

14 November 2025

LAND SECURITIES GROUP PLC (“Landsec”)**Results for the half year ended 30 September 2025****Strong income growth drives increase in EPS outlook****Mark Allan, Chief Executive of Landsec, commented:**

“We continue to see clear positive momentum across every part of our business, notwithstanding the wider economic environment. Owning the right real estate has never been more important, so we continue to benefit from our proactive portfolio repositioning over the last few years, and our entire business is also benefitting from a sharper focus on sustainable EPS growth as our primary performance objective, providing greater clarity in terms of priorities and decision making.

“This gives us the confidence to raise both our near-term EPS guidance and medium-term EPS growth potential. With a best-in-class portfolio, effective capital allocation, and a clarity of purpose, priorities and objectives, our business is well positioned to build on our strong performance momentum.”

Financial highlights

	30 Sep 2025	Prior⁽¹⁾ period		30 Sep 2025	Prior⁽¹⁾ period
EPRA earnings (£m) ⁽²⁾⁽³⁾	192	186	Profit before tax (£m) ⁽⁴⁾	98	243
EPRA EPS (pence) ⁽²⁾⁽³⁾	25.8	25.0	Basic EPS (pence)	13.0	32.8
EPRA NTA per share (pence) ⁽²⁾⁽³⁾	863	874	Net assets per share (pence)	867	877
Total return on equity (%) ⁽²⁾⁽³⁾	1.2	3.9	Dividend per share (pence)	19.0	18.6
Group LTV ratio (%) ⁽²⁾⁽³⁾	40.3	39.3	Net debt (£m)	4,400	4,341

- EPRA EPS⁽²⁾⁽³⁾ up 3.2% to 25.8p, driven by strong 5.2% growth in LFL income and further 6% reduction in overhead costs, supporting 2.2% growth in interim dividend
- IFRS profit before tax of £98m⁽⁴⁾, as substantial capital recycling of £644m⁽⁵⁾ of assets generating no or limited returns resulting in a £67m loss on sale, and a slightly lower EPRA NTA per share (-1.3%)
- Group LTV 38.9% pro-forma⁽⁶⁾ for net disposal activity post period-end, with net debt/EBITDA of 8.6x

Increase in guidance

- Like-for-like net rental income for FY26 expected to grow c. 4-5%, up from initial c. 3-4% guidance
- FY26 EPRA EPS growth expected to be at top end of c. 2-4% guidance, before impact from disposal of QAM (-£7m) which turned residual future finance lease income into a cash receipt on sale
- Overhead costs expected to reduce to low £60m's by FY27 vs previous target of below £65m
- Potential for FY30 EPRA EPS raised from c. 60 pence to c. 62 pence, driven by higher income growth in retail, additional overhead savings, and lower development, implying 4-4.5% CAGR in EPS vs FY25
- Target net debt/EBITDA of below 7x within next two years, down from previous target of below 8x

Operational highlights: strong LFL income growth across two market-leading platforms

- Delivered 5.2% LFL net rental income growth, as customer demand for our best-in-class offices and retail remains strong, with 10% rental uplifts on relettings/renewals highlighting growing reversion
- Increased EPRA occupancy by 40bps on a LFL basis to 97.7%, the highest level in almost a decade
- Drove 2.5% ERV growth over six months, adding further to attractive income growth potential

Office LFL income grows 6.8%, as customer demand remains focused on high-quality space

- Delivered 6.8% LFL net rental growth, with EPRA occupancy up 50bps to 98.8%, £19m of lettings signed or in solicitors' hands 9% above ERV, and relettings/renewals 6% above previous rent
- Drove 3.1% ERV growth, on track vs full year guidance of broadly similar growth as last year's 5.2%
- Reversionary potential up to 12%, paving way for further attractive near-term LFL income growth
- Set to complete £866m of developments in next 6-9 months at accretive 7.0% gross yield on cost, with positive customer engagement expected to result in meaningful pre-letting over the next six months
- Sold £295m of offices well ahead of schedule, as investment market activity continues to pick up gradually, creating opportunity to further accelerate capital recycling in an earnings accretive way
- Office portfolio valuation down 1.0%, as receipt of income at QAM ahead of sale and impact of five-yearly business rates review at Piccadilly Lights reduced valuation by 0.8%

Retail-led LFL income up 5.0%, as high sales growth underpins attraction of best destinations

- Delivered 5.0% LFL net rental growth, with EPRA occupancy stable at 96.7% (+50bps YoY), £33m of lettings signed or in solicitors' hands 10% above ERV and relettings/renewals +13% vs previous rent
- Drove high 7.7% retail sales growth, highlighting the attraction of our top destinations for brands
- Target to deliver 4.5-7% CAGR in income from existing portfolio over next five years via combination of capturing growing reversion, turnover income, commercialisation and small capex projects
- Drove 2.2% ERV growth, on track vs full year expectation of similar growth as last year's 4.0%
- More opportunities coming to market to invest a further £1bn in accretive growth over next 1-3 years
- Retail portfolio valuation up 2.3%, reflecting strong leasing and continued growth in income

Active capital recycling and further strengthening of resilient capital base to enhance returns

- Targeting net debt/EBITDA of below 7x within next two years vs previous target of below 8x as income grows and development exposure reduces, with LTV expected to reduce to below 35% over time
- Sold £644m of low-returning assets, resulting in a cost to NTA of 1.0% but broadly neutral impact on EPS, aside from impact of turning residual QAM finance lease income into a capital receipt on sale
- Robust capital base, with average debt maturity of 8.9 years, no need to refinance any debt until 2027, 8.6x net debt/EBITDA and, pro-forma for net disposal activity post period-end, 38.9% LTV
- Prioritising new investment in retail in next 12-18 months given attractive income and income growth
- Do not expect to commit meaningful capital to new development in next 12-18 months, as committed development reduces to c. £0.2bn by mid-2026 and will remain well below current £1.1bn thereafter

Positive momentum in preparing for medium-term residential-led opportunity

- Secured detailed planning consent for first 879 homes at Mayfield, Manchester and outline/detailed consents for 2,800 homes at Lewisham, London, so majority of 9,000-home pipeline now has consent
- Active engagement with public sector partners as policy measures become more supportive to returns
- Opportunity to build £2bn+ platform with higher income growth and lower cyclicity in medium term

1. Prior period measures are for the six months ended 30 September 2024 other than EPRA NTA per share, net assets per share, Group LTV ratio and net debt, which are at 31 March 2025.
2. An alternative performance measure. The Group uses a number of financial measures to assess and explain its performance, some of which are considered to be alternative performance measures as they are not defined under IFRS. For further details, see the Financial review and table 14 in the Business analysis section.
3. Including our proportionate share of subsidiaries and joint ventures, as explained in the Financial review. The condensed consolidated preliminary financial information is prepared under UK adopted international accounting standards (IFRSs and IFRICs) where the Group's interests in joint ventures are shown collectively in the income statement and balance sheet, and all subsidiaries are consolidated at 100%. Internally, management reviews the Group's results on a basis that adjusts for these forms of ownership to present a proportionate share. These metrics, including the Combined Portfolio, are examples of this approach, reflecting our economic interest in our properties regardless of our ownership structure. For further details, see table 14 in the Business analysis section.
4. IFRS profit before tax of £98m vs prior period IFRS profit before tax of £243m, which benefitted from a valuation surplus of £91m.
5. Includes disposals that have exchanged but not completed at period end.
6. Pro-forma figures throughout this announcement reflect the post period-end impacts of committed acquisitions and disposals and transaction-related deferred consideration receipts/payments until 31 December 2026.

A live video webcast of the presentation will be available at 9.00am GMT. A downloadable copy of the webcast will then be available by the end of the day.

We will also be offering an audio conference call line, details are available in the link below. Due to the large volume of callers expected, we recommend that you dial into the call 10 minutes before the start of the presentation.

Please note that there will be an interactive Q&A facility on both the webcast and conference call line.

Webcast link: <https://webcast.landsec.com/2025-half-year-results>

Call title: Landsec Half Year Results 2025

Conference call: https://webcast.landsec.com/2025-half-year-results/vip_connect

Forward-looking statements

These full year results, the latest Annual Report and Landsec's website may contain certain 'forward-looking statements' with respect to Land Securities Group PLC (the Company) and the Group's financial condition, results of its operations and business, and certain plans, strategies, objectives, goals and expectations with respect to these items and the economies and markets in which the Group operates.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'anticipates', 'aims', 'due', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans', 'targets', 'goal' or 'estimates' or, in each case, their negative or other variations or comparable terminology. Forward-looking statements are not guarantees of future performance. By their very nature forward-looking statements are inherently unpredictable, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Many of these assumptions, risks and uncertainties relate to factors that are beyond the Group's ability to control or estimate precisely. There are a number of such factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, changes in the political conditions, economies and markets in which the Group operates; changes in the legal, regulatory and competition frameworks in which the Group operates; changes in the markets from which the Group raises finance; the impact of legal or other proceedings against or which affect the Group; changes in accounting practices and interpretation of accounting standards under IFRS, and changes in interest and exchange rates.

Any forward-looking statements made in these full year results, the latest Annual Report or Landsec's website, or made subsequently, which are attributable to the Company or any other member of the Group, or persons acting on their behalf, are expressly qualified in their entirety by the factors referred to above. Each forward-looking statement speaks only as of the date it is made. Except as required by its legal or statutory obligations, the Company does not intend to update any forward-looking statements.

Nothing contained in these full year results, the latest Annual Report or Landsec's website should be construed as a profit forecast or an invitation to deal in the securities of the Company.

Chief Executive's statement

Further improvement in EPS outlook driven by strong income growth

Just over six months ago we launched our updated strategy, focused on delivering sustainable income and EPS growth, both in the near term as well as for the longer term. We have made good early progress on the key objectives which underpin this strategy and our operational performance across our best-in-class portfolio continues to strengthen, with occupancy up 40bps to a near decade-high of 97.7%, like-for-like income growth increasing to 5.2%, and uplifts in rental income on relettings/renewals rising to 10%.

Customers remain firmly focused on the best space in offices and major retail destinations. Our portfolio repositioning over the last few years means we continue to benefit from this established trend. Reflecting this, we now expect growth in like-for-like net rental income for this year to be c. 4-5%, up from our initial guidance of c. 3-4%. Combined with continued progress on driving further cost efficiencies, this means we now expect EPS growth for this year to be at the top end of our c. 2-4% guidance, before the impact of the sale of QAM (-£7m), which turned future finance lease income into a cash capital receipt on sale.

As our two on-site London office projects complete in the next nine months, committed development will reduce to c. £0.2bn by mid next year. We do not intend to add meaningfully to this in the next 12-18 months, as we will prioritise acquisition opportunities in retail, and we also intend to move to a structurally lower level of capital employed in development beyond that. Although wider economic uncertainties persist, we see no signs of this impacting customer demand, so as we deliver our strategy, we now see the potential for EPRA EPS to grow to c. 62 pence by FY30. This is up from c. 60 pence and represents c. 23% growth vs FY25, reflecting higher income growth in retail, further overhead cost savings and lower capital tied up in development. Naturally, we will continue to pursue opportunities to grow this further.

For the half year, EPRA earnings rose £6m to £192m, despite the prior half year benefitting from a £4m increase in the recovery of bad and doubtful debts we had previously provided for, principally on assets where we brought management in-house. EPRA EPS was up 3.2%, or 5.2% adjusted for this £4m prior year benefit, and our dividend is up 2.2%. ERVs were up 2.5% for the six months, with leasing 11% ahead of ERV, and asset values were stable (-0.1%). IFRS profit before tax of £98m was impacted by a £67m loss on the sale of £644m of assets which generated little or no return, which meant NTA per share was down slightly at -1.3%. Our capital base remains robust, with a net debt/EBITDA of 8.6x and 38.9% pro-forma LTV. This remains a key priority for us and will strengthen further as our income continues to grow and our development exposure reduces. Reflecting this, we now target net debt/EBITDA of below 7x within the next two years and we expect LTV to reduce to below 35% over time.

Table 1: Highlights

	Sep 2025	Sep 2024	Change %
Net rental income (£m) ⁽¹⁾	284	269	5.6
EPRA earnings (£m) ⁽¹⁾	192	186	3.2
IFRS profit before tax (£m)	98	243	(59.7)
Total return on equity (%)	1.2	3.9	(2.7)
EPRA earnings per share (pence) ⁽¹⁾	25.8	25.0	3.2
Dividend per share (pence)	19.0	18.6	2.2
	Sep 2025	Mar 2025	Change %
Combined portfolio (£m) ⁽¹⁾⁽³⁾	10,778	10,880	(0.9)
EPRA Net Tangible Assets per share (pence) ⁽¹⁾	863	874	(1.3)
Adjusted net debt (£m) ⁽¹⁾	4,375	4,304	1.6
Group LTV ratio (%) ⁽¹⁾	40.3	39.3	1.0

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information in the Financial Review.
2. Includes owner-occupied property and non-current assets held-for-sale.

Good progress on key objectives underpinning our strategy

The overarching objective of the strategy we set out in February is to deliver sustainable growth in income and EPS, both in the near term and long run, as it is clear that over time, income growth is the main driver of value growth in both real estate and equity markets.

To deliver this strategy, we set out nine key objectives – five for the short to medium term (i.e. the next 1-3 years) and four for the medium to long term (i.e. the next 2-5 years). The distinction between these two timeframes is deliberate, as this distinguishes between what will drive EPS growth in the near term vs our objectives in terms of capital allocation that are expected to underpin growth in income and EPS in the long term. Six months in, momentum on each of our objectives is positive and we expect this to continue in the second half.

In the near term, most of our EPS growth will be driven by our existing platform and the assets we own today. This is what our first five objectives are built on and where we are on track, or ahead of plan:

- We continue to capture the growing reversion in our office/retail portfolio, with uplifts on relettings and renewals up to 10% and growth in like-for-like net rental income up to 5.2%;
- We have reduced overhead costs by 6% and, with increased savings, now target overhead costs in the low £60m's by FY27 versus less than £65m previously, marking a c. 15% reduction vs FY25;
- We have released £72m of capital from pre-development assets which had a modest negative impact on NTA, but adds 1.0% to EPS on an annualised basis, and we expect to deliver half of our three-year target to release £0.3bn of capital from this during the current financial year;
- We have exited a third of our retail and leisure parks, which reduces annualised EPS by 1.0% but released £261m of capital from assets which generated no real like-for-like income growth, whilst the income yield we sold at was c. 100-150bps lower than income returns for major retail destinations;
- Growing our retail platform by a further £1bn remains our highest conviction call, as we have now fully integrated our recent £0.5bn Liverpool One acquisition and materially outperformed our underwrite assumptions, with clear signs of more acquisition opportunities becoming available in the near future.

As our existing portfolio and platform are well placed to drive EPS growth in the near term, our decisions on development and capital recycling are about making sure that in 3-5 years' time, our asset mix is such that we are still as confident about the income growth prospects of our portfolio at that point, as we are about our current portfolio today. This is what our four longer-term objectives are built on:

- Our aim to deliver low to mid-single digit like-for-like income growth p.a. is further underpinned by the new target for 4.5-7% CAGR in retail income we set out at our capital markets event in September;
- We plan to release £2bn of capital employed from offices over the next 2-5 years and have so far sold £295m ahead of schedule. The sale of QAM effectively converted the residual finance lease income on this asset into a capital receipt but aside from this, the impact on EPS is broadly neutral;
- We are well on track to reduce office-led development by over 50%, as development commitments are set to come down from £1.1bn to c. £0.2bn by mid-2026. We do not expect to commit any meaningful further balance sheet capital to this in the next 12-18 months and intend to maintain a structurally lower level of development commitments thereafter, although we are seeing clear opportunities to leverage our expertise by working with third party capital;
- We have made further early-stage progress towards our medium-term objective of establishing a £2bn+ residential platform, with a resolution to grant detailed planning consent for the first 879 homes at Mayfield and part outline/part detailed consent for our 2,800-home masterplan in Lewisham since the summer, whilst public sector policy is becoming more supportive, which helps improve viability.

Clear near-term priorities in terms of capital allocation

As we execute our strategy, we maintain a clear framework for our capital allocation decisions. Alongside our views on risk, this is based on how our investments contribute to income and EPS growth in the near term, plus how they impact our portfolio mix such that this growth can be sustained in the medium to longer term. Naturally, we prioritise investments that deliver on both objectives. Beyond that, there is a balance between these two factors – near term EPS growth and impact on our desired portfolio mix – but our decisions will always seek to enhance at least one of these, without distracting from the other.

This framework underpins our conviction in our aim to grow our investment in retail by a further £1bn, given its high income return and the attractive income growth in the best locations. Not all of the retail assets we expect to see coming to market in the near future will meet our criteria, but for the next 12-18 months, this is our main priority. To facilitate this, we plan to recycle further capital out of offices, where investment activity is picking up. We will remain pragmatic about book values in doing so, as the upside to EPS from a c. 200bps pick-up in income return and higher like-for-like income growth is meaningful.

At present, we believe returns for office and residential development are less attractive than investment in retail. As such, we do not plan to commit any meaningful balance sheet capital to new development in the next 12-18 months, although the considerations behind this are different for office than residential.

For office development, we believe returns do not offer sufficient upside relative to the returns we expect on our high-quality existing office assets. Whilst more favourable rental growth or yield shift could improve development returns, we would also benefit from such market trends via our existing £7bn office portfolio. Taking into account the different levels of risk, this means we see little upside in selling these high-quality existing offices to fund the development of new ones using our own balance sheet, although we do see the potential to leverage our platform and expertise in this space by working with third party capital.

The position on residential development is more nuanced, partly as investing in this would shift our asset mix towards the higher income growth and lower cyclicalities we are aiming for in the long run. We have a sizeable, deliverable pipeline of 9,000 homes across four projects in areas with a clear need for more housing. Construction could commence here in 2027, taking into account detailed design works, Building Safety Act approvals, and other preparation. Whilst returns are currently insufficient, positive shifts in public sector policy such as the recently announced reduction in affordable housing requirements and Community Infrastructure Levy in London are helpful and could add c. 50-75bps to current net yields on cost of c. 5.0%. Our focus is on securing these policy benefits which could lead to an improved outlook for residential development returns in 12-18 months, but for now capex spend will be very limited.

Regardless of sector mix, having large amounts of capital tied up in development for prolonged periods has a negative impact on our risk-profile and EPS growth, so we plan to move to a structurally lower level of development exposure in the future. Part of this is reflected in our objective to release half of our c. £0.7bn capital employed in pre-development assets, but we also plan to keep our own exposure to committed development closer to about half of the c. £1bn it has been over the last five years via a combination of lower activity levels and working with capital partners on certain projects.

This means that our balance sheet will have a greater proportion of income generating investments in the future. This supports our objective to grow EPS in a sustainable way but also means that our net debt/EBITDA measure of leverage will improve, as we have less capital tied up in low or non-yielding assets. As a consequence, we now target net debt/EBITDA of below 7x within the next two years, down from a previous target of below 8x, and we expect our LTV to reduce to below 35% over time.



As part of our capital allocation framework, we also continue to monitor the option of deploying capital in our own shares, from both a near-term and longer term perspective. Based on this framework, we judge investment opportunities in major retail to be more attractive at present and we would also prioritise our commitment to maintaining a strong capital base. This option will, however, remain part of our capital allocation decision framework going forward.

Raising near term EPS guidance and medium-term EPS potential

Driven by the focus and dedication of our highly talented teams across our best-in-class platforms, the operational performance across our office and retail portfolio remains market-leading. As such, we are making good early progress on the key objectives underpinning our focus on delivering sustainable income and EPS growth.

Following the 3.2% growth for the first half, we now expect EPRA EPS growth this year to be at the top end of our initial c. 2-4% guidance, before the impact from the sale of QAM we announced in August. The sale of this 1970's office block releases £245m of capital which effectively generated zero total return, as the asset value reduces in line with the receipt of every remaining rent payment, until the building is vacated at the end of 2028. As part of the sale, we will now receive the residual finance lease income which runs until December 2026 as a capital receipt upon completion of the sale next month, rather than as income across 2025 and 2026. The overall amount of cash we receive is essentially the same, but this will impact reported earnings for FY26 by £7m and for FY27 by £15m. EPS for FY28 onwards is largely unaffected by the disposal.

For FY27, the trajectory of EPS growth will depend on the pace of lease-up of our current London office projects. Between the end of September and next summer we have 840,000 sq ft of projects completing, including our Myo Kings Cross refurbishment (last month), and our developments at Timber Square (March) and Thirty High (June). Combined, these have a net effective rental value of c. £58m with c. £43m of related incremental annual interest cost. Based on the positive levels of engagement with prospective customers we are seeing, we assume that our two main projects will be on average c. 40% let by the time they complete and all space will fully lease-up in around twelve months post completion.

Combined with continued like-for-like income growth, a reduction of capital tied-up in low-yielding assets, and further overhead cost savings, this means that on this basis we would expect FY27 EPS growth to be broadly similar to the growth we expect for FY26, again before the impact of the sale of the QAM (-£15m), as we will now receive the residual finance lease income that was due next year as upfront cash upon completion of the sale next month.

Earlier this year, we set out the potential for EPRA EPS to grow from 50.3 pence for FY25 to c. 60 pence by FY30, which included the assumed loss of income on QAM. Since then, we set out how we target to grow income across our existing retail platform by 4.5-7% pa at our Capital Markets Event in September, which included a 1-2% contribution from capex investments in smaller projects. At the mid-point of this range, and combined with the lower level of development we are planning for and our increased target for overhead cost savings, we now see the potential for EPS to grow to c. 62 pence by FY30.

We will continue to explore opportunities to further improve this, yet this EPS growth potential is mostly driven by lower overhead costs; capturing the growing reversion in our existing office/retail portfolio; leasing our upcoming office development completions; recycling capital to fund a further £1bn investment in major retail destinations; and reducing our capital employed in lower/non-yielding assets. This implies a c. 4-4.5% CAGR in EPS over FY25-30 and supports continued growth in dividends. It includes very little upside from recycling capital from offices into residential, as the benefit from building a residential platform is mostly set to come through in the form of higher, less volatile income growth beyond FY30.



Outlook

Our strong progress on delivering our strategy means the outlook for our high-quality portfolio remains firmly positive, both in the near term and medium to longer term.

In retail, close to 90% of our assets sit in the top 1% of retail destinations in the UK which provide brands with access to c. 30% of all in-store retail spend. Sales growth in our locations continues to materially outperform the national average, so as a result, these remain the destinations brands are focused on in terms of investing in fewer, bigger, better stores. As new supply of these destinations is zero and occupancy across our existing portfolio is nearing 97%, we now target c. 4.5-7% CAGR in net income through a combination of capturing reversion, turnover growth, commercialisation and targeted capex.

In office, utilisation across our portfolio continues to grow and our successful asset management means our portfolio is now 99% full. Across the wider London market some businesses which downsized space requirements post Covid are now reversing these decisions and as, in the near future, new development supply remains relatively modest, rental values across our portfolio continue to grow. Capturing this in like-for-like income growth is reliant on lease events and will therefore be more balanced over time than it has been over the past six months, yet our attractive 12% reversionary potential continues to support a positive like-for-like rental growth outlook.

As our high-quality office and retail assets make up 91% of our overall income, the outlook for income growth remains firmly positive. In the medium term, our substantial 9,000-home residential pipeline can add further to the attractions of this growing income profile given the strong structural growth prospects, as policy is becoming more supportive and helping to improve development viability.

It has never been more important to own the right real estate. Although we are mindful that macro-economic challenges remain a risk, the trends which have supported our positive operational performance to date remain very much intact. We have had an active half year in terms of capital recycling, with £644m of disposals, and we expect to see continued momentum in capital recycling in the second half, as we pursue our overarching objective of delivering sustainable income and EPS growth. We will remain pragmatic about book values in doing so, as our principal focus is on ensuring our NTA delivers growing cashflows, growing earnings and growing dividends.

As we continue our journey to a higher income, higher income growth, and lower cyclicity business, and we continue to strengthen our robust capital base, delivering our strategy will unlock significant shareholder value.

Operating and portfolio review

Overview

We have created a high-quality, urban real estate portfolio which produces £656m of annualised rental income and offers potential for material income growth. This combined portfolio was valued at £10.8bn as of September and comprises the following segments:

- Office-led places (52% of income): our well-connected, high-quality office-led portfolio, which includes ancillary retail and other commercial space, principally focused on multi-let assets in a small number of key areas in the West End (63%), City & Southwark (29%) and Greater Manchester (8%).
- Retail-led destinations (39% of income): our investments in a select number of shopping centres and retail outlets, close to 90% of which sit in the top 1% highest selling retail destinations in the UK.
- Residential-led places (2% of income): our investments in four key development projects in London and Greater Manchester, two of which still have a meanwhile use as retail, with planning consent or allocation for c. 9,000 new homes.
- Other assets (7% of income): assets in sectors where we have limited scale or competitive advantage and which we therefore plan to divest over time, principally comprising retail and leisure parks.

Driving sustainable income growth

Our primary focus is delivering sustainable income and EPS growth. In the long run, valuation yields of real estate assets and P/E multiples in equity markets are both broadly stable, so delivering sustainable income and EPS growth will, over time, result in an attractive return on equity for shareholders.

In the near term, most of our income growth will be driven by the assets we already own today. Given our active portfolio repositioning and the investments in our platform in recent years, the outlook for this remains positive. Our capital allocation decisions from here are about ensuring our income growth prospects in 3-5 years are as attractive as they are for our current portfolio today.

We have delivered another set of strong operational results. Like-for-like net rental income was up 5.2%, with strong growth in both offices and retail. Occupancy increased 40bps on a like-for-like basis to a high 97.7% and we secured rental uplifts of 9% on relettings/renewals across the two main parts of our portfolio during the period, up from 8% over the prior year. Overall ERVs increased 2.5% over the past six months, which underpins our future income growth potential. On a like-for-like basis, our gross to net margin was up 1.3ppt due to our continued focus on cost efficiencies. Given our strong leasing pipeline, we expect the positive momentum across these key metrics to be sustained in the second half.

Table 2: Like-for-like income growth

	Net rental income £m	LFL net rental income growth %	LFL occupancy change ppt	Gross to net margin %	LFL change in GtN margin ppt
Office-led	151	6.8	0.5	91.6	1.2
Retail-led	103	5.0	0.0	81.7	1.7
Residential-led	4	nm	(1.7)	nm	nm
Other assets	26	(2.2)	(1.2)	96.3	1.6
Total Combined Portfolio	284	5.2	0.4	87.7	1.3

Office-led places (52% of income)

Demand for high-quality office space in locations which offer the right amenities and transport connectivity remains strong. This is not just limited to brand-new buildings, as some businesses are becoming more conscious of the cost of record rents for newly developed space, especially as the additional costs of fitting out this space have jumped over 50% over the past four years. As location and access to interesting amenities remain key to attract the right talent, we continue to see the growing demand for high-quality existing assets translate into meaningful rental growth.

We continue to invest in our places and have seen last year's investments in the public realm at Cardinal Place, Victoria support a significant step up in rental levels, with some of our successful recent lettings nearing £100 per square foot. As such, our 2.3m sq ft Victoria estate is now 100% full. We are seeing similar early benefits from our approach at MediaCity, in Greater Manchester, where we have seen a marked turnaround in performance since we took full control of the estate a year ago, reflected in improved leasing and reduced cost, reflecting the benefits from our operating platform.

Driven by the strong performance of our portfolio, operations and leasing teams, our occupancy remains market-leading, with like-for-like occupancy up 50bps since March to 98.8%, significantly outperforming the wider London office market at 92.1%. We completed 29 lettings and renewals during the half year, totalling £13m of rent, on average 10% ahead of ERV, with a further £6m of lettings in solicitors' hands, 5% above ERV. Uplifts on relettings/renewals during the period were 7%, so alongside operating cost savings and growth in Myo income, this supported 6.8% LFL rental income growth. ERVs were up 3.1% so our reversionary potential now stands at 12%. This means we expect to see continued growth in LFL rental income in the next few years, albeit at more normalised levels than the past six months, due to the greater reliance on lease events to capture reversion now that our portfolio is effectively full.

Last month we opened our seventh Myo flex office, located next to Kings Cross station, where we are just under 50% let, under offer or in active negotiations, with a strong pipeline of further enquiries. Occupancy across our stabilised Myo portfolio is 85%, with a further 2% under offer and rents achieved in line with budget. In total, Myo now makes up 4% of our income in our office-led business.

Retail-led places (39% of income)

The top 1% of all UK shopping destinations provide access to c. 30% of the country's in-store, non-food retail spend, offering brands higher sales densities and productivity than other formats. Close to 90% of our retail assets sit in this top 1%, which underpins their continued outperformance. Total sales across our portfolio were up 7.7% vs the prior period, with footfall up 4.5% - both materially ahead of the BRC benchmarks of 1.5% and 0.9% respectively.

Since FY22, sales growth across our portfolio has outperformed the UK national average by a cumulative 16ppt. In addition, with annual footfall of 152 million and a consumer reach of one in four people in the UK, we provide brands with access to more footfall and a larger consumer reach than any other retail platform in the UK. Supported by the unique data and insights this offers us, we continue to invest in creating the best experience, creating a virtuous circle of growing footfall driving higher sales, which in turn attract the best brands, which then attract more footfall, and so on.

Examples of this are Sephora, where we have realised four of their six new store openings in the UK over the past twelve months, and Inditex who by the end of this year are expected to have signed twelve new stores with us over the past three years. At the same time, we are also continuing to enhance the F&B and leisure offer to add further to the overall consumer experience and increase footfall and dwell time.

All this translates into strong growth in income. Like-for-like occupancy remained stable at 96.7% since March but was up 50bps vs September last year and we expect this to increase further in the second half.

We signed 105 leases totalling £14m of rent on average 11% above ERV, which drove 2.2% ERV growth over six months. Relettings and renewals for the half year were 11% above previous passing rent, up from 7% for FY25 and 3% for the half year to September 2024. This has risen further to 14% for deals in solicitors hands, underlining the growing reversionary potential in our portfolio. As a result, like-for-like net rental income increased 5.0%.

Looking ahead, we have a strong leasing pipeline, with £18m of lettings in solicitors' hands on average 9% ahead of ERV. Our existing assets are nearly full and new supply is non-existent, so we recently set out a target to deliver 4.5-7% CAGR in income across our existing retail platform over the next five years. This reflects a combination of capturing the growing reversion across our portfolio and growth in turnover income (3-4%), growth in commercialisation income such as digital media, events and EV charging (0.5-1%) and the investment of up to c. £200m in smaller accretive capex projects (1-2%).

Residential-led places (2% of income)

At present, the income in this part of our portfolio solely reflects the current income on our retail assets at Finchley Road and Lewisham, which are managed with a view on maintaining development optionality for future residential development. Overall, net income across these assets was broadly stable at £4m.

Other assets (7% of income)

Having sold the majority of our retail parks during the half year, LFL occupancy across our residual retail and leisure parks was down 120bps to 97.3% and, reflecting this, like-for-like income for the period was down 2.2%. However, following a number of challenging years for the cinema industry, the prospects for this sector are improving, which should underpin the income outlook for our remaining assets.

Table 3: Operational performance

	Annualised rental income £m	Net estimated rental value £m	EPRA occupancy ⁽¹⁾ %	LFL occupancy change ⁽¹⁾ ppt	WAULT ⁽¹⁾ Years
West End offices	166	205	100.0	0.9	5.7
City/Southwark offices	89	105	98.6	1.7	7.6
Manchester offices	25	29	95.7	2.3	4.7
Retail and other	62	57	96.7	(0.6)	5.7
Developments	-	87	n/a	n/a	n/a
Total Office-led	342	483	98.8	0.5	6.0
Shopping centres	204	206	96.3	(0.2)	4.8
Outlets	49	53	98.5	1.1	2.9
Total Retail-led	253	259	96.7	0.0	4.4
Developments	12	26	86.4	(1.7)	6.9
Total Residential-led	12	26	86.4	(1.7)	6.9
Retail and leisure parks	49	49	97.3	(1.2)	8.6
Total Other assets	49	49	97.3	(1.2)	8.6
Total Combined Portfolio	656	817	97.7	0.4	5.6

1. Excluding developments.

Acquisitions

Following £720m of acquisitions in the prior year, we only made £32m of acquisitions during the half year. Our principal new investment was an increase in our stake in Liverpool ONE from 93.7% to 96.5% at a cost of £15m. Since the period-end, we spent £48m on a small, newly developed office in Oval we agreed to forward-purchase in the summer of 2021, with a further £10m consideration deferred for up to 24 months. This has an ERV of £4m and we are seeing positive engagement with prospective customers looking for a high-quality building in a more affordable location.



Disposals

We have had an active period in terms of capital recycling, with the disposal of £644m of assets since March. £370m of this completed during the half year and £29m since the period end, with a further £245m unconditionally exchanged and expected to complete in early December.

Our principal disposal is the sale of Queen Anne's Mansions (QAM) for £245m, which is set to complete next month. This Victoria office block was developed by Landsec in the 1970's and has been fully let to the Government since, yet they now intend to vacate the property once their lease expires in December 2028. Given its age, the majority of the valuation of the asset is linked to its future redevelopment potential, with the balance of value stepping down in line with the receipt of rental income over the remainder of the current lease, hence the asset generates a c. 0% total return.

We also sold four retail parks, with total proceeds of £261m. Whilst the 6.4% net rental income yield was reasonable, it is c. 100-150bps below major retail destinations and LFL income growth is far lower. In line with our objective to reduce our £0.7bn exposure to pre-development assets by half over three years, we also sold two pre-development sites for £72m which generated a net income yield of -0.4%. In addition, we sold a small City office for £50m, reflecting a net rental income yield of 5.1%.

In total, our disposals release £644m of capital from assets which generated limited or no return at a cost to overall NTA of 1.0%. The residual finance lease income on QAM which would have been received as income over FY25 and FY26 will now be received as a cash capital receipt on sale, but aside from this, the overall impact of these disposals is effectively neutral in terms of EPS. With investment activity in London picking up, we expect further progress in terms of capital recycling in the second half.

Development and investments in existing assets

During the half year, we invested £244m in capex, including £118m for our on-site projects in Victoria, Southwark and Manchester, £19m for repositioning traditional office space to MYO flex space, and £23m in pre-development assets. As we are well underway to reduce our capital employed in pre-development assets by half and capex on future residential projects will be tightly controlled pending progress on securing public sector support, pre-development capex is set to reduce in the future. We invested £83m in our existing portfolio, including £35m for smaller projects, leasing and maintenance across our retail portfolio, and £43m across our office portfolio, including £14m for our net zero investment programme.

Current projects

Of our two main on-site office developments, Timber Square is on track to complete by March 2026. At Thirty High, we have seen a few months delay to the programme, so completion is now expected to be around June 2026. Whilst much smaller, last month we also opened our new 82,000 sq ft Myo flex office location at Kings Cross following the repositioning of the existing asset and we completed the acquisition of a newly built 76,000 sq ft office in Oval we agreed to forward purchase in 2021.

Combined, these assets comprise 840,000 sq ft of new, highly sustainable office space, focused on locations with great transport connectivity and attractive amenities. Once fully let, they are expected to produce c. £58m of rental income on a net effective basis, with associated incremental annual interest expense of £43m post completion. All our projects are designed to be multi-let, which means we assume the majority of leasing to happen after completion in our underwrites.

Attracted by the high quality of our product, we are seeing good customer engagement, especially for the nearer term completions. At Timber Square and Oval, we have negotiations, incoming RFPs or other active engagements covering over 110% of the space available. Not all of this will convert into lettings,

but we expect to see some meaningful progress on leasing in the next six months. The pipeline at Myo Kings Cross is even larger, consistent with the flex offer, and we already have close to 50% let, under offer, or in active negotiations. As the completion of Thirty High is still c. 9 months away, we expect to see pre-let activity here to start in the new year.

Clearly, our FY27 earnings are sensitive to the exact pace at which lettings come through. Based on current activity, we assume our two main projects to be on average c. 40% let by the time they complete and all space to fully lease up in around twelve months post completion. By way of sensitivity, for each 10ppt variance in leasing assumptions across the year, the impact on FY27 EPS would be c. 0.9 pence.

Beyond these near-term projects, we recently commenced the development of a £152m office at Mayfield, Manchester, which unlocks the potential residential development in subsequent phases. Office demand in Manchester is strong, with take-up in the first half of 2025 32% above the five-year average. This first office phase is expected to complete in early 2028 and with an expected gross yield on cost of 7.9%, will add £2m to earnings once fully let based on current interest rates. As supply of new office space in Manchester is limited, we are already seeing positive early engagement with prospective customers significantly ahead of the 2028 completion.

We are also on site with a number of smaller projects in retail, such as the extension of Primark's store at White Rose, Leeds to double its footprint; repositioning the former House of Fraser department store at Bluewater for a new 133,000 sq ft Next store; and the creation of a new social eating destination at Trinity, Leeds. Combined capex for this is £43m, with a highly accretive yield on cost of c. 10%.

Table 4: Committed pipeline

Project	Sector	Size sq ft '000	Estimated completion date	ERV £m	Market value £m	Costs to complete £m	TDC £m	Gross yield on TDC %
Thirty High, SW1	Office	299	Q1 FY27	30	383	69	420	7.1%
Timber Square, SE1	Office	383	Q4 FY26	31	354	72	446	7.0%
Republic, Manchester	Office	244	Q4 FY28	12	24	119	152	7.9%
Various projects	Retail	292	Various	4	N/A	30	43	9.8%
Total		1,218		77		290	1,061	7.3%

Potential future pipeline

As part of our aim to invest a further £1bn into major retail destinations over the next 1-3 years, we are planning various highly accretive smaller capex investments in our existing retail assets. These include amongst others the repositioning of Buchanan Galleries in Glasgow; the creation of new social eating concepts in Liverpool and Cardiff; creating an upgraded dining area in Bluewater; and a new waterfront F&B offer at Gunwharf Quays. Individual projects are typically around £10-15m, with potential overall spend of c. £40m p.a. over the next few years, which is expected to deliver a 10%+ yield on cost.

Our success in planning in recent years meant we started the year with more potential future large-scale development projects than we had the balance sheet capacity and risk appetite for. All in all, we had c. £700m of capital employed in these pre-development assets as of March, but with an income yield of c. 1%, there is significant holding cost to maintaining optionality on this for an extended period. As such, we set out to reduce our capital employed in this area by half over the next three years. Since the start of the year, we have already sold two sites in Southwark, which released £72m of capital, and we expect to release further capital in the second half of the year. This will be immediately EPS accretive and improve our overall return on equity, reflecting the reduction in capitalised pre-development costs.

Post the completion of our two on-site London office schemes, our committed development activity will come down from c. £1bn to c. £0.2bn by mid-2026. At present, we believe returns for new office and



residential development are less attractive than new acquisitions of major retail destinations, so we do not plan to commit any meaningful balance sheet capital to new development in the next 12-18 months.

The considerations behind this are different for office than residential. We set out in May that we would not start any new speculative London office projects before we had secured the majority of the £61m ERV on our on-site schemes in Victoria and Southwark. We are seeing good interest in this, yet at this stage returns on new office developments do not offer sufficient upside vs the returns we expect on our high-quality existing office portfolio. This means we see little upside in selling existing office assets to fund the development of new offices ourselves, although we do see the potential to leverage our platform and long-standing expertise in this space by bringing projects forward with third party capital.

The position on residential development is more nuanced, in part as investing in this would shift our portfolio mix towards the higher income growth and lower cyclicity we are aiming for in the long term. During the half year, we secured a resolution to grant detailed planning consent for the first phase of 879 homes at Mayfield, adjacent to Manchester's main train station, and since the period-end, we secured a resolution to grant a part outline and part detailed planning consent for our 2,800 homes scheme in Lewisham, south-east London. This comes in addition to the existing outline and part detailed planning consent for 1,800 homes at Finchley Road, north London and our site at MediaCity, Greater Manchester which has an allocation for 2,700 homes.

This means that in total we now have four projects which combined could deliver 9,000 homes over the next decade. Each of these benefit from strong transport connections, scale, and a demonstrable need for more housing. We could see first starts on site in 2027, taking into account detailed design works, Building Safety Act approvals, and site preparation. However, returns currently are not at sufficient levels which is an issue across the wider market, as highlighted by the fact that new housing starts in London fell to 3,248 over the first nine months of 2025, which is down c. 75% over the last three years.

Encouragingly, public sector policy is beginning to shift in a positive direction, for example with the recent announcement in London around a reduction in affordable housing requirements from 35% to 20%, a 50% reduction in the Community Infrastructure Levy, and less onerous design requirements. These measures are supportive and could potentially add c. 50-75bps to current net yields on cost of c. 5.0%. Our focus is on securing these, and other policy benefits elsewhere, which could lead to an improved outlook for residential development returns in 12-18 months, but in the meantime capex spend will be very limited.

Regardless of sector mix, having large amounts of capital tied up in development for prolonged periods has a negative impact on our risk-profile and EPS growth, so we plan to move to a structurally lower level of development exposure in the future. Part of this is reflected in our objective to release half of our c. £0.7bn capital employed in pre-development assets, but we also plan to keep our own exposure to committed development closer to about half of the c. £1bn it has been over the last five years via a combination of lower activity levels and working with capital partners on certain projects.

Table 5: Pre-development assets

Project	Current capital employed £m	Proposed sq ft '000	Proposed new homes	Indicative TDC £bn	Potential start date	Planning status
Office-led						
Old Broad Street, EC2					2026	Consented
Liberty of Southwark, SE1					2026	Consented
Hill House, EC4					2026	Consented
Nova Place, SW1					2027	Consented
Timber Square Phase 2, SE1					2027	Consented
Total	c. 290	1,350		1.9		
Residential-led¹						
Mayfield, Manchester			1,700	0.9	2027	Consented
Finchley Road, NW3			1,800	1.2	2027	Consented
Lewisham, SE13			2,800	1.5	2027	Consented
MediaCity Phase 2, Salford			2,700	n/m	n/m	Design
Total	c. 270		9,000	3.6		
Other opportunities	c. 90	n/m	n/m			Various

1. Indicative figures given multi-phased nature of schemes; subject to change depending on final scope, planning and design.

External portfolio valuation

Successfully delivering on our objective to drive sustainable income growth over time will underpin growth in property values in the long run, even though in the short term valuations will be affected by changes in valuation yields. Yields were stable over the six months and our strong leasing activity drove 2.5% ERV growth, although the upside of this in terms of the external valuation of our portfolio was offset by a small number of specific factors in our office-led portfolio, so overall values were effectively stable at -0.1%.

Our office portfolio was down 1.0%, as the upside from 3.1% growth in ERVs was offset by a small rise in valuation yields, plus the depreciation in value of QAM and the impact of an increase in business rates at Piccadilly Lights compared to the last review in 2021. The latter two resulted in a -0.8% overall office-led value change but neither will be a continuing factor. Within office, development values were down 1.7%, reflecting some yield softening and a shortfall vs book value on a disposal which completed post the period-end. The valuation of our retail-led portfolio was up 2.3%, with 2.2% ERV growth and valuation yields down marginally. The valuation of our future residential developments and our residual retail and leisure parks was both broadly stable, at +0.6% and -0.5% respectively.

We are seeing a steady pick-up in investment activity in London and major retail, both of which continue to see growing investor interest. Rents for the best assets continue to grow, which means yields for such assets look attractive in a historical context. Credit markets remain supportive, although the pace at which momentum continues to improve from here will likely remain reliant on the outlook for long-term interest rates. As customer demand remains robust, we continue to expect that ERVs for offices and retail will grow by a broadly similar rate as the 4-5% growth they saw last year.

Table 6: Valuation overview

	Market value £m	Surplus / (Deficit) £m	Valuation change %	LFL rental value change ⁽¹⁾ %	Net initial yield %	Topped up net initial yield %	Equivalent yield %	LFL equivalent yield change bps
West End offices ³	3,087	(52)	(1.7)	2.7	4.7	5.9	5.6	20
City offices	1,450	17	1.2	2.9	4.0	5.5	6.2	8
Manchester offices	262	2	0.9	2.6	6.9	6.9	8.5	21
Retail and other ²	1,129	(15)	(1.4)	4.7	4.4	4.6	5.0	(11)
Developments ³	1,171	(20)	(1.7)	n/a	0.0	0.0	5.6	n/a
Total Office-led	7,099	(68)	(1.0)	3.1	4.6	5.6	5.8	12
Shopping centres	2,206	48	2.3	2.2	7.3	7.9	7.8	(2)
Outlets	646	14	2.3	2.1	6.1	6.5	6.8	(11)
Total Retail-led	2,852	62	2.3	2.2	7.0	7.6	7.5	(4)
Developments	298	2	0.6	0.8	4.0	4.0	6.7	(4)
Total Residential-led	298	2	0.6	0.8	4.0	4.0	6.7	(4)
Retail and leisure parks	529	(2)	(0.5)	0.0	7.7	7.9	8.3	(6)
Total Other assets	529	(2)	(0.5)	0.0	7.7	7.9	8.3	(6)
Total Combined Portfolio	10,778	(6)	(0.1)	2.5	5.5	6.3	6.4	3

1. Rental value change excludes units materially altered during the period.

2. Includes owner-occupied property.

3. Includes non-current assets held-for-sale.

Growing in a sustainable way

As we grow income and EPS, it is important our growth is sustainable in all aspects. We target to reduce direct and indirect greenhouse gas emissions by 47% by 2030 vs 2019/20, including all of our Scope 1, 2 and 3 emissions, and reach net zero by 2040. So far, we have reduced our emissions by 33% vs our 2019/20 baseline. We also target to reduce energy intensity by 52% by 2030 vs 2019/20 and remain on track for this, with a 25% reduction vs this baseline so far.

In 2021, we set out a net zero transition investment plan to ensure all our assets would meet a Minimum Energy Efficiency Standard of EPC 'B' by 2030. The cost of this is reflected in our valuations and having finished the first retro-fit of air source heat pumps last year, we are on track to complete the retro-fit of further air source heat pumps at Palace Street and One New Change this year. Including disposals post the period-end, 58% of our portfolio is now rated EPC 'B' or higher, up from 56% in March.

Our pipeline of future developments is tracking a 39% reduction in embodied carbon vs a typical development, but there is a limit to how much of a further reduction is economically achievable. Whilst there is clear evidence that energy efficiency is valuable to customers and investors, there is little evidence customers or investors are willing to pay a premium for buildings with less embodied carbon.

Finally, through our Landsec Futures programme, we continue to improve social mobility in real estate and tackle issues local to our assets. To date, this has created career pathways for 22 interns and supported 14 real estate bursaries. From our 2019/20 baseline, we have so far created £128m of social value and empowered 17,206 people towards the world of work.

Financial review

Overview

Our primary focus is to deliver sustainable income and EPS growth. We delivered good performance on this for the half year, as our strong operational results, with growth in like-for-like net rental income of 5.2%, and our continued focus on efficiency improvements resulted in 3.2% growth in EPRA EPS. At the same time, we have recycled £644m of capital out of assets which generated little or no return, improving our future return prospects and further supporting our strong capital base.

Customer demand for our best-in-class space remains robust, reflected in a 40bps rise in occupancy to 97.7% and 10% rental uplifts on relettings and renewals. Growth in like-for-like net rent was ahead of our c. 3-4% guidance for the year, resulting in a £12m increase in income, and overhead costs were down £2m, or 6%. This was partly offset by the fact that the prior half year benefitted from a £4m increase in the recovery of bad and doubtful debt provisions, principally driven by the recovery of outstanding debts on assets where we had brought management in house, yet overall, EPRA earnings were up £6m to £192m. The resulting 3.2% increase in EPRA EPS to 25.8 pence supported 2.2% growth in our interim dividend to 19.0 pence, comfortably in line with our policy of a 1.2-1.3x dividend cover on an annual basis.

Our successful leasing drove 2.5% ERV growth, which further enhances our income growth potential, as the external valuation of our portfolio was effectively stable, at -0.1%. The shortfall vs book value on the sale of £644m of low-returning assets meant IFRS profit before tax was £98m and led to a slight 1.3% reduction in NTA per share, which means our return on equity over the six-month period was 1.2%.

We expect EPRA EPS for the full year to be at the top end of our c. 2-4% guidance, before the impact of the sale of the QAM finance lease income (-£7m), which brought forward the receipt of this income to a capital receipt on sale. For FY27, the exact progress in terms of EPS will depend on the pace of leasing our current developments, but based on the positive engagement so far, we would currently expect EPS growth to be broadly similar to FY26, again before the impact of the sale of the QAM finance lease income (-£15m). Looking further ahead, we now see the potential for EPRA EPS to grow to c. 62 pence by FY30, up from c. 60 pence previously, implying c. 4-4.5% CAGR over FY25-30.

All this remains underpinned by our clear commitment to retain a strong balance sheet. Adjusted net debt was up £71m to £4.4bn during the half year, but this reduces to £4.1bn pro-forma for our net disposal activity since the period-end. Pro-forma for these our LTV is 38.9%, whilst our current net debt / EBITDA is 8.6x. We now target net debt / EBITDA of below 7x within the next two years, down from below 8x previously, as a higher proportion of our balance sheet will become income-producing and development exposure reduces. In addition, we expect our LTV to reduce to below 35% over time. With an average debt maturity of 8.9 years, no need to refinance any debt until 2027 at the earliest and £1.1bn of cash and undrawn facilities, our capital base remains strong.

Presentation of financial information

The condensed consolidated preliminary financial information is prepared under UK adopted international accounting standards (IFRSs and IFRICs) where the Group's interests in joint ventures are shown collectively in the income statement and balance sheet, and all subsidiaries are consolidated at 100%. Internally, management reviews the Group's results on a basis that adjusts for these forms of ownership to present a proportionate share. The Combined Portfolio, with assets totalling £10.8bn, is an example of this approach, reflecting our economic interest in our properties regardless of our ownership structure.

Our key measure of underlying earnings performance is EPRA earnings, which represents the underlying financial performance of the Group's property rental business, which is our core operating activity. A full definition of EPRA earnings is given in the Glossary. This measure is based on the Best Practices Recommendations of the European Public Real Estate Association (EPRA) which are metrics widely used across the industry to aid comparability and includes our proportionate share of joint ventures' earnings. Similarly, EPRA Net Tangible Assets per share is our primary measure of net asset value. Measures presented on a proportionate basis are alternative performance measures as they are not defined under IFRS. This presentation provides additional information to stakeholders on the activities and performance of the Group, as it aggregates the results of all the Group's property interests which under IFRS are required to be presented across a number of line items in the statutory financial statements. For further details see table 14 in the Business analysis section.

Income statement

We delivered good progress on our objective to deliver sustainable income and EPS growth, as net rental income across our best-in-class portfolio was up £15m, principally driven by strong like-for-like growth. Finance expenses increased in line with the increase in average borrowings, but this was offset by a reduction in administrative expenses so EPRA earnings of £192m were £6m ahead of the prior period.

Table 7: Income statement⁽¹⁾

	Six months ended 30 September 2025					Six months ended 30 September 2024					Change £m
	Office- led £m	Retail- led £m	Residential- led £m	Other assets £m	Total £m	Office- led £m	Retail- led £m	Residential- led £m	Other assets £m	Total £m	
Gross rental income ⁽²⁾	166	126	6	27	325	158	98	7	39	302	23
Net service charge expense	-	(4)	(1)	(1)	(6)	(3)	(2)	(1)	-	(6)	-
Net direct property expenditure	(15)	(19)	(1)	(2)	(37)	(13)	(14)	(2)	(7)	(36)	(1)
Net other operating income	(1)	-	-	-	(1)	-	-	-	-	-	(1)
Movement in bad/doubtful debts provisions	1	-	-	2	3	-	5	1	3	9	(6)
Segment net rental income	151	103	4	26	284	142	87	5	35	269	15
Net administrative expenses					(32)					(34)	2
EPRA earnings before interest					252					235	17
Net finance expense					(60)					(49)	(11)
EPRA earnings					192					186	6
Capital/other items											
Valuation surplus/(deficit)					(6)					91	(97)
Loss on disposals					(55)					(10)	(45)
Impairment charges					-					(6)	6
Fair value movement on derivatives					(6)					(15)	9
Other					(28)					(2)	(26)
Profit/(loss) before tax attributable to shareholders of the parent					97					244	(147)
Non-controlling interests					1					(1)	2
Profit/(loss) before tax					98					243	(145)

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

2. Includes finance lease interest, after rents payable.

Net rental income

Our gross rental income was up £23m to £325m, principally reflecting the benefit of net acquisitions and like-for-like growth. This included £3m of surrender receipts, which was slightly below the £4m in the prior period. In line with the expectation we set out at the start of the year, the release of bad and doubtful debt provisions was down £6m, as the prior period saw a £4m increase in this figure, principally related to the recovery of outstanding debts on assets that had previously been managed externally and we had started to manage in house.

Reflecting the above, our overall net rental income was up £15m to £284m, whilst on a like-for-like basis net rental income was up £12m, or 5.2%. This was well ahead of our c. 3-4% guidance for the full year, reflecting our strong leasing, with increased occupancy, positive uplifts on relettings and renewals, and growth in turnover income. Our focus on costs meant net service charge expenses and direct property expenditure were up just £1m, even though top-line income was up £23m. Adjusted for movements in the recovery of bad and doubtful debt provisions, this meant our gross to net margin improved by 0.7ppt to 86.8%. Looking ahead, we now expect like-for-like net rental income to grow by c. 4-5% this year.

Table 8: Net rental income⁽¹⁾

	£m
Net rental income for the six months ended 30 September 2024	269
Gross rental income like-for-like movement in the period ⁽²⁾ :	
Increase in variable and turnover-based rents	5
Operational performance	3
Total like-for-like gross rental income	8
Like-for-like net service charge expense	2
Like-for-like net direct property expenditure	2
Decrease in surrender premiums received	(1)
Developments ⁽²⁾	(3)
Acquisitions since 1 April 2024 ⁽²⁾	21
Disposals since 1 April 2024 ⁽²⁾	(8)
Movement in bad/doubtful debts	(6)
Net rental income for the six months ended 30 September 2025	284

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

2. Gross rental income on a like-for-like basis and the impact of developments, acquisitions and disposals exclude surrender premiums received.

Net administrative expenses

We reduced net administrative expenses by a further £2m to £32m, as inflation was more than offset by our continued focus on managing costs. We implemented our new data and tech systems late last year, so we are now starting to see the efficiency benefits from this, alongside other organisational savings. This means we still expect net administrative expenses for the full year to be well below £70m.

Since the beginning of the year, we have identified further opportunities to improve efficiency. As such, we now target FY27 overhead costs to come down to the low £60m's, compared to our previous target of less than £65m. This marks a c. 15% reduction in costs over FY26-27 vs last year's £73m. Combined with the savings we have already realised over the past two years, this would imply a reduction of over £20m vs our £84m of administrative expenses in FY23 and equate to a cost base of less than 60bps of our portfolio value.

The reduction in net administrative expenses and improvement in gross to net margin during the half year resulted in a 0.4ppt improvement in our EPRA cost ratio to 20.4%, although we remain of the view that this is not a measure which is overly useful in its own right. Assets with long leases to a single tenant naturally have lower operating costs than more operational assets such as e.g. residential or shopping centres, yet that does not mean they deliver better income returns or higher income growth. For us, the only thing which matters is the overall net income return, as that is what drives value for shareholders.

Net finance expenses

Net interest costs increased by £11m to £60m, which principally reflects the higher level of net debt following the acquisitions of the final stake of MediaCity and Liverpool ONE in the second half of last year. We expect to reduce our net debt over the next 12-18 months due to our planned capital recycling, but as

our net debt for the first half of this year was higher than it was last year, we still expect net finance expenses for the full year to be higher than last year.

Finance expense movements in Capital/other items include the fair value movements on derivatives, caps and hedging and which is not included in EPRA earnings, decreased from a net expense of £15m in the prior period to a net expense of £6m over the last six months. This is predominantly due to the fair value movements of our interest-rate swaps over the period.

Valuation of investment properties

The independent external valuation of our Combined Portfolio was virtually unchanged, showing a marginal £6m reduction in value. Our continued strong leasing activity across our high-quality assets resulted in 2.5% ERV growth over six months, but the upside from this was partly offset by some yield softening in London. In addition, the valuation result reflected the ongoing unwind of the value of QAM, in line with the receipt of income ahead of its impending sale; the impact of an increase in business rates at Piccadilly Lights; and the shortfall vs book value on disposals completing post the period-end. The latter will be reflected as loss on disposals rather than valuation deficit in our full year results, but the impact on our IFRS profit and net assets is the same.

IFRS profit after tax

Substantially all our activity during the period was covered by UK REIT legislation, which means our tax charge for the period remained minimal. The IFRS profit after tax of £98m reflects our strong earnings performance, which was partly offset by the shortfall vs book value on a number of low-returning assets we sold since the start of the year and one-off other costs described in the section below. This compares with a prior period IFRS profit after tax of £243m, which benefitted from a valuation surplus of £91m.

Net assets and return on equity

Including dividends paid, our total return on equity for the six-month period was 1.2%, compared with 3.9% for the prior period. The main difference was due to the fact that the external valuation of our portfolio was flat over the last six months, compared to a small increase in the prior period, and that we saw a shortfall vs book value on the sale of a select number of assets which generated little or no return. The income return at NTA we generated was 2.9%, or 5.9% on an annualised basis.

After the £162m of dividends paid, EPRA Net Tangible Assets, which reflects the value of our Combined Portfolio less adjusted net debt, reduced slightly to £6,448m, or 863 pence per share. This was down 1.3% since March, principally driven by the sale of £644m of low-returning assets, which came at a cost to NTA of 1.0%. In addition, we recognised £8m of restructuring costs, wrote off £12m WIP on a potential future development opportunity and made a number of other small adjustments impacting NTA in respect of certain property provisions totalling £13m.

Table 9: Balance sheet⁽¹⁾

	30 September 2025	31 March 2025
	£m	£m
Combined Portfolio	10,778	10,880 ⁽²⁾
Adjusted net debt	(4,375)	(4,304)
Other net assets/(liabilities)	45	(46)
EPRA Net Tangible Assets	6,448	6,530
Shortfall of fair value over net investment in finance leases book value	6	8
Other intangible assets	1	2
Excess of fair value over trading properties book value	(27)	(27)
Fair value of interest-rate swaps	6	1
Net assets, excluding amounts due to non-controlling interests	6,434	6,514
Net assets per share	867p	877p
EPRA Net Tangible Assets per share (diluted)	863p	874p

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

2. Includes owner-occupied property and non-current assets held-for-sale.

Table 10: Movement in EPRA Net Tangible Assets⁽¹⁾

	£m	Diluted per share pence
EPRA Net Tangible Assets at 31 March 2025	6,530	874
EPRA earnings	192	26
Valuation deficit	(6)	(1)
Dividends	(162)	(22)
Loss on disposals	(55)	(7)
Movement in own shares	(18)	(2)
Other	(33)	(5)
EPRA Net Tangible Assets at 30 September 2025	6,448	863

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

Net debt and leverage

Adjusted net debt, which includes our share of JV borrowings, increased by £71m to £4,375m during the half year. We spent £32m on acquisitions and invested £247m in capex, including £116m for our on-site development schemes, with the remainder principally comprising pre-development capex; a number of accretive smaller projects and leasing capex in retail; and investments in our office portfolio, including the creation of new Myo flex office space and our net-zero investment programme. This was partly offset by £365m of disposal receipts during the period.

Post the September reporting date, we have already sold or exchanged contracts for the unconditional sale of £274m of assets, which combined with a small acquisition, reduce our adjusted net debt from £4,375m to £4,133m on a pro-forma basis, with further disposals expected in the second half. We have £238m of committed capex remaining on our two London office developments and Mayfield, of which £108m is expected to be spent this financial year.

As we prioritise investment in major retail and retaining our balance sheet strength, we do not intend to commit to any meaningful capital to new developments in the next 12-18 months. Meanwhile, future capex on pre-development assets will be minimal pending visibility on the potential for public sector support to improve the return prospects for our residential schemes.

The other key elements behind the increase in net debt are set out in our statement of cash flows and note 9 to the financial statements, with the main movements in adjusted net debt shown below. A reconciliation between net debt and adjusted net debt is shown in note 13 of the financial statements.

Table 11: Movement in adjusted net debt⁽¹⁾

	£m
Adjusted net debt at 31 March 2025	4,304
Adjusted net cash inflow from operating activities	(32)
Dividends paid	150
Capital expenditure	247
Acquisitions	32
Disposals	(365)
Other	39
Adjusted net debt at 30 September 2025	4,375

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

In line with our guidance at time of our full year results, average net debt/EBITDA ticked up, reflecting the fact that our two major on-site developments in London are nearing the point of full capital deployment but are not yet producing income, which means this came out at 8.6x for the period.

We previously stated we targeted net debt/EBITDA to be below 8x, but as we move to a structurally lower level of development activity, we now target this to be below 7x within the next two years. The two main drivers for this will be the lease-up of our two on-site developments in London and monetising the rest of the £0.3bn capital employed in pre-development assets we said we would target to exit over the next 1-3 years, as both materially reduce our investment in assets that do not generate income.

The acquisition of Liverpool ONE late last year increased our LTV towards the upper end of our 25-40% target range. Our reported LTV increased slightly during the first half reflected capex spend to 40.3%, but this has come down to 38.9% pro-forma for our net disposal activity since September and we expect our LTV to reduce to below 35% over time. Maintaining our strong capital base remains a key priority for us, so this would be commensurate with AA credit ratings.

Table 12: Net debt and leverage

	30 September 2025	31 March 2025
Net debt	£4,400m	£4,341m
Adjusted net debt ⁽¹⁾	£4,375m	£4,304m
Interest cover ratio	3.1x	3.6x
Net debt/EBITDA (period-end)	8.6x	8.9x
Net debt/EBITDA (weighted average)	8.6x	7.9x
Group LTV ⁽¹⁾	40.3%	39.3%
Group LTV ⁽¹⁾ – pro-forma for net disposal activity since Sep-25	38.9%	nm

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the Presentation of financial information above.

Financing

Our financial position remains strong. In October, we agreed the first one-year extension option of the full £2,250m of revolving credit facilities we signed a year ago, which was split evenly across two tenors of 3+1+1 and 5+1+1 years. As a result, our overall debt maturity remains long, at 8.9 years, providing clear visibility and underpinning the resilience of our attractive earnings profile. We had £1.1bn of cash and undrawn facilities at the end of September, providing substantial flexibility, and no need to undertake any refinancing activity until 2027 at the earliest. Our debt is 85% fixed or hedged and in line with the guidance for a slight increase we provided at the start of the year, our average cost of debt was up marginally to 3.6%.

Our gross borrowings of £4,518m are diversified across various sources, including £2,868m of Medium Term Notes (MTNs), £715m of syndicated and bilateral bank loans and £935m of commercial paper. Our MTNs and the majority of bank loans form part of our Security Group, which provides security on a floating pool of assets valued at £9.9bn. This structure provides flexibility to include or exclude assets, and an attractive cost of funding. Our MTNs are currently rated AA and A+ by S&P and Fitch.

Our Security Group has a number of tiered covenants, yet below 65% LTV and above 1.45x ICR, these involve very limited operational restrictions. A default only occurs when LTV is more than 100% or the ICR falls below 1.0x. Our portfolio could withstand a c. 30% fall in value before we reach the 65% LTV threshold and c. 54% before reaching 100% LTV, whilst our EBITDA could fall by c. 60% before we reach the 1.45x ICR threshold and c. 73% before reaching 1.0x ICR.

Table 13: Available facilities⁽¹⁾

	30 September 2025 £m	31 March 2025 £m
Medium Term Notes	2,868	2,868
Drawn bank debt	715	778
Outstanding commercial paper	935	750
Cash and available undrawn facilities	1,097	1,101
Total committed credit facilities	2,650	2,590
Weighted average maturity of debt ⁽¹⁾	8.9 years	9.6 years
Percentage of borrowings fixed or hedged ⁽²⁾	85%	91%
Weighted average cost of debt ⁽³⁾	3.6%	3.4%

1. Assuming the extensions on both RCF tranches are executed, the first of which happened post period-end; 8.6 years excl. the second extension.

2. Calculated as fixed rate debt and hedges over gross debt based on the nominal values of debt and hedges.

3. Including amortisation and commitment fees; excluding this the weighted average cost of debt is 3.4% at 30 September 2025.



Principal risks and uncertainties

The principal risks and uncertainties of the business were set out on pages 38 – 45 of the 2025 Annual Report published in June. The Executive Leadership Team and the Board review these risks regularly and continue to monitor for changes and emerging risks. Though the risk landscape continues to evolve and change over time, they remain the most relevant and the principal risks at the half year are unchanged from those disclosed in the Annual Report except for 'Change Projects Fail to Deliver', which is no longer considered a principal risk. This reflects the successful embedding of our two largest change programmes into the business over the past 12 months.

The macro-economic outlook remains our highest-rated principal risk and has some impact on aspects of our other strategic risks related to the office and retail occupier markets, development strategy and capital allocation. Inflation has picked up slightly and some uncertainty persists around the UK fiscal outlook. Long-term interest rates and financing costs remain relatively high, which present challenges for the business, however we have maintained our strong operational performance over the first half of the year.

Our nine principal risks and their current outlook are summarised as follows:

Macro-economic outlook – This risk incorporates the potential impacts of changes in the broader economic environment, including inflationary pressures, challenging interest rates, legislative changes, and shifts in business and consumer confidence. Whilst there has been a modest increase in the trend of this risk when considering the increased uncertainty around the UK fiscal outlook, it is not considered significant enough to increase the risk score. For Landsec this risk impacts asset yields, income and therefore valuations, our cost base, and our ability to recycle assets. It may also enable opportunities to acquire assets.

Office, Retail and hospitality occupier markets – The risks associated with these two markets are considered to have remained stable over the period. In both markets, demand continues to focus on the best quality assets in the strongest locations: both characteristics of our portfolio. As a result, despite continued pressure on some areas of the wider market, our operational performance remains strong and our portfolio well-positioned for further growth.

Capital allocation – This risk is considered to have reduced in line with the progress we are making on our capital recycling programme.

Development – This risk is considered to have reduced since the year end as we near completion of two of our major projects. As the majority of the development costs of our committed schemes is already fixed, and no new development commitments are planned in the near future, therefore this risk is expected to reduce further as our current projects near completion.

Information security and cyber threat – This risk is considered to have increased as we continue to review our control environment in response to the significant increase in cyber incidents in the UK in the past 12 months with the evolving sophistication and nature of ransomware attacks.

The three remaining operational principal risks (Health and safety, People and skills, and Climate change transition) have remained stable in the six months since last year end.



Statement of Directors' Responsibilities

The Directors confirm to the best of their knowledge that these condensed consolidated interim financial statements have been prepared in accordance with UK-adopted IAS 34 and that the interim management report includes a fair review of the information required by the Disclosure Guidance and Transparency Rules (DTR) 4.2.7R and 4.2.8R, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed consolidated 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 Land Securities Group PLC are listed in our 2025 Annual Report and are maintained on the Land Securities Group PLC website at landsec.com.

By order of the Board

Mark Allan
Chief Executive

Vanessa Simms
Chief Financial Officer

Independent review report to Land Securities Group PLC

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2025 which comprises the unaudited income statement, the unaudited statement of comprehensive income, the unaudited balance sheet, the unaudited statements of changes in equity, the unaudited statements of cash flows and the related notes to the financial statements. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2025 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. 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.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

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 management have inappropriately adopted the going concern basis of accounting or that management 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 this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the company'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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London
13 November 2025

Financial statements

Unaudited income statement		Six months ended 30 September 2025			Six months ended 30 September 2024		
	Notes	EPRA earnings £m	Capital and other items £m	Total £m	EPRA earnings £m	Capital and other items £m	Total £m
Revenue	5	430	1	431	372	11	383
Costs	6	(195)	(29)	(224)	(153)	(21)	(174)
		235	(28)	207	219	(10)	209
Share of post-tax profit from joint ventures	12	12	10	22	11	5	16
Loss on disposal of investment properties		-	(55)	(55)	-	(5)	(5)
Net (deficit)/surplus on revaluation of investment properties	10	-	(15)	(15)	-	84	84
Operating profit/(loss)		247	(88)	159	230	74	304
Finance income	7	7	-	7	7	-	7
Finance expense	7	(62)	(6)	(68)	(51)	(17)	(68)
Profit/(loss) before tax		192	(94)	98	186	57	243
Taxation		-	-	-	-	-	-
Profit/(loss) for the period		192	(94)	98	186	57	243

Attributable to:

Shareholders of the parent	97	244
Non-controlling interests	1	(1)
	98	243

Profit per share attributable to shareholders of the parent:

Basic earnings per share	4	13.0p	32.8p
Diluted earnings per share	4	13.0p	32.7p

Unaudited statement of comprehensive income		Six months ended 30 September 2025		Six months ended 30 September 2024	
		Total £m		Total £m	
Profit for the period		98		243	
Other comprehensive profit for the period		-		-	
Total comprehensive profit for the period		98		243	
Attributable to:					
Shareholders of the parent		97		244	
Non-controlling interests		1		(1)	
		98		243	

Unaudited balance sheet

	Notes	30 September 2025 £m	31 March 2025 £m
Non-current assets			
Investment properties	10	9,722	10,034
Property, plant and equipment		41	42
Intangible assets		3	3
Net investment in finance leases		20	19
Investments in joint ventures	12	568	551
Trade and other receivables		145	229
Other non-current assets		29	22
Total non-current assets		10,528	10,900
Current assets			
Trading properties	11	84	81
Trade and other receivables		586	467
Monies held in restricted accounts and deposits		13	20
Cash and cash equivalents		97	39
Other current assets		13	4
Non-current assets held-for-sale	18	263	110
Total current assets		1,056	721
Total assets		11,584	11,621
Current liabilities			
Borrowings	14	(937)	(752)
Trade and other payables		(346)	(406)
Provisions	15	(46)	(44)
Other current liabilities		(20)	(6)
Total current liabilities		(1,349)	(1,208)
Non-current liabilities			
Borrowings	14	(3,717)	(3,802)
Trade and other payables		(44)	(44)
Provisions	15	(26)	(30)
Other non-current liabilities		(13)	(5)
Total non-current liabilities		(3,800)	(3,881)
Total liabilities		(5,149)	(5,089)
Net assets		6,435	6,532
Equity			
Capital and reserves attributable to shareholders			
Ordinary shares		80	80
Share premium		319	319
Other reserves		16	30
Retained earnings		6,019	6,085
Equity attributable to shareholders of the parent		6,434	6,514
Equity attributable to non-controlling interests		1	18
Total equity		6,435	6,532

The financial statements on pages 28 to 45 were approved by the Board of Directors on 13 November 2025 and were signed on its behalf by:

Mark Allan

Vanessa Simms

Directors

Unaudited statements of changes in equity		Attributable to shareholders of the parent					Non-controlling interests	Total equity
		Ordinary shares	Share premium	Other reserves	Retained earnings	Total		
	Notes	£m	£m	£m	£m	£m	£m	£m
At 1 April 2024		80	319	23	5,980	6,402	45	6,447
Total comprehensive profit for the financial period		-	-	-	244	244	(1)	243
Transactions with shareholders of the parent:								
Share-based payments		-	-	3	-	3	-	3
Dividends paid to shareholders of the parent	8	-	-	-	(159)	(159)	-	(159)
Total transactions with shareholders of the parent		-	-	3	(159)	(156)	-	(156)
Dividends paid to non-controlling interests		-	-	-	-	-	(1)	(1)
Issued share capital		-	-	-	-	-	12	12
Total transactions with shareholders		-	-	3	(159)	(156)	11	(145)
At 30 September 2024		80	319	26	6,065	6,490	55	6,545
Total comprehensive profit for the financial period		-	-	-	161	161	1	162
Transactions with shareholders of the parent:								
Share-based payments		-	-	4	(3)	1	-	1
Dividends paid to shareholders of the parent		-	-	-	(138)	(138)	-	(138)
Acquisition of non-controlling interests		-	-	-	-	-	(56)	(56)
Total transactions with shareholders of the parent		-	-	4	(141)	(137)	(56)	(193)
Acquisition of subsidiaries		-	-	-	-	-	18	18
Total transactions with shareholders		-	-	4	(141)	(137)	(38)	(175)
At 31 March 2025		80	319	30	6,085	6,514	18	6,532
Total comprehensive profit for the financial period		-	-	-	97	97	1	98
Transactions with shareholders of the parent:								
Share-based payments		-	-	(14)	1	(13)	-	(13)
Dividends paid to shareholders of the parent	8	-	-	-	(162)	(162)	-	(162)
Total transactions with shareholders of the parent		-	-	(14)	(161)	(175)	-	(175)
Recognition of redemption liability ⁽¹⁾		-	-	-	(2)	(2)	(18)	(20)
Total transactions with shareholders		-	-	(14)	(163)	(177)	(18)	(195)
At 30 September 2025		80	319	16	6,019	6,434	1	6,435

1. On 8 September 2025, the Group granted a put option to the non-controlling interest in Liverpool ONE that has been recognised as a redemption liability within Other current liabilities at 30 September 2025.

Unaudited statements of cash flows		Six months ended 30 September	
	Notes	2025 £m	2024 £m
Cash flows from operating activities			
Net cash generated from operations	9	101	148
Interest received		15	10
Interest paid		(77)	(42)
Rents paid		(7)	(7)
Capital expenditure on trading properties		(3)	(7)
Disposal of trading properties		-	5
Net cash inflow from operating activities		29	107
Cash flows from investing activities			
Investment property development expenditure		(163)	(124)
Other investment property related expenditure		(84)	(68)
Acquisition of investment properties, net of cash acquired		(27)	(137)
Disposal of investment properties		365	393
Cash distributions from joint ventures	12	4	7
Net cash inflow from investing activities		95	71
Cash flows from financing activities			
Net proceeds from new borrowings (net of finance fees)	14	416	541
Net repayment of borrowings	14	(303)	(601)
Net cash outflow from derivative financial instruments	14	(18)	(10)
Acquisitions of own shares		(18)	-
Proceeds from non-controlling interest share capital issuance		-	12
Dividends paid to shareholders of the parent	8	(150)	(157)
Decrease/(increase) in monies held in restricted accounts and deposits		7	(4)
Net cash outflow from financing activities		(66)	(219)
Increase/(decrease) in cash and cash equivalents for the period		58	(41)
Cash and cash equivalents at the beginning of the period		39	78
Cash and cash equivalents at the end of the period		97	37

Notes to the financial statements

1. Basis of preparation and consolidation

Basis of preparation

This condensed consolidated interim financial information (financial statements) for the six months ended 30 September 2025 has been prepared on a going concern basis and in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and IAS 34 'Interim Financial Reporting' as contained in UK adopted international accounting standards (IFRS). As applied by the Group, there are no material differences between UK adopted international accounting standards and EU IFRS.

The condensed consolidated interim financial information does not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2025, prepared in accordance with UK adopted international accounting standards (IFRSs and IFRICs) and in conformity with the Companies Act 2006, were approved by the Board of Directors on 15 May 2025 and delivered to the Registrar of Companies. The report of the auditor on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498(2) or (3) of the Companies Act 2006. The condensed consolidated interim financial information has been reviewed, not audited, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2025.

In preparing the condensed consolidated interim financial information, the Group has considered the impact of climate change. Related capital expenditure and the expected impact on ERVs associated with this commitment have been factored within property valuations. On this basis, the Group has concluded that climate change did not have a material impact on the financial reporting judgements and estimates, consistent with the assessment that this is not expected to have a significant impact on the Group's going concern assessment.

This condensed consolidated interim financial information was approved for issue by the Directors on 13 November 2025.

Going concern

Given the impact of international and domestic political and economic events since 1 April 2025, the Directors have continued to place additional focus on the appropriateness of adopting the going concern assumption in preparing the financial statements for the half year ended 30 September 2025. The Group's going concern assessment considers changes in the Group's principal risks (see page 24) and is dependent on a number of factors, including our financial performance and continued access to borrowing facilities. Access to our borrowing facilities is also dependent on our ability to continue to operate the Group's secured debt structure within its financial covenants, which are described in note 14.

In order to satisfy themselves that the Group has adequate resources to continue as a going concern for the foreseeable future, the Directors have reviewed base case, downside and reverse stress test models, as well as a cash flow model which considers the impact of pessimistic assumptions on the Group's operating environment (the 'mitigated downside scenario'). This mitigated downside scenario reflects unfavourable macroeconomic conditions, a deterioration in our ability to collect rent and service charge from our customers and removes uncommitted capital expenditure, acquisitions, disposals and developments.

The Group's key metrics from the mitigated downside scenario as at the end of the going concern assessment period, which covers the 16 months to 31 March 2027, are shown below alongside the actual position at 30 September 2025.

Key metrics	30 September 2025		31 March 2025
	mitigated downside scenario		mitigated downside scenario
	30 September 2025	31 March 2027	30 September 2026
Security Group LTV	45.7%	46.9%	45.8%
Adjusted net debt	£4,375m	£4,512m	£4,769m
EPRA net tangible assets	£6,448m	£5,469m	£5,940m
Available financial headroom	£1.1bn	£0.6bn	£0.7bn

In our mitigated downside scenario, the Group has sufficient cash reserves, with our Security Group LTV ratio remaining less than 65% and interest cover above 1.45x, for a period of 16 months from the date of authorisation of these financial statements. Under this scenario, the Security Group's asset values would need to fall by a further 28% from the sensitised values forecasted at 31 March 2027 to be non-compliant with the LTV covenant. This equates to a 29% fall in the value of the Security Group's assets as at 30 September 2025 for the LTV to reach 65%. The Directors consider the likelihood of this occurring over the going concern assessment period to be remote.

The Security Group also requires earnings before interest of at least £225m in the full year ending 31 March 2026 and at least £261m in the full year ending 31 March 2027 for interest cover to remain above 1.45x in the mitigated downside scenario, which would ensure compliance with the Group's covenant through to the end of the going concern assessment period. Security Group earnings post year end 31 March 2025 are above the level required to meet the interest cover covenant for the year ended 31 March 2026. The Directors do not anticipate a reduction in Security Group earnings over the period ending 31 March 2027 to a level that would result in a breach of the interest cover covenant.

The Directors have also considered a reverse stress-test scenario which assumes no further rent will be received, to determine when our available cash resources would be exhausted. Even under this extreme scenario, although breaching the interest cover covenant, the Group continues to have sufficient cash reserves to continue in operation throughout the going concern assessment period.

Based on these considerations, together with available market information and the Directors' knowledge and experience of the Group's property portfolio and markets, the Directors have adopted the going concern basis in preparing the financial statements of the Group for the half year ended 30 September 2025.

Presentation of results

The Group income statement is presented in a columnar format, split into those items that relate to EPRA earnings and Capital and other items. The Total column represents the Group's results presented in accordance with IFRS; the other columns provide additional information. This is intended to reflect the way in which the Group's Senior Management review the results of the business and to aid reconciliation to the segmental information.

A number of the financial measures used internally by the Group to measure performance include the results of partly-owned subsidiaries and joint ventures on a proportionate basis. Measures that are described as being on a proportionate basis include the Group's share of joint ventures on a line-by-line basis and are adjusted to exclude the non-owned elements of our subsidiaries. These measures are non-GAAP measures and therefore not presented in accordance with IFRS. This is in contrast to the condensed consolidated interim financial information presented in these half year results, where the Group applies equity accounting to its interest in joint ventures and associates, presenting its interest collectively in the income statement and balance sheet, and consolidating all subsidiaries at 100% with any non-owned element being adjusted as a non-controlling interest or redemption liability, as appropriate. Our joint operations are presented on a proportionate basis in all financial measures used internally by the Group.

2. Significant accounting judgements and estimates

The condensed consolidated interim financial information has been prepared on the basis of the accounting policies, significant judgements and estimates as set out in the notes to the Group's annual financial statements for the year ended 31 March 2025, as amended where relevant to reflect the new standards, amendments and interpretations which became effective in the period. There has been no material impact on the financial statements of adopting these new standards, amendments and interpretations.

3. Segmental information

The Group's operations are all in the UK and are managed across four operating segments, being Office-led, Retail-led, Residential-led and Other assets.

The Office-led segment includes all operating or under development office assets in London and the regions as well as the associated retail and other premises in proximity to these assets. The Retail-led segment includes all the shopping centres and outlets in our portfolio. The Residential-led segment includes our residential developments and the Other assets segment mainly includes assets that will not be a focus for capital investment and consists of our retail and leisure park assets.

In previous financial periods, our segmental reporting reflected that our operations were organised into Central London, Major retail destinations (Major retail), Mixed-use urban neighbourhoods (Mixed-use urban) and Subscale sectors. As noted in the Group's annual financial statements for the year ended 31 March 2025, the Group has aligned its financial reporting to reflect its updated strategy and operating model and consequently, comparatives have been restated.

Management has determined the Group's operating segments based on the information reviewed by Senior Management to make strategic decisions. The chief operating decision maker is the Executive Leadership Team (ELT), comprising the Executive Directors and the Managing Directors. The information presented to ELT includes reports from all functions of the business as well as strategy, financial planning, succession planning, organisational development and Group-wide policies.

The Group's primary measure of underlying profit before tax is EPRA earnings. However, Segment net rental income is the lowest level to which the profit arising from the ongoing operations of the Group is analysed between the four segments. The administrative costs, which are predominantly staff costs for centralised functions, are all treated as administrative expenses and are not allocated to individual segments.

The Group manages its financing structure, with the exception of joint ventures and non-wholly owned subsidiaries, on a pooled basis. Individual joint ventures and non-wholly owned subsidiaries may have specific financing arrangements in place. Debt facilities and finance expenses, including those of joint ventures, are managed centrally and are therefore not attributed to a particular segment. Unallocated income and expenses are items incurred centrally which are not directly attributable to one of the segments.

All items in the segmental information note are presented on a proportionate basis.

3. Segmental information continued

Segmental results

EPRA earnings	Six months ended 30 September 2025					Six months ended 30 September 2024 ⁽¹⁾				
	Office-led	Retail-led	Residential-led	Other assets	Total	Office-led	Retail-led	Residential-led	Other assets	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Rental income	168	130	6	27	331	159	102	7	39	307
Finance lease interest	-	-	-	-	-	-	-	-	1	1
Gross rental income (before rents payable)	168	130	6	27	331	159	102	7	40	308
Rents payable ⁽²⁾	(2)	(4)	-	-	(6)	(1)	(4)	-	(1)	(6)
Gross rental income (after rents payable)	166	126	6	27	325	158	98	7	39	302
Service charge income	44	45	2	5	96	35	32	2	4	73
Service charge expense	(44)	(49)	(3)	(6)	(102)	(38)	(34)	(3)	(4)	(79)
Net service charge expense	-	(4)	(1)	(1)	(6)	(3)	(2)	(1)	-	(6)
Other property related income	11	5	1	1	18	10	6	1	-	17
Direct property expenditure	(26)	(24)	(2)	(3)	(55)	(23)	(20)	(3)	(7)	(53)
Other operating income	11	-	-	-	11	-	-	-	-	-
Other operating expense	(12)	-	-	-	(12)	-	-	-	-	-
Movement in bad and doubtful debts provision	1	-	-	2	3	-	5	1	3	9
Segment net rental income	151	103	4	26	284	142	87	5	35	269
Other income					1					1
Administrative expense					(32)					(33)
Depreciation					(1)					(2)
EPRA earnings before interest					252					235
Finance income					7					7
Finance expense					(62)					(51)
Joint venture net finance expense					(5)					(5)
EPRA earnings attributable to shareholders of the parent					192					186
Capital/other items					(94)					57
Profit before tax					98					243

1. Restated for changes in the Group's operating segments as outlined in the note narrative above.

2. Included within rents payable is lease interest payable of £4m across the four segments (2024: £2m).

4. Performance measures

In the tables below, we present earnings per share attributable to shareholders of the parent, calculated in accordance with IFRS, and net assets per share attributable to shareholders of the parent together with certain measures defined by the European Public Real Estate Association (EPRA), which have been included to assist comparison between European property companies. Three of the Group's key financial performance measures are EPRA earnings per share, EPRA Net Tangible Assets per share and Total return on equity. Refer to table 14 in the Business Analysis section for further details on these alternative performance measures.

EPRA earnings, which is a tax adjusted measure of underlying earnings, is the basis for the calculation of EPRA earnings per share. We believe EPRA earnings and EPRA earnings per share provide further insight into the results of the Group's operational performance to stakeholders as they focus on the rental income performance of the business and exclude Capital and other items which can vary significantly from period to period.

Earnings per share	Six months ended 30 September 2025		Six months ended 30 September 2024	
	Profit for the period £m	EPRA earnings £m	Profit for the period £m	EPRA earnings £m
Profit attributable to shareholders of the parent	97	97	244	244
Valuation and loss on disposals	-	61	-	(77)
Net finance expense (excluded from EPRA earnings)	-	6	-	15
Impairment of amounts due from joint ventures	-	-	-	2
Net development contract and transaction expenditure	-	18	-	1
Restructuring and other costs	-	10	-	1
Profit used in per share calculation	97	192	244	186
	IFRS	EPRA	IFRS	EPRA
Basic earnings per share	13.0p	25.8p	32.8p	25.0p
Diluted earnings per share	13.0p	25.6p	32.7p	24.9p

Net assets per share	30 September 2025			31 March 2025		
	Net assets £m	EPRA NDV £m	EPRA NTA £m	Net assets £m	EPRA NDV £m	EPRA NTA £m
Net assets attributable to shareholders of the parent	6,434	6,434	6,434	6,514	6,514	6,514
Shortfall of fair value over net investment in finance leases book value	-	(6)	(6)	-	(8)	(8)
Other intangible asset	-	-	(1)	-	-	(2)
Fair value of interest-rate swaps	-	-	(6)	-	-	(1)
Excess of fair value of trading properties over book value	-	27	27	-	27	27
Shortfall of fair value of debt over book value (note 14)	-	301	-	-	334	-
Net assets used in per share calculation	6,434	6,756	6,448	6,514	6,867	6,530
	IFRS	EPRA NDV	EPRA NTA	IFRS	EPRA NDV	EPRA NTA
Net assets per share	867p	n/a	n/a	877p	n/a	n/a
Diluted net assets per share	861p	904p	863p	872p	919p	874p

Number of shares	Six months ended 30 September 2025		Six months ended 30 September 2024	
	Weighted average Million	30 September 2025 million	Weighted average million	31 March 2025 Million
Ordinary shares	752	752	752	752
Treasury shares	(7)	(7)	(7)	(7)
Own shares	(1)	(3)	(2)	(2)
Number of shares – basic	744	742	743	743
Dilutive effect of share options	5	5	3	4
Number of shares – diluted	749	747	746	747

Total return on equity is calculated as the cash dividends per share paid in the period plus the change in EPRA NTA per share, divided by the opening EPRA NTA per share. We consider this to be a useful measure for shareholders as it gives an indication of the total return on equity over the period.

Total return on equity based on EPRA NTA	Six months ended 30 September 2025		Six months ended 30 September 2024	
	pence		pence	
(Decrease)/increase in EPRA NTA per share	(11.0)		12.0	
Dividend paid per share in the period (note 8)	21.8		21.3	
Total return (a)	10.8		33.3	
EPRA NTA per share at the beginning of the period (b)	874		859	
Total return on equity (a/b)	1.2%		3.9%	

5. Revenue

All revenue is classified within the 'EPRA earnings' column of the income statement, with the exception of proceeds from the sale of trading properties, income from long-term development contracts and the non-owned element of the Group's subsidiaries which are presented in the 'Capital and other items' column.

	Six months ended 30 September 2025			Six months ended 30 September 2024		
	EPRA earnings £m	Capital and other items £m	Total £m	EPRA earnings £m	Capital and other items £m	Total £m
Rental income (excluding adjustment for lease incentives)	304	1	305	272	4	276
Adjustment for lease incentives	7	-	7	14	-	14
Rental income	311	1	312	286	4	290
Service charge income	90	-	90	68	1	69
Trading property sales proceeds	-	-	-	-	6	6
Other property related income	17	-	17	16	-	16
Other operating income	11	-	11	-	-	-
Finance lease interest	-	-	-	1	-	1
Other income	1	-	1	1	-	1
Revenue per the income statement	430	1	431	372	11	383

The following table reconciles revenue per the income statement to the individual components of revenue presented in the segmental results table in note 3.

	Six months ended 30 September 2025				Six months ended 30 September 2024			
	Group £m	Joint ventures £m	Adjustment for non- wholly owned subsidiaries £m	Total £m	Group £m	Joint ventures £m	Adjustment for non- wholly owned subsidiaries £m	Total £m
Rental income	312	20	(1)	331	290	21	(4)	307
Service charge income	90	6	-	96	69	5	(1)	73
Other property related income	17	1	-	18	16	1	-	17
Other operating income	11	-	-	11	-	-	-	-
Finance lease interest	-	-	-	-	1	-	-	1
Other income	1	-	-	1	1	-	-	1
Revenue in the segmental information note	431	27	(1)	457	377	27	(5)	399
Trading property sales proceeds	-	6	-	6	6	-	-	6
Revenue including Capital and other items	431	33	(1)	463	383	27	(5)	405

6. Cost

All costs are classified within the 'EPRA earnings' column of the income statement, with the exception of the cost of sale and impairment of trading properties, costs arising on long-term development contracts, one-off restructuring costs, amortisation and impairments of intangible assets, other attributable costs arising on business combinations and the non-owned element of the Group's subsidiaries which are presented in the 'Capital and other items' column.

	Six months ended 30 September 2025			Six months ended 30 September 2024		
	EPRA earnings £m	Capital and other items £m	Total £m	EPRA earnings £m	Capital and other items £m	Total £m
Rents payable	6	-	6	6	-	6
Service charge expense	96	-	96	73	1	74
Direct property expenditure	53	-	53	49	1	50
Movement in bad and doubtful debts provisions	(3)	-	(3)	(9)	-	(9)
Administrative expenses	30	-	30	32	-	32
Other operating expense	12	-	12	-	-	-
Depreciation, including amortisation of software	1	1	2	2	1	3
Trading property, development contract and transaction expenditure	-	18	18	-	12	12
Impairment of amounts due from joint ventures	-	-	-	-	2	2
Impairment of trading properties	-	1	1	-	4	4
Restructuring and other costs	-	9	9	-	-	-
Total costs per the income statement	195	29	224	153	21	174

The following table reconciles costs per the income statement to the individual components of costs presented in the segmental results table in note 3.

	Six months ended 30 September 2025				Six months ended 30 September 2024			
	Group £m	Joint ventures £m	Adjustment for non-wholly owned subsidiaries £m	Total £m	Group £m	Joint ventures £m	Adjustment for non-wholly owned subsidiaries £m	Total £m
Rents payable	6	-	-	6	6	-	-	6
Service charge expense	96	6	-	102	74	6	(1)	79
Direct property expenditure	53	2	-	55	50	4	(1)	53
Administrative expenses	30	2	-	32	32	1	-	33
Other operating expense	12	-	-	12	-	-	-	-
Depreciation, including amortisation of software	1	-	-	1	2	-	-	2
Movement in bad and doubtful debts provision	(3)	-	-	(3)	(9)	-	-	(9)
Costs in the segmental information note	195	10	-	205	155	11	(2)	164
Impairment of trading properties	1	-	-	1	4	-	-	4
Trading property, development contract and transaction expenditure	18	-	-	18	12	-	-	12
Depreciation	1	-	-	1	1	-	-	1
Impairment of amounts due from joint ventures	-	-	-	-	2	-	-	2
Restructuring and other costs	9	-	-	9	-	-	-	-
Costs including Capital and other items	224	10	-	234	174	11	(2)	183

7. Net finance expense

	Six months ended 30 September 2025			Six months ended 30 September 2024		
	EPRA earnings £m	Capital and other items £m	Total £m	EPRA earnings £m	Capital and other items £m	Total £m
Finance income						
Interest receivable from joint ventures	5	-	5	5	-	5
Other interest receivable	2	-	2	2	-	2
	7	-	7	7	-	7
Finance expense						
Bond and debenture debt	(52)	-	(52)	(47)	-	(47)
Bank and other short-term borrowings	(30)	-	(30)	(17)	(1)	(18)
Fair value movement on derivatives	-	(6)	(6)	-	(16)	(16)
	(82)	(6)	(88)	(64)	(17)	(81)
Interest capitalised in relation to properties under development	20	-	20	13	-	13
	(62)	(6)	(68)	(51)	(17)	(68)
Net finance expense	(55)	(6)	(61)	(44)	(17)	(61)
Joint venture net finance expense	(5)			(5)		
Net finance expense included in EPRA earnings	(60)			(49)		

Finance lease interest payable of **£4m** (2024: £2m) is included within rents payable as detailed in note 3.

8. Dividends

Dividends paid					Six months ended 30 September	
	Payment date	Pence per share		Total	2025 £m	2024 £m
		PID	Non-PID			
For the year ended 31 March 2024:						
Third interim	12 April 2024	9.30	-	9.30		69
Final	26 July 2024	12.10	-	12.10		90
For the year ended 31 March 2025:						
Third interim	11 April 2025	9.50	-	9.50	71	
Final	25 July 2025	12.30	-	12.30	91	
Gross dividends					162	159
Dividends in the statement of changes in equity					162	159
Timing difference on payment of withholding tax					(12)	(2)
Dividends in the statement of cash flows					150	157

A Dividend Reinvestment Plan (DRIP) is available in respect of all dividends to be paid during the period.

9. Net cash generated from operations

Reconciliation of operating profit to net cash generated from operations	Six months ended 30 September 2025	Six months ended 30 September 2024
	£m	£m
Operating profit	159	304
Adjustments for:		
Net deficit/(surplus) on revaluation of investment properties	15	(84)
Loss on disposal of trading properties	-	5
Loss on disposal of investment properties	55	5
Share of profit from joint ventures	(22)	(16)
Share-based payment charge	5	4
Impairment of amounts due from joint ventures	-	2
Non-cash development contract and transaction expenditure	18	2
Rents payable	6	4
Depreciation and amortisation	2	2
Impairment of trading properties	1	4
Non-cash restructuring and other costs	5	-
	244	232
Changes in working capital:		
Increase in receivables	(65)	(30)
Decrease in payables and provisions	(78)	(54)
Net cash generated from operations	101	148
Reconciliation to adjusted net cash inflow from operating activities	Six months ended 30 September 2025	Six months ended 30 September 2024
	£m	£m
Net cash inflow from operating activities	29	107
Joint ventures net cash inflow from operating activities	3	-
Adjusted net cash inflow from operating activities⁽¹⁾	32	107

1. Includes cash flows relating to the interest in Liverpool ONE (2024: MediaCity) which is not owned by the Group as at 30 September 2025, but is consolidated in the Group numbers.

10. Investment properties

	Six months ended 30 September 2025	Six months ended 31 March 2025	Six months ended 30 September 2024
	£m	£m	£m
Net book value at the beginning of the period	10,034	9,296	9,330
Acquisitions of investment properties ⁽¹⁾	18	509	133
Net movement in head leases capitalised ⁽²⁾	(1)	87	(1)
Capital expenditure	244	274	199
Capitalised interest	20	15	12
Disposals ⁽³⁾	(315)	(18)	(461)
Net (deficit)/surplus on revaluation of investment properties	(15)	7	84
Transfer to property, plant and equipment	-	(26)	-
Transfer to assets held-for-sale (note 18)	(263)	(110)	-
Net book value at the end of the period	9,722	10,034	9,296

1. Adjusted downward by £9m of transaction and contract related provisions utilised in the period (see note 15).

2. See note 14 for details of the amounts payable under head leases and note 6 for details of the rents payable in the income statement.

3. Includes impact of disposals of finance leases.

The fair value of investment properties at 30 September 2025 was determined by the Group's external valuers, CBRE and JLL. The valuations are in accordance with RICS standards and were arrived at by reference to market evidence of transactions for similar properties. The valuations performed by the valuers are reviewed internally by Senior Management and other relevant people within the business. This process includes discussions of the assumptions used by the valuers, as well as a review of the resulting valuations. Discussions of the valuation process and results are held between Senior Management, the Audit Committee and the valuers on a half-yearly basis. The Group considers all of its investment properties to fall within 'Level 3', as defined by IFRS 13. There have been no transfers of properties within the fair value hierarchy in the financial period.

The market value of the Group's investment properties, as determined by the Group's external valuers, differs from the net book value presented in the balance sheet due to the Group presenting tenant finance leases, head leases and lease incentives separately. The following table reconciles the net book value of the investment properties to the market value.

	30 September 2025				31 March 2025			
	Group £m	Joint ventures £m	wholly owned subsidiaries £m	Combined Portfolio £m	Group £m	Joint ventures £m	wholly owned subsidiaries £m	Combined Portfolio £m
Market value	9,836	644	(19)	10,461	10,125	636	(33)	10,728
Less: properties treated as finance leases	(14)	-	-	(14)	(12)	-	-	(12)
Plus: head leases capitalised	142	1	-	143	158	1	-	159
Less: tenant lease incentives	(242)	(28)	-	(270)	(237)	(29)	-	(266)
Net book value	9,722	617	(19)	10,320	10,034	608	(33)	10,609
Net (deficit)/surplus on revaluation of investment properties	(15)	9	-	(6)	91	13	3	107

At 30 September 2025, the Group had contractually committed development capital expenditure obligations of **£245m** (31 March 2025: £276m).

11. Trading properties

	Development land and infrastructure £m	Residential £m	Total £m
At 1 April 2024	72	28	100
Acquisitions	3	-	3
Capital expenditure	3	3	6
Capitalised interest	-	1	1
Disposals	(9)	-	(9)
Impairment provision	(4)	-	(4)
At 30 September 2024	65	32	97
Acquisitions	7	-	7
Capital expenditure	2	3	5
Disposals	(10)	(7)	(17)
Transfer to trading property, development contract and transaction expenditure	(11)	-	(11)
At 31 March 2025	53	28	81
Capital expenditure	1	3	4
Impairment provision	(1)	-	(1)
At 30 September 2025	53	31	84

The cumulative impairment provision at 30 September 2025 in respect of Development land and infrastructure was **£32m** (31 March 2025: £31m); and in respect of Residential was **£nil** (31 March 2025: £nil).

12. Joint arrangements

The Group's principal joint arrangements are described below:

Joint ventures	Percentage owned & voting rights ⁽¹⁾	Business segment	Year end date ⁽²⁾	Joint venture partner
Held at 30 September 2025				
Nova, Victoria ⁽³⁾	50%	Office-led	31 March	Suntec Real Estate Investment Trust
Southside Limited Partnership	50%	Retail-led	31 March	Invesco Real Estate European Fund
Westgate Oxford Alliance Limited Partnership	50%	Retail-led	31 March	The Crown Estate Commissioners
Harvest ⁽⁴⁾	50%	Other assets	31 March	J Sainsbury plc
The Ebbsfleet Limited Partnership	50%	Other assets	31 March	Ebbsfleet Property Limited
West India Quay Unit Trust	50%	Other assets	31 March	Schroder UK Real Estate Fund
Mayfield ⁽⁵⁾	50%	Residential-led	31 March	LCR Limited, Manchester City Council, Transport for Greater Manchester
Curzon Park Limited	50%	Other assets	31 March	Derwent Developments (Curzon) Limited
Landmark Court Partnership Limited	51%	Office-led	31 March	TTL Landmark Court Properties Limited
Opportunities for Sittingbourne Limited	50%	Other assets	31 March	Swale Borough Council
Cathedral (Movement, Greenwich) LLP	52%	Other assets	31 March	Mr Richard Upton
Circus Street Developments Limited	50%	Other assets	31 March	High Wire Brighton Limited
Joint operation	Ownership interest	Business segment	Year end date ⁽²⁾	Joint operation partners
Held at 30 September 2025				
Bluewater, Kent	64%	Retail-led	31 March	M&G Real Estate, Royal London Asset Management, Schroders

- Investments under joint arrangements are not always represented by an equal percentage holding by each partner. In a number of joint ventures that are not considered principal joint ventures and therefore not included in the table above, the Group holds a majority shareholding but has joint control and therefore the arrangement is accounted for as a joint venture.
- The year end date shown is the accounting reference date of the joint arrangement. In all cases, the Group's accounting is performed using financial information for the Group's own reporting year and reporting date.
- Nova, Victoria includes the Nova Limited Partnership, Nova Residential Limited Partnership, Nova GP Limited, Nova Business Manager Limited, Nova Residential (GP) Limited, Nova Residential Intermediate Limited, Nova Estate Management Company Limited, Nova Nominee 1 Limited and Nova Nominee 2 Limited.
- Harvest includes Harvest 2 Limited Partnership, Harvest Development Management Limited, Harvest 2 Selly Oak Limited, Harvest 2 GP Limited and Harvest GP Limited.
- Mayfield includes Mayfield Development Partnership LP and Mayfield Development (General Partner) Limited.

All of the Group's joint arrangements listed above have their principal place of business in the United Kingdom. All of the Group's principal joint arrangements own and operate investment property, with the exception of:

- The Ebbsfleet Limited Partnership, which is a holding company;
- Harvest, which is engaged in long-term development contracts; and
- Curzon Park Limited, Landmark Court Partnership Limited, Opportunities for Sittingbourne Limited and Circus Street Developments Limited, which are companies continuing their business of property development.

The activities of all the Group's principal joint arrangements are therefore strategically important to the business activities of the Group.

All joint ventures listed above are registered in England and Wales with the exception of Southside Limited Partnership and West India Quay Unit Trust which are registered in Jersey.

12. Joint arrangements continued

Joint ventures

Net investment	Total Group share £m
At 1 April 2024	521
Total comprehensive income	16
Cash and other distributions	(7)
At 30 September 2024	530
Total comprehensive income	21
Cash and other distributions	(5)
Other non-cash movements	2
At 31 March 2025	548
Total comprehensive income	22
Cash and other distributions	(4)
Other non-cash movements	1
At 30 September 2025	567
Comprised of:	
At 31 March 2025	
Non-current assets	551
Non-current liabilities ⁽¹⁾	(3)
At 30 September 2025	
Non-current assets	568
Non-current liabilities⁽¹⁾	(1)

1. The Group's share of accumulated losses of a joint venture interest are recognised as net liabilities where there is an obligation to provide for these losses.

13. Capital structure

	30 September 2025				31 March 2025			
	Group £m	Joint ventures £m	Adjustment for non-wholly owned subsidiaries £m	Combined £m	Group £m	Joint ventures £m	Adjustment for non-wholly owned subsidiaries £m	Combined £m
Property portfolio								
Market value of non-current property assets ⁽¹⁾	10,153	644	(19)	10,778	10,277	636	(33)	10,880
Market value of trading properties	84	-	-	84	81	-	-	81
Total property portfolio (a)	10,237	644	(19)	10,862	10,358	636	(33)	10,961
Net debt								
Borrowings	4,518	-	-	4,518	4,396	-	(15)	4,381
Monies held in restricted accounts and deposits	(13)	-	-	(13)	(20)	-	1	(19)
Cash and cash equivalents	(97)	(32)	1	(128)	(39)	(24)	-	(63)
Fair value of interest-rate swaps	(6)	-	-	(6)	(1)	-	-	(1)
Fair value of foreign exchange swaps and forwards	(2)	-	-	(2)	5	-	-	5
Net debt (b)	4,400	(32)	1	4,369	4,341	(24)	(14)	4,303
Add: Fair value of interest-rate swaps	6	-	-	6	1	-	-	1
Adjusted net debt (c)	4,406	(32)	1	4,375	4,342	(24)	(14)	4,304
Adjusted total equity								
Total equity (d)	6,435	-	(1)	6,434	6,532	-	(18)	6,514
Fair value of interest-rate swaps	(6)	-	-	(6)	(1)	-	-	(1)
Adjusted total equity (e)	6,429	-	(1)	6,428	6,531	-	(18)	6,513
Gearing (b/d)	68.4%			67.9%	66.5%			66.1%
Adjusted gearing (c/e)	68.5%			68.1%	66.5%			66.1%
Group LTV (c/a)	43.0%			40.3%	41.9%			39.3%
Group LTV (pro-forma)⁽³⁾				38.9%				N/A
EPRA LTV⁽²⁾				41.3%				41.0%
EPRA LTV (pro-forma)⁽³⁾				40.0%				N/A
Security Group LTV	45.7%				41.9%			
Weighted average cost of debt	3.6%			3.6%	3.4%			3.4%

1. Includes owner-occupied property and non-current assets held-for-sale.

2. EPRA LTV differs from Group LTV as it includes net payables and receivables and includes trading properties at fair value and debt instruments at nominal value rather than book value. Group LTV remains our core performance measure used by external investors and lenders.

3. Pro-forma figure reflects the post period-end impacts of committed acquisitions and disposals and transaction-related deferred consideration receipts/payments until 31 December 2026.

14. Borrowings

				30 September 2025			31 March 2025		
	Secured/ unsecured	Fixed/ floating	Effective interest rate %	Nominal/ notional value £m	Fair value £m	Book value £m	Nominal/ notional value £m	Fair value £m	Book value £m
Current borrowings									
Commercial paper									
Sterling	Unsecured	Floating	Various ⁽¹⁾	180	180	180	270	270	270
Euro	Unsecured	Floating	Various ⁽¹⁾	331	331	331	310	310	310
US Dollar	Unsecured	Floating	Various ⁽¹⁾	424	424	424	170	170	170
Total current borrowings				935	935	935	750	750	750
Amounts payable under head leases				2	2	2	2	2	2
Total current borrowings including amounts payable under head leases				937	937	937	752	752	752
Non-current borrowings									
Medium term notes (MTN)									
A16 2.375% MTN due 2029	Secured	Fixed	2.5	350	338	349	350	333	349
A6 5.376% MTN due 2029	Secured	Fixed	5.4	65	65	65	65	65	65
A13 2.399% MTN due 2031	Secured	Fixed	2.4	300	279	300	300	274	300
A7 5.396% MTN due 2032	Secured	Fixed	5.4	77	78	77	77	78	77
A18 4.750% MTN due 2033	Secured	Fixed	4.9	300	298	296	300	294	295
A17 4.875% MTN due 2034	Secured	Fixed	5.0	400	397	395	400	393	396
A11 5.125% MTN due 2036	Secured	Fixed	5.1	50	48	50	50	47	50
A19 4.625% MTN due 2036	Secured	Fixed	4.9	350	332	346	350	330	346
A14 2.625% MTN due 2039	Secured	Fixed	2.6	500	371	495	500	371	495
A15 2.750% MTN due 2059	Secured	Fixed	2.7	500	265	495	500	275	495
				2,892	2,471	2,868	2,892	2,460	2,868
Syndicated and bilateral bank debt	Secured	Floating	SONIA + margin	715	715	715	778	778	778
Total non-current borrowings				3,607	3,186	3,583	3,670	3,238	3,646
Amounts payable under head leases	Unsecured	Fixed	5.2	134	230	134	156	230	156
Total non-current borrowings including amounts payable under head leases				3,741	3,416	3,717	3,826	3,468	3,802
Total borrowing including amounts payable under head leases				4,678	4,353	4,654	4,578	4,220	4,554
Total borrowings excluding amounts payable under head leases				4,542	4,121	4,518	4,420	3,988	4,396

1. Non-Sterling commercial paper is immediately swapped into Sterling. The interest rate is fixed at the time of the issuance for the duration (1 to 3 months) and tracks SONIA swap rates.

14. Borrowings continued**Reconciliation of movements in liabilities arising from financing activities****Six months ended 30 September 2025**

	At the beginning of the period £m	Cash flows £m	Foreign exchange movements £m	Non-cash changes		At the end of the period £m
				Other changes in fair values £m	Other changes £m	
Borrowings	4,554	113	-	9	(22)	4,654
Derivative financial instruments	4	(18)	(8)	(5)	19	(8)
Redemption liability	-	-	-	-	20	20
	4,558	95	(8)	4	17	4,666

Year ended 31 March 2025

Borrowings	3,780	401	2	(10)	381	4,554
Derivative financial instruments	(25)	(6)	11	23	1	4
	3,755	395	13	13	382	4,558

The MTNs are secured on the fixed and floating pool of assets of the Security Group. The Security Group includes wholly owned investment properties, development properties and a number of the Group's investment in additional assets, in total valued at **£9.9bn** at 30 September 2025 (31 March 2025: £10.0bn). The secured debt structure has a tiered operating covenant regime which gives the Group substantial flexibility when the LTV and interest cover in the Security Group are less than 65% and more than 1.45x respectively. If these limits are exceeded, the operating environment becomes more restrictive with provisions to encourage a reduction in gearing. The interest rate of each MTN is fixed until the expected maturity, being two years before the legal maturity date of the MTN. The interest rate for the last two years may either become floating on a SONIA basis plus an increased margin (relative to that at the time of issue), or subject to a fixed coupon uplift, depending on the terms and conditions of the specific notes.

The effective interest rate is based on the coupon paid and includes the amortisation of issue costs and discount to redemption value. The MTNs are listed on the Irish Stock Exchange and their fair values are based on their respective market prices.

Committed syndicated and bilateral bank debt

	Maturity as at 30 September 2025	Authorised		Drawn		Undrawn	
		30 Sept 2025 £m	31 March 2025 £m	30 Sept 2025 £m	31 March 2025 £m	30 Sept 2025 £m	31 March 2025 £m
Syndicated debt	2027-29	2,550	2,490	715	778	1,835	1,712
Bilateral debt	2026	100	100	-	-	100	100
		2,650	2,590	715	778	1,935	1,812

On 2 May 2025, the Group put in place a new £300m bank facility with a November 2027 maturity. During the period ended 30 September 2025, the amounts drawn under the Group's facilities decreased by **£63m**. At 30 September 2025, the Group's committed facilities totalled **£2,650m** (31 March 2025: £2,590m). All the committed syndicated and bilateral facilities are secured on the assets of the Security Group.

The terms of the Security Group funding arrangements require undrawn facilities to be reserved where syndicated and bilateral facilities mature within one year, or when commercial paper is issued. The total amount of cash and available undrawn facilities, net of commercial paper, at 30 September 2025 was **£1,097m** (31 March 2025: £1,101m).

Fair values

The fair value of the Group's net investment in tenant finance leases is calculated by the Group's external valuer by applying a weighted average equivalent yield of **7.8%** (31 March 2025: 8.8%).

The fair values of any floating rate financial liabilities are assumed to be equal to their nominal and book value. The fair values of the MTNs fall within Level 1 of the fair value hierarchy, the syndicated and bilateral facilities, commercial paper, interest-rate swaps and foreign exchange swaps fall within Level 2, and the amounts payable and receivable under leases fall within Level 3.

The fair values of the financial instruments have been determined by reference to relevant market prices, where available. The fair values of the Group's outstanding interest-rate swaps have been estimated by calculating the present value of future cash flows, using appropriate market discount rates. These valuation techniques fall within Level 2.

15. Provisions

	Building and fire safety remediation £m	Transaction and contract related £m	Total £m
At 1 April 2025	23	51	74
Charge for the period	8	5	13
Utilised during the period	-	(11)	(11)
Reversed during the period	(4)	-	(4)
At 30 September 2025	27	45	72
Current	27	19	46
Non-current	-	26	26
At 30 September 2025	27	45	72

16. Contingencies

The Group has contingent liabilities in respect of legal claims, contractor claims, remediation for building defects, developer contractual arrangements, defined benefit pension scheme member liabilities⁽¹⁾, guarantees and warranties arising in the ordinary course of business. A provision for such matters is only recognised to the extent that the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation.

1. Refer to note 36 of the Group's annual financial statements for the year ended 31 March 2025.

17. Related party transactions

There have been no related party transactions during the period that require disclosure under Section 4.2.8 (R) of the Disclosure and Transparency Rules or under IAS 34 Interim Financial Reporting.

18. Assets held for sale

Prior to 30 September 2025, the Group has exchanged contracts for the sale of corporate entities holding £263m of property assets. Included in these properties is the Queen Anne's Mansions office block, which has a headline property price of £245m. Since the risks and returns of ownership have not fully transferred to the buyers at 30 September 2025, these properties were classified as Non-current assets held for sale.

19. Events after the reporting period

Subsequent to 30 September 2025, the Group has completed on corporate entity sales holding £29m of properties in value classified as Non-current assets held for sale at the reporting date and £61m of investment property acquisitions.

On 13 October 2025, the Group extended the maturity of its existing syndicated debt facilities to 2028 and 2030 on the same terms.

No other significant events have occurred after the reporting period but before the financial statements were authorised for issue.

Alternative performance measures

Table 14: Alternative performance measures

The Group has applied the European Securities and Markets Authority (ESMA) 'Guidelines on Alternative Performance Measures' in these results. In the context of these results, an alternative performance measure (APM) is a financial measure of historical or future financial performance, position or cash flows of the Group which is not a measure defined or specified in IFRS.

The table below summarises the APMs included in these results and where the reconciliations of these measures can be found. The definitions of APMs are included in the Glossary.

Alternative performance measure	Nearest IFRS measure	Reconciliation
EPRA earnings	Profit before tax	Note 3
EPRA earnings per share	Basic earnings per share	Note 4
EPRA diluted earnings per share	Diluted earnings per share	Note 4
EPRA Net Tangible Assets	Net assets attributable to shareholders	Note 4
EPRA Net Tangible Assets per share	Net assets attributable to shareholders	Note 4
Total return on equity	n/a	Note 4
Adjusted net cash inflow from operating activities	Net cash inflow from operating activities	Note 9
Combined Portfolio	Investment properties	Note 10
Adjusted net debt	Borrowings	Note 13
Group LTV	n/a	Note 13
EPRA LTV	n/a	Note 13

EPRA disclosures

Table 15: EPRA net asset measures

EPRA net asset measures	30 September 2025		
	EPRA NRV £m	EPRA NTA £m	EPRA NDV £m
Net assets attributable to shareholders	6,434	6,434	6,434
Shortfall of fair value over net investment in finance lease book value	(6)	(6)	(6)
Other intangible asset	-	(1)	-
Fair value of interest-rate swaps	(6)	(6)	-
Shortfall of fair value of debt over book value (note 14)	-	-	301
Excess of fair value of trading properties over book value	27	27	27
Purchasers' costs ⁽¹⁾	672	-	-
Net assets used in per share calculation	7,121	6,448	6,756

	EPRA NRV	EPRA NTA	EPRA NDV
Diluted net assets per share	953p	863p	904p

	31 March 2025		
	EPRA NRV £m	EPRA NTA £m	EPRA NDV £m
Net assets attributable to shareholders	6,514	6,514	6,514
Shortfall of fair value over net investment in finance lease book value	(8)	(8)	(8)
Other intangible asset	-	(2)	-
Fair value of interest-rate swaps	(1)	(1)	-
Shortfall of fair value of debt over book value (note 14)	-	-	334
Excess of fair value of trading properties over book value	27	27	27
Purchasers' costs ⁽¹⁾	668	-	-
Net assets used in per share calculation	7,200	6,530	6,867

	EPRA NRV	EPRA NTA	EPRA NDV
Diluted net assets per share	964p	874p	919p

1. EPRA NTA and EPRA NDV reflect IFRS values which are net of purchasers' costs. Purchasers' costs are added back when calculating EPRA NRV.

Table 16: EPRA performance measures

		30 September 2025	
Measure	Definition for EPRA measure	Notes	EPRA measure
EPRA earnings	Earnings from core operational activity	4	£192m
EPRA earnings per share	EPRA earnings per weighted number of ordinary shares	4	25.8p
EPRA diluted earnings per share	EPRA diluted earnings per weighted number of ordinary shares	4	25.6p
EPRA Net Tangible Assets (NTA)	Net assets adjusted to exclude the fair value of interest-rate swaps, intangible assets and excess of fair value over net investment in finance lease book value	4	£6,448m
EPRA Net Tangible Assets per share	Diluted Net Tangible Assets per share	4	863p
EPRA net disposal value (NDV)	Net assets adjusted to exclude the fair value of debt and goodwill on deferred tax and to include excess of fair value over net investment in finance lease book value	4	£6,756m
EPRA net disposal value per share	Diluted net disposal value per share	4	904p
EPRA loan-to-value (LTV) ⁽¹⁾	Ratio of adjusted net debt, including net payables, to the sum of the net assets, including net receivables, of the Group, its subsidiaries and joint ventures, all on a proportionate basis, expressed as a percentage	13	41.3%
EPRA loan-to-value (pro-forma)	EPRA LTV reflecting the post period-end impacts of committed acquisitions and disposals and transaction-related deferred consideration receipts/payments until 31 December 2026	13	40.0%
		Table	
Voids/vacancy rate	ERV of vacant space as a % of ERV of Combined Portfolio excluding the development programme ⁽²⁾	17	2.3%
Net initial yield (NIY)	Annualised rental income less non-recoverable costs as a % of market value plus assumed purchasers' costs ⁽³⁾		5.5%
Topped-up NIY	NIY adjusted for rent free periods ⁽³⁾		6.3%
Cost ratio	Total costs as a percentage of gross rental income (including direct vacancy costs) ⁽⁴⁾		20.4%
	Total costs as a percentage of gross rental income (excluding direct vacancy costs) ⁽⁴⁾		17.9%

1. EPRA LTV differs from the Group LTV presented in note 13 as it includes net payables and receivables and includes trading properties at fair value and debt instruments at nominal value rather than book value. Group LTV remains our core performance measure used by external investors and lenders.
2. This measure reflects voids in the Combined Portfolio excluding only properties under development.
3. This measure relates to the Combined Portfolio, excluding properties currently under development, and are calculated by our external valuer. Topped-up NIY reflects adjustments of £67m for rent free periods and other incentives.
4. This measure is calculated based on gross rental income after rents payable and excluding costs recovered through rents but not separately invoiced of £7m.

Table 17: EPRA vacancy rate

The EPRA vacancy rate is based on the ratio of the estimated market rent for vacant properties versus total estimated market rent, for the Combined Portfolio excluding properties under development. There are no significant distorting factors influencing the EPRA vacancy rate.

		30 September 2025
		£m
ERV of vacant properties		16
ERV of Combined Portfolio excluding properties under development		704
EPRA vacancy rate (%)		2.3

Table 18: Change in net rental income from the like-for-like portfolio⁽¹⁾

	30 September 2025	30 September 2024 ⁽²⁾	Change	
	£m	£m	£m	% ⁽³⁾
Office-led	146	137	9	7
Retail-led	82	78	4	5
Residential-led	4	4	-	-
Other assets	20	21	(1)	(2)
	252	240	12	5

1. Excludes surrender premiums received during the period.
2. Restated for changes in the Group's operating segments as outlined in note 3.
3. Percentage change is disclosed on unrounded figures.

Table 19: Acquisitions, disposals and capital expenditure

				Six months ended 30 September 2025	Six months ended 30 September 2024
Investment properties	Group (excl. joint ventures) £m	Joint ventures £m	Adjustment for non-wholly owned subsidiaries ⁽¹⁾ £m	Combined Portfolio £m	Combined Portfolio £m
Net book value at the beginning of the period	10,034	608	(33)	10,609	9,797
Acquisitions	18	-	14	32	133
Capital expenditure	244	-	-	244	202
Capitalised interest	20	-	-	20	12
Net movement in head leases capitalised	(1)	-	-	(1)	(1)
Disposals	(315)	-	-	(315)	(461)
Net (deficit)/ surplus on revaluation of investment properties	(15)	9	-	(6)	91
Transfers to non-current assets held for sale	(263)	-	-	(263)	-
Net book value at the end of the period	9,722	617	(19)	10,320	9,773
Loss on disposal of investment properties	(55)	-	-	(55)	(5)
Disposal of non-current asset held-for-sale	110	-	-	110	-
Trading properties	£m	£m	£m	£m	£m
Net book value at the beginning of the period	81	-	-	81	100
Acquisitions	-	-	-	-	3
Capital expenditure	4	-	-	3	6
Capitalised interest	-	-	-	1	1
Disposals	-	-	-	-	(9)
Movement in impairment	(1)	-	-	(1)	(4)
Net book value at the end of the period	84	-	-	84	97
Loss on disposal of trading properties	-	-	-	-	(5)
Acquisitions, development and other capital expenditure		Investment properties ⁽²⁾ £m	Trading properties £m	Combined Portfolio £m	Combined Portfolio £m
Acquisitions ⁽³⁾		32	-	32	136
Development capital expenditure ⁽⁴⁾		161	2	163	131
Other capital expenditure		83	1	84	77
Capitalised interest		20	1	21	13
Acquisitions, development and other capital expenditure		296	4	300	357
Disposals				£m	£m
Net book value – investment property disposals				315	461
Net book value – trading property disposals				-	9
Net book value – other net assets of investment property disposals				(15)	1
Loss on disposal – investment properties				(55)	(5)
Loss on disposal – trading properties				-	(5)
Disposal of non-current asset held-for-sale				110	-
Other				10	1
Total disposal proceeds				365	462

1. This represents the interest in Liverpool ONE (2024: MediaCity) which we do not own but consolidate in the Group numbers.

2. See EPRA analysis of capital expenditure table 20 for further details.

3. Properties acquired in the period includes £14m for the acquisition of an additional 2.78% stake in Liverpool One through accretive debt repayment.

4. Development capital expenditure for investment properties comprises expenditure on the future development pipeline and completed developments.

Table 20: EPRA analysis of capital expenditure

Six months ended 30 September 2025

	Other capital expenditure						Capitalised interest £m	Total capital expenditure – Combined Portfolio £m	Total capital expenditure – joint ventures (Group share) £m	Total capital expenditure – non-wholly owned subsidiaries £m	Total capital expenditure – Group £m
	Acquisitions ⁽¹⁾ £m	Development capital expenditure ⁽²⁾ £m	Incremental lettable space ⁽³⁾ £m	No incremental lettable space £m	Tenant improvements £m	Total £m					
Office-led											
West End offices	-	-	-	17	-	17	1	18	-	-	18
City and Southwark offices	-	-	-	18	-	18	2	20	-	-	20
Manchester offices	-	-	-	3	-	3	-	3	-	-	3
Retail and other	-	-	-	5	-	5	-	5	-	-	5
Developments	-	141	-	-	-	-	17	158	-	-	158
Total Office-led	-	141	-	43	-	43	20	204	-	-	204
Retail-led											
Shopping centres	-	-	4	21	5	30	-	30	-	-	30
Outlets	-	-	-	5	-	5	-	5	-	-	5
Total Retail-led	-	-	4	26	5	35	-	35	-	-	35
Residential-led											
Developments	-	20	-	-	-	-	-	20	-	-	20
Total Residential-led	-	20	-	-	-	-	-	20	-	-	20
Other assets											
Retail and leisure parks	18	-	-	1	4	5	-	23	-	-	23
Other	-	-	-	-	-	-	-	-	-	-	-
Total Other assets	18	-	-	1	4	5	-	23	-	-	23
Total capital expenditure	18	161	4	70	9	83	20	282	-	-	282
Timing difference from accrual to cash basis								(4)	4	-	(8)
Total capital expenditure on a cash basis								278	4	-	274

1. Investment properties acquired in the period.

2. Expenditure on the future development pipeline and completed developments.

3. Capital expenditure where the lettable area increases by at least 10%.

Table 21: Top 12 occupiers at 30 September 2025

	% of Group rent ⁽¹⁾
Central Government	5.1
Deloitte	2.1
BBC	1.9
Inditex UK	1.6
Taylor Wessing	1.4
Qube RT	1.4
Boots	1.2
Sainsbury's	0.9
Primark	0.9
H&M	0.9
Cheil Europe Limited	0.8
Cineworld	0.8
	19.0

1. On a proportionate basis.

Table 22: Committed development pipeline and trading property development schemes at 30 September 2025

Property	Description of use	Ownership interest %	Size sq ft '000	Letting status %	Market value £m	Net income/ERV £m	Estimated completion date	Total development costs to date £m	Forecast total development cost £m
Committed development pipeline									
Thirty High, SW1	Office	100	299	0	383	30	Q1 FY27	351	420
Timber Square, SE1	Office	100	383	0	354	31	Q4 FY26	374	446
Republic, Manchester	Office	100	244	0	24	12	Q4 FY28	33	152
Various projects	Retail	Various	292	N/A	N/A	4	Various	13	43

Property	Description of use	Ownership interest %	Size sq ft '000	Number of units	Sales exchanged by unit %	Estimated completion date	Total development costs to date £m	Forecast total development cost £m
Trading property development schemes								
Castle Lane, SW1	Residential	100	52	89	99	Nov-25	47	49

Where the property is not 100% owned, floor areas and letting status shown above represent the full scheme whereas all other figures represent our proportionate share. Letting % is measured by ERV and shows letting status at 30 September 2025.

Total development cost

Refer to the Glossary for definition.

Net income/ERV

Net income/ERV represents headline annual rent on let units plus ERV at 30 September 2025 on unlet units, both after rents payable.

Table 23: Combined Portfolio analysis
Total portfolio analysis

	Market value ⁽¹⁾		Valuation movement ⁽¹⁾		Rental income ⁽¹⁾		Annualised rental income ⁽²⁾		Net estimated rental value ⁽³⁾	
	30 September 2025 £m	31 March 2025 ⁽⁴⁾ £m	Surplus/ (deficit) £m	Surplus/ (deficit) %	30 September 2025 £m	30 September 2024 ⁽⁴⁾ £m	30 September 2025 £m	31 March 2025 ⁽⁴⁾ £m	30 September 2025 £m	31 March 2025 ⁽⁴⁾ £m
Office-led										
West End offices	3,087	3,124	(52)	(1.7)	80	80	166	164	205	202
City and Southwark offices	1,450	1,445	17	1.2	44	35	89	85	105	111
Manchester offices	262	258	2	0.9	12	12	25	22	29	28
Retail and other	1,129	1,139	(15)	(1.4)	31	28	62	60	57	60
Developments ⁽⁵⁾	1,171	1,108	(20)	(1.7)	-	4	-	-	87	85
Total Office-led	7,099	7,074	(68)	(1.0)	168	159	342	331	483	486
Retail-led										
Shopping centres	2,206	2,132	48	2.3	104	78	204	200	206	205
Outlets	646	627	14	2.3	26	24	49	48	53	52
Total Retail-led	2,852	2,759	62	2.3	130	102	253	248	259	257
Residential-led										
Developments ⁽⁵⁾	298	275	2	0.6	6	7	12	11	26	14
Total Residential-led	298	275	2	0.6	6	7	12	11	26	14
Other assets										
Retail and leisure parks	529	772	(2)	(0.5)	27	38	49	67	49	66
Other	-	-	-	-	-	2	-	-	-	-
Total Other assets	529	772	(2)	(0.5)	27	40	49	67	49	66
Combined Portfolio	10,778	10,880	(6)	(0.1)	331	308	656	657	817	823
Properties treated as finance leases	-	-	-	-	-	(1)				
Combined Portfolio	10,778	10,880	(6)	(0.1)	331	307				
Represented by:										
Investment portfolio	10,134	10,244	(15)	(0.2)	289	287	573	575	729	735
Share of joint ventures	644	636	9	1.6	42	20	83	82	88	88
Combined Portfolio	10,778	10,880	(6)	(0.1)	331	307	656	657	817	823

Total portfolio analysis

	Net initial yield ⁽⁶⁾		Equivalent yield ⁽⁷⁾	
	30 September 2025	Movement in like-for-like ⁽⁸⁾	30 September 2025	Movement in like-for-like ⁽⁸⁾
	%	bps	%	bps
Office-led				
West End offices	4.7	17	5.6	20
City and Southwark offices	4.0	(18)	6.2	8
Manchester offices	6.9	12	8.5	21
Retail and other	4.4	8	5.0	(11)
Developments ⁽⁵⁾	-	n/a	5.6	n/a
Total Office-led	4.6	6	5.8	12
Retail-led				
Shopping centres	7.3	9	7.8	(2)
Outlets	6.1	(14)	6.8	(11)
Total Retail-led	7.0	4	7.5	(4)
Residential-led				
Developments ⁽⁵⁾	4.0	(15)	6.7	(4)
Total Residential-led	4.0	(15)	6.7	(4)
Other assets				
Retail and leisure parks	7.7	1	8.3	(6)
Total Other assets	7.7	1	8.3	(6)
Combined Portfolio	5.5	6	6.4	3
Represented by:				
Investment portfolio	5.4	n/a	6.4	n/a
Share of joint ventures	6.1	n/a	6.2	n/a
Combined Portfolio	5.5	n/a	6.4	n/a

Notes:

1. Refer to Glossary for definition.
2. Annualised rental income is annual 'rental income' (as defined in the Glossary) at the balance sheet date, except that car park and commercialisation income are included on a net basis (after deduction for operational outgoings). Annualised rental income includes temporary lettings.
3. Net estimated rental value is gross estimated rental value, as defined in the Glossary, after deducting expected rent payable.
4. Restated for changes in the Group's operating segments as outlined in note 3.
5. Comprises the development pipeline – refer to Glossary for definition.
6. Net initial yield – refer to Glossary for definition. This calculation includes all properties including those sites with no income.
7. Equivalent yield – refer to Glossary for definition. Future developments are excluded from the calculation of equivalent yield on the Combined Portfolio.
8. The like-for-like portfolio – refer to Glossary for definition.

Table 24: Floor Areas

	30 September 2025
	Million sq ft
Office-led	
West End offices	3.3
City and Southwark offices	1.4
Manchester offices	0.9
Retail and other	1.2
Developments	0.1
Total Office-led	6.9
Retail-led	
Shopping centres	13.1
Outlets	1.0
Total Retail-led	14.1
Residential-led	
Developments	0.8
Total Residential-led	0.8
Other assets	
Retail and leisure parks	3.9
Total Other assets	3.9
Total	25.7

Table 25: Lease lengths**Weighted average unexpired lease term at 30 September 2025**

		Like-for-like portfolio, completed developments and acquisitions
		Mean ⁽¹⁾
		Years
Office-led		
West End offices		5.7
City and Southwark offices		7.6
Manchester offices		4.7
Retail and other		5.7
Total Office-led		6.0
Retail-led		
Shopping centres		4.8
Outlets		2.9
Total Retail-led		4.4
Residential-led		
Developments		6.9
Total Residential-led		6.9
Other assets		
Retail and leisure parks		8.6
Total Other assets		8.6
Combined Portfolio		5.6

1. Mean is the rent weighted average of the unexpired lease term across all leases (excluding short-term leases). Term is defined as the earlier of tenant break or expiry.

Investor information

1. Company website: landsec.com

The Group's half-yearly and annual reports to shareholders, results announcements and presentations, are available to view and download from the Company's website. The website also provides details of the Company's current share price, the latest news about the Group, its properties and operations, and details of future events and how to obtain further information.

2. Registrar: Equiniti Group PLC

Enquiries concerning shareholdings, dividends and changes in personal details should be referred to the Company's registrar, Equiniti Limited (Equiniti), in the first instance. They can be contacted using the details below:

Telephone:

- 0371 384 2128 (from the UK)
- +44 371 384 2128 (from outside the UK)
- Lines are ordinarily open from 08:30 to 17:30, Monday to Friday, excluding UK public holidays.

Correspondence address:

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

Information on how to manage your shareholding can be found at <https://help.shareview.co.uk>. If you are not able to find the answer to your question within the general Help information page, a personal enquiry can be sent directly through Equiniti's secure e-form on their website. Please note that you will be asked to provide your name, address, shareholder reference number and a valid e-mail address. Alternatively, shareholders can view and manage their shareholding through the Landsec share portal which is hosted by Equiniti – simply visit <https://portfolio.shareview.co.uk> and follow the registration instructions.

3. Shareholder enquiries

If you have an enquiry about the Company's business or about something affecting you as a shareholder (other than queries which are dealt with by the Registrar), please email Investor Relations (see details in 7. below).

4. Share dealing services: <https://shareview.co.uk>

The Company's shares can be traded through most banks, building societies and stockbrokers. They can also be traded through Equiniti. To use their service, shareholders should contact Equiniti: 0345 603 7037 from the UK. Lines are ordinarily open Monday to Friday 08:00 to 16:30 for dealing and until 18:00 for enquiries, excluding UK public holidays.

5. Dividends

The Board has declared an interim dividend for the year ending 31 March 2026 of 19.0p per ordinary share (six months ended 30 September 2024: 18.6p) which will be paid on 9 January 2026 to shareholders registered at the close of business on 27 November 2025. This will be paid partly as a Property Income Distribution (PID) of 13.6p and partly as an ordinary dividend of 5.4p.

6. Dividend related services

Dividend payments to UK shareholders – Dividend mandates

Dividends are no longer paid by cheque. Shareholders whose dividends have previously been paid by cheque will need to have their dividends paid directly into their personal bank or building society account or alternatively participate in our Dividend Reinvestment Plan (see below) to receive dividends in the form of additional shares. To facilitate this, please contact Equiniti or complete a mandate instruction available on our website: landsec.com/investors and return it to Equiniti.

Dividend payments to overseas shareholders – Overseas Payment Service (OPS)

Dividends are no longer paid by cheque. Shareholders need to request that their dividends be paid directly to a personal bank account overseas. For more information, please contact Equiniti or download an application form online at <https://shareview.co.uk>.

Dividend Reinvestment Plan (DRIP)

A DRIP is available from Equiniti. This facility provides an opportunity by which shareholders can conveniently and easily increase their holding in the Company by using their cash dividends to buy more shares. Participation in the DRIP will mean that your dividend payments will be reinvested in the Company's shares and these will be purchased on your behalf in the market on, or as soon as practical after, the dividend payment date.

You may only participate in the DRIP if you are resident in the UK.

For further information (including terms and conditions) and to register for any of these dividend-related services, simply visit www.shareview.co.uk.

7. Investor relations enquiries

For investor relations enquiries, please contact Edward Thacker, Head of Investor Relations at Landsec, by telephone on +44 (0)20 7413 9000 or by email at enquiries@landsec.com.

Glossary

Adjusted net cash inflow from operating activities

Net cash inflow from operating activities including the Group's share of our joint ventures' net cash inflow from operating activities.

Adjusted net debt

Net debt excluding cumulative fair value movements on interest-rate swaps and amounts payable under head leases. It generally includes the net debt of subsidiaries and joint ventures on a proportionate basis.

Combined Portfolio

The Combined Portfolio comprises the investment properties, owner-occupied property and non-current assets held-for-sale of the Group's subsidiaries, on a proportionately consolidated basis when not wholly owned, together with our share of investment properties held in our joint ventures.

Developments/development pipeline

Development pipeline consists of future developments, committed developments, projects under construction and developments which have reached practical completion within the last two years but are not yet 95% let.

Development gross yield on total development cost

Gross ERV, before adjustment for lease incentives, divided by total development cost. Gross ERV reflects Landsec's or the valuer's view of expected ERV at completion of the scheme.

EPRA earnings

Profit before tax, excluding profits on the sale of non-current assets and trading properties, profits on development contracts, valuation movements, fair value movements on interest-rate swaps and similar instruments used for hedging purposes, debt restructuring charges, and any other items of an exceptional nature.

EPRA loan-to-value (LTV)

Ratio of adjusted net debt, including net payables, to the sum of the net assets, including net receivables, of the Group, its subsidiaries and joint ventures, all on a proportionate basis, expressed as a percentage. The calculation includes trading properties at fair value and debt at nominal value.

EPRA net disposal value (NDV) per share

Diluted net assets per share adjusted to remove the impact of goodwill arising as a result of deferred tax, and to include the difference between the fair value and the book value of the net investment in tenant finance leases and fixed interest rate debt.

EPRA net initial yield

EPRA net initial yield is defined within EPRA's Best Practice Recommendations as the annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the gross market value of the property. It is consistent with the net initial yield calculated by the Group's external valuer.

EPRA Net Reinstatement Value (NRV) per share

Diluted net assets per share adjusted to remove the cumulative fair value movements on interest-rate swaps and similar instruments, the carrying value of deferred tax on intangible assets and to include the difference between the fair value and the book value of the net investment in tenant finance leases and add back purchasers' costs.

EPRA Net Tangible Assets (NTA) per share

Diluted net assets per share adjusted to remove the cumulative fair value movements on interest-rate swaps and similar instruments, the carrying value of goodwill arising as a result of deferred tax and other intangible assets, deferred tax on intangible assets and to include the difference between the fair value and the book value of the net investment in tenant finance leases.

Equivalent yield

Calculated by the Group's external valuer, equivalent yield is the internal rate of return from an investment property, based on the gross outlays for the purchase of a property (including purchase costs), reflecting reversions to current market rent and such items as voids and non-recoverable expenditure but ignoring future changes in capital value. The calculation assumes rent is received annually in arrears.

ERV – Gross estimated rental value

The estimated market rental value of lettable space as determined biannually by the Group's external valuer. For investment properties in the development programme, which have not yet reached practical completion, the ERV represents management's view of market rents.

Gearing

Total borrowings, including bank overdrafts, less short-term deposits, corporate bonds and cash, at book value, plus cumulative fair value movements on financial derivatives as a percentage of total equity. For adjusted gearing, see note 13.

Gross market value

Market value plus assumed usual purchaser's costs at the reporting date.

Interest Cover Ratio (ICR)

A calculation of a company's ability to meet its interest payments on outstanding debt. It is calculated using EPRA earnings before interest, divided by net interest (excluding the mark-to-market movement on interest-rate swaps, foreign exchange swaps, capitalised interest and interest on the pension scheme assets and liabilities). The calculation excludes joint ventures.

Investment portfolio

The investment portfolio comprises the investment properties of the Group's subsidiaries on a proportionately consolidated basis where not wholly owned.

Lease incentives

Any incentive offered to occupiers to enter into a lease. Typically, the incentive will be an initial rent-free period, or a cash contribution to fit-out or similar costs. For accounting purposes, the value of the incentive is spread over the non-cancellable life of the lease.

Like-for-like portfolio

The like-for-like portfolio includes all properties which have been in the portfolio since 1 April 2023 but excluding those which are acquired or sold since that date. Properties in the development pipeline and completed developments are also excluded.

Loan-to-value (LTV)

Group LTV is the ratio of adjusted net debt, including subsidiaries and joint ventures, to the sum of the market value of investment properties and the book value of trading properties of the Group, its subsidiaries and joint ventures, all on a proportionate basis, expressed as a percentage. For the Security Group, LTV is the ratio of net debt lent to the Security Group divided by the value of secured assets.

Market value

Market value is determined by the Group's external valuer, in accordance with the RICS Valuation Standards, as an opinion of the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing.

Net initial yield

Net initial yield is a calculation by the Group's external valuer of the yield that would be received by a purchaser, based on the Estimated Net Rental Income expressed as a percentage of the acquisition cost, being the market value plus assumed usual purchasers' costs at the reporting date. The calculation is in line with EPRA guidance. Estimated Net Rental Income is determined by the valuer and is based on the passing cash rent less rent payable at the balance sheet date, estimated non-recoverable outgoings and void costs including service charges, insurance costs and void rates.

Net rental income

Net rental income is the net operational income arising from properties, on an accruals basis, including rental income, finance lease interest, rents payable, service charge income and expense, other property related income, direct property expenditure and bad debts. Net rental income is presented on a proportionate basis.

Net zero carbon building

A building for which an overall balance has been achieved between carbon emissions produced and those taken out of the atmosphere, including via offset arrangements. This relates to operational emissions for all buildings while, for a new building, it also includes supply-chain emissions associated with its construction.

Passing rent

The estimated annual rent receivable as at the reporting date which includes estimates of turnover rent and estimates of rent to be agreed in respect of outstanding rent review or lease renewal negotiations. Passing rent may be more or less than the ERV (see over-rented, reversionary and ERV). Passing rent excludes annual rent receivable from units in administration save to the extent that rents are expected to be received. Void units at the reporting date are deemed to have no passing rent. Although temporary lets of less than 12 months are treated as void, income from temporary lets is included in passing rents.

Property Income Distribution (PID)

A PID is a distribution by a REIT to its shareholders paid out of qualifying profits. A REIT is required to distribute at least 90% of its qualifying profits as a PID to its shareholders.

Rental income

Rental income is as reported in the income statement, on an accruals basis, and adjusted for the spreading of lease incentives over the term certain of the lease in accordance with IFRS 16. It is stated gross, prior to the deduction of ground rents and without deduction for operational outgoings on car park and commercialisation activities.

Reversionary or under-rented

Space where the passing rent is below the ERV.

Reversionary yield

The anticipated yield to which the initial yield will rise (or fall) once the rent reaches the ERV.

Security Group

Security Group is the principal funding vehicle for the Group and properties held in the Security Group are mortgaged for the benefit of lenders. It has the flexibility to raise a variety of different forms of finance.

Topped-up net initial yield

Topped-up net initial yield is a calculation by the Group's external valuer. It is calculated by making an adjustment to net initial yield in respect of the annualised cash rent foregone through unexpired rent-free periods and other lease incentives. The calculation is consistent with EPRA guidance.

Total return on equity

Dividend paid per share in the year plus the change in EPRA Net Tangible Assets per share, divided by EPRA Net Tangible Assets per share at the beginning of the year.

Total cost ratio

Total cost ratio represents all costs included within EPRA earnings, other than rents payable, financing costs and provisions for bad and doubtful debts, expressed as a percentage of gross rental income before rents payable adjusted for costs recovered through rents but not separately invoiced.

Total development cost (TDC)

Total development cost refers to the book value of the site at the commencement of the project, the estimated capital expenditure required to develop the scheme from the start of the financial year in which the property is added to our development programme, together with capitalised interest, being the Group's borrowing costs associated with direct expenditure on the property under development. Interest is also capitalised on the purchase cost of land or property where it is acquired specifically for redevelopment. The TDC for trading property development schemes excludes any estimated tax on disposal.

Trading properties

Properties held for trading purposes and shown as current assets in the balance sheet.

Vacancy rates

Vacancy rates are expressed as a percentage of ERV and represent all unlet space, including vacant properties where refurbishment work is being carried out and vacancy in respect of pre-development properties, unless the scale of refurbishment is such that the property is not deemed lettable. The screen at Piccadilly Lights, W1 is excluded from the vacancy rate calculation as it will always carry advertising although the number and duration of our agreements with advertisers will vary.

Valuation surplus/deficit

The valuation surplus/deficit represents the increase or decrease in the market value of the Combined Portfolio, adjusted for net investment and the effect of accounting for lease incentives under IFRS 16. The market value of the Combined Portfolio is determined by the Group's external valuer.

Voids

Voids are expressed as a percentage of ERV and represent all unlet space, including voids where refurbishment work is being carried out and voids in respect of pre-development properties. Temporary lettings for a period of one year or less are also treated as voids. The screen at Piccadilly Lights, W1 is excluded from the void calculation as it will always carry advertising although the number and duration of our agreements with advertisers will vary. Commercialisation lettings are also excluded from the void calculation.

Weighted average unexpired lease term

The weighted average of the unexpired term of all leases other than short-term lettings such as car parks and advertising hoardings, temporary lettings of less than one year, residential leases and long ground leases.