
HALF YEAR RESULTS PRESENTATION

HALF YEAR ENDED 30 SEPTEMBER 2014

#BLHY2015



RESULTS OVERVIEW

Chris Grigg
Chief Executive

FOCUSED INVESTMENT UNDERPINS STRONG RESULTS

1	Attractive environments	<ul style="list-style-type: none">• Focused on creating “Places People Prefer”• Well managed environments
2	London as a leading global City	<ul style="list-style-type: none">• Committed more capital to London and South East• Increased exposure to West End and up and coming locations
3	Importance of transport infrastructure	<ul style="list-style-type: none">• Investment around transport hubs• Over £3.0bn of our properties close to Crossrail stations
4	Key role of high quality physical retail	<ul style="list-style-type: none">• A portfolio aligned to how people shop• Investing to keep our assets relevant
5	Profitable development	<ul style="list-style-type: none">• A fundamental driver of value• Replenishing our pipeline

HALF YEAR HIGHLIGHTS

- **Exceptional leasing activity**
- **Continue to deliver significant value from London development**
- **Improved retail occupational metrics**
- **Strong valuation performance**

KEY FINANCIALS

HY to 30 September	2014	% Change
UK Valuation (6 months)	£12.8bn	+7.2%
NAV per Share (6 months)	769p	+11.8%
Total Property Return	9.8%	
Underlying Profit Before Tax	£155m	+6.2%
Dividend per Share	13.8p	+2.5%
Total Accounting Return	13.7%	

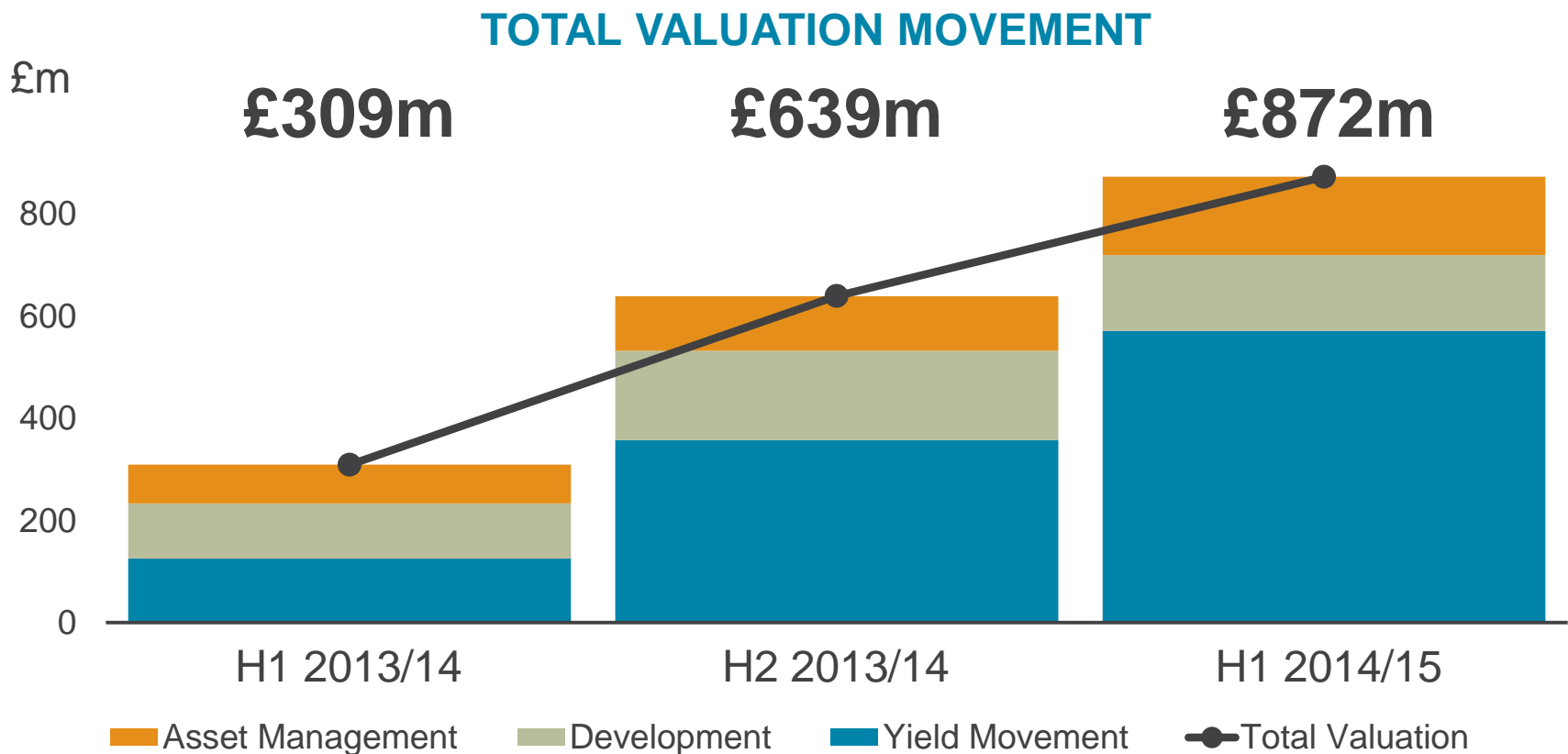
STRONGER OPERATIONAL PERFORMANCE

- Further improvement in occupational markets
- Majority of 2010 development programme let
- Lettings/renewals well ahead of ERV in retail and offices
- 486,000 sq ft of space under offer at terms ahead of ERV

HY to 30 September 2014	Retail	Office	Total
Lettings and renewals (000 sq ft)	606	507	1,113
Lettings and renewals under offer (000 sq ft)	298	188	486
Investment lettings/renewals vs ERV	+8.4%	+10.4%	+9.6%
Occupancy	98.6%	95.0%	97.1%
LFL occupancy	+20bps	+600bps	+240bps

STRONGER VALUATION PERFORMANCE

- Continue to outperform IPD; capital returns +70bps
- Maintaining price discipline: net sellers during the half



KEY OFFICE AND RESIDENTIAL HIGHLIGHTS

- **Valuations strongly ahead**
- **Exceptional leasing performance**
- **Further progress on new developments**
- **Rental growth now firmly established**

CONTINUED STRONG PERFORMANCE

- Office capital returns of 9.2%; outperformed IPD by 110bps
- Strong performances from West End and City
- Our actions continue to drive performance
 - Residential pre-sales at Clarges Mayfair
 - Letting recently completed space at 39 Victoria Street and 10 Portman Square
- Rental growth of 3.9%

HY to 30 September	BL%	IPD%	Performance vs IPD
Capital Returns	9.2	8.1	+110bps
ERV Growth	3.9	3.2	+70bps
Total Office Returns	11.0	10.5	+50bps

EXCEPTIONAL OFFICE LEASING IN STRONG MARKETS

- 695,000 sq ft of lettings and renewals completed/under offer
- Lettings on average 10.4% ahead of ERV
- Occupancy at 95%, up 600bps like-for-like
- 2010 development programme now 87% let

39 VICTORIA STREET
95k sq ft for 12 yrs
+13.4% ahead of ERV



10 PORTMAN SQUARE
65k sq ft let/under offer
+8.3% ahead of ERV



LEADENHALL
39k sq ft let/under offer
+8.8% ahead of ERV



IMPROVING OUR CAMPUS ENVIRONMENTS – REVITALISING BROADGATE

- Under offer to tech-related occupier fills up 199 Bishopsgate
 - Broadgate office space will be fully let
- Extension of 185,000 sq ft Deutsche Bank lease by 5.8 years
- Progressing major upgrade of Broadgate South
 - New food destination at Broadgate Circle over 90% let/under offer
 - 5 Broadgate to complete next year
 - On track to submit planning for substantial refurbishment of 100 Liverpool Street

Creating a new food destination at Broadgate Circle

唐茶苑 YAUATCHA

COMPTOIR
LIBANAIS

FRANCO
MANCA
SOURDOUGH PIZZA



The Botanist
Dinking & Dining

SHORYU

AUBAINE

IMPROVING OUR CAMPUS ENVIRONMENTS - SUCCESSFULLY REPOSITIONING REGENT'S PLACE

- Affordable rents in high quality location just outside core West End
- Now fully occupied following letting of 30 Brock Street
- Significant rental increases
 - New space at <£45psf in 2010
 - Nearly £60psf to The Guinness Partnership at 30 Brock St
 - High of over £70psf at 10 Brock St
- Exciting initiative to refurbish space at 338 Euston Road in 2015

Creating a vibrant office location for London

facebook

The Guinness Partnership

R
RICOH

Lend Lease

GAZPROM

DEBENHAMS

AEGIS

Santander



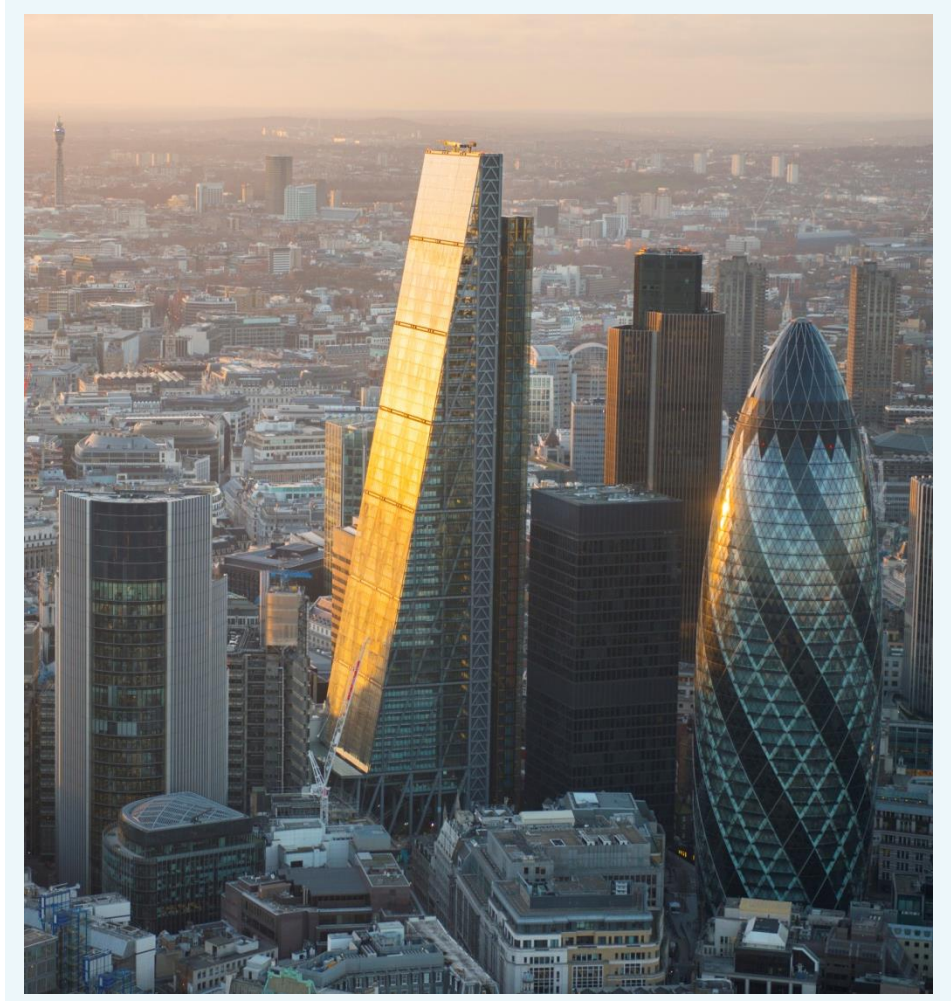
Man City Football Club

J.P.Morgan

WHITEFOORD
WEALTH MANAGEMENT

COMPLETED THE LEADENHALL BUILDING

- Now 58% let or under offer
- Recent letting set new rental high in City of over £80psf
- Good levels of interest
- Positive on letting prospects for remaining space, primarily upper floors



SIGNIFICANT NEW DEVELOPMENT PIPELINE PRINCIPALLY IN LONDON

- New development pipeline with significant value creation potential
- Focused on places which will benefit disproportionately from London's growth
- Bought ahead of step-up in value; built-in optionality
- 2.3m sq ft in recently committed/near term; total site costs of £290m
 - 1.2m sq ft recently committed
 - 1.1m sq ft near-term pipeline
- 4.5m sq ft medium-term pipeline; includes 40 acres at Canada Water

	Sq Ft m	Total cost £m	Estimated Profit £m
2010 Development Programme	2.7	1,007	812
Recently Committed/Near-Term	2.3	1,269	449
Medium-Term Programme	4.5		

EXCELLENT PROGRESS WITH RECENTLY COMMITTED DEVELOPMENTS

- Over £270m of residential pre-sales exchanged
- Significantly reduced committed residential development exposure to under £200m
- At Clarges Mayfair, pre-sales of £227m of apartments
 - Half of development value
 - Set record price for Mayfair
 - Average price >£4,700psf; ahead of valuers' estimates
 - Remaining apartments on upper floors to be sold closer to completion



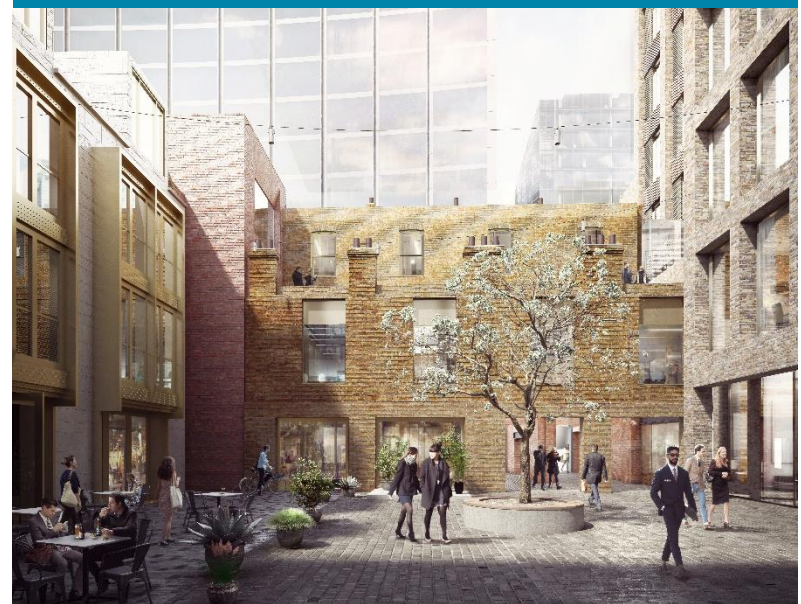
WELL PLACED TO MOVE FORWARD WITH NEAR TERM OFFICE-LED PIPELINE

4 KINGDOM STREET, PADDINGTON



- Improved 145,000 sq ft scheme; flexible floorplates, roof terracing and public space
- Expect to commit in next few months
- Completion early 2017

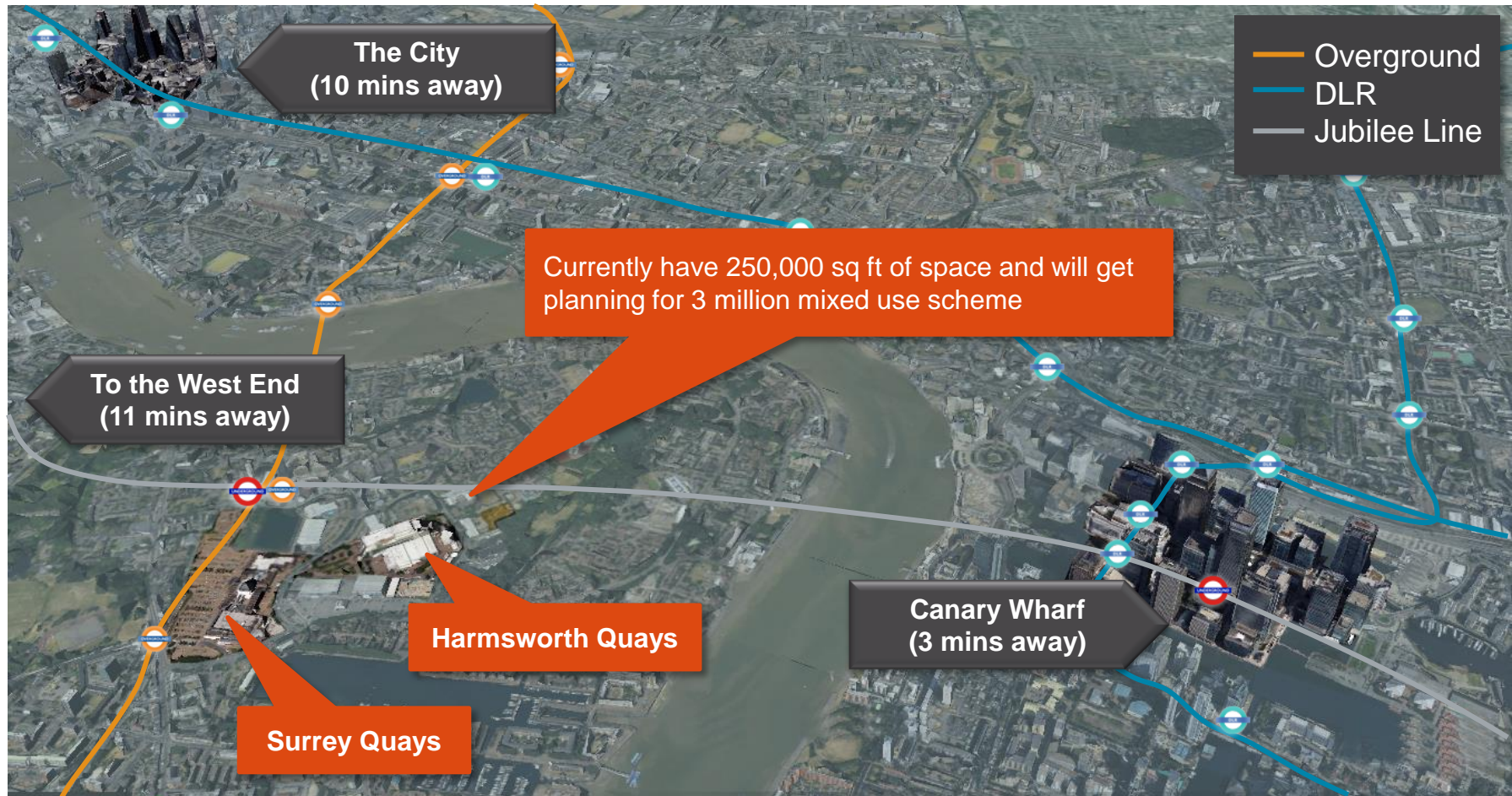
BLOSSOM STREET, SHOREDITCH



- 350,000 sq ft office-led scheme
- Key growth location
- On track to submit planning by Christmas
- Optionality to draw down in phases

SIGNIFICANT MEDIUM-TERM PIPELINE FOCUSED ON UP AND COMING AREAS IN LONDON

- 4.5m sq ft medium term pipeline including over 3m sq ft at Canada Water



KEY RETAIL AND LEISURE HIGHLIGHTS

- **Strongest retail valuation growth in four years**
- **Strong and improving operational metrics**
 - Footfall significantly ahead of the market
- **Continued progress on upgrading the portfolio**
- **Positive conditions for future rental growth**

SHOPPING PARKS IN AN OMNI-CHANNEL WORLD

Estimated share of UK shopping

c5% Super-regional malls

c20% Shopping and Retail Parks

Source: CACI (Comparison Goods Spend)



+0.7% All shopping/retail parks

+150bps against all retail benchmark

Source: Experian (6 months to Sep '14)



Forecast to grow by **122%** to **£6.5bn** by 2019

c30% of John Lewis on-line sales

Source: Verdict



30 mins

Max travel time for 90% of click & collect shoppers



buy more goods from the store

Source: Verdict

THE LEADING SHOPPING PARK PORTFOLIO IN THE UK

- Largest owner of shopping/retail parks in the UK; 7 of the top 15
- Significant improvements over last three years

Enhancing the occupier line up

- New occupiers on 1.8m sq ft
- Brought 35 new occupiers out of town
- Added 220,000 sq ft food and leisure



Adding new space profitably

- Added 435,000 sq ft of extensions /developments: average yield of 8.5%
- 158,000 sq ft leisure/retail extensions expanded Glasgow Fort by over a third



Improving facilities and services

- Extended wi-fi to 6 retail parks
- Improved access, car parking
- Better amenities



British Land Footfall

+5.0%



Occupancy

+30bps
98.5%

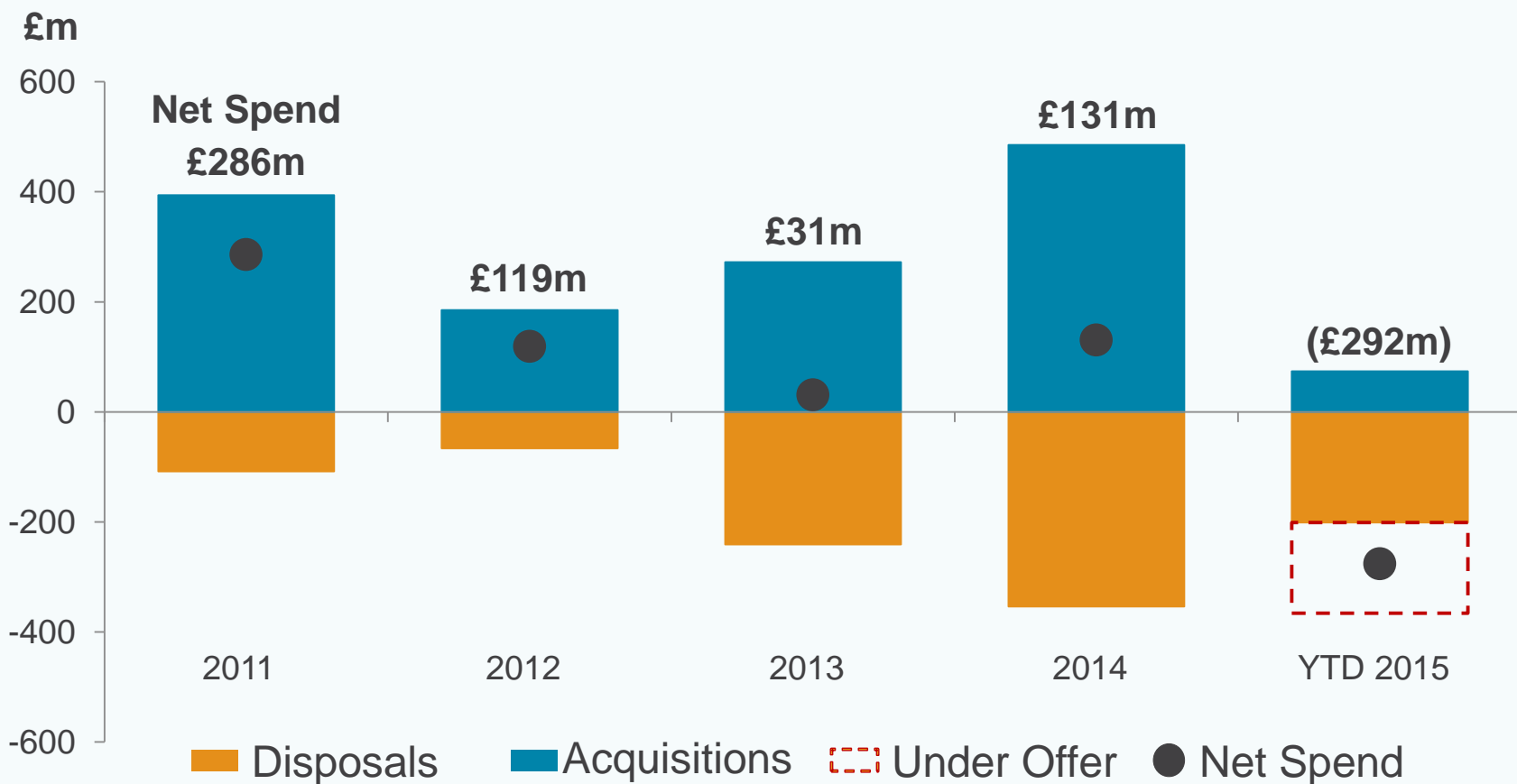
FOCUSING ON HIGH QUALITY SUPERSTORES

- Good quality portfolio
 - Half in the South
 - All open A1 planning consent; generous parking
 - Attractive relative capital values; affordable rents
- Total superstore exposure now at 12% of portfolio (from 20% in 2010)
 - £232m of gross assets sold since March (BL share £121m)
 - Ongoing investor demand

HY to 30 September	Value	Rent	Cap Value £psf	% in South
Standalone stores	£1.3bn	£22psf	£423psf	44%
Total Superstores	£1.6bn	£23psf	£433psf	49%
- sales since HY end	£55m			

RESHAPING OF OUR RETAIL PORTFOLIO – BUYING AND SELLING WELL

Acquisitions and Disposals



IMPROVED RETAIL AND LEISURE PERFORMANCE

- Capital returns of 6.1%; strongest for 4 years
- Yield shift primary driver of returns
 - Strength of investment market
 - Resurgent demand for large prime assets outside London
- Rental growth of 1.1%

HY to 30 September	BL%	IPD%	Performance vs IPD
Capital Returns	6.1	5.5	60bps
ERV Growth	1.1	0.5	60bps
Total Property Returns	9.0	8.3	70bps

GOOD RETAILER DEMAND ACROSS THE PORTFOLIO

- Lettings 8.4% ahead of ERV; now positive for 4 years

Major Operators



Food and Leisure



New Entrants Out of Town



New Formats



OUR OPERATIONAL METRICS ARE STRONG AND IMPROVING

Footfall



+2.6%

Over **340m** visitors **+13m**

Source: Experian (6 months to Sep '14)



Retailer sales

+4.4%

(same store sales)

Source: BL

Average dwell time



Source: BL consumer survey



Occupancy up

20bps to **98.6%**

(like-for-like)



Average spend

+12%

Source BL consumer survey



Lettings/renewals

+8.4% ahead of ERV

FINANCIAL REVIEW

Lucinda Bell

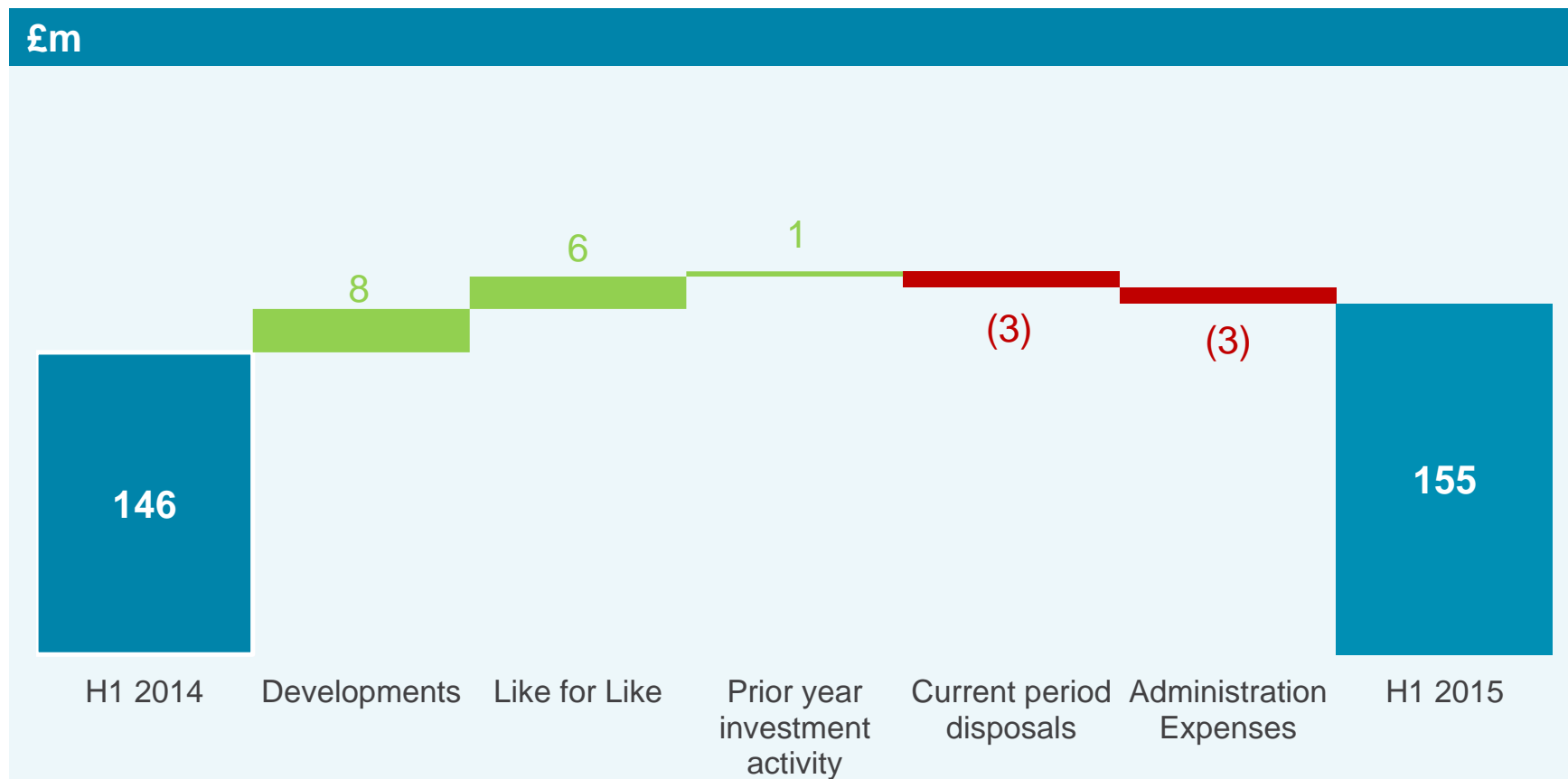
Finance Director

HIGHLIGHTS

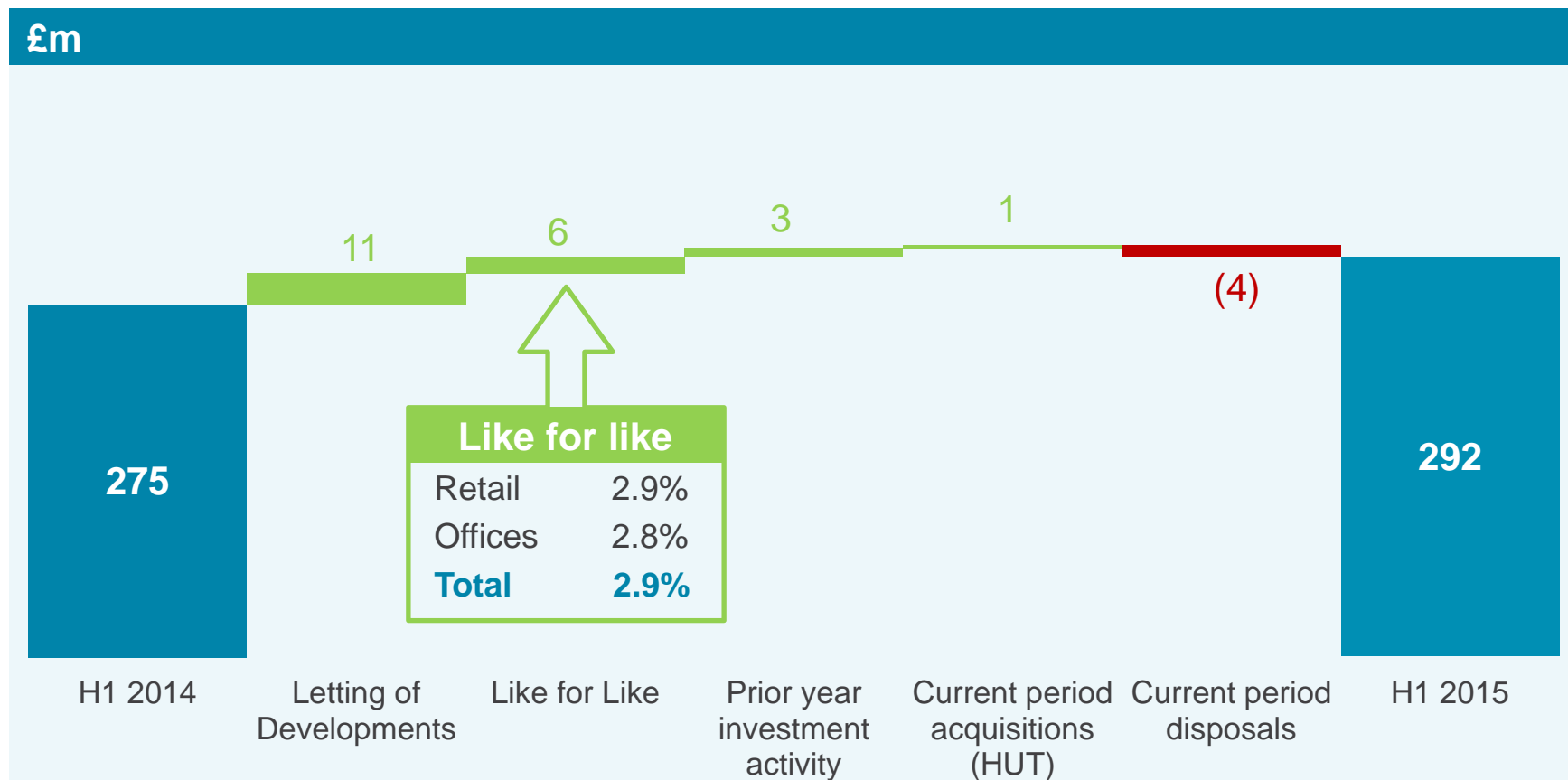
As at	H2 2014	H1 2015	Change
EPRA Net Asset Value per Share (p)	688	769	11.8%
Valuation Performance	5.5%	7.2%	

Period to	H1 2014	H1 2015	Change
Underlying Profit before Tax (£m)	146	155	6.2%
Underlying Earnings per Share (p)	14.5	15.3	5.5%
Dividend per Share (p)	13.50	13.84	2.5%
Total Accounting Return	6.8%	13.7%	

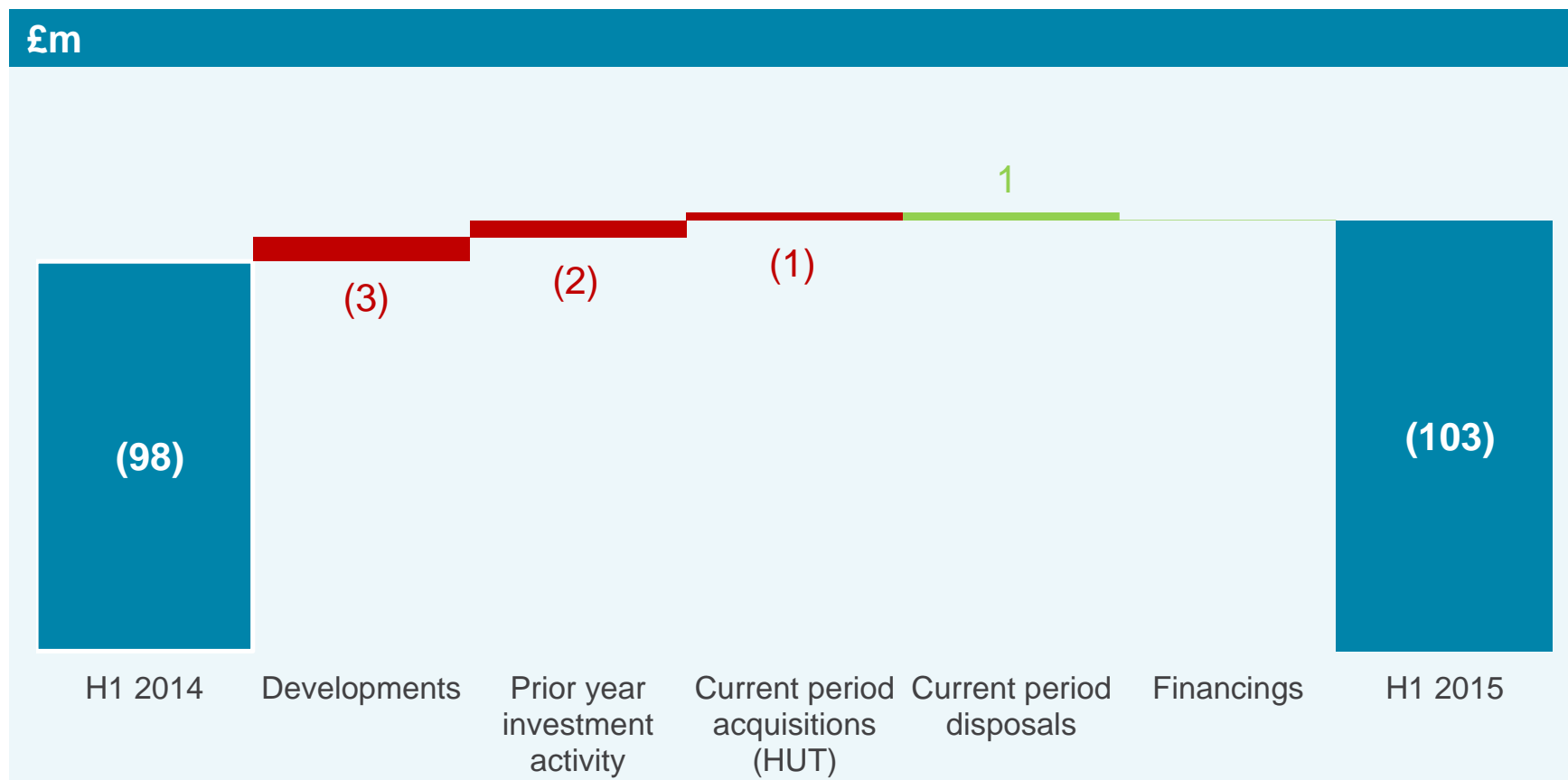
UNDERLYING PROFIT BRIDGE



NET RENTAL INCOME MOVEMENT



FINANCING COSTS



INCOME STATEMENT

HY to 30 September	H1 2014	H1 2015	Change
Net Rental Income (£m)	275	292	6.2%
Fees & Other Income (£m)	7	7	
Administrative Expenses (£m)	(38)	(41)	
Net Finance Costs (£m)	(98)	(103)	
Underlying PBT (£m)	146	155	6.2%
EPRA Operating cost ratio	16.0%	16.0%	

ANOTHER STRONG VALUATION PERFORMANCE

HY to September 2014	Valuation £bn	Uplift £m	Uplift %	ERV Growth %	NEY %	Weighting %	Occupancy %
Retail & Leisure	7.2	418	6.0	1.1	5.3	54	98.6
Offices & Residential	5.6	454	8.7			46	
- <i>Of which Offices</i>	5.4	442	8.9	3.9	4.9	43	95.0
Total	12.8	872	7.2	2.1	5.1	100	97.1
- <i>Of which Standing Investments</i>	11.9	724	6.6	2.1	5.1		
- <i>Of which Development</i>	0.9	148	12.8				

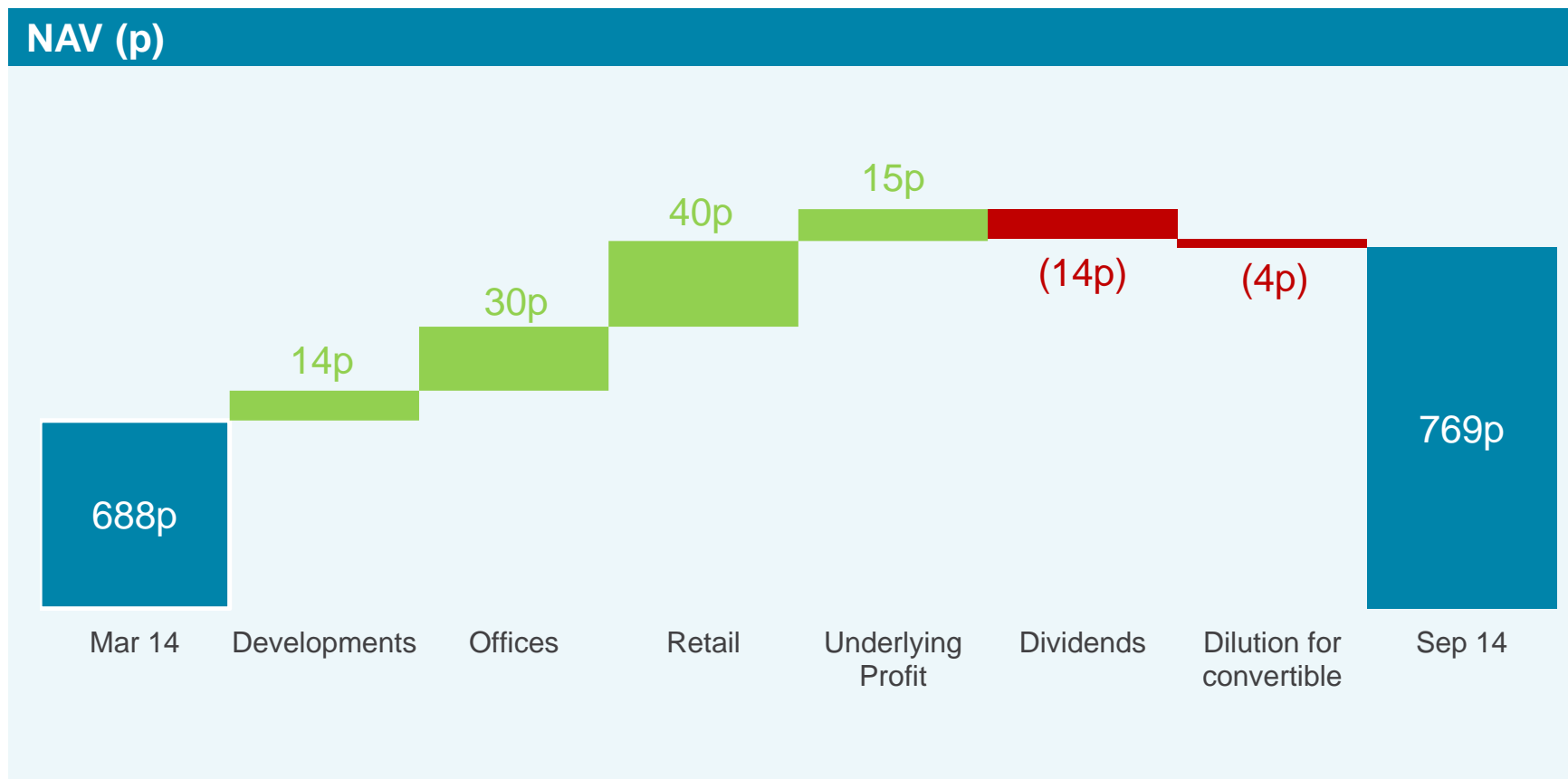
VALUATION GROWTH DRIVERS – RETAIL & LEISURE

HY to September 2014	Valuation £bn	Uplift £m	Uplift %	ERV Growth %	Yield Compression (bps)
Shopping parks	2.9	207	7.2	0.9	45
Shopping centres	2.0	109	5.8	0.3	38
Superstores	1.3	41	3.1	0.1	12
Department stores	0.6	37	6.5	8.6	19
Leisure	0.4	24	7.1	0.7	57
Retail & Leisure	7.2	418	6.0	1.1	35

VALUATION GROWTH DRIVERS – OFFICES & RESIDENTIAL

HY to September 2014	Valuation £bn	Uplift £m	Uplift %	ERV Growth %	Yield Compression (bps)
West End	3.0	249	9.0	2.6	21
City	2.3	187	9.0	5.9	34
Provincial	0.1	6	6.5	-	22
Offices	5.4	442	8.9	3.9	26
Residential	0.2	12	4.9		
Offices & Residential	5.6	454	8.7		

GROWTH IN DILUTED EPRA NET ASSET VALUE



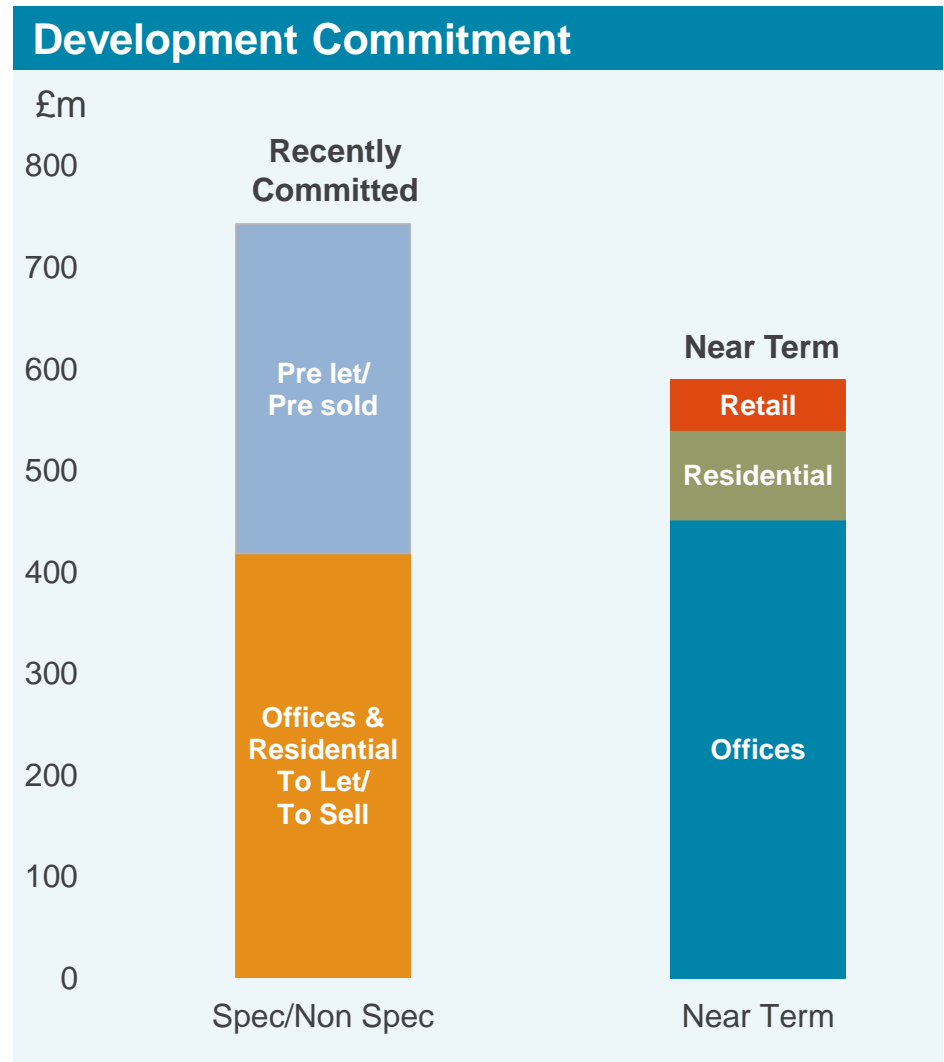
STRENGTH OF DEBT METRICS

Proportionally Consolidated	31 Mar 2014	30 Sep 2014
Loan to Value (LTV)	40%	36%
Average Interest Rate	4.1%	4.1%
Interest Cover	2.5x	2.5x
Average Maturity of Drawn Debt (years)	8.7	8.9

Group	31 Mar 2014	30 Sep 2014
Loan to Value (LTV)	29%	26%
Available facilities	£2.0bn	£2.0bn
Average Interest Rate	3.5%	3.6%
Interest Cover	3.2x	3.0x

DEVELOPMENT PROGRAMME – RISK MANAGEMENT

- Exposure on recently committed programme is £0.7bn
- Of which to let/to sell £0.4bn
- Near term pipeline - with washover/optionality
- Development commitment limits:
 - 10% on a speculative basis (currently 4%)
 - Residential <£500m (currently <£200m)



FUTURE INCOME GROWTH

Annualised Gross Rents	Cash Flow Basis £m	Accounting Basis £m
Current Passing Rent	567	
Expiry of Rent-free Periods	66	} 604
<i>Completed Development lettings signed in H1 included in Expiry of Rent-free Periods</i>	13	
Fixed, Minimum Uplifts	12	
Agreement for Lease	5	5
2010 Non-Completed Developments Pre-let	19	18
Recently Committed Developments Pre-let	3	3
Total Contracted	672	630
Developments – 2010 Completed Developments to let	14	12
Developments – Recently Committed	9	8
Developments – Near-term to let	42	35
Investments – RPI and rent review uplifts	12	12
Investments – Letting of Expiries and Vacancies	16	14
Potential Rent in 5 Years	765	711
Increase	35%	18%

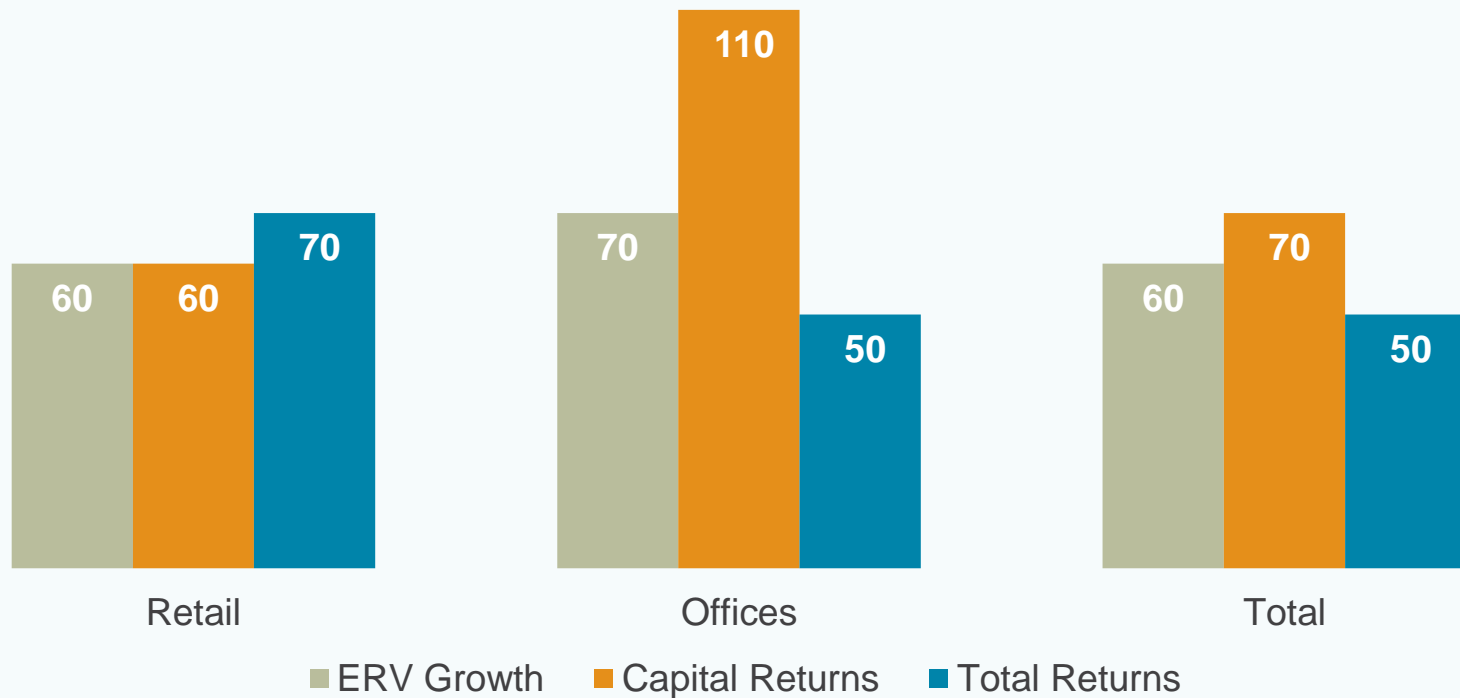
OUTLOOK

Chris Grigg
Chief Executive

CONTINUED OUTPERFORMANCE

BL OUTPERFORMANCE VS IPD – 6 MONTHS

bps



OUTLOOK

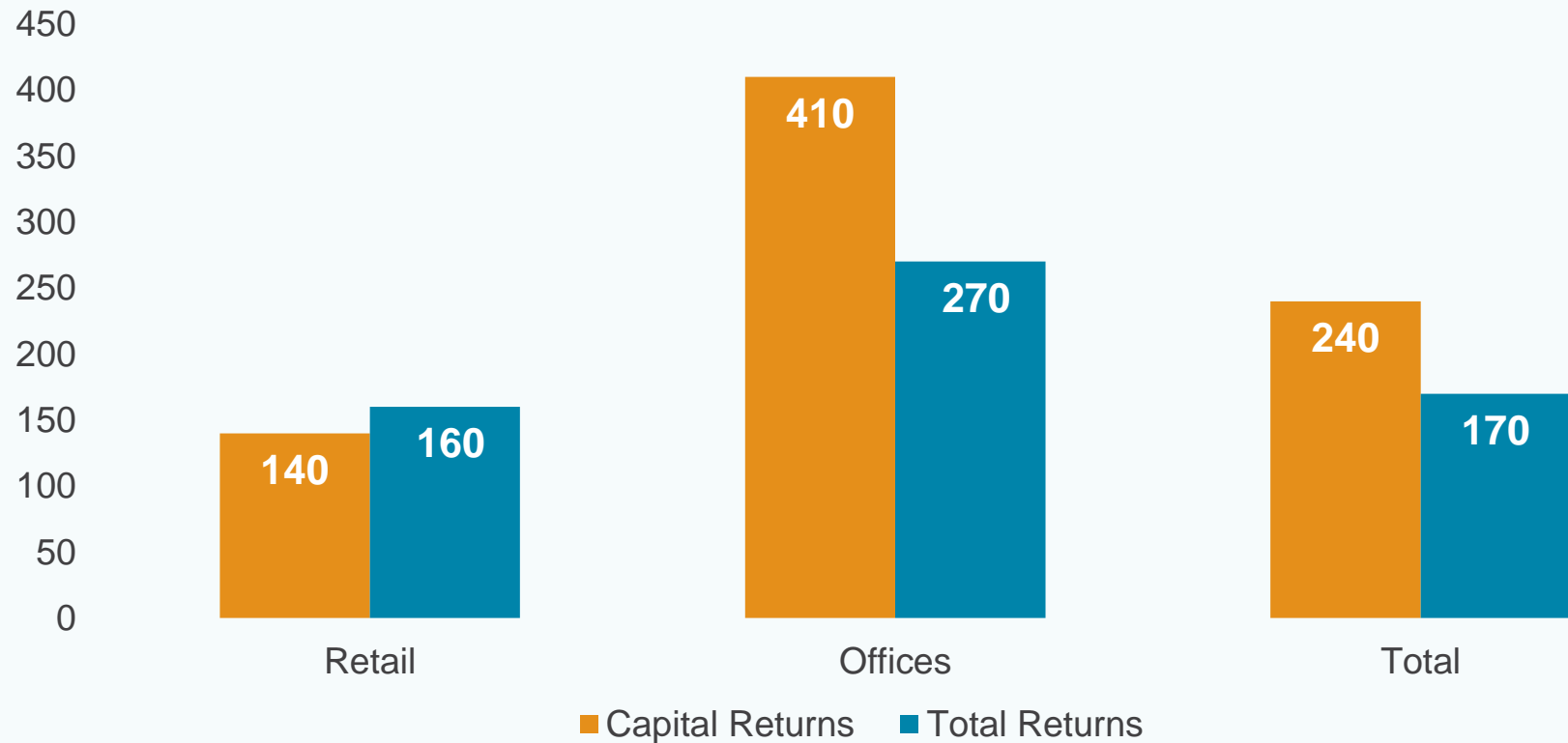
- **UK recovery more established**
 - Interest rates likely to stay lower for longer
 - Continued Investment flows into UK property
- **Retail benefiting from an improving economy**
 - Lead indicators in our business are positive
 - Expect rents to grow 1% - 3% pa medium term
- **Offices performance driven by good demand and tight supply**
 - Market vacancy rates low; supply remains constrained
 - Expect rents to grow by 3% - 5% pa
- **British Land well positioned**

APPENDICES

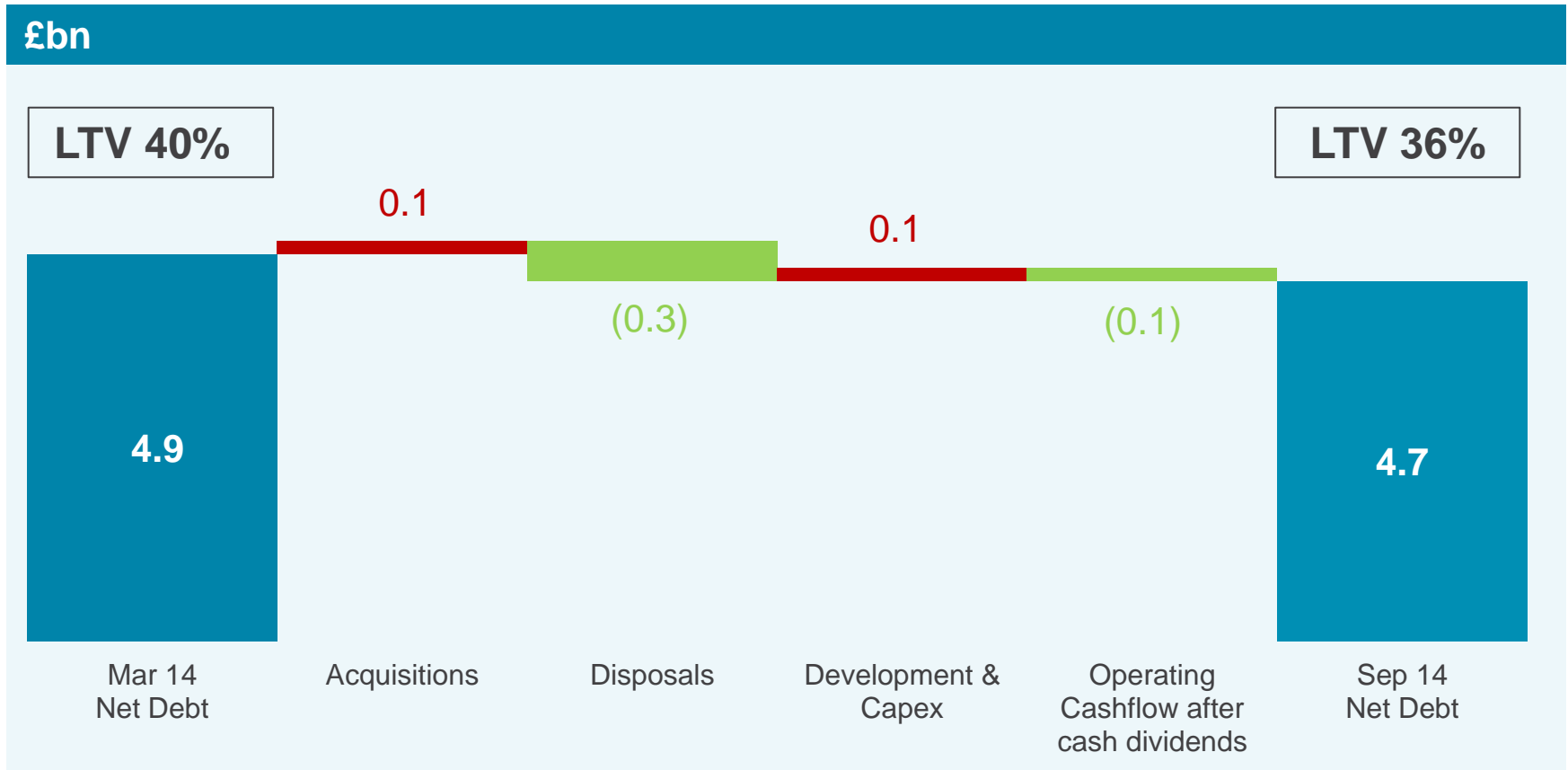
BL PROPERTY OUTPERFORMANCE VS IPD – 3 YEARS

3 years ended 30 September 2014

bps pa



ADJUSTED NET DEBT – PROPORTIONALLY CONSOLIDATED



RECONCILIATION OF UNDERLYING PROFIT BEFORE TAX

HY to 30 September (£m)	H1 2014	H1 2015
IFRS Profit before tax attributable to shareholders of the Company	422	1,000
Net valuation movement (includes disposals)	(287)	(861)
Deferred and current taxation of joint ventures & funds	(6)	1
Capital financing costs	17	(20)
Less non-controlling interest	-	35
Underlying Profit Before Tax	146	155
EPRA adjustments	-	3
EPRA Earnings Before Tax	146	158

GROSS RENTAL INCOME¹ - SECTORAL

(Accounting Basis) £m	6 months to 30 September 2014			Annualised as at 30 September 2014		
	Group	JVs & Funds ²	Total	Group	JVs & Funds ²	Total
Shopping parks	48	29	77	97	61	158
Shopping centres	28	30	58	47	57	104
Superstores	4	31	35	7	61	68
Department stores	17	-	17	33	-	33
Leisure	15	-	15	29	-	29
Retail & Leisure	112	90	202	213	179	392
West End	51	-	51	107	-	107
City	3	43	46	4	92	96
Provincial	3	-	3	6	-	6
Offices	57	43	100	117	92	209
Residential ³	2	-	2	3	-	3
Offices & Residential	59	43	102	120	92	212
Total	171	133	304	333	271	604

Table shows UK total, excluding assets held in Europe

¹ Gross rental income will differ from annualised rents due to accounting adjustments for fixed & minimum contracted rental uplifts and lease incentives

² Group's share of properties in joint ventures and funds including HUT at share

³ Stand-alone residential

OPERATING COSTS METRIC

HY to 30 September (£m)	H1 2014	H1 2015
Property outgoings	9	13
Administrative expenses	36	39
Share of joint ventures and funds expenses	9	6
<i>Less:</i>		
Performance & management fees (from joint ventures & funds)	(5)	(5)
Other fees and commission	(2)	(2)
Ground rent costs	-	(2)
EPRA Costs (including direct vacancy costs) (A)	47	49
Direct vacancy costs	(6)	(7)
EPRA Costs (excluding direct vacancy costs) (B)	41	42
Gross Rental Income less ground rent costs	157	170
Share of joint ventures and funds (GRI less ground rent costs)	134	137
Total Gross Rental Income inc. share of joint ventures and funds (C)	291	307
EPRA Cost Ratio (including direct vacancy costs) (A/C)	16.0%	16.0%
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	14.1%	13.7%

RECONCILIATION OF EPRA NAV & NNNAV

	31 Mar 14		30 Sep 14	
	£m	pence	£m	pence
Balance Sheet (IFRS) Net Assets	7,117	697	8,024	779
Deferred tax arising on revaluation movements	6		5	
Mark to market on effective cash flow hedges and related debt adjustments	173		170	
Adjust to fully diluted on exercise of share options	39		45	
Adjust to dilute for convertible bond	-		400	
Surplus on trading properties	63		93	
Less non-controlling interests	(371)		(368)	
EPRA NAV	7,027	688	8,369	769
Deferred tax arising on revaluation movements	(6)		(5)	
Mark to market of debt and derivatives	(321)		(402)	
EPRA NNNAV	6,700	656	7,962	731

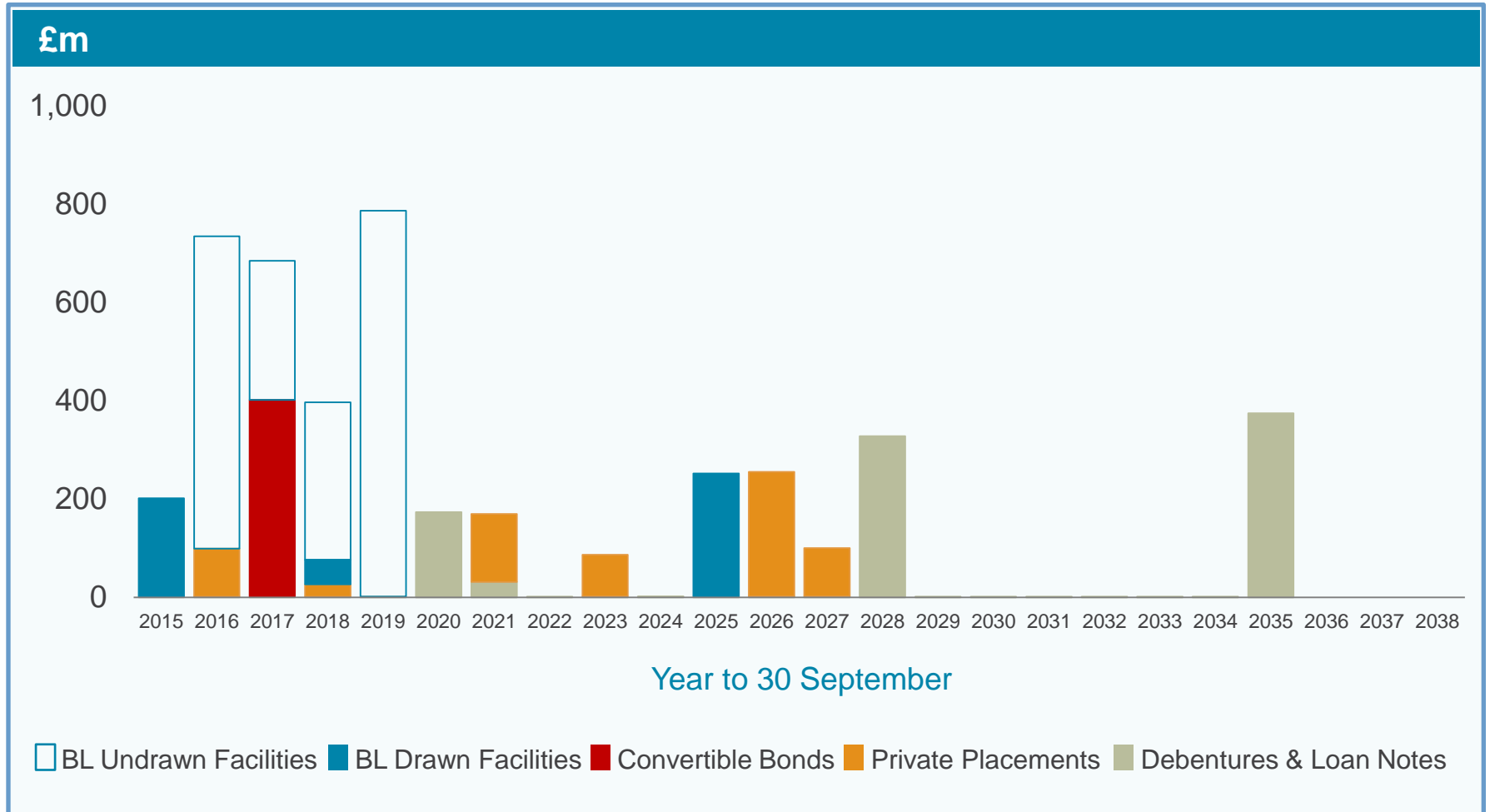
EPRA BALANCE SHEET (PROPORTIONAL CONSOLIDATION)

£m	Mar 14	Group	JVs & Funds	Sep 14
Total properties	12,040	7,708	5,134	12,842
Net debt	(4,890)	(2,392)	(1,956)	(4,348) ²
Other net assets (liabilities)	(123)	113	(238)	(125)
EPRA Net Assets	7,027	5,429	2,940	8,369
Loan to Value (LTV) ¹	40%	26%		36%
Average interest rate	4.1%	3.6%		4.1%
Interest cover	2.5x	3.0x		2.5x
Average maturity of drawn debt (years)	8.7	8.6		8.9

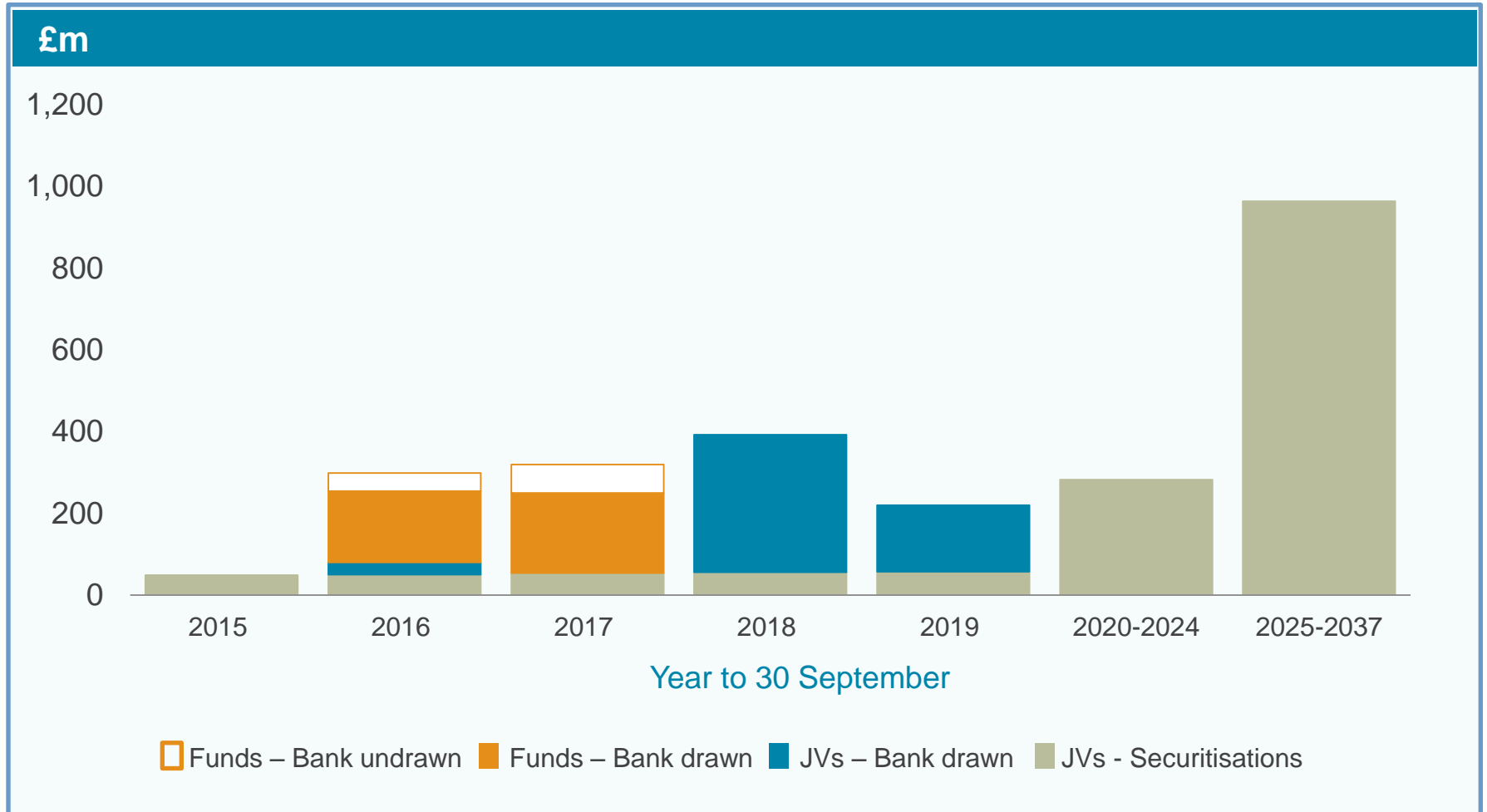
¹ Group LTV based on Group Properties and net investment in JV & Funds, and Group net debt

² Includes £400m convertible adjustment

DEBT MATURITY - GROUP



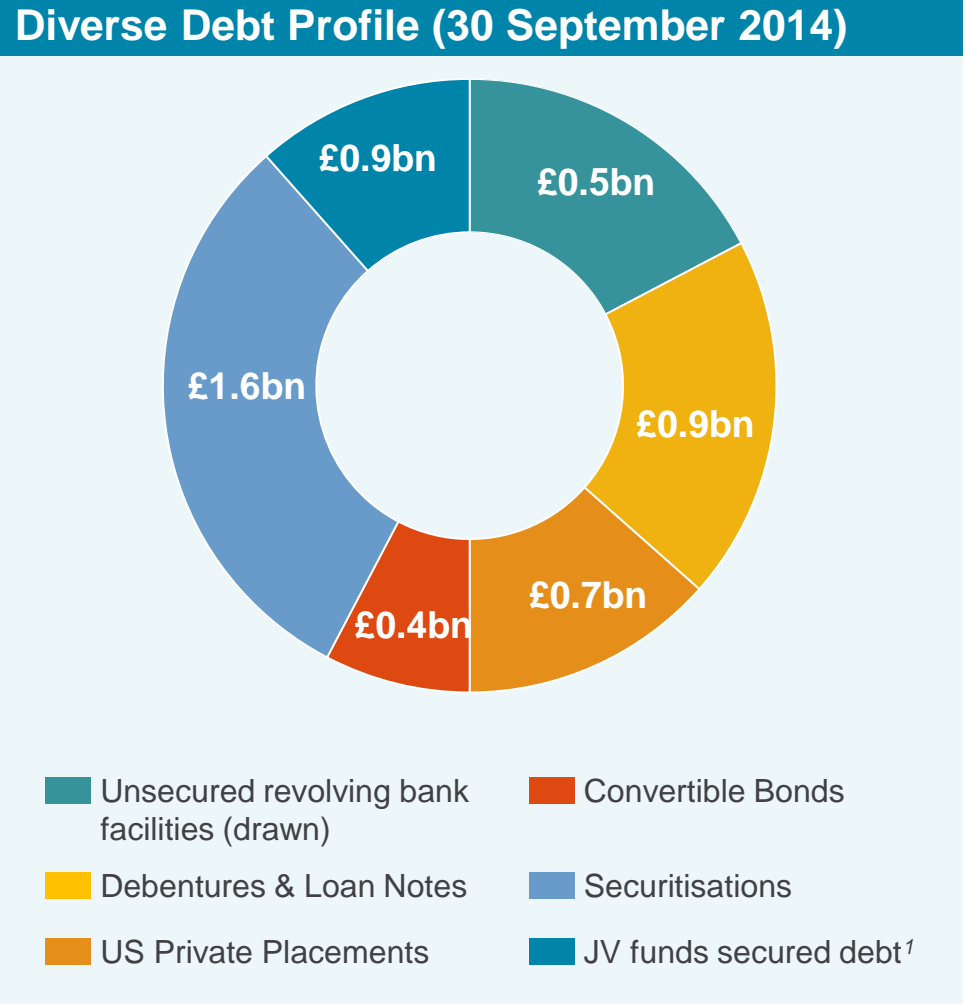
DEBT MATURITY - JOINT VENTURES AND FUNDS¹



¹ At British Land share (including share of HUT)

DEBT FINANCING – DIVERSE FUNDING PROFILE

- £325m JV bank facility arranged with 250 bps saving in all in cost
- £785m revolving unsecured 5 year bank facility with an initial margin of 115bps (April 2014)
- £1.4bn of undrawn facilities for more than 2 years
- No BL financing required for 4.5 years



¹ HUT's debt shown at our share (£0.3 billion) within joint ventures and funds

GROSS AND NET DEBT RECONCILIATION

At 30 Sep 2014	£m
Gross Debt (principal value)	5,028
IFRS adjustments:	
Issue costs and premia	(19)
Fair value hedges	79
Other Items	33
IFRS gross debt	5,121
Market value of derivatives	87
Cash & liquid investments	(290)
IFRS net debt	4,918
Adjustments:	
Remove market value of derivatives	(87)
Remove fair value hedges	(79)
Other adjustments	(4)
Adjusted net debt	4,748

NUMBER OF SHARES

Number of shares (m)	Mar 14	Sep 14
IFRS Basic		
Weighted Average	999	1,013
IFRS Diluted		
Weighted Average	1,004	1,019
EPRA Diluted¹		
Weighted Average	1,004	1,077
Period End	1,021	1,089

¹ Including convertible dilution

SUPERSTORES

Stand-alone Superstores ¹					In Shopping Centres & Shopping Parks ²				Total Exposure ^{1,2,3}			
Store Size '000 SQ FT	Number of Stores	Valuation (BL share) £m	Capital Value psf	WALL to FB	Number of Stores	Valuation (BL share) £m	Capital Value psf	WALL to FB	Number of Stores	Valuation (BL share) £m	Capital Value psf	WALL to FB
>100	13	336	412	13.6	5	218	560	14.2	18	554	460	13.8
75-100	20	430	488	17.3	1	22	508	13.4	21	452	489	17.1
50-75	25	388	459	13.3	1	6	205	12.6	26	394	450	13.3
25-50	13	99	290	10.9	3	32	455	16.0	16	131	319	12.1
0-25	10	33	211	12.2	16	59	348	12.6	26	92	282	12.5
Total	81	1,286	423	14.5	26	337	479	13.9	107	1,623	433	14.4

Geographical Spread		Gross Rent (BL Share)		Lease Structure	
London & South	49%	Tesco	£46m	RPI and Fixed	28%
Rest of UK	51%	Sainsburys	£34m	OMRR	72%
		Other	£6m		

¹ Excludes £11m non-foodstore occupiers in superstore led assets

² Excludes non food-format stores e.g. Asda Living

³ Excludes £97m of investments held for trading comprising freehold reversions in a pool of Sainsbury's Superstores

MAJOR PROPERTY HOLDINGS

At 30 September 2014 (excl. developments under construction)		BL Share %	Sq ft 000's	Rent £m pa ¹	Occupancy Rate % ²	Lease Length yrs ³
1	Broadgate, London EC2	50	3,970	180	99.9	7.0
2	Regent's Place, London NW1	100	1,586	71	100.0	8.8
3	Meadowhall Shopping Centre, Sheffield	50	1,448	80	98.2	7.5
4	Sainsbury's Superstores ⁴	50	2,715	64	100.0	14.9
5	Tesco Superstores ⁴	50	2,684	62	100.0	14.1
6	Paddington Central	100	638	23	94.0	9.6
7	The Leadenhall Building	50	601	19	57.6	16.3
8	Teesside Shopping Park, Stockton-on-Tees	100	417	15	96.9	6.6
9	Drake Circus Shopping Centre, Plymouth	100	414	16	97.0	6.1
10	Debenhams, Oxford Street	100	363	11	100.0	24.5

¹ Annualised contracted rent, topped up for rent free, including 100% of Joint Ventures & Funds

² Includes accommodation under offer or subject to asset management

³ Weighted average to first break

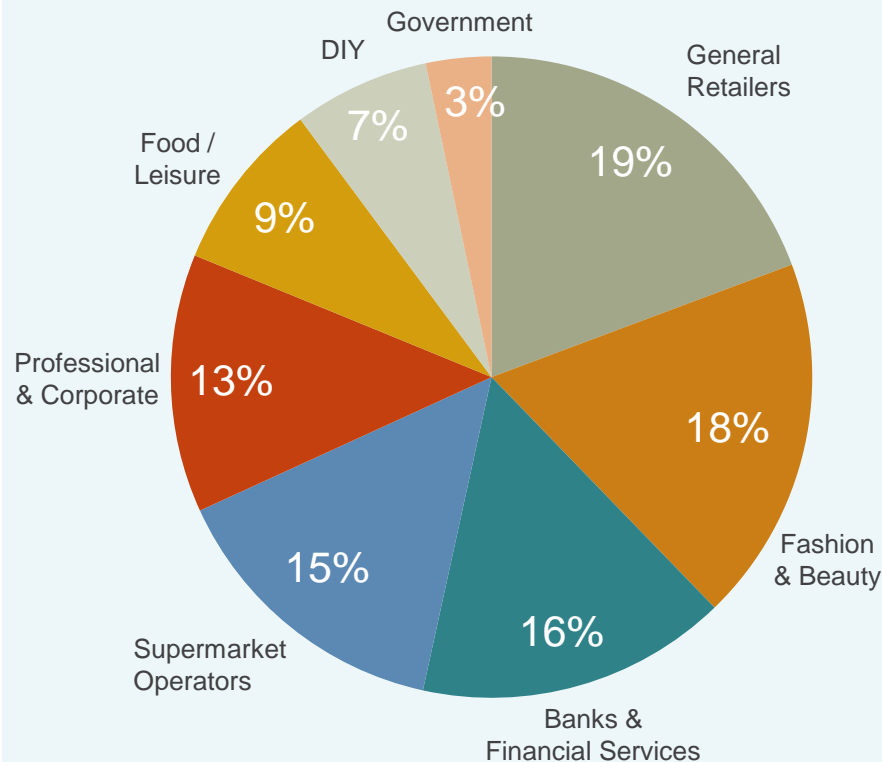
⁴ Comprises stand-alone assets/properties

TOP 20 CUSTOMERS & CUSTOMER SPLIT BY INDUSTRY

At 30 September 2014 % of Contracted Rent

Customer	% of Contracted Rent
Tesco plc	7.4
Debenhams	5.7
J Sainsbury plc	5.4
HM Government	3.4
UBS AG	3.0
Kingfisher (B&Q)	2.6
Home Retail Group	2.6
Next plc	2.3
Arcadia Group	2.0
Virgin Active	1.9
Spirit Group	1.6
Alliance Boots	1.5
Herbert Smith	1.3
Marks & Spencer plc	1.2
DSG International	1.2
Royal Bank of Scotland plc	1.2
Aegis Group	1.1
Hutchison Whampoa	1.1
TJX Cos Inc (TK Maxx)	1.1
House of Fraser	1.0

Customer Split by Industry (%)



PORTFOLIO WEIGHTING

At 30 September	2013 %	2014 (Current) %	2014 (Current) £m	2014 (Proforma) ¹ %
Shopping parks	22.9	23.4	2,984	22.2
Shopping centres	17.3	15.5	1,988	14.9
Superstores	11.7	10.1	1,297	9.6
Department stores	4.6	4.7	601	4.5
Leisure	2.8	2.8	362	2.7
Retail & Leisure	59.3	56.5	7,232	53.9
West End	22.0	23.1	2,953	25.4
City	16.5	17.8	2,277	17.4
Provincial	0.8	0.7	96	0.7
Offices	39.3	41.6	5,326	43.5
Residential ²	1.4	1.9	243	2.6
Offices & Residential	40.7	43.5	5,569	46.1
Total	100.0	100.0	12,801	100.0

Table shows UK total, excluding assets held in Europe

¹ Pro forma for committed developments at estimated end value (as determined by the Group's external valuers)

² Stand-alone residential

PORTFOLIO VALUATION BY SECTOR

At 30 September 2014	Group £m	JVs & Funds £m ¹	Total £m	Change % ² H1
Shopping parks	1,828	1,156	2,984	7.2
Shopping centres	803	1,185	1,988	5.8
Superstores	117	1,180	1,297	3.1
Department stores	600	1	601	6.5
Leisure	359	3	362	7.1
Retail & Leisure³	3,707	3,525	7,232	6.0
West End	2,953	-	2,953	9.0
City	68	2,209	2,277	9.0
Provincial	96	-	96	6.5
Offices	3,117	2,209	5,326	8.9
Residential ⁴	200	43	243	4.9
Offices & Residential³	3,317	2,252	5,569	8.7
Total	7,024	5,777	12,801	7.2
Standing Investments	6,493	5,371	11,864	6.6
Developments	531	406	937	12.8

Table shows UK total, excluding assets held in Europe. Total portfolio valuation including Europe of £12.8bn at year end, +7.1% valuation movement.

¹ Group's share of properties in joint ventures and funds including HUT at share

² Valuation movement during the period (after taking account of capital expenditure) of properties held at the balance sheet date, including developments (classified by end use), purchases and sales

³ Including committed developments

⁴ Stand-alone residential

PORTFOLIO NET YIELDS & ERV MOVEMENTS

At 30 September 2014 (excl. developments)	EPRA Net Initial Yield % ¹	EPRA Topped-Up Net Initial Yield % ^{1,2}	Overall Topped-Up Net Initial Yield % ^{1,3}	Net Equivalent Yield % ¹	Net Reversionary Yield % ¹	Net equivalent yield compression ¹	ERV Growth % ⁴
Shopping parks	5.0	5.2	5.3	5.2	5.2	(45)	0.9
Shopping centres	4.6	4.9	5.0	5.2	5.2	(38)	0.3
Superstores	4.8	5.0	5.0	4.9	4.9	(12)	0.1
Department stores	4.7	4.7	6.7	5.2	4.1	(19)	8.6
Leisure	6.6	6.6	8.5	7.2	5.3	(57)	0.7
Retail & Leisure	4.9	5.1	5.4	5.3	5.1	(35)	1.1
West End	3.2	4.5	4.6	4.9	5.1	(21)	2.6
City	4.2	5.1	5.1	5.0	6.1	(34)	5.9
Provincial	6.7	6.7	6.7	5.9	5.4	(22)	-
Offices	3.7	4.8	4.9	4.9	5.5	(26)	3.9
Total	4.4	5.0	5.2	5.1	5.2	(32)	2.1

Table shows UK total, excluding assets held in Europe.

¹ Including notional purchaser's costs

² Including rent contracted from expiry of rent-free periods and contracted uplifts not in lieu of growth

³ Including fixed/minimum uplifts (excluded from EPRA definition)

⁴ As calculated by IPD

LEASE LENGTH AND OCCUPANCY

At 30 September 2014 (excl. developments)	Average Lease Length (yrs)		Occupancy Rate (%)	
	To Expiry	To Break	Occupancy	Occupancy (underlying) ¹
Shopping parks	8.8	7.8	97.3	98.5
Shopping centres	9.2	8.1	95.5	97.4
Superstores	14.6	14.4	100.0	100.0
Department stores	26.1	22.8	100.0	100.0
Leisure	20.2	20.2	100.0	100.0
Retail & Leisure	12.0	11.0	97.6	98.6
West End	11.0	9.0	96.2	97.0
City	9.9	8.0	90.3	92.6
Provincial	7.8	7.4	100.0	100.0
Offices	10.4	8.5	93.6	95.0
Total	11.4	10.1	95.7	97.1

Table shows UK total, excluding assets held in Europe.

¹ Including accommodation under offer or subject to asset management

ANNUALISED RENT & ESTIMATED RENTAL VALUE (ERV)

At 30 September 2014 (excl. developments)	Annualised Rents (Valuation Basis) £m ¹			ERV £m		Average Rent (£psf)	
	Group	JVs & Funds	Total	Total	Contracted ^{2,3}	ERV ²	
Shopping parks	97	62	159	166	25.1	25.1	
Shopping centres	44	59	103	116	28.6	30.5	
Superstores	7	59	66	67	22.1	21.7	
Department stores	30	-	30	26	13.6	11.8	
Leisure	25	-	25	21	14.2	11.7	
Retail & Leisure	203	180	383	396	22.7	22.6	
West End	89	-	89	140	49.8	53.4	
City	4	82	86	122	48.2	53.5	
Provincial	6	-	6	5	27.1	21.9	
Offices	99	82	181	267	48.0	52.1	
Residential ⁴	3	-	3	4			
Offices & Residential	102	82	184	271			
Total	305	262	567	667	27.3	28.7	

Table shows UK total, excluding assets held in Europe.

¹ Gross rents plus, where rent reviews are outstanding, any increases to ERV (as determined by the Group's external valuers), less any ground rents payable under head leases, excludes contracted rent subject to rent free and future uplift

² Office average rent & ERV £psf is based on office space only

³ Annualised rent, plus rent subject to rent free

⁴ Stand-alone residential

RENT SUBJECT TO OPEN MARKET RENT REVIEW

At 30 September 2014 (£m) For period to 31 March	2015	2016	2017	2018	2019	2015-17	2015-19
Shopping parks	11	18	16	21	25	45	91
Shopping centres	3	14	13	15	13	30	58
Superstores	11	17	6	4	8	34	46
Department stores	2	5	-	-	-	7	7
Leisure							
Retail & Leisure	27	54	35	40	46	116	202
West End	4	17	13	13	20	34	67
City	1	14	2	15	14	17	46
Provincial	-	6	-	-	-	6	6
Offices	5	37	15	28	34	57	119
Total	32	91	50	68	80	173	321
Potential uplift at current ERV	1	3	-	-	1	4	5

Table shows UK total, excluding assets held in Europe

RENT SUBJECT TO LEASE BREAK OR EXPIRY

At 30 September 2014 (£m) For period to 31 March	2015	2016	2017	2018	2019	2015-17	2015-19
Shopping parks	5	8	6	11	12	19	42
Shopping centres	4	8	8	9	5	20	34
Superstores							
Department stores							
Leisure							
Retail & Leisure	9	16	14	20	17	39	76
West End	-	4	8	8	9	12	29
City	-	-	19	-	18	19	37
Provincial							
Offices ¹	-	4	27	8	27	31	66
Total	9	20	41	28	44	70	142
% of contracted rent	1.6%	3.1%	6.3%	4.5%	6.9%	11.0%	22.4%
Potential uplift at current ERV	1	3	5	(1)	2	9	10

Table shows UK total, excluding assets held in Europe

¹ Based on office space only

ERV RESETTING TO MARKET

At 30 September 2014 (£m) For period to 31 March	2015	2016	2017	2018	2019	2015-17	2015-19
ERV expiring – existing portfolio ¹	10	23	46	28	48	79	155
Speculative developments – West End	-	2	6	-	-	8	8
Speculative developments – City	1	-	-	-	-	1	1
Speculative developments – Retail	-	1	-	-	-	1	1
Total Rent Resetting to Market	11	26	52	28	48	89	165
ERV of current vacancies ^{2,3}						27	27
Vacant & Income Expiring						116	192

¹ Rent is based on ERV, reflecting current valuation, expires to first break

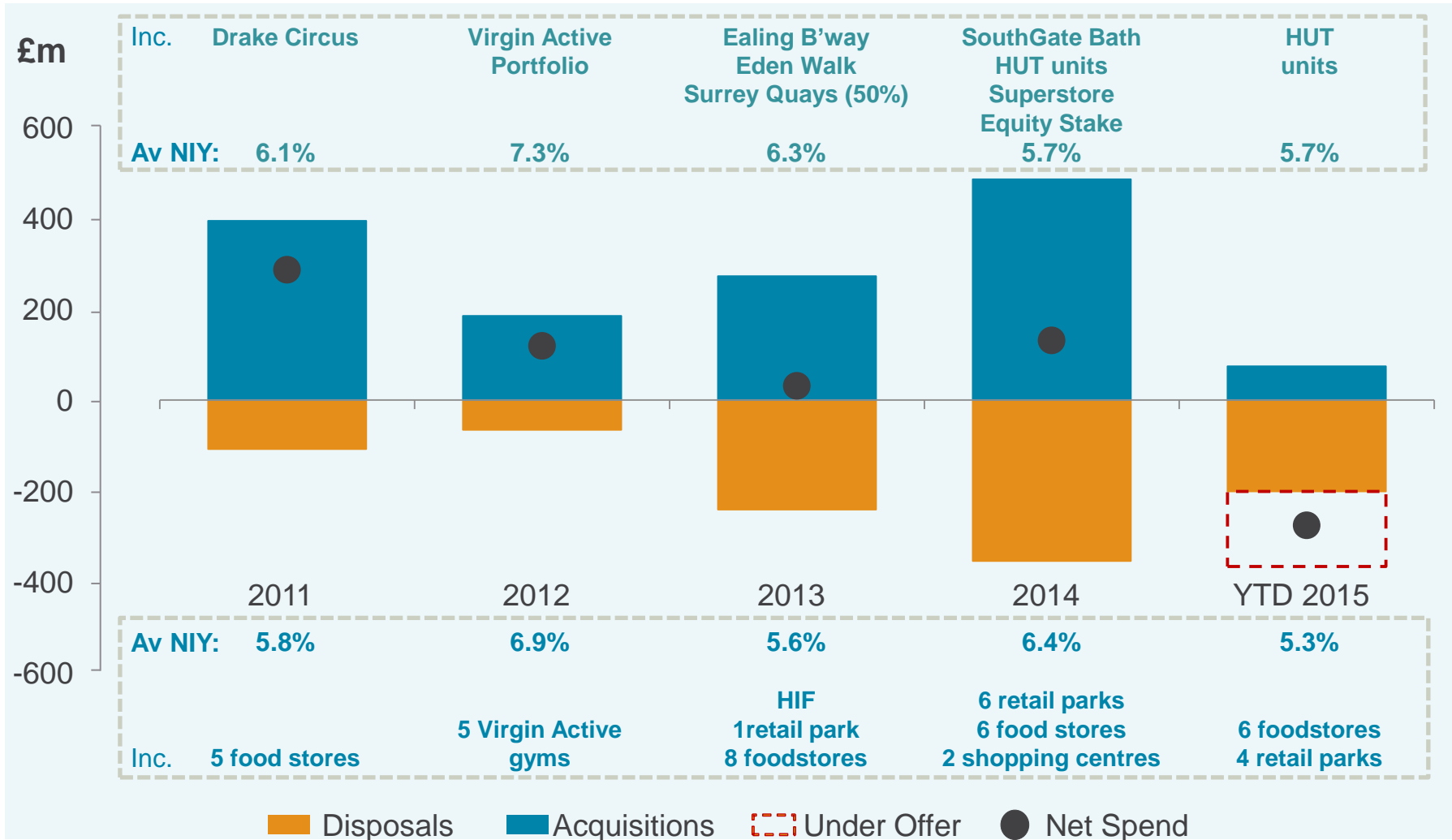
² Including space under offer of £7m and space subject to asset management of £1m

³ Including £14m of vacant space at recently completed developments

CONTRACTED RENTAL INCREASES (CASH FLOW BASIS)

At 30 September 2014 (£m) For period to 31 March	2015	2016	2017	2018	2019	2015-17	2015-19
Expiry of rent free periods	17	25	36	5	3	78	86
Fixed uplifts (EPRA basis)	1	-	-	1	1	1	3
Fixed & minimum uplifts in lieu of rental growth	1	2	5	1	1	8	10
Total	19	27	41	7	5	87	99

RESHAPING OF OUR RETAIL PORTFOLIO – BUYING AND SELLING WELL



2010 DEVELOPMENT PROGRAMME

At 30 September 2014	Sector	BL Share %	Sq ft '000	PC Calendar Year	Current Value £m	Cost to Complete £m ^{1,2}	ERV £m ³	Pre-let ⁴ £m	Resi End Value £m ⁵
10 - 30 Brock Street, Regents Place	Mixed Use	100	503	Completed	423	1	20.6	20.5	118
10 Portman Square	Offices	100	134	Completed	205	3	9.9	9.4	-
Marble Arch House	Mixed Use	100	87	Completed	82	3	4.6	1.7	19
39 Victoria Street	Offices	100	97	Completed	116	-	6.0	6.0	-
199 Bishopsgate	Offices	50	144	Completed	63	1	3.5	2.0	-
Whiteley Shopping, Fareham	Retail	50	321	Completed	62	-	3.1	3.0	-
Bedford Street	Residential	100	24	Completed	10	1	-	-	28
Glasgow Fort (Leisure)	Retail	62	46	Completed	12	-	0.7	0.7	-
The Leadenhall Building	Offices	50	601	Completed	318	19	19.1	9.8	-
5 Broadgate	Offices	50	710	2015	327	34	19.2	19.2	-
Total 2010 Programme:			2,667		1,618	62	86.7	72.3	165

Data includes Group's share of properties in Joint Ventures & Funds (except area which is shown at 100%)

¹ From 1 October 2014 to practical completion (PC)

² Cost to complete excludes notional interest as interest is capitalised individually on each development at our capitalisation rate

³ Estimated headline rental value net of rent payable under head leases (excluding tenant incentives)

⁴ Excludes deals under offer

⁵ Residential development of which £160m completed or exchanged. See "Residential Development Programme" slide for detail

RECENTLY COMMITTED DEVELOPMENT PROGRAMME

At 30 September 2014	Sector	BL Share	Sq ft '000	PC Calendar Year	Current Value £m	Cost to Complete £m ^{1,2}	ERV £m ³	Pre-let ⁴ £m	Resi End Value £m ⁵
Milton Keynes, Kingston Centre	Retail	50	21	Completed	5	-	0.3	0.3	-
Old Market, Hereford	Retail	100	305	Completed	83	3	4.9	4.4	-
Meadowhall Surrounding Land	Retail	50	22	Completed	6	-	0.4	0.4	-
Fort Kinnaird, Edinburgh	Retail	31	57	2014	7	1	0.5	0.5	-
Deepdale, Preston	Retail	31	64	2014	3	2	0.4	0.4	-
The Hempel Phase 1 ⁶	Residential	100	25	2014	48	3	-	-	53
Broadgate Circle	Offices	50	41	2014	16	4	1.2	0.7	-
Whiteley Leisure, Fareham	Retail	50	58	2014	4	4	0.6	0.5	-
Broughton Park, Chester	Retail	62	54	2014	9	3	0.7	0.7	-
Glasgow Fort, M&S & Retail Terrace	Retail	62	112	2015	11	14	1.6	0.7	-
Yalding House	Offices	100	29	2015	18	9	1.7	-	-
The Hempel Phase 2	Residential	100	40	2016	48	22	-	-	90
Aldgate Place, Phase 1 ⁷	Residential	50	221	2016	23	43	-	-	77
Charges Mayfair	Mixed Use	100	192	2017	260	188	5.7	-	462
Total Recently Committed:			1,241		541	296	18.0	8.6	682

Data includes Group's share of properties in Joint Ventures & Funds (except area which is shown at 100%)

¹ From 1 October 2014 to practical completion (PC)

² Cost to complete excludes notional interest as interest is capitalised individually on each development at our capitalisation rate

³ Estimated headline rental value net of rent payable under head leases (excluding tenant incentives)

⁴ Excludes deals under offer

⁵ Residential development of which £271m completed or exchanged. See "Residential Development Programme" slide for detail

⁶ Previously Craven Hill Gardens

⁷ End value excludes sales of hotel site, receipts of £6m (BL share) estimated

NEAR-TERM AND PROSPECTIVE DEVELOPMENTS

At 30 September 2014		BL Share	Sq ft	Current Value	Cost to complete ²	Status
		%	'000	£m	£m	
Near-term Pipeline						
4 Kingdom Street	Offices	100	145	29	71	Consented
5 Kingdom Street ¹	Offices	100	240	58	113	Consented
Blossom Street, Shoreditch	Mixed Use	100	347	6	226	Pre-submission
Glasgow Fort (Restaurants & Additional Retail Unit)	Retail	62	42	-	11	Consented
Fort Kinnaird, Edinburgh (Debenhams)	Retail	31	30	-	2	Pre-submission
Plymouth Leisure	Retail	100	100	-	36	Pre-submission
Aldgate Place, Phase 2	Residential	50	145	20	31	Consented
Total Near Term			1,049	113	490	
Medium-term Pipeline						
100 Liverpool Street	Offices	50	530			Pre-submission
Eden Walk Shopping Centre, Kingston	Mixed Use	50	545			Pre-submission
Canada Water Masterplan	Mixed Use	100	3,000			Pre-submission
Ealing, Residential Conversion	Residential	100	110			Pre-submission
Meadowhall Land	Retail	50	350			Pre-submission
Total Medium Term			4,535			

¹ 210,000 sq ft of which is consented

² Cost to complete excludes notional interest as interest is capitalised individually on each development at our capitalisation rate

RESIDENTIAL DEVELOPMENT PROGRAMME

At 30 September 2014	Sq Ft '000	No. Market Units	PC Date/ Status	BL Share %	Sep 14 Value ¹ £m	Cost To complete ² £m	Sales Exchanged £m
Mixed-use:							
The Triton Building ³	126	94	Completed	100	8	1	117
Marble Arch House	10	10	Completed	100	-	-	19
Clarges Mayfair ⁴	114	34	2017	100	208	156	227
Mixed use	250	138			216	157	363
Resi-only:							
Bedford Street ⁵	24	17	Completed	100	10	1	24
The Hempel Phase 1	25	15	2014	100	48	2	14
The Hempel Phase 2	40	19	2016	100	48	22	-
Aldgate Place Phase 1	221	154	2016	50	23	43	30
Resi-led	310	205			129	68	68
Aldgate Place Phase 2	145		Consented	50			
Near Term prospective	145						
Canada Water Masterplan	3,000		Pre-submission	100			
Ealing, Residential Conversion	110		Pre-submission	100			
Medium term prospective	3,110						
Total Committed Residential	560	343			345	225	431

Data includes Group's share of properties in Joint Ventures & Funds (except area which is shown at 100%)

¹ Excluding completed sales

² From 1 October 2014 to practical completion (PC). Cost to complete excludes notional interest as interest is capitalised individually on each development at our capitalisation rate

³ Includes 51,000 sq ft of affordable housing (68 units)

⁴ Includes 9,500 sq ft of affordable housing (11 units) and 14,000 sq ft of retail space

⁵ Includes 10,000 sq ft of retail space

SIGNIFICANT PROFIT FROM DEVELOPMENTS

	Sq Ft m	Total cost ¹ £m	Estimated Profit £m
2010 Development Programme²	2.7	1,007	812
Recently Committed Programme ²	1.2	687	288
Near-Term Programme ³	1.1	582	161
Recently Committed/Near-Term	2.3	1,269	449
Medium-Term Programme⁴	4.5		

¹ Total cost is original site value plus development costs (excluding interest).

² Estimated profits based on valuers assumptions at 30 September 2014.

³ Estimated profits based on British Land appraisals at 30 September 2014.

⁴ Based on current designs and masterplans.

ESTIMATED FUTURE DEVELOPMENT SPEND AND CAPITALISED INTEREST

At 30 September 2014	PC Calendar Year	Pre-let ERV £m	Cost to complete £m (excluding notional interest) - 6 mths					
			Mar-15	Sep-15	Mar-16	Sep-16	Mar-17	Sep-17
Completed 2010 Programme		53.1	21	5	2	2		
5 Broadgate	2015	19.2	21	6	8			
Under construction 2010 Programme		19.2	21	6	8			
Old Market, Hereford	Completed	4.4	3					
Fort Kinnaird, Edinburgh	2014	0.5	1					
Deepdale, Preston	2014	0.4	2					
The Hempel Phase 1	2014	-	2	1				
Broadgate Circle	2014	0.7	4					
Whiteley Leisure, Fareham	2014	0.5	3	1				
Broughton Park, Chester	2014	0.7	3					
Glasgow Fort, M&S & Retail Terrace	2015	0.7	8	7				
Yalding House	2015	-	5	4	1			
The Hempel Phase 2	2016	-	9	8	2	2	1	
Aldgate Place, Phase 1	2016	-	9	9	10	9	2	1
Clarges Mayfair	2017	-	16	32	41	45	34	12
Total Recently Committed		7.9	65	62	54	56	37	13
Total Committed		27.1	86	68	62	56	37	13
Total Near-Term			23	40	97	83	95	70
Indicative Interest Capitalised on above at attributable rates¹			6	5	6	7	9	11

¹ Financing costs are capitalised on qualifying expenditure for committed and near term developments; the rate is at 4% for all developments

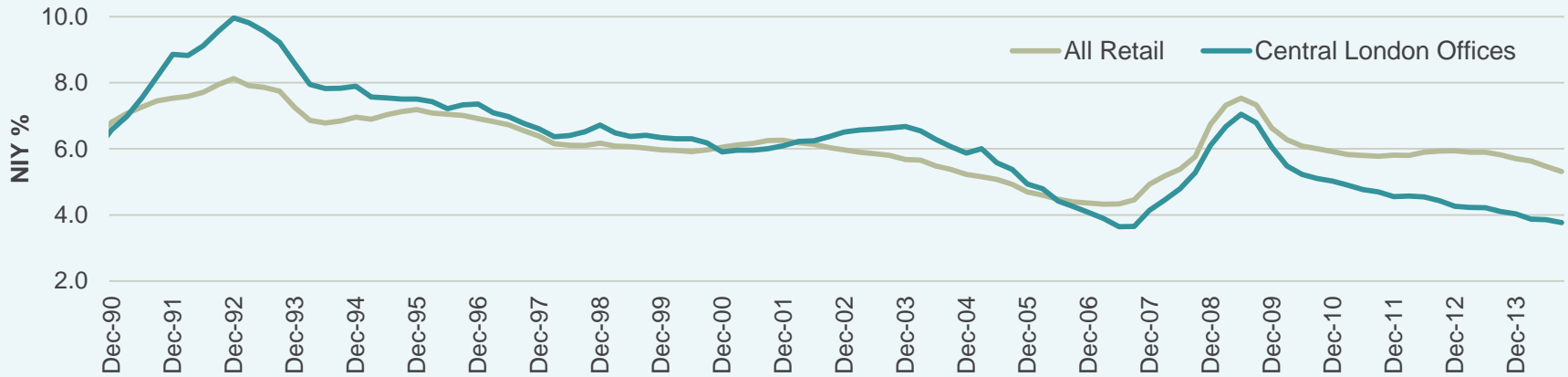
ESTIMATED FUTURE DEVELOPMENT RENTAL INCOME (ACCOUNTING BASIS)

At 30 September 2014	PC		Gross Rental Income (Accounting basis) ¹ £m – 12 mths				
	Calendar Year		Mar-15	Mar-16	Mar-17	Mar-18	Mar-19
Onsite developments							
5 Broadgate	2015	Contracted	-	15	18	18	18
Other Retail Developments		Contracted	1	2	2	2	2
Total Contracted			1	17	20	20	20
Yalding House	2015	Non-contracted	-	-	2	2	2
Clarges Estate	2017	Non-contracted	-	-	-	4	5
Other Retail Developments		Non-contracted	-	1	1	1	1
Total Non-contracted			-	1	3	7	8
Recently completed developments (letting of vacant space)							
199 Bishopsgate	Q3 2012	Non-contracted	-	1	1	1	1
10 Portman Square	Q2 2013	Non-contracted	1	2	2	2	2
Marble Arch House	Q4 2013	Non-contracted	-	2	2	2	2
The Leadenhall Building	Q2 2014	Non-contracted	-	4	7	7	7
Retail Developments		Non-contracted	-	1	1	1	1
Total Recently Completed		Non-contracted	1	10	13	13	13
Total			2	28	36	40	41

¹ Pre-lets plus valuers estimates of non-contracted rent

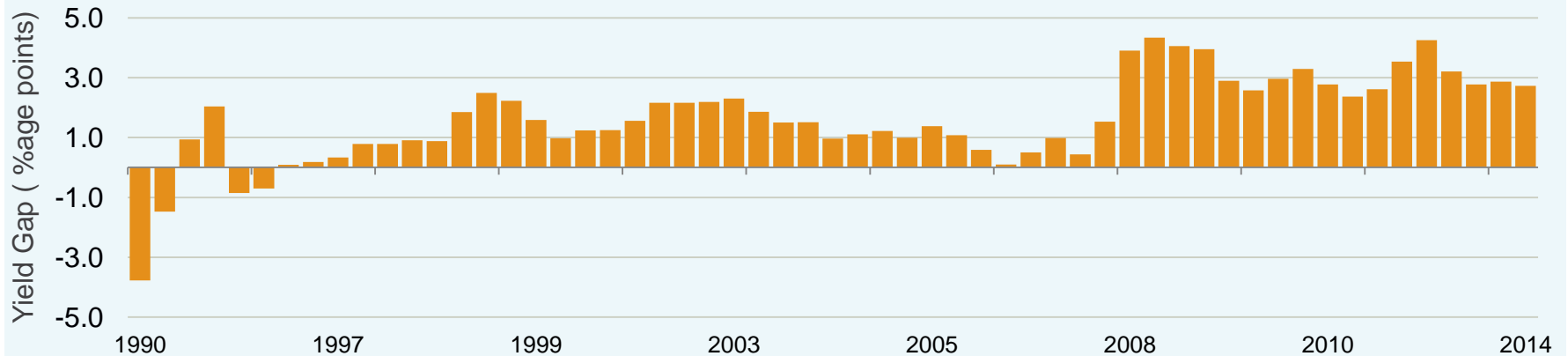
YIELDS AND YIELD GAP

Retail and London Office Yields



Source: IPD

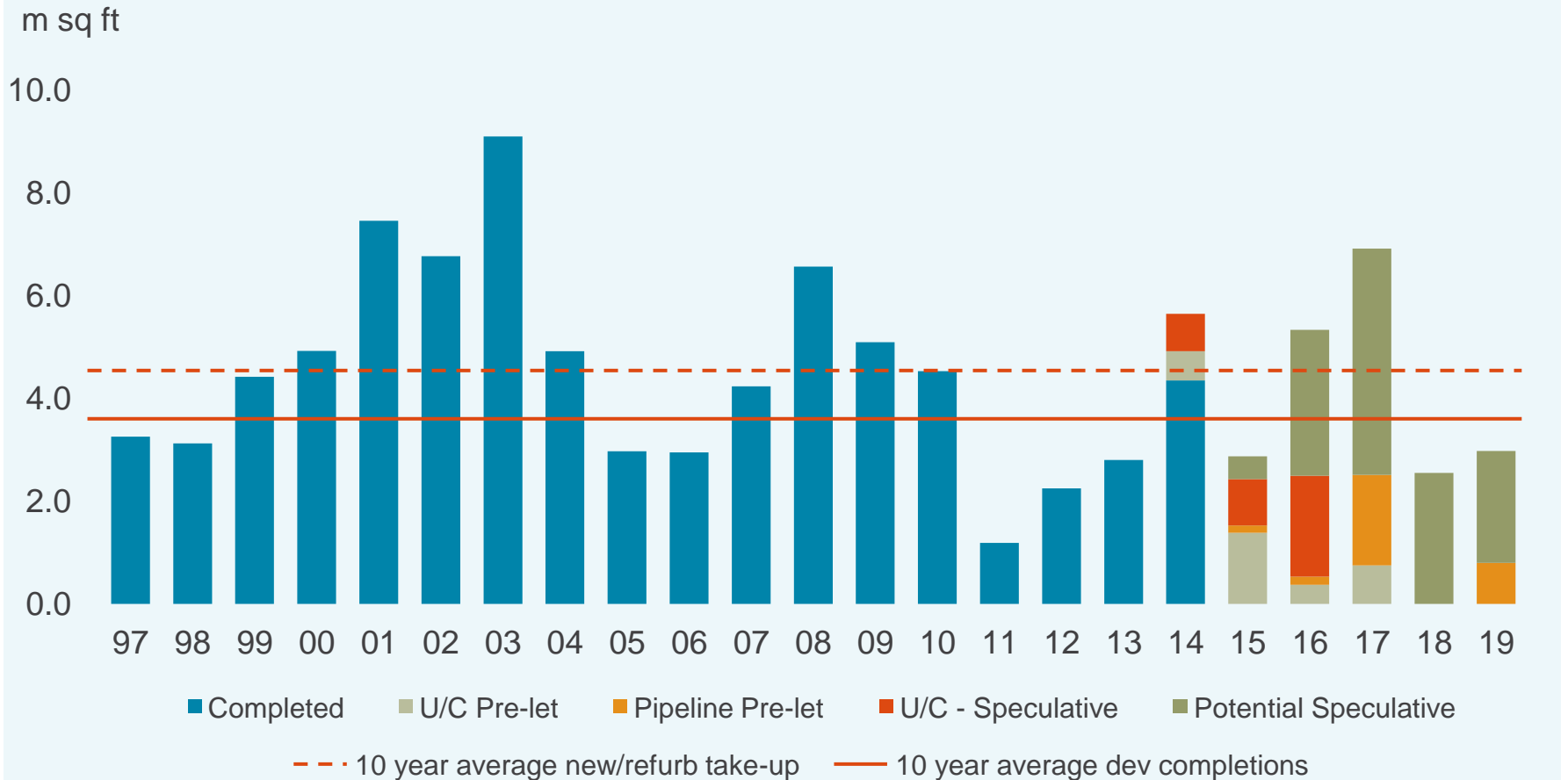
Property Yield vs 10 Year Gilt Yields



Source: IPD/Bloomberg

CENTRAL LONDON PIPELINE

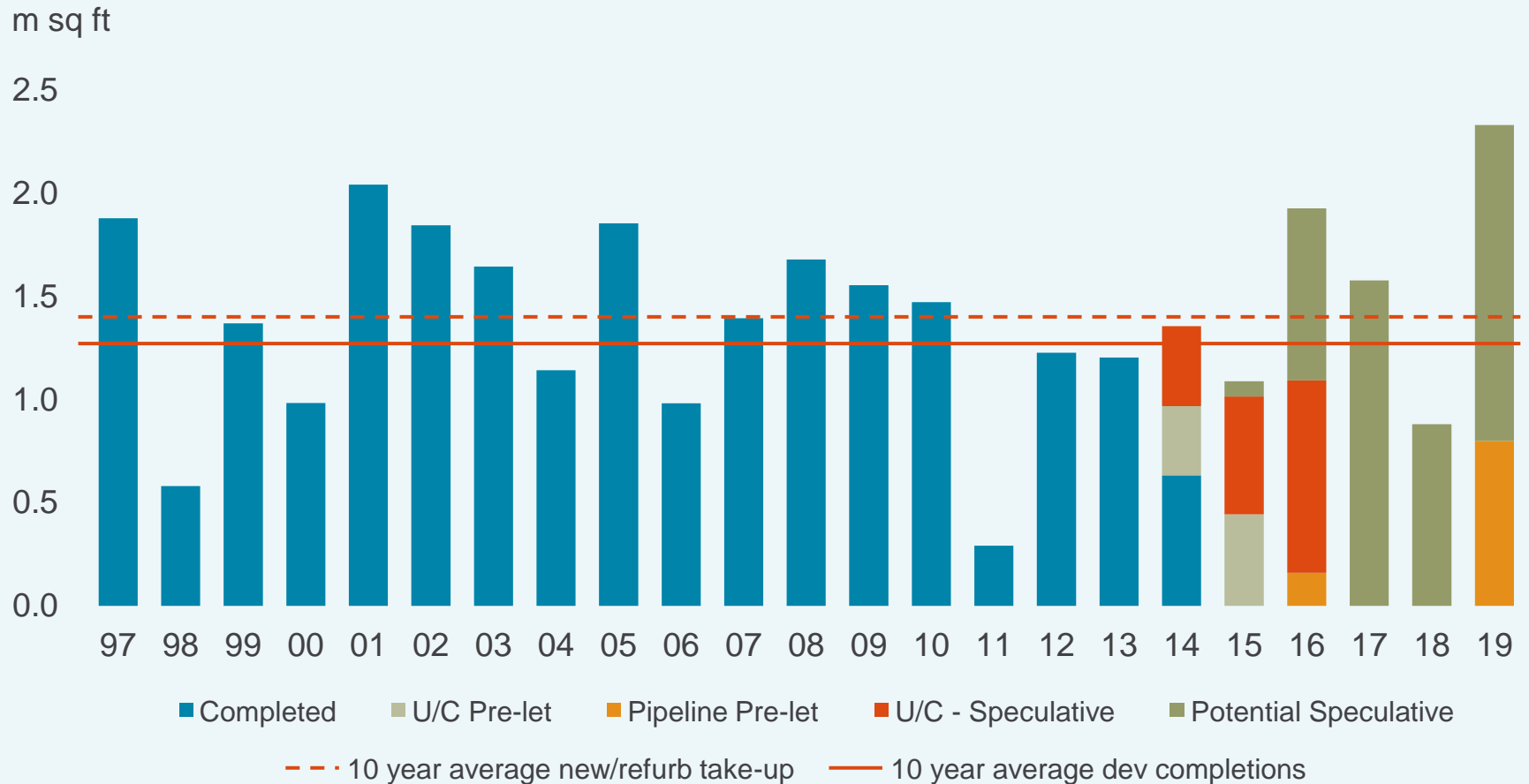
Central London Pipeline Q3 2014



Source: Knight Frank

WEST END PIPELINE

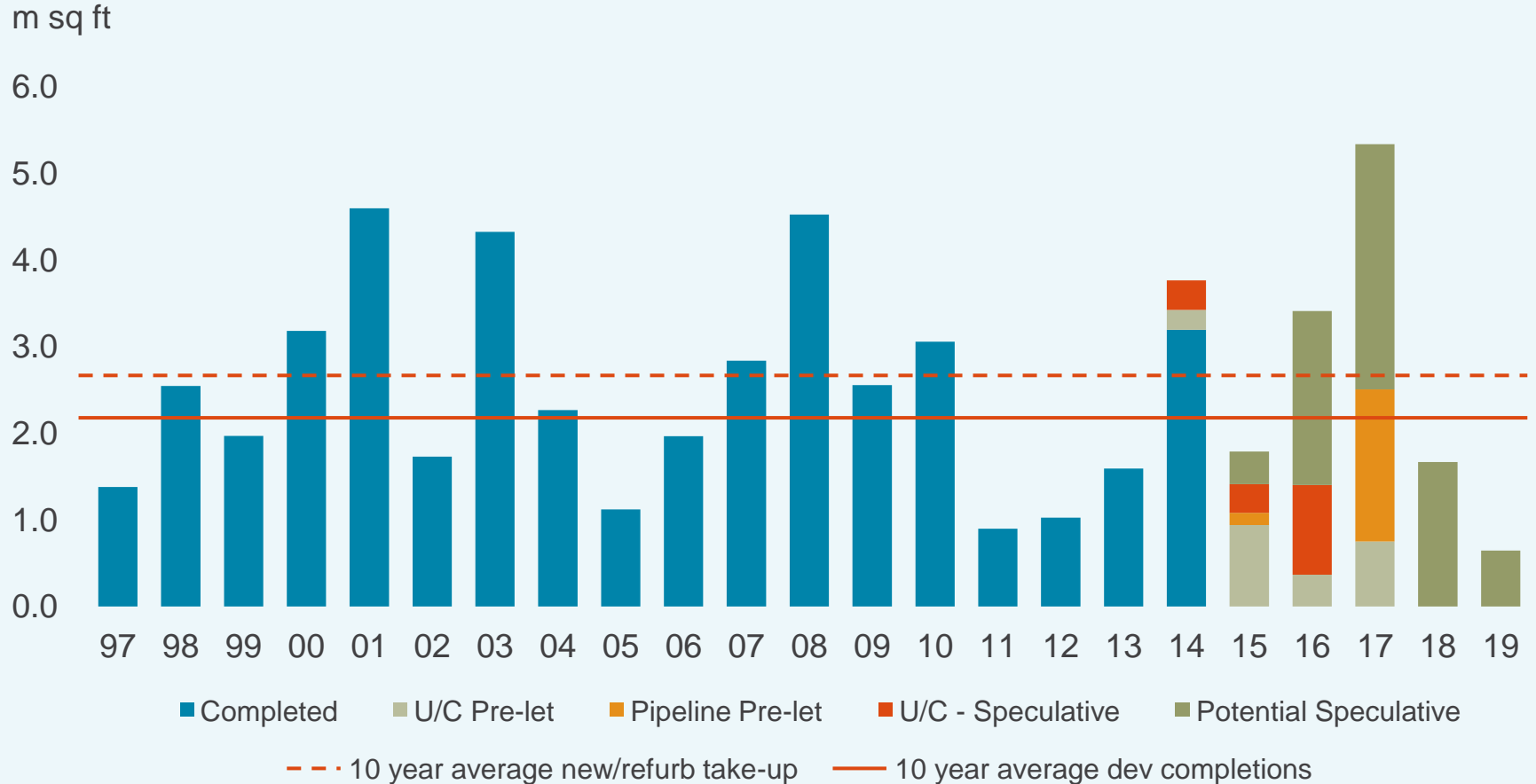
West End Pipeline Q3 2014



Source: Knight Frank

CITY PIPELINE

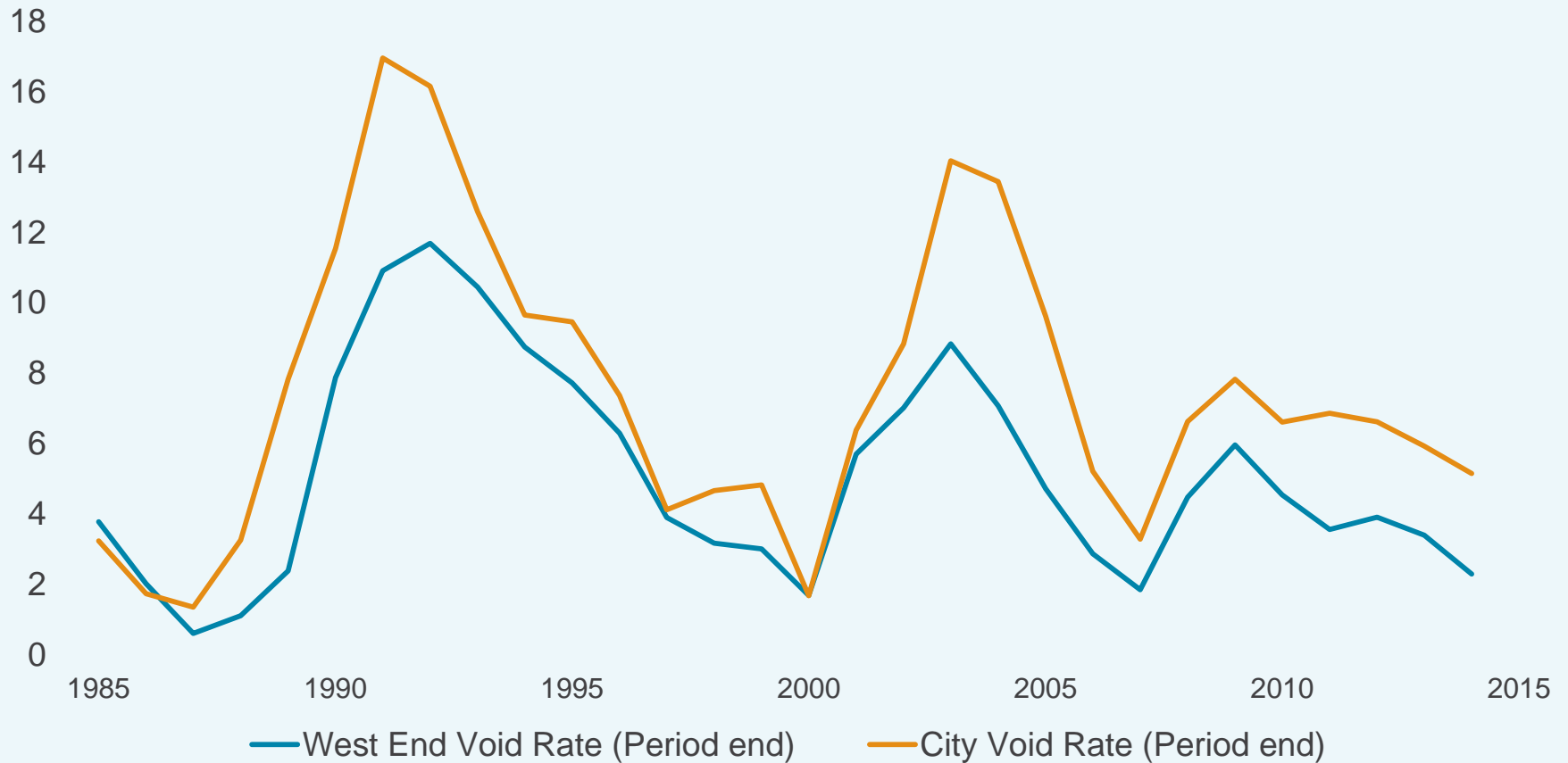
City Pipeline Q3 2014



Source: Knight Frank

VACANCY CENTRAL LONDON

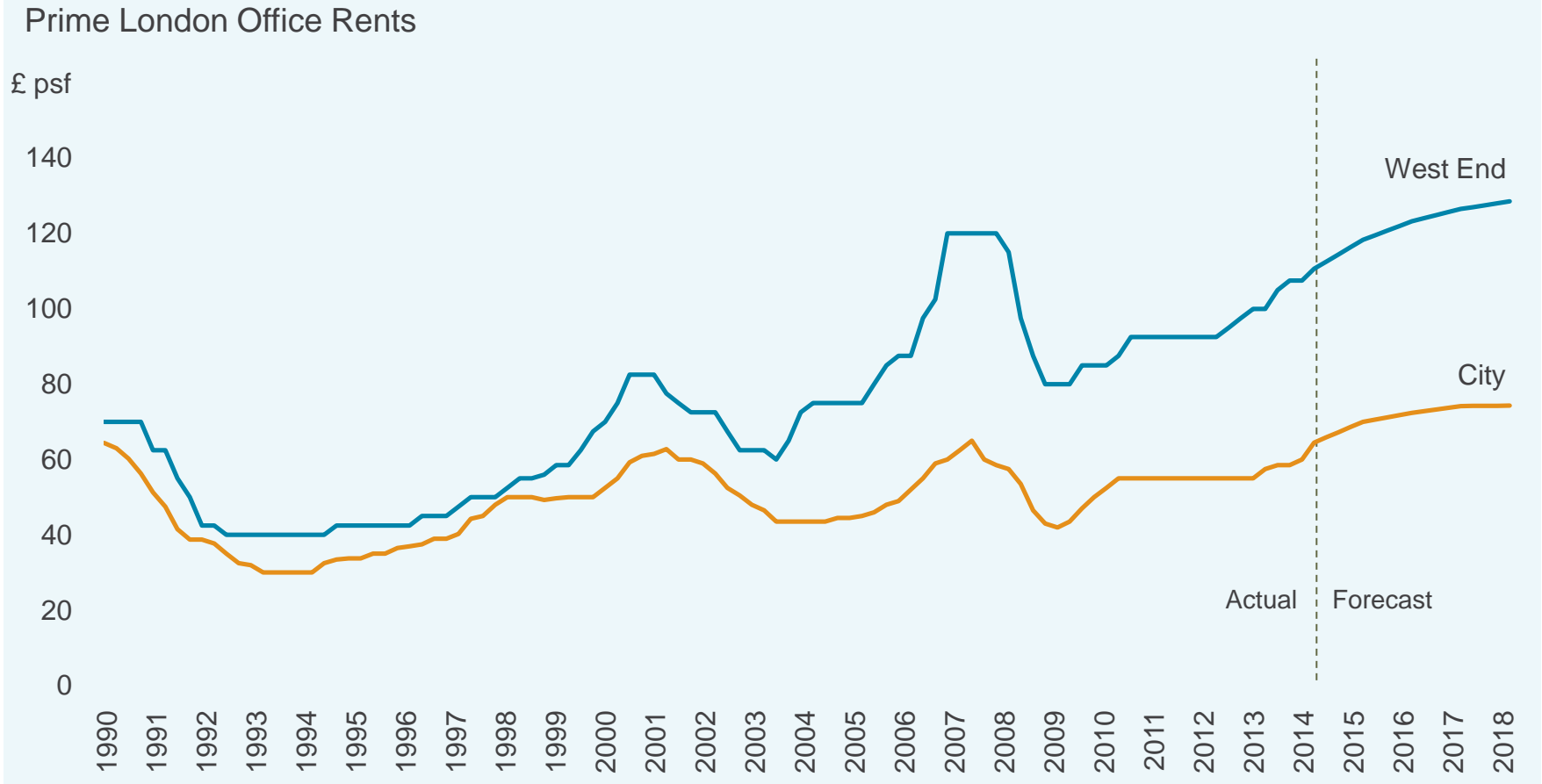
West End & City Vacancy Rates



Source: CBRE

LONDON OFFICE MARKET RENTAL OUTLOOK

Rental Growth Driven by Imbalance Between Supply and Demand



Source: CBRE (historic) and Average Agents' Consensus (including PMA) for forecasts

REGENT'S PLACE CAMPUS



PADDINGTON CENTRAL CAMPUS

Key:

BL ownership

Non BL ownership



Development sites (355,000 sq ft) + Crossrail box below (80,000 sq ft)

Multi-let offices 268,000 sq ft

Multi-let offices 143,000 sq ft

200 residential units sold on long leases; retail at ground floor

New Hammersmith & City line station and access to Crossrail

206 room 4-star hotel (111,000 sq ft)

Non BL ownership

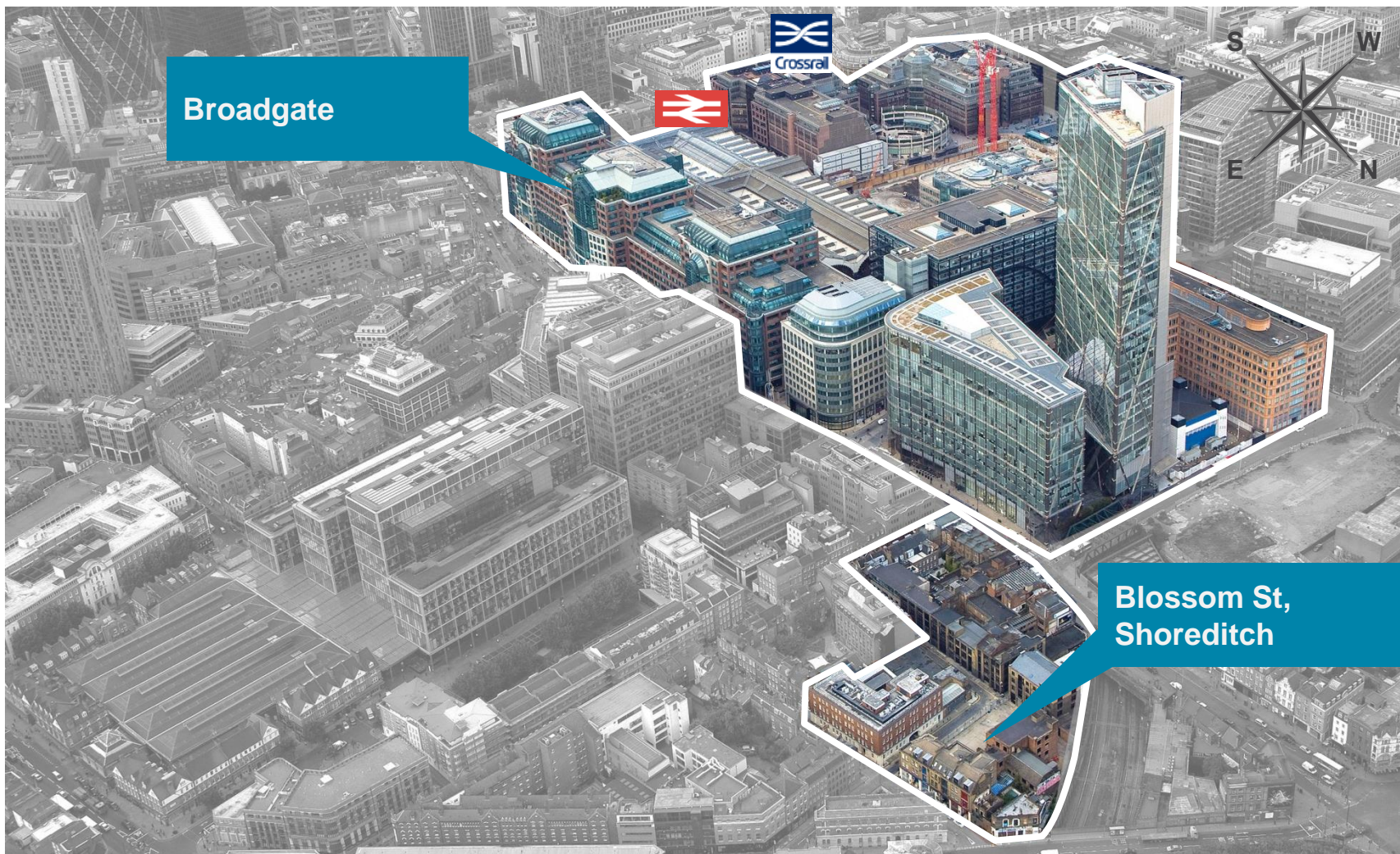
88,000 sq ft retail (16 units) around Sheldon Square

BROADGATE CAMPUS



- 1 1 Finsbury Avenue
- 2 2 Finsbury Avenue
- 3 3 Finsbury Avenue
- 4 1&2 Broadgate
- 5 3 Broadgate
- 6 100 Liverpool Street
- 7 8-12 Broadgate
- 8 The Broadgate Circle
- 9 5 Broadgate Under Construction
- 10 135 Bishopsgate
- 11 155 Bishopsgate
- 12 175 Bishopsgate
- 13 199 Bishopsgate
- 14 201 Bishopsgate
- 15 The Broadgate Tower
- 16 Broadwalk House
- 17 Exchange House
- 18 10 Exchange Square
- 19 1 Appold Street

BLOSSOM STREET, SHOREDITCH



DISCLAIMER

The information contained in this presentation has been extracted largely from the Half Year Results Announcement for the period ended 30 September 2014.

This presentation may contain certain “forward-looking” statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements. Any forward-looking statements made by or on behalf of British Land speak only as of the date they are made and no representation or warranty is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. British Land does not undertake to update forward-looking statements to reflect any changes in British Land’s expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

This presentation is made only to investment professionals as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (‘the FP Order’). The content of this presentation has not been approved by a person authorised under the Financial Services and Markets Act 2000 (‘FSMA’). Accordingly, this presentation may only be communicated in the UK with the benefit of an exemption set out in the FP Order. An investment professional includes:

- (i) a person who is authorised or exempt under FSMA; and
- (ii) a person who invests, or can reasonably be expected to invest, on a professional basis for the purposes of a business carried on by him; and
- (iii) a government, local authority (whether in the United Kingdom or elsewhere) or an international organisation; and
- (iv) any director, officer, executive or employee of any such person when acting in that capacity.

This presentation is published solely for information purposes. This presentation does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this presentation in any jurisdiction in contravention of applicable law. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein.

The distribution of this presentation in jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, any applicable requirements. This presentation has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this presentation had been prepared in accordance with the laws of jurisdictions outside the UK.

All opinions expressed in this presentation are subject to change without notice and may differ from opinions expressed elsewhere.