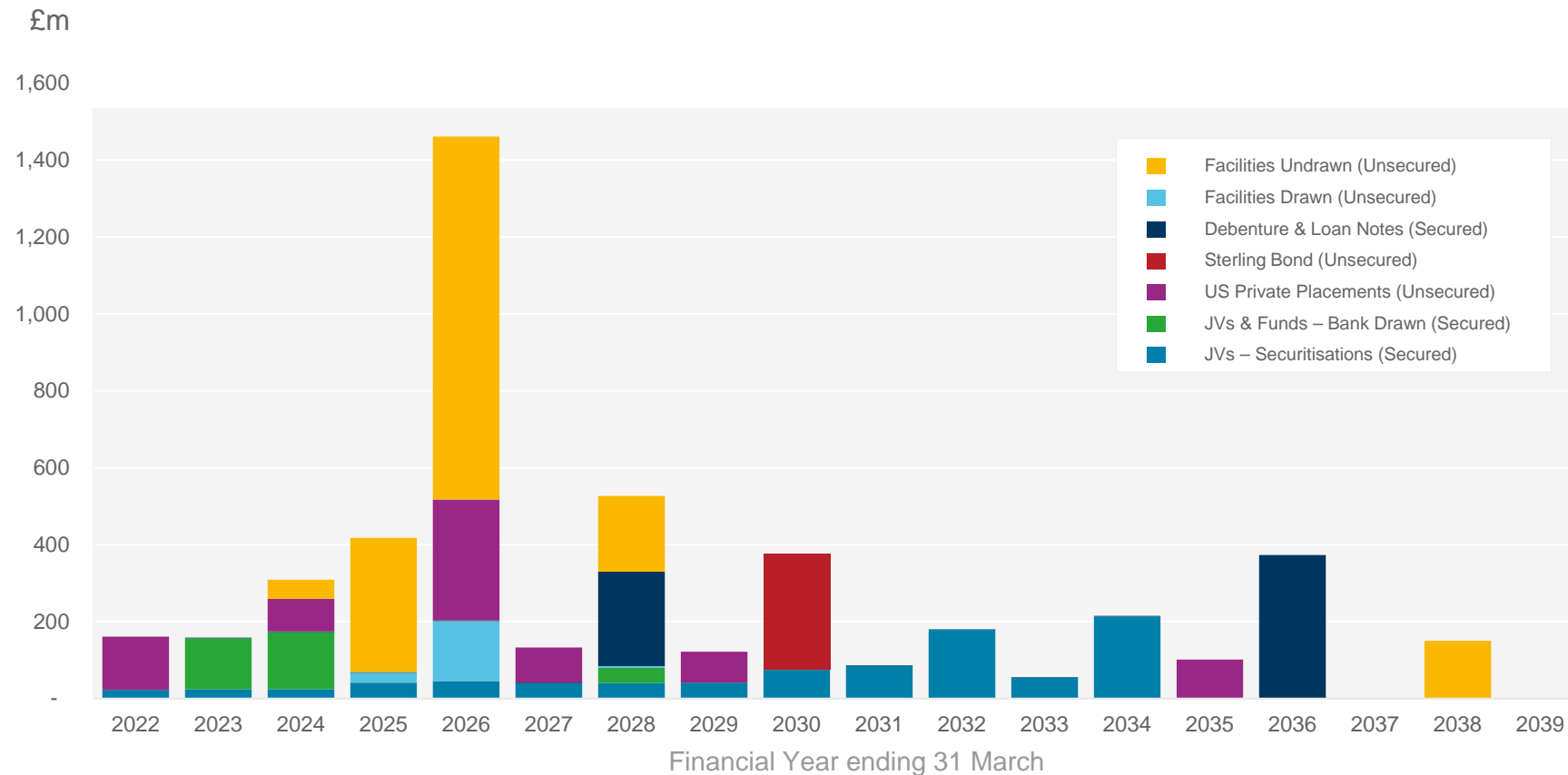
On a proportionally consolidated basis including the Group's share of Joint ventures and Funds and excluding non-controlling interests in the Group's subsidiaries.

Debt metrics

Proportionally Consolidated	31 Mar 2020	31 Mar 2021
Loan to value (LTV)	34.0%	32.0%
Weighted average interest rate	2.5%	2.9%
Interest cover	3.8x	3.0x
Weighted average maturity of drawn debt	7.5yrs	7.6yrs

Group	31 Mar 2020	30 Mar 2021
Loan to value (LTV)	28.9%	25.1%
Available undrawn facilities	£1.1bn	£1.7bn
Weighted average interest rate	1.9%	2.2%
Interest cover	5.8x	4.3x
Senior unsecured credit rating (Fitch)	A	A

Debt maturity

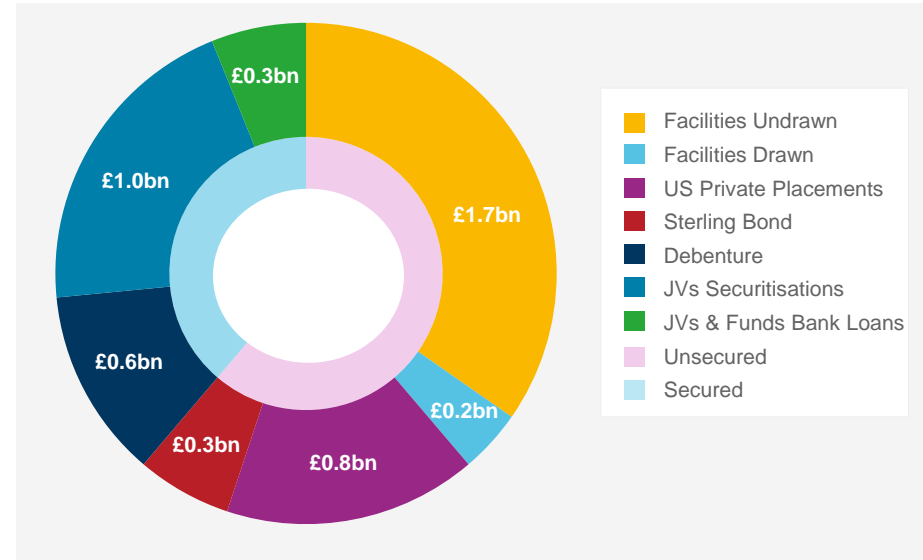


On a proportionally consolidated basis including the Group's share of joint ventures and funds and excluding non-controlling interests in the Group's subsidiaries.

Debt financing – diverse profile

- Extended £1.1bn RCFs:
 - £650m by a further year to 2025
 - £450m ESG-linked RCF by a further year to 2026
- £1.8bn undrawn facilities and cash
- £100m loan signed with Homes England to fund specified infrastructure works at Canada Water
- £160.5m seven year loan raised from SMBC new JV with Allianz secured by JV assets (first SONIA based loan)
- Refinanced a £200m HUT bank loan to December 2023
- No requirement to refinance until early 2025
- LTV decreased by 200bps to 32.0%²
- Weighted average interest rate 2.9%²
- Weighted average drawn debt term maturity 7.6 years²
- Fitch affirmed all our credit ratings, including senior unsecured at 'A', with Stable Outlook

£4.9bn Debt and facilities (3.2bn drawn)¹ 31 March 2021



¹ Proportionally consolidated. HUT's debt shown at our share (£0.3bn) within JVs & Funds Bank Loans.

² On a proportionally consolidated basis

Portfolio valuation by sector

At 31 March 2021	Group		JVs & Funds		Total			Change % ¹		
	£m	£m	£m	£m	H1	H2	FY			
West End	3,297	167	3,464		(2.5)	(0.8)	(3.2)			
City	317	2,251	2,568		(4.0)	(0.7)	(4.6)			
Offices	3,614	2,418	6,032		(3.1)	(0.8)	(3.8)			
Retail Parks	831	536	1,367		(13.1)	(6.5)	(18.6)			
Shopping Centre	409	487	896		(18.1)	(19.9)	(35.7)			
Superstores	47	-	47		(0.2)	1.7	0.7			
Department Stores	10	-	10		(34.3)	(32.3)	(55.3)			
High Street	91	1	92		(14.0)	(9.8)	(22.4)			
Leisure	162	18	180		(11.3)	(3.3)	(14.2)			
Retail	1,550	1,042	2,592		(14.9)	(11.4)	(24.7)			
Residential²	121	-	121		(9.1)	(1.9)	(10.6)			
Canada Water	387	-	387		(6.0)	3.4	(2.5)			
Total	5,672	3,460	9,132		(7.3)	(3.8)	(10.8)			
Standing Investments	4,559	3,357	7,916		(8.1)	(4.5)	(12.4)			
Developments	1,113	103	1,216		(0.9)	1.9	(0.6)			

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

¹ Valuation movement during the Year (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 – Offices

Financial Year to 31 March 2021	Valuation £m	Change £m	Change % ¹	Yield movement Bps ²	ERV movement % ²
West End	3,464	(137)	(3.2)	+13	2.0
City	2,568	(125)	(4.6)	+2	(1.6)
Offices	6,032	(262)	(3.8)	+9	0.7

¹ Valuation movement during the year (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

Financial Year to 31 March 2021	Valuation £m	Change £m	Change % ¹	Yield movement bps ²	ERV movement % ²
Retail Parks	1,367	(340)	(18.6)	+45	(15.2)
Shopping Centre	896	(498)	(35.7)	+143	(20.3)
Other	329	(86)	(16.4)	+55	(12.7)
Retail	2,592	(924)	(24.7)	+81	(16.8)

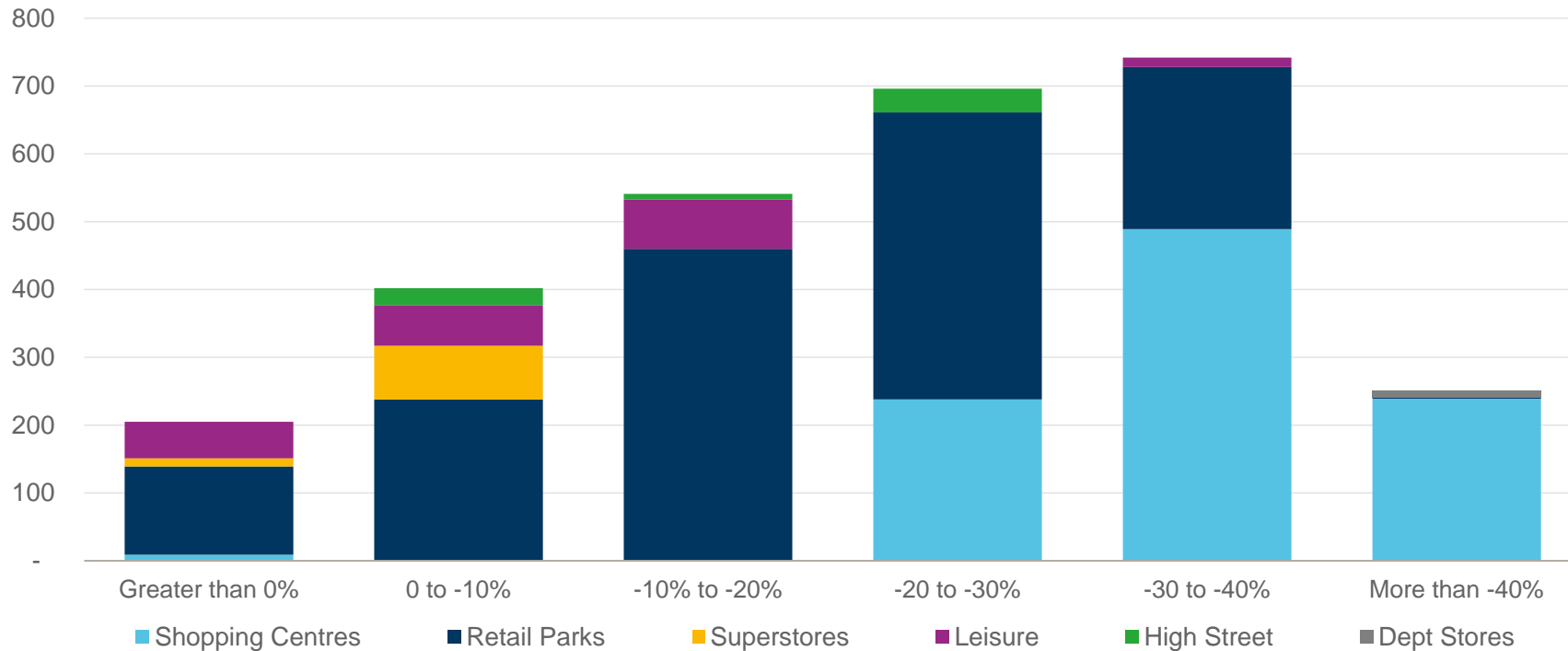
¹ Valuation movement during the year (after taking account of capital expenditure) of properties held at the balance sheet date, including developments (classified by end use), purchases and sales

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

Retail Valuation Movements

-25%
Retail FY21
valuation
movement

Mar '21
Valuations (£'m)



% Valuation Movement in FY21

Portfolio net yields^{1,2}

As at 31 March 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	3.7	4.4	4.4	4.5	13	5.3	2.0
City	3.0	3.8	3.8	4.4	2	5.0	(1.6)
Offices	3.4	4.1	4.1	4.5	9	5.1	0.7
Retail Parks	7.8	8.1	8.2	7.5	45	7.4	(15.2)
Shopping Centre	6.8	7.1	7.3	7.6	143	7.0	(20.3)
Superstore	5.9	7.3	7.3	5.7	(31)	5.9	0.2
Department Store	(0.4)	(0.4)	(0.4)	9.4	(23)	15.1	(23.5)
High Street	4.8	5.0	5.0	6.0	42	6.5	(17.1)
Leisure & Other	6.3	6.4	7.0	6.9	90	5.5	(10.3)
Retail	7.1	7.5	7.6	7.4	81	7.1	(16.8)
Total	4.6	5.2	5.3	5.4	33	5.9	(7.6)

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

Canada Water is now 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 31 March 2021	2020 %	2021 %	2021 £m
West End	37.7	37.9	3,464
City	23.0	28.1	2,568
Offices	60.7	66.0	6,032
Retail Parks	16.5	15.0	1,367
Shopping Centre	13.5	9.8	896
Superstores	0.8	0.5	47
Department Stores	0.3	0.1	10
High Street	1.2	1.0	92
Leisure	2.4	2.0	180
Retail	34.7	28.4	2,592
Residential¹	1.3	1.3	121
Canada Water	3.3	4.3	387
Total	100.0	100.0	9,132
<i>Of which London</i>	71%	77%	6,984

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

¹ Standalone residential

Lease length and occupancy

As at 31 March 2021	Average Lease Length (yrs)		Occupancy Rate (%)	
	To Expiry	To Break	EPRA Occupancy	Occupancy ^{1,2,3}
West End	5.5	4.3	96.3	96.6
City	8.4	7.2	84.6	90.7
Offices	6.7	5.5	91.3	94.1
Retail Parks	6.4	4.7	93.3	94.7
Shopping Centre	5.7	4.4	91.0	93.3
Superstores	6.3	6.3	96.6	96.6
Department Stores	23.1	22.9	97.0	97.0
High Street	3.7	3.1	91.0	93.7
Leisure	13.0	12.8	94.0	94.0
Retail	6.5	5.1	92.5	94.1
Total	6.6	5.3	91.8	94.1

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 94.1% to 95.4% 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 94.1% to 90.6%, and total occupancy would reduce from 94.1% to 92.4%

Annualised rent & estimated rental value (ERV)

As at 31 March 2021	Annualised Rents (Valuation Basis) £m ¹			ERV £m	Average Rent (£psf)	
	Group	JVs & Funds	Total	Total	Contracted ²	ERV
West End ³	108	7	115	165	59.9	69.0
City ³	7	71	78	124	54.5	55.2
Offices³	115	78	193	289	57.6	62.5
Retail Parks	74	50	124	114	22.2	19.6
Shopping Centre	42	43	85	88	24.1	24.1
Superstores	3	-	3	3	17.8	14.4
Department Stores	1	-	1	2	0.7	3.1
High Street	5	-	5	7	11.5	14.5
Leisure	12	1	13	11	17.3	14.6
Retail	137	94	231	225	20.6	19.3
Residential⁴	1	-	1	1	12.7	11.4
Total	253	172	425	515	28.1	30.6

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 31 March 2021	£m	£m	£m	£m	£m	£m	£m
West End	7	22	4	15	1	33	49
City	-	1	16	8	27	17	52
Offices	7	23	20	23	28	50	101
Retail Parks	11	9	6	7	6	26	39
Shopping Centre	6	8	3	3	2	17	22
Superstores	-	1	1	-	-	2	2
Department Stores	-	-	-	-	-	-	-
High Street	-	-	-	-	-	-	-
Leisure	-	-	-	1	-	-	1
Retail	17	18	10	11	8	45	64
Residential	1	-	-	-	-	1	1
Total	25	41	30	34	36	96	166

Rent subject to lease break or expiry

For the year to 31 March	2022	2023	2024	2025	2026	2022-24	2022-26
As at 31 March 2021	£m	£m	£m	£m	£m	£m	£m
West End	29	24	12	9	12	65	86
City	7	4	13	4	16	24	44
Offices	36	28	25	13	28	89	130
Retail Parks	17	15	24	12	14	56	82
Shopping Centre	16	15	10	8	13	41	62
Superstores	-	2	-	-	-	2	2
Department Stores	-	-	-	-	-	-	-
High Street	2	1	1	1	-	4	5
Leisure	-	-	-	-	1	-	1
Retail	35	33	35	21	28	103	152
Residential	-	-	-	-	-	-	-
Total	71	61	60	34	56	192	282
% of contracted rent	14.8	12.8	12.8	7.2	11.8	40.4	59.4

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 31 March 2021	£m	£m	£m	£m	£m	£m	£m
Expiry of rent free periods	30	9	11	-	-	50	50
Fixed uplifts (EPRA basis)	1	-	-	1	-	1	2
Fixed & minimum uplifts	-	1	1	-	-	2	2
Total	31	10	12	1	-	53	54

Total Property Return (as calculated by MSCI)

12 months to 31 March 2021	Offices		Retail		Total	
%	British Land	MSCI	British Land	MSCI	British Land	MSCI
Capital Return	(3.6)	(4.5)	(24.7)	(12.9)	(10.8)	(3.2)
– ERV Growth	0.7	(1.0)	(16.8)	(9.0)	(7.6)	(2.8)
– Yield Movement ¹	9 bps	20 bps	81 bps	30 bps	33 bps	1 bps
Income Return	3.0	3.8	7.3	5.5	4.2	4.5
Total Property Return	(0.8)	(0.8)	(19.1)	(8.1)	(7.0)	1.2

¹ Net equivalent yield movement

De-risked development pipeline focused on campuses



1 Triton Square
365,000 sq ft
Completion Q2 2021¹



1 Broadgate
546,000 sq ft
Completion Q2 2025



Canada Water, Phase 1
Plots A1, A2 and K1 - 582,000 sq ft



2-3 Finsbury Avenue
704,000 sq ft



100 Liverpool Street
520,000 sq ft
PC'd Q3 2020



Norton Folgate
336,000 sq ft
Completion Q3 2023



Aldgate Place, Phase 2
136,000 sq ft



5 Kingdom Street
438,000 sq ft



Eden Walk, Kingston
452,000 sq ft

Recently Completed & Committed Developments

- ERV of £85m
- 50% pre-let

Near term pipeline

- ERV of £54m
- **All schemes** consented

Medium term pipeline excl. Canada Water, future phases

¹ Completed post year end in May 2021

Recently Completed & Committed developments

As at 31 March 2021	Sector	BL Share	Sq ft	PC Calendar Year	Current Value	Cost to Come	ERV	Let
		%	'000		£m	£m ¹	£m ²	£m
100 Liverpool Street	Office	50	520	Q3 2020	403	-	19.4	15.5
Total Completed in the Year			520		403	-	19.4	15.5
1 Triton Square ⁴	Office	100	365	Q2 2021	443	32	22.8	21.9
Norton Folgate	Office	100	336	Q3 2023	120	229	22.2	-
1 Broadgate	Office	50	546	Q2 2025	94	227	20.1	5.0
Total Committed			1,247		657	488	65.1	26.9
Other Capital Expenditure ³						34		

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 April 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 and asset management

⁴ Completed post year end in May 2021

Near term development pipeline

As at 31 March 2021	Sector	BL Share	Sq ft	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	Q2 2022	117	344	30.1	-	Consented
Aldgate Place, Phase 2	Residential	100	136	Q3 2021	28	99	6.5	-	Consented
Canada Water – Plot A1 ³	Mixed Use	100	272	Q3 2021	30	218	6.7	-	Consented
Canada Water – Plot A2 ³	Mixed Use	100	248	Q3 2021	16	120	10.4	-	Consented
Canada Water – Plot K1 ³	Residential	100	62	Q3 2021	-	25	-	-	Consented
Total Near Term			1,156		191	806	53.7	-	
Other Capital Expenditure ⁴						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 April 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 The London Borough of Southwark has confirmed they will not be investing in Phase 1. The BL ownership share will change over time as costs are incurred and is expected to be c.98-99% by PC.

⁴ Forecast capital commitments within our investment portfolio over the next 12 months relating to leasing and asset enhancement

Medium term development pipeline

As at 31 March 2021	Sector	BL Share	Sq ft	Planning status
		%	'000	
Medium term Pipeline				
2-3 Finsbury Avenue	Office	50	704	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	Pre-submission
Gateway Building	Leisure	100	105	Consented
Euston Tower	Office	100	620	Pre-submission
Canada Water – Future phases ¹	Mixed Use	100	4,498	Consented
Total Medium Term			6,847	

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 31 March 2021	PC Calendar Year	Cost to Come £m (excluding notional interest) – 6 months breakdown								
		Sep-21	Mar-22	Sep-22	Mar-23	Sep-23	Mar-24	Sep-24	Mar-25	Total
100 Liverpool Street	Q3 2020	-	-	-	-	-	-	-	-	-
Total Completed		-	-	-	-	-	-	-	-	-
1 Triton Square ¹	Q2 2021	32	-	-	-	-	-	-	-	32
Norton Folgate	Q3 2023	31	58	60	37	31	12	-	-	229
1 Broadgate	Q2 2025	9	17	29	35	56	35	25	14	220
Total Committed		72	75	89	72	87	47	25	14	481
Aldgate Place, Phase 2	2024	5	16	25	24	19	9	1	-	99
5 Kingdom Street	2025	4	4	42	54	66	62	54	45	331
Canada Water – Plot A1	2023	13	18	30	45	55	40	17	-	218
Canada Water – Plot A2	2024	3	12	20	30	35	15	5	-	120
Canada Water – Plot K1	2024	2	6	8	7	2	-	-	-	25
Total Near Term		27	56	125	160	177	126	77	45	793
Indicative Interest Capitalised on above at attributable rates		3	4	8	9	8	8	9	6	

¹ Completed post year end in May 2021

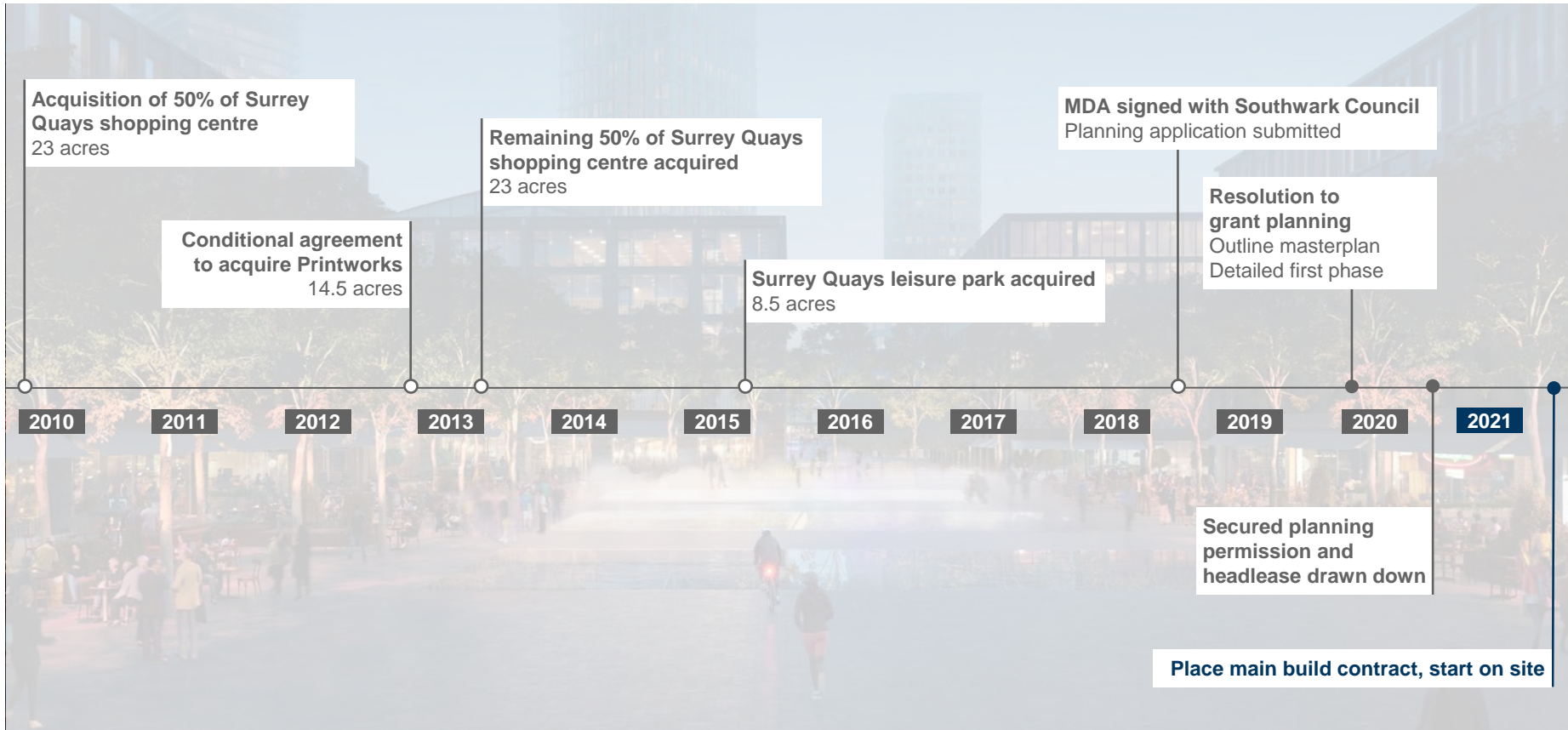
Canada Water – Illustrative Scheme

	Masterplan	First detailed plots
	Secured planning for our 53 acre scheme	
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



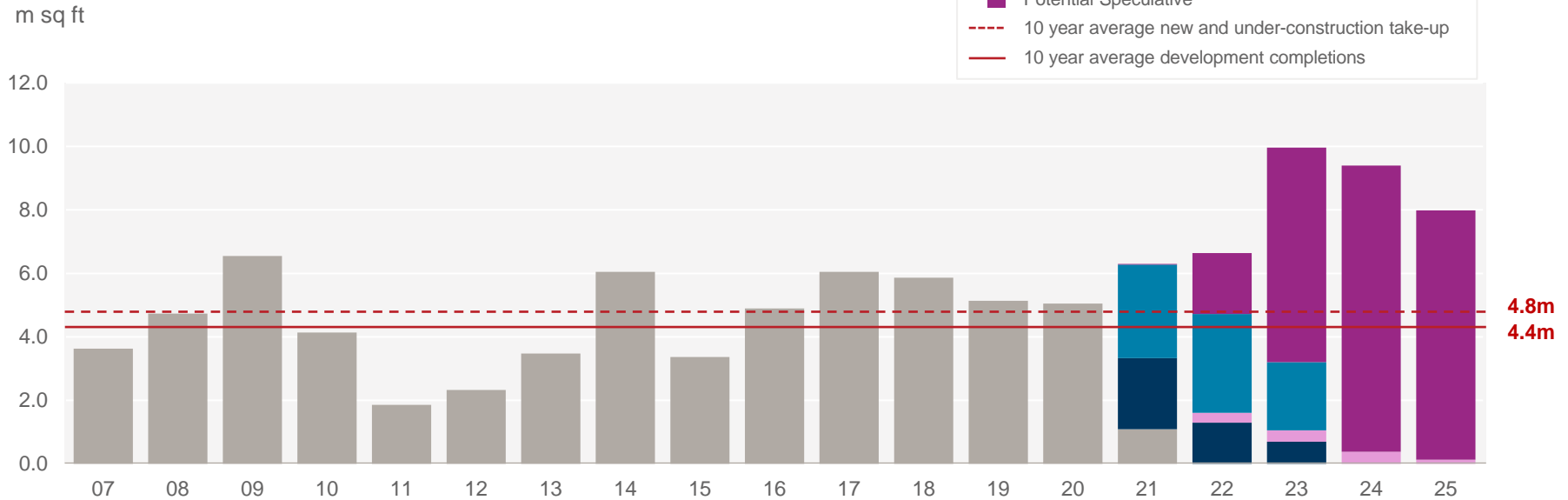
Buildings highlighted above reflect indicative First Major Scheme, totaling 1.9m sq ft

Canada Water: key milestones and timeline



Central London development pipeline

Q1 2021

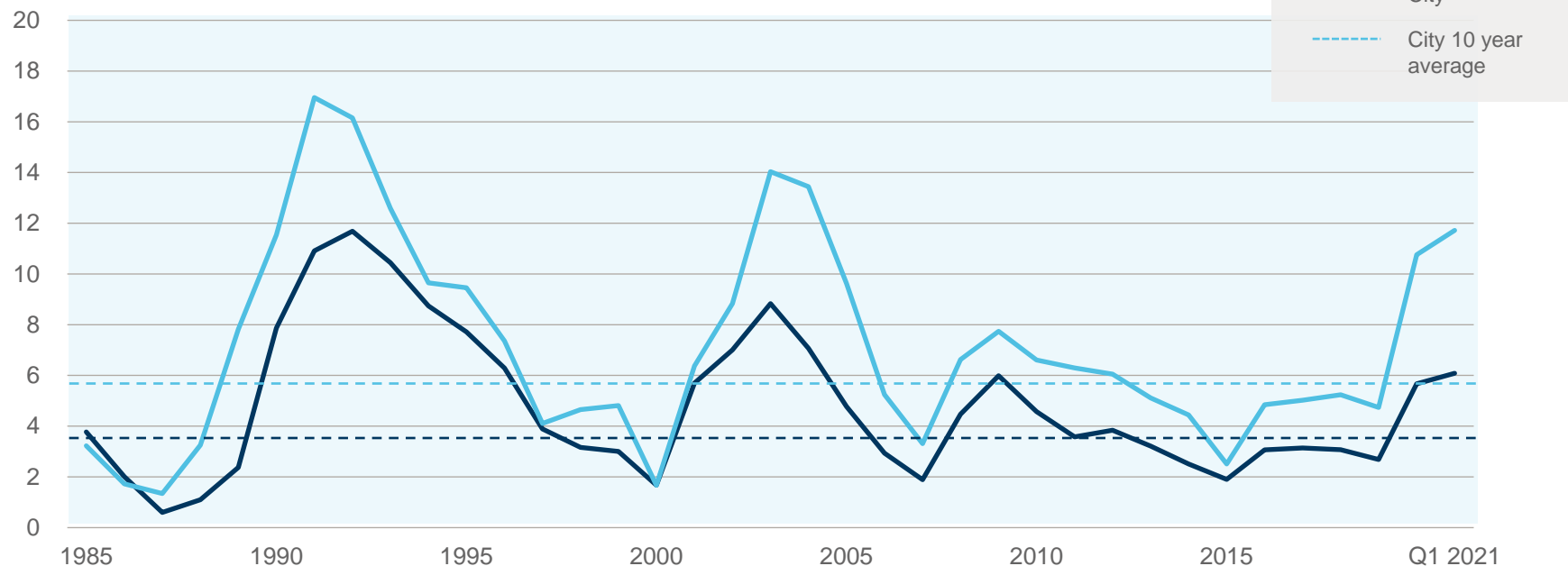


Source: CBRE

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



Developments - Net Zero Carbon

Net Zero Carbon – Completed and Committed developments

Net Zero Developments	Embodied emissions offset <i>% of total embodied emissions</i>	Embodied carbon intensity <i>kg CO2e per sqm (A1-A5)</i>
Completed		
100 Liverpool Street ^A	100%	389
St Anne's ^B	-	763
Committed^C		
1 Triton Square	-	448
Norton Folgate	-	540
1 Broadgate	-	901

Embodied carbon intensity of the development pipeline^D

	<i>kg CO2e per sqm GIA</i>
Completed	400
Committed	660
Near term	670
Medium term	650
Embodied Portfolio Average	640

^A Offsets purchased with the retirement of all credits due by 31st October 2021.

^B Practical Completion in March 2021. As part of the 1 Triton Square development project, the offsets will be purchased in FY22 following Triton Square's practical completion.

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

^D Includes all developments where our plans are sufficiently advanced.

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
- **100% of developments** delivered after April 2020 to be net zero embodied carbon
- **75% reduction** in operational carbon intensity across our portfolio by 2030
- **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 from 2022



Sustainability Indices Performance

FY 2021 performance



Global Real Estate Sustainability Benchmark¹

2020: 5-star
(Standing Investment and Development)



Carbon Disclosure Project

2020: A-
2019: B



EPRA Sustainability Reporting Awards

2020: Gold for 9th year



a Morningstar company



MSCI ESG Ratings²

2020: AAA rating



FTSE4Good

2020: 96th percentile



Social Mobility Index

2020: Top 75 for the third consecutive year



rated by
ISS-oekom

¹ GRESB® and the related logo are trademarks owned by GRESB BV and are used with permission.

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

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

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