20 November 2024

SUCCESSFULLY DEPLOYING CAPITAL INTO OUR CONVICTION SECTORS

Simon Carter, Chief Executive said:

"We are pleased the operational and financial momentum in our business continues. Strong levels of leasing ahead of ERV and sustained cost discipline enabled us to grow profits again, despite significant development activity, which will be a key driver of future profit growth. Our values were up 0.2%, with a particularly strong performance in retail parks offsetting residual yield movement in campuses.

Since April, we have disposed of £456m of non-core assets and rapidly deployed £711m into retail parks, one of our preferred subsectors, given their attractive occupational fundamentals and high occupancy. Since 2021 we have increased our exposure to retail parks from 15% of the portfolio to 32% today. This conviction is paying off, with retailers competing for cost-efficient out-of-town space to support their online operations. This is leading to strong rental growth and valuation uplifts which are outperforming all other subsectors.

Similarly, the super prime space we are developing on our campuses is benefiting from a significant imbalance between the demand and supply for new and substantially refurbished space, particularly in the City, where we estimate a shortfall of 5 million square feet over the next four years. This is leading to strong rental growth at the top end of the market.

While geopolitical risk remains elevated and there has been some volatility around the recent Budget and US election, British Land's portfolio is well positioned for the inflection in the cycle. The continued strength of our occupational markets, underpins our guidance of 3-5% rental growth across the portfolio, and our ability to generate attractive future returns."

FINANCIAL

- Underlying Profit of £143m up 1%
- EPRA cost ratio 15.3% (FY24 16.4%)
- Underlying earnings per share (EPS) of 15.3p up 1%
- Dividend per share of 12.24p up 1%
- Total accounting return of 2.8% in the period

BALANCE SHEET

- EPRA Net Tangible Assets (NTA) per share of 567p up 1% in the period and pro forma NTA per share of 556p[1]
- Pro forma Loan to Value (LTV) 37.8%[1] and HY25 LTV at 38.7% (FY24 37.3%)
- Pro forma Group Net Debt to EBITDA 7.4x[1] and HY25 Group Net Debt to EBITDA 7.8x (FY24 6.8x)
- Fitch Senior Unsecured credit rating at 'A' with stable outlook (affirmed July 2024)
- Interest rate on our debt 97% hedged for FY25, 78% hedged on average over the next five years

CAPITAL ACTIVITY

- £456m of disposals since 1 April 2024, including Meadowhall, completed in July 2024
- £711m of retail parks acquired since 1 April 2024, at a blended net equivalent yield (NEY) of 7.0%
- Raised £301m via an equity placing in October 2024
- £1.6bn undrawn facilities and cash, with £1.4bn of financing activity since 1 April 2024

OPERATIONAL METRICS

- Portfolio occupancy 98%[2]: Campuses 97%[2], Retail Parks 99%, London Urban Logistics 100%
- Leased 1.7m sq ft, 8.0% ahead of ERV
- Campus leasing 957k sq ft, 8.3% ahead of ERV
- Campus under offers as of 30 September 2024, 296k sq ft, with a further 1.7m sq ft in negotiations
- Retail & London Urban Logistics leasing 759k sq ft, 6.9% ahead of ERV and 509k sq ft under offer
- Like-for-like rental growth +3%: Campuses +4%, Retail & London Urban Logistics +2%

PORTFOLIO VALUATION

- Values up 0.2%: Campuses -1.7%, Retail Parks +5.1%, London Urban Logistics -2.6%
- Six-month ERV growth of 2.5%: Campuses 1.7%, Retail Parks 3.7%, London Urban Logistics 0.3%
- NEY -2 bps to 6.1%: Campuses +12 bps to 5.6%, Retail Parks -22 bps to 6.6%, London Urban Logistics +7 bps to 4.9%

SUSTAINABILITY

- GRESB rating of 5* for both standing investments and developments, scoring 100/100 for our developments
- c.64% of the portfolio rated EPC A or B, up from 58% at FY24

OUTLOOK

- Reiterating ERV guidance of 3-5% p.a. growth across the portfolio
- Now expect FY25 Underlying EPS to be 28.1p, reflecting the accretive £441m retail park portfolio acquisition and placing

[1] Pro forma for £441m retail park portfolio acquisition funded via equity placing in October 2024 and £86m of disposals post period end (including £62m exchanged for sale/under offer)
[2] Occupancy excludes recently completed developments at Norton Folgate, Aldgate and The Priestley Centre

SUMMARY PERFORMANCE

Period ended	30 September 2024	30 September 2023	% Change
INCOME STATEMENT			
Underlying Profit[1]	**£143m**	£142m	1%
Underlying earnings per share[1]	**15.3p**	15.2p	1%
IFRS profit (loss) after tax	**£109m**	£(61)m	
IFRS basic earnings per share	**11.7p**	(6.6)p	
Dividend per share	**12.24p**	12.16p	1%
Total accounting return[1]	**2.8%**	(2.0)%	

As at	30 September 2024	31 March 2024	
BALANCE SHEET			
Portfolio at valuation (proportionally consolidated)	**£8,867m**	£8,684m	0.2% [2]
EPRA Net Tangible Assets per share[1]	**567p**	562p	1%
IFRS net assets	**£5,308m**	£5,312m	
Net Debt to EBITDA (Group)[3, 4]	**7.8x**	6.8x	
Loan to value (proportionally consolidated)[4, 5]	**38.7%**	37.3%	
Fitch Senior Unsecured credit rating	**A**	A	

Period ended	30 September 2024	30 September 2023
OPERATIONAL STATISTICS		
Lettings and renewals over 1 year	**1.4m sq ft**	1.3m sq ft
Total lettings and renewals	**1.7m sq ft**	1.6m sq ft
Committed and recently completed developments	**2.9m sq ft**	1.9m sq ft
SUSTAINABILITY PERFORMANCE		
MSCI ESG	**AAA rating**	AAA rating
GRESB (standing investments / developments)	**5* / 5***	5* / 5*

1. See Note 2 to the condensed interim financial statements for definition and calculation.
2. Valuation movement during the period (after taking account of capex) of properties held at the balance sheet date, including developments (classified by end use), purchases, sales.
3. Net Debt to EBITDA on a Group basis excludes joint venture borrowings and includes distributions and other receivables from joint ventures.
4. See Note 8 to the condensed interim financial statements for definition, calculation and reference to IFRS metrics.
5. EPRA Loan to value is disclosed in Table B of the condensed interim financial statements.

RESULTS PRESENTATION AND INVESTOR CONFERENCE CALL

A presentation of the results will take place at 9am on Wednesday 20 November 2024 at Peel Hunt, 100 Liverpool Street, Broadgate and will be broadcast live via webcast (www.britishland.com) and conference call. The details for the conference call and weblink are as follows:

UK Toll Free Number:	0800 358 1035
International:	+44 20 3936 2999
Access code:	922991
Click for access:	Audio weblink

A dial in replay will be available later in the day for 7 days. The details are as follows:

Replay number:	020 3936 3001
Passcode:	470509

Accompanying slides will be made available at Britishland.com just prior to the event starting.

FOR INFORMATION CONTACT

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CHIEF EXECUTIVE'S REVIEW

OVERVIEW

Portfolio values are up by 0.2%, resulting in a 1p increase in EPRA NTA per share, with a particularly strong performance in retail parks offsetting residual yield adjustments in campuses and London urban logistics. Including dividends paid in the period of 10.64p per share, total accounting return was 2.8%. We continue to deliver ERV growth across the portfolio and expect this to be a key driver of value going forward. 93% of our portfolio is now in our chosen subsectors all of which have strong rental growth prospects.

The operational and financial momentum in the business continues. Strong levels of leasing ahead of ERV and sustained cost discipline enabled us to grow profits again, despite significant development activity, which will be a key driver of future profit growth adding c.4.5p to Underlying EPS. Like-for-like rental growth was 3%, of which 4% was in campuses and 2% in retail and London urban logistics. As a result, Underlying EPS increased by 1%.

Cost discipline is a key area of focus for us. Our EPRA cost ratio has improved from 25.6% in 2022 to 15.3% in HY25 due to better fee income and good cost control despite inflationary pressures. This will continue to be a priority going forward as we leverage our scalable, market leading platform.

We continue to actively recycle capital to create value. Over the last four years, we have reshaped our business via £3.7bn of capital activity. This activity includes £2.1bn of mature offices and shopping centres disposals at an average net initial yield of 5.0%, £1.1bn of retail parks acquisitions at an average net initial yield of 7.1% and assembling a 1.9m sq ft urban logistics pipeline. Capital activity since 1 April 2024 included the disposal of £456m of non-core assets and shopping centres, which we rapidly deployed into higher returning retail parks. This included the acquisition of seven retail parks from Brookfield for £441m post period end funded via a £301m equity placing. The placing price was at a 3.6% discount to the undisturbed share price and a 26% discount to the September 2024 NTA, reducing NTA per share by 11 pence. Given the positive return outlook for retail parks we expect to offset most of the NTA dilution over time. Pro forma LTV is 37.8% and pro forma net debt to EBITDA is 7.4x, reflecting capital activity and development spend.[3] We will remain disciplined in our management of leverage as we continue to actively recycle capital to generate attractive future returns.

OPERATIONAL UPDATE

The operational momentum we reported in FY24 continues, with underlying occupancy across the portfolio at 98% [4] and 1.7m sq ft of leasing, 8.0% ahead of ERV.

On our campuses, we completed 957,000 sq ft of leasing in the period, 8.3% ahead of ERV. Key deals include a 261,000 sq ft pre-let with Citadel at 2 Finsbury Avenue and a 77,000 sq ft letting to US law firm, Akin Gump Strauss Hauer & Feld LLP on recently surrendered floors, which we are refurbishing at 155 Bishopsgate. We have also secured 279,000 sq ft of regears with existing customers at rents ahead of ERV, demonstrating the quality of our standing portfolio. These include Microsoft and Vertex regearing 103,000 sq ft and 39,000 sq ft respectively at Paddington. As at 30 September 2024, we had a further 296,000 sq ft under offer, 1.4% ahead of ERV. This lower premium reflects a long-term lease agreed with a strong covenant occupier, which has annual CPI uplifts. As of 8 November 2024, we had 1.7m sq ft in negotiations on 0.9m sq ft of space at good rental levels.

This half we also had significant asset management initiatives where we took back space, received surrender premiums and now have the space leased or in negotiations at much higher rents. Of the 109,000 sq ft of space taken back, 88% is already re-let or in negotiations at rents significantly ahead of previous passing rent.

Underlying occupancy on our campuses is 97%[4], which excludes new and recently refurbished space, where demand, and consequently rental growth is the strongest. A good example is Norton Folgate, which is already over 50% let to law firm Reed Smith and Swiss high performance sportswear brand, On Running. In July, we completed the fit out of 56,000 sq ft of fully fitted floors. Unlike the HQ space, with large floorplates that we deliver on our campuses, we would not expect to lease this type of space until after completion given the smaller floorplates and target customer. We are seeing good interest in the space, with three deals under offer or in negotiations and a high velocity of viewings. Campus ERV growth on our standing portfolio, which excludes developments, was 1.7%, which on an annualised basis is in line with our guided range of 3-5% for the year.

On retail parks, we continue to see strong demand from retailers due to their affordability, adaptability and accessibility. Despite being virtually full, leasing volumes in the half were 311,000 sq ft, at rents 7.4% ahead of ERV, reflecting the competitive tension for space. Rental growth momentum is supported by retailers continuing to expand their out-of-town store footprint, including discounters like Aldi and Lidl; F&B operators like Greggs and Costa; fashion retailers like H&M, Primark and JD Sports and leading omni channel retailers like M&S and

[3] Pro forma for £441m retail park portfolio acquisition funded via equity placing in October 2024 and £86m of disposals post period end (including £62m exchanged for sale/under offer)

[4] Occupancy excludes recently completed developments at Norton Folgate, Aldgate and The Priestley Centre

Next. Occupancy on our retail parks remains high at 99% and ERV growth in the half was 3.7%, at the top end of our guided range of 3-5% on an annualised basis.

Our London urban logistics portfolio is development-led and focused on densification and repurposing opportunities in London. Supply of logistics facilities in 'ultra-urban' locations - schemes located in Zones 1 and 2 of London - is constrained resulting in an underlying vacancy of 0.2%[5] in the market, compared to c.3%[5] in Greater London, and 5.3%[6] across the UK. ERV growth on the standing portfolio was 0.3% in the half as there were no lease events across the 11 unit portfolio. Over the last three years, we have delivered ERV growth of 14.9% per annum.

STRATEGY

In 2021 we set out a value-add strategy focused on three segments with the strongest operational fundamentals – campuses, retail parks and London urban logistics.

CAMPUSES

Best-in-class workspace

Companies want best-in-class space to attract and retain talent, a trend we've seen grow in importance post Covid. Our campuses provide the amenities, excellent transport connectivity, engaging public realm and high quality, sustainable buildings that businesses are seeking. Although hybrid working seems here to stay, businesses are increasingly mandating their employees to spend more time in the office. As such peak office utilisation (Tuesday-Thursday) on our campuses is back to pre-Covid levels.

The bifurcation in the market between best-in-class space and the rest continues. Very tight supply of the best space in core locations combined with an increasing propensity for customers to favour new and newly refurbished space is driving strong rental growth, a trend that British Land is benefiting from. Vacancy for new or refurbished space in core Central London is at 1.7%, while vacancy for the rest of space in Central London is 10.9%.[6] This is especially stark in the City, where forecast supply is c.3.7m[6] sq ft over the next four years, made up of 0.8m[6] sq ft of vacant new space today, 2.3m[6] sq ft of speculative space under construction to 2028 and 0.6m[6] sq ft of forecast new starts. Over the same period, we would anticipate 8.9m[7] sq ft of demand for new and refurbished space based on historic take-up, meaning a shortfall of 5.2m[8] sq ft of space. The result is that we are seeing strong rental growth for super prime (top 10% of space) in the City. Over the last 6 months we have seen asking rents for pre-lets of super prime buildings like 2 Finsbury Avenue and 1 Broadgate increase by more than 10% with Cushman & Wakefield forecasting rents for this type of space to grow by c.8% per annum over the next four years.[7] We are developing 1.8m sq ft of prime HQ space on our campuses and are expecting to capture higher rents on the residual space we have to lease given the favourable dynamics.

Historically, the tight supply demand dynamics in core locations have had a ripple effect in adjacent markets in London, as occupiers explore new locations which can meet their demand for high quality workspace, with good amenities, and transport connectivity, but at a lower price point. In recent years, activity in these markets has been subdued but take up of new space increased by 67% this year and there is a growing pipeline of deals under offer.[9] Canada Water is well placed to meet this demand, with best-in-class workspace being delivered in the first half of 2025.

Science and Technology

Targeting fast growing customers is a core part of our campus strategy. The UK's leading position in AI and data sciences is accelerating the pace of scientific discovery across a range of disciplines, including but not limited to, life sciences, green sciences, physical sciences and technology. The UK's Golden Triangle (London, Oxford and Cambridge) benefits from a strong ecosystem of academic and research institutions and a deep pool of talent.

London leads Europe in AI, and the Knowledge Quarter is the centre of this activity, with an increasing number of AI and data science businesses clustering around University College London's computer science department and The Alan Turing Institute. The Knowledge Quarter is also home to other leading research institutions including The Francis Crick Institute, The Wellcome Trust and University College London Hospital. Our Regent's Place campus is ideally suited for this sector given its location in the heart of the Knowledge Quarter. After a post pandemic pause, the science and technology venture capital (VC) market is reaccelerating, with science related VC investment in London increasing threefold in Q3 2024 vs Q2 2024, reaching its highest level since 2021.[7]

Our campuses allow businesses to cluster and facilitate the serendipitous encounters that are so important for innovation. We already provide space, services and amenities for occupiers at different maturity stages from start-ups, through scale-ups to global HQ space. In the last 12 months, we have leased or have space under offer to 14 AI businesses, including 3 unicorns.

At Regent's Place, alongside our joint venture partner Royal London Asset Management, we have secured planning consent in the half and are on site fitting out 1 Triton Square for science and technology occupiers, including adding lab enabled and fitted space on lower floors whilst retaining best-in-class office space on upper floors. The fit out of lab space at 20 Triton Street is also progressing and on target to be

[5] Savills
[6] CBRE
[7] Cushman & Wakefield
[8] British Land analysis
[9] JLL

delivered by the end of 2024. Our collaboration with The Francis Crick Institute means we are already having encouraging conversations with businesses in their network. In Cambridge, we are under offer for the entirety of The Optic, a 101,000 sq ft newly developed office and lab building on the Peterhouse Technology Park. Construction of the building is progressing to plan for delivery in 2025.

RETAIL PARKS

The second strand of the strategy we set in 2021, was to increase our investment in retail parks which have become the preferred physical retail format for an increasing number of retailers due to the three “A’s” – affordability, accessibility and adaptability. With a low occupancy cost ratio (rent, rates and service charge as a percentage of total sales) which has reduced from 17.7% in 2016 to 8.9% now, retail parks are affordable to a broad range of retailers. Retail parks are highly accessible for consumers as they are typically located on major arterial roads on the outskirts of towns and cities with ample free carparking. This makes them ideal not only for shopping, but for click and collect, returning goods to store and increasingly shipping from store. The adaptability of a retail park unit, which is essentially a steel framed box, is an important feature for retailers who face significant challenges in remodelling stores on the high street and in shopping centres.

Retailers are increasingly wanting to expand on parks. Since 2016, there have been net closures of -5,001 on the high street, -1,226 within shopping centres, but +733 net store openings at retail parks, reflecting this incremental demand.[10] With increasing retailer costs following the Autumn Budget, we expect the shift to this cost-efficient format to accelerate, as businesses opt to take more affordable space.

These strong occupational fundamentals combined with low capital expenditure requirements, pricing below replacement cost and 6-7% cash yields on day one, make retail parks an attractive investment.[11] We continue to leverage our asset management capabilities and customer relationships, and since 1 April 2024, have deployed £711m of capital into this subsector at an attractive blended NEY of 7.0%. Following the acquisition of seven retail parks from Brookfield in October, parks now make up 32% of our portfolio, up from 15% when we set out our strategy in 2021.

Over the last three years, retail parks have been the best performing subsector in UK real estate[12] and we have delivered a total property return of 8.8% per annum, outperforming the wider retail park sector by 260 bps.

LONDON URBAN LOGISTICS

Our urban logistics strategy is development-led, focused on densification and repurposing opportunities in London. Demand is underpinned by the growth of e-commerce and rising customer expectations on the speed and convenience of deliveries. Over the last two decades, significant amounts of industrial space in London have been converted to other uses, which combined with strong demand has resulted in vacancy of ultra-urban logistics space of only 0.2%.[13]

We are currently on site at Mandela Way, where we are leveraging our planning and development expertise to deliver a logistics facility in Southwark, in London’s Zone 2. Construction is progressing to plan and is due to complete in Q3 2025. This multi-storey logistics facility is the first of its kind. It is set across four floors, serviced by five goods lifts large enough for a fork-lift truck and three separate cargo bike lifts, with ample loading space at ground level. Marketing began in October and, whilst it is early days, interest has been very broad with a mix of traditional and non-traditional logistics occupiers. In the half, we also achieved planning consent for a multi-storey logistics hub at Verney Road, approximately a mile from Mandela Way. This means that 5 out of 7 sites in our pipeline now have consent.

Our London urban logistics development pipeline has a gross development value of £1.3bn. Although exit yields and construction costs are higher, returns still look attractive as we have been able to mitigate these headwinds by increasing the massing of schemes, and rents have grown faster than forecasted in our business plans.

CAPITAL ALLOCATION

Actively recycling capital is an important way we create value. We dispose of non-core and dry assets and redeploy capital into opportunities with higher returns. We currently see the strongest occupational fundamentals and most attractive returns in retail parks and best-in-class developments on our campuses. Since we launched our strategy in 2021, we have recycled £3.7bn of gross capital and 93% of our portfolio is now in our chosen subsectors.

Since 1 April 2024, we have disposed of £456m of non-core assets at an average NEY of 7.3%, in line with March 2024 book value. This includes the sale of our 50% stake in the Meadowhall Shopping Centre for £360m, completed in July 2024, the sale or exchange for sale of four non-core standalone Homebase units for £45m and the sale of Wells Street, a standalone office asset for £19m, post period end.

We have also taken advantage of opportunities to deploy £711m into high quality retail parks since 1 April 2024 at a NEY of 7.0%. This included the acquisition of seven retail parks from Brookfield for £441m post period end funded via a £301m equity placing, which combined, will add 0.2p to Underlying EPS in 2025 and 0.4p in 2026. These acquisitions further build upon our market leading position in the subsector. Our leading scalable platform means that when we acquire retail parks, minimal additional overheads are required to operate more assets and our relationships with retailers gives us confidence in our ability to drive above market rental growth.

[10] Local Data Company, a Green Street Company
[11] Capex is 12% of net rental income for retail parks compared to 21% at covered centres (MSCI five-year average)
[12] Recording the highest total property return of all segments in the MSCI benchmark
[13] Savills

We have high conviction in the attractiveness of retail parks as an investment given their strong occupational fundamentals, values below replacement costs, attractive yields and the fact that they are earnings accretive upon acquisition. We will look to continue to acquire in the future but will remain disciplined on price.

Developments have created significant value for us over the years. Our pipeline of best-in-class offices on our campuses will be delivered into a supply constrained market with strong demand for new and newly refurbished space. We are securing higher than forecast rents which, combined with stabilising construction costs, is resulting in returns above our investment hurdles on recent commitments. In the period, we committed to 2 Finsbury Avenue, a best-in-class office scheme at Broadgate, and 1 Triton Square, a world class science and technology building at Regent's Place.

We have an excellent track record of using joint ventures to accelerate returns, stretch our equity and share risk. Partners are attracted by our strong capabilities in development and asset management, our excellent track record of delivery and our leading sustainability credentials. We are in active conversations to bring in partners, as we did at 1 Triton Square, and on a number of our developments.

As we continue to redeploy capital, our priorities for capital allocation remain unchanged. The resilience of our balance sheet is of utmost importance as it gives us the ability to navigate macroeconomic uncertainties and the flexibility to invest in opportunities as they arise. Pro forma LTV is 37.8%, including the recent retail park portfolio purchase and equity placing as well as post period end disposals. While this is at the higher end of our target range of 30-40% we are comfortable with this level at this point in the cycle and we will continue to actively recycle capital. Annualised pro forma Group net debt to EBITDA is 7.4x. Our total financing activity of £1.4bn since 1 April 2024 includes a new, £730m unsecured revolving credit facility signed with a syndicate of 14 banks. We have £1.6bn of undrawn facilities and cash, and no requirement to refinance until early 2027. In July 2024, Fitch affirmed our Senior Unsecured credit rating at 'A' with stable outlook.

Finally, our dividend policy is to pay 80% of underlying EPS and we will consider other shareholder distributions as and when appropriate.

SUSTAINABILITY

We continue to make good progress against our sustainability strategy. The percentage of the portfolio which is rated EPC A or B increased to c.64%, up from 58% at FY24.[14] We remain on track to meet the proposed Minimum Energy Efficiency Standard of EPC 'B' by 2030, the cost of this is estimated to be around £100m, of which around two thirds will be recovered through the service charge. Since FY19 we have spent a cumulative £19m on these initiatives, c.60% of which has been recovered via the service charge.

We are a sector leader in sustainable development, retaining our 5-star rating in GRESB's annual sustainability assessment for both standing investments and developments, outperforming last year's scores on both metrics. Our standing investments scored 90/100 and we scored a maximum 100/100 on our developments. Both scores are 14 points ahead of the GRESB average.

OUTLOOK

While geopolitical risk remains elevated and there has been some macroeconomic volatility around the recent Budget and US election, generally the UK macro backdrop is supportive. The base rate is declining, albeit more slowly than envisaged earlier in the year, unemployment remains low and real wages are growing modestly.

This combined with strong occupational fundamentals in our markets gives us confidence in our guidance of 3-5% rental growth across the portfolio. Assuming medium term interest rates do not increase materially from here, we expect investment markets to continue to improve. We are already seeing good activity for retail parks and there are early signs of increasing liquidity for larger lot size offices as the investment market responds to the strong rental growth prospects for high quality space.

We now expect FY25 Underlying EPS to be 28.1p, reflecting the accretive £441m retail park portfolio acquisition and related share placing. Earnings growth is also due to come from like-for-like rental growth on our portfolio, retail park acquisitions at attractive yields, and committed developments, which will deliver c.4.5p of future Underlying earnings per share growth.

With capital appreciation from 3-5% ERV growth per annum, stable or improving yields, and a development pipeline yielding approximately 6-7% on costs, we expect to deliver total accounting returns of 8-10% over the medium term.

[14] Measured by ERV

MARKET

LONDON OFFICE MARKET

Take up of space in core Central London was 8% ahead of the 10-year average, despite overall take up of all space across London being 8% behind the 10-year average.[15] 70% of this take up was for new and newly refurbished space.[15] The forward looking indicators are encouraging with under offers, a key measure of demand, remaining high at 4.1m sq ft, 19% above the 10-year average.[15] We are seeing particularly strong demand in the City with under offers 25% ahead of the 10-year average.[15] Furthermore, active demand in Central London is at 13m sq ft, 34% ahead of the 10-year average.[16] On the supply side, vacancy for the best space and the rest continues to diverge. Vacancy for new or refurbished space in core Central London is at 1.7%, while vacancy for the rest of space in Central London is 10.9%.[17]

Investment volumes this year have been very subdued particularly for larger lot sizes. However, in recent weeks there has been a noticeable increase in activity with a number of core investors re-entering the market and value-add investors continuing to pursue refurbishment and repositioning opportunities.

SCIENCE & TECHNOLOGY MARKET

The Golden Triangle of London, Oxford and Cambridge remains the focus for science and technology occupiers and the current demand supply imbalance for lab space continues to drive rents in these locations. Take up of space in the Golden Triangle was 130,000 sq ft in the half, with a further 263,000 sq ft under offer at the end of Q3 (calendar year).[18] The supply constraints that have historically characterised the Golden Triangle are easing as developers recognise the growth of the life sciences sector and the associated demand for lab space from occupiers.[18]

Investment volumes in the half were subdued with £113m of space transacted, and a further £131m under offer. This is slightly below the same period last year, where volumes were £153m.

RETAIL PARK MARKET

Occupational markets on retail parks are strong, with numerous retailers expanding their out-of-town footprint. This is reflected in net store openings, which totalled 115 on retail parks in the half, compared with -674 and -47 store closures on the high streets and shopping centres respectively.[19] Vacancy rates on parks remain very low due to increased demand from retailers who prefer the format due to the affordability, accessibility and adaptability, coupled with limited supply coming through.

Investment volumes in the half were £1.2bn, up from £940m in the same period last year.

URBAN LOGISTICS MARKET

In London, take up in the year was low at 0.6m sq ft, in line with take up in the same period last year, as businesses continue to take more time to consider larger capital investment in new properties. Rents continue to grow, reflecting the strength of demand for very centrally located space driven by the growth of e-commerce and increased expectations for priority delivery and lack of available stock, particularly in inner London. While vacancy in Greater London has ticked up to c.3%, vacancy in inner London remains tight at 0.2%.[20]

[15] CBRE
[16] Cushman & Wakefield: Central London active demand
[17] CBRE: Core Central London defined as West End (Paddington to Victoria, excluding Midtown) and City
[18] Cushman & Wakefield
[19] Local Data Company, a Green Street Company
[20] Savills

BUSINESS REVIEW

KEY METRICS

Period ended	30 September 2024	31 March 2024
Portfolio valuation	£8,867m	£8,684m
Occupancy[1,2]	98.0%	97.2%
Weighted average lease length to first break	5.3 yrs	5.2 yrs

Six months to:	30 September 2024	30 September 2023
Total property return	2.8%	(0.2)%
– Yield shift	-2 bps	+23 bps
– ERV movement	2.5%	3.2%
– Valuation movement	0.2%	(2.5)%
Lettings/renewals (sq ft) over 1 year	1.4m	1.3m
Lettings/renewals over 1 year vs ERV	+8.0%	+12.2%
Gross capital activity	£903m	£457m
– Acquisitions	£270m	£55m
– Disposals	£(407)m	£(170)m
– Capital investment	£226m	£232m
Net investment/(divestment)	£89m	£117m

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

1. Where occupiers have entered CVA or administration 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 98.0% to 96.9%.
2. Occupancy excludes recently completed developments at Norton Folgate, Aldgate and The Priestley Centre.

PORTFOLIO PERFORMANCE

At 30 September 2024	Valuation £m	Valuation movement %	ERV movement %	Yield shift bps	Total property return %	Net equivalent yield %
Campuses	5,410	(1.7)	1.7	+12	0.3	5.6
Central London	4,677	(1.6)	1.8	+12	0.5	5.6
Canada Water & other Campuses	574	(3.0)	0.1	+22	(1.5)	6.6
Retail & London Urban Logistics	3,457	3.0	3.4	-19	6.9	6.7
Retail Parks	2,528	5.1	3.7	-22	9.2	6.6
Shopping Centres	423	0.5	2.5	-8	5.6	8.5
London Urban Logistics	309	(2.6)	0.3	+7	(1.3)	4.9
Total	8,867	0.2	2.5	-2	2.8	6.1

See supplementary tables for detailed breakdown

The value of the portfolio was marginally up +0.2% as yields stabilised with positive ERV growth of 2.5%, and positive ERV movement across all major subsectors.

Campus valuations were down 1.7% with a +12 bps yield shift in the half down from +50bps in FY24. ERV growth across our campuses was 1.7% reflecting leasing activity and limited supply. The value of our West End portfolio was down 1.5%, with +10 bps yield shift partially offset by ERV growth of 1%. In the City, portfolio values were down 1.7% with ERV growth of 2.4% offsetting 13 bps yield expansion. Values declined on our standing assets, while the values of our best-in-class developments such as 1 Broadgate and 2 Finsbury Avenue were up 4% and 2% respectively.

The value of our retail park portfolio is up 5.1% in the half, with continued strong ERV growth of 3.7%, driven by occupier demand and high occupancy on our parks, and inward yield shift of 22 bps. London urban logistics values declined by 2.6% based on outward yield shift of 7 bps. ERV growth on the standing portfolio was 0.3% in the half, with performance impacted by the small size of the portfolio, where there were no lease events on the 11 units. ERV growth over the last 3 years was 14.9% per annum.

The Retail and London Urban Logistics portfolio outperformed the MSCI All Retail benchmark by 240 bps on a total return basis for the six months to 30 September 2024, whilst our Campus offices outperformed the MSCI benchmark for All Offices by 10 bps. Overall, our portfolio performed in line with the MSCI All Property total return index, reflecting our outperformance above offset by our lower weighting to Industrials compared to the index.

Capital activity

Six months to 30 September 2024	Campuses £m	Retail & London Urban Logistics £m	**Total £m**
Purchases[1]	-	270	270
Sales[2]	-	(407)	(407)
Development Spend	182	13	195
Capital Spend	17	14	31
Net Investment	**199**	**(110)**	**89**
Gross Capital Activity	**199**	**704**	**903**

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

1. Excludes the purchase £441m retail park portfolio completed post period end
2. Includes £37m of Homebase assets exchanged for sale

We have been active in the investment market with total gross value of our capital activity totalling £903m in the period. We have sold £370m of non-core retail and shopping centres in the half, including our 50% stake in the Meadowhall Shopping Centre for £360m, which completed in July 2024.

In the period, we also acquired £270m of retail parks, including two assets from Brookfield for £159m, three assets from M7 Real Estate for £47m, Southampton Road Retail Park in Salisbury for £23m, Inshes Retail Park in Inverness for £28m and the remaining 12.5% interest in New Mersey Retail Park in Speke for £13m.

Post period end, we have sold or are under offer on a further £49m of non-core assets and exchanged for sale on three Homebase units for £37m. We also acquired seven retail parks from Brookfield for £441m, funded via a £301m equity placing.

CAMPUSES

KEY METRICS

Period ended	30 September 2024	31 March 2024
Portfolio valuation	£5,410m	£5,278m
Occupancy[1]	97.1%	95.8%
Weighted average lease length to first break	6.1 yrs	5.8 yrs

Six months to:	30 September 2024	30 September 2023
Total property return	0.3%	(2.5)%
– Yield shift	+12 bps	+32 bps
– ERV growth	1.7%	3.2%
– Valuation movement	(1.7)%	(4.0)%
Total lettings/renewals (sq ft)	957,000	368,000
Lettings/renewals (sq ft) over 1 year	771,000	265,000
Lettings/renewals over 1 year vs ERV	+8.3%	+7.5%
Like-for-like rental growth[2]	+3.8%	+0.6%

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

1. Occupancy excludes recently completed developments at Norton Folgate, Aldgate and The Priestley Centre.
2. Like-for-like rental growth excludes the impact of surrender premia, CVAs & admins, provisions for debtors and tenant incentives.

CAMPUS OPERATIONAL REVIEW

Campuses were valued at £5.4bn, down 1.7%. This was driven by outward yield shift of +12 bps, partly offset by ERV growth of 1.7%, which on an annualised basis, is in line with our guided range of 3-5% for the year.

Lettings and renewals (including Storey) totalled 957,000 sq ft, 8.3% ahead of ERV and 28.5% above previous passing rent. As at 30 September 2024, we had a further 296,000 sq ft under offer, 1.4% ahead of ERV. This lower premium reflects a long-term lease, agreed with a strong covenant occupier, which has annual CPI uplifts. As of 8 November 2024, we had 1.7m sq ft in negotiations on 0.9m sq ft of space. Weighted average lease length is 6.1 years.

Occupancy on our campuses is 97%[21], which excludes new and recently refurbished space, where demand, and consequently rental growth is the strongest. A good example is Norton Folgate, which is already over 50% let to law firm Reed Smith and Swiss high performance sportswear brand, On Running. In July, we completed the fit out of 56,000 sq ft of fully fitted floors. Unlike the HQ space, with large floorplates that we deliver on our campuses, we would not expect to lease this type of space until after completion given the smaller floorplates and target customer. We are seeing good interest, with three deals under offer or in negotiations and a high velocity of viewing numbers.

Campus like-for-like rental growth was 3.8%, driven by strong leasing and asset management, which added £6m to net rents, offset by expiries reducing net rent by £3m.

BROADGATE

Broadgate saw a valuation decline of 1.6% driven by outward yield shift of 15 bps, offset by ERV growth of 2.8%. Occupancy remains high at 99%, reflecting the excellent quality of the space, amenities and public realm and its central location next to Liverpool Street Station.

Leasing activity (excluding Storey) covered 577,000 sq ft, of which 508,000 sq ft were long term deals, 8.7% ahead of ERV. Significant deals include a new 77,000 sq ft letting to US law firm, Akin Gump Strauss Hauer & Feld LLP on recently surrendered, newly refurbished floors at 155 Bishopsgate and a pre-let with Citadel for 261,000 sq ft of workspace at 2 Finsbury Avenue, with options to lease up to another 121,000 sq ft. This means the building is already 33% pre-let at a minimum and c.50% pre-let if the option space is taken, at a record headline rent for the City. At 1 Broadgate, A&O Shearman have exercised their option to take 94,000 sq ft of space.

We are making good progress on improving the sustainability credentials of our buildings on the campus. In the half, 199 Bishopsgate achieved an EPC 'A' rating, up from a 'B'. On our developments we have partnered with Madaster, a materials passport platform that will store key information about our buildings' materials to enable future reuse. Our social impact initiatives continue to focus on forging connections between our occupiers and local communities and we continue to support the Social Mobility Business Partnership's Insights and Skills Programme alongside one of our occupiers and our service partners.

[21] Occupancy excludes recently completed developments at Norton Folgate, Aldgate and The Priestley Centre

REGENT'S PLACE

Regent's Place valuation was marginally down 1.0%, driven by outward yield shift of 6 bps. ERV growth in the half was 0.6% reflecting limited leasing evidence in the period. Occupancy at the campus is 97%.

Regent's Place continues to gain momentum as a science and tech hub. At 1 Triton Square, alongside our joint venture partner Royal London Asset Management, we have secured planning in the half and are on site fitting out the building for science and technology occupiers, including adding lab space and Storey on the bottom floors whilst retaining best-in-class office space on upper floors. The fit out of lab space at 20 Triton Street is progressing and on target to be delivered by the end of 2024. Our collaboration with The Francis Crick Institute means we are already having some encouraging conversations with businesses from their network.

Our social impact initiatives include the opening of Impact Hub London, a new innovative affordable workspace in partnership with London's Knowledge Quarter, which was recognised by the Social Investment Pioneer Awards in July. This builds on our focus on affordable space as part of our broader flexible offering.

PADDINGTON CENTRAL

Paddington Central saw valuation declines of 3.2% driven by outward yield shift of 14 bps. This has been partially offset by ERV growth of 1.9%. Occupancy at the campus remains high at 99%.

Leasing activity (excluding Storey) covered 191,000 sq ft, 151,000 sq ft of which were long term deals, 2.1% ahead of ERV. There is a further 42,000 sq ft under offer, 6.4% ahead of ERV. Key deals include regears with Microsoft covering 103,000 sq ft at 4 Kingdom Street and Vertex covering 39,000 sq ft at 2 and 4 Kingdom Street. Following the completion of 3 Sheldon Square, we are under offer on 27,000 sq ft, taking the building to 93% let or under offer, with one remaining floor to lease.

Our social impact initiatives include a partnership with Rebel Business School, which has taught 52 entrepreneurs how to test their new business ideas to date.

STOREY: FLEXIBLE OFFICE SPACE

Storey is a key part of our campus proposition and provides occupiers with the flexibility to expand and contract depending on their requirements. The quality of the space, central location and access to campus amenities make the space appealing to scale up businesses and overseas businesses looking to open a UK Headquarters.

Storey is currently operational across 325,000 sq ft and leasing activity covered 77,000 sq ft across 20 deals in the half. Occupancy is at 94%, above our target of 90%.

CANADA WATER

The valuation of Canada Water declined 3.4%. We are making good progress on the first phase of the Masterplan, which comprises a mix of workspace, retail, leisure and residential. 1-3 Deal Porters Way (A1), comprising a mix of 186 homes (The Founding) and workspace and The Dock Shed (A2), which is workspace with a leisure centre on the ground floors, is due to be ready for occupation in Q2 2025.

Placemaking initiatives at Canada Water are taking shape. In November 2024, we unveiled a new, Asif Khan designed boardwalk, spanning 170 metres across the Canada Dock connecting Canada Water tube station to what will be the new town centre. In addition, we are partnering with Broadwick, former operators of the Printworks, to provide a new cultural hub within a c.50,000 sq ft unit in Surrey Quays Shopping Centre overlooking Canada Dock. Subject to planning, we anticipate a launch in spring 2025, with collaborative workspaces, live music, and food and beverage outlets alongside London's largest indoor urban vertical farm.

Residential sales for The Founding launched in February 2023 and we've sold a total of 44 homes at an average of £1,250 psf, which is above target pricing levels and attractive relative to competing schemes. Sales volumes were high initially, and then slowed earlier this year, however we are seeing activity pick up again.

The workspace in The Dock Shed and 1-3 Deal Porters Way is due to complete in H1 2025. We are targeting rents on the workspace from £50 psf and are already responding to requests for proposals from a mix of occupiers. We expect to benefit from the shortfall of new space in core Central London, which historically has caused demand to ripple out to adjacent markets. In recent years, activity in these markets has been subdued, but take up of new space increased by 67% this year and there is a growing pipeline of deals under offer.[22]

One of the key benefits of the Masterplan is the in-built flexibility within the planning consent. We can build as little as 0.5m sq ft of workspace, up to 3m sq ft; as little as 0.5m sq ft of retail, up to 0.9m sq ft; and a minimum of 2,000 homes up to c.4,000. The next phases of the Masterplan are likely to have a higher residential element including traditional build to sell, build to rent and student accommodation, as the development economics shift in favour of residential uses. We are likely to partner or sell some plots to specialist providers like student housing developers to accelerate delivery of the plan and cash flows.

In the period we completed our first build to rent scheme at Aldgate, which has been a good pilot for Canada Water. It is directly across the street from Aldgate East tube station and a 5-10 min walk from the Elizabeth Line at Whitechapel. We have delivered a high quality building which is leasing well with 16% of apartments leased since September.

[22] JLL

RETAIL & LONDON URBAN LOGISTICS

KEY METRICS

Period ended	30 September 2024	31 March 2024
Portfolio valuation	**£3,457m**	£3,406m
– Of which Retail Parks	**£2,528m**	£2,128m
– Of which Shopping Centres	**£423m**	£753m
– Of which London Urban Logistics	**£309m**	£313m
Occupancy[1]	**98.8%**	98.5%
Weighted average lease length to first break	**4.7 yrs**	4.7 yrs

Six months to	30 September 2024	30 September 2023
Total property return	**6.9%**	(3.7)%
– Yield shift	**-19 bps**	+12 bps
– ERV growth	**3.4%**	3.3%
– Valuation movement	**3.0%**	0.1%
Total lettings/renewals (sq ft)	**759,000**	1,225,000
Lettings/renewals (sq ft) over 1 year	**617,000**	1,049,000
Lettings/renewals over 1 year vs ERV	**+6.9%**	+14.2%
Like-for-like rental growth[2]	**+2.0%**	+5.2%

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

1. Where occupiers have entered CVA or administration 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 98.8% to 97.0%.
2. Like-for-like rental growth excludes the impact of surrender premia, CVAs & admins and provisions for debtors and tenant incentives.

RETAIL & LONDON URBAN LOGISTICS OPERATIONAL REVIEW

Valuations in these subsectors increased by 3.0% in the half, with retail parks up 5.1%, shopping centres 0.5% and London urban logistics values down 2.6%. ERV across the three subsectors was 3.4% in the half, driven by retail parks, where ERVs grew by 3.7% as a result of demand and supply tension for this type of space, exceeding our ERV growth guidance of 3-5% on an annualised basis.

We continue to lease well, with 759,000 sq ft of lettings and renewals signed in the half, 6.9% ahead of ERV, 311,000 sq ft of which were on our retail parks. In the half, we agreed 89,000 sq ft of rent reviews, 0.8% above previous passing rent across all three subsectors and we have 509,000 sq ft of deals under offer, 8.4% above March 2024 ERV. Weighted average lease length is 4.7 years.

Occupancy across the three subsectors remains high at 98.8%. Like-for-like rental growth for retail & London urban logistics was 2%, with a 2% CAGR over three years. This is a result of achieving and maintaining 99% occupancy in retail parks and filling vacant units in our shopping centres. The over rent on our portfolio has narrowed significantly over the last 3 years given strong ERV growth and we continue to lease ahead of ERV.

RETAIL PARKS

Despite being virtually full, we continue to see significant leasing momentum across our retail parks with 311,000 sq ft of deals signed in the half, 7.4% above ERV and 6% below previous passing rent, compared with -8.3% in HY24. We have a further 427,000 sq ft under offer, 7.3% above ERV. Occupancy remains high at 99%, reflecting strong demand and limited supply. Retail parks are the preferred format for a wide range of customers due to the format's affordability, adaptability and accessibility.

Retailers continue to expand their footprint on parks including, JD Sports which signed three leases totalling 32,000 sq ft; TUI, which signed three leases totalling 3,900 sq ft; Mountain Warehouse which signed two new leases totalling 17,900 sq ft and fashion brands River Island and Mango, which signed two new leases each covering 16,700 sq ft and 9,500 sq ft respectively.

Following the opening of InHealth in FY24 at Denton, we have further diversified the occupier line up on the park, including MyDentist, Europe's largest dental care provider and CVS Vets, one of the UK's leading veterinary service providers, which have signed 5,300 sq ft and 2,500 sq ft respectively.

SHOPPING CENTRES

We continue to actively manage our shopping centres, improving occupancy and driving rents forward. We have completed 390,000 sq ft of deals, 5.8% ahead of ERV. This activity improved occupancy which is now at 98%.

We prefer the occupational fundamentals of retail parks and have said we will reduce our exposure to covered centres at the right time and price. In line with this, we completed the sale of our 50% stake in the Meadowhall Shopping Centre joint venture to our partner Norges Bank Investment Management for £360m in the period.

LONDON URBAN LOGISTICS

In London urban logistics we have assembled a 1.9m sq ft pipeline with a Gross Development Value of £1.3bn. We are making good progress on site at Mandela Way in Southwark, building a 144,000 sq ft ultra-urban logistics scheme in Central London. ERV growth on the standing portfolio was 0.3% in the half, with performance impacted by the smaller size of the portfolio of just 11 units, which can result in more uneven performance.

RETAIL FOOTFALL AND SALES

	01 April 2024 – 30 September 2024	
	% of 2023[1]	Performance vs benchmark[2,3]
Footfall		
– Portfolio	99.2%	+10 bps
– Retail Parks	100.2%	+130 bps
Sales		
– Portfolio	100.7%	+70 bps
– Retail Parks	101.0%	+100 bps

1. Compared to the equivalent weeks in 2023
2. Footfall benchmark: Springboard overall
3. Sales benchmark: BRC UK total instore retail sales

DEVELOPMENTS

At 30 September 2024	Sq ft '000	Current Value £m	Cost to complete £m	ERV £m	ERV Let & under offer £m
Committed	2,355	827	548	94.2	34.4
Near term	603	80	268	26.8	-
Medium term	8,077	870	3,920	288.5	-
Total pipeline	**11,035**	**1,777**	**4,736**	**409.5**	**34.4**

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

Development Pipeline

Developments are a driver of long-term value creation for British Land. Against a backdrop of higher interest rates, which have pushed yields out and impacted funding costs, we have increased the return hurdles for our new developments. We target IRRs of 12-14% on our campuses and mid teens on our London urban logistics developments. Because we are in the right parts of our markets with good supply demand tension, we are securing higher rents. Construction cost inflation appears to be levelling off and higher funding costs have resulted in limited new supply coming on stream. We expect our committed and recently completed developments, in addition to asset management initiatives, to deliver c.4.5p of future Underlying earnings per share growth.

We are currently on site with 2.4m sq ft of space, which will target BREEAM Outstanding, delivering £94.2m of ERV, with 37% already pre-let or under offer. Total development exposure is now 6.2% of portfolio gross asset value. Speculative exposure, which is based on ERV and includes space under offer, is 9.4% and within our internal risk parameter of 12.5%.

Development valuations were down 1.2% driven primarily by run off of income on the development pipeline.

Completed Developments

At 30 September 2024	Sector	BL Share %	100% sq ft '000	PC Calendar Year	ERV £m
Norton Folgate	Office	100	335	Q3 2024	26.1
Aldgate Place, Phase 2	Residential	100	138	Q2 2024	6.9
The Priestley Centre	Science & technology	100	86	Q2 2024	3.5
Total Completed			559		36.5

We completed three developments totalling 559,000 sq ft in the half. At Norton Folgate, we completed the fit out of 56,000 sq ft of fully fitted floors in July. Unlike the HQ space, with large floorplates that we deliver on our campuses, we would not expect to lease this type of space until after completion given the smaller floorplates and target customer. We are seeing good interest in the space, with three deals under offer or in negotiations and a high velocity of viewing numbers. Aldgate Place also reached practical completion in the half. The scheme comprises 159 premium rental apartments with 19,000 sq ft of office space and 8,000 sq ft of retail and leisure space. It is well located, adjacent to Aldgate East and between Liverpool Street and Whitechapel stations. The apartments launched in September and we are already 16% let. We also completed the development of The Priestley Centre in Guildford, into an innovation and lab enabled hub. The building is already 63% pre-let to LGC, a leading global life sciences company, and we are in discussions with potential occupiers on the remainder.

Committed Developments

As at 30 September 2024	Sector	BL Share %	100% sq ft '000	PC Calendar Year	ERV £m[1]	Gross Yield on Cost%[2]
1 Triton Square	Science & Technology	50	308	Q3 2025	16.9	6.7
The Optic	Science & Technology	100	101	Q1 2025	4.5	6.0
Mandela Way	Logistics	100	144	Q3 2025	4.8	6.2
1 Broadgate	Office	50	546	Q2 2025	20.2	5.8
2 Finsbury Avenue	Office	50	747	Q2 2027	38.6	7.7
Canada Water[3]						
1-3 Deal Porters Way (Plot A1)	Mixed use	50	264	Q2 2025	3.6	blended
The Dock Shed (Plot A2)	Mixed use	50	245	Q1 2025	5.6	8.6
Total Committed			**2,355**		**94.2**	**6.7**

1. Estimated headline rental value net of rent payable under head leases (excluding tenant incentives).
2. Gross yield on cost is the estimated annual rent of a completed development divided by the total cost of development including the site value at the point of commitment and any actual or estimated capitalisation of interest, expressed as a percentage return.
3. The London Borough of Southwark has confirmed they will not be investing in Phase 1, but retain the right to participate in the development of subsequent plots up to a maximum of 20% with their returns pro-rated accordingly.

Our committed pipeline stands at 2.4m sq ft. In the half we committed to 2 Finsbury Avenue, a best-in-class office scheme at Broadgate, and 1 Triton Square, a world class science and technology building at Regent's Place. At The Optic on the Peterhouse Technology Park, we are progressing with the delivery of a 101,000 sq ft office and lab building, and we are under offer on the entirety of the building.

We are currently on site at Mandela Way, where we are leveraging our planning and development expertise to deliver an ultra-urban logistics facility in Southwark, in London's Zone 2. Construction is progressing on programme and the building, which will be one of the first of its kind in central London, is due to complete in Q3 2025.

The development of 1 Broadgate is progressing on programme and, with the exception of one floor, the office space is fully pre-let to JLL and A&O Shearman. In the half, A&O Shearman have exercised their option to take 94,000 sq ft of space within the building, demonstrating the strong demand for best-in-class, sustainable buildings.

We are making good progress on the development of the first phase of Canada Water. The first building, Roberts Close which comprises of 79 affordable homes was completed last year. Across the two outstanding buildings, The Dock Shed and 1-3 Deal Porters Way, we will be delivering 400,000 sq ft of workspace and 186 homes, of which 44 have been sold. Both are expected to complete in the first half of 2025.

Near Term Pipeline

Our near term pipeline covers 603,000 sq ft, including the development of 1 Appold Street at Broadgate into a 401,000 sq ft best-in-class office building at Broadgate and Verney Road, an urban logistics development in Southwark, located approximately a mile away from Mandela Way.

Medium Term Pipeline

Our medium term pipeline covers 8m sq ft. This includes Euston Tower, where we have an exciting opportunity to deliver a highly sustainable innovation and lab enabled building in London's Knowledge Quarter; Botley Road, where we have submitted planning to build a 235,000 sq ft science and technology building; four urban logistics developments covering 1.5m sq ft including the Box at Paddington, the Finsbury Square carpark, Wembley and Thurrock, as well as future phases of the Canada Water Masterplan.

FINANCE REVIEW

Period ended	30 September 2024	30 September 2023
Underlying Profit[1,2]	**£143m**	£142m
Underlying earnings per share[1,2]	**15.3p**	15.2p
IFRS profit (loss) after tax	**£109m**	£(61)m
Dividend per share	**12.24p**	12.16p
Total accounting return[1]	**2.8%**	(2.0)%
As at	**30 September 2024**	31 March 2024
EPRA Net Tangible Assets per share[1,2]	**567p**	562p
EPRA Net Disposal Value per share[1,2]	**573p**	577p
IFRS net assets	**£5,308m**	£5,312m
Loan to value[3,4,5]	**38.7%**	37.3%
Net Debt to EBITDA (Group)[3,6]	**7.8x**	6.8x
Net Debt to EBITDA (proportionally consolidated)[3,4]	**8.9x**	8.5x
Weighted average interest rate[4]	**3.5%**	3.4%
Senior Unsecured credit rating	**A**	A

1. See Note 2 to condensed interim financial statements for definition and calculation.
2. See Table B within supplementary disclosures for reconciliations to IFRS metrics.
3. See Note 8 to condensed interim financial statements for definition, calculation and reference to IFRS metrics.
4. On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests.
5. EPRA Loan to value is disclosed in Table B of the condensed interim financial statements.
6. Net Debt to EBITDA on a Group basis excludes joint venture borrowings, and includes distributions and other receivables from joint ventures.

OVERVIEW

The business continued to deliver a strong financial performance in the first half of the year, despite several properties moving into development and the surrender of 1 Triton Square last September to reposition the asset for science and technology occupiers. Underlying Profit was £143m, up 1% in the half driven by like-for-like net rental growth of 3%, surrender premium receipts, continued cost discipline and increased fee income, partially offset by the impact of properties moving into development. Underlying earnings per share (EPS) were up 1% at 15.3p. Based on our policy of setting the dividend at 80% of Underlying EPS, the Board has proposed a dividend of 12.24p per share, up 1%.

IFRS profit after tax for the six month period to 30 September 2024 was £109m, compared with a loss after tax for the six months to 30 September 2023 of £61m. This improvement reflects an improved valuation performance of the Group's properties and those of its joint ventures, partly offset by a net capital finance charge from mark-to-market movements on derivative instruments.

EPRA Net Tangible Assets (NTA) per share were up 5p in the period as a result of the improvements in property valuations and Underlying Profit of £143m, offset by the dividend payment. Overall portfolio valuations increased by 0.2% on a proportionally consolidated basis resulting in a 1p increase in EPRA NTA per share. In the half there was strong performance of the retail park portfolio with values up 5.1%, while campuses were down 1.7% and London urban logistics were down 2.6%. Including dividends paid in the period of 10.64p per share, total accounting return was 2.8%.

Loan to value (LTV) on a proportionally consolidated basis increased by 140 bps to 38.7% at 30 September 2024 (37.3% at 31 March 2024). Group Net Debt to EBITDA increased to 7.8x (6.8x at 31 March 2024), and Net Debt to EBITDA on a proportionally consolidated basis increased to 8.9x (8.5x at 31 March 2024). These increases reflect capital expenditure on our committed development pipeline, offset by net disposals. In the period we completed £370m sales, including the sale of our 50% stake in the Meadowhall Shopping Centre joint venture and other non-core retail assets, and redeployed £270m into retail parks. When considering the retail park portfolio purchase and equity placing in October 2024, as well as post period end disposals, our pro forma LTV is 37.8% and the Group and proportionally consolidated net debt to EBITDA metrics are 7.4x and 8.6x on a pro forma basis respectively.

Since April our total financing activity has amounted to c.£1.4bn. We have raised £930m of new unsecured revolving credit facilities (RCFs) on terms in line with our existing RCFs and with initial 5 year maturities and extended £450m of RCFs and term loans by one year to 2029.

Our financial position remains strong with £1.6bn of undrawn facilities and cash. Based on our current commitments and in place facilities, we have no requirement to refinance until early 2027.

Fitch Ratings, as part of their annual review in July 2024, affirmed all our credit ratings with a stable outlook, including the Senior Unsecured rating at 'A'. This rating has been held since 2018.

Our weighted average interest rate at 30 September 2024 was 3.5%, a 10 bps increase from 31 March 2024. Our debt is 97% hedged for the year ending 31 March 2025, and 78% hedged on average over the next 5 years.

Post the balance sheet date, in early October 2024, the Group completed the acquisition of a portfolio of UK retail parks for consideration of £441m. At the same time, as part of the financing of this acquisition, the Group completed a share placing of 71,227,309 new ordinary shares in exchange for gross proceeds of £301m.

UNDERLYING PROFIT

	£m
Underlying Profit for the six months ended 30 September 2023	**142**
Disposals[1]	3
Acquisitions[1]	-
Developments[1]	(11)
Like-for-like net rent	5
Surrender premia	8
CVAs, administrations and provisions for debtors and tenant incentives	(5)
Finance activity, administrative costs, fee income and other movements	1
Underlying Profit for the six months ended 30 September 2024	**143**

1. Movement includes the combined impact on net rental income and finance costs.

Underlying Profit increased by £1m, with like-for-like net rental growth, strong cost control, improved fee income, surrender premium receipts and net disposals all positively impacting period on period performance. This was partly offset by a lower level of provision releases, and properties going into development.

Over the last 18 months we disposed of £0.8bn of mature and non-core assets, including the sale of our 50% interest in the Meadowhall Shopping Centre joint venture in July 2024, the sale of an office and data centre portfolio in September 2023 and the sale of a 50% share in 1 Triton Square in March 2024. The net rent dilution of these disposals has been more than offset by finance cost savings and therefore Underlying Profit has improved by £3m.

Alongside this, we have been active in redeploying capital into income producing acquisitions and our best-in-class developments. We completed £270m of retail park acquisitions just before the period end, and the £441m portfolio post period end.

Properties moving into development and development programme spend reduced Underlying Profit by £11m. A reduction in net rents of £10m was predominantly due to space previously leased by Meta at 1 Triton Square, which was surrendered in September 2023 and is expected to deliver an IRR of over 30% post development and lease up. The impact of 1 Appold Street and floors at Broadgate Tower moving into development were offset by leasing space at recently completed developments at Norton Folgate and 3 Sheldon Square. We expect our committed and recently completed developments, and our asset management initiatives, to deliver c.4.5p of future earnings per share growth by FY29. The net interest cost impact of development spend was an increase of £1m as interest on development expenditure is largely capitalised at the Group's weighted average interest rate at 30 September 2024 of 3.1% (30 September 2023: 2.6%), which is below the Group's incremental cost of borrowing.

Like-for-like net rental growth across the portfolio was 3% in the period, adding £5m to net rents.

We have been very active on the asset management front, and surrender premium receipts added £8m to net rents. In the period, we proactively took back space at 155 Bishopsgate and 20 Triton Street, where we can capture positive rent reversion and quickly re-let the space given the shortage of high quality space in the market. Of the 109,000 sq ft of space taken back, 88% is already re-let or in negotiations, significantly ahead of previous passing rents.

CVAs, administrations and provisions made against debtors and tenant incentives reduced net rents by £5m compared to the prior period. This was primarily due to the one-off benefit from the collection of arrears relating to Arcadia in the prior period.

Administrative costs were £2m lower period on period due to ongoing cost control, whilst fee income improved through property management fees and recognising the full asset management fee for the Meadowhall Shopping Centre post sale in July. As a result, we are pleased that our EPRA cost ratio stands at 15.3%.

PRESENTATION OF FINANCIAL INFORMATION AND ALTERNATIVE PERFORMANCE MEASURES

The Group financial statements are prepared under IFRS (UK-adopted International Accounting Standards) where the Group's interests in joint ventures are shown as a single line item on the income statement and balance sheet and all subsidiaries are consolidated at 100%.

Management considers the business principally on a proportionally consolidated basis when setting the strategy, determining annual priorities, making investment and financing decisions, and reviewing performance. This includes the Group's share of joint ventures on a line-by-line basis and excludes non-controlling interests in the Group's subsidiaries. The financial key performance indicators are also presented on this basis.

A summary income statement and summary balance sheet which reconcile the Group income statement and balance sheet to British Land's interests on a proportionally consolidated basis are included in Table A within the supplementary disclosures.

Management uses a number of performance metrics in order to assess the performance of the Group and allow for greater comparability between years, however, does not consider these performance measures to be a substitute for IFRS measures. See our supplementary disclosures that start on page 50 for reconciliations, in addition to Note 2 in the condensed interim financial statements and the glossary found at www.britishland.com/glossary.

Management monitors Underlying Profit as it is an additional informative measure of the underlying recurring performance of our core property rental activity and excludes the non-cash valuation movement on the property portfolio when compared to IFRS metrics. It is based on the Best Practices Recommendations of the European Public Real Estate Association (EPRA) which are widely used alternate metrics to their IFRS equivalents, with additional Company adjustments when relevant (see Note 2 in the condensed interim financial statements for further detail).

Management monitors EPRA NTA as this provides a transparent and consistent basis to enable comparison between European property companies. Linked to this, the use of Total Accounting Return allows management to monitor return to shareholders based on movements in a consistently applied metric, being EPRA NTA, and dividends paid.

Loan to Value (proportionally consolidated) and Net Debt to EBITDA (Group and proportionally consolidated) are monitored by management as key measures of the level of debt employed by the business to meet its strategic objectives, along with a measurement of risk. It also allows comparison to other property companies who similarly monitor and report these measures. The definitions and calculations of Loan to Value and Net Debt to EBITDA are shown in Note 8 of the condensed interim financial statements.

INCOME STATEMENT

1.1 UNDERLYING PROFIT

Underlying Profit is the measure that we use to assess income performance. This is presented below on a proportionally consolidated basis. No company adjustments were made in the period to 30 September 2024. In the period to 30 September 2023, £120m was excluded from the calculation of Underlying Profit (see Note 2 of the condensed interim financial statements for further details) in relation to the lease surrender at 1 Triton Square.

Period ended	Section	30 September 2024 £m	30 September 2023 £m
Gross rental income		238	246
Property operating expenses		(20)	(15)
Net rental income	1.3	218	231
Net fees and other income		13	11
Administrative expenses	1.4	(41)	(43)
Net financing costs	1.5	(47)	(57)
Underlying Profit		143	142
Underlying tax		(1)	(1)
Non-controlling interests in Underlying Profit		-	1
EPRA and Company adjustments[1]		(33)	(203)
IFRS profit (loss) after tax	2	109	(61)
Underlying EPS	1.2	15.3p	15.2p
IFRS basic EPS	2	11.7p	(6.6)p
Dividend per share	3	12.24p	12.16p

1. EPRA adjustments consist of investment and development property revaluations, gains/losses on investment and trading property disposals, changes in the fair value of financial instruments, associated close out costs and related deferred tax. Company adjustments consist of items which are considered to be unusual and/or significant by virtue of their size or nature. These items are presented in the 'Capital and other' column of the consolidated income statement.

1.2 UNDERLYING EPS

Underlying EPS was 15.3p, up 1%. This reflects the Underlying Profit growth of 1%, after a £1m tax charge in the period.

1.3 NET RENTAL INCOME

	£m
Net rental income for the six months ended 30 September 2023	231
Disposals	(11)
Acquisitions	2
Developments	(10)
Surrender premia	8
Like-for-like net rent	5
CVAs, administrations and provisions for debtors and tenant incentives	(5)
Other	(2)
Net rental income for the six months ended 30 September 2024	218

Disposals of income producing assets over the last 18 months reduced net rents by £11m in the period, primarily relating to the disposal of non-core assets, including our share in the Meadowhall Shopping Centre joint venture in July 2024 and an office and data centre portfolio in September 2023. Proceeds were reinvested into retail parks and our best-in-class developments.

£55m of retail parks were acquired in FY24, and since then a further £270m were acquired at the latter part of H1 FY25 which had a limited impact on the period but are accretive to earnings on an annualised basis. As a result, net rents increased by £2m.

Properties classified as developments have decreased net rents by £10m, driven by the surrender of 1 Triton Square in September 2023 and subsequent transfer to our development pipeline. Additional reductions came from floors at Broadgate Tower moving to development as well as 1 Appold Street which is now vacant and classified as development. These were partially offset by leasing up space in recently completed developments at Norton Folgate and 3 Sheldon Square. The committed development pipeline is expected to deliver £93m of ERV in future years.

Like-for-like net rental growth across the portfolio was 3% in the period, adding £5m to net rents for the six months to 30 September 2024.

Campus like-for-like net rental growth was 3.8%, driven by strong leasing and asset management including leasing upside from deals at 10 Exchange Square, 338 Euston Road and 350 Euston Road.

Like-for-like net rental growth for retail & London urban logistics was 2%, with a 2% CAGR over three years. This is a result of achieving and maintaining 99% occupancy in retail parks, enabling us to drive pricing, as well as filling vacant units in our shopping centres. The over rent on our portfolio has narrowed significantly over the last 3 years given strong ERV growth and we continue to lease ahead of ERV.

Surrender premium receipts, which are excluded from like-for-like growth, added £8m to net rental income as we negotiated the surrender of space at 155 Bishopsgate and 20 Triton Street in order to quickly capture positive reversion on these assets. Surrendered space is now 88% let or in negotiations significantly above previous passing rents.

CVAs, administrations and provisions made against debtors and tenant incentives reduced net rents by £5m compared to the prior period. This was primarily due to the one-off benefit from the collection of arrears relating to Arcadia in the prior period.

1.4 ADMINISTRATIVE EXPENSES

We have continued our disciplined approach to cost control and administrative expenses decreased £2m to £41m. The Group's EPRA cost ratio was 15.3% (FY24: 16.4%) as we continue to maintain a strong net rental income margin, remain disciplined on cost and drive joint venture fee income.

1.5 NET FINANCING COSTS

	£m
Net financing costs for the six months ended 30 September 2023	**(57)**
Net divestment	12
Developments	(1)
Market rates	(1)
Net financing costs for the six months ended 30 September 2024	**(47)**

Net financing costs decreased by £10m to £47m. Net divestment reduced costs by £12m, as disposals of £0.8bn over the last 18 months reduced costs in the six months by £14m, partially offset by the £2m impact from acquisitions made over the same period. Funding of our committed development pipeline and other maintenance capex increased financing costs by £1m, after interest on development expenditure being capitalised.

The interest rate on our debt is 97% hedged for the remaining part of the year ending 31 March 2025, and 78% hedged on average over the next 5 years, with a gradually declining profile. Our interest rate hedging, which includes fixed rate debt, interest rate swaps, and interest rate caps (where the strike rates are below current SONIA) has continued to mitigate the impact of higher market rates on our interest costs.

2. IFRS PROFIT AFTER TAX

IFRS profit after tax includes the valuation movements on investment properties, fair value movements on financial instruments and associated deferred tax, Capital financing costs and any Company adjustments. These items are not included in our headline Underlying Profit. In addition, the Group's investments in joint ventures are equity accounted in the IFRS income statement but are included on a proportionally consolidated basis within Underlying Profit.

The IFRS profit after tax for the six months ended 30 September 2024 was £109m, compared with a loss after tax for the prior period of £61m. IFRS basic EPS was 11.7p, compared to (6.6)p in the prior period. The IFRS profit after tax for the period primarily reflects the Underlying Profit of £143m, the increase in value of the Group's properties of £60m, the Capital and other loss from joint ventures of £45m, £33m Capital and other finance costs, a £17m loss on disposal of investment properties and revaluation of investments, and Underlying and Capital taxation for the period.

The basic weighted average number of shares in issue during the year was 928m (30 September 2023: 927m). Post period end British Land issued a further 71m ordinary shares via a £301m share placing.

3. DIVIDENDS

Our dividend is semi-annual, and in line with our dividend policy, is calculated at 80% of Underlying EPS based on the most recently completed six-month period. Applying this policy, the Board are proposing an interim dividend for the six months ended 30 September 2024 of 12.24p per share. Payment will be made on Wednesday 15 January 2025 to shareholders on the register at close of business on Friday 6 December 2024. The dividend will be a Property Income Distribution. A Dividend Reinvestment Plan (DRIP) is provided by Equiniti Financial Services Limited which enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares. More information can be found at www.shareview.co.uk/info/drip.

BALANCE SHEET

As at	Section	30 September 2024 £m	31 March 2024 £m
Property assets		8,871	8,688
Other non-current assets		66	73
		8,937	8,761
Other net current liabilities		(195)	(248)
Adjusted net debt	6	(3,448)	(3,261)
EPRA Net Tangible Assets		5,294	5,252
EPRA NTA per share	4	567p	562p
Non-controlling interests		-	13
Other EPRA adjustments[1]		14	47
IFRS net assets	5	5,308	5,312

On a proportionally consolidated basis

1. EPRA Net Tangible Assets (NTA) is a proportionally consolidated measure that is based on IFRS net assets excluding the mark-to-market on derivatives and related debt adjustments, the carrying value of intangibles as well as deferred taxation on property and derivative valuations. The metric includes the valuation surplus on trading properties and is adjusted for the dilutive impact of share options. Details of the EPRA adjustments are included in Table A within the supplementary disclosures.

4. EPRA NET TANGIBLE ASSETS PER SHARE

	Pence
EPRA NTA per share at 31 March 2024	562
Valuation performance	1
Underlying Profit	15
Dividend	(11)
EPRA NTA per share at 30 September 2024	567

The 1% increase in EPRA NTA per share reflects a valuation increase of 0.2% and retained earnings.

Campus valuations were down 1.7%, driven by yields moving out 12 bps to 5.6% NEY offset by ERV growth of 1.7%. The strong ERV growth performance reflects our successful leasing activity and the premium customers are placing on our best-in-class London campuses.

Retail & London urban logistics valuations were up 3.0%, driven by yield compression of 19 bps to 6.7% NEY supported by ERV growth of 3.4%. Retail park values performed well with values up 5.1% as retail parks remain an attractive investment proposition given that they are the preferred physical format for our customers and supply remains restricted.

5. IFRS NET ASSETS

IFRS net assets at 31 March 2024 were £5,308m, a decrease of £4m from 31 March 2024. This was primarily due to the IFRS profit after tax of £109m, dividends paid in the period of £99m and the purchase of non-controlling interest of £13m.

CASH FLOW, NET DEBT AND FINANCING

6. ADJUSTED NET DEBT[1]

	£m
Adjusted net debt at 31 March 2024	**(3,261)**
Disposals	370
Acquisitions	(270)
Developments	(206)
Capex (asset management initiatives)	(40)
Net cash from operations	112
Dividend	(101)
Other[2]	(52)
Adjusted net debt at 30 September 2024	**(3,448)**

1. Adjusted net debt is a proportionally consolidated measure. It represents the principal amount of gross debt, less cash, short term deposits and liquid investments and is used in the calculation of proportionally consolidated LTV and Net Debt to EBITDA. A reconciliation between the Group net debt as disclosed in Note 8 to the condensed interim financial statements and adjusted net debt is included in Table A within the supplementary disclosures.
2. Other includes working capital and other cash movements.

Adjusted net debt in the period increased by £187m as a result of retail parks acquisitions of £270m, development spend of £206m, £40m of capital expenditure related to asset management on the standing portfolio, and other cash movements of £52m. This was offset by asset disposals of £370m and net cash from operations offset by the dividend payment which reduced net debt by £11m.

7. FINANCING

	Group		Proportionally consolidated	
	30 September 2024	31 March 2024	**30 September 2024**	31 March 2024
Net debt / adjusted net debt[1,2]	**£2,470m**	£2,081m	**£3,448m**	£3,261m
Principal amount of gross debt	**£2,584m**	£2,225m	**£3,589m**	£3,443m
Loan to value[2]	**31.8%**	28.5%	**38.7%**	37.3%
Net Debt to EBITDA[2,3]	**7.8x**	6.8x	**8.9x**	8.5x
Weighted average interest rate	**3.1%**	2.6%	**3.5%**	3.4%
Interest cover	**7.2x**	5.9x	**4.0x**	3.5x
Weighted average maturity of drawn debt	**5.5 years**	6.1 years	**5.2 years**	5.8 years

1. Group data as presented in Note 8 of the condensed interim financial statements. The proportionally consolidated figures include the Group's share of joint ventures' net debt and represents the principal amount of gross debt, less cash, short term deposits and liquid investments.
2. Note 8 of the condensed interim financial statements sets out the calculation of the Group and proportionally consolidated LTV and Net Debt to EBITDA.
3. Net Debt to EBITDA on a Group basis excludes joint venture borrowings, and includes distributions and other receivables from joint ventures.

At 30 September 2024, our proportionally consolidated LTV was 38.7%, up from 37.3% at 31 March 2024. Disposals in the period, primarily our share in the Meadowhall Shopping Centre joint venture, decreased LTV by 280 bps whilst acquisitions and development spend together added 360 bps. The net impact of property valuation and other movements increased LTV by a further 60 bps. When considering the recent retail park portfolio purchase and equity placing, as well as post period end disposals our LTV is 37.8%.

Net Debt to EBITDA for the Group increased to 7.8x at 30 September 2024 (6.8x at March 2024) and on a proportionally consolidated basis the ratio increased 0.4x to 8.9x (8.5x at March 2024). Movements in Net Debt to EBITDA were driven by capital activity in the period and development spend. Both metrics reduce on a pro forma basis when considering the annualised impact of the £441m retail park portfolio funded via an equity placing post period end as well as £86m of post period end disposals. The Group and proportionally consolidated metrics are 7.4x and 8.6x on a pro forma basis.

Our proportionally consolidated weighted average interest rate at 30 September 2024 was 3.5%, up 10 bps since 31 March 2024.

We maintain good long term relationships with debt providers across the markets. Since April our total financing activity has amounted to c.£1.4bn, with new debt raised and extensions of existing loans, in addition to the c.£1bn of financing in the previous six months.

New unsecured RCFs of £930m for British Land have been arranged, providing additional flexible liquidity:

- £200m in two bilateral agreements with banks who are both new relationships for us, signed in May and July; and
- £730m syndicated RCF with a group of 14 banks, including an additional two new relationships, signed in October. This replaces a £525m syndicated RCF which was due to mature in May 2025.

These new RCFs are on terms in line with our existing RCFs, including our unsecured financial covenants and initial 5 years maturity which may be extended by a further two years at our request and the agreement of each bank for its participation. Sustainability KPIs are included in all these RCFs, linked to BREEAM ratings and Energy Performance Certificates, and aligned with our Sustainability Strategy. In British Land

and our joint ventures we now have a total £2.6bn (£2.3bn on a proportionally consolidated basis) of Green and Sustainability/ESG linked loans and facilities.

Extensions by one year of existing RCFs and term loans of £450m have also been agreed, to maturities in 2029.

As a result of our financing activity, we have £1.6bn of undrawn facilities and cash. Based on our current commitments and these facilities, the Group has no requirement to refinance until early 2027. In keeping with our usual practice, we expect to refinance or replace debt facilities ahead of relevant maturities.

We have an advantageous debt structure with access to diverse sources of finance through debt raised by British Land and in our joint ventures. Our debt in British Land (except for legacy debentures) is unsecured with no interest cover covenants. At 30 September 2024 we retain significant headroom to our debt covenants, meaning the Group could withstand a fall in asset values across the portfolio of 35%, prior to taking any mitigating actions. Joint venture debt is secured on the assets of the relevant entity, non-recourse to the Group, and the majority is “covenant light” with no LTV default covenants.

Fitch Ratings, as part of their annual review in July 2024 affirmed all our credit ratings, with a stable outlook; Senior Unsecured ‘A’, long term IDR ‘A-‘ and short term IDR ‘F1’.

Our strong balance sheet, established lender relationships, access to different sources of finance and liquidity enable us to deliver on our strategy.

Bhavesh Mistry
Chief Financial Officer

ABOUT BRITISH LAND

British Land is a UK commercial property company focused on real estate sectors with the strongest operational fundamentals: London campuses, retail parks, and London urban logistics. We own or manage a portfolio valued at £13.6bn (British Land share: £8.9bn) as at 30 September 2024.

Our purpose is to create and manage Places People Prefer – outstanding places that deliver positive outcomes for all our stakeholders on a long term, sustainable basis. We do this by leveraging our best in class platform and proven expertise in development, repositioning and active asset management.

We have both a responsibility and an opportunity to manage our business in an environmentally and socially responsible manner. Our approach to sustainability is focused on three pillars: Greener Spaces, Thriving Places and Responsible Choices.

Read more about us at www.britishland.com.

RISK MANAGEMENT AND PRINCIPAL RISKS

Risk Management

We have a well-established risk management and control framework that enables us to effectively identify, assess and manage both financial and non-financial risks, including principal risks that could threaten solvency and liquidity, as well as emerging risks. Our approach is not intended to eliminate risk entirely, but to manage risk exposures within our defined appetite for each risk, whilst at the same time maximising opportunities.

Our integrated risk management approach combines a top-down strategic view with a complementary bottom-up operational process. While the Board retains ultimate responsibility for risk management and maintaining a robust internal control framework, risk management is embedded in our business units and forms an integral part of how the Group operates. In essence, our approach focuses on being risk aware, clearly defining our risk appetite, responding quickly to changes in our risk profile and fostering a strong risk management culture amongst all employees. The Group's risk appetite, our integrated approach to managing risk, and our governance framework remains consistent with those outlined in the Risk Management section of the 2024 Annual Report and Accounts on pages 43-46.

We remain vigilant to the ongoing risks posed by external factors, particularly around escalating geopolitical uncertainty. The UK economy has shown more resilience than expected, with recent declines in inflation and interest rates. However, there has been some macroeconomic volatility following the recent UK Budget and US election. The Board and key committees continue to oversee our response to these external challenges, with a proactive, risk-focused approach to our business, particularly in areas such as strategic capital allocation, maintaining financing strength, and mitigating development and financing risks.

The Board has conducted a thorough assessment of both the principal and emerging risks facing the Group, including those that could threaten its business model, future performance, solvency or liquidity, as well as our strategic priorities. All principal risks and uncertainties outlined on pages 48 to 58 of our 2024 Annual Report and Accounts remain appropriate, with no significant changes observed, and we expect these risks to remain relevant for the remainder of the year. Several of these risks have shown improvement in their risk profiles during this period (as detailed in the table on the following pages). Notably, the retail property market outlook has improved, supported by positive trends in both occupational and investment markets, particularly in our chosen subsector of retail parks. Additionally, two other principal risks — the macroeconomic outlook and portfolio strategy — are also showing early signs of improvement which we believe will support the execution of our strategy in the second half of the year.

Our comprehensive risk management process, coupled with the Group's flexibility in adapting to evolving risks, will be pivotal to the future performance of our business.

Principal Risks

The table below sets out our eleven external and internal principal risks, detailing the key changes in the risk profile in the period.

EXTERNAL PRINCIPAL RISKS

Principal Risk	Risk status at year end	Change since year end	Commentary
Macroeconomic	Medium to High	Improving	The UK economy has shown moderate growth, ahead of expectations, and the outlook is more positive, supported by consumer spending, low unemployment and falling inflation and interest rates. However, the broader economic outlook remains uncertain, with potential risks stemming from the recent UK Budget, the US election, persistent inflation in the services sector and escalating geopolitical challenges. We continue to proactively manage our business by strategically allocating capital, preserving financial strength, and mitigating development and financing risks.
Political, Legal and Regulatory	Medium to High	Stable	While geopolitical risks remain elevated, UK political uncertainty eased somewhat following the July election. However, further potential changes to government regulation, including reforms to business rates could pose a risk to our business, which we continue to monitor closely, while actively engaging in industry discussions. At the same time, significant geopolitical uncertainties persist, presenting risks to the broader macroeconomic landscape by shaping policies, regulations, and taxation. The Board and key committees are closely monitoring these external risks and their potential impact on both the UK economy and our operations to ensure we are taking appropriate mitigating actions.
Property Markets			Overall investment markets are gradually improving, with property yields broadly stable in the period. Forward property returns are expected to strengthen supported by continued rental growth.
(a) Campuses	Medium	Stable	Occupational demand remains strong for premium office space in London, particularly for pre-letting of new Class A buildings, though demand varies across office types by grade. Structural challenges persist for non-prime offices due to hybrid working and the potential impact of AI on future demand. Investment volumes are rising, primarily focused on smaller lot sizes and value-add opportunities, albeit there are early signs of increasing liquidity for larger lot sizes in the office market. Our Campus model offers well-connected, sustainable buildings with amenities, attracting occupiers as they focus on the best-in-class space for their business.
(b) Retail	Medium	Improving	The retail occupational market has strengthened during the period. As cost-of-living pressures ease and interest rates decrease, further improvement is anticipated in consumer sentiment with supporting continued retail sales growth. Investor sentiment in the retail sector remains positive, with competitive bidding across various subsectors. Our portfolio focuses on retail parks, which are well-aligned with current consumer trends. We have successfully taken advantage of acquisition opportunities in retail parks, using our scale and expertise for value creation.
(c) London Urban Logistics	Low	Stable	London's urban logistics occupational fundamentals remain robust due to continued e-commerce structural drivers and limited space supply. Our urban logistics portfolio, though currently relatively small in scale, is strategically focused on development-led projects, involving the intensification and repurposing of existing buildings in London, capitalising on robust demand and scarce supply.
Major Events/ Business Disruption	Medium	Stable	Global uncertainties, both political and economic, remain elevated posing potential threats to the Group’s operations and stakeholders. Key concerns include terrorism, cyber security breaches, and evolving geopolitical events, which could disrupt UK supply chains. To address these risks, our crisis response team conducts simulations to test and refine our response processes and procedures.

INTERNAL PRINCIPAL RISKS

Principal Risk	Risk status at year end	Change since year end	Commentary
Portfolio Strategy	Medium	Improving	Our value-add strategy remains robust, with a focus on recycling and redeploying capital into value-add acquisitions and developments in our chosen sectors of campuses, retail parks, and London urban logistics. Operational performance remains strong, though office demand varies, with the highest demand for new Class A buildings. As market conditions improve, we anticipate continued rental growth and development upside. We have maintained a disciplined capital allocation approach, progressing sales while re-investing in predominantly retail parks and best-in-class campus developments. Despite competitive retail market pricing in the investment market, we have successfully redeployed the proceeds from the Meadowhall Shopping Centre sale and our recent equity placing to expand our retail park portfolio.
Development	Medium	Stable	During the period, we have committed to additional projects, including 2 Finsbury Avenue and 1 Triton Square. While this has increased our gross and speculative development exposure, we remain within our risk tolerances and are mitigating risks through pre-lets, fixed cost contracts, and joint ventures. Construction cost inflation has significantly decreased, and higher funding costs have limited new supply coming on stream, which is favourable for delivering new best-in-class campus developments, where demand for new and refurbished space remains strong. Advancing value-accretive development remains a key focus for driving business performance. Our strong balance sheet, contractor relationships, and development management expertise position us well to advance our pipeline while managing associated risks.
Financing	Low to Medium	Stable	We continue to access a wide range of financing sources and maintain substantial liquidity. We actively manage financing risk by maintaining access to a diverse range of funding sources with a spread of repayment dates and implement hedging strategies to mitigate interest rate risk. We have raised £930m of new unsecured revolving credit facilities since April 2024. We remain disciplined in managing leverage and recycling capital and also raised £301m in equity for our latest retail park acquisition in October 2024. Our strong balance sheet, combined with ongoing capital recycling provide us with the liquidity needed to support our business and seize opportunities. Based on our current commitments and facilities, we have no requirement to refinance until early 2027. We maintain a Fitch senior unsecured credit rating of A.
Environmental and Social Sustainability	Medium	Stable	Sustainability risks and their impact on our business, customers, and stakeholders are becoming increasingly significant, alongside growing regulatory demands and expectations. We are making strong progress on our 2030 Sustainability Strategy, particularly in improving the energy efficiency of our existing portfolio, which has resulted in higher EPC ratings, with c.64% now rated A or B. Additionally, we have maintained our 5-star rating in GRESB's annual sustainability assessment for both standing investments and developments.
People and Culture	Medium	Stable	While there will always be competition for top talent, the general recruitment environment has eased amidst economic uncertainties. Our overarching focus is ensuring we have appropriate resources in key areas to support strategic priorities and leverage our employee value proposition to maintain British Land's status as an employer of choice. We recognise that the talents of our people, and the strength of our Company culture are key components in attaining performance objectives.
Customer	Medium	Stable	We have continued to achieve a high level of rent collection and robust leasing activity, although demand for office space varies across different submarkets. While there has been an increase in customer administrations and restructuring plans during the period, we have been able to proactively limit their impact on our financial performance and are observing an improving trend in our overall customer covenant risk profile. Our strategic positioning across our campuses, retail parks, and London urban logistics portfolios, combined with a strong focus on collaborative customer relationships, allows us to offer high-quality spaces at sustainable occupancy costs, thereby attracting a high-quality and diverse range of occupiers.
Operational and Compliance	Low to Medium	Stable	Our business faces both operational and compliance risks in its day-to-day activities across our people, processes and technology. We remain vigilant in monitoring these critical operational and compliance risks and there have been no significant issues to report during the period. We remain committed to ongoing monitoring and are actively implementing strategies to enhance our cyber security, technology infrastructure and related key controls, as well as enhancing our overall internal control framework.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors confirm that these condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the United Kingdom and that the interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- An indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- Material related party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The Directors of The British Land Company PLC are listed on the company website www.britishland.com

By order of the Board.

Bhavesh Mistry
Chief Financial Officer

19 November 2024

INDEPENDENT REVIEW REPORT TO THE BRITISH LAND COMPANY PLC

REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

OUR CONCLUSION

We have reviewed The British Land Company PLC's condensed consolidated interim financial statements (the "interim financial statements") in the Half Year Results of The British Land Company PLC for the 6 month period ended 30 September 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Consolidated Balance Sheet as at 30 September 2024;
- the Consolidated Income Statement and the Consolidated Statement of Comprehensive Income for the period then ended;
- the Consolidated Statement of Cash Flows for the period then ended;
- the Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Half-Year Results of The British Land Company PLC have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

BASIS FOR CONCLUSION

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Half-Year Results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

CONCLUSIONS RELATING TO GOING CONCERN

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

RESPONSIBILITIES FOR THE INTERIM FINANCIAL STATEMENTS AND THE REVIEW

OUR RESPONSIBILITIES AND THOSE OF THE DIRECTORS

The Half-Year Results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Half-Year Results in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Half-Year Results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Half-Year Results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
19 November 2024

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2024

		Six months ended 30 September 2024 Unaudited			Six months ended 30 September 2023 Unaudited		
	Note	Underlying[1] £m	Capital and other £m	Total £m	Underlying[1] £m	Capital and other £m	Total £m
Revenue	3	216	–	216	212	174	386
Costs[2]	3	(61)	–	(61)	(46)	(54)	(100)
	3	155	–	155	166	120	286
Joint ventures (see also below)	7	51	(45)	6	49	(123)	(74)
Administrative expenses		(40)	–	(40)	(42)	–	(42)
Valuation movements on property	4	–	60	60	–	(201)	(201)
(Loss) profit on disposal of investment properties, joint ventures and revaluation of investments		–	(17)	(17)	–	2	2
Net financing (charges) income							
financing income	5	–	–	–	–	10	10
financing charges	5	(23)	(33)	(56)	(30)	–	(30)
		(23)	(33)	(56)	(30)	10	(20)
Profit (loss) before taxation		143	(35)	108	143	(192)	(49)
Taxation		(1)	2	1	(1)	(11)	(12)
Profit (loss) for the period after taxation		142	(33)	109	142	(203)	(61)
Attributable to non-controlling interests		–	–	–	1	(1)	–
Attributable to shareholders of the Company		142	(33)	109	141	(202)	(61)
Earnings per share:							
basic	2			11.7p			(6.6)p
diluted	2			11.7p			(6.6)p

All results derive from continuing operations.

		Six months ended 30 September 2024 Unaudited			Six months ended 30 September 2023 Unaudited		
	Note	Underlying[1] £m	Capital and other £m	Total £m	Underlying[1] £m	Capital and other £m	Total £m
Results of joint ventures accounted for using the equity method							
Underlying Profit		51	–	51	49	–	49
Valuation movements on property	4	–	(41)	(41)	–	(126)	(126)
Capital financing (charges) income		–	(4)	(4)	–	3	3
Taxation		–	–	–	–	–	–
	7	51	(45)	6	49	(123)	(74)

1. See definition in Note 2 and a reconciliation between Underlying Profit and IFRS profit in Note 10.
2. Included within 'Costs' is a credit relating to provisions for impairment of tenant debtors, accrued income, tenant incentives and contracted rent increases of £nil (six months ended 30 September 2023: credit of £11m).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Six months ended 30 September 2024 Unaudited £m	Six months ended 30 September 2023 Unaudited £m
Profit (loss) for the period after taxation	**109**	(61)
Other comprehensive (expense) income:		
Items that may be reclassified subsequently to profit or loss:		
(Losses) gains on cash flow hedges		
– Joint ventures	**(1)**	6
	(1)	6
Reclassification of foreign exchange differences to the income statement	**–**	(2)
Other comprehensive (expense) income for the period	**(1)**	4
Total comprehensive income (expense) for the period	**108**	(57)
Attributable to non-controlling interests	**–**	–
Attributable to shareholders of the Company	**108**	(57)

CONSOLIDATED BALANCE SHEET

As at 30 September 2024

	Note	30 September 2024 Unaudited £m	31 March 2024 Audited £m
ASSETS			
Non-current assets			
Investment and development properties	6	**5,611**	5,229
		5,611	5,229
Other non-current assets			
Investments in joint ventures	7	**2,352**	2,429
Other investments		**48**	54
Property, plant and equipment		**18**	19
Interest rate and currency derivative assets	8	**49**	79
		8,078	7,810
Current assets			
Trading properties	6	**22**	22
Debtors		**42**	34
Interest rate and currency derivative assets	8	**18**	20
Cash and cash equivalents	8	**88**	88
		170	164
Investment properties held-for-sale	6	**37**	–
		207	164
Total assets		**8,285**	7,974
LIABILITIES			
Current liabilities			
Short term borrowings and overdrafts	8	**(3)**	(10)
Creditors		**(222)**	(260)
Corporation tax		**(5)**	(8)
		(230)	(278)
Non-current liabilities			
Debentures and loans	8	**(2,563)**	(2,202)
Other non-current liabilities		**(122)**	(121)
Deferred tax liabilities		**(3)**	(5)
Interest rate and currency derivative liabilities	8	**(59)**	(56)
		(2,747)	(2,384)
Total liabilities		**(2,977)**	(2,662)
Net assets		**5,308**	5,312
EQUITY			
Share capital	13	**235**	235
Share premium		**1,312**	1,310
Merger reserve		**213**	213
Other reserves		**12**	13
Retained earnings		**3,536**	3,528
Equity attributable to shareholders of the Company		**5,308**	5,299
Non-controlling interests		**–**	13
Total equity		**5,308**	5,312
EPRA Net Tangible Assets per share[1]	2	**567p**	562p

1. See definition in Note 2 and a reconciliation between EPRA Net Tangible Assets and IFRS net assets in Note 10.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	Note	Six months ended 30 September 2024 Unaudited £m	Six months ended 30 September 2023 Unaudited £m
Income received from tenants		204	183
Surrender premia received[1]	3	–	178
Fees and other income received		31	24
Operating expenses paid to suppliers and employees		(131)	(106)
Cash generated from operations		104	279
Interest paid		(25)	(31)
Corporation tax payments		(5)	(3)
Distributions and other receivables from joint ventures	7	38	37
Net cash inflow from operating activities		112	282
Cash flows from investing activities			
Development and other capital expenditure		(118)	(141)
Sale of investment properties		8	131
Purchase of investment properties		(260)	(58)
Sale of investment in Meadowhall Shopping Centre joint venture		156	–
Purchase of investments		(2)	(2)
Loan repayments from joint ventures		5	–
Investment in and loans to joint ventures		(143)	(65)
Capital distribution from joint ventures		2	–
Indirect taxes paid in respect of investing activities		–	(8)
Net cash outflow from investing activities		(352)	(143)
Cash flows from financing activities			
Dividends paid		(101)	(102)
Capital payments in respect of interest rate derivatives		(2)	(12)
Decrease in lease liabilities		(1)	(3)
Purchase of non-controlling interests		(13)	–
Repayment of bank and other borrowings[2]		(1)	(86)
Drawdown on bank and other borrowings[2]		136	4
Net drawdown on revolving credit facilities[2]		222	87
Net cash inflow (outflow) from financing activities		240	(112)
Net increase in cash and cash equivalents		–	27
Cash and cash equivalents at 1 April		88	125
Cash and cash equivalents at 30 September		88	152
Cash and cash equivalents consists of:			
Cash and short-term deposits		53	124
Tenant deposits		35	28

1. Surrender premia received includes £nil (six months ended 30 September 2023: £149m) of the consideration for the surrender of 1 Triton Square and £nil (six months ended 30 September 2023: £29m) of related VAT. Refer to Note 3 for further information.
2. The repayment of bank and other borrowings and drawdowns on bank and other borrowings have both been restated for the period ended 30 September 2023, to exclude the repayments and drawdowns of revolving credit facilities. For the period ended 30 September 2023, the net drawdown on revolving credit facilities of £87m has now been disclosed separately within net cash outflow from financing activities. As a result, in the prior period the repayment of bank and other borrowings decreases from £166m to £86m and the drawdowns on bank and other borrowings decreases from £171m to £4m. This restatement is consistent with the consolidated statement of cash flows disclosed in the Group's audited financial statements for the year ended 31 March 2024.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

SIX MONTH MOVEMENTS IN EQUITY (UNAUDITED)

	Share capital £m	Share premium £m	Hedging and translation reserve £m	Revaluation reserve £m	Merger reserve £m	Retained earnings £m	**Total £m**	Non-controlling interests[1] £m	**Total equity £m**
Balance at 1 April 2024	**235**	**1,310**	**–**	**13**	**213**	**3,528**	**5,299**	**13**	**5,312**
Total comprehensive (expense) income for the period	**–**	**–**	**–**	**(1)**	**–**	**109**	**108**	**–**	**108**
Share issues	**–**	**2**	**–**	**–**	**–**	**–**	**2**	**–**	**2**
Fair value of share and share option awards	**–**	**–**	**–**	**–**	**–**	**(2)**	**(2)**	**–**	**(2)**
Purchase of non-controlling interests[1]	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(13)**	**(13)**
Dividends paid in period (10.64p per share)	**–**	**–**	**–**	**–**	**–**	**(99)**	**(99)**	**–**	**(99)**
Balance at 30 September 2024	**235**	**1,312**	**–**	**12**	**213**	**3,536**	**5,308**	**–**	**5,308**

1. On 12 June 2024, the Group acquired the remaining 12.5% interest of the Speke Unit Trust for a cash consideration of £13m, which represented the entirety of the Group's non-controlling interests. As a result of this acquisition, the Group has £nil non-controlling interests as at 30 September 2024 (31 March 2024: £13m).

	Share capital £m	Share premium £m	Hedging and translation reserve £m	Revaluation reserve £m	Merger reserve £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
Balance at 1 April 2023 as published	234	1,308	2	13	213	3,742	5,512	13	5,525
Total comprehensive (expense) income for the period	–	–	(2)	6	–	(61)	(57)	–	(57)
Share issues	–	1	–	–	–	–	1	–	1
Dividends paid in period (11.04p per share)	–	–	–	–	–	(102)	(102)	–	(102)
Balance at 30 September 2023	234	1,309	–	19	213	3,579	5,354	13	5,367

PRIOR YEAR MOVEMENTS IN EQUITY (AUDITED)

	Share capital £m	Share premium £m	Hedging and translation reserve £m	Revaluation reserve £m	Merger reserve £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
Balance at 1 April 2023	234	1,308	2	13	213	3,742	5,512	13	5,525
Total comprehensive (expense) income for the year	–	–	(2)	–	–	(1)	(3)	2	(1)
Shares issued in the year	1	2	–	–	–	–	3	–	3
Fair value of share and share option awards	–	–	–	–	–	2	2	–	2
Dividends payable in year (23.20p per share)	–	–	–	–	–	(215)	(215)	–	(215)
Dividends payable by subsidiaries	–	–	–	–	–	–	–	(2)	(2)
Balance at 31 March 2024	235	1,310	–	13	213	3,528	5,299	13	5,312

NOTES TO THE ACCOUNTS

For the six months ended 30 September 2024

1 BASIS OF PREPARATION

The financial information for the period ended 30 September 2024 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for the year ended 31 March 2024 has been delivered to the Registrar of Companies. The auditors' report on those accounts was not qualified, did not include a reference to matters to which the auditor drew attention by way of emphasis without qualifying the report, and did not contain any statement under section 498 of the Companies Act 2006.

The condensed consolidated interim financial statements for the half-year reporting period ended 30 September 2024 included in this announcement have been prepared on a Going Concern basis using accounting policies consistent with UK-adopted international accounting standards, in accordance with UK-adopted IAS 34 'Interim Financial Reporting', and in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The condensed consolidated interim financial statements do not include all the notes of the type normally included in the annual report and accounts. Accordingly, this report is to be read in conjunction with the annual report and accounts for the year ended 31 March 2024, which has been prepared in accordance with both UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, and any public announcements made by the Group during the interim reporting period. The same accounting policies are followed in the condensed consolidated interim financial statements as applied in the Group's audited financial statements for the year ended 31 March 2024.

A number of new standards and amendments to standards and interpretations have been issued for the current accounting period. The Group has applied the following new standards and amendments to the financial statements for the first time for the period ended 30 September 2024: IFRS 17 'Insurance Contracts', amendments to IAS 8 impacting the definition of accounting estimates, Pillar Two model rules and associated IAS 12 amendments, amendments to IAS 12 impacting deferred tax related to assets and liabilities arising from a single transaction, and amendments to IAS 1 and IFRS Practice Statement 2 impacting the disclosure of accounting policies. The new standards and amendments listed above did not have any material impact on amounts recognised in prior years and are not expected to materially affect current and future years. The Group has assessed the impact of the Pillar Two tax legislation (effective 1 January 2024). The Group is not expected to meet the minimum thresholds for the legislation to apply.

The following standards and interpretations which have been issued but are not yet effective include IAS 1 'Presentation of Financial Statements' on the classification of liabilities and non-current liabilities with covenants, IFRS 16 'Leases' on sale and leaseback arrangements, limited scope amendments to both IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' in respect of sale or contribution of assets between an investor and its associates or joint ventures and IFRS 18 'Presentation and Disclosure in Financial Statements'. With the exception of IFRS 18, these amendments to standards that are not yet effective are not expected to have a material impact on the Group's results.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these interim financial statements requires management to make critical accounting judgements and assess key sources of estimation uncertainty, that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results might differ from these estimates.

The Group's critical accounting judgements are consistent with those disclosed in the Group's audited financial statements for the year ended 31 March 2024.

The Group's key sources of estimation uncertainty are consistent with those disclosed in the Group's audited financial statements for the year ended 31 March 2024, primarily the valuation of investment, development and trading properties.

GOING CONCERN

The interim financial statements are prepared on a Going Concern basis. The consolidated balance sheet shows that the Group is in a net current liability position, predominantly due to current creditors of £222m. The Group has access to £1.6bn of undrawn facilities and cash, which provides the Directors with a reasonable expectation that the Group will be able to meet these current liabilities as they fall due. In making this assessment the Directors took into account forecast cash flows and covenant compliance, including stress testing through the impact of sensitivities as part of a 'severe but plausible downside scenario'. Before factoring in any income receivable, the undrawn facilities and cash would also be sufficient to cover forecast capital expenditure, property operating costs, administrative expenses, maturing debt and interest over the next 12 months from the approval date of these interim financial statements.

Having assessed the principal risks, the Directors believe that the Group is well placed to manage its financing and other business risks satisfactorily despite the uncertain economic climate and have a reasonable expectation that the Company and the Group have adequate resources to continue in operation for at least 12 months from the signing date of these interim financial statements. Accordingly, they believe the going concern basis is an appropriate one. The interim financial statements were approved by the Board on 19 November 2024.

2 PERFORMANCE MEASURES

EARNINGS PER SHARE

The Group measures financial performance with reference to Underlying earnings per share, the European Public Real Estate Association (EPRA) earnings per share and IFRS earnings per share. The relevant earnings and weighted average number of shares (including dilution adjustments) for each performance measure are shown below, and a reconciliation between these is shown within the supplementary disclosures (Table B).

EPRA earnings per share is calculated using EPRA earnings, which is the IFRS profit after taxation attributable to shareholders of the Company excluding investment and development property revaluations, gains/losses on investing and trading property disposals, changes in the fair value of financial instruments and associated close-out costs and their related taxation.

Underlying earnings per share is calculated using Underlying Profit adjusted for Underlying taxation, with the dilutive measure being the primary disclosure measure used. Underlying Profit is the pre-tax EPRA earnings measure, with additional Company adjustments for items which are considered to be unusual and/or significant by virtue of their size and nature. No Company adjustments were made in the current period to 30 September 2024. In the prior period to 30 September 2023, £25m of rent receivable, £149m of surrender premia receivable, and £54m of tenant incentive impairment were excluded from the calculation of Underlying Profit (see Note 3 for further details).

	Six months ended 30 September 2024			Six months ended 30 September 2023		
Earnings per share	Relevant earnings £m	Relevant number of shares million	Earnings per share pence	Relevant earnings £m	Relevant number of shares million	Earnings per share pence
Underlying						
Underlying basic	**142**	**928**	**15.3**	141	927	15.2
Underlying diluted	**142**	**930**	**15.3**	141	929	15.2
EPRA						
EPRA basic	**142**	**928**	**15.3**	261	927	28.2
EPRA diluted	**142**	**930**	**15.3**	261	929	28.1
IFRS						
Basic	**109**	**928**	**11.7**	(61)	927	(6.6)
Diluted	**109**	**930**	**11.7**	(61)	927	(6.6)

NET ASSET VALUE

The Group measures financial position with reference to EPRA Net Tangible Assets (NTA), Net Reinvestment Value (NRV) and Net Disposal Value (NDV). The net assets and number of shares for each performance measure is shown below. A reconciliation between IFRS net assets and the three EPRA net asset valuation metrics, and the relevant number of shares for each performance measure, is shown within the supplementary disclosures (Table B). EPRA NTA is a measure that is based on IFRS net assets excluding the mark-to-market on derivatives and related debt adjustments, the carrying value of intangibles, as well as deferred taxation on property and derivative valuations. The metric includes the valuation surplus on trading properties and is adjusted for the dilutive impact of share options.

	30 September 2024			31 March 2024		
Net asset value per share	Relevant net assets £m	Relevant number of shares million	Net asset value per share pence	Relevant net assets £m	Relevant number of shares million	Net asset value per share pence
EPRA						
EPRA NTA	**5,294**	**934**	**567**	5,252	934	562
EPRA NRV	**5,837**	**934**	**625**	5,782	934	619
EPRA NDV	**5,354**	**934**	**573**	5,389	934	577
IFRS						
Basic	**5,308**	**928**	**572**	5,312	927	573
Diluted	**5,308**	**934**	**568**	5,312	934	569

2 PERFORMANCE MEASURES (CONTINUED)

TOTAL ACCOUNTING RETURN

The Group also measures financial performance with reference to total accounting return. This is calculated as the movement in EPRA NTA per share and dividend paid in the period as a percentage of the EPRA NTA per share at the start of the period.

	Six months ended 30 September 2024			Six months ended 30 September 2023		
	Movement in NTA per share pence	Dividend per share paid pence	Total accounting return	Movement in NTA per share pence	Dividend per share paid pence	Total accounting return
Total accounting return	5	10.64	2.8%	(23)	11.04	(2.0%)

3 REVENUE AND COSTS

	Six months ended 30 September 2024			Six months ended 30 September 2023		
	Underlying £m	Capital and other £m	Total £m	Underlying £m	Capital and other[1] £m	Total £m
Rent receivable[1]	139	–	139	152	25	177
Spreading of tenant incentives and contracted rent increases	4	–	4	5	–	5
Surrender premia[1]	9	–	9	1	149	150
Gross rental income	152	–	152	158	174	332
Service charge income	40	–	40	33	–	33
Management and performance fees (from joint ventures and assets under management)	10	–	10	9	–	9
Other fees and commissions	14	–	14	12	–	12
Revenue	216	–	216	212	174	386
Service charge expenses	(35)	–	(35)	(28)	–	(28)
Property operating expenses	(15)	–	(15)	(19)	–	(19)
Movement in impairment of trade debtors and accrued income	(3)	–	(3)	11	–	11
Movement in impairment of tenant incentives and contracted rent increases[1]	3	–	3	–	(54)	(54)
Other fees and commissions expenses	(11)	–	(11)	(10)	–	(10)
Costs	(61)	–	(61)	(46)	(54)	(100)
	155	–	155	166	120	286

1. In the prior period, on 25 September 2023, the Group completed a deed of surrender in relation to an in-force lease of one of its investment properties. The consideration for the surrender was a £149m premium paid by the tenant on the completion date. In line with the requirements of IFRS 16, the surrender transaction was treated as a modification to the lease, with the surrender premium received recognised in full through the income statement at the point of completion, which represented the modified termination date of the lease. At the point of modification, the lease had associated tenant incentive balances of £54m, and as the right to receive these amounts was extinguished through the lease modification, an impairment was recognised in full through the income statement at the point of completion. Also at the point of modification, the lease had an associated deferred lease premium balance of £25m, which in line with the surrender premium received, was recognised in full through the income statement at the point of completion. Owing to the unusual and significant size and nature of this transaction, and in line with the Group's accounting policies, all elements of the transaction have been included within the Capital and other column of the income statement.

4 VALUATION MOVEMENTS ON PROPERTY

	Six months ended 30 September 2024 £m	Six months ended 30 September 2023 £m
Revaluation of properties	60	(201)
Revaluation of properties held by joint ventures accounted for using the equity method	(41)	(126)
	19	(327)

5 NET FINANCING

	Six months ended 30 September 2024 £m	Six months ended 30 September 2023 £m
Underlying		
Financing charges		
Facilities and overdrafts	(12)	(27)
Derivatives	25	26
Other loans	(52)	(37)
Obligations under head leases	(2)	(2)
	(41)	(40)
Development interest capitalised	18	10
	(23)	(30)
Net financing charges – Underlying	(23)	(30)
Capital and other		
Financing charges		
Valuation movement on fair value hedge accounted debt	2	–
Valuation movement on fair value hedge accounted derivatives	(3)	–
Valuation movement on non-hedge accounted derivatives	(32)	–
	(33)	–
Financing income		
Valuation movement on fair value hedge accounted debt	–	(10)
Valuation movement on fair value hedge accounted derivatives	–	5
Valuation movement on non-hedge accounted derivatives	–	15
	–	10
Net financing (charges) income – Capital and other	(33)	10
Total financing income	–	10
Total financing charges	(56)	(30)
Net financing charges	(56)	(20)

The Group's weighted average interest rate as at 30 September 2024 was 3.1% (30 September 2023: 2.6%), and on a proportionally consolidated basis was 3.5% (30 September 2023: 3.4%).

6 PROPERTY

PROPERTY RECONCILIATION

	Six months ended 30 September 2024			Year ended 31 March 2024		
	Investment and development properties Level 3 £m	Trading and held-for-sale properties £m	Total £m	Investment and development properties Level 3 £m	Trading properties £m	Total £m
Carrying value at the start of the period/year	**5,229**	**22**	**5,251**	5,677	22	5,699
Additions						
– property purchases	**262**	**–**	**262**	58	–	58
– development expenditure	**59**	**–**	**59**	144	–	144
– capitalised interest and staff costs	**12**	**–**	**12**	20	–	20
– capital expenditure on asset management initiatives	**21**	**–**	**21**	48	–	48
– head lease assets and right-of-use assets[1]	**4**	**–**	**4**	54	–	54
	358	**–**	**358**	324	–	324
Disposals	**(7)**	**–**	**(7)**	(662)	–	(662)
Reclassifications for held-for-sale properties	**(37)**	**37**	**–**	–	–	–
Revaluations included in income statement	**60**	**–**	**60**	(131)	–	(131)
Movement in tenant incentives and contracted rent uplift balances	**8**	**–**	**8**	21	–	21
Carrying value at the end of the period/year	**5,611**	**59**	**5,670**	5,229	22	5,251
Lease liabilities			**(124)**			(123)
Less surplus on right-of-use assets[2]			**(4)**			(4)
Valuation surplus on trading properties			**5**			6
Group property portfolio valuation at the end of the period/year			**5,547**			5,130
Non-controlling interests[3]			**–**			(14)
Group property portfolio valuation at the end of the period/year attributable to shareholders			**5,547**			5,116

1. The prior year £54m head lease assets relates to the Norton Folgate development which completed in the year ended 31 March 2024.
2. Relates to the fair value of right-of-use assets in excess of their associated lease liabilities. The fair value of right-of-use assets is determined by calculating the present value of net rental cashflows over the term of the lease agreements. IFRS 16 right-of-use assets are not externally valued, their fair value is determined by management, and are therefore not included in the Group property portfolio valuation of £5,547m (31 March 2024: £5,130m) above.
3. The non-controlling interests were fully acquired during the period. As a result of this acquisition, the Group has £nil property non-controlling interests as at 30 September 2024 (31 March 2024: £14m).

Additions include capital expenditure in response to climate change, in line with our Sustainability Strategy to reduce both the embodied carbon in our developments and the operational carbon across the Group's standing property portfolio.

The Group's total property portfolio was valued by external valuers on the basis of fair value, in accordance with the RICS Valuation – Global Standards 2022, published by The Royal Institute of Chartered Surveyors. The information provided to the valuers, and the assumptions and valuation models used by the valuers are reviewed by the property portfolio team, the Head of Real Estate, the Chief Financial Officer and the Chief Executive Officer. The valuers meet with the external auditors and also present directly to the Audit Committee on a rotational basis.

Property valuations are inherently subjective as they are made on the basis of assumptions made by the valuer which may not prove to be accurate. For these reasons, and consistent with EPRA's guidance, we have classified the valuations of our property portfolio as level 3 as defined by IFRS 13. The inputs to the valuations are defined as 'unobservable' by IFRS 13. These key unobservable inputs are net equivalent yield and estimated rental values for investment properties, and costs to complete for development properties. Further analysis and sensitivity disclosures of these key unobservable inputs have been included on the page to follow. There were no transfers between levels in the current period nor in the prior year comparative.

There has been no change in the valuation methodology used for investment property.

6 PROPERTY (CONTINUED)

INFORMATION ABOUT THE IMPACT OF CHANGES IN UNOBSERVABLE INPUTS (LEVEL 3) ON THE FAIR VALUE OF THE GROUP'S PROPERTY PORTFOLIO VALUATION FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

	Fair value at 30 September 2024 £m	Impact on valuations +5% ERV £m	Impact on valuations -5% ERV £m	Impact on valuations -25bps NEY £m	Impact on valuations +25bps NEY £m	Impact on valuations -5% costs £m	Impact on valuations +5% costs £m
Campuses[1]	2,114	86	(86)	98	(90)	–	–
Retail & London Urban Logistics	3,041	129	(127)	132	(122)	5	(5)
Developments	392	63	(64)	79	(72)	33	(34)
Group property portfolio valuation	5,547	278	(277)	309	(284)	38	(39)

1. Includes trading properties at fair value.

INFORMATION ABOUT FAIR VALUE MEASUREMENTS USING UNOBSERVABLE INPUTS (LEVEL 3) FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

Investment	Fair value at 30 September 2024 £m	Valuation technique	ERV per sq ft Min £	ERV per sq ft Max £	ERV per sq ft Average £	Equivalent yield Min %	Equivalent yield Max %	Equivalent yield Average %	Costs to complete per sq ft Min £	Costs to complete per sq ft Max £	Costs to complete per sq ft Average £
Campuses	2,087	Investment methodology	28	136	67	5	8	6	–	171	39
Retail & London Urban Logistics	3,041	Investment methodology	2	40	20	4	22	7	–	22	3
Developments	392	Residual methodology	34	109	72	5	6	5	114	1,867	1,103
Total	5,520										
Trading properties at fair value	27										
Group property portfolio valuation	5,547										

All other factors being equal:

- a higher equivalent yield or discount rate would lead to a decrease in the valuation of an asset;
- an increase in the current or estimated future rental stream would have the effect of increasing the capital value; and
- an increase in the costs to complete would lead to a decrease in the valuation of an asset.

However, there are interrelationships between the unobservable inputs which are partially determined by market conditions, which would impact on these changes.

ADDITIONAL PROPERTY COVENANT INFORMATION

Properties valued at £1,177m (31 March 2024: £1,137m) were subject to a security interest.

7 JOINT VENTURES

SUMMARY MOVEMENT FOR THE PERIOD OF THE INVESTMENTS IN JOINT VENTURES

	Equity £m	Loans £m	Total £m
At 1 April 2024	1,362	1,067	**2,429**
Additions	47	79	**126**
Disposals	(11)	(3)	**(14)**
Disposal of investment in Meadowhall Shopping Centre joint venture	(64)	(92)	**(156)**
Capitalisation of loans	63	(63)	**–**
Share of profit after taxation	6	–	**6**
Distributions and dividends:			
– Capital	(2)	–	**(2)**
– Revenue	(36)	–	**(36)**
Hedging and exchange movements	(1)	–	**(1)**
At 30 September 2024	1,364	988	**2,352**

On 12 July 2024, the Group completed the disposal of its 50% shareholding in the Meadowhall Shopping Centre joint venture to the joint venture partner, Norges Bank Investment Management, for a total consideration of £158m. The carrying amount of the investment in the joint venture on the disposal date was £156m, resulting in a loss on disposal after transaction costs of £1m which has been accounted for within the Loss on disposal of investment properties, joint ventures and revaluation of investments line within the Capital and other column of the consolidated income statement.

SUMMARY INCOME STATEMENT FOR THE PERIOD OF THE INVESTMENTS IN JOINT VENTURES

	Six months ended 30 September 2024		Six months ended 30 September 2023	
	£m 100%	**£m BL Share**	£m 100%	£m BL Share
Revenue	**232**	**103**	242	111
Costs	**(62)**	**(27)**	(76)	(34)
	170	**76**	166	77
Administrative expenses	**(2)**	**(1)**	(3)	(1)
Net financing charges	**(57)**	**(24)**	(62)	(27)
Underlying Profit	**111**	**51**	101	49
Net valuation movements on property	**(102)**	**(41)**	(272)	(126)
Capital financing (charges) income	**(9)**	**(4)**	11	3
Profit (loss) before taxation	**–**	**6**	(160)	(74)
Taxation	**–**	**–**	–	–
Profit (loss) after taxation	**–**	**6**	(160)	(74)

8 NET DEBT

8.1 FAIR VALUE AND BOOK VALUE OF NET DEBT

	30 September 2024			31 March 2024		
	Fair value £m	Book value £m	Difference £m	Fair value £m	Book value £m	Difference £m
Debentures and unsecured bonds	1,474	1,507	(33)	1,459	1,511	(52)
Bank debt and other floating rate debt	1,066	1,059	7	707	701	6
Gross debt	2,540	2,566	(26)	2,166	2,212	(46)
Interest rate and currency derivative liabilities	59	59	–	56	56	–
Interest rate and currency derivative assets	(67)	(67)	–	(99)	(99)	–
Cash and cash equivalents[1]	(88)	(88)	–	(88)	(88)	–
Total net debt	2,444	2,470	(26)	2,035	2,081	(46)
Net debt attributable to non-controlling interests	–	–	–	1	1	–
Net debt attributable to shareholders of the Company	2,444	2,470	(26)	2,036	2,082	(46)
Total net debt	2,444	2,470	(26)	2,035	2,081	(46)
Amounts payable under leases	128	128	–	127	127	–
Net debt (including lease liabilities)	2,572	2,598	(26)	2,162	2,208	(46)
Net debt attributable to non-controlling interests (including lease liabilities)	–	–	–	1	1	–
Net debt attributable to shareholders of the Company (including lease liabilities)	2,572	2,598	(26)	2,163	2,209	(46)

1. Cash and cash equivalents includes tenant deposits of £35m (31 March 2024: £30m).

The fair values of debentures and unsecured bonds have been established by obtaining quoted market prices from brokers. The bank debt and other floating rate debt has been valued assuming it could be renegotiated at contracted margins. The derivatives have been valued by calculating the present value of expected future cash flows, using appropriate market discount rates, by an independent treasury advisor. Short-term debtors and creditors and other investments have been excluded from the disclosures on the basis that the fair value is equivalent to the book value.

8 NET DEBT (CONTINUED)

8.2 LOAN TO VALUE (LTV)

LTV is the ratio of principal value of gross debt less cash, short term deposits and liquid investments to the aggregate value of properties and investments, excluding non-controlling interests.

EPRA LTV has been disclosed in Table B.

GROUP LTV

	30 September 2024 £m	31 March 2024 £m
Group LTV	**31.8%**	28.5%
Principal value of gross debt	**2,584**	2,225
Less cash and short term deposits (statement of cash flows)[1]	**(53)**	(58)
Plus cash attributable to non-controlling interests	**–**	1
Total net debt for LTV calculation	**2,531**	2,168
Group property portfolio valuation (Note 6)	**5,547**	5,130
Investments in joint ventures (Note 7)	**2,352**	2,429
Other investments and property, plant and equipment (consolidated balance sheet)[2]	**51**	56
Less property and investments attributable to non-controlling interests	**–**	(14)
Total assets for LTV calculation	**7,950**	7,601

1. Cash and short term deposits exclude tenant deposits of £35m (31 March 2024: £30m).
2. The £15m (31 March 2024: £17m) difference between other investments and plant, property and equipment per the consolidated balance sheet totalling £66m (31 March 2024: £73m), relates to a right-of-use asset recognised under a lease which is classified as property, plant and equipment which is not included within Total assets for the purposes of the LTV calculation.

PROPORTIONALLY CONSOLIDATED LTV

	30 September 2024 £m	31 March 2024 £m
Proportionally consolidated LTV	**38.7%**	37.3%
Principal value of gross debt	**3,589**	3,443
Less cash and short term deposits[1]	**(141)**	(183)
Plus cash attributable to non-controlling interests	**–**	1
Total net debt for proportional LTV calculation	**3,448**	3,261
Group property portfolio valuation (Note 6)	**5,547**	5,130
Share of property of joint ventures	**3,320**	3,568
Other investments and property, plant and equipment (consolidated balance sheet)[2]	**51**	56
Less property attributable to non-controlling interests	**–**	(14)
Total assets for proportional LTV calculation	**8,918**	8,740

1. Cash and short term deposits exclude tenant deposits of £58m (31 March 2024: £57m).
2. The £15m (31 March 2024: £17m) difference between other investments and plant, property and equipment per the consolidated balance sheet totalling £66m (31 March 2024: £73m), relates to a right-of-use asset recognised under a lease which is classified as property, plant and equipment which is not included within Total assets for the purposes of the LTV calculation.

8 NET DEBT (CONTINUED)

8.3 NET DEBT TO EBITDA

Net Debt to EBITDA is the ratio of principal amount of gross debt less cash, short term deposits and liquid investments to earnings before interest, tax, depreciation and amortisation (EBITDA).

The Group ratio excludes joint venture borrowings and includes distributions and other receivables from joint ventures.

GROUP NET DEBT TO EBITDA

	30 September 2024 £m	31 March 2024 £m
Group Net Debt to EBITDA	**7.8x**	6.8x
Principal amount of gross debt	**2,584**	2,225
Less cash and short term deposits (statement of cash flows)[1]	**(53)**	(58)
Plus cash attributable to non-controlling interests	**–**	1
Total net debt for group Net Debt to EBITDA calculation	**2,531**	2,168
Underlying Profit (Table A)	**143**	268
Plus Net financing charges (Note 5)	**23**	55
Less Underlying Profit due to joint ventures[2]	**(51)**	(100)
Plus distributions and other receivables from joint ventures[3]	**44**	88
Plus depreciation and amortisation (Table A)	**3**	8
Total EBITDA for group Net Debt to EBITDA calculation	**162**	319
Annualisation adjustment	**x2**	–
Annualised EBITDA for group Net Debt to EBITDA calculation	**324**	319

1. Cash and short term deposits exclude tenant deposits of £35m (31 March 2024: £30m).
2. Underlying Profit due to joint ventures £51m (31 March 2024: £100m) (consolidated income statement).
3. Distributions and other receivables from joint ventures £38m (31 March 2024: £77m) (consolidated statement of cash flows). Fees and other income received from joint ventures £6m (31 March 2024: £11m).

PROPORTIONALLY CONSOLIDATED NET DEBT TO EBITDA

	30 September 2024 £m	31 March 2024 £m
Proportionally consolidated Net Debt to EBITDA	**8.9x**	8.5x
Principal amount of gross debt	**3,589**	3,443
Less cash and short term deposits[1]	**(141)**	(183)
Plus cash attributable to non-controlling interests	**–**	1
Total net debt for proportional Net Debt to EBITDA calculation	**3,448**	3,261
Underlying Profit (Table A)	**143**	268
Plus Net financing charges (Table A)	**47**	108
Plus depreciation and amortisation (Table A)	**3**	8
Total EBITDA for proportional Net Debt to EBITDA calculation	**193**	384
Annualisation adjustment	**x2**	–
Annualised Total EBITDA for proportional Net Debt to EBITDA calculation	**386**	384

1. Cash and short term deposits exclude tenant deposits of £58m (31 March 2024: £57m).

8 NET DEBT (CONTINUED)

8.4 BRITISH LAND UNSECURED FINANCIAL COVENANTS

The two financial covenants applicable to the Group unsecured debt are shown below:

	30 September 2024 £m	31 March 2024 £m
Net Borrowings not to exceed 175% of Adjusted Capital and Reserves	**47%**	40%
Principal amount of gross debt	**2,584**	2,225
Less cash and short term deposits (consolidated statement of cash flows)[1]	**(53)**	(58)
Plus the relevant proportion of cash and deposits of the partly-owned subsidiary/non-controlling interests	**–**	1
Net Borrowings	**2,531**	2,168
Share capital and reserves (consolidated balance sheet)	**5,308**	5,312
Deferred tax liabilities (Table A)	**4**	6
Trading property surpluses (Table A)	**(1)**	(1)
Exceptional refinancing charges (see below)	**140**	147
Fair value adjustments of financial instruments (Table A)	**(24)**	(55)
Less reserves attributable to non-controlling interests (consolidated balance sheet)	**–**	(13)
Adjusted Capital and Reserves	**5,427**	5,396

1. Cash and short term deposits exclude tenant deposits of £35m (31 March 2024: £30m).

In calculating Adjusted Capital and Reserves for the purpose of the unsecured debt financial covenants, there is an adjustment of £140m (31 March 2024: £147m) to reflect the cumulative net amortised exceptional items relating to the refinancings in the years ended 31 March 2005, 2006 and 2007.

	30 September 2024 £m	31 March 2024 £m
Net Unsecured Borrowings not to exceed 70% of Unencumbered Assets	**43%**	38%
Principal amount of gross debt	**2,584**	2,225
Less cash and deposits not subject to a security interest	**(53)**	(58)
Plus cash attributable to non-controlling interests	**–**	1
Less principal amount of secured and non-recourse borrowings	**(633)**	(633)
Net Unsecured Borrowings	**1,898**	1,535
Group property portfolio valuation (Note 6)	**5,547**	5,130
Investments in joint ventures and funds (Note 7)	**2,352**	2,429
Other investments and property, plant and equipment (consolidated balance sheet)[1]	**51**	56
Less investments in joint ventures (Note 7)	**(2,352)**	(2,429)
Less encumbered assets (Note 6)	**(1,177)**	(1,137)
Unencumbered Assets	**4,421**	4,049

1. The £15m (31 March 2024: £17m) difference between other investments and plant, property and equipment per the balance sheet totalling £66m (31 March 2024: £73m), relates to a right-of-use asset recognised under a lease which is classified as property, plant and equipment which is not included within Unencumbered Assets for the purposes of the covenant calculation.

8 NET DEBT (CONTINUED)

8.5 FAIR VALUE HIERARCHY

The table below analyses financial instruments carried at fair value, by the valuation method. The different levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of interest rate and currency derivatives are determined using the present value of estimated future cash flows and discounted based on the applicable yield curves derived from quoted interest rates and the appropriate exchange rate at the balance sheet date.

	30 September 2024				31 March 2024			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Interest rate and currency derivative assets	–	(67)	–	(67)	–	(99)	–	(99)
Other investments – fair value through profit and loss	–	–	(40)	(40)	–	–	(46)	(46)
Assets	–	(67)	(40)	(107)	–	(99)	(46)	(145)
Interest rate and currency derivative liabilities	–	59	–	59	–	56	–	56
Liabilities	–	59	–	59	–	56	–	56
Total	–	(8)	(40)	(48)	–	(43)	(46)	(89)

There have been no transfers between levels in the period.

9 DIVIDEND

The Interim dividend payment for the six months ended 30 September 2024 will be 12.24p. Payment will be made on 15 January 2025 to shareholders on the register at close of business on 6 December 2024. The Interim dividend will be a Property Income Distribution (PID) and no SCRIP alternative will be offered.

The 2024 Final dividend of 10.64p per share, totalling £99m was paid on 26 June 2024. The whole of the 2024 Final dividend was a PID and no SCRIP alternative was offered. £86m was paid to shareholders, and £13m of withholding tax was retained.

10 SEGMENT INFORMATION

OPERATING SEGMENTS

The Group allocates resources to investment and asset management according to the sectors it expects to perform over the medium term.

The relevant gross rental income, net rental income, operating result and property assets, being the measures of segment revenue, segment result and segment assets used by the management of the business, are set out below. Management reviews the performance of the business principally on a proportionally consolidated basis, which includes the Group's share of joint ventures on a line-by-line basis and excludes non-controlling interests in the Group's subsidiaries. The chief operating decision maker for the purpose of segment information is the Executive Committee.

Gross rental income is derived from the rental of buildings. Operating result is the net of net rental income, fee income and administrative expenses. No customer exceeded 10% of the Group's revenues in either period.

SEGMENT RESULT

	Six months ended 30 September							
	Campuses		Retail & London Urban Logistics		Unallocated		Total	
	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m	2024 £m	2023 £m
Gross rental income								
British Land Group	49	48	103	109	–	–	152	157
Share of joint ventures	58	55	22	29	–	–	80	84
Total	107	103	125	138	–	–	232	241
Net rental income								
British Land Group	43	42	95	109	–	–	138	151
Share of joint ventures	52	49	22	26	–	–	74	75
Total	95	91	117	135	–	–	212	226
Operating result								
British Land Group	53	51	95	108	(24)	(26)	124	133
Share of joint ventures	47	43	20	25	(1)	(2)	66	66
Total	100	94	115	133	(25)	(28)	190	199

Reconciliation to Underlying Profit before taxation	Six months ended 30 September 2024 £m	Six months ended 30 September 2023 £m
Operating result – proportionally consolidated (Table A)	190	199
Net financing charges – proportionally consolidated (Table A)	(47)	(57)
Underlying Profit	143	142
Reconciliation to profit (loss) before taxation		
Underlying Profit	143	142
Capital and other	(35)	(192)
Underlying Profit attributable to non-controlling interests	–	1
Total profit (loss) before taxation	108	(49)

Of the operating result above, £190m (six months ended 30 September 2023: £199m) was derived from within the UK.

10 SEGMENT INFORMATION (CONTINUED)

SEGMENT ASSETS

	Campuses		Retail & London Urban Logistics		Total	
	30 September 2024 £m	31 March 2024 £m	30 September 2024 £m	31 March 2024 £m	30 September 2024 £m	31 March 2024 £m
Property assets						
British Land Group	2,393	2,360	3,158	2,760	5,551	5,120
Share of joint ventures	3,021	2,922	299	646	3,320	3,568
Total	5,414	5,282	3,457	3,406	8,871	8,688

RECONCILIATION TO NET ASSETS

British Land Group	30 September 2024 £m	31 March 2024 £m
Property assets	8,871	8,688
Other non-current assets – proportionally consolidated	66	73
Non-current assets	8,937	8,761
Other net current liabilities – proportionally consolidated	(275)	(331)
EPRA net debt (Table A)	(3,368)	(3,178)
Other non-current liabilities	–	–
EPRA NTA	5,294	5,252
Non-controlling interests	–	13
EPRA adjustments (Table A)	14	47
IFRS net assets	5,308	5,312

11 RELATED PARTY TRANSACTIONS

Other than the disposal of the investment in the Meadowhall Shopping Centre joint venture that completed on 12 July 2024 (see Note 7), there have been no material changes in the related party transactions described in the last annual report.

12 CONTINGENT LIABILITIES

The Group and joint ventures have contingent liabilities in respect of legal claims, guarantees and warranties arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from contingent liabilities.

13 SHARE CAPITAL AND RESERVES

	£m	Ordinary shares of 25p each
Issued, called and fully paid		
At 1 April 2024	235	938,764,023
Share issues	–	412,223
At 30 September 2024	235	939,176,246

At 30 September 2024, of the issued 25p ordinary shares, 7,376 shares were held in the ESOP trust (31 March 2024: 7,376), 11,266,245 shares were held as treasury shares (31 March 2024: 11,266,245) and 927,902,625 shares were in free issue (31 March 2024: 927,490,402). No treasury shares were acquired by the ESOP trust during the period. All issued shares are fully paid.

14 SUBSEQUENT EVENTS

Post the balance sheet date, in early October 2024, the Group completed the acquisition of a portfolio of UK retail parks for consideration of £441m. At the same time, as part of the financing of this acquisition, the Group completed a share placing, retail offer and subscription of 71,227,309 new ordinary shares in exchange for gross proceeds of £301m and net proceeds of £295m.

SUPPLEMENTARY DISCLOSURES

TABLE A: SUMMARY INCOME STATEMENT AND BALANCE SHEET

SUMMARY INCOME STATEMENT BASED ON PROPORTIONAL CONSOLIDATION FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

The following pro forma information is unaudited and does not form part of the consolidated primary statements or the notes thereto. It presents the results of the Group, with its share of the results of joint ventures included on a line by line basis and excluding non-controlling interests.

	Six months ended 30 September 2024				Six months ended 30 September 2023			
	Group £m	Joint ventures £m	Less non-controlling interests £m	Proportionally consolidated £m	Group £m	Joint ventures £m	Less non-controlling interests £m	Proportionally consolidated £m
Gross rental income[1]	158	80	–	238	163	85	(2)	246
Property operating expenses[2]	(16)	(4)	–	(20)	(8)	(8)	1	(15)
Net rental income	142	76	–	218	155	77	(1)	231
Administrative expenses[3]	(40)	(1)	–	(41)	(42)	(1)	–	(43)
Net fees and other income	13	–	–	13	11	–	–	11
Ungeared Income Return	115	75	–	190	124	76	(1)	199
Net financing charges	(23)	(24)	–	(47)	(30)	(27)	–	(57)
Underlying Profit	92	51	–	143	94	49	(1)	142
Underlying taxation	(1)	–	–	(1)	(1)	–	–	(1)
Underlying Profit after taxation	91	51	–	142	93	49	(1)	141
Valuation movements on property				19				(327)
Other capital and taxation (net)[4]				(53)				129
Result attributable to shareholders of the Company				108				(57)

1. Group gross rental income includes £6m (six months ended 30 September 2023: £5m) of all inclusive rents relating to service charge income and excludes the £nil (six months ended 30 September 2023: £25m) of rent receivable and £nil (six months ended 30 September 2023: £149m) of surrender premia received within the Capital and other column of the consolidated income statement (see Note 3).
2. Group property operating expenses excludes £nil (six months ended 30 September 2023: £54m) of provisions for impairment of tenant incentives and contracted rent increases within the Capital and other column of the consolidated income statement (see Note 3).
3. Administrative expenses includes £3m (six months ended 30 September 2023: £3m) of depreciation and amortisation.
4. Includes other comprehensive income, movement in dilution of share options and the movement in items excluded for EPRA NTA.

TABLE A: SUMMARY INCOME STATEMENT AND BALANCE SHEET (CONTINUED)

SUMMARY BALANCE SHEET BASED ON PROPORTIONAL CONSOLIDATION AS AT 30 SEPTEMBER 2024

The following pro forma information is unaudited and does not form part of the consolidated primary statements or the notes thereto. It presents the results of the Group, with its share of the results of joint ventures included on a line-by-line basis and excluding non-controlling interests.

	Group £m	Share of joint ventures £m	Share options £m	Mark-to-market on derivatives and related debt adjustments £m	Head leases £m	Valuation surplus on trading properties £m	Intangibles and Deferred tax £m	EPRA NTA 30 September 2024 £m	EPRA NTA 31 March 2024 £m
Campuses properties	2,505	3,030	–	–	(120)	(1)	–	5,414	5,282
Retail & London Urban Logistics properties	3,165	313	–	–	(21)	–	–	3,457	3,406
Total properties[1]	5,670	3,343	–	–	(141)	(1)	–	8,871	8,688
Investments in joint ventures	2,352	(2,352)	–	–	–	–	–	–	–
Other investments	48	–	–	–	–	–	(8)	40	46
Other net (liabilities) assets	(289)	(116)	15	–	141	–	–	(249)	(304)
Deferred tax liability	(3)	(1)	–	–	–	–	4	–	–
Net debt	(2,470)	(874)	–	(24)	–	–	–	(3,368)	(3,178)
Net assets	5,308	–	15	(24)	–	(1)	(4)	5,294	5,252
EPRA NTA per share (Note 2)								567p	562p

1. Included within the total property value of £8,871m (31 March 2024: £8,688m) are right-of-use assets net of lease liabilities of £4m (31 March 2024: £4m), which in substance, relates to properties held under leasing agreements. The fair value of the right-of-use asset is determined by calculating the present value of net rental cashflows over the term of the lease agreements.

EPRA NET TANGIBLE ASSETS MOVEMENT

	30 September 2024		31 March 2024	
	£m	Pence per share	£m	Pence per share
Opening EPRA NTA	5,252	562	5,487	588
Income return	142	15	265	28
Capital and other return	(1)	1	(285)	(31)
Dividend paid	(99)	(11)	(215)	(23)
Closing EPRA NTA	5,294	567	5,252	562

TABLE B: EPRA PERFORMANCE MEASURES

EPRA PERFORMANCE MEASURES SUMMARY TABLE

	Six months ended 30 September 2024		Six months ended 30 September 2023	
	£m	Pence per share	£m	Pence per share
EPRA Earnings – basic	142	15.3	261	28.2
– diluted	142	15.3	261	28.1
		Percentage		Percentage
EPRA Net Initial Yield		4.9%		5.4%
EPRA 'topped-up' Net Initial Yield		5.3%		6.0%
EPRA Vacancy Rate		12.7%		6.7%
EPRA Cost Ratio (including direct vacancy costs)		15.3%		14.8%
EPRA Cost Ratio (excluding direct vacancy costs)		9.0%		7.0%

	30 September 2024		31 March 2024	
	£m	Pence per share	£m	Pence per share
EPRA NTA	5,294	567	5,252	562
EPRA NRV	5,837	625	5,782	619
EPRA NDV	5,354	573	5,389	577
		Percentage		Percentage
EPRA LTV		41.2%		40.5%

CALCULATION AND RECONCILIATION OF UNDERLYING/EPRA/IFRS EARNINGS AND UNDERLYING/EPRA/IFRS EARNINGS PER SHARE

	Six months ended 30 September 2024 £m	Six months ended 30 September 2023 £m
Profit (loss) attributable to the shareholders of the Company	109	(61)
Exclude:		
Group – Underlying taxation	1	1
Group – Capital and other taxation	(2)	11
Group – valuation movements on property	(60)	201
Group – loss (profit) on disposal of investment properties, joint ventures and revaluation of investments	17	(2)
Group – Capital and other revenue and costs (see Note 3)	–	(120)
Joint ventures – valuation movements on property (including result on disposals)	41	126
Joint ventures – capital financing charges (income)	4	(3)
Changes in fair value of financial instruments and associated close-out costs	33	(10)
Non-controlling interests in respect of the above	–	(1)
Underlying Profit	143	142
Group – Underlying current taxation	(1)	(1)
Underlying Earnings – basic and diluted	142	141
Group – Capital and other revenue and costs (see Note 3)	–	120
EPRA Earnings – basic and diluted	142	261

Profit (loss) attributable to the shareholders of the Company	109	(61)
IFRS Earnings – basic and diluted	109	(61)

TABLE B: EPRA PERFORMANCE MEASURES (CONTINUED)

	Six months ended 30 September 2024 Number million	Six months ended 30 September 2023 Number million
Weighted average number of shares	**939**	938
Adjustment for Treasury shares	**(11)**	(11)
IFRS/EPRA/Underlying weighted average number of shares (basic)	**928**	927
Dilutive effect of share options	**–**	–
Dilutive effect of ESOP shares	**2**	2
EPRA/Underlying weighted average number of shares (diluted)	**930**	929
Remove anti-dilutive effect	**–**	(2)
IFRS weighted average number of shares (diluted)	**930**	927

NET ASSETS PER SHARE

	30 September 2024		31 March 2024	
	£m	Pence per share	£m	Pence per share
IFRS net assets	**5,308**		5,312	
Deferred tax arising on revaluation of derivatives	**4**		6	
Mark-to-market on derivatives and related debt adjustments	**(24)**		(55)	
Dilution effect of share options	**15**		11	
Surplus on trading properties	**(1)**		(1)	
Intangible assets	**(8)**		(8)	
Less non-controlling interests	**–**		(13)	
EPRA NTA	**5,294**	**567**	5,252	562
Intangible assets	**8**		8	
Purchasers' costs	**535**		522	
EPRA NRV	**5,837**	**625**	5,782	619
Deferred tax arising on revaluation movements	**(4)**		(6)	
Purchasers' costs	**(535)**		(522)	
Mark-to-market on derivatives and related debt adjustments	**24**		55	
Mark-to-market on debt	**32**		80	
EPRA NDV	**5,354**	**573**	5,389	577

EPRA NTA is the Group's primary measure of net assets and 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, based on the Group's track record and tax structuring. EPRA NRV reflects what would be needed to recreate the Group through the investment markets based on its current capital and financing structure. 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.

	30 September 2024 Number million	31 March 2024 Number million
Number of shares at period/year end	**939**	938
Adjustment for treasury shares	**(11)**	(11)
IFRS/EPRA number of shares (basic)	**928**	927
Dilutive effect of share options	**1**	3
Dilutive effect of ESOP shares	**5**	4
IFRS/EPRA number of shares (diluted)	**934**	934

TABLE B: EPRA PERFORMANCE MEASURES (CONTINUED)

EPRA COST RATIOS

	Six months ended 30 September 2024 £m	Six months ended 30 September 2023 £m
Property operating expenses	**16**	7
Administrative expenses	**40**	42
Share of joint ventures expenses	**5**	9
Less: Performance & management fees (from joint ventures)	**(10)**	(9)
Net other fees and commissions	**(3)**	(2)
Ground rent costs and operating expenses de facto included in rents	**(14)**	(13)
EPRA Costs (including direct vacancy costs) (A)	**34**	34
Direct vacancy costs	**(14)**	(18)
EPRA Costs (excluding direct vacancy costs) (B)	**20**	16
Gross rental income less ground rent costs and operating expenses de facto included in rents	**148**	152
Share of joint ventures (Gross Rental Income less ground rent costs)	**74**	78
Total Gross rental income (C)	**222**	230
EPRA Cost Ratio (including direct vacancy costs) (A/C)	**15.3%**	14.8%
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**9.0%**	7.0%
Overhead and operating expenses capitalised (including share of joint ventures)	**4**	5

In the current and prior periods employee costs in relation to staff time on development projects are capitalised into the base cost of relevant development assets.

TABLE C: PROPERTY RELATED CAPITAL EXPENDITURE

	Six months ended 30 September 2024			Year ended 31 March 2024		
	Group £m	Joint ventures £m	Total £m	Group £m	Joint ventures £m	Total £m
Acquisitions	**262**	**–**	**262**	58	–	58
Development	**59**	**136**	**195**	144	210	354
Investment properties						
Incremental lettable space	**1**	**–**	**1**	1	–	1
No incremental lettable space	**18**	**12**	**30**	23	26	49
Tenant incentives	**2**	**1**	**3**	24	7	31
Other material non-allocated types of expenditure	**2**	**2**	**4**	3	3	6
Capitalised interest	**10**	**8**	**18**	17	8	25
Total property related capital expenditure	**354**	**159**	**513**	270	254	524
Conversion from accrual to cash basis	**–**	**(10)**	**(10)**	40	(11)	29
Total property related capital expenditure on cash basis	**354**	**149**	**503**	310	243	553

The above is presented on a proportionally consolidated basis, excluding non-controlling interests and business combinations. The 'Other material non-allocated types of expenditure' category contains capitalised staff costs of £4m (31 March 2024: £6m).

SUPPLEMENTARY TABLES

Data includes Group's share of Joint Ventures

HY25 RENT COLLECTION

Rent due between 25 March 2024 and 28 September 2024	Offices	Retail	Total
Received	99.9%	99.7%	99.8%
Outstanding	0.1%	0.3%	0.2%
	100%	**100%**	**100%**
Total	**£92m**	**£111m**	**£203m**

SEPTEMBER QUARTER 2024 RENT COLLECTION

Rent due between 29 September 2024 and 13 November 2024	Offices	Retail	Total
Received	98.4%	94.2%	96.3%
Outstanding	1.6%	5.8%	3.7%
	100%	**100%**	**100%**
Total	**£45m**	**£46m**	**£91m**

PURCHASES

6 months to 30 September 2024	Sector	Price (100%) £m	Price (BL Share) £m	Annualised Net Rents £m[1]
Completed				
Southampton Retail Park	Retail Park	23	23	2
Speke New Mersey	Retail Park	13	13	2
Enham Arch Retail Park, Andover	Retail Park	18	18	1
Queens Drive Retail Park, Kilmarnock	Retail Park	18	18	2
St Davids Retail Park, Bangor	Retail Park	11	11	1
Tydfil Cyfarthfa Shopping Park, Merthyr	Retail Park	88	88	6
Orchard Centre, Didcot	Retail Park	71	71	5
Inshes, Inverness	Retail Park	28	28	2
Total		**270**	**270**	**21**

Post period end completed £441m retail park portfolio acquisition funded via equity placing

1. British Land share of annualised rent topped up for rent frees

SALES

6 months to 30 September 2024	Sector	Price (100%) £m	Price (BL Share) £m	Annualised Net Rents £m[1]
Completed				
Meadowhall	Shopping Centre	720	360	26
New Century Park Lane	Other	4	2	-
Homebase Derby	Retail	8	8	1
Exchanged				
Homebase Frome	Other	9	9	1
Homebase Feltham	Other	18	18	1
Homebase Reigate	Other	10	10	1
Total		**769**	**407**	**30**

Post period end completed or under offer on £49m non-core asset disposals

1. British Land share of annualised rent topped up for rent frees

PORTFOLIO VALUATION BY SECTOR

				% Change[2]	
As at 30 September 2024	Group £m	Joint ventures £m	Total[1] £m	%	£m
West End	1,562	503	2,065	(1.5)	(32)
City	463	2,149	2,612	(1.7)	(45)
Canada Water & other Campuses	206	368	574	(3.0)	(18)
Residential[3]	159	-	159	0.1	-
Campuses	**2,390**	**3,020**	**5,410**	**(1.7)**	**(95)**
Retail Parks	2,335	193	2,528	5.1	122
Shopping Centre	317	106	423	0.5	4
London Urban Logistics	309	-	309	(2.6)	(8)
Other Retail	197	-	197	(3.4)	(7)
Retail & London Urban Logistics	**3,158**	**299**	**3,457**	**3.0**	**111**
Total	**5,548**	**3,319**	**8,867**	**0.2**	**16**
Standing Investments	**5,155**	**2,285**	**7,440**	**0.5**	**36**
Developments	**393**	**1,034**	**1,427**	**(1.2)**	**(20)**

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

1. Property valuation as at 30 September 2024, including capital expenditure in the period
2. 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
3. Standalone residential

ACCOUNTING BASIS: ANNUALISED GROSS RENTAL INCOME

	Annualised as at 30 September 2024		
Accounting Basis £m	Group	Joint ventures	Total
West End	61	18	79
City	20	78	98
Other Campuses	8	4	12
Campuses	**89**	**100**	**189**
Retail Parks	162	13	175
Shopping Centre	36	9	45
London Urban Logistics	8	-	8
Other Retail	12	-	12
Retail & London Urban Logistics	**218**	**22**	**240**
Total[1]	**307**	**122**	**429**

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

1. Annualised accounting rent as at 30 September, which differs from the gross rental income seen in the period as a result of leasing activity, capital activity, properties moving from and to development and other movements

PORTFOLIO NET YIELDS[1,2]

As at 30 September 2024	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 vs Mar-24 bps	Net reversionary yield %[5]	ERV Growth %[6]
West End	4.2	4.5	4.5	5.7	10	6.3	1.0
City	3.7	4.2	4.2	5.5	13	6.3	2.4
Other Campuses	3.4	4.8	5.5	6.6	22	7.4	0.1
Campuses	**3.8**	**4.2**	**4.2**	**5.6**	**12**	**6.3**	**1.7**
Retail Parks	6.3	6.7	6.8	6.6	(22)	6.7	3.7
Shopping Centre	8.1	8.7	8.9	8.5	(8)	8.7	2.5
London Urban Logistics	3.5	3.5	3.5	4.9	7	5.2	0.3
Other Retail	5.3	5.5	5.6	7.1	(35)	7.2	5.5
Retail & London Urban Logistics	**6.3**	**6.7**	**6.8**	**6.7**	**(19)**	**6.9**	**3.4**
Total	**4.9**	**5.3**	**5.4**	**6.1**	**(2)**	**6.6**	**2.5**

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests
Residential consists of only recently completed developments and ground rents, thereby excluded from yield analysis

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. Net reversionary yield is the anticipated yield to which the initial yield will rise (or fall) once the rent reaches the estimated rental value, assuming 100% occupancy
6. As calculated by MSCI

TOTAL PROPERTY RETURN (AS CALCULATED BY MSCI)

6 months to 30 September 2024	Offices		Retail		Total	
%	British Land[2]	MSCI	British Land[2]	MSCI	British Land	MSCI
Capital Return	(1.3)	(1.8)	3.3	1.4	0.5	0.4
ERV Growth	1.7	1.6	3.4	1.1	2.5	1.9
Yield Movement[1]	12 bps	20 bps	(19) bps	(17) bps	(2) bps	2 bps
Income Return	1.6	2.0	3.5	3.0	2.3	2.4
Total Property Return	**0.3**	**0.2**	**6.9**	**4.5**	**2.8**	**2.8**

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests
1. Net equivalent yield movement
2. British Land Offices reflects Campuses; British Land Retail reflects Retail & London Urban Logistics

TOP 20 OCCUPIERS BY SECTOR

As at 30 September 2024	% of Retail & London Urban Logistics rent
Retail & London Urban Logistics	
Next	5.2
Walgreens (Boots)	4.4
M&S	4.4
TJX (TK Maxx)	3.2
Currys PLC	3.1
Kingfisher	2.6
JD Sports Plc	2.6
DFS Furniture	2.4
Frasers	2.0
Sainsbury	2.0
Matalan	1.9
Hutchison Whampoa	1.8
Asda Group	1.7
Tesco Plc	1.6
Homebase	1.5
Pets at Home	1.5
River Island	1.4
Smyths Toys	1.3
Primark	1.3
B&M	1.2
Total top 20	**47.1**

As at 30 September 2024	% of Campuses rent
Campuses	
Meta	12.9
dentsu	5.1
Reed Smith	4.7
Herbert Smith Freehills	3.8
SEFE Energy	3.5
Sumitomo Mitsui	2.9
Janus Henderson	2.3
Softbank Group	2.2
TP ICAP Plc	2.1
The Interpublic Group	2.1
Mayer Brown	1.9
Bank of Montreal	1.9
Mimecast Plc	1.6
Milbank LLP	1.6
Accor	1.6
Credit Agricole	1.6
Visa International	1.4
Marex Spectron Group	1.4
Dimensional Fund Advisors	1.2
LGC Investments	1.1
Total top 20	**56.9**

LEASE LENGTH & OCCUPANCY

	Average lease length yrs		Occupancy rate %	
As at 30 September 2024	To expiry	To break	EPRA Occupancy	Occupancy[1,2,3]
West End	5.7	5.0	86.7	96.7
City	8.3	6.8	76.4	98.2
Other Campuses	11.0	7.7	77.9	86.2
Residential[4]	-	-	6.5	N/A
Campuses	**7.3**	**6.1**	**78.2**	**97.1**
Retail Parks	6.1	4.7	97.9	99.1
Shopping Centre	6.2	4.8	94.5	98.2
London Urban Logistics	3.4	2.3	100.0	100.0
Other Retail	8.3	7.3	95.8	96.5
Retail & London Urban Logistics	**6.1**	**4.7**	**97.3**	**98.8**
Total	**6.6**	**5.3**	**87.3**	**98.0**

1. EPRA Occupancy vs Occupancy: Occupancy excludes space under offer or subject to asset management and recently completed developments of Norton Folgate, The Priestley Centre and Aldgate Place
2. Space allocated to Storey is shown as occupied where there is a Storey tenant in place otherwise it is shown as vacant. Total occupancy for Campuses would rise from 97.1% to 97.5% if Storey space was assumed to be fully let
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 & London Urban Logistics would reduce from 98.8% to 97.0%, and total occupancy would reduce from 98.0% to 96.9%
4. Standalone residential

PORTFOLIO WEIGHTING

As at 30 September 2024	2024 %	2024 £m	2023 %
West End	23.3	2,065	26.7
City	29.5	2,612	28.3
Canada Water & other Campuses	6.4	574	5.5
Residential[1]	1.8	159	1.3
Campuses	**61.0**	**5,410**	**61.8**
Of which London	*97*	*5,228*	*97*
Retail Parks	28.5	2,528	23.7
Shopping Centre	4.8	423	8.6
London Urban Logistics	3.5	309	3.1
Other Retail	2.2	197	2.8
Retail & London Urban Logistics	**39.0**	**3,457**	**38.2**
Total	**100**	**8,867**	**100**
Of which London	*67*	*5,922*	*68*

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

1. Standalone residential

VALUATION BASIS: ANNUALISED RENT & ESTIMATED RENTAL VALUE (ERV)

	Annualised rent (valuation basis) £m[1]			ERV £m	Average rent £psf	
As at 30 September 2024	Group	Joint ventures	Total	Total	Contracted[2]	ERV
West End[3]	67	15	82	111	71.6	81.9
City[3]	12	77	89	144	61.6	67.5
Other Campuses	5	-	5	11	31.0	35.9
Residential	-	-	-	9	19.4	60.3
Campuses	**84**	**92**	**176**	**275**	**59.5**	**66.5**
Retail Parks	163	13	176	185	22.9	21.1
Shopping Centre	38	9	47	50	22.1	19.5
London Urban Logistics	8	-	8	12	16.9	25.3
Other Retail	12	-	12	16	13.2	14.0
Retail & London Urban Logistics	**221**	**22**	**243**	**263**	**21.7**	**20.4**
Total	**305**	**114**	**419**	**538**	**30.1**	**31.9**

On a proportionally consolidated basis including the Group's share of joint ventures and excluding committed, near term and assets held for development
Residential consists of only recently completed developments and ground rents, thereby excluded from rent analysis

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

RENT SUBJECT TO OPEN MARKET RENT REVIEW

For year to 31 March As at 30 September 2024	2025 £m	2026 £m	2027 £m	2028 £m	2029 £m	2025-27 £m	2025-29 £m
West End	13	9	-	1	1	22	24
City	6	27	5	1	14	38	53
Other Campuses	-	-	-	-	-	-	-
Campuses	**19**	**36**	**5**	**2**	**15**	**60**	**77**
Retail Parks	11	12	12	6	7	35	48
Shopping Centre	1	-	2	2	1	3	6
London Urban Logistics	-	-	-	-	-	-	-
Other Retail	-	-	1	1	-	1	2
Retail & London Urban Logistics	**12**	**12**	**15**	**9**	**8**	**39**	**56**
Total	**31**	**48**	**20**	**11**	**23**	**99**	**133**

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests, and excluding committed, near term and assets held for development
Residential consists of only recently completed developments and ground rents, thereby excluded from open market rent analysis

RENT SUBJECT TO LEASE BREAK OR EXPIRY

For year to 31 March As at 30 September 2024	2025 £m	2026 £m	2027 £m	2028 £m	2029 £m	2025-27 £m	2025-29 £m
West End	3	15	6	8	11	24	43
City	3	9	4	3	19	16	38
Other Campuses	-	-	1	1	1	1	3
Campuses	**6**	**24**	**11**	**12**	**31**	**41**	**84**
Retail Parks	17	27	26	18	24	70	112
Shopping Centre	4	4	7	9	6	15	30
London Urban Logistics	1	3	-	3	-	4	6
Other Retail	2	2	1	1	-	5	5
Retail & London Urban Logistics	**24**	**36**	**34**	**31**	**30**	**94**	**155**
Total	**30**	**60**	**45**	**43**	**61**	**135**	**239**
% of contracted rent	**7**	**13**	**10**	**9**	**13**	**30**	**52**

On a proportionally consolidated basis including the Group's share of joint ventures and excluding non-controlling interests excluding committed and near term, and assets held for development
Residential consists of only recently completed developments and ground rents, thereby excluded from lease break or expiry analysis

COMPLETED & COMMITTED DEVELOPMENTS

As at 30 September 2024	Sector	BL Share %	100% sq ft '000	PC Calendar Year	Current Value £m	Cost to come £m[1]	ERV £m[2]	Let & under offer £m[4]	Gross Yield on Cost[5] %
Norton Folgate	Office	100	335	Q3 2024	374	21	26.1	13.4	5.5
Aldgate Place, Phase 2	Residential	100	138	Q2 2024	155	8	6.9	0.6	5.0
The Priestley Centre	Science & Technology	100	86	Q2 2024	40	1	3.5	2.1	7.9
Total Recently Completed			**559**		**569**	**30**	**36.5**	**16.1**	**5.4**
The Optic (Peterhouse Exp.)	Science & Technology	100	101	Q1 2025	52	11	4.5	4.5	6.0
1 Broadgate	Office	50	546	Q2 2025	273	80	20.2	17.4	5.8
Mandela Way	London Urban logistics	100	144	Q3 2025	31	42	4.8	-	6.2
1 Triton Square	Office	50	308	Q3 2025	187	59	16.9	-	6.7
2 Finsbury Avenue[4]	Office	50	747	Q2 2027	155	314	38.6	12.4	7.7
Canada Water									
The Dock Shed, A2[3]	Mixed Use	50	245	Q1 2025	44	13	5.6	-	
1-3 Deal Porters Way, A1[3]	Mixed Use	50	264	Q2 2025	85	29	3.6	0.1	Blended 6.9
Total Committed			**2,355**		**827**	**548**	**94.2**	**34.4**	**6.7**

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

1. From 30 September 2024. 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. The London Borough of Southwark has confirmed they will not be investing in Phase 1, but retain the right to participate in the development of subsequent plots up to a maximum of 20% with their returns pro-rated accordingly
4. Pre-let & under offer excludes 121,000 sq ft of office space under option
5. Gross yield on cost is the estimated annual rent of a completed development divided by the total cost of development including the site value at the point of commitment and any actual or estimated capitalisation of interest, expressed as a percentage return

NEAR TERM DEVELOPMENT PIPELINE

As at 30 September 2024	Sector	BL Share%	100% sq ft '000	Earliest Start on Site	Current Value £m	Cost to come £m[1]	ERV £m[2]	Planning Status
Verney Road	London Urban Logistics	100	202	Q3 2025	29	83	7.7	Consented
1 Appold Street	Office	50	401	Q3 2025	51	185	19.1	Consented
Total Near Term			**603**		**80**	**268**	**26.8**	

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

1. From 30 September 2024. 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)

MEDIUM TERM DEVELOPMENT PIPELINE

As at 30 September 2024	Sector	BL Share %	100% Sq ft '000	Planning Status
Broadgate Tower	Office	50	396	Consented
West One Development	Office	25	93	Consented
5 Kingdom Street	Office	100	214	Consented
Euston Tower	Office	100	568	Submitted
Botley Road	Science & Technology	100	235	Submitted
The Box, Paddington	London Urban Logistics	100	152	Consented
Finsbury Square	London Urban Logistics	100	81	Pre-submission
Thurrock	London Urban Logistics	100	644	Consented
Hannah Close, Wembley	London Urban Logistics	100	668	Pre-submission
Canada Water				
Zone L2 & L3	Residential	50	130	Consented
Printworks	Mixed Use	50	311	Consented
Plot F2	Mixed Use	50	461	Consented
Plot H3	Mixed Use	50	378	Outline Consented
Future phases[1]	Mixed Use	50	3,746	Outline Consented
Total Medium Term			**8,077**	

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

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

FORWARD-LOOKING STATEMENTS

This Press Release contains certain (and we may make other verbal or written) 'forward-looking' statements. These forward-looking statements include all matters that are not historical fact. Such statements reflect current views, intentions, expectations, forecasts and beliefs of British Land concerning, among other things, our markets, activities, projections, strategy, plans, initiatives, objectives, performance, financial condition, liquidity, growth and prospects, as well as assumptions about future events and developments. Such 'forward-looking' statements can sometimes, but not always, be identified by their reference to a date or point in the future, the future tense, or the use of 'forward-looking' terminology, including terms such as 'believes', 'considers', 'estimates', 'anticipates', 'expects', 'forecasts', 'intends', 'continues', 'due', 'potential', 'possible', 'plans', 'seeks', 'projects', 'budget', 'goal', 'ambition', 'mission', 'objective', 'guidance', 'trends', 'future', 'outlook', 'schedule', 'target', 'aim', 'may', 'likely to', 'will', 'would', 'could', 'should' or similar expressions or in each case their negative or other variations or comparable terminology. By their nature, forward-looking statements involve inherent known and unknown risks, assumptions and uncertainties because they relate to future events and circumstances and depend on circumstances which may or may not occur and may be beyond our ability to control, predict or estimate. Forward-looking statements should be regarded with caution as actual outcomes or results may differ materially from those expressed in or implied by such statements. Recipients should not place reliance on, and are cautioned about relying on, any forward-looking statements.

Important factors that could cause actual results (including the payment of dividends), performance or achievements of British Land to differ materially from any outcomes and results expressed or implied by such forward-looking statements include, among other things, changes and/or developments as regards: (a) general business and political, social and economic conditions globally, (b) the United Kingdom's withdrawal from, and evolving relationship with, the European Union, (c) industry and market trends (including demand in the property investment market and property price volatility), (d) competition, (e) the behaviour of other market participants, (f) changes in government and other regulation including in relation to the environment, landlord and tenant law, health and safety and taxation (in particular, in respect of British Land's status as a Real Estate Investment Trust), (g) inflation and consumer confidence, (h) labour relations, work stoppages and increased costs for, or shortages of, talent, (i) climate change, natural disasters and adverse weather conditions, (j) terrorism, conflicts or acts of war, (k) British Land's overall business strategy, risk appetite and investment choices in its portfolio management, (l) legal or other proceedings against or affecting British Land, (m) cyber-attacks, cyber-incidents and other disruptions and reliability and security of IT infrastructure, (n) changes in occupier demand and tenant default, (o) changes in financial and equity markets including interest and exchange rate fluctuations, (p) changes in accounting practices and the interpretation of accounting standards, (q) the availability and cost of finances, including prolonged higher interest rates, (r) changes in construction supplies and labour availability or cost inflation (s) global conflicts and their impact on supply chains and the macroeconomic outlook, and (t) public health crises Information contained in this Press Release relating to British Land or its share price or the yield on its shares are not guarantees of, and should not be relied upon as an indicator of, future performance, and nothing in this Press Release should be construed as a profit forecast or profit estimate, or be taken as implying that the earnings of British Land for the current year or future years will necessarily match or exceed the historical or published earnings of British Land. Any forward-looking statements made by or on behalf of British Land speak only as of the date they are made. Such forward-looking statements are expressly qualified in their entirety by the factors referred to above and no representation, assurance, guarantee or warranty is given in relation to them (whether by British Land or any of its associates, directors, officers, employees or advisers), including as to their completeness, accuracy, fairness, reliability, the basis on which they were prepared, or their achievement or reasonableness.

Other than in accordance with our legal and regulatory obligations (including under the Financial Conduct Authority's UK Listing Rules, its Disclosure Guidance and Transparency Rules, the UK Market Abuse Regulation, and other requirements of the Financial Conduct Authority and the London Stock Exchange), British Land does not intend or undertake any obligation to update or revise publicly forward-looking statements to reflect any changes in British Land's expectations with regard thereto or any changes in information, events, conditions or circumstances on which any such statement is based. This Press Release shall not, under any circumstances, create any implication that there has been no change in the business or affairs of British Land since the date of this Press Release or that the information contained herein is correct as at any time subsequent to this date.

Nothing in this Press Release shall constitute, in any jurisdiction, an offer or solicitation to sell or purchase any securities or other financial instruments, nor shall it constitute a recommendation, invitation or inducement, or advice, in respect of any securities or other financial instruments or any other matter.