

British Land

First Quarter Report to 30 June 2007



Consolidated Income Statement for the three month period ended 30 June 2007

	Year ended 31 March 2007		Three months ended 30 June 2007		Three months ended 30 June 2006	
	Underlying pre tax* £m	Audited Capital and other £m	Underlying pre tax* £m	Capital and other £m	Underlying pre tax* £m	Capital and other £m
	649	Total £m	160	Total £m	155	Total £m
	649	Gross rental and related income	160	160	155	155
	561	Net rental and related income	141	141	136	136
	50	Fees and other income	22	30	24	24
	37	Amortisation of intangible asset	9	(4)	9	(4)
	(78)	Funds and joint ventures (see also below)	(20)	19	(21)	69
		Administrative expenses		145		362
		Net valuation gains (includes profits on disposals)				
		Goodwill impairment				
		Net financing costs				
	41	financing income	6	6	31	31
	(354)	financing charges	(82)	(82)	(106)	(106)
	(313)	refinancing charges	(76)	(76)	(75)	(75)
	257	Profit on ordinary activities before taxation	76	190	73	427
		Taxation				
		REIT conversion charge				
		current tax (expense) income		(1)		(5)
		deferred tax income (expense)		10		(80)
				9		(85)
		Profit for the period after taxation attributable to shareholders of the Company		275		415
		Earnings per share: basic		53 p		80 p
		diluted		53 p		80 p

		Share of results of funds and joint ventures	
37	37	9	9
	257	13	93
	(5)	9	(2)
	(48)	(2)	(2)
	(19)	(1)	(2)
	237		(20)
	422	9	69
	459	28	78

* As defined in note 1

Notes to the accounts (unaudited)

1. Performance measures

Year ended	Three months ended		Three months ended		
	31 March 2007	30 June 2007	30 June 2007	30 June 2006	
Earnings £m	Pence per share	Earnings £m	Pence per share	Earnings £m	Pence per share
257 (31)		76 (3)		73 (14)	
226	43 p	73	14 p	59	11 p
(305)		9			
71 (13)		1		3 1	
(21)	(4) p	83	16 p	63	12 p
2,453	470 p	275	53 p	415	80 p

The European Public Real Estate Association (EPRA) issued Best Practices Policy Recommendations in November 2006, which gives guidelines for performance measures. The EPRA earnings measure excludes investment property revaluations and gains on disposals, intangible asset movements and their related taxation and the REIT conversion charge.

Underlying earnings consists of the EPRA earnings measure, with additional company adjustments. Adjustments include reversal of refinancing charges and realisation of cash flow hedges, gains on trading property appropriations and disposals and their related taxation, costs relating to REIT conversion and prior year tax items.

The weighted average number of shares in issue for the period was: basic: 521m (June 2006: 519m; March 2007: 520m); diluted for the effect of share options: 523m (June 2006: 522m; March 2007: 522m). Basic earnings per share (undiluted) for the period were 53p (June 2006: 80p; March 2007: 472p).

31 March 2007	30 June 2007	30 June 2006
£m	£m	£m
8,747	9,134	6,499
168 (99)	149 (214)	1,765 (22)
46	50	77
8,862	9,119	8,372
1682 p	1730 p	1592 p

The EPRA NAV per share excludes the mark to market on effective cash flow hedges and related debt adjustments, deferred taxation on revaluations and is calculated on a fully diluted basis.

At 30 June 2007, the number of shares in issue was: basic: 522m (30 June 2006: 519m; 31 March 2007: 521m); diluted for the effect of share options: 527m (30 June 2006: 526m; 31 March 2007: 527m).

Total return per share of 3.3% represents growth per share in EPRA NAV of 48p plus dividends paid of 7p (see note 7) in the three months to 30 June 2007. Total return per share (before charges for REIT conversion and refinancings) for the year ended 31 March 2007 was 21.3%.

