

Title Results for the half year ended 30 September 2025
From LAND SECURITIES GROUP PLC ("Landsec")
Date 14 November 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.
1. 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.
2. IFRS profit before tax of £98m vs prior period IFRS profit before tax of £243m, which benefitted from a valuation surplus of £91m.
3. 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.

ENDS

ABOUT LANDSEC

We identify and shape places that create opportunity, enhance quality of life, and bring joy to the people connected to them.

This is how we've created the UK's leading portfolio of urban places and one of the largest real estate companies in Europe.

Our £10 billion portfolio is built around premium workplaces, the country's pre-eminent retail platform, and a residential pipeline that will redefine urban life.

We've honed this ability over 80 years. Spotting the opportunities, building the partnerships, and continually adapting to shape the places that meet the needs of a changing world.

Places where life happens. Where businesses grow. And where cities are defined.

Find out more at [Landsec.com](https://landsec.com)

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