Appendix 1

The broader macro-economic environment deteriorated over the period. Inflation has remained ahead of expectations putting upward pressure on interest rates, reducing investment demand and reducing property values. However, despite heightened levels of uncertainty, our occupational markets were resilient, with the best spaces showing continued demand and rents for prime spaces rising.

Macro-economic backdrop

- IMF estimates global GDP growth of 3.0% in 2023 and forecasts 2.9% growth for 2024.
- UK still forecast to grow; 0.4% GDP growth in 2024 or 1.2% p.a. over next three years with London expected to outperform at 0.7% in 2024. (Oxford Economics).
- Consumer confidence recovered from early 2023 lows, but has recently deteriotated in October 2023 to -30, from -21 In September 2023 (GfK Consumer Confidence).
- Deloitte CFO survey: despite macro uncertainties, levels of business confidence rose in the quarter to September 2023 and are running ahead of the long-term average.
- UK PMI surveys have worsened, UK Composite PMI 48.5 in September 2023, down from 52.2 in March 2023 (S&P Global).
- Inflationary risks remain; UK CPI 6.3% in September 2023, forecast to decline over next twelve months.

Occupational markets[1]

- Activity levels remain healthy; central London take-up 4.7 million sq ft in last six months, 8.5% less than the previous six months and 23.2% below ten-year average.
- Central London active demand 7.3 million sq ft, up 10.6% since March 2023 (Knight Frank).
- Availability remains elevated at 25.5 million sq ft, marginally ahead of 31 March 2023 and remains 52.6% ahead of the ten-year average.
- Space under offer 3.8 million sq ft, up from 3.1 million sq ft at 31 March 2023 and 8.4% ahead of the ten-year average .
- Central London vacancy rate 8.8% at 30 Septmeber 2023; down from 9.0% at March; vacancy of newly completed space only 1.7%
- Supply remains tight; availability of space newly completed or being early marketed low at 32.1% of total available stock (8.2 million sq ft).
- Rents for prime spaces significantly outperformed Grade B rents at +2.0% v -5.0% respectively for the West End (Savills).

The West End

- Office take-up 1.5 million sq ft, down 28.1% on preceding six months.
- Availability 5.6 million sq ft, down 7.2% since 31 March 2023.
- Vacancy 4.2%, up from 3.4% at 31 March 2023; vacancy of newly completed space only 0.9%.
- Prime office rental values remained stable at £140 per sq ft at 30 September 2023.
- Retail vacancy reduced; Zone A rents returned to growth.

The City

- Office take-up 2.5 million sq ft, up 21.3% on preceding six months.
- Availability 10.7 million sq ft, down 1.9% since 31 March 2023.
- Vacancy 11.5% up from 11.3% at 31 March 2023; vacancy of newly completed space only 2.1%.
- Prime office rental values £74 per sq ft, up 2.8% in period.

Investment markets[1]

- Demand for London real estate continued to slow in the period given interest rates remain persistantly ahead of projections;
- Office investment deals totalled £2.1 billion for the six months to 30 September 2023, £4.5 billion for the 12 months, down 68.5% on the preceding year, demonstrating a significant slowdown.
- We estimate that £5.7 billion of real estate is currently on the market to buy versus £20.2 billion of equity demand looking to invest.
- Given rising global interest rates, prime yields have softened; CBRE reports prime yields of 4.00% and 5.5% for the West End and City respectively.
- Retail yields stable; 4.25% Regent Street, 4.5% Oxford Street and 2.5% Bond Street.

Near-term outlook

Our markets are cyclical, as a result, we actively monitor numerous lead indicators to help identify key trends in our marketplace. Over the last six months, given the increased economic uncertainty, our property capital value indicators have deteriorated from those we reported in May. Investment market activity has remained subdued, with current levels of interest rates and uncertainty putting some upward pressure on yields. However, we anticipate that once there is confidence that rates have peaked, and inflation is under control, investment activity will return given the weight of money waiting on the sidelines to invest.

In the occupational market, given the scarcity of high quality spaces in central London, we expect our leasing and rental performance of the portfolio in the first half of the year to continue. Accordingly, we have updated our rental value growth range for the financial year to 31 March 2024 to between 2.5% and 5.0%.

1. To 30 September 2023 and sourced from CBRE unless otherwise stated.

Appendix 1 continued

Selected lead indicators

Drivers of rents[1]	May 2023	**November 2023**
GDP/GVA growth	●	●
Business investment	●	●
Confidence	●	●
Employment growth	●	●
Active demand/take-up	●	●
Vacancy rates	●	●
Development completions	●	●
Drivers of yields		
Rental growth	●	●
Weight of money	●	●
Gilts	●	●
BBB Bonds	●	●
Exchange rates	●	●
Political risk	●	●

1. Offices.

Appendix 2

Portfolio performance

		Wholly-owned £m	Joint ventures[1] £m	Total £m	Proportion of portfolio %	Valuation movement %
North of Oxford Street	Office	690.3	–	690.3	30.0	(7.7)
	Retail	155.7	36.8	192.5	8.4	(9.1)
	Residential	4.0	–	4.0	0.2	(13.2)
Rest of West End	Office	221.3	235.2	456.5	19.8	(0.3)
	Retail	125.2	112.7	237.9	10.3	(10.5)
	Residential	4.4	–	4.4	0.2	(12.7)
Total West End		**1,200.9**	**384.7**	**1,585.6**	**68.9**	**(6.3)**
City, Midtown and Southwark	Office	381.9	98.9	480.8	20.9	(15.8)
	Retail	7.8	–	7.8	0.3	(5.8)
	Residential	2.5	–	2.5	0.1	(18.1)
Total City, Midtown and Southwark		392.2	98.9	491.1	21.3	(15.6)
Investment property portfolio		**1,593.1**	**483.6**	**2,076.7**	**90.2**	**(8.7)**
Development property		104.7	–	104.7	4.5	(33.0)
Total properties held throughout the year		**1,697.8**	**483.6**	**2,181.4**	**94.7**	**(10.3)**
Acquisitions		121.3	–	121.3	5.3	(5.9)
Portfolio valuation		**1,819.1**	**483.6**	**2,302.7**	**100.0**	**(10.1)**

1. GPE share.

Portfolio characteristics

		Investment properties £m	Development properties £m	Total property portfolio £m	Office £m	Retail £m	Residential £m	Total £m	Net internal area sq ft 000's
North of Oxford Street		886.9	–	886.9	690.3	192.5	4.0	886.8	760
Rest of West End		806.0	38.0	844.0	594.6	245.1	4.4	844.1	658
Total West End		**1,692.9**	**38.0**	**1,730.9**	**1,284.9**	**437.6**	**8.4**	**1,730.9**	**1,418**
City, Midtown and Southwark		505.1	66.7	571.8	561.4	7.9	2.5	571.8	1,258
Total		**2,198.0**	**104.7**	**2,302.7**	**1,846.3**	**445.5**	**10.9**	**2,302.7**	**2,676**
By use:	Office	1,744.4	101.9	1,846.3					
	Retail	442.7	2.8	445.5					
	Residential	10.9	–	10.9					
Total		**2,198.0**	**104.7**	**2,302.7**					
Net internal area sq ft 000's		2,286	390	2,676					

Appendix 3

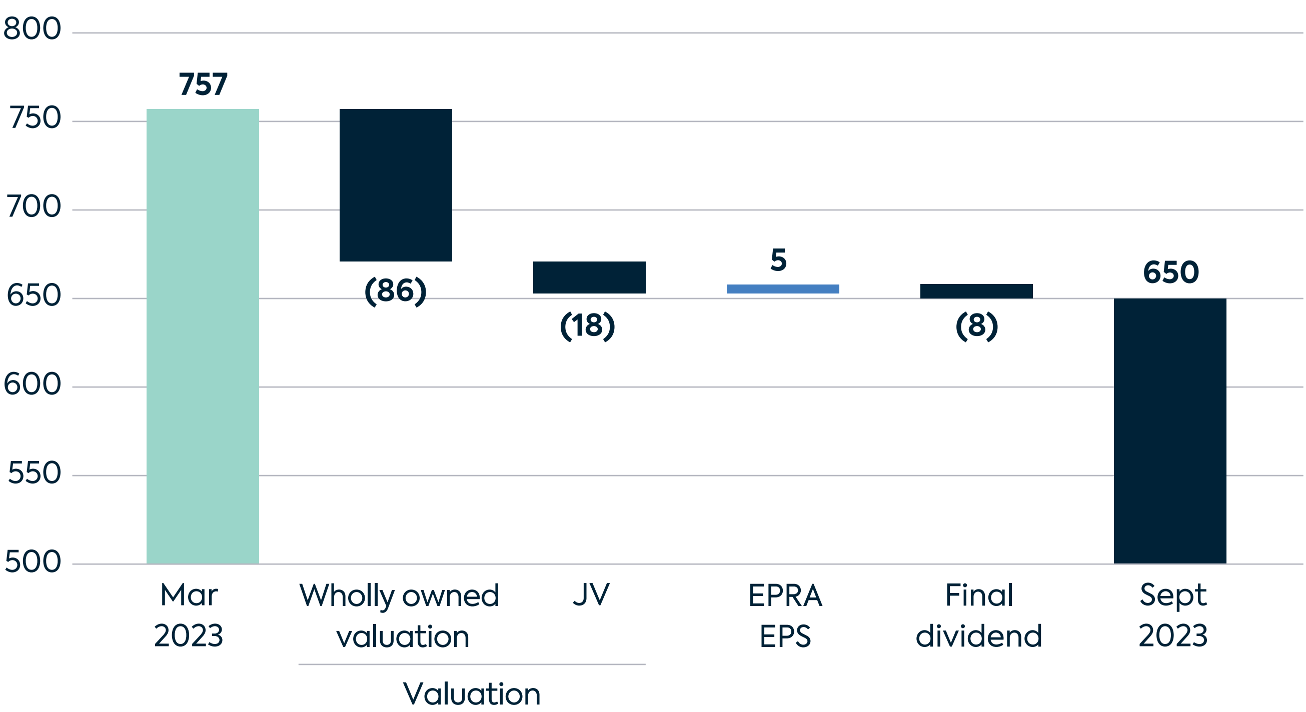
Acquisitions for the period ended 30 September 2023

	Price £m	NIY %	Area sq ft	Cost per sq ft
Commercial				
141 Wardour Street, W1	39.0	n/a	33,717	1,156
Bramah House, 65/71 Bermondsey Street, SE1	14.0	5.9	15,696	892
16/19 Soho Square, 29/43 Oxford Street and 7 Falconberg Mews, W1	70.0	n/a	57,150	772[1]
Total	**123.0**	**n/a**	**106,563**	**911**

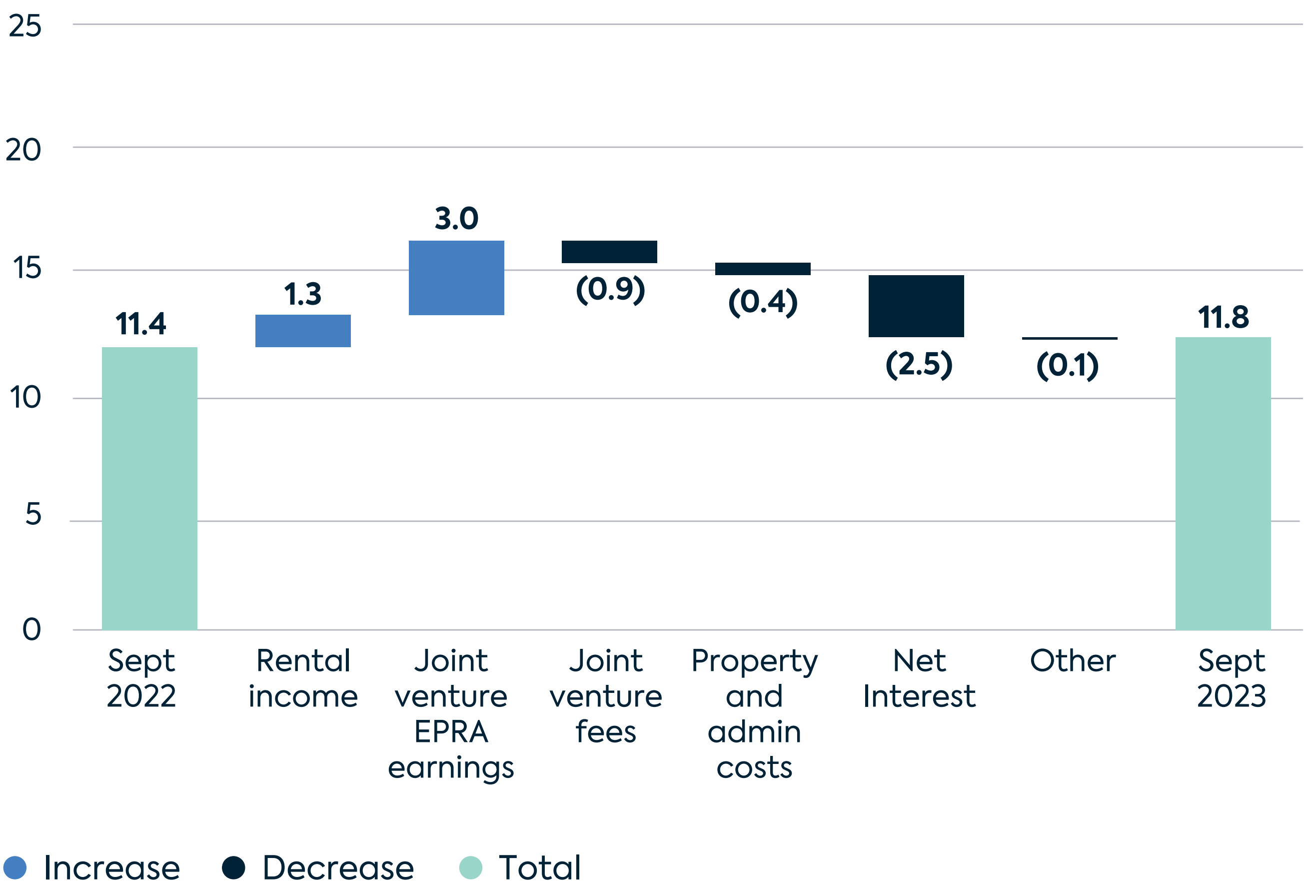
1. On consented NIA.

Appendix 4

EPRA NTA pence per share



EPRA earnings £m



Appendix 4 continued

Debt analysis

	Today	September 2023	March 2023
Net debt excluding JVs (£m)		**663.3**	457.7
Gearing (net debt/net equity)		**40.5%**	24.0%
Total net debt including 50% JV cash balances (£m)		**638.0**	440.0
EPRA LTV		**28.9%**	19.8%
Interest cover	n/a	**6.2x**	10.2x
Weighted average interest rate	4.2%	**3.8%**	2.7%
Weighted average cost of debt	n/a	**3.7%**	3.0%
% of drawn debt fixed/hedged	93%	**67%**	97%
Cash and undrawn facilities (£m)	508	**258**	457

Appendix 5

Rental income

			Wholly-owned			Share of joint ventures			
			Rent roll £m	Reversionary potential £m	Rental values £m	Rent roll £m	Reversionary potential £m	Rental values £m	Total rental values £m
London	North of Oxford Street	Office	35.4	2.9	38.3	–	–	–	38.3
		Retail	8.0	0.7	8.7	2.8	0.1	2.9	11.6
	Rest of West End	Office	15.7	2.5	18.2	9.7	1.6	11.3	29.5
		Retail	7.5	3.1	10.6	5.3	–	5.3	15.9
	Total West End		**66.6**	**9.2**	**75.8**	**17.8**	**1.7**	**19.5**	**95.3**
	City, Midtown and Southwark	Office	16.7	3.9	20.6	7.2	1.0	8.2	28.8
		Retail	2.6	(0.9)	1.7	–	–	–	1.7
	Total City, Midtown and Southwark		**19.3**	**3.0**	**22.3**	**7.2**	**1.0**	**8.2**	**30.5**
Total let portfolio			**85.9**	**12.2**	**98.1**	**25.0**	**2.7**	**27.7**	**125.8**
Voids (A)					4.9			1.6	6.5
Premises under refurbishment and development					56.3			–	56.3
Total portfolio (B)					**159.3**			**29.3**	**188.6**
Vacancy rate % (A/B)					**3.1**			**5.5**	**3.5**

EPRA vacancy

	Wholly-owned £m	Joint ventures £m	Total £m
Voids and premises under refurbishment excluding development (A)	32.2	1.6	33.8
Total Portfolio	**159.3**	**29.3**	**188.6**
Less: premises under development	(29.0)	–	(29.0)
Total (B)	130.3	29.3	159.6
EPRA Vacancy rate % (A/B)	**24.7**	**5.5**	**21.2**

Rent roll security, lease lengths and voids

			Wholly-owned			Joint ventures		
			Rent roll secure for five years %	Weighted average lease length Years	Void %	Rent roll secure for five years %	Weighted average lease length Years	Void %
London	North of Oxford Street	Office	28.0	4.1	0.6	–	–	–
		Retail	67.6	5.9	3.2	13.9	2.3	24.3
	Rest of West End	Office	9.3	1.4	7.6	89.1	11.8	–
		Retail	28.4	3.7	1.4	30.7	5.8	–
	Total West End		**28.5**	**3.7**	**2.9**	**59.9**	**8.5**	**4.5**
	City, Midtown and Southwark	Office	26.7	1.9	3.4	1.9	1.2	8.0
		Retail	12.0	2.7	–	–	–	–
	Total City, Midtown and Southwark		**24.7**	**2.1**	**3.3**	**1.9**	**1.2**	**8.0**
Total portfolio			**27.6**	**3.3**	**3.1**	**43.3**	**6.4**	**5.5**

Rental values and yields

			Wholly-owned		Joint ventures		Wholly-owned		Joint ventures	
			Average rent £psf	Average ERV £psf	Average rent £psf	Average ERV £psf	Initial yield %	True equivalent yield %	Initial yield %	True equivalent yield %
London	North of Oxford Street	Office	78	97	–	–	3.9	5.0	–	–
		Retail	66	66	82	83	2.2	5.1	4.3	5.8
	Rest of West End	Office	84	99	116	135	3.1	5.5	2.3	4.5
		Retail	72	101	108	109	3.8	4.8	3.4	4.8
	Total West End		**77**	**90**	**107**	**110**	**3.5**	**5.2**	**2.8**	**4.7**
	City, Midtown and Southwark	Office	57	77	46	53	4.0	5.5	7.0	6.4
		Retail	37	24	–	–	4.3	5.8	–	–
	Total City, Midtown and Southwark		**53**	**70**	**46**	**53**	**4.0**	**5.5**	**7.0**	**6.4**
Total portfolio			**70**	**81**	**77**	**83**	**3.6**[1]	**5.2**	**3.7**[1]	**5.0**

1. Group topped-up initial yield 4.2%.