OUR ANNUAL RESULTS

for 31 March 2024

Landsec

@LandsecGroup
Landsec.com

Annual results 2024

Mark Allan

CHIEF EXECUTIVE OFFICER

Landsec

Our strategic focus

Grow our investment in best-in-class, high-growth urban places

Shaping & curating our places to drive growth

Nova, Victoria

Delivering attractive income-led total returns

Bluewater

Capitalising on future growth potential

Finchley Road, London

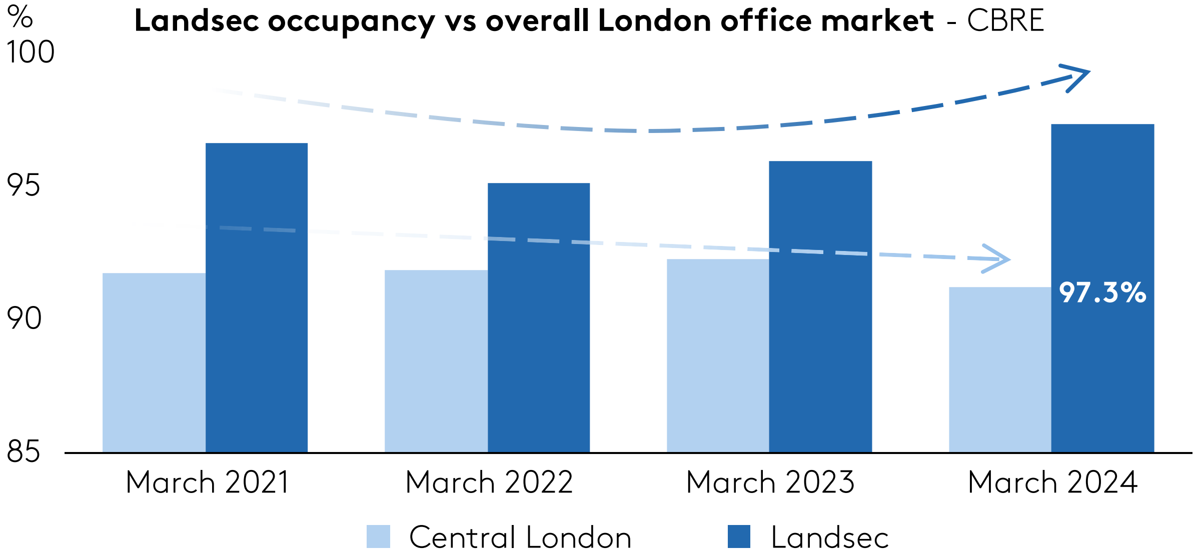
C. 80% OF OUR PORTFOLIO IS CONCENTRATED IN OUR 12 LARGEST PLACES

Quality is key to driving income growth

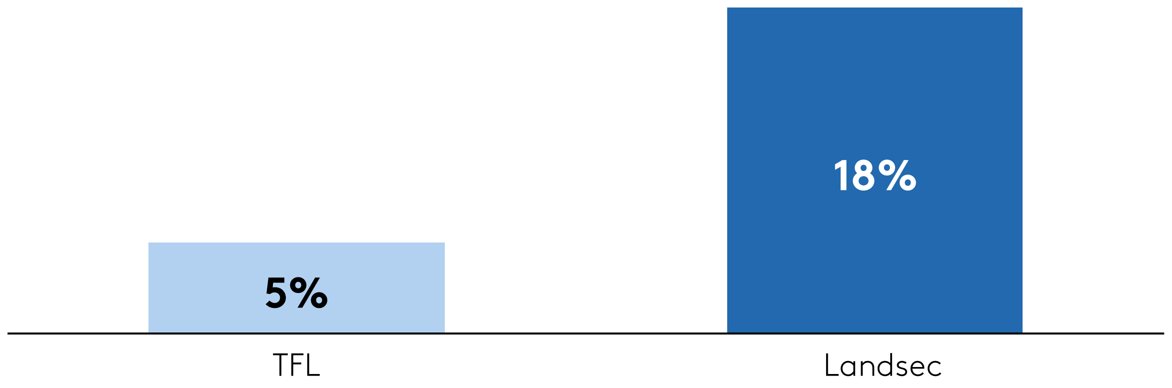
Outperforming in increasingly polarised markets

Central London

Landsec occupancy vs overall London office market - CBRE

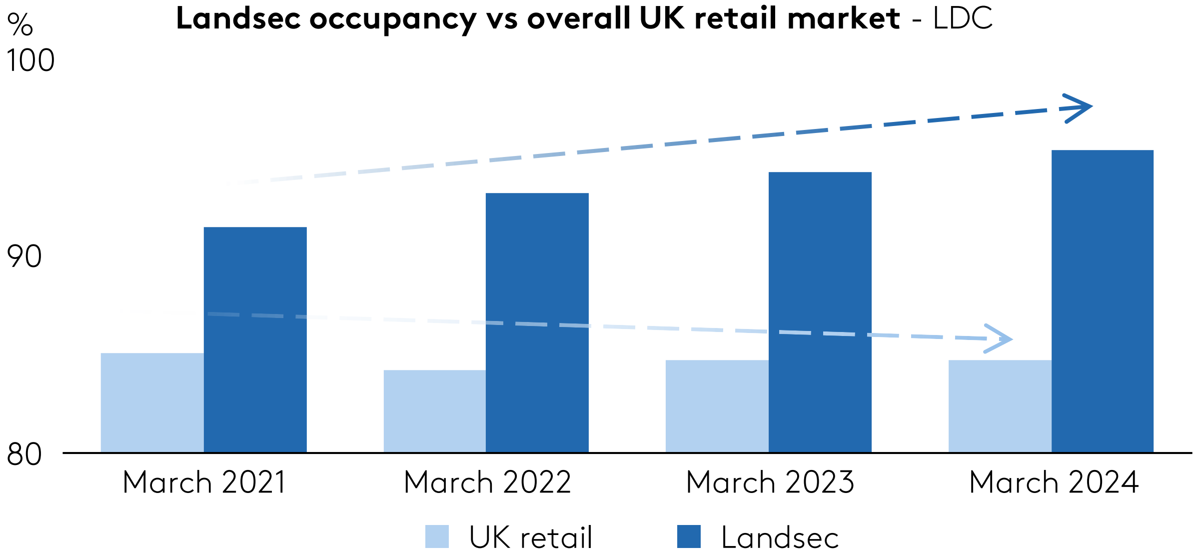


Growth in London tube journeys vs Landsec office utilisation
Q1 24 vs Q1 23

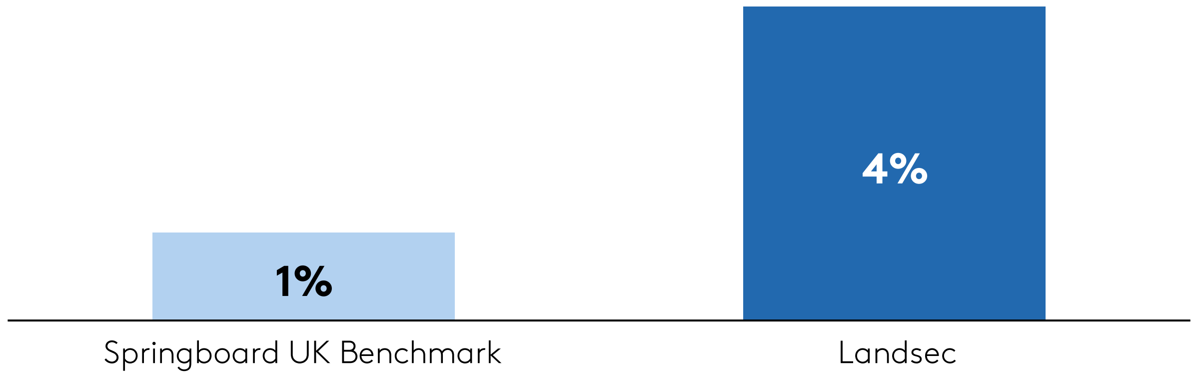


Major retail destinations

Landsec occupancy vs overall UK retail market - LDC

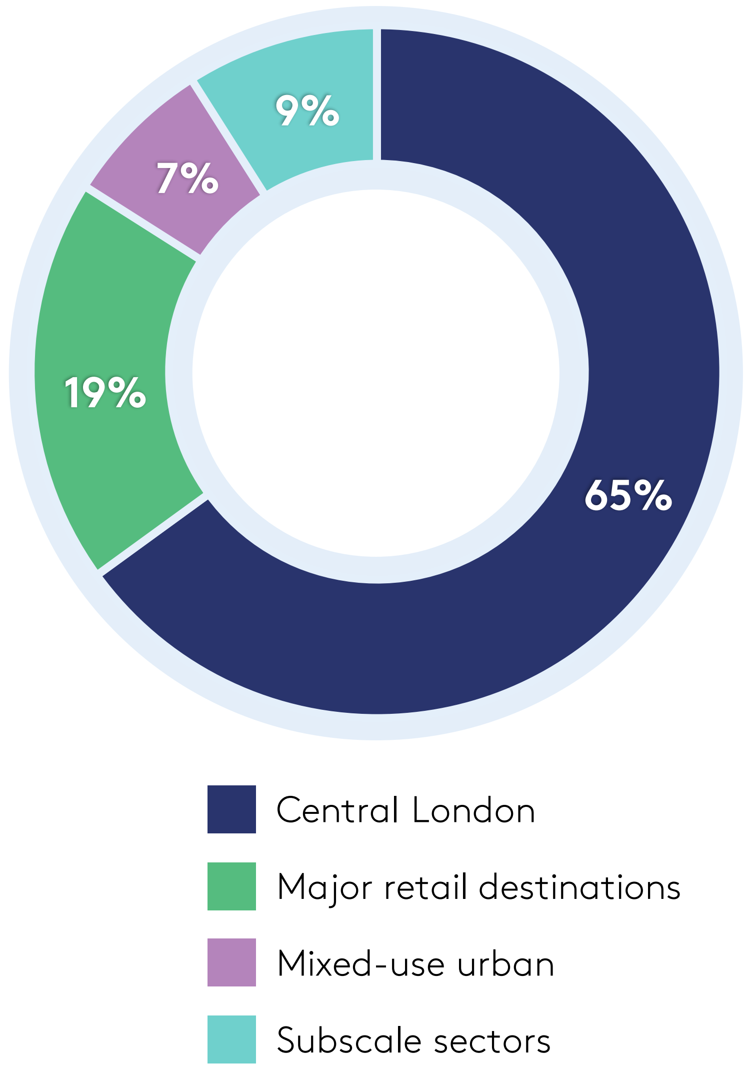


Growth in major retail footfall
Year to March 2024



CAPTURING POSITIVE REVERSIONARY POTENTIAL ACROSS BOTH SECTORS

£10bn portfolio[1]



(1) Mar 24, pro forma for disposals post year-end

Investment market outlook improving

Substantial capacity to invest at attractive point in time

Values beginning to stabilise

62 Buckingham Gate, Victoria

- c. 60% of portfolio effectively stable in H2
- Overall yields stable in final quarter
- Continued ERV growth

Pro-active capital recycling

Novotel, Hammersmith

- Actively positioning portfolio for growth
- Sold £3.1bn of £4bn 6-yr plan in late 2020
- Increase in attractive growth opportunities

Balance sheet poised for growth

St David's, Cardiff

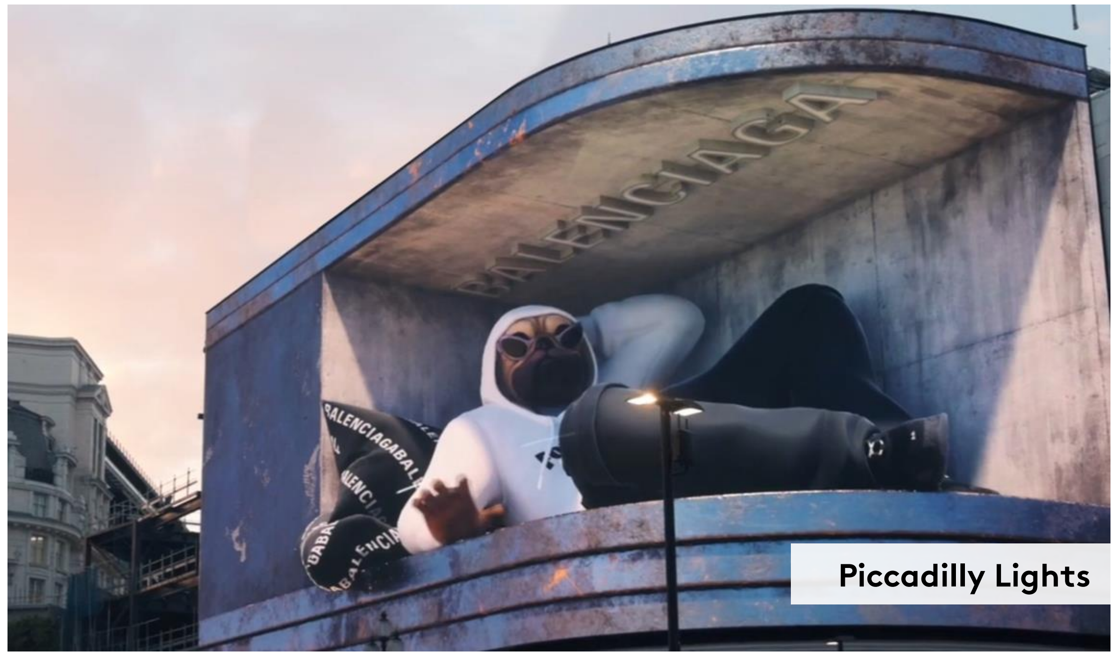
- 32% LTV lower than before value correction
- Net debt down £1.1bn over last two years
- 7.0x ND / EBITDA and AA/AA- credit rating

POSITIVE OUTLOOK FOR TARGET TO DELIVER 8-10% RETURN ON EQUITY P.A.

Continued strength in operational performance

Occupancy, rents and lease reversions up

Central London



Piccadilly Lights

- £35m of lettings 6% above ERV
- 15% uplift on relettings / renewals
- Occupancy +140bps to 97.3%
- Recent pipeline 89% let or ISH

Major retail

White Rose, Leeds

- £37m of lettings 6% above ERV
- 2% uplift on relettings / renewals
- Occupancy +130bps to 95.4%
- Sales +4.1% and footfall +3.9%

Mixed-use


Mayfield, Manchester

- Planning secured at Finchley Road
- Start of first enabling works
- Optimising plans for rest of pipeline

Resilience in earnings

2.8% LFL income growth and lower overhead offset rise in finance costs

	31 March 2024	31 March 2023	% change
EPRA EPS	**50.1p**	50.1p(1)	-
Dividend per share	**39.6p**	38.6p	+2.6%
EPRA NTA per share	**859p**	936p	-8.2%
Total return on equity	**-4.0%**	-8.3%	+4.3%
LTV	**35.0%** (Pro forma 32.3%)	31.7%	+3.3%
Net debt / EBITDA (period-end)	**7.4x** (Pro forma 7.0x)	7.0x	+0.4x
Energy intensity vs 2019/20 baseline	**-18%**	-17%	
Portfolio rated EPC A-B	**49%**	36%	

(1) Underlying EPRA EPS excluding the benefit of increased surrender premiums during FY23; EPRA EPS including this benefit was 53.1 pence.

Operational review

Mark Allan

CHIEF EXECUTIVE OFFICER

Landsec

Two key principles of sustainable value creation

Focus on three key competitive advantages and balance sheet strength

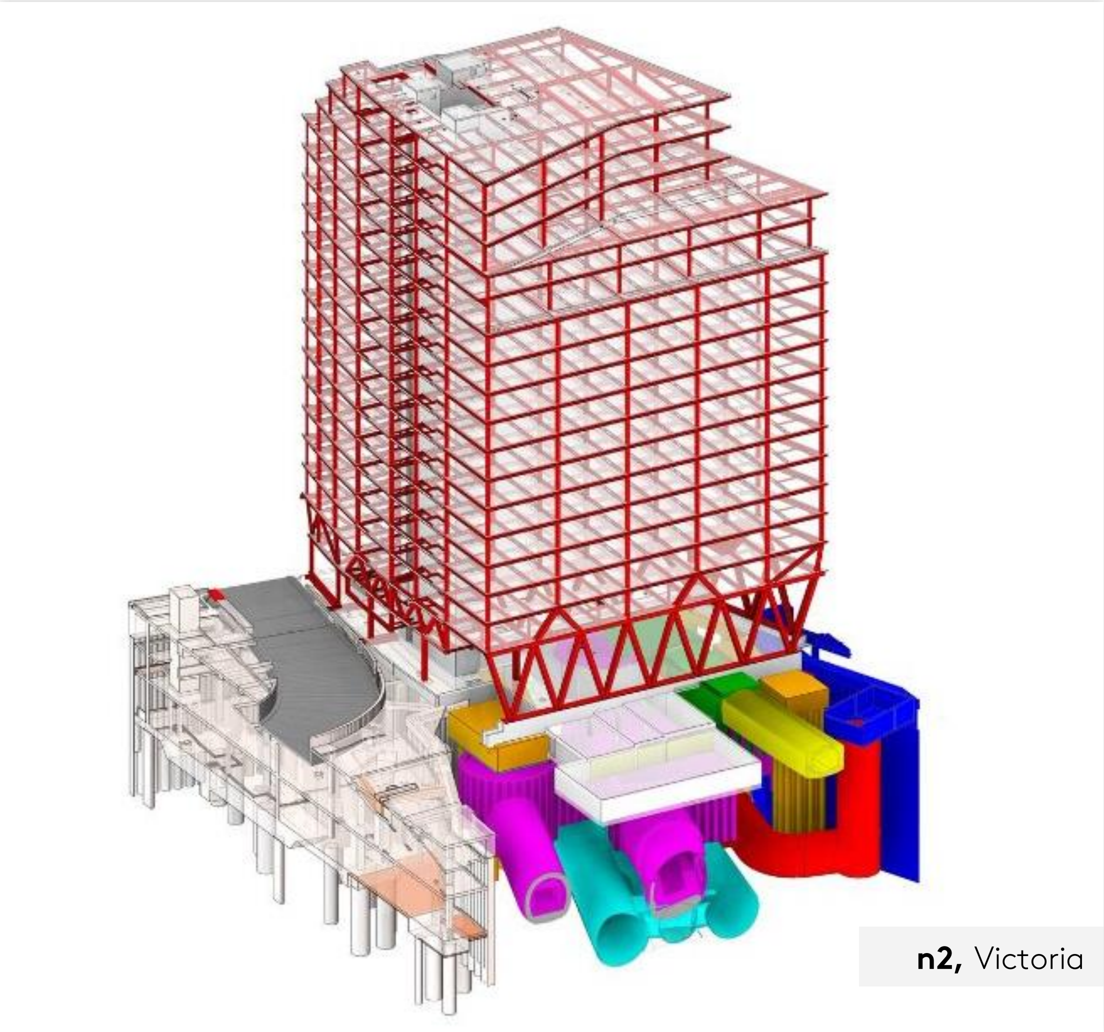
High quality portfolio

Gunwharf Quays, Portsmouth

Strong customer relationships

New Street Square, City

Ability to unlock complex opportunities



n2, Victoria

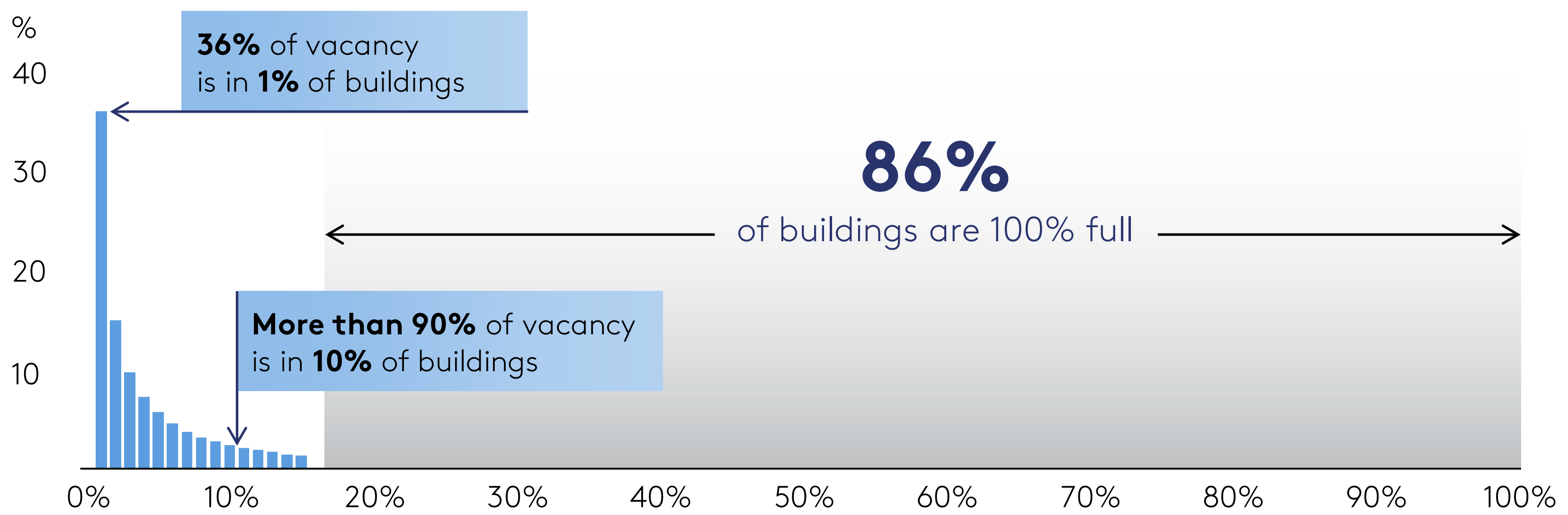
CLEAR FOCUS UNDERPINS ABILITY TO DRIVE GROWTH ACROSS EACH OF OUR KEY PLACES

Central London

Evolving customer demand continues to drive polarisation

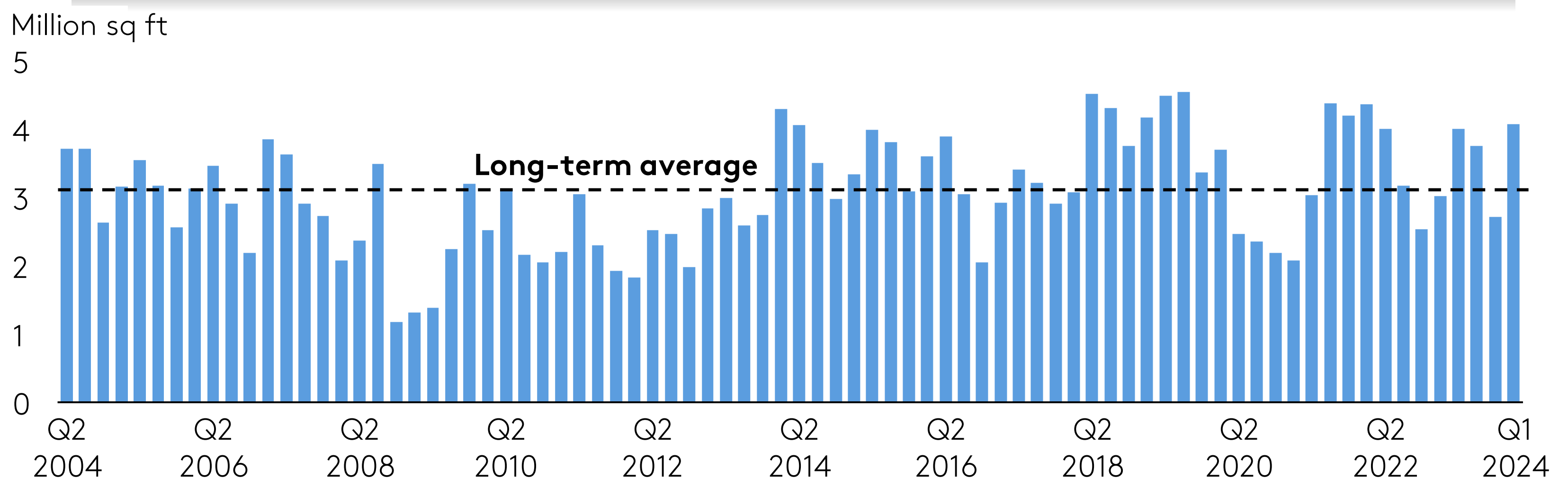
- Customers focused on best-in-class space to attract and retain key talent
  - Transport connectivity
  - Sustainability credentials
  - Energising amenities
- Outlook for demand remains robust
- Vacancy mostly a building issue rather than market-wide issue
- Limited supply of best-in-class space, so pricing continues to go up

Clear bifurcation — Total London office market vacancy by number of buildings



Source: JLL

Continued demand — Central London space under offer



Source: CBRE

Central London

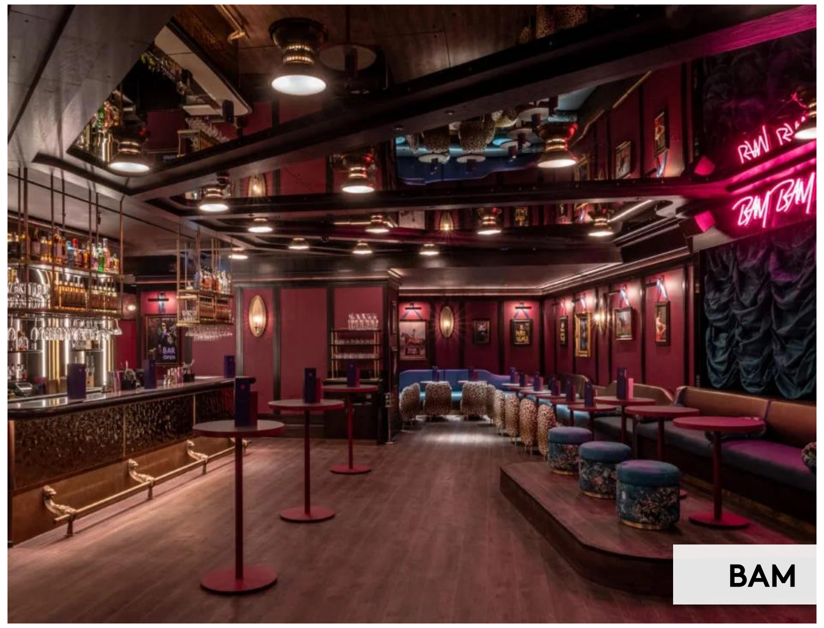
Investing in our best places

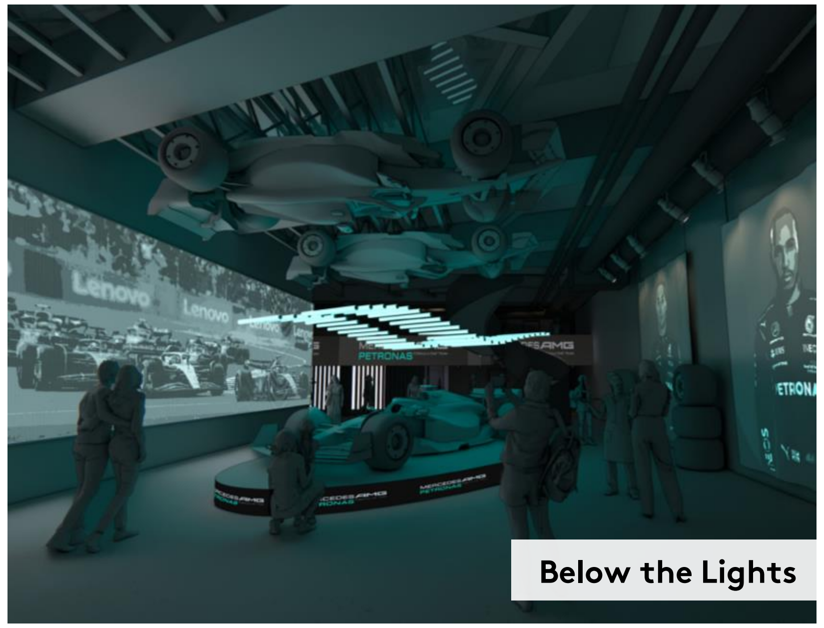
Five largest places make up 88% of London portfolio — Split by value[1]

- Increased investment via profitable developments
- Further development potential in Victoria / Southbank / NSS
- Standing assets 97.3% let with 5% ERV growth

(1) Picture size indicates proportionate share of value

Creating places where people want to be — New openings



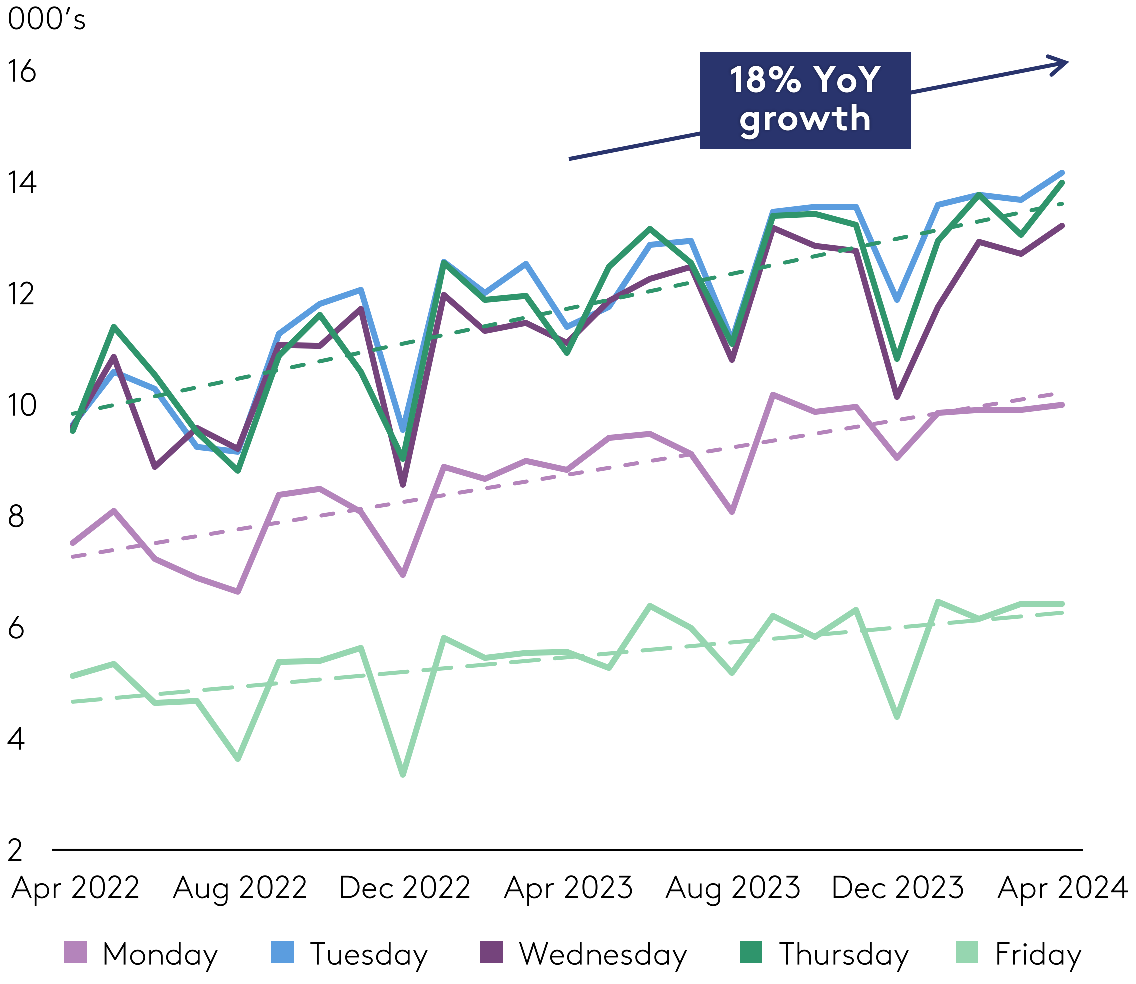


Central London

Insight in what is driving our customers' decision-making

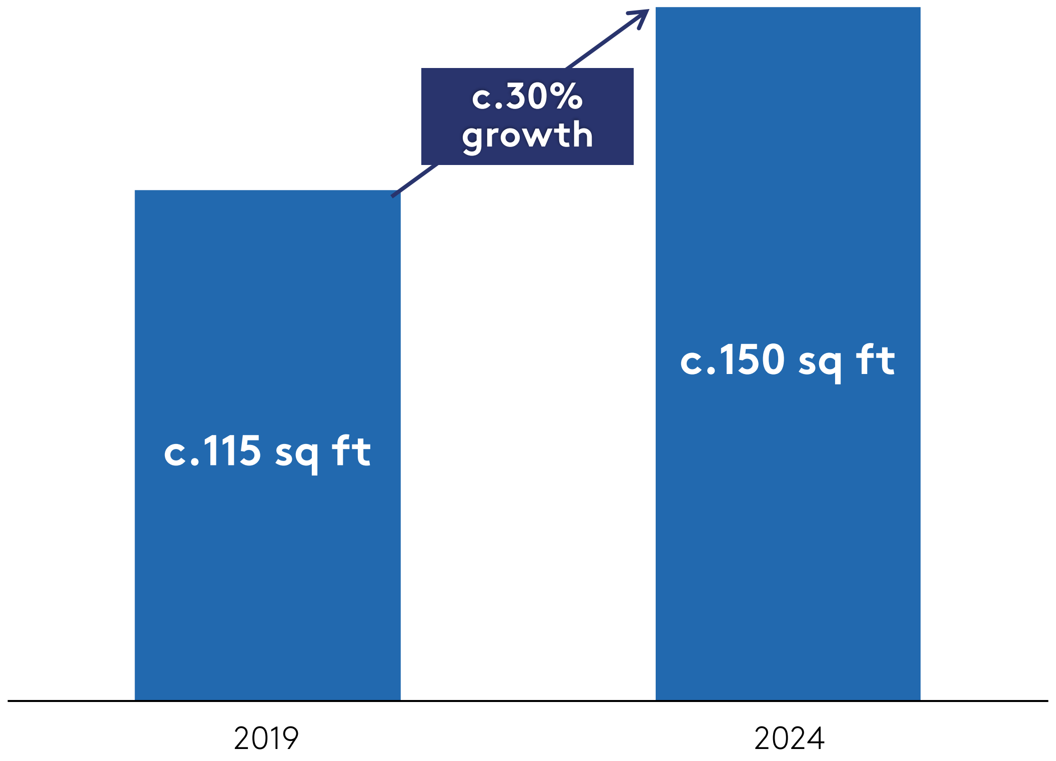
Utilisation continues to grow

Unique daily turnstile tap-ins across Landsec portfolio



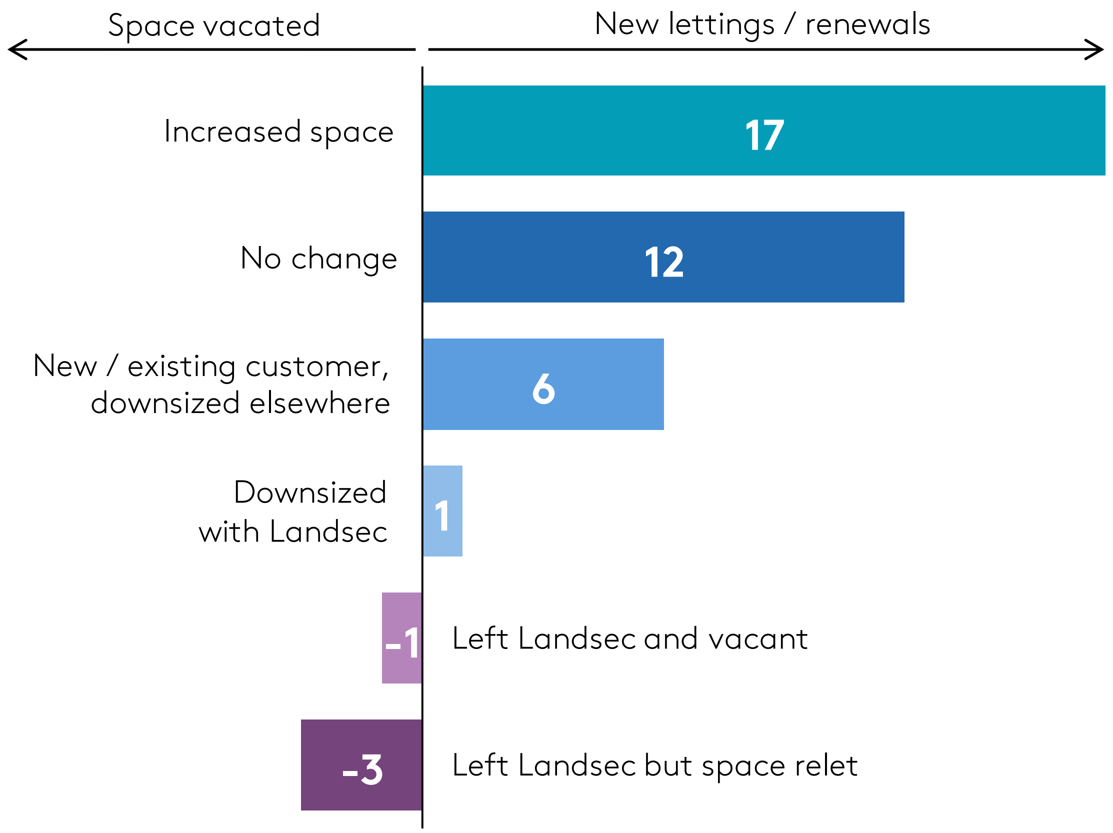
Customers planning for more space

Average sq ft / person for leases signed with Landsec



More upsizing than downsizing

Landsec leasing activity over last 12 months

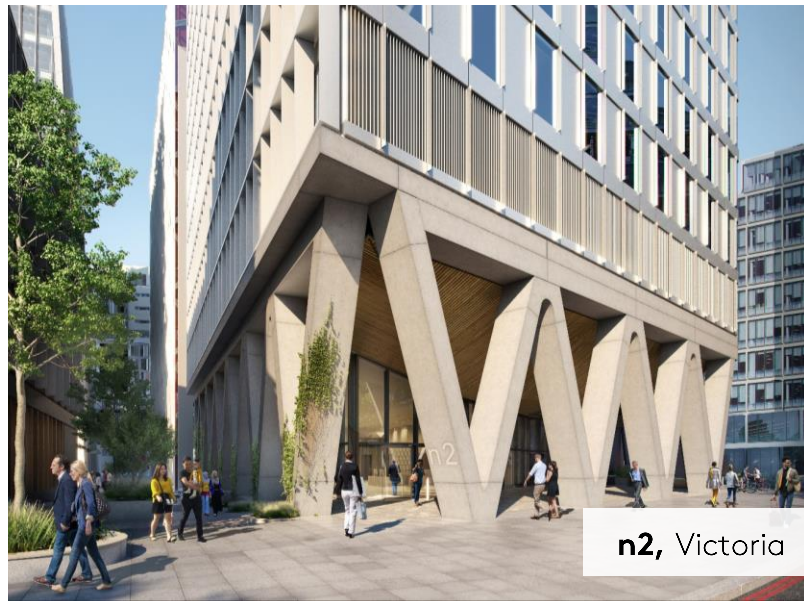


STRONG CUSTOMER DEMAND CONTINUES TO DRIVE RENTAL GROWTH

Central London
Continued strength in operational performance

- £30m of rent signed, 5% ahead of ERV
- £5m of rent ISH, 9% above ERV
- 15% uplifts on relettings / renewals
- Occupancy +140bps to 97.3% vs 91.2% for market
- Less than 1% of our space marketed for subletting
- Opened three new Myo locations in recent months
- 5.0% ERV growth, at top end of guidance

Two profitable developments completed in last 12 months



n2, Victoria	Lucent, Piccadilly Lights
165,000 sq ft	144,000 sq ft
100% let with rents 11% ahead of initial ERV	99% let with rents 16% ahead of initial ERV
£209m TDC; 26% profit on cost	£266m TDC; 13% profit on cost

BREEAM OUTSTANDING

WELL GOLD

Major retail destinations

Investing in our best places

Five largest places make up 75% of major retail portfolio — Split by value

- Key brands investing more in physical alongside digital
- Further focused our investment via sale of two smallest outlets
- Standing assets 95.4% let with 4.1% sales growth

(1) Picture size indicates proportionate share of value

Creating places where people want to be — New initiatives

CGI of Trinity Leeds

CGI of St David's

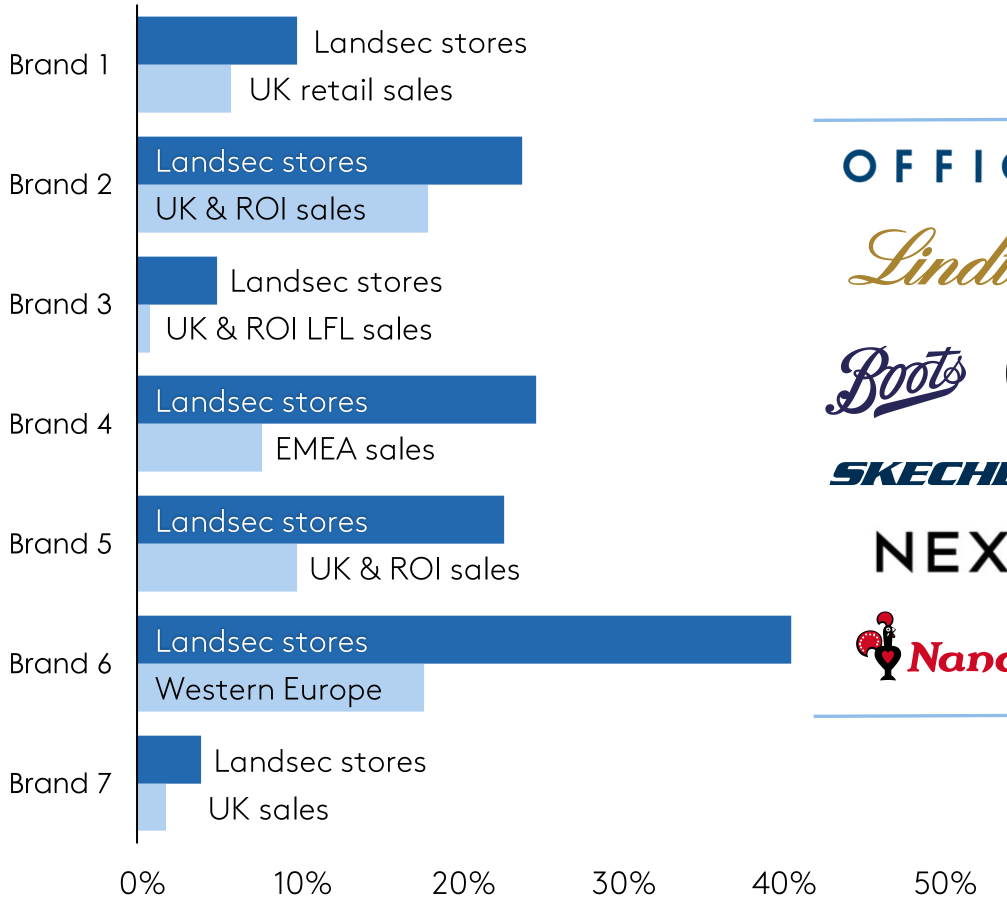

CGI of Gunwharf Quays

Major retail destinations

Insight in what is driving our customers' decision-making

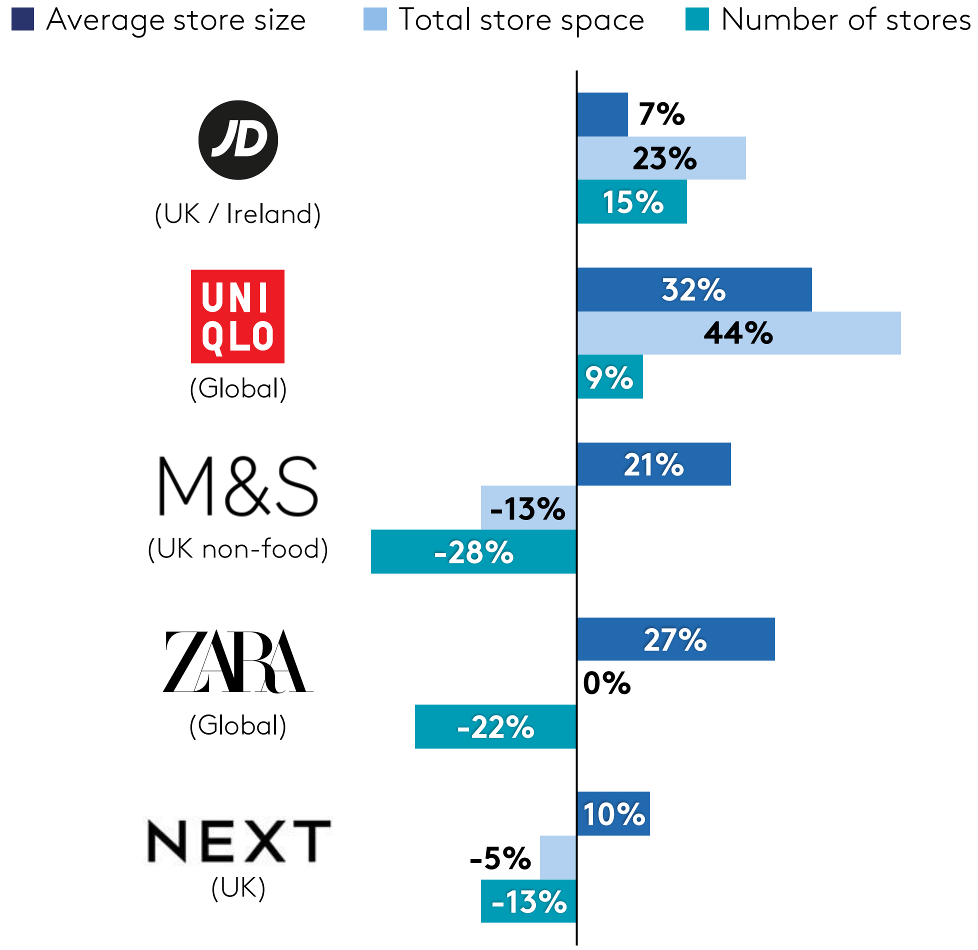
Landsec locations are outperforming

Overall sales growth vs sales growth in Landsec stores



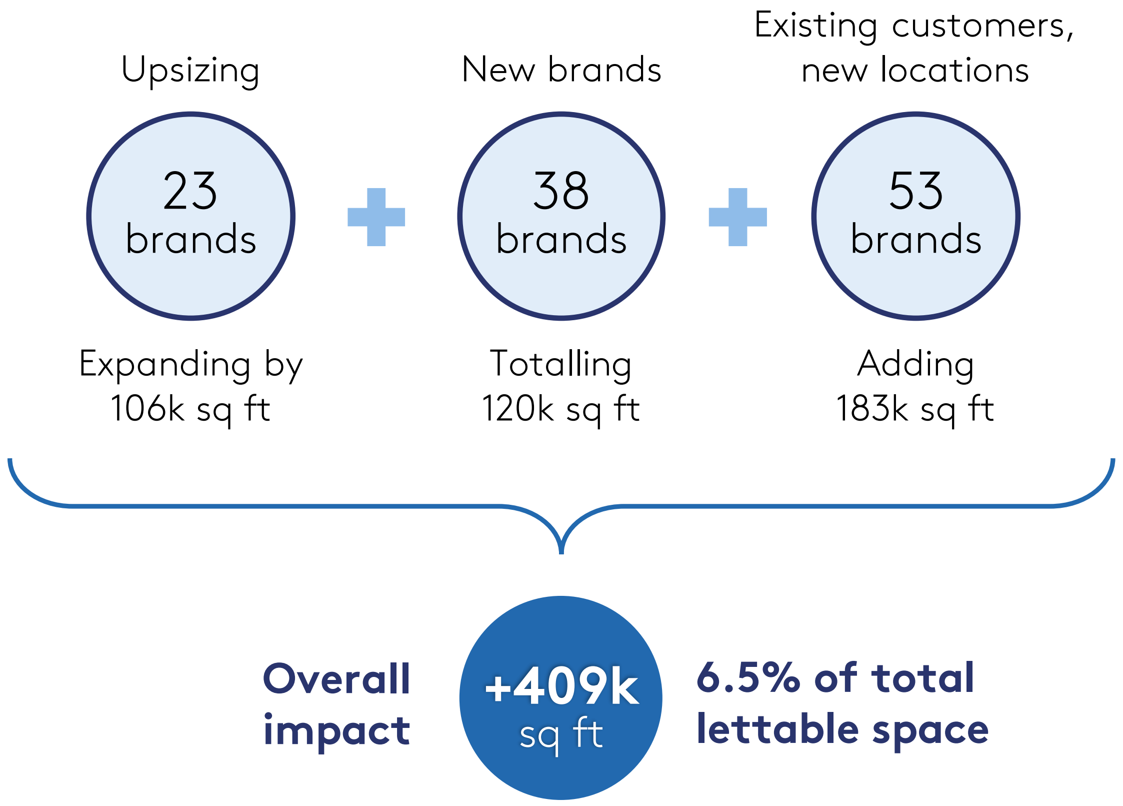
Focus on fewer, bigger, better stores

Change in brands' stores since 2018



Growing demand for best space

Landsec last twelve months plus live deals



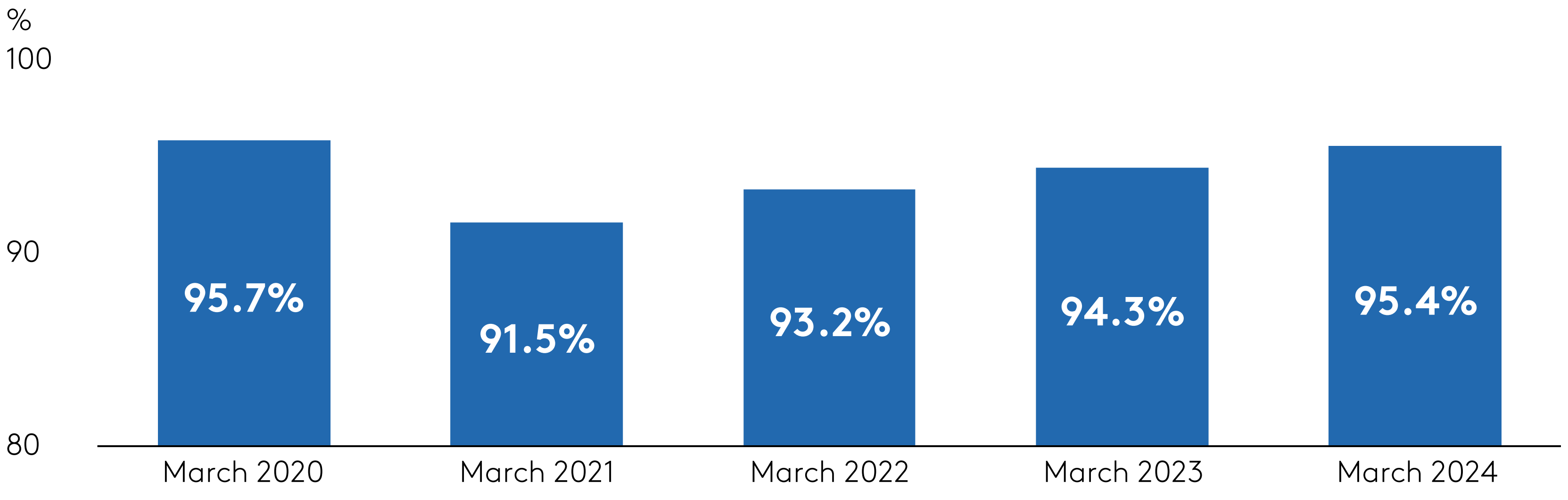
CONTINUED GROWTH IN DEMAND DRIVING RENTAL INCOME GROWTH

Major retail destinations

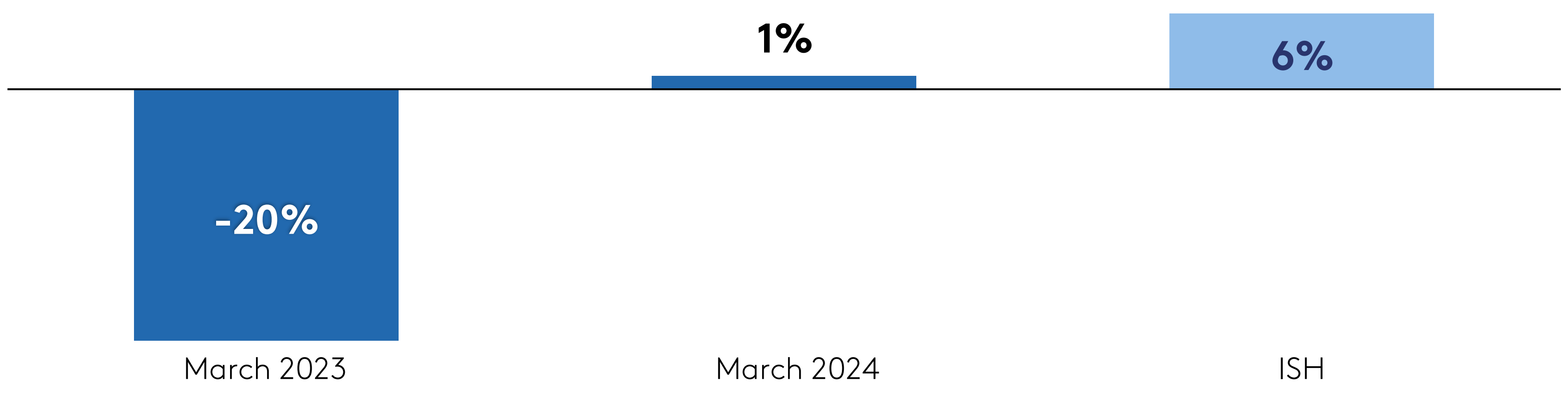
Inflection point in rental uplifts on relettings / lease renewals

- Total retail sales +4.1% YoY with LFL sales +1.5%
- Footfall +3.9% to c. 93% of pre-pandemic levels
- £27m of lettings, 5% above ERV
  - — 1% above previous passing rent for relettings / renewals
- £10m of lettings ISH, 7% above ERV
  - — 6% above previous passing rent for relettings / renewals
- LFL occupancy +130bps to 95.4%
- ERV growth of 1.4%, as valuers' assumptions continue to trail operational performance

Major retail destinations occupancy — Continued growth over last three years



Inflection point in rent reversions — Leasing vs previous passing rent



Investing in our key places

Responding to customer demand and driving earnings accretion

Investing in our major retail destinations

St David's, Cardiff

50% stake

£103m acquisition

c. 10% initial yield

CGI of Gunwharf Quays

Various key assets

c. £100m over next three years

8%+ yield on cost

Started two London schemes for completion in H2 2025

Timber Square, Southbank

381,000 sq ft

£411m TDC

7.1% gross yield on cost
10%+ yield on capex

Thirty High, Victoria

299,000 sq ft

£412m TDC

7.3% gross yield on cost
13%+ yield on capex

BREEAM OUTSTANDING ★★★★★ WELL GOLD WELL PLATINUM 5★ NABERS

Further near-term potential

Pipeline to expand or create next generation of scarce urban places

Southbank

4 sites

0.9m sq ft

c. £1.1bn TDC

2025-30 delivery

Mixed-use

24 acres

2.5m sq ft

1,500 homes

c. £0.9bn TDC

2027-34 delivery

City / NSS

2 sites

0.7m sq ft

c. £1.0bn TDC

2028-30 delivery

Mixed-use

14 acres

1.4m sq ft

1,800 homes

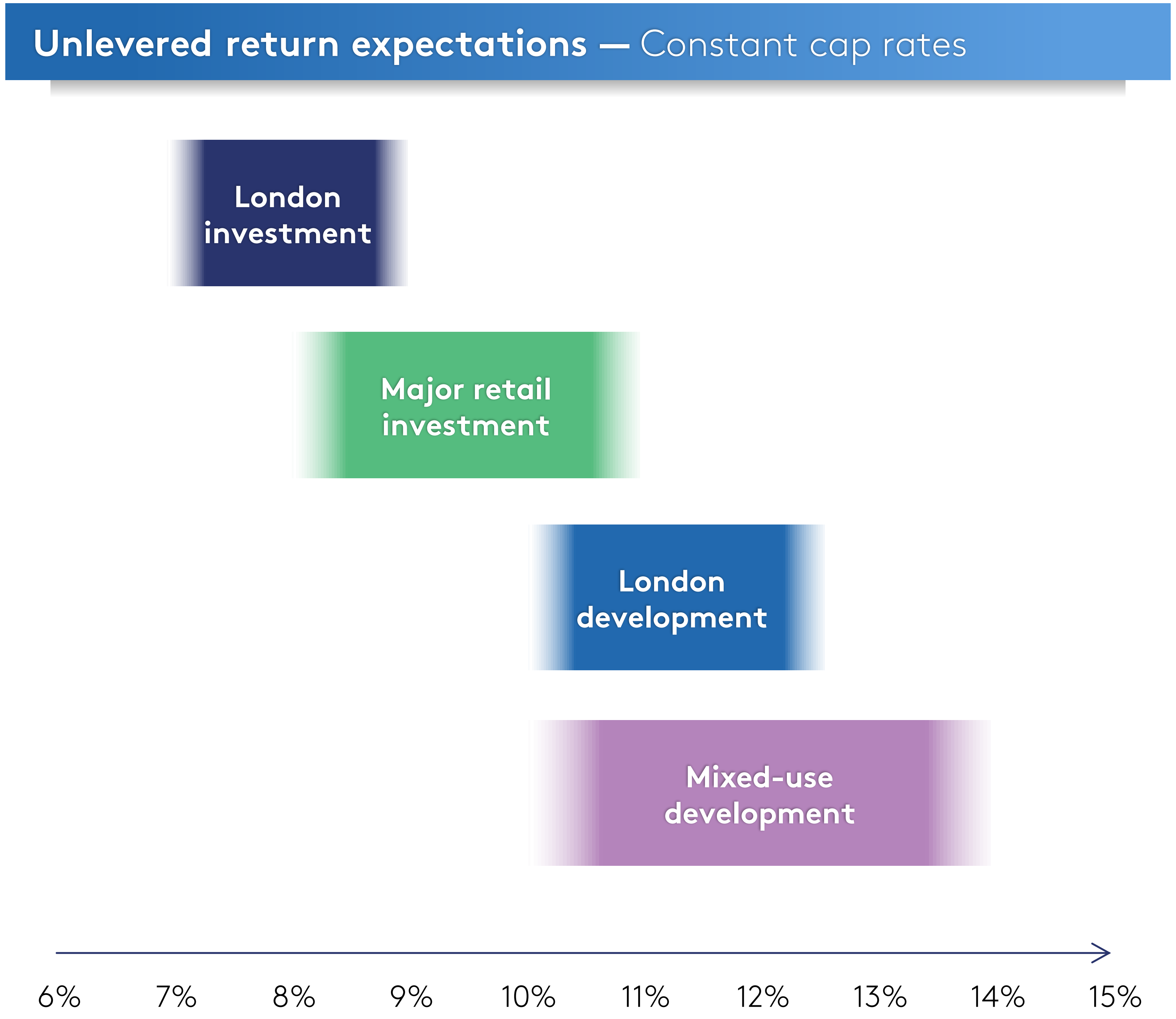
c. £1.0bn TDC

2028-35 delivery

UPFRONT EMBODIED CARBON REDUCTION -40% VS BENCHMARK

Capital allocation
Return prospects in higher cost of capital environment

- Improved returns for major retail and prime London reflecting attractive yields and rental growth
- Major retail key focus for investment activity
- Development returns supported by rental growth but need to compensate for higher costs / exit yields
- Progressing optimisation of costs, planning and delivery programmes
- Only commit to schemes that offer right return profile and sufficient risk premium



Financial review

Vanessa Simms

CHIEF FINANCIAL OFFICER

Landsec

Financial summary

Strong balance sheet underpins resilience of earnings

	31 March 2024	31 March 2023	% change
EPRA earnings	**£371m**	£371m[(1)]	-
EPRA earnings per share	**50.1p**	50.1p[(1)]	-
Dividend per share	**39.6p**	38.6p	+2.6%
EPRA NTA per share	**859p**	936p	-8.2%
Group LTV	Pro forma 32.3% → **35.0%**	31.7%	+3.3pp
Net debt / EBITDA (year-end)	Pro forma 7.0x → **7.4x**	7.0x	+0.4x
Total return on equity	**-4.0%**	-8.3%	n/a

(1) Underlying EPRA earnings and EPRA EPS excluding the benefit of £22m increased surrender premiums during FY23; EPRA earnings and EPRA EPS including this benefit were £393m and 53.1 pence respectively.

EPRA EPS in line with guidance

4.0% growth in operating profit offsets higher finance cost

- Gross rental income up £16m, adjusted for £22m year-on-year increase in surrenders in prior year
- Like-for-like gross rental income up £16m or 3.0%
- Admin expenses down despite high inflation
- Operating profit up 4.0%
- EPRA EPS stable vs prior year's underlying level

	31 March 2024	31 March 2023[1]
	£m	£m
Gross rental income	**641**	625
Net service charge	**(16)**	(12)
Direct property expenditure	**(75)**	(74)
Net rental income	**550**	539
Administrative expenses	**(77)**	(84)
Operating profit	**473**	455
Finance expense	**(102)**	(84)
EPRA earnings	**371**	371[1]
EPRA EPS (pence)	**50.1p**	50.1p[1]

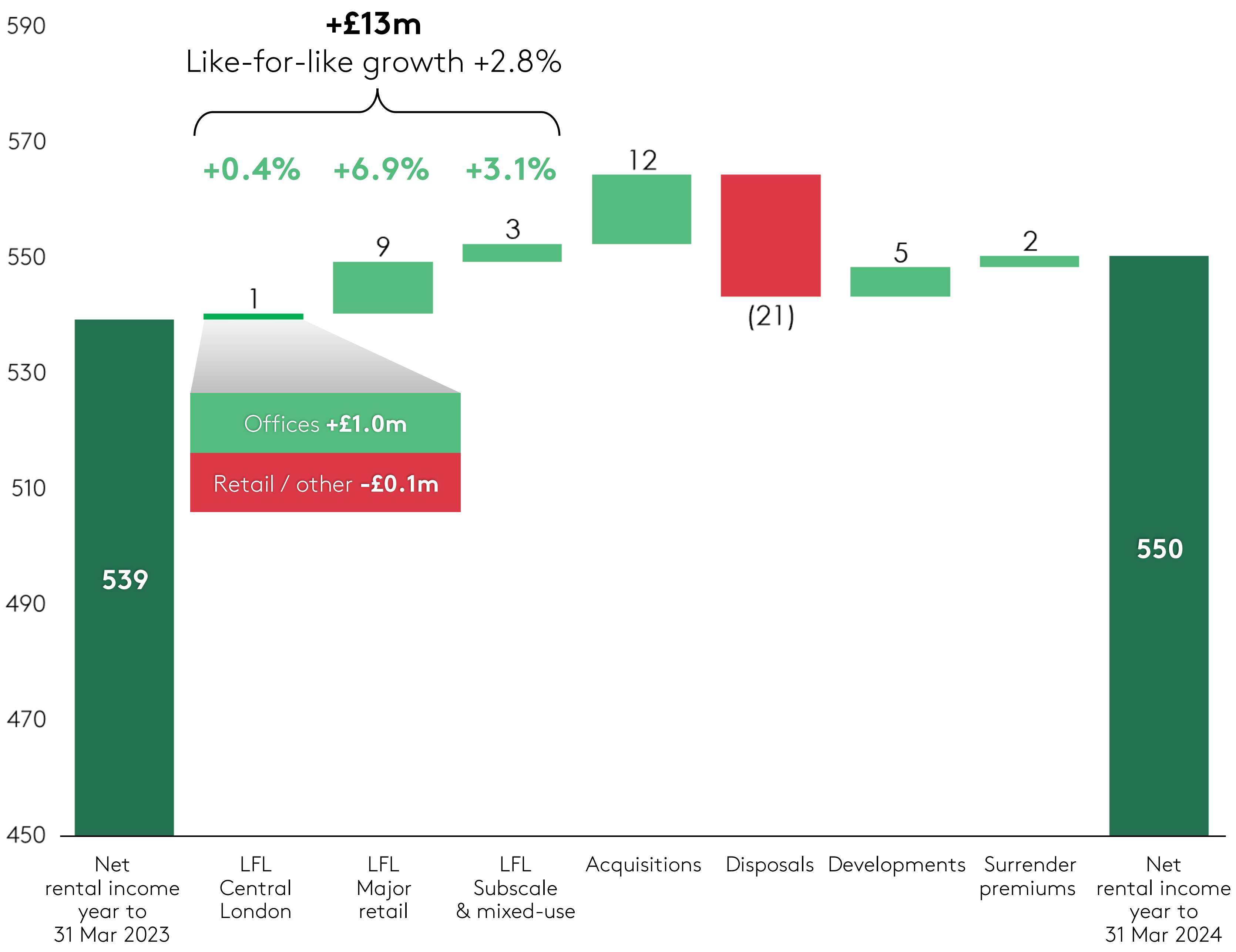
(1) Excluding the benefit of £22m increase in surrender premiums during FY23; gross rental income, EPRA earnings and EPRA EPS including this benefit were £647m, £393m and 53.1 pence respectively.

Like-for-like net rental income up 2.8%

Growth driven by major retail

- Positive uplifts on relettings / renewals
  - Central London +17%
  - Major retail +1%
- Positive LFL growth across all segments
- Central London offices +1.4%, partly offset by lower variable income at Piccadilly Lights
- Major retail +6.9%, driven by positive leasing and margin improvement
- Subscale sectors and mixed-use +3.1%, driven by income growth in hotels and leisure

Movement in net rental income (£m)



Improving operational efficiency

Driving overall income and return on equity

- Administrative expenses down 9%, with further savings expected over coming years
- Investments in technology driving efficiencies
- EPRA cost ratio broadly stable at 25.0%
- Operating costs differ across sectors
- c. 3ppt impact on EPRA cost ratio from sale of mature offices & investment in higher-return retail
- Focus on overall income return and IRR

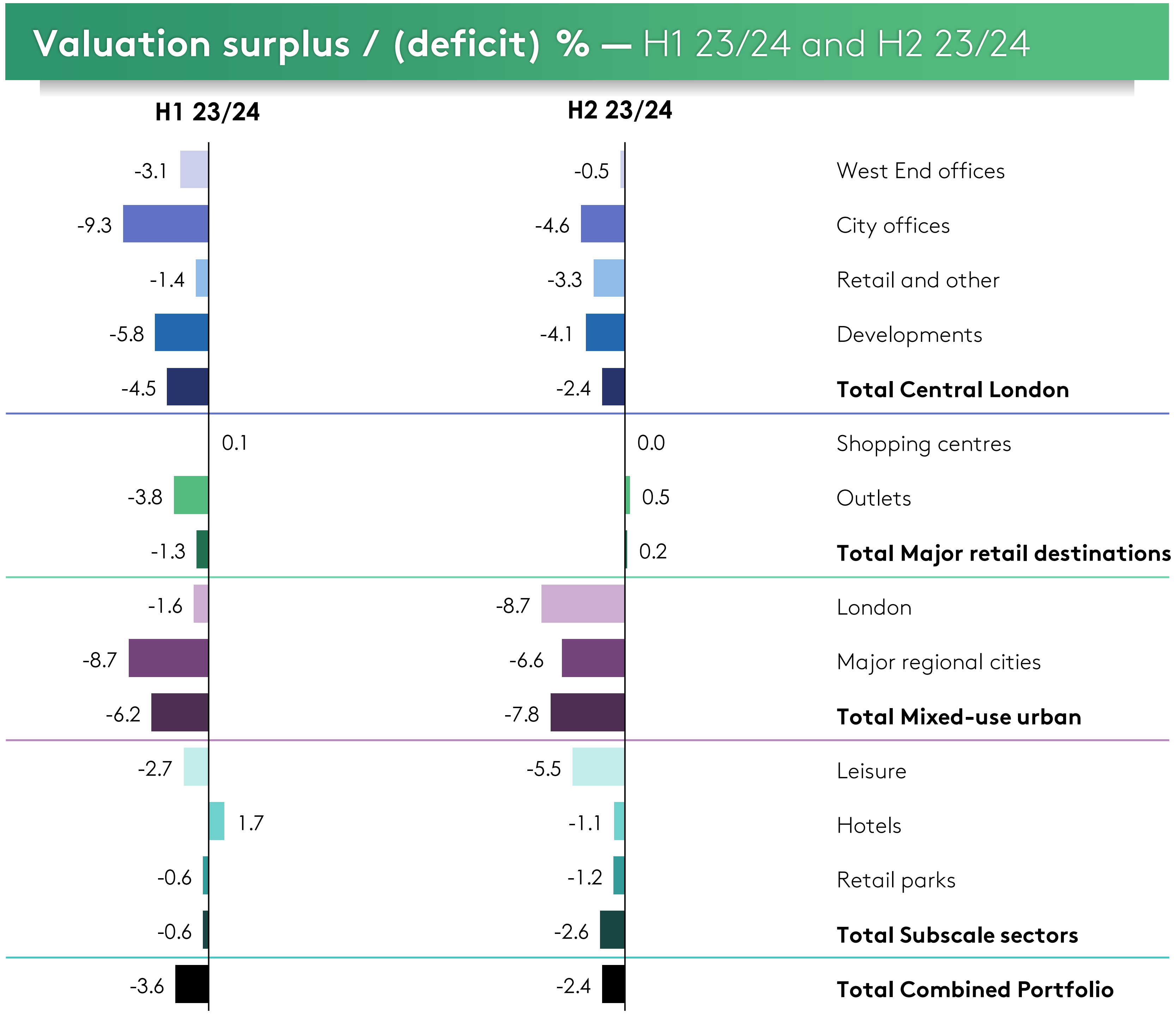
Difference in operating costs — Mature vs operational assets

	Sold – Mature offices	Acquired – Major retail
Volume	£2.2bn	£229m
WAULT	17 years	4 years
Gross to net margin	98.1%	87.9%
Net income return	4.4%	9.1%
Forward IRR	Mid-single digits	High-single / low double digits

Strong leasing performance drives 3.2% ERV growth

Around 60% of portfolio broadly stable in value in second half

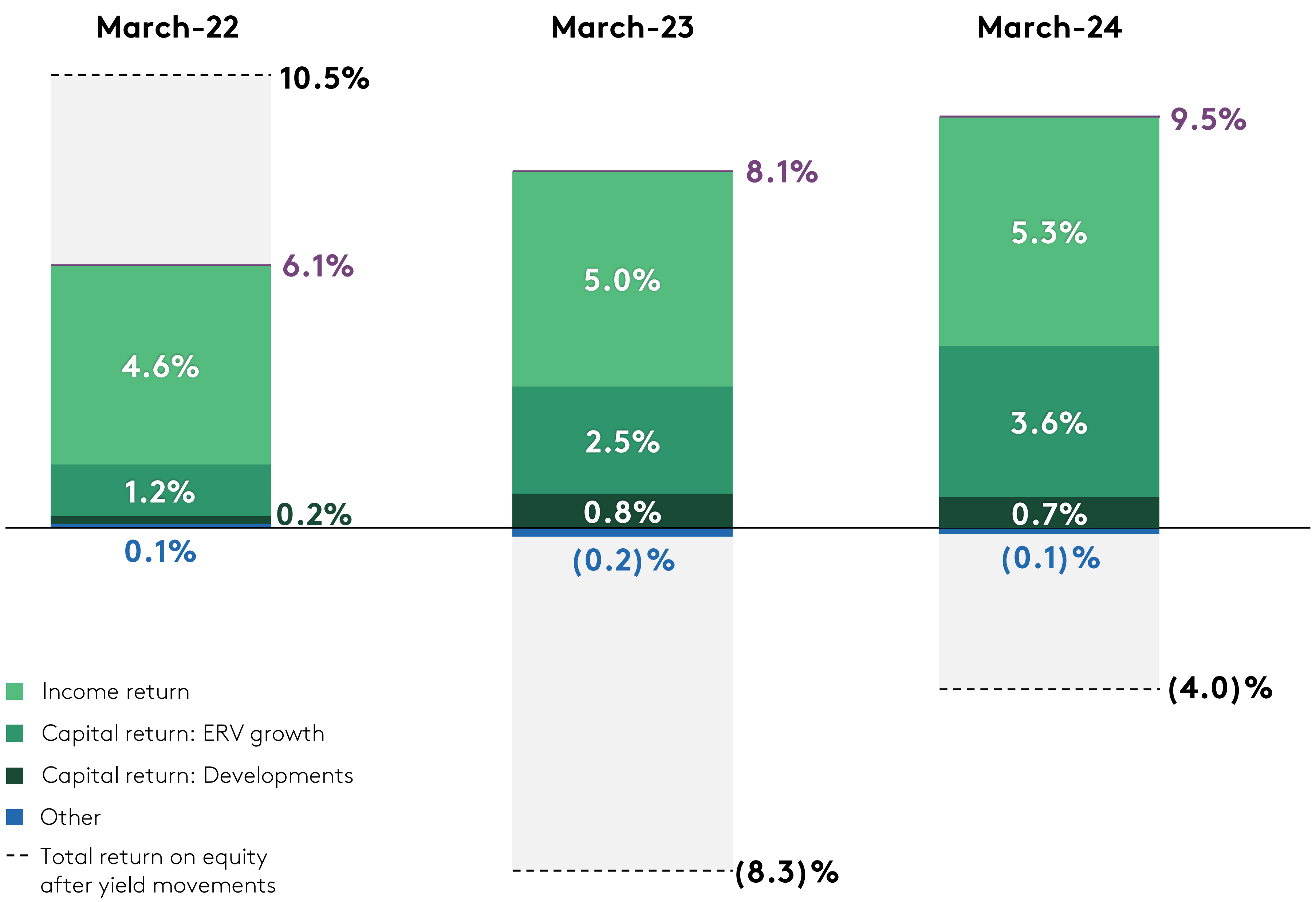
	Valuation as at 31 March 2024	Surplus / (deficit)	Equivalent yield	LFL equivalent yield movement	LFL ERV movement
	£m	%	%	bps	%
West End offices	3,109	(3.6)	5.3	37	6.9
City offices	1,192	(13.9)	6.0	78	1.3
Retail and other	991	(4.7)	4.9	30	5.0
Developments	926	(9.9)	5.4	n/a	n/a
Total Central London	**6,218**	**(6.9)**	**5.4**	**46**	**5.0**
Shopping centres	1,226	0.1	8.1	23	1.5
Outlets	605	(3.3)	7.0	17	1.3
Total Major retail destinations	**1,831**	**(1.1)**	**7.8**	**22**	**1.4**
London	191	(10.3)	6.6	22	2.0
Major regional cities	510	(15.3)	7.7	106	(1.2)
Total Mixed-use urban	**701**	**(14.0)**	**7.3**	**86**	**(0.3)**
Leisure	423	(8.2)	8.8	26	1.5
Hotels	400	0.6	7.2	54	5.7
Retail parks	390	(1.8)	6.8	38	1.4
Total Subscale sectors	**1,213**	**(3.2)**	**7.6**	**38**	**2.7**
Total Combined Portfolio	**9,963**	**(6.0)**	**6.2**	**45**	**3.2**



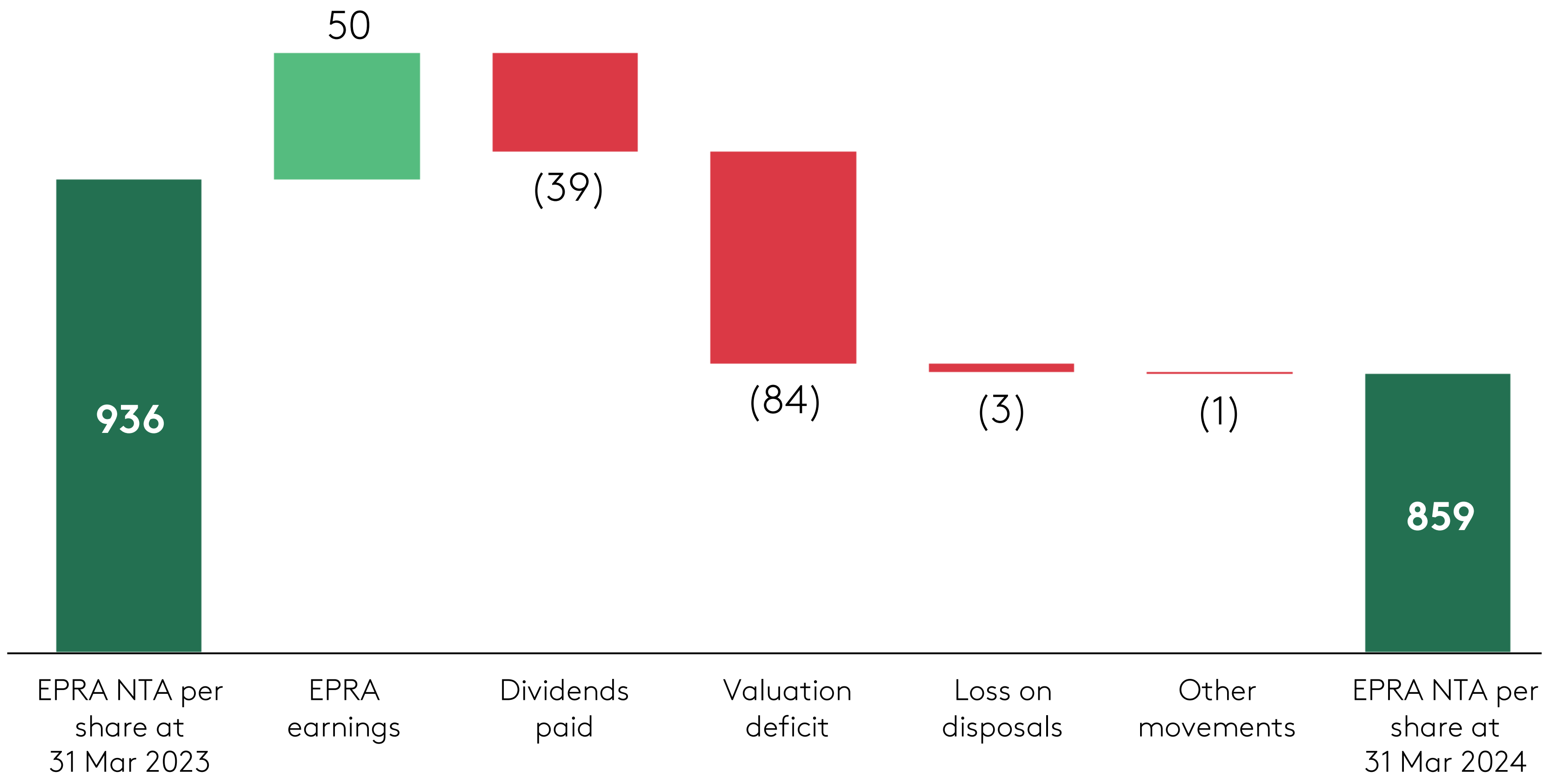
Total return on equity improved to -4.0%

Rise in yields offsets 9.5% ROE from income, ERV growth & development

Total return on equity



Movement in EPRA NTA per share (pps)

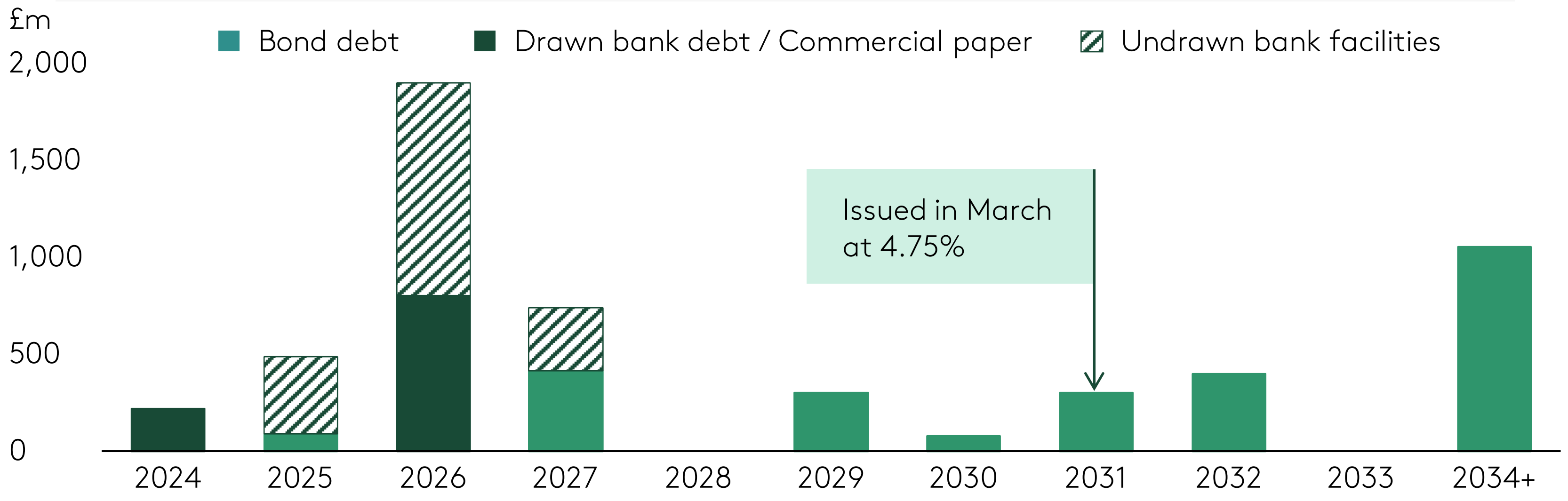


WELL-PLACED TO DELIVER 8-10% ROE TARGET WHEN YIELDS STABILISE

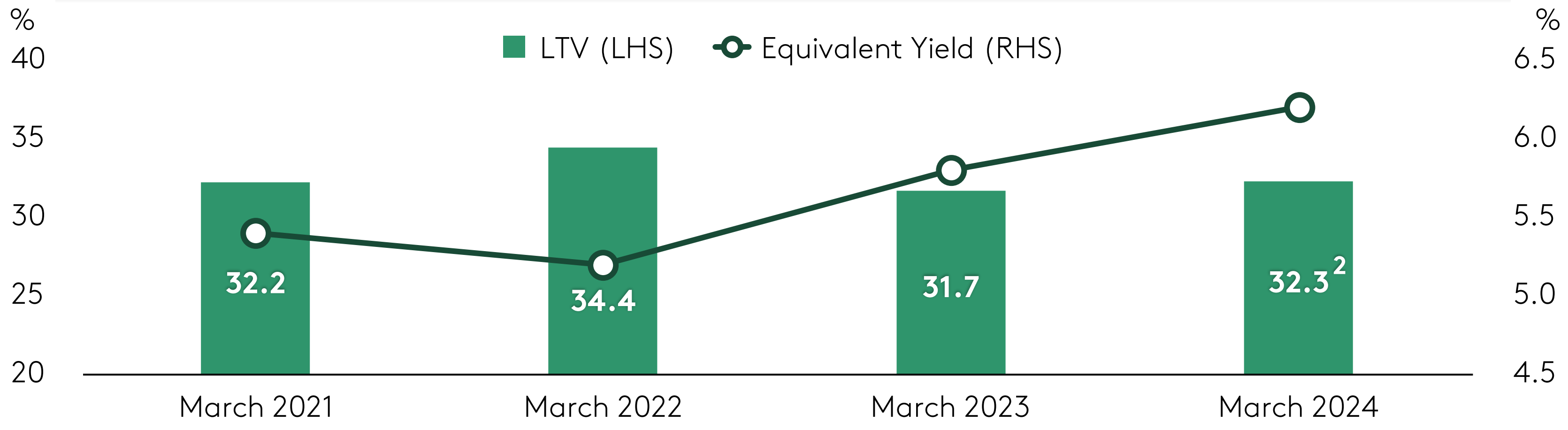
Strong capital base provides capacity to invest

Net debt and LTV lower than before reset in values

No need to refinance any debt until 2026 — Debt maturity by calendar year[1]



Pro-actively managing our balance sheet — Yield softening vs LTV



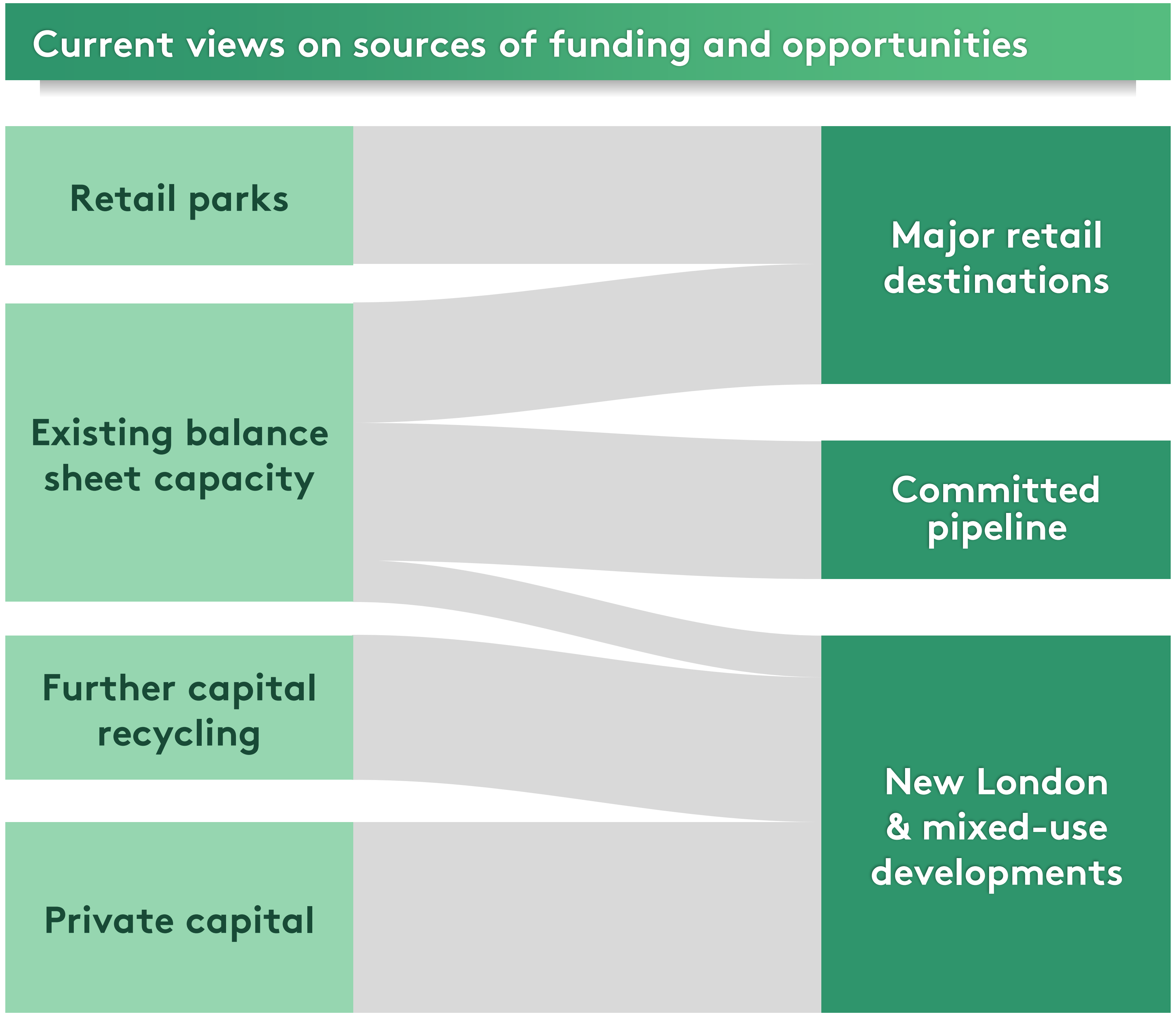
(1) Commercial Paper maturity date refers to the maturity date of bank facility which is reserved against it
(2) Pro forma for disposal post year-end
(3) Pro forma using an indicative incremental rate of interest for FY24

		31 March 2024	31 March 2023
Adjusted net debt		**£3,517m**	£3,287m
Group LTV	**Pro forma 32.3%**	**35.0%**	31.7%
Net debt / EBITDA (year-end)	**Pro forma 7.0x**	**7.4x**	7.0x
Net debt / EBITDA (weighted average)		**7.3x**	8.0x
Interest cover ratio	**Pro forma 4.4x[3]**	**3.9x**	4.5x
Average debt maturity (yrs)		**9.5**	10.3
Weighted average cost of debt		**3.3%**	2.7%
Percentage of debt fixed (year-end)		**94%**	100%
Cash & undrawn facilities		**£1,889m**	£2,386m
Credit rating		**AA/AA-**	AA/AA-

Capital allocation

Enhancing income and total return whilst further improving portfolio quality

- Sold £225m during year plus £400m since year-end, on average in line with March 2023 book value
- Total disposals since late 2020 now £3.1bn
- Capital recycling to continue, but focus now on net investment
- Majority of existing balance sheet capacity targeted at major retail and committed capex
- Future developments to be funded principally by recycling capital out of mature / non-core assets plus other sources of capital

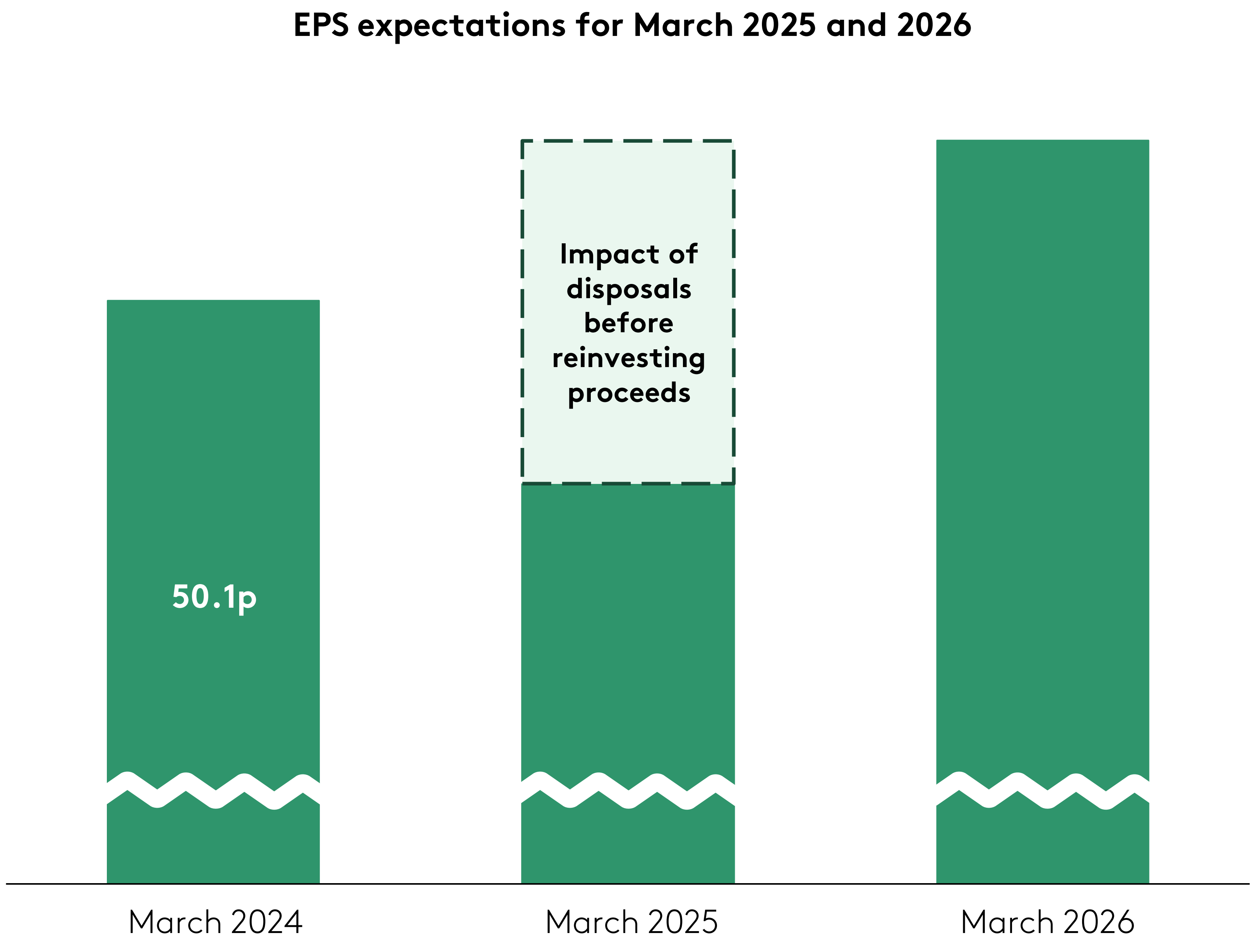


Earnings outlook

Continued operational growth vs timing effects of investment activity

- Expect LFL income growth to be similar to last year
- £572m net disposals since HY reduce EPS by c. 4%
- Exact EPS trajectory dependent on timing and quantum of reinvestment activity
- FY25 EPS slightly below 50.1 pence, before any reinvestment of recent sales proceeds
- Currently expect FY26 EPS to be slightly above 50.1 pence
- Dividend expected to grow by low-single digit percentage this year

EPS outlook – Impact from capital recycling



Overview

Mark Allan

CHIEF EXECUTIVE OFFICER

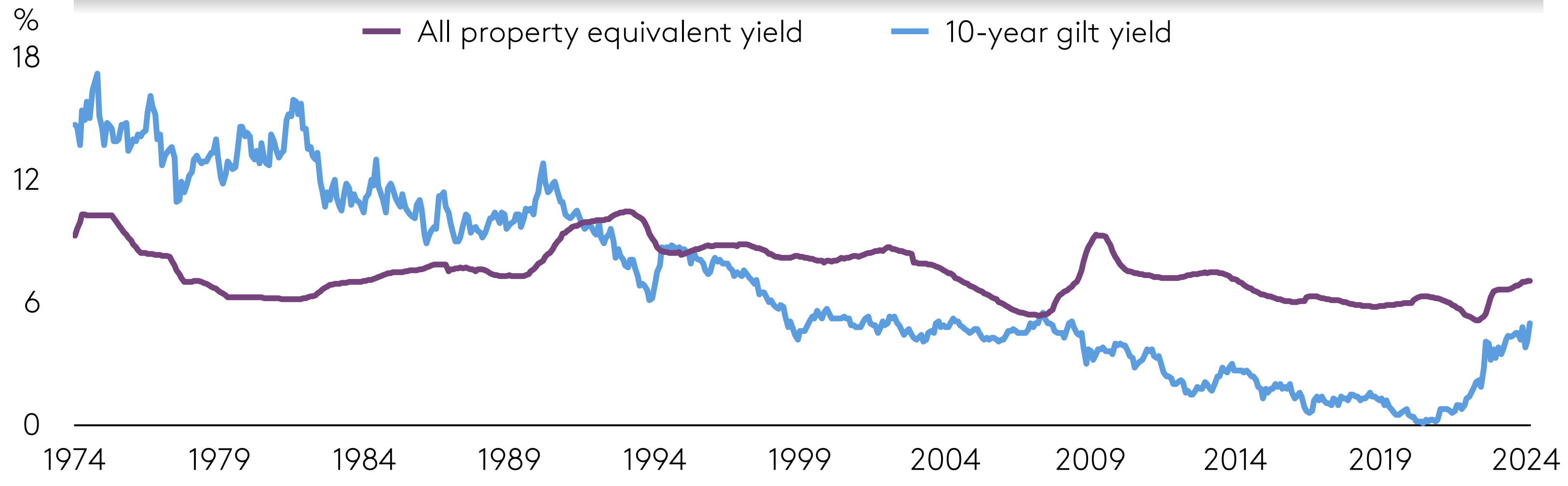
Landsec

Outlook

Actively positioning portfolio for growth in polarising markets

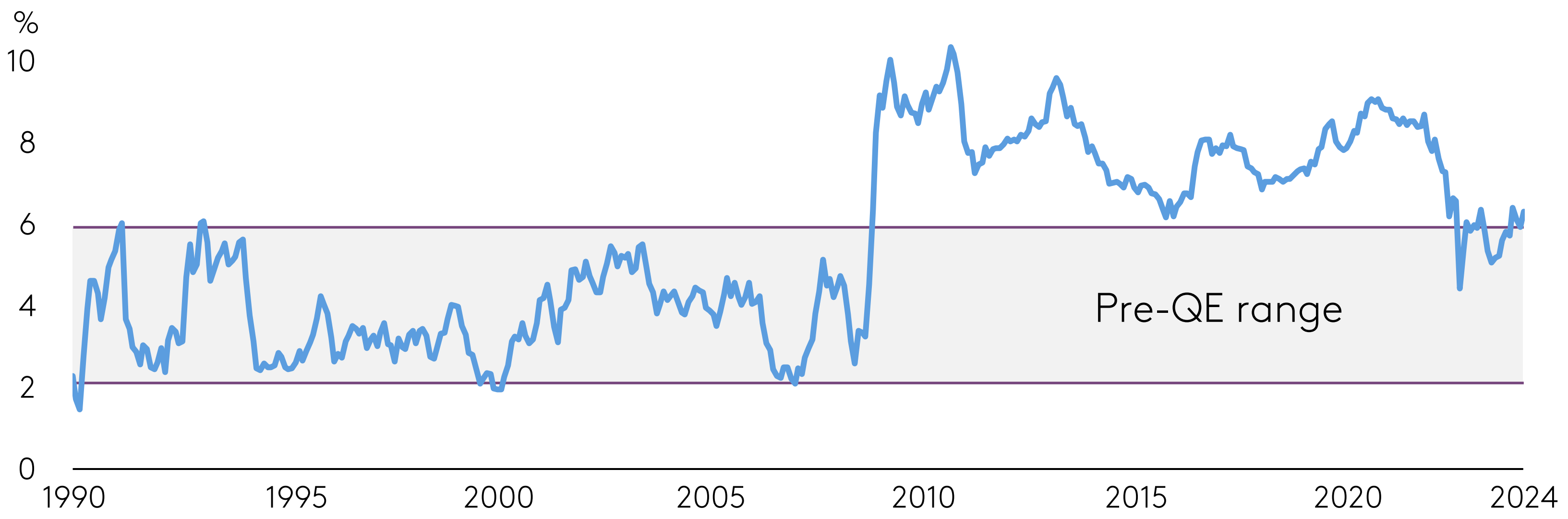
- Demand for best-in-class space remains robust
- Expect low / mid-single digit ERV growth in London and major retail
- Investment markets improving
- Assets which offer ‘real’ income attractively priced
- Secondary asset values to fall further
- Created portfolio for new reality

Long-term view — Property yields vs 10-year gilt yields



Source: Bloomberg, MSCI

Risk premium — Spread between all property yield and five-year real interest rates



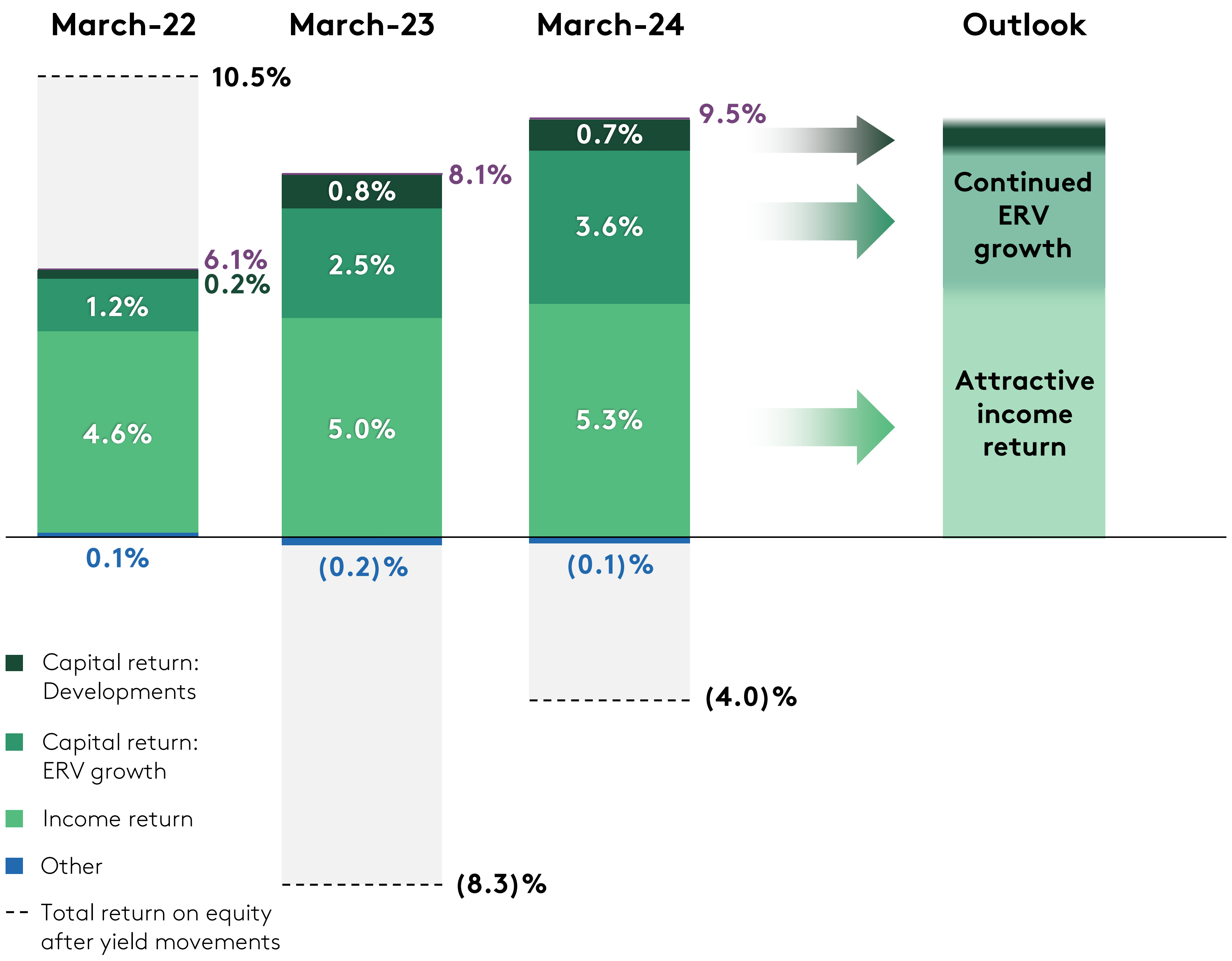
Source: MSCI, Bloomberg

Our focus for the next twelve months

Drive returns from best-in-class assets, platform and capital base

- Drive like-for-like income
- Further optimise operational efficiency
- Invest recent sales proceeds in accretive growth
- Optimise future development potential
- Leverage our platform value to enhance growth

Positive outlook for return on equity when yields stabilise



Thank you for attending this meeting and have a safe onward journey.

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