

# Capital Markets Event

27 September 2023

@LandsecGroup

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# Agenda

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**Welcome**

Mark Allan

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**Central London & Victoria update**

Marcus Geddes

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**Walk to Lucent**

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**Lucent**

Jessica White

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**Piccadilly Lights**

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Anna Hill

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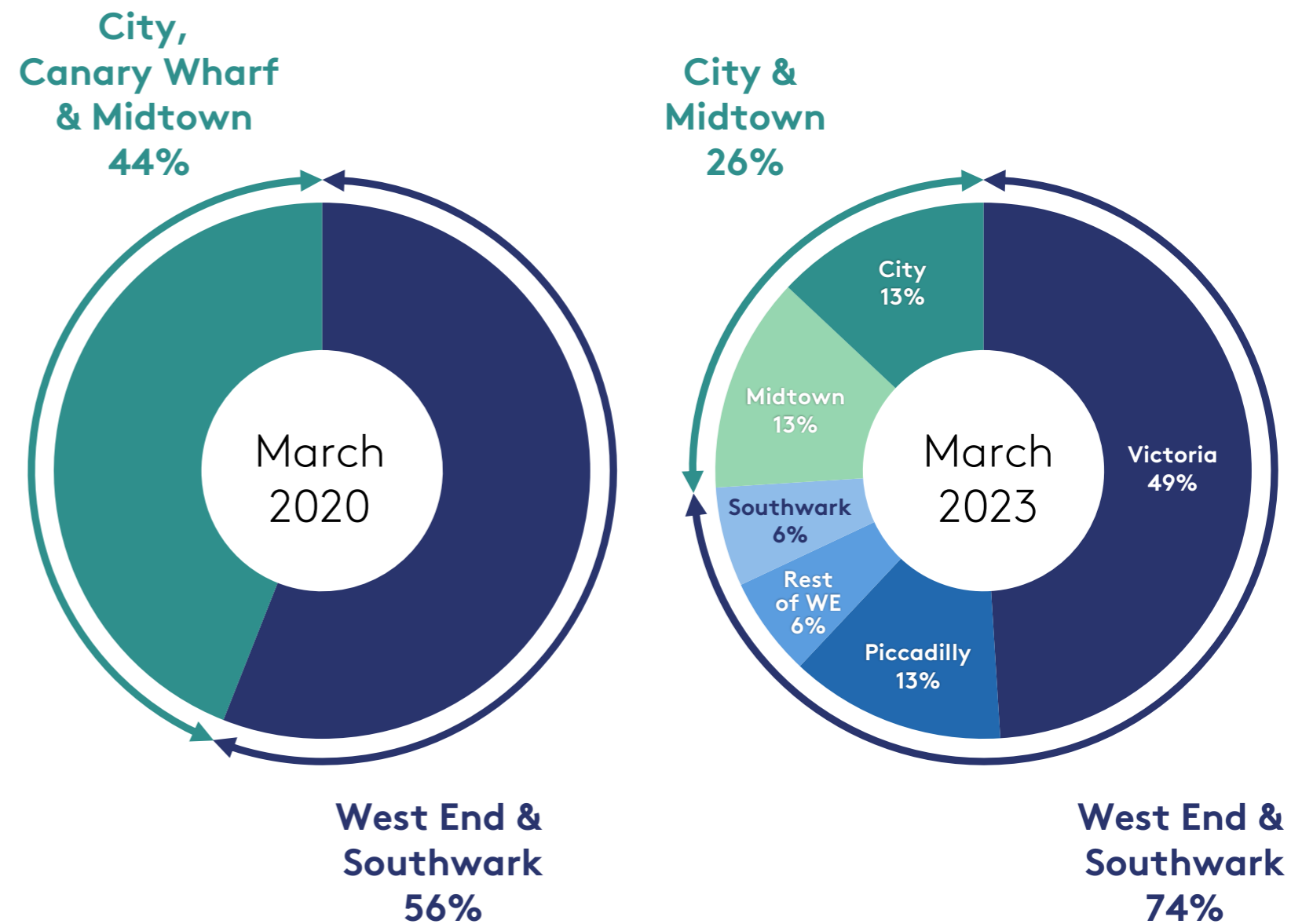


# Central London update

## Three years of significant capital recycling

- › Sold £2.2bn of offices since late 2020
  - 36% of initial London office portfolio
  - 87% City plus our only asset in Canary Wharf
- › Crystallising attractive returns
  - Average IRR of 10% over hold period
  - 100% let for average 17 years, 83% to single customers
  - Forward return in mid-single digits before yield softening
- › Improved return prospects
  - 74% of current portfolio in West End / Southwark
  - West End ERV growth to outperform City

**Central London portfolio** — changes over last three years



# Central London update

## High quality portfolio underpins strong customer demand

- › Continued growth in operational performance
  - £17m of rent signed or ISH, 3% above March ERV<sup>1</sup>
  - Occupancy up 100bps from 95.9% to 96.9%<sup>1</sup>
- › Existing Victoria offices 100% let (March: 99%)
- › One New Change offices 100% let (March: 92%)
- › Existing Myo locations 95% let (March: 92%)
  - Opening four new sites over the next six months
  - Acquired building in Kings Cross to accelerate roll-out









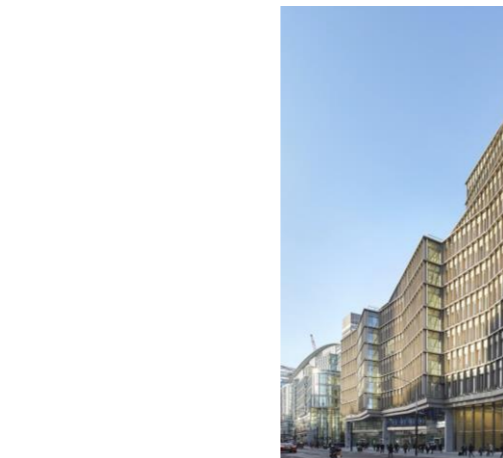
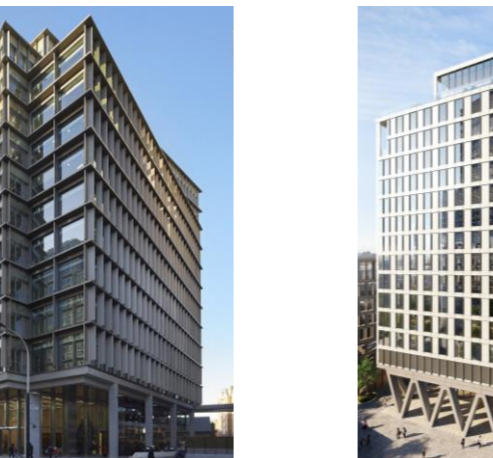


David Coulthard at F1 Arcade, One New Change  
EC4

1) Five months to 31 August 2023

# Creating a new destination in London

## Transforming Victoria from government district to thriving business hub

What it was	Transformation by Landsec					Today
					<p><b>2.5m sq ft</b> Office-led space</p>	
<p>Victoria Street <b>1960s</b></p>	<p>Cardinal Place <b>2006</b></p>	<p>62 Buckingham Gate <b>2013</b></p>	<p>Nova <b>2017</b></p>	<p>Thirty High <b>2025</b></p>	<p><b>£2.4bn</b> TDC invested so far</p>	
	<p><b>2012</b> 123 Victoria Street</p>	<p><b>2015</b> Zig Zag</p>	<p><b>2023</b> n2</p>		<p><b>£1.1bn</b> Value created at completion</p>	
					<p><b>6%</b> ERV outperformance vs MSCI Central London in last five years</p>	
					<p><b>100%</b> Office occupancy</p>	

# Creating a new destination in London

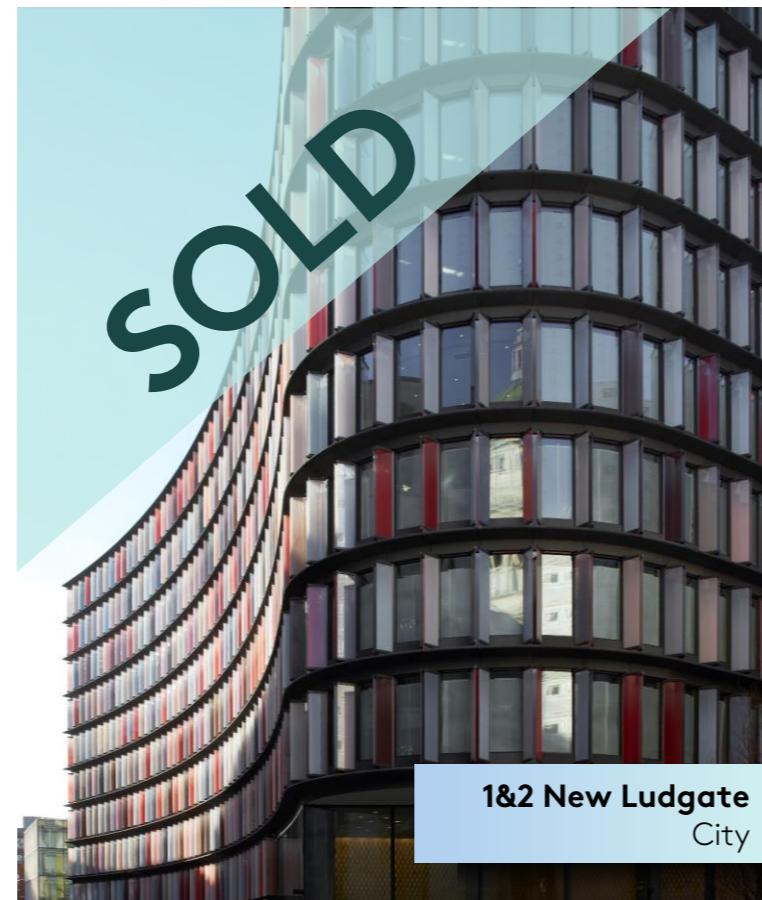
## Repositioned our Victoria offer to create seven day / week appeal

- › LFL F&B / leisure sales ahead of pre-Covid levels
- › Nova weekend trade up 17% vs pre-Covid, with Thursday and Saturday equal-best trading days
- › Expect to submit planning for £6m public realm investment at Cardinal Place next month
- › Repositioning offer on Victoria Street
  - Combining two fashion stores to introduce new Lane7 competitive socialising venue
  - Signed BAM Karaoke Box for first venue in the UK
  - Diversifying lunchtime grab-and-go offer



# Building on our competitive advantages

## Unrivalled track-record of unlocking complex development opportunities



The leading Central London office developer<sup>1</sup>

4.0m sq ft

Developed over  
past decade

c.40%

More than next  
largest developer

Track-record of significant value creation

£4.5bn+

Invested in London  
development since 2005

£2.4bn+

of value generated  
at completion

Decisive in realising value

£2.9bn

Developments sold  
over the last decade

£1.2bn

Profit on cost  
crystallised

1) Source: Knight Frank

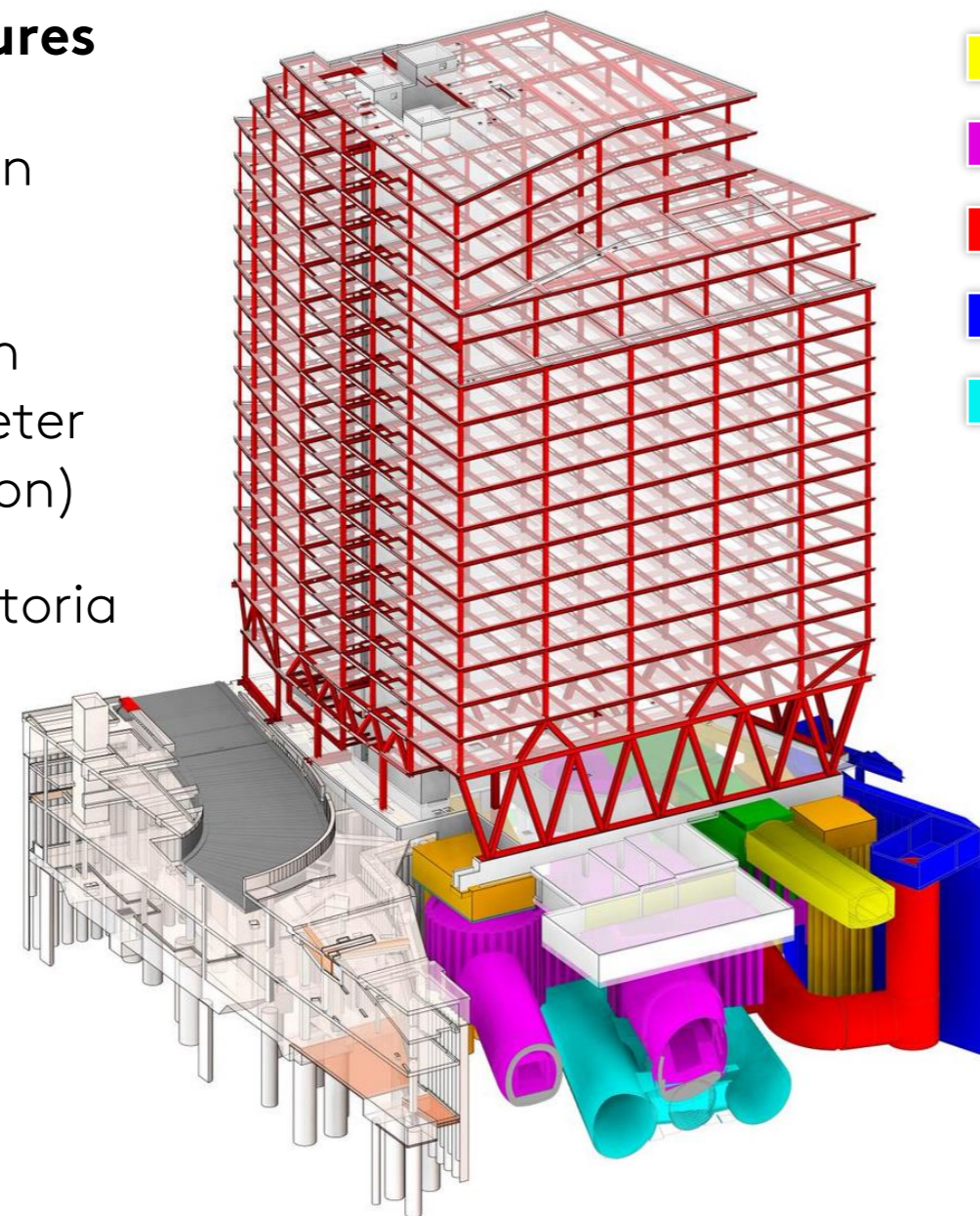
# Unlocking complex opportunities – Nova, Victoria

## Five-acre site above network of subterranean infrastructure

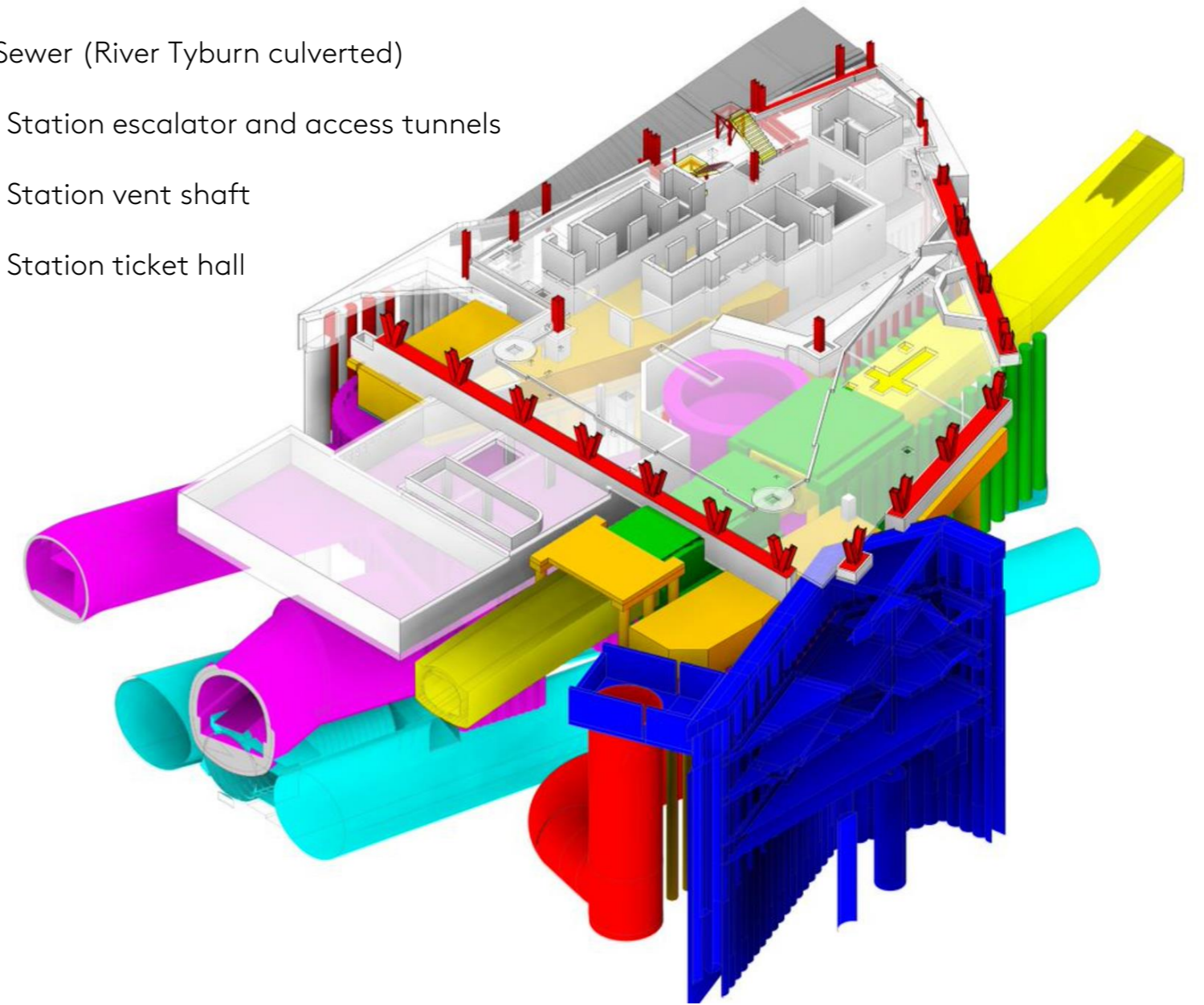
n2 building

### Key engineering features

- › Entire structure sits on just 18 piles
- › One super pile of 79m deep and 1.8m diameter (deepest pile in London)
- › One pile between Victoria line tunnels within 1.5m proximity



- King's Scholars Pond Sewer (River Tyburn culverted)
- Victoria Underground Station escalator and access tunnels
- Victoria Underground Station vent shaft
- Victoria Underground Station ticket hall
- Victoria Line tunnels



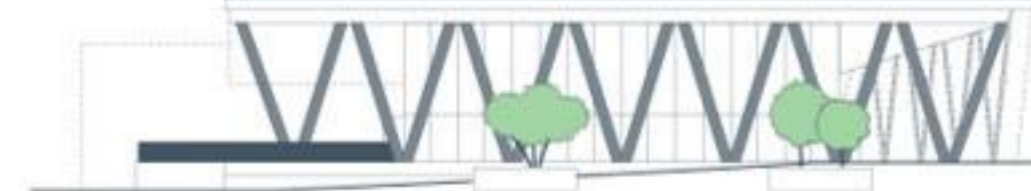


# Growing our high-quality portfolio - n2

## Setting new record rents for Victoria

- › 160,000 sq ft of offices across 18 storeys
- › Clubroom offering communal space and terraces
- › Targeting BREEAM Outstanding / WELL Core Gold
- › Completed June 2023
- › 100% let or ISH, with rents 13% ahead of initial ERV
- › Supporting high-growth existing customers – QRT increasing space by six times
- › £208m TDC, with c. 20% profit on cost

Floor	sq ft	Customer
17	6,065	HPS Investments
16	7,747	HPS Investments
15	7,585	QRT
14	10,931	QRT
13	10,899	QRT
12	11,777	QRT
11	11,777	QRT
10	11,777	HPS Investments
09	11,777	Digital Bridge
08	11,777	Digital Bridge
07	11,777	QRT
06	11,777	QRT
05	11,777	Under offer
04	11,777	Under offer
03	11,777	Under offer
02	n/a	Plant



# Thirty High - The next addition to our Victoria estate

Creating a mix of office products, with a stunning rooftop restaurant

- › 300,000 sq ft development, including 265,000 sq ft of offices across 26 storeys
- › Rooftop restaurant, terrace and amenity space
- › Auditorium available to all Victoria customers
- › Mix of Blank Canvas, Customised & Myo space
- › Targeting BREEAM Outstanding / WELL Core Gold / NABERS UK 5\*
- › Expected completion Summer 2025
- › c. £400m TDC, with expected c. 7.5% gross yield on cost and 12%+ yield on capex



Thirty High  
SW1

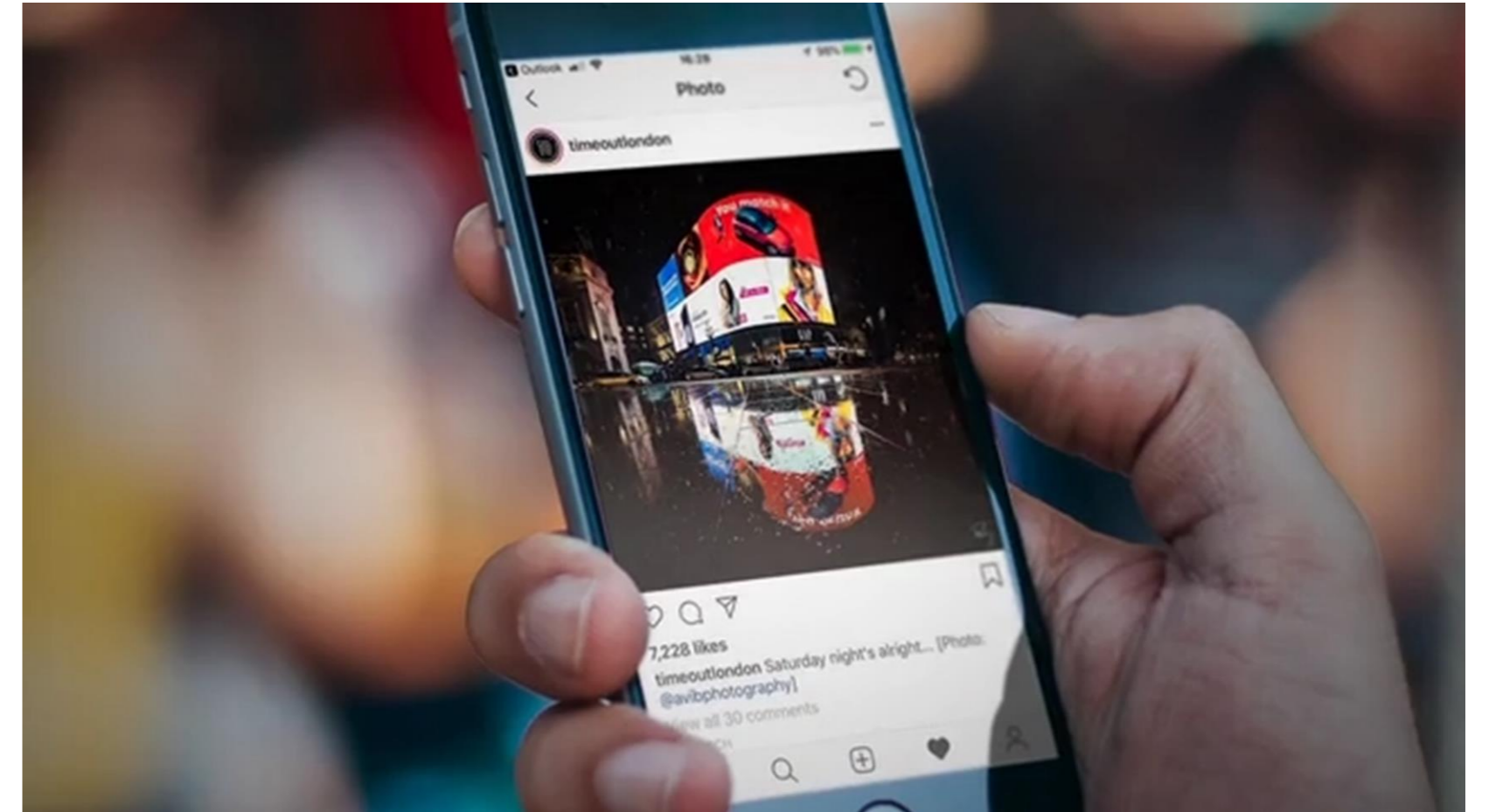
# Welcome to **Piccadilly Circus**



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# Piccadilly Lights

An enduring icon of London



# Unlocking complex opportunities – Piccadilly estate

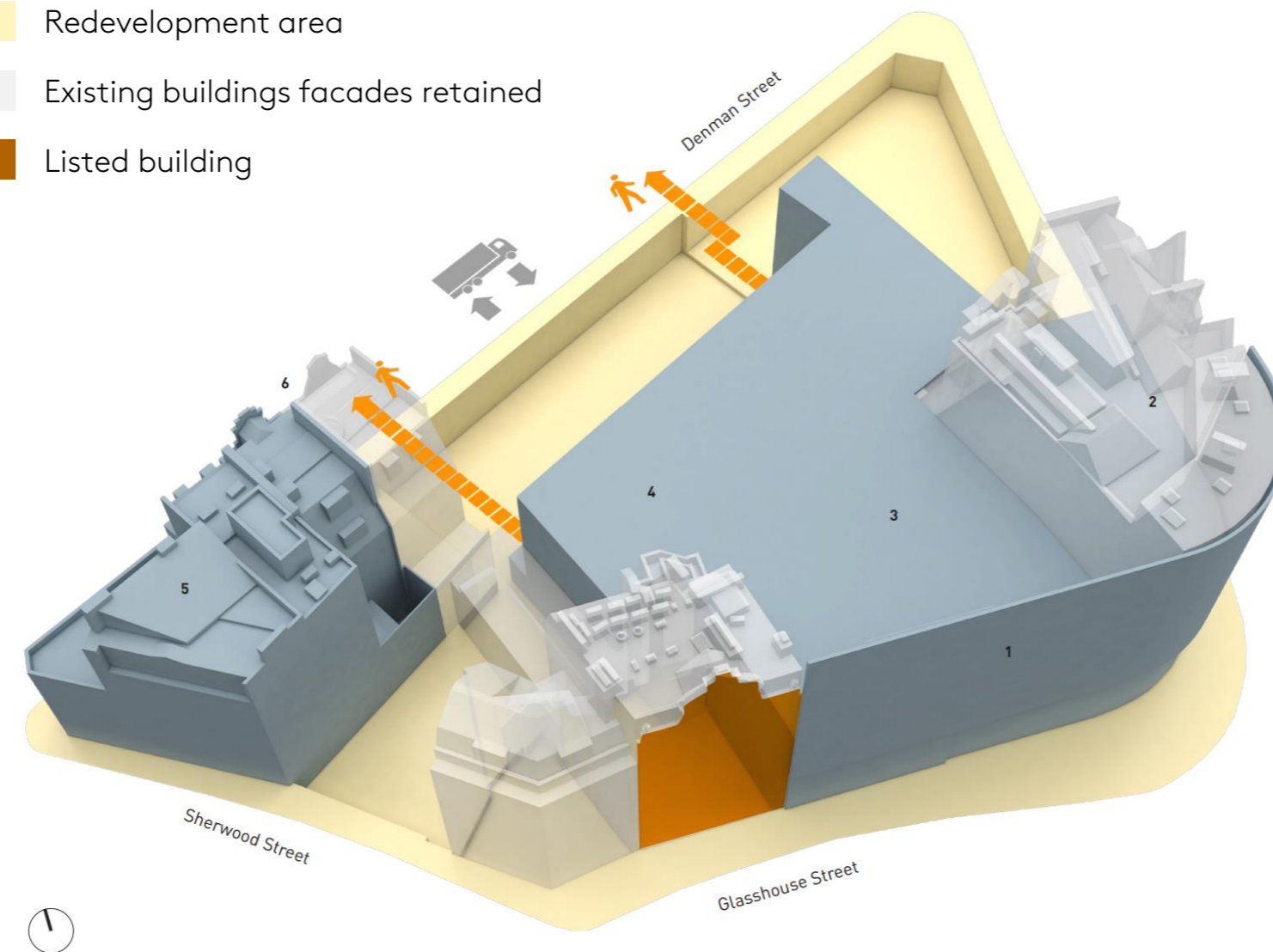
One of London's busiest destinations, on top of Piccadilly Station

## Lucent building

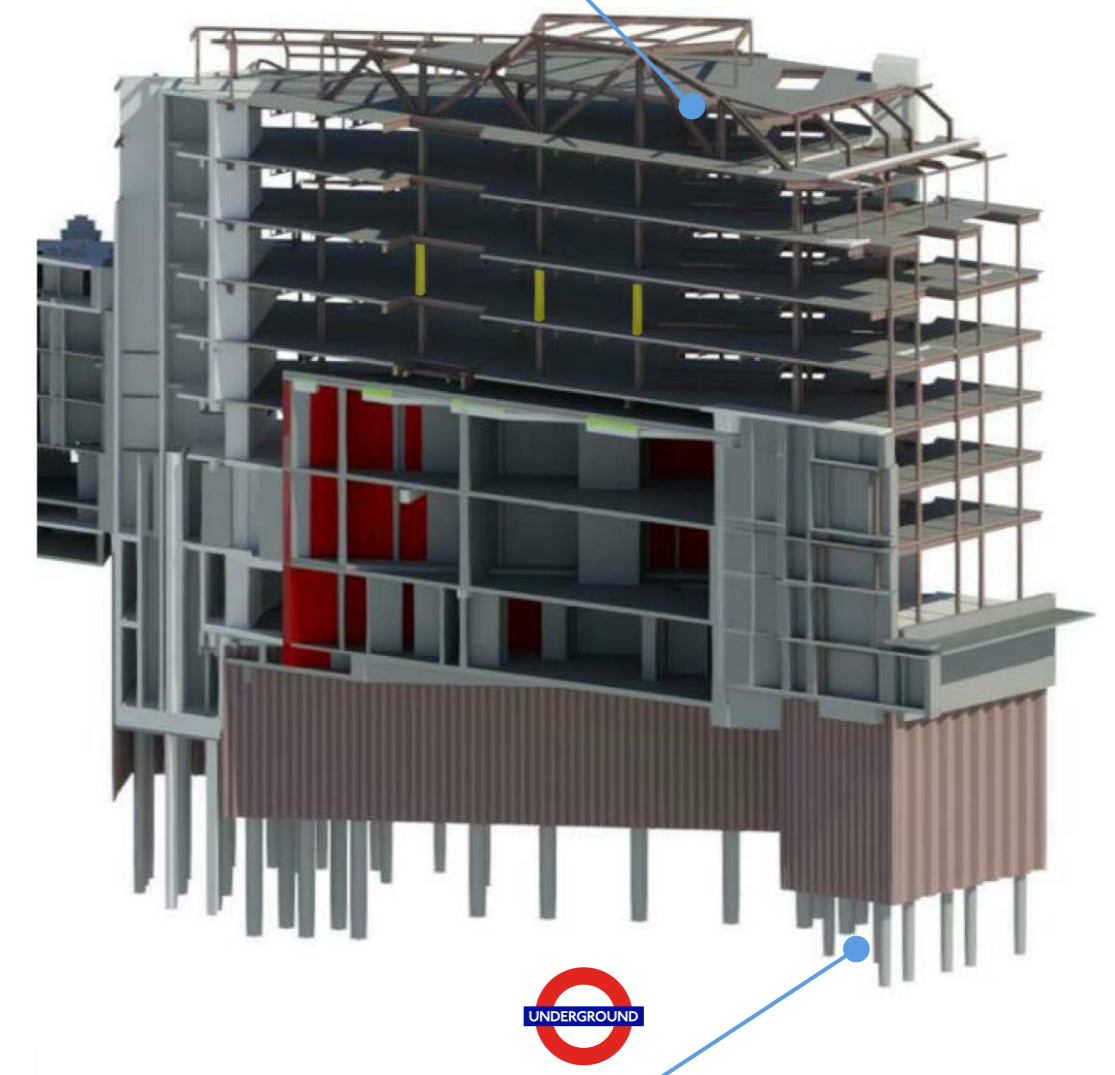
### Key engineering features

- › Developed over Piccadilly Underground station and operational retail units
- › Entire building effectively hangs off steel truss due to ground constraints
- › De-coupled Piccadilly Lights from building to enable development whilst keeping Lights operational

- Retained existing use
- Redevelopment area
- Existing buildings facades retained
- Listed building



Roof truss spans over retained retail



# Growing our high-quality portfolio - Lucent

Mix of conventional office, Myo and F&B space at an iconic location

- › 94,000 sq ft of offices plus 22,000 sq ft of Myo, 20,000 sq ft retail / F&B and 3,500 sq ft residential
- › 20 roof terraces, communal lounge, meeting rooms and event space for office customers
- › Roof top restaurant with outdoors terrace
- › Targeting BREEAM Outstanding / WELL Core Gold
- › 77% let or ISH, with rents 12% ahead of initial ERV
- › £266m TDC, with c. 10% profit on cost, despite Covid delays and significant outward yield shift



Lucent  
W1

# Piccadilly Lights – A unique asset in a world-famous location

Significant revenue growth with further opportunities to drive value

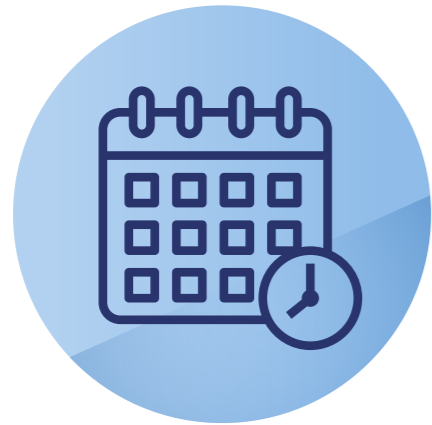
- › Revenue of £27m, up 150% in last five years
- › 72m people see it each year
- › 45 new brands in 2022-23
- › Award winning
- › 17.3bn impacts – audience impressions
- › Media value of £160m delivered
- › Over 13k media mentions



# The magic behind the screen

## How it works

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1 screen 6 advertisers rotating per week  
24hrs a day, 783 sq m



59 hours of Landsec time  
25 community projects delivered



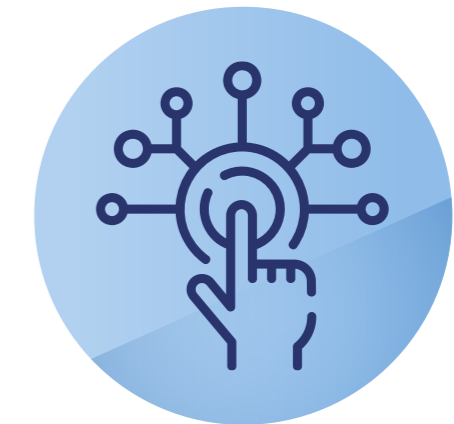
Sold through Ocean Outdoor



3D technology, 4k screen,  
Ads rotate every 90 seconds,  
WiFi enabled



Rate card for 1 week £150k  
LVMH & Kering Group key supporters  
Strategic partners such as Coke and Samsung  
commit significant spend each year



Part of our stable of 170 digital screens  
in various formats across our assets



# Commercial impact

## Piccadilly Lights



# PICCADILLY LIGHTS BRITAIN'S BILLBOARD



1945



2020

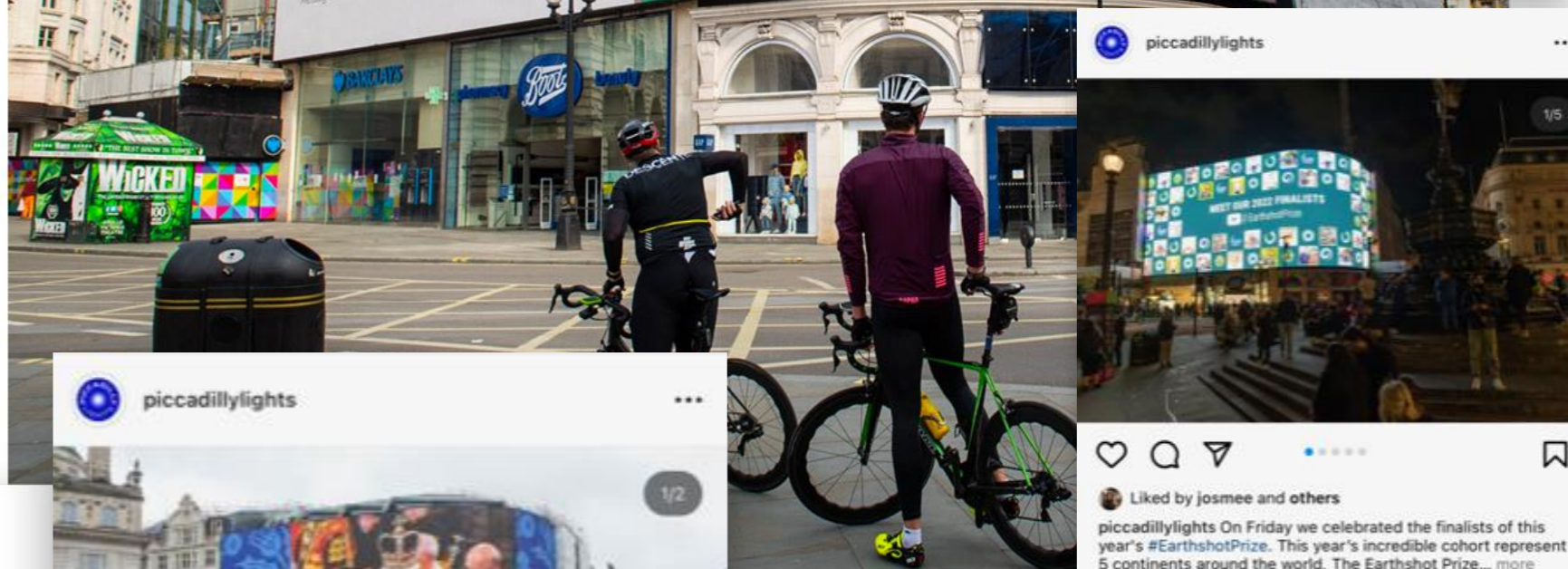
Lighting up London for over 100 years, **Piccadilly Circus** is not just a beacon for the UK, but for the whole world.



Turning London blue every Thursday



The Queen's Message to the Nation displayed on the Piccadilly Lights



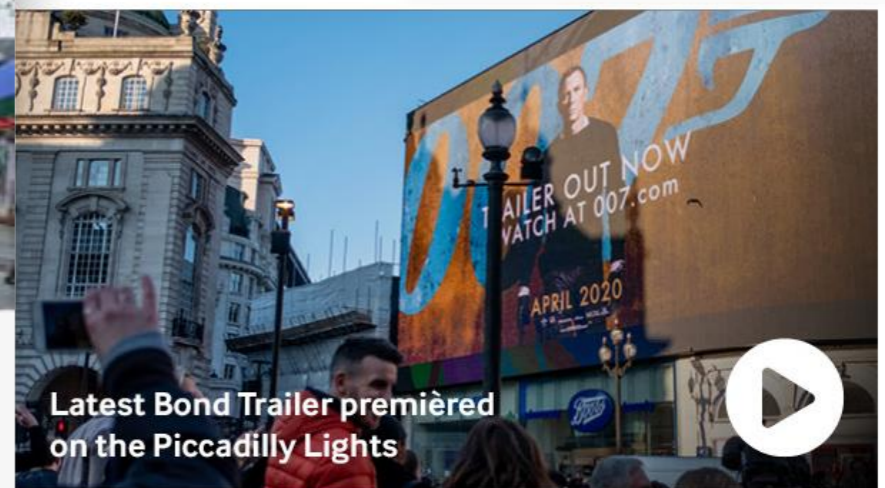
**Captain Tom Moore** @captaintommoore  
Wow - Piccadilly Circus today!  
Thanks @OceanOutdoorUK @LandsecGroup  
#walkwithtom #TomorrowWillBeAGoodDay



10:03 AM · Apr 18, 2020 · Twitter for iPhone  
3.9K Retweets 30.5K Likes



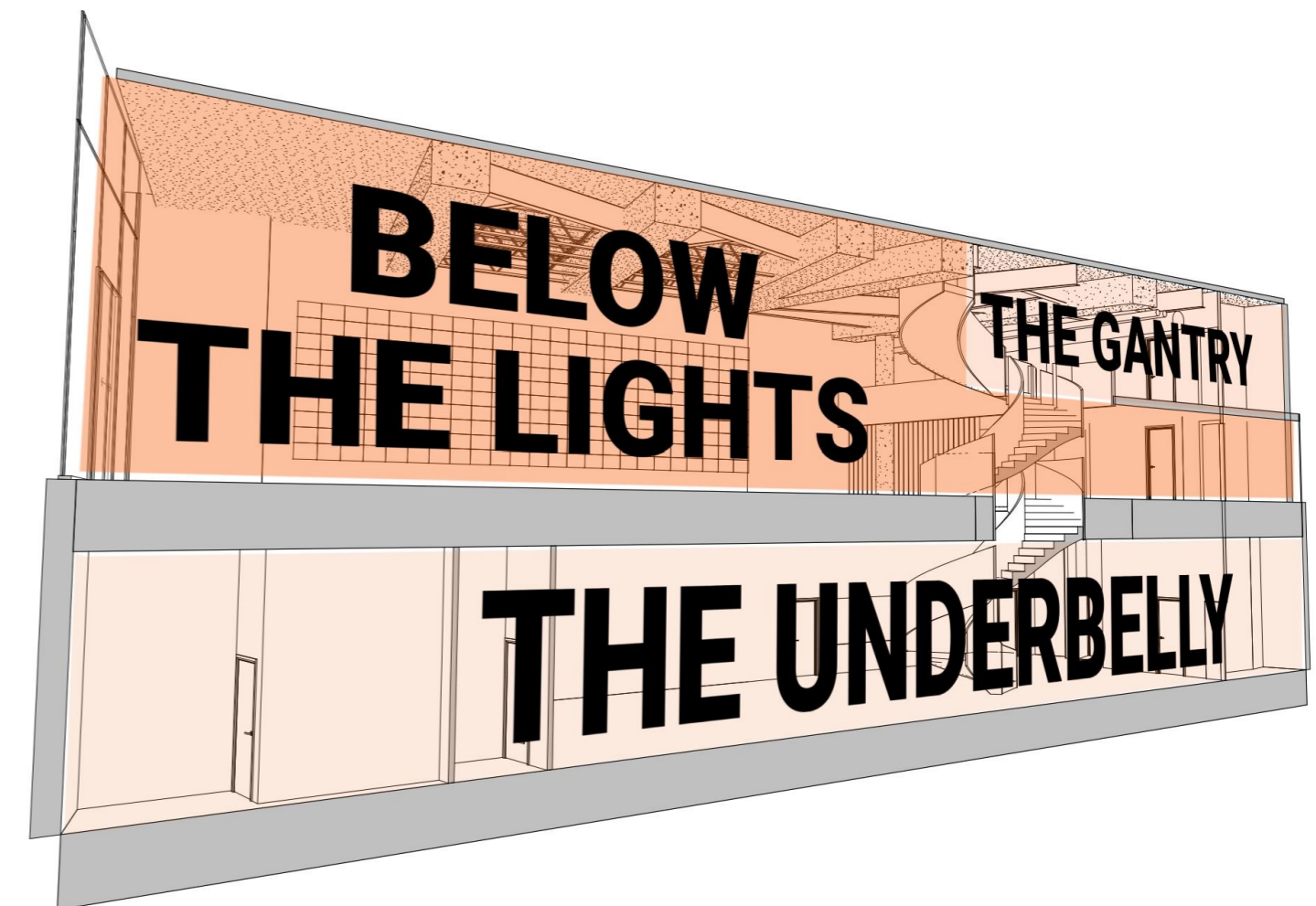
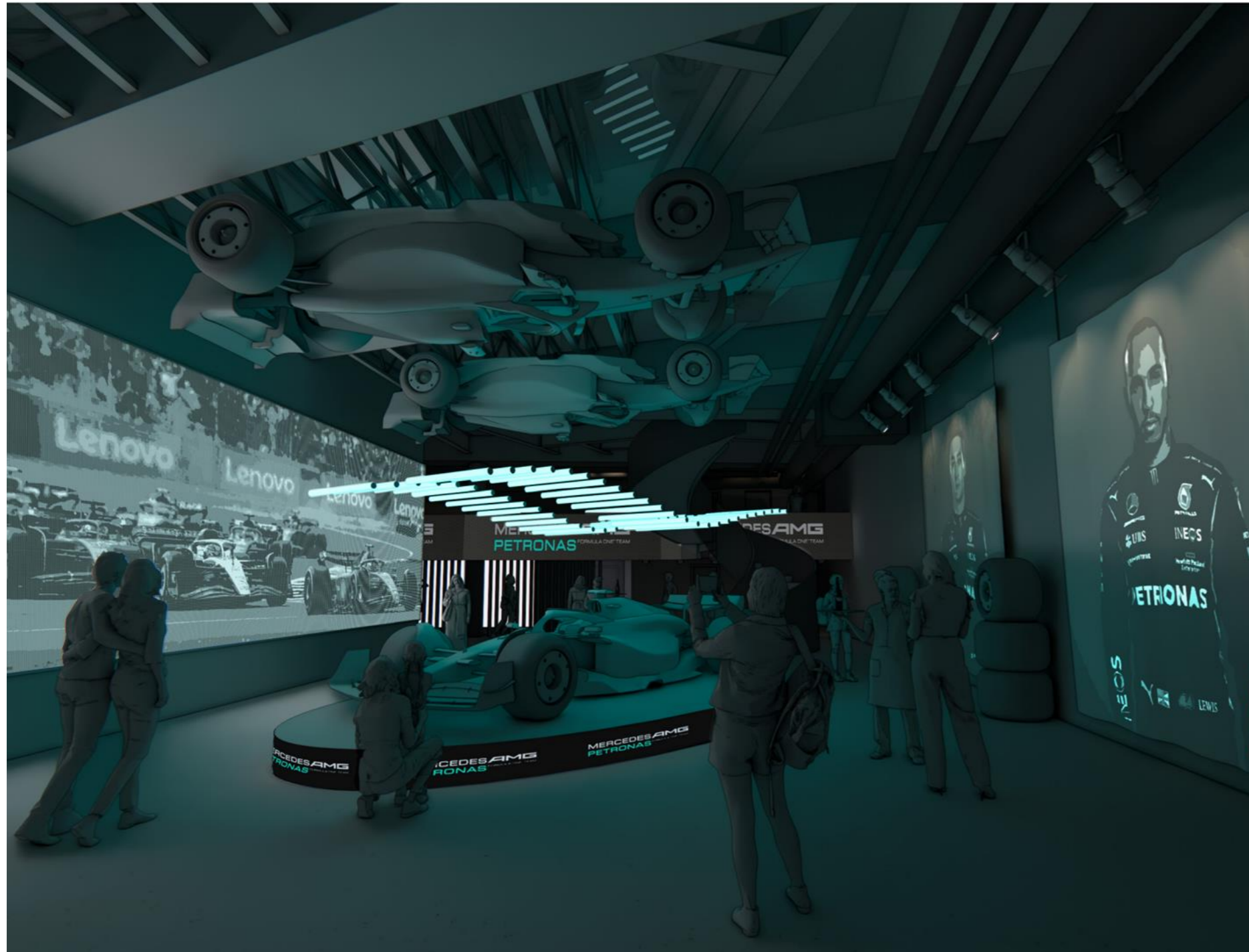
Liked by holbid and 139 others  
piccadillylights Incredible scenes in London today. It was raining but it didn't dampen our spirits. #kingscoronation #kingcharles #piccadillylights @oceanoutdoor @landsecgroup  
View all 4 comments  
6 May



Latest Bond Trailer premiered on the Piccadilly Lights

# 'Below the Lights'

Extending the experience for brands



# Introducing new digital screens

## St David's, Cardiff



# Our Spotlight platform

150 million consumers every year



# Important notice

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