

TRADING UPDATE

British Land issues a trading update for the six-month period ended 30 September 2025, ahead of its half year (HY26) results announcement scheduled for 19 November 2025.

Simon Carter, Chief Executive of British Land, said:

"Occupational fundamentals continue to favour our prime London office campuses and retail parks. Office attendance is accelerating, retailers are expanding out of town, and supply remains very constrained across both markets. We are taking advantage of these positive trends through proactive asset management and development, having leased 1.4m sq ft at rates 5.3% above ERV across 251 deals, and we have a strong pipeline of 1.3m sq ft in solicitors' hands. Strong like-for-like rental growth of 4%, development leasing and lower admin expenses have offset increased funding costs during the period as we delivered Underlying EPS of 15.4p. As a result, and reflecting our focus on delivering sustainable earnings growth, we now anticipate FY26 Underlying EPS of at least 28.5p, with growth of at least 6% projected for FY27. Alongside this earnings outlook, going forward we expect to deliver a total accounting return of 8-10% p.a., of which 4% was achieved in the first half."

Strength of occupational fundamentals drives rental growth and valuations

Across our portfolio we continue to see strong occupational fundamentals, with six-month ERV growth of 2.4%, at the top end of our guidance of 3-5% on an annualised basis. In retail parks, our portfolio is practically full, with 99% occupancy across our c.1,200 unit portfolio. At our London campus assets, following a summer of elevated activity, EPRA occupancy has increased over 500bps to 88%. We have seen particularly strong activity at Broadgate where we have only one floor available to lease excluding on site developments. Given the strength of demand, we have been proactive in the period in taking back and re-letting space, securing surrender premia and capturing reversion across the portfolio. Overall, surrender premia and other one-off items combined have had a positive contribution on performance in HY26, and are in line with HY25.

On our recently completed developments, we have made good progress at Norton Folgate which is now 81% leased, under offer or in negotiations. Similarly, at our Aldgate build to rent scheme, we have leased 80% of the residential units. We continue to expect both schemes to be fully let by year end. Across the wider portfolio, virtually all of our remaining vacant office space is new or recently refurbished and given robust demand, shortage of supply and ongoing negotiations, we expect to make further progress on lettings in the second half.

Take-up of space from AI businesses is increasing across London and particularly in the Knowledge Quarter. This is reflected in our own leasing activity, where we have leased space to 11 AI-led businesses since April including Collibra, ContractPodAI, Juvenescence, Relation Therapeutics, Sierra and StackAdapt, in addition to the Synthesia letting in February. Activity has been particularly pronounced at Regent's Place, which we are repositioning as a science and technology campus, with 49k sq ft leased to such businesses. This bodes well for our 1 Triton Square innovation scheme, which launches today, where we are in negotiations with several prospective occupiers.

With yields stable, ERV growth drove valuations up 1.2% in HY26, with gains across both sectors. This delivered a total accounting return of 4.0%, in line with our 8-10% target for the full year.

For the six-month period ended 30 September 2025, subject to external review, the Group expects:

Earnings

- Underlying Profit of £155m (HY25: £143m) and Underlying EPS of 15.4p (HY25: 15.3p).

Portfolio valuation

- Values up 1.2%, with Retail & London Urban Logistics +1.6% and Campuses +0.9%.
- ERV growth of 2.4%, with Retail & London Urban Logistics +2.1% and Campuses +2.6%.
- NEY stable at 6.1%.
- EPRA Net Tangible Assets of 579p (FY25: 567p) and TAR of 4.0%.

Capital recycling

- £59m of assets disposed at an average of 5% above book.
- £52m of retail acquired, principally two retail parks at 8.5% Topped Up NIY.

Operational update

- 1.4m sq ft of leasing across the portfolio, 5.3% ahead of ERV, with a further 1.3m sq ft under offer, 7.5% ahead of ERV.
- Like-for-like net rental growth of 4%.

Campuses

- 0.5m sq ft of leasing, 3.0% ahead of ERV, with a further 0.6m sq ft under offer, 6.0% ahead of ERV.
- Occupancy of 92%¹, and 88% occupancy on an EPRA basis.
- Like-for-like net rental growth of 7%.

Retail and London Urban Logistics

- 0.9m sq ft of leasing, 7.3% ahead of ERV, with a further 0.7m sq ft under offer, 9.5% ahead of ERV.
- Occupancy of 98%¹ (retail parks at 99%), and 95% occupancy on an EPRA basis.
- Like-for-like net rental growth of 2%, reflecting near full occupancy and a largely rack rented retail park portfolio, which should become increasingly reversionary as rents continue to grow.

Outlook

- Reiterate guidance for future ERV growth of 3-5% p.a. across our portfolio.
- Expect FY26 Underlying EPS of at least 28.5p, with growth of at least 6% projected for FY27, and are comfortable with current market expectations.

- ENDS -

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¹ Excluding developments completed in the previous 12 months.

Notes to Editors

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 £14.6bn (British Land share: £9.5bn) as at 31 March 2025.

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.

Forward-looking statements

Nothing in this announcement should be construed as either an offer or invitation to sell or any offering of securities or any invitation or inducement to any person to underwrite, subscribe for or otherwise acquire securities in any company within the Group or an invitation or inducement to engage in investment activity.

Certain information contained in this announcement may constitute "forward-looking statements", which can be identified by the use of terms such as "may", "will", "would", "could", "should", "expect", "anticipate", "project", "estimate", "intend", "continue", "target", "plan", "goal", "aim" or "believe" (or the negatives thereof) or other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Company's intentions, beliefs or current expectations and those of our Directors and employees concerning, amongst other things, the Company's results of operations, financial condition, changes in global or regional trade conditions, changes in tax rates, liquidity, prospects, growth and strategies, acts of war or terrorism worldwide, work stoppages, slowdowns or strikes, public health crises, outbreaks of contagious disease or environmental disaster. By their nature, forward-looking statements involve inherent risks, assumptions and uncertainties that could cause actual events or results or actual performance of the Company to differ materially from those reflected or contemplated in such forward-looking statements. No representation or warranty is made as to the achievement or reasonableness of and no reliance should be placed on such forward-looking statements.

The Company does not undertake any obligation to update or revise any forward-looking statement to reflect any new information or change in circumstances or in the Company's expectations.