

# Half Year Results 2023

GPE.

We unlock potential,  
creating sustainable space  
for London to thrive



## Macro Concerns & Return of the Cycle: Opportunity

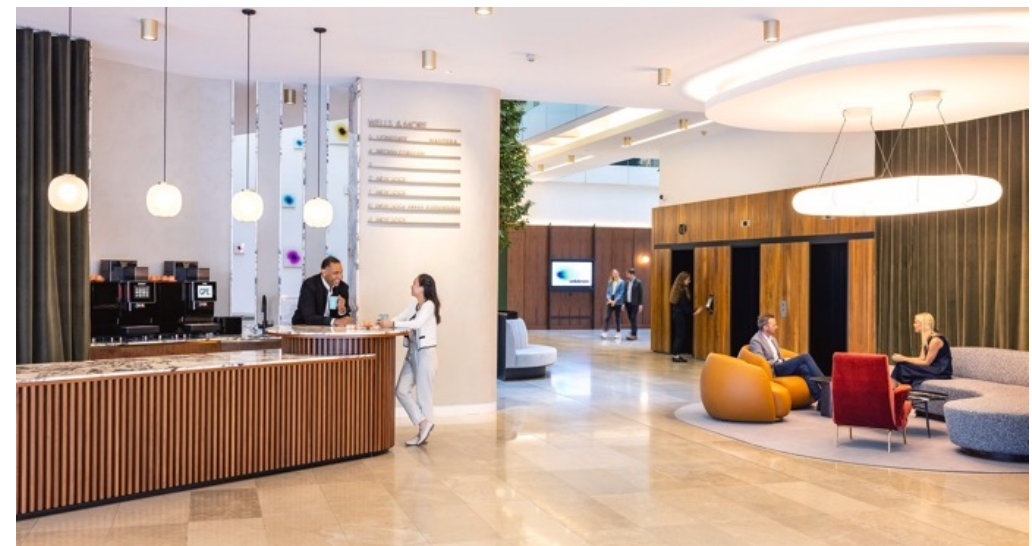
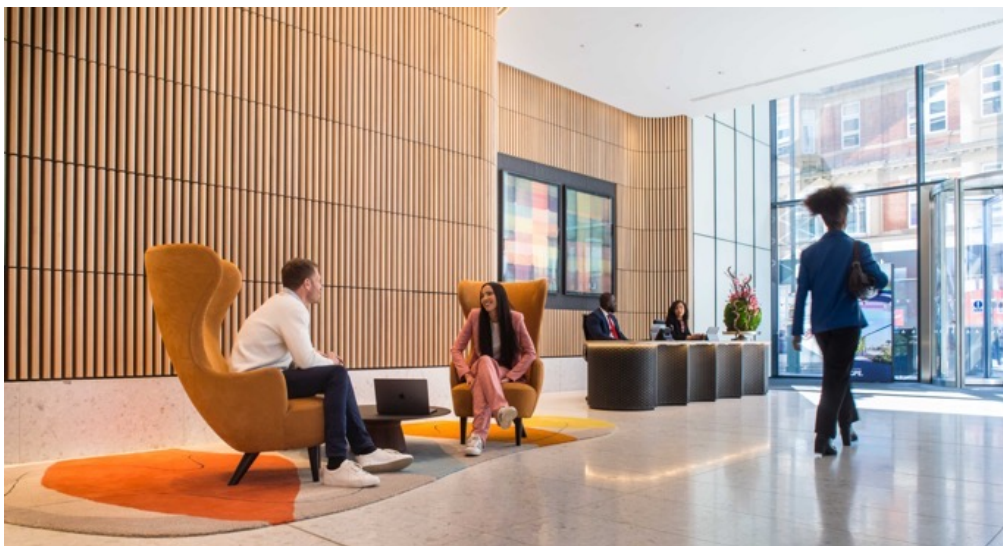
- Rates & yields up, affecting valuations
- Cycle; opportunity off lower valuations

## Our Leasing Markets; Fundamentals Healthy

- London busy; workers have returned
- Fit for purpose, sustainable offices have a crucial role
- Customer demand > supply
- Huge bifurcation; best vs rest

## GPE Positioning is Strong

- Customer demand for our space is good
- Rents rising; office & retail
- We're developing; we're growing Flex
- We're recycling & reinvesting
- Financial strength



**Introduction**

**Toby Courtauld, Chief Executive**

Financial Results &  
Flex

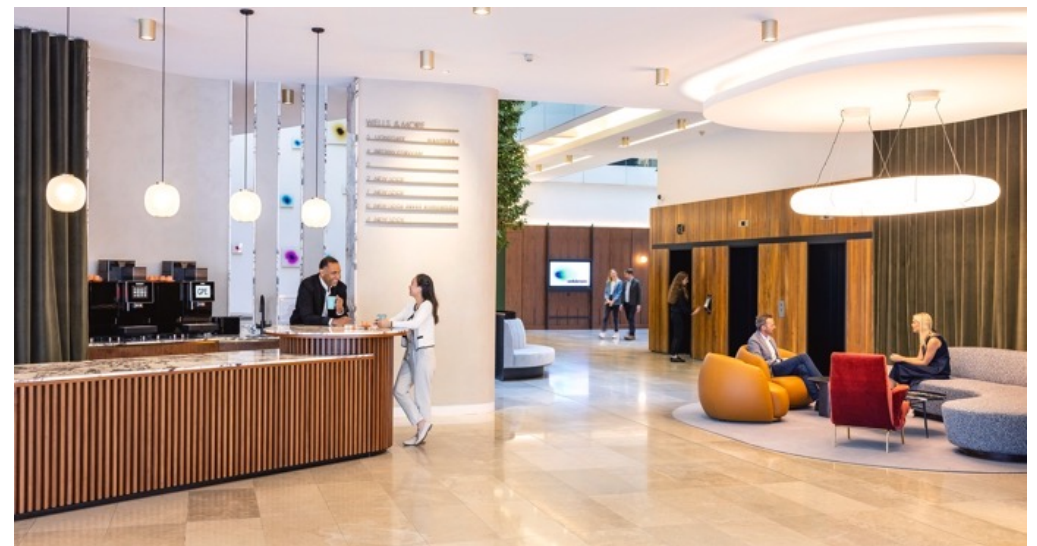
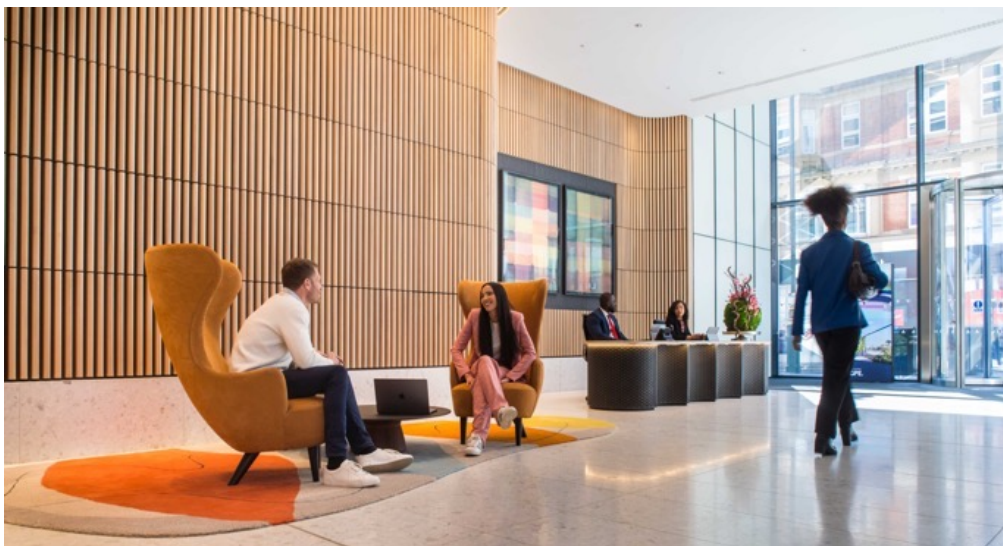
Nick Sanderson, Chief Financial & Operating Officer

Market  
Business Update  
Outlook

Toby Courtauld, Chief Executive

Q&A

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### Key Themes...

### ... Addressing Each Through Our Strategic Givens

**Macro challenges**

**Low financial leverage;** through the cycle  
focus on in-demand markets with supply shortage

**Best outperforms rest**

**Create the best;** leasing well & prime rents rising  
**100% central London;** 75% West End; one of lowest vacancy rates globally

**Best is changing**

**Reposition properties;** sustainable, flexible, healthy, tech-enabled, connected

**Flex; growing importance across London**

**Ambition;** 0.4m today to 1m sq ft  
**Customer First;** our compelling Flex offer delivering market-leading NPS

**Sustainable spaces win**

**Sustainability is an imperative;** +21% avg value premium<sup>1</sup>; innovating

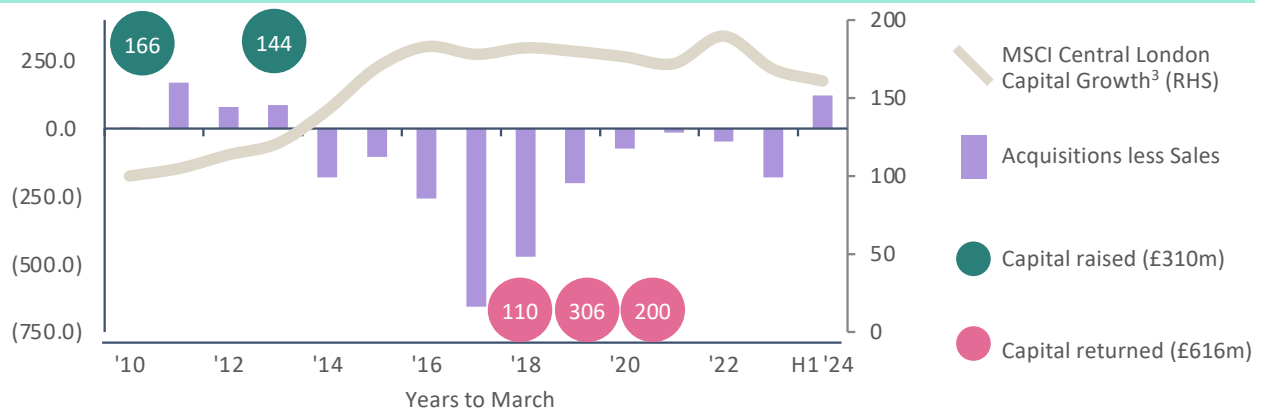
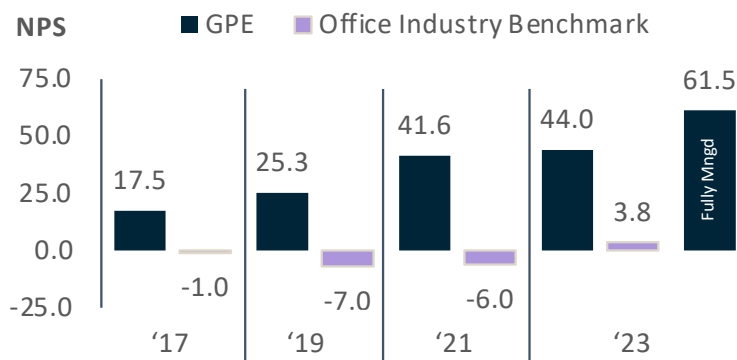
**Return of the cycle**

**Match risk to cycle;** take advantage; long track record of outperformance  
selling prime completed business plans  
buying well-located raw material to create Prime;  
into supply crunch

**Disciplined capital management;** assets (buy & sell); equity (raise & return)

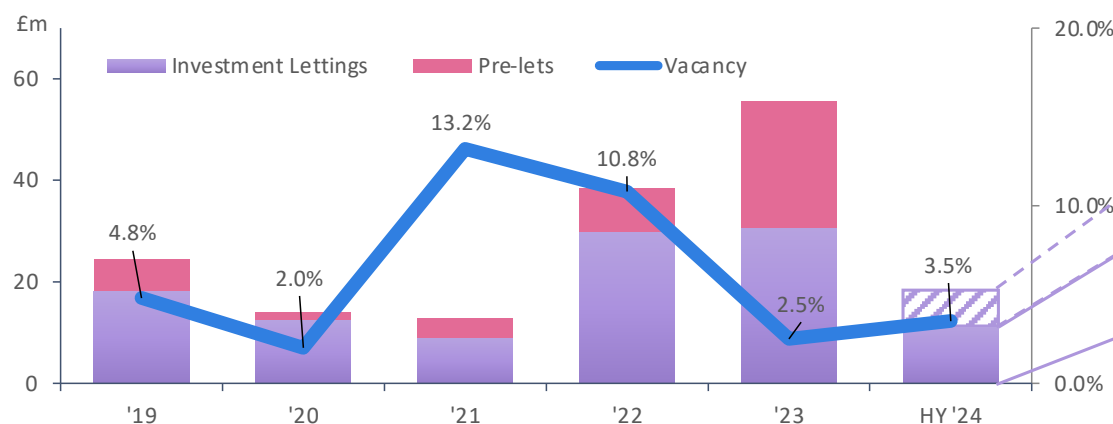
### Exceptional Customer Satisfaction<sup>2</sup>

### Disciplined Capital Management



**Addressing the themes through differentiated, growth strategy; we know how to execute well**

## 1. Strong Leasing Continues; Low Vacancy; More to Come



	Rent PA <sup>1</sup>	ERV vs Mar '23 <sup>2</sup>	
U/O	£7.3m	+5.7%	Flex +13.6%
HY	£11.2m	+13.4%	Office +11.1% Flex +12.2% Retail +18.1%

- Vacancy rate low at 3.5% (2.6% post U/O)
- Reversion up to 13.5% from 9.3%
- Customer retention rate 77%<sup>3</sup>

## 2. Capital Opportunity

### Sales

- Crystallising value from completed plans
- c.£300m in negs / under active discussion

### Capex Programme

- 1.5m sq ft<sup>4</sup>, 45% of portfolio<sup>5</sup>; 82% of net assets
- **HQ**; 7 schemes; 2 on-site, 69% pre-let
- **Flex refurb**s; 6 schemes; 2 on-site

### Buying Again

- 3 acquisitions since March '23; £123m, 2 Flex, 1 HQ
- More to come

## 3. Financial Strength and Capacity

Low LTV	28.9%
Deep access to capital	New £250m unsecured facility
Plentiful liquidity	More than £500m
Attractive cost of debt	4.2% avg. 93% fixed / capped

## 4. Strong Strategic Position

- Clear & differentiated strategy; hitting the key themes
- Organic income growth +90%
- Senior team, experienced across multiple cycles
- Balance sheet strength
- London: a dominant world city; long-term growth

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# Financial Results

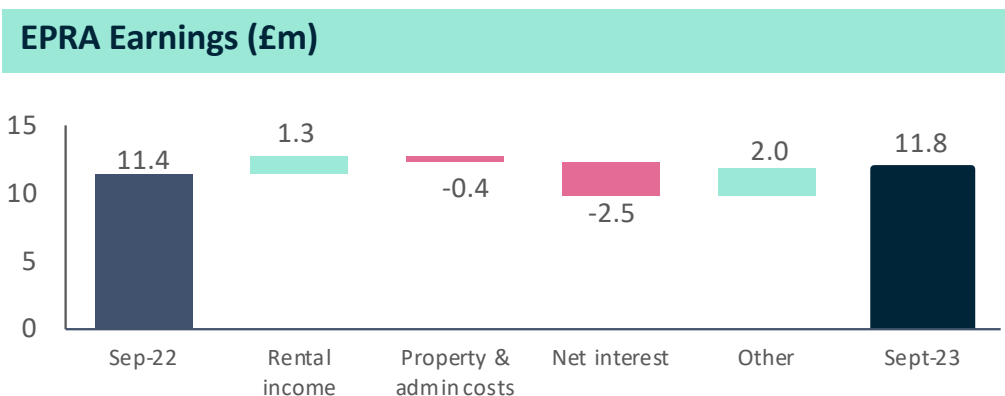
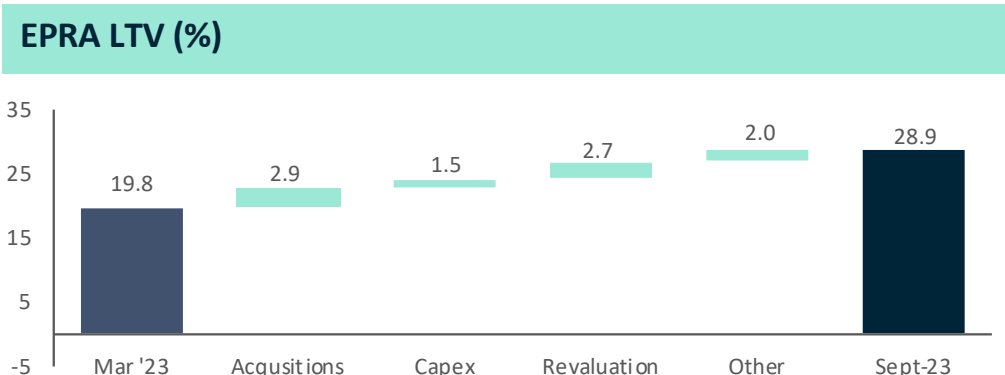
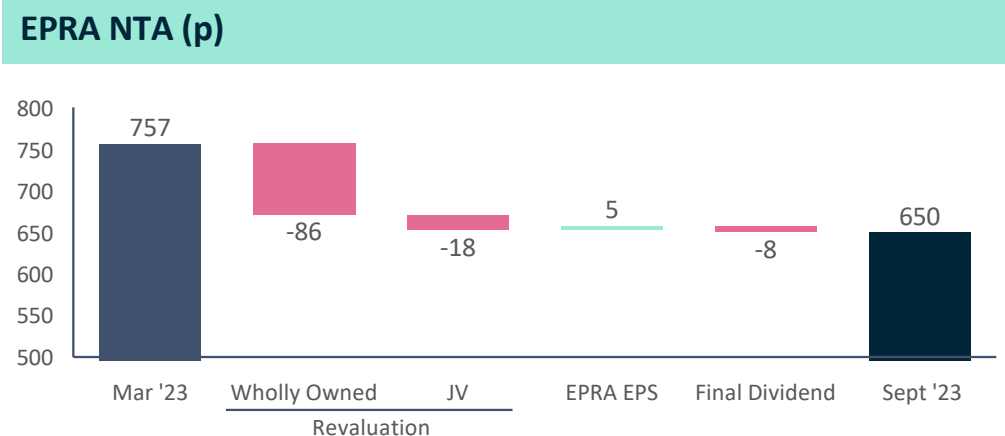
Impacted by higher interest rate environment



Portfolio and Net Assets	Sept 23	Change
Portfolio value <sup>1</sup>	£2,302.7m	(10.3% <sup>2</sup> )
EPRA NTA & IFRS NAV per share	650p	(14.1%)
Rent Roll	£110.9m	+4.2%

Balance Sheet Strength	Sept 23	Change
EPRA LTV	28.9%	+9.1 pps
Liquidity	£508m <sup>3</sup>	+11.2%

Income Statement	Sept 23	Change
Net Rental Income	£45.0m	+6.9%
EPRA Earnings	£11.8m	+3.5%
EPRA EPS	4.7p	+4.4%
Dividend per share	4.7p	-%



1. Including share of JVs 2. Like-for-like change 3. Pro forma for Term Loan

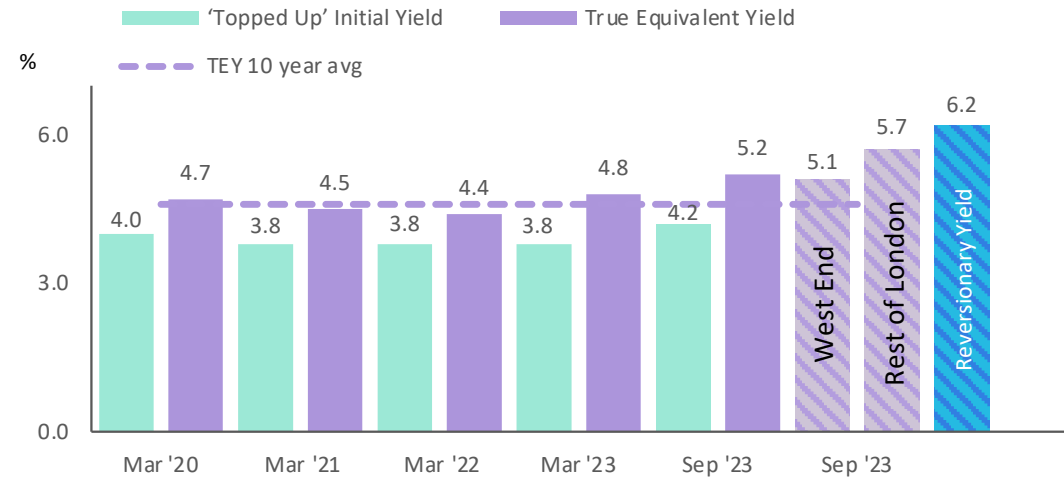
# Property Valuation<sup>1</sup>

ERV growth 1.8%; yield expansion 43bps; but best continues to outperform with 75% portfolio in West End

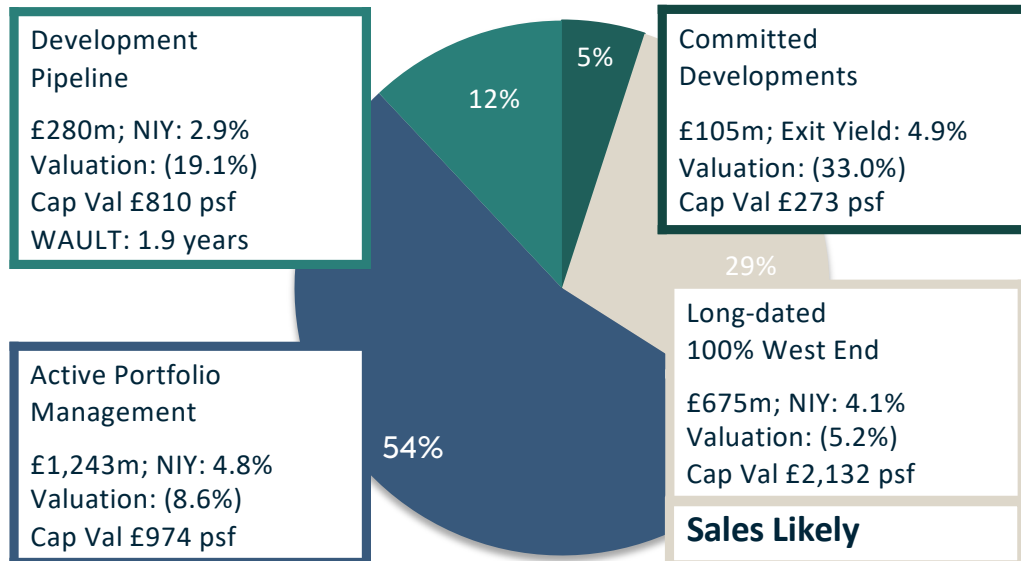
## ERV Growth Resilient; Yield Expansion Driving Value Decline...

6 months	% of portfolio	Property Valuation	ERV Growth	Yield
Retail	19.4%	(12.4%)	+1.2%	+52bps
Office	80.6% <sup>2</sup>	(9.6%)	+1.9%	+35bps
<i>Of which Flex</i>	18.1%	(7.1%) <sup>3</sup>	+1.7%	+49bps
<b>Portfolio</b>		<b>(10.3%)</b>	<b>+1.8%</b>	<b>+43bps</b>

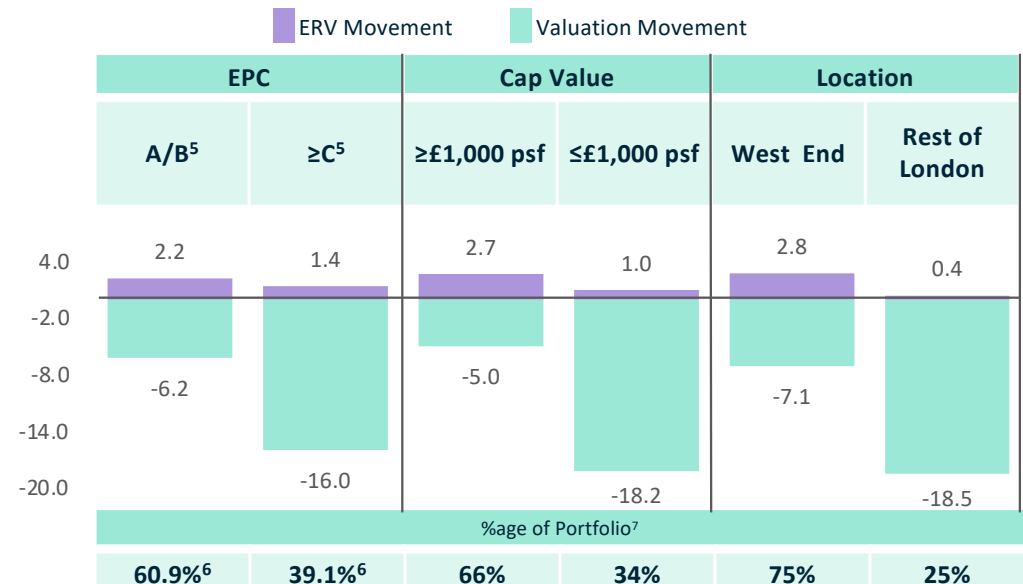
## ... with TEY<sup>4</sup> up to 5.2% Today



## Short Income and Residual Values Suffer Largest Declines...



## ... But the Best Continues to Outperform



1. Like-for-like 6 month valuation movement, including share of JVs at 30 September '23 2. Includes other 3. Excludes New City Court 4. 'Topped Up' Initial Yield = portfolio Initial Yield plus Rent Freezes on contracted leases 5. Sustainability & EPC improvement costs factored into valuation and performance 6. By valuation, A/B equals 48.5% by sq ft 7. Leaseholds <100 years: 7.2%



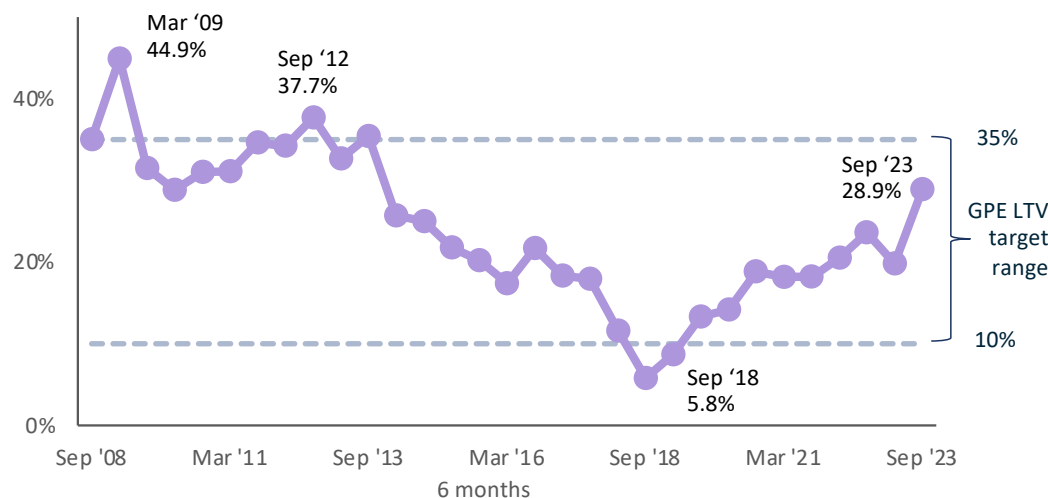
# Balance Sheet Strength

Low leverage and high liquidity

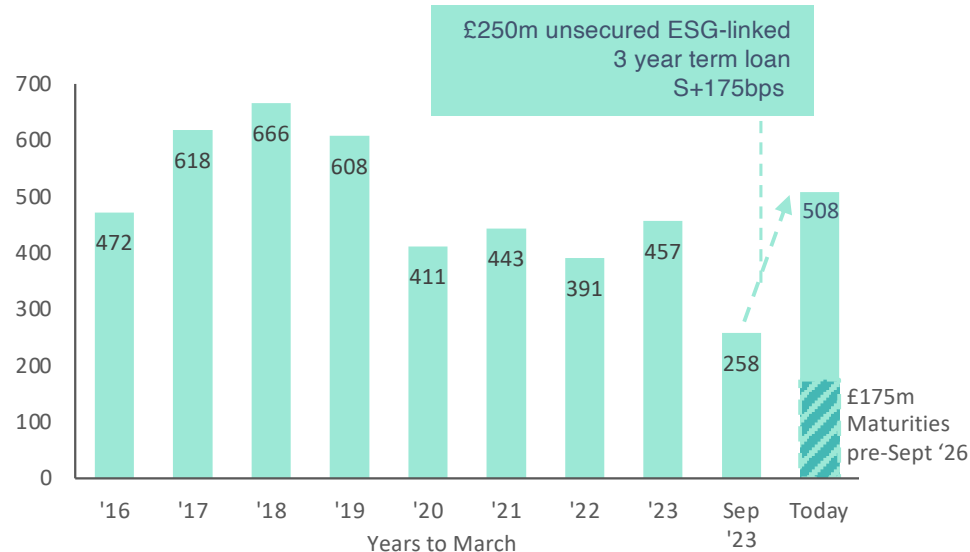


## GPE Target LTV Range = 10%-35% through the Cycle

EPRA LTV<sup>1</sup> (%)



## Extensive Liquidity (£m)



## Significant Covenant Headroom

Group Covenants	Covenant Measure	30 Sept 23 Actuals	Headroom
Net Debt / Net Equity	≤1.25x	0.40x	Further valuation fall 48.3%
Inner Borrowing	≥1.66x	2.64x	Further valuation fall 37.8%
Interest Cover	≥1.35x	6.22x	Fall in EBIT 78.3%

## Robust Debt Metrics

	Today	Sept '23	March '23
WADM	4.7 years	5.1 years	6.4 years
% Unsecured	97%	97%	95%
Fixed / Capped (Drawn)	93%	67%	97%
WAIR <sup>2</sup>	4.2%	3.8%	2.7%

Balance sheet strength: GPE strategic given

1. Adopted EPRA metric March '20 2. Excludes utilisation and commitment fees

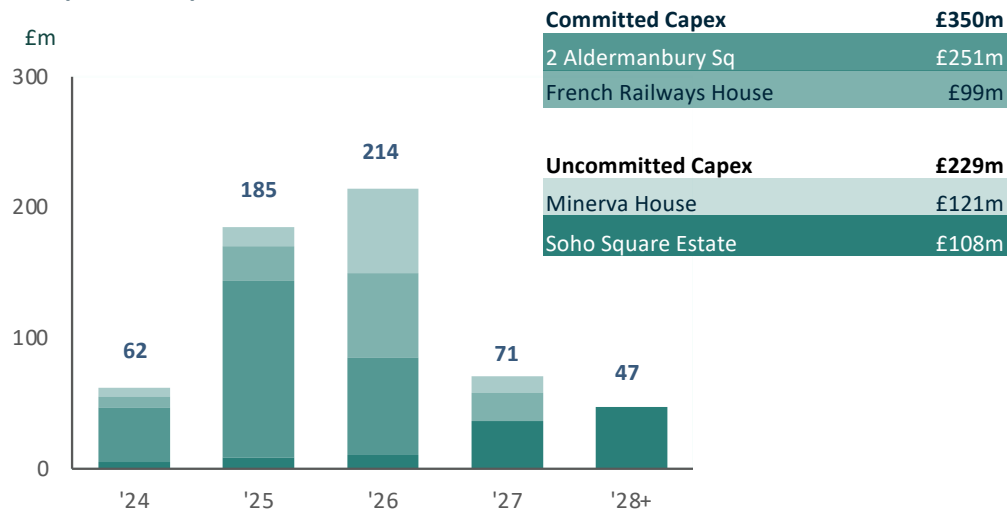
# Attractive Organic Growth Opportunity

Committed capex of £392m into supply constrained market meeting customer needs

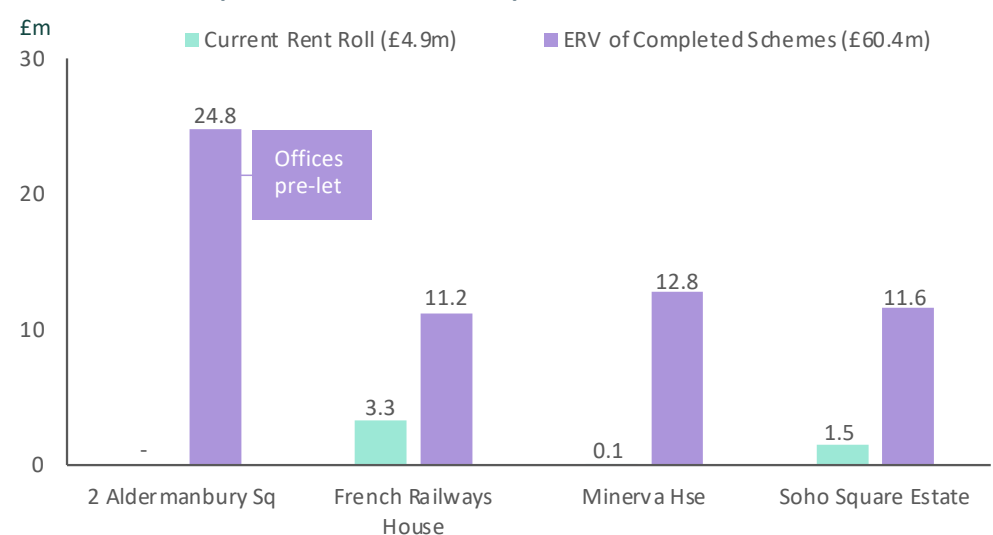


## HQ – Four Office-dominated Near Term Schemes: Soho Square Added, NCC Business Plan to be Optimised

### Expected Capex £579m

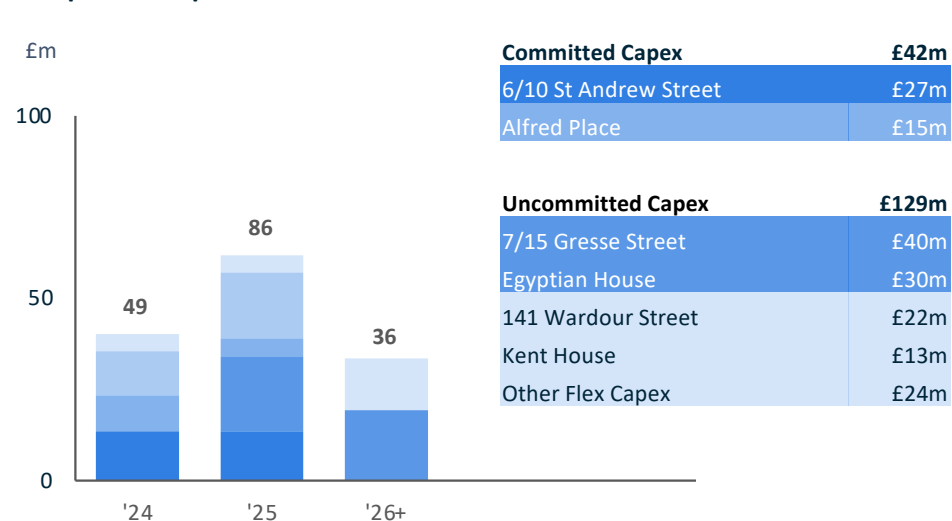


### To deliver Prospective ERV of £60m, up 12x



## Flex – Predominantly into West End Fully Managed Buildings

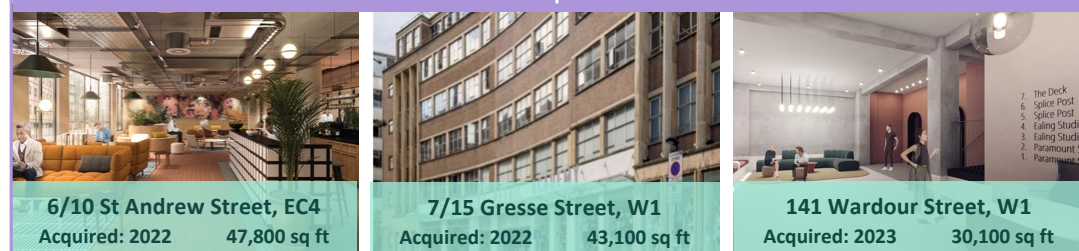
### Expected Capex £171m



### Conversion of existing GPE spaces



### Recent acquisitions



# Flex Performance

Strong leasing driving performance

## Our Unique Offer; 100% GPE Owned Space; Not WeWork, Not Co-Working

Well-located, high-quality buildings operated by trusted owner

**Leased by floor/unit (not desk): 'Fully Yours'**

- **Fitted:** Dedicated, furnished space; your own front door
- **Fully Managed:** fitted, plus all-in-one GPE service provision

## Leasing Well: Fully Managed Outperforming

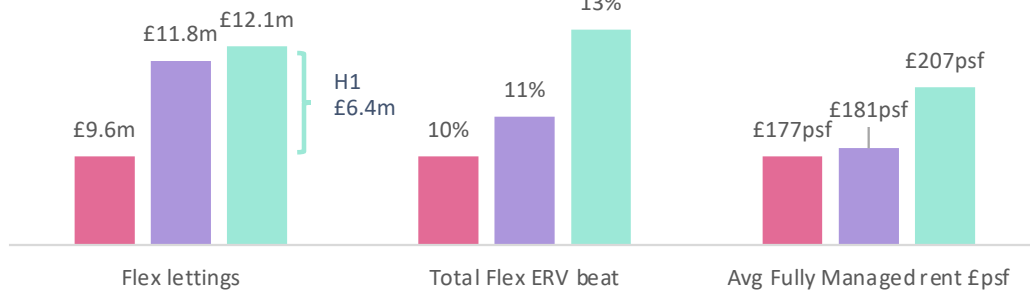
**H1: 12 Flex lettings, £6.4m rent pa**

- 9 Fully Managed lettings; £5.4m rent p.a.; 13.6% >ERV
  - 6 in West End, avg £253psf
- Faster leasing, 100% rent collection, no delinquencies

## Leasing Momentum Driving Performance

Trailing twelve months

■ Sep 22 ■ Mar 23 ■ Sep 23

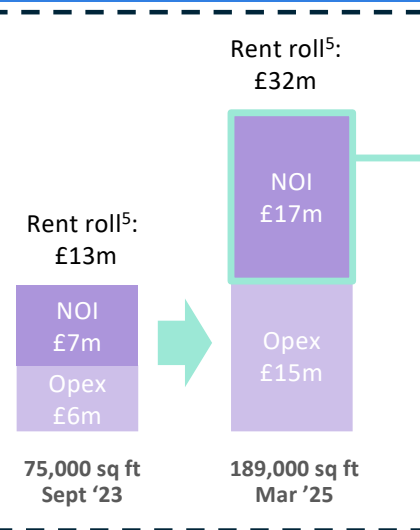
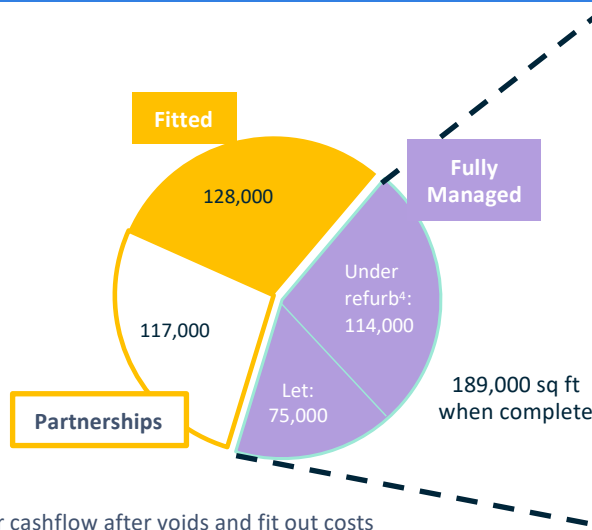


Lettings 12mths to Sept-23	Fitted	Fully Managed	
	Actual	Actual	Target
Net Effective Rent Beat <sup>1</sup>	+66%	+103%	>50%
Relative Cashflow Beat <sup>1,2</sup>	+30%	+76%	>35%
Average lease term <sup>3</sup>	5.8 yrs	2.1 yrs	n/a

## Our Committed Footprint: 434k sq ft (21% of GPE offices)

## Fully Managed Space to Deliver £17m NOI by March 2025

- 20 buildings
- 56 customers
- 2,400 sq ft Avg Unit size
- 3.7 years Avg Lease length



<b>March 2025: 189k sq ft</b>	
Ready to Fit ERV	£11.9m
Fitted ERV	£14.4m
<b>Fully Managed NOI</b>	<b>£17.0m</b>
Services profit @ CBRE cap rate	£2.6m / 8.5%
<b>= Additional value</b>	<b>£30.6m</b>
	<i>&gt;£160 psf</i>

**More income & value upside to come**

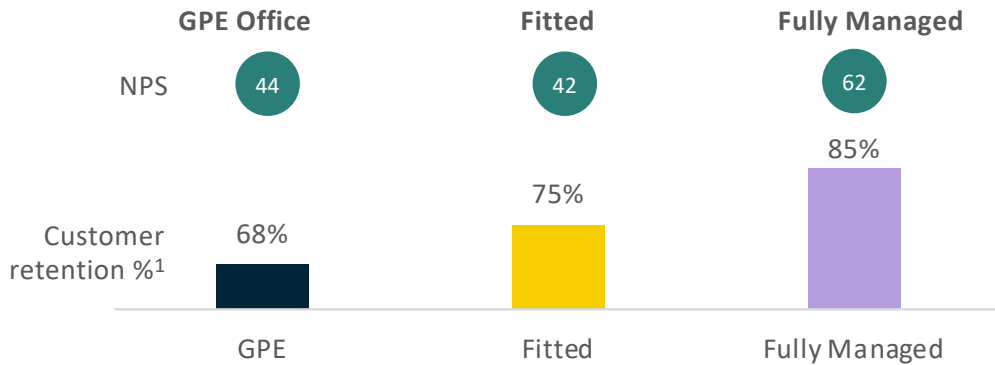
1. Relative to Ready to Fit 2. 10-year cashflow after voids and fit out costs  
3. To expiry 4. Including recent completions 5. Average Headline rent roll, 95% occupancy

# Flex Opportunity

Targeting growth to 1m sq ft: predominantly Fully Managed



## Strong Customer Satisfaction and Retention: Key to Success



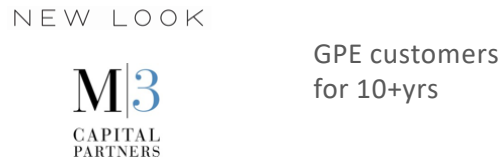
## Benefits of Retention

- No friction costs
- No vacancy costs
- Lower refresh spend

## Retaining existing Flex customers



## Transitioning Ready to Fit customers to Flex



## Attracting new customers



## London Market Growing<sup>2</sup>

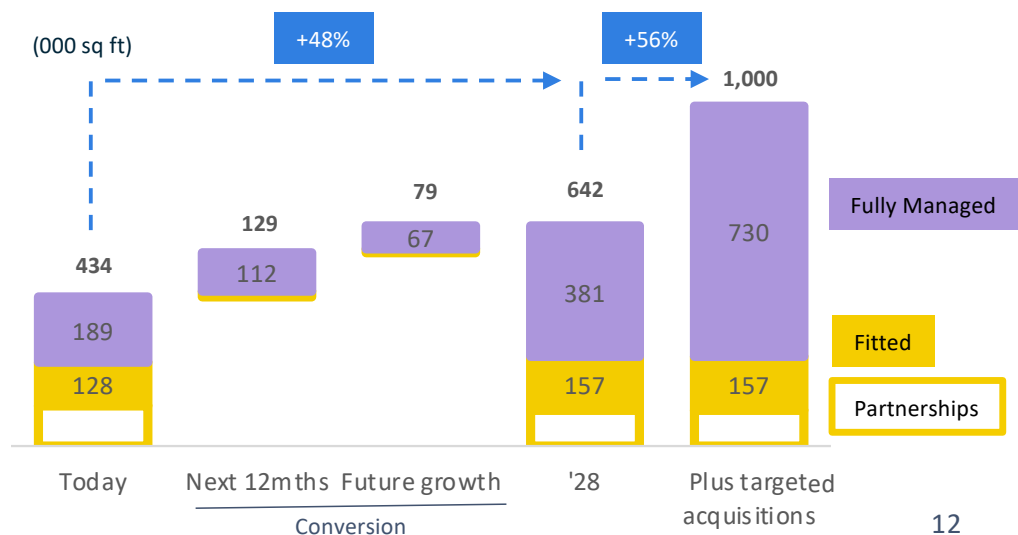
- Central London Flex space to exceed 50m sq ft by 2028; 20% office market
- 57% customers will have 10%+ footprint as Flex by 2028
- Flex represents 57% of West End lettings sub 5,000 sq ft in LTM

## Benefits from GPE Scale

- Clustering (customer retention and opex management)
- Pricing power
- Fit-out capex economies
- Team capability

## Growth to 1m+ sq ft: Predominantly Fully Managed

- Organic:** Portfolio well suited; 84% GPE office spaces <10k sq ft
  - 208k sq ft (48%) further planned conversions
- Acquisitions:** 5 purchases for flex in last 18 months; £127m; 146k sq ft
  - Clear criteria, disciplined approach
  - More expected in next 12 months



1. Since 2018 / inception (GPE 77% last twelve months) 2. CBRE, Instant Offices

## Decline in NTA driven by yield expansion

- Potential for selective yield expansion in near term
- Best continues to outperform, with further ERV growth expected

## Opportunity to deliver more of the best

- £392m committed capex into supply constrained market
- Soho Square added to pipeline

## Flex growth ambition to 1m+ sq ft

- Growing demand (including 'blue chip' customers)
- Growing customer satisfaction / retention
- Income and valuation upside

## Strong balance sheet

- Committed to conservative leverage and high liquidity
- Continued recycling activity, with proven access to capital (equity/debt/JV)

## Customer focus

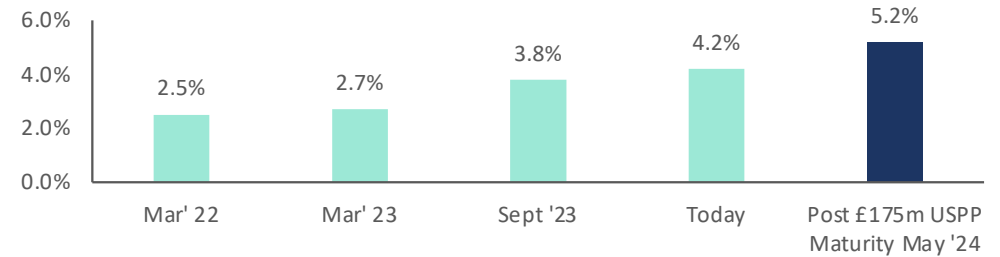
- Senior operational team changes to drive performance and optimise costs
- Investment in technology and customer experience

## Ordinary dividend maintained

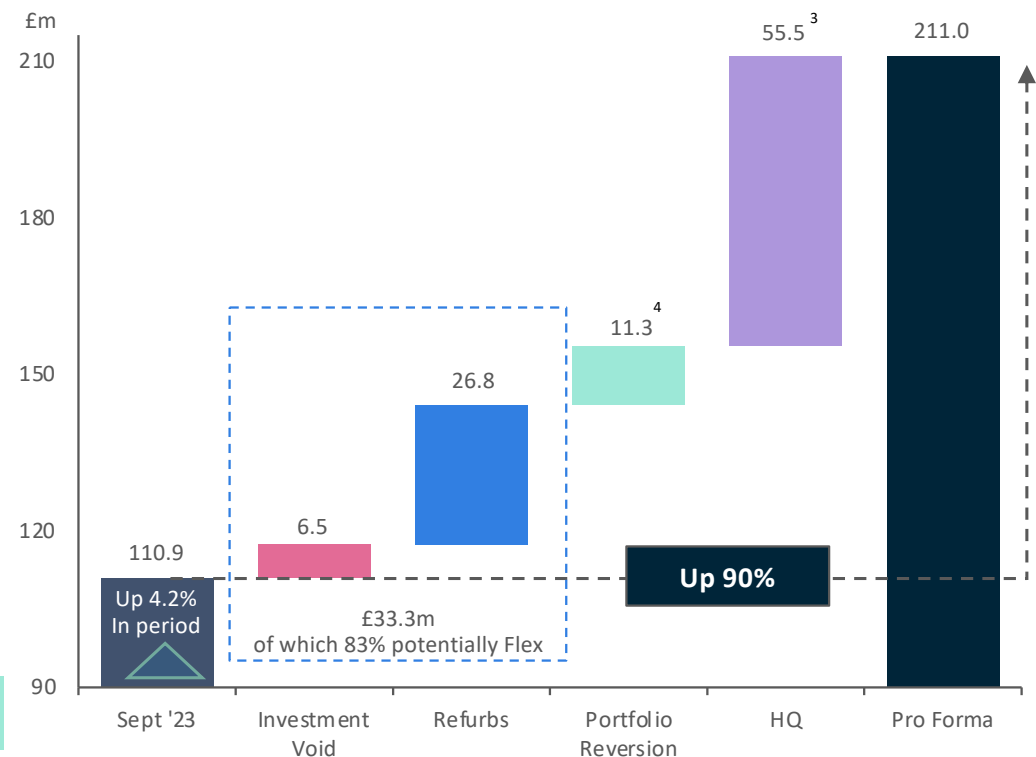
- EPS reduction over next 18 months given dev / refurb activity and increased interest rates
- Organic rent roll growth potential of 90%

## Significant GPE Opportunity

## Weighted Average Interest Rate (%)



## Potential Additional Rent Roll (£100.1m)<sup>1,2</sup>



1. Gross contracted rent excluding impact of occupier incentives; includes share of JVs 2. CBRE rental estimates Sept '23  
 3. Final ERV of schemes less current rent roll. 4. Excludes reversion relating to the development pipeline of £3.6m.

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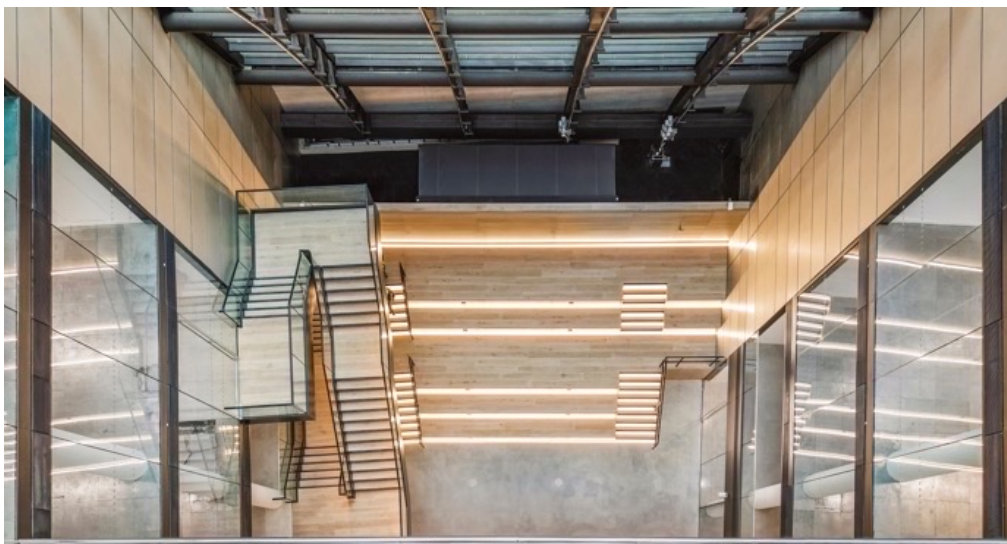
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# London Market Conditions

Macro affecting yields; London leasing fundamentals compelling; best rents rising

## Main Messages

### Near-term macro challenges; central London outperforming UK

- London GVA > UK GDP (1.7% vs 1.4% avg '24-'26)<sup>1</sup>

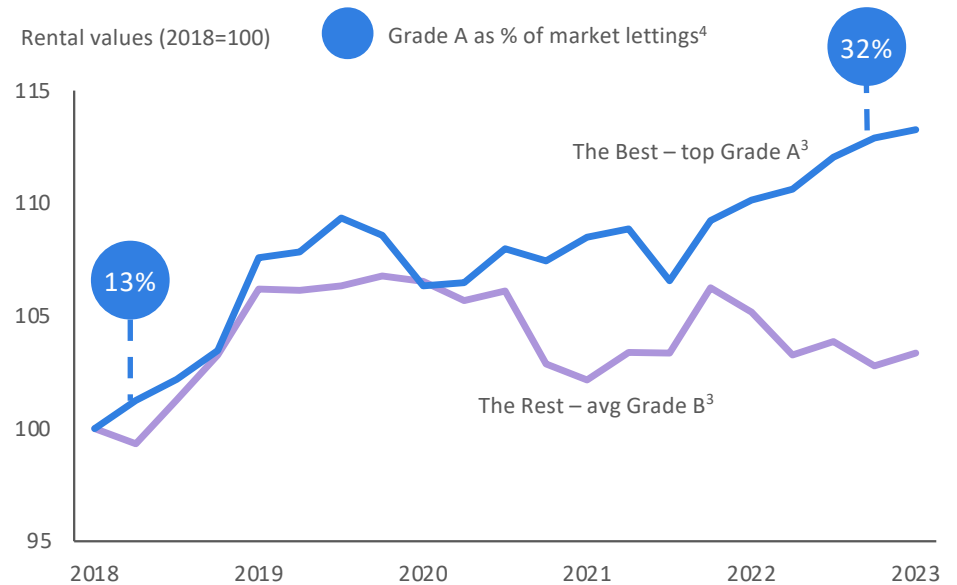
### London leasing fundamentals remain compelling

- Population growing; 135,000 net new jobs '23- '28<sup>1</sup> = c.14m sq ft of net demand
- Barriers to entry rising; e.g. planning & sustainability
- Demand up for central, quality, sustainable spaces
- Supply / demand: moving further in our favour
- Widening gap best vs rest; best rents rising

### All themes that we stand to benefit from

- GPE leasing well; dialled into richest seams of demand: Prime HQ, great Flex spaces; in the core

## 'Best vs Rest'<sup>2</sup>



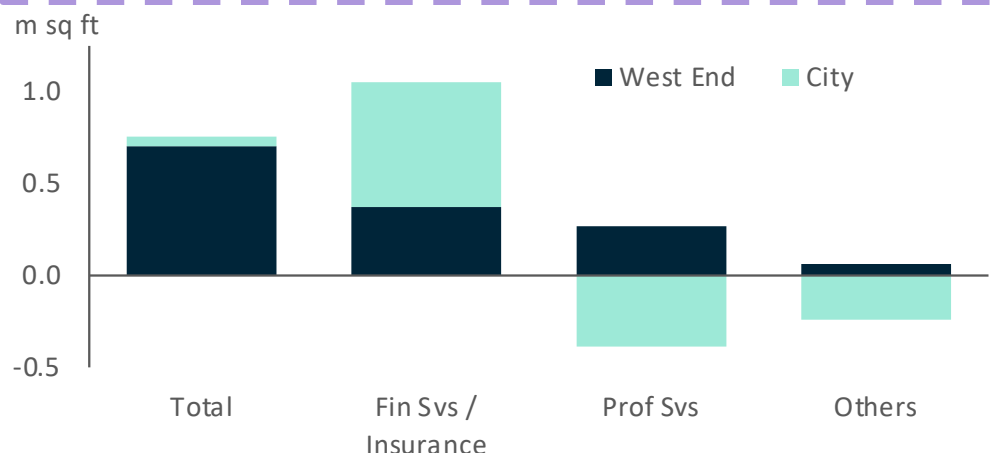
## Leasing Activity Robust

City & West End Leasing<sup>5</sup>  
m sq ft — 10 year avg.



## Active Demand Higher<sup>8</sup>

Net change +12% since Mar '23; now 17% above 10-year avg

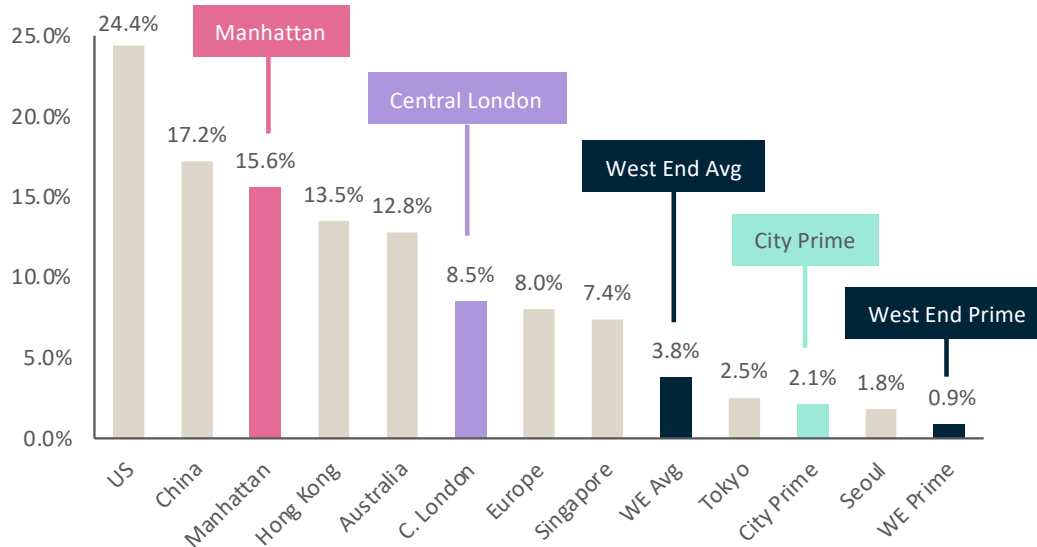


1. Oxford Economics 2. Savills 3. Avg central London 4. Market: leasing of all central London office units 5. CBRE (Take Up and Under Offer) / Knight Frank (Active Demand), West End and City combined 6. 12 months to March unless shown 7. As at March unless shown 8. Knight Frank, Active Demand as at Sept '23

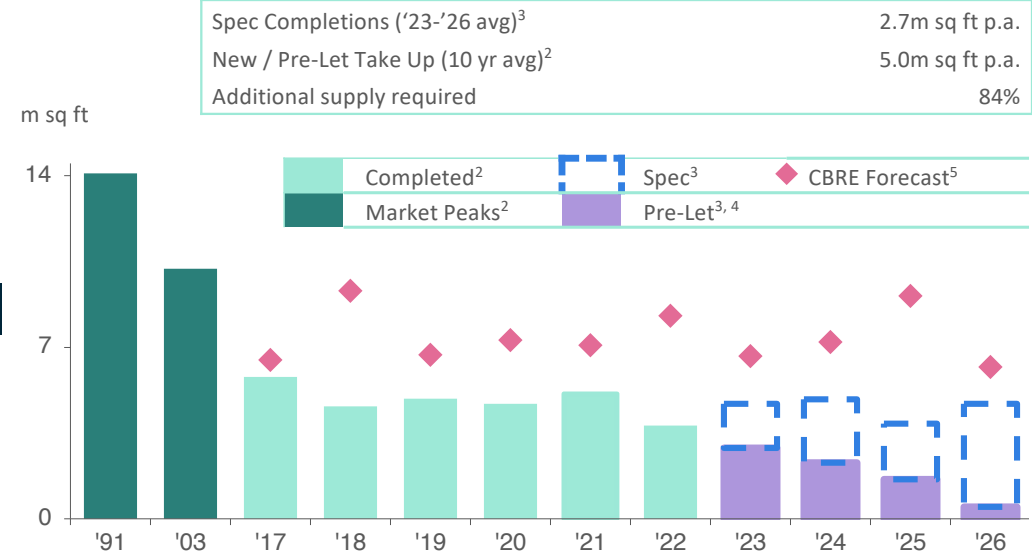
# London Market Conditions

Vacancy low; prospective supply low; best rents rising

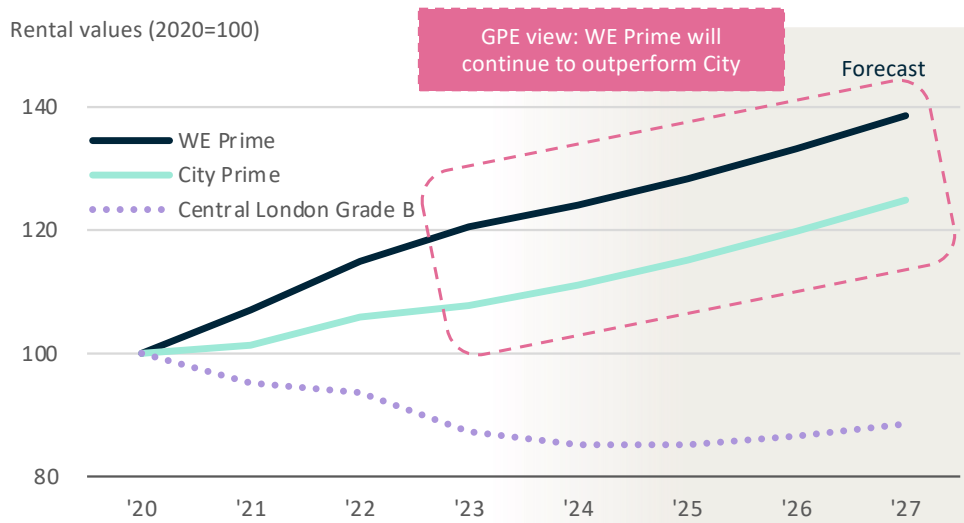
## Office Vacancy<sup>1</sup>; West End Prime Globally Low



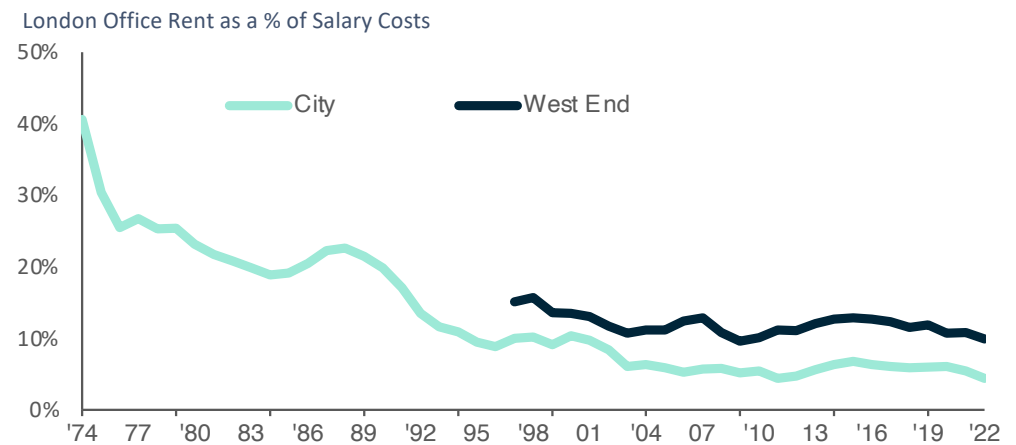
## New Office Supply to Tighten Further<sup>2, 3</sup>



## Office Prime Headline Rental Growth<sup>6</sup>



## Structural Decline in Rent as % of Salary Cost<sup>7</sup>



**GPE: 75% core West End; 93% near Elizabeth Line;**  
**Conditions play to our positioning and strengths**

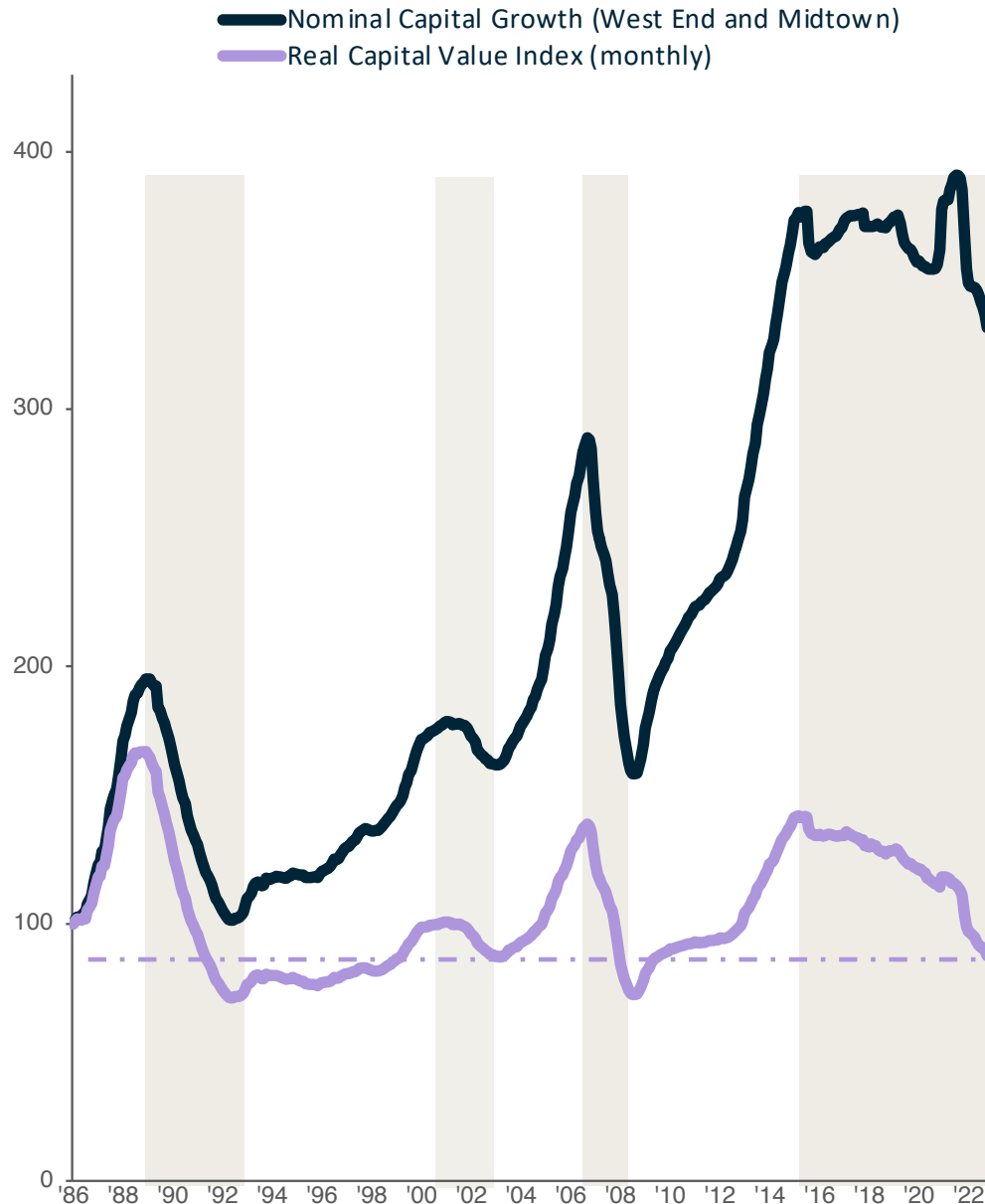
1. CBRE / Savills Research: Figures are based on market averages for all grades, not just prime. US figures are based on availability. 'Current' data as at 1 October 2023 2. CBRE 3. GPE forecast central London Speculative Grade A 4. Pre-Let and U/O 5. CBRE forecast; historic forecasts are forecast at 24 months prior to delivery date 6. Savills, indexed to 2020 7. ONS, PMA



# London Investment Market Conditions

Cycle returned; more for sale

## Cycle has Returned<sup>1</sup>



## Asset Supply up 24% to £5.7bn<sup>2</sup>



## Equity Demand down 27% to £20.2bn<sup>3</sup>

- Multiplier down to 3.5 times (6.0x May '23)

**Opportunities will emerge**

1. MSCI / ONS Mar 87 = 100 2. GPE, available stock on market 3. CBRE

# London Market Conditions

Near term, macro uncertainties; medium term, best to outperform



## Office Rents

### Near Term Outlook

Driver	May '23	Nov '23
GDP / GVA growth	●	●
Confidence	●	●
Business investment	●	●
Employment growth	●	●
Active demand / Take-up	●	●
Vacancy rates	●	●
Development completions	●	●

## Yields

### Near Term Outlook

Driver	May '23	Nov '23
Rental growth	●	●
Weight of money	●	●
Gilts	●	●
BBB bonds	●	●
Exchange rate	●	●
Political risk	●	●

## GPE Portfolio

Rental Values	May '23: FY '24 Guidance	H1 '23 Actual	Nov '23: FY '24 Guidance
Offices	0% to +5.0%	+1.9%	+2.5% to +5.0%
Prime	+3.0% to +6.0%		+3.0% to +8.0%
Secondary	-2.5% to 0%		-2.5% to 0%
Retail	0% to +5.0%	+1.2%	0% to +5.0%
<b>Portfolio</b>	<b>0% to +5.0%</b>	<b>+1.8%</b>	<b>+2.5% to +5.0%</b>

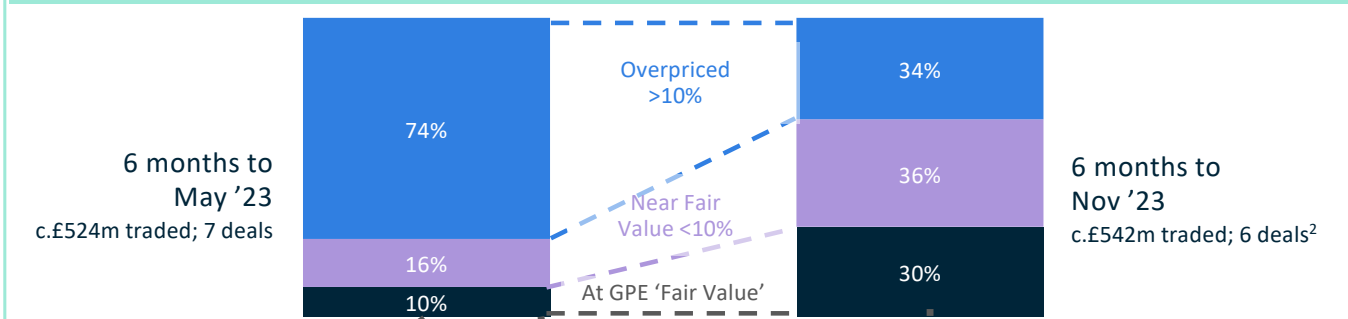
## Yield Outlook

Yields	H1 '23 Actual	Near Term	
Office	+35bps	Prime → Secondary →	Higher rates; upward pressure on yields for some assets
Retail	+52bps	→	West End to outperform City
			Prime & liquid lots to outperform average

# Acquisitions

Market evolving; opportunities increasing

## Stock Traded Near GPE 'Fair Value'<sup>1</sup>



- 'Overpriced' (>10%) significantly down
- 'Near fair value' (<10%) radically up
- 30% at 'fair value'; GPE bought circa half

## Since March '23

**141 Wardour Street, W1; £39m** Flex

**Soho Square, W1; £70m** HQ

**Bramah House**  
Bermondsey St, SE1; £14m Flex

**Soho Square, W1**

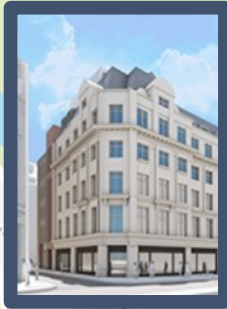
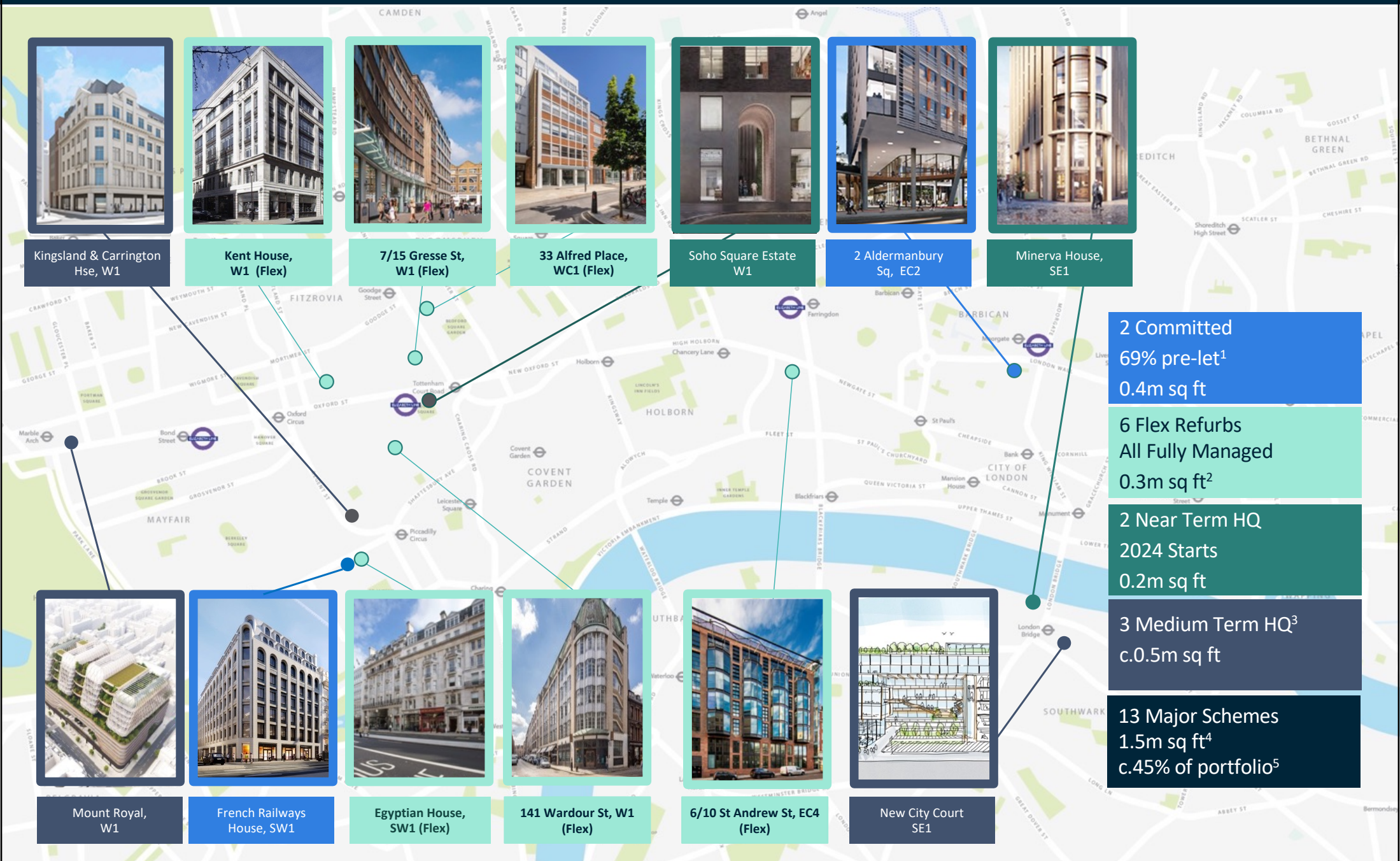
- Elizabeth Line; Soho Square & Oxford St frontage
- HQ development opportunity
- Deep demand, no supply
- £70m, £770 psf Cap Val
- Consented (c.91k sq ft); improve and add area

**£123m; Core, Prime HQ & Flex, accretive IRRs**

1. GPE. 2. Including GPE purchase

# Significant Capex Programme

Timed to deliver into economic recovery and deep supply shortage



Kingsland & Carrington Hse, W1



Kent House, W1 (Flex)



7/15 Gresse St, W1 (Flex)



33 Alfred Place, WC1 (Flex)



Soho Square Estate W1



2 Aldermanbury Sq, EC2



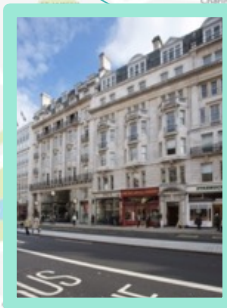
Minerva House, SE1



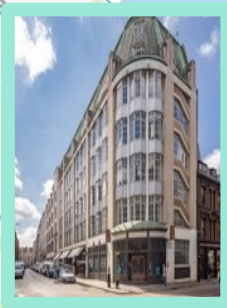
Mount Royal, W1



French Railways House, SW1



Egyptian House, SW1 (Flex)



141 Wardour St, W1 (Flex)



6/10 St Andrew St, EC4 (Flex)



New City Court SE1

2 Committed  
69% pre-let<sup>1</sup>  
0.4m sq ft

6 Flex Refurbs  
All Fully Managed  
0.3m sq ft<sup>2</sup>

2 Near Term HQ  
2024 Starts  
0.2m sq ft

3 Medium Term HQ<sup>3</sup>  
c.0.5m sq ft

13 Major Schemes  
1.5m sq ft<sup>4</sup>  
c.45% of portfolio<sup>5</sup>

1. 2 Aldermanbury Sq Offices 2. sq ft includes other floor by floor Flex refurbishments 3. Existing area used where insufficient design information exists 4. Includes other Flex refurb 5. By area

# Significant HQ Development Programme

All Prime; exemplary sustainability; strong pre-let potential

**2 Aldermanbury Square, EC2** Committed

CBRE Cap Rate	5.00%
Profit on Cost <sup>1</sup>	-12.4%
Profit to come <sup>2</sup>	£28.3m/8.5%
Development yield <sup>3</sup>	5.5%
Ung geared IRR <sup>4</sup>	-1.7%

322,600 sq ft; +83%  
100% pre-let; 1,500t of steel for re-use  
On budget and on time to finish Q1 '26

**French Railways House, SW1** Committed

CBRE Cap Rate	4.50%
Profit on Cost <sup>1</sup>	24.9%
Profit to come <sup>2</sup>	£38.9m
Development yield <sup>3</sup>	6.5%
Ung geared IRR <sup>4</sup>	15.8%

67,600 sq ft; +23%  
Consented; using steel from City Place Hse  
Start on site Q1 '24

**Minerva House, SE1** Near Term

143,100 sq ft; +56%  
Consented  
Expected start Q1 '24

**Soho Square Estate, W1** Near Term

91,000 sq ft; +62%  
West End square, Elizabeth Line  
Improve permission; anticipated start Q1 '25

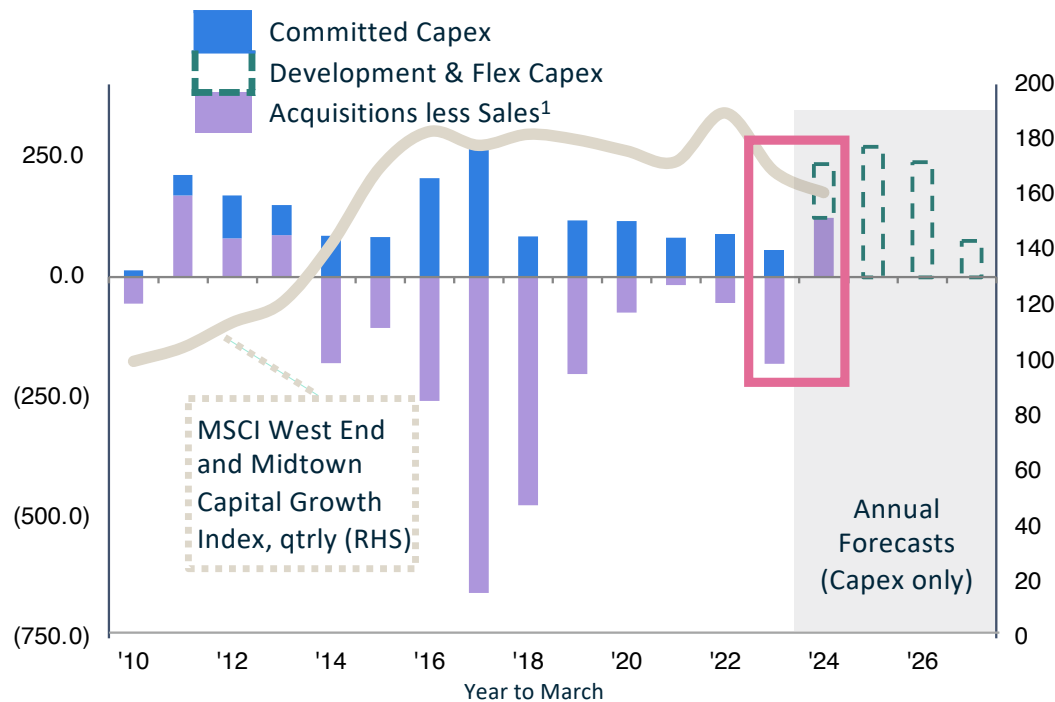
**All four; best in class; 0.6m sq ft (+65%); £60m ERV (+164%)**

1. Whole project profit/loss from commitment to stabilisation 2. Expected profit/loss to come post Sept-23, net of any profit/loss already recognised since commitment  
3. Net rental income as a % of total development costs (inc. finance, exc. rent free) 4. Whole project ung geared IRR from commitment to stabilization

# Where Next For Capital Activity?

Take advantage of re-emerging cycle

## Capital Activity (£m)



## Progress Capex Programme

- HQ & Flex in core locations – well timed into supply shortage
- Healthy demand; rents to rise

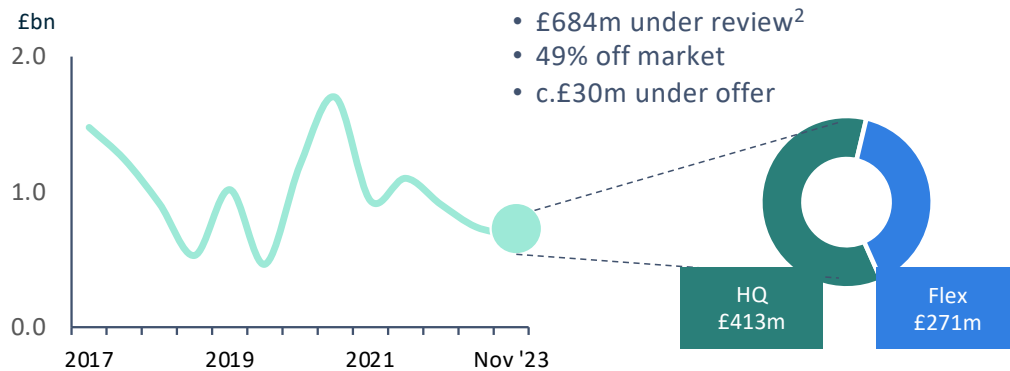
## Grow Flex

- Existing c.434k sq ft
- Grow to 1 million sq ft; organic growth and acquisitions
- Built operating capability
- Growth market; strong demand; rents rising

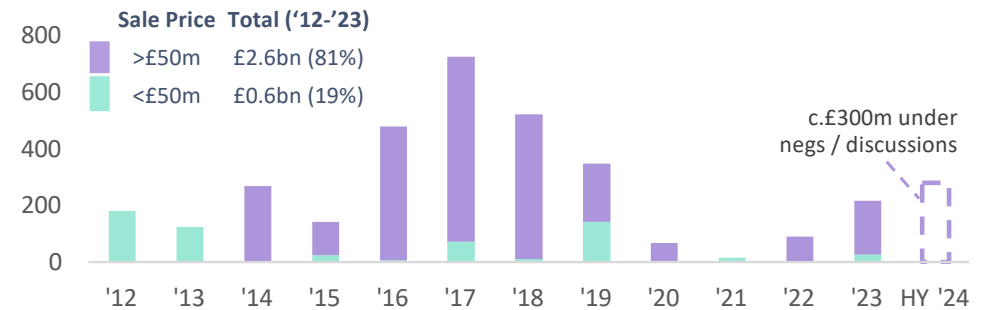
## Recycle Capital

- Buy value-add opportunities; value emerging;
  - c.£700m under review
- Selling; c.£300m in negotiation/early discussions
  - Crystallising value on completed plans; typically HQ
  - Feeding strongest part of market

## Acquisitions under Review



## Sales; £3.2bn since 2012



**Clear operating direction; taking advantage of cycle**  
**Maintaining our capital allocation discipline**

1. Only includes exchanged or completed sales. 2. As at Nov 2023

## Clear strategy

- Focus on central London only; deep knowledge
- Built on meeting customers' changing needs
- HQ & Flex; great potential
- Differentiated: customers & sustainability at heart of every decision

## Increasingly interesting market

- Short-term macro impacts; adjusting to higher rates
- Cycle back; opportunities coming; bifurcation best v rest
- Medium term; positive
- 5 yr. employment indicator; supportive
- Demand for HQ Prime & Flex; strong
- Serious supply shortage of Grade A; rents rising
- Investor demand; robust for prime

## Belief in London's long-term prospects

- Absolutely & relatively
- World's most attractive mixed-use location
- Magnet; new industries & talent; workers returned
- Elizabeth Line's a game-changer; GPE: 93% near station

## Portfolio opportunities

- HQ; the very best, off low valuations
- Flex spaces; customers love it; grow to +1m sq ft
- Organic income growth +90%
- Acquisitions: well-priced opportunities emerging
- Strong balance sheet
- Continued recycling discipline

## Powerful, collaborative culture; experienced team

- Team expertise; traded through multiple cycles

**GPE in great shape; positive prospects for long term**

Q&A:  
[ir@gpe.co.uk](mailto:ir@gpe.co.uk)

Toby Courtauld, Chief Executive  
Nick Sanderson, Chief Financial & Operating Officer  
Dan Nicholson, Executive Director  
Janine Cole, Sustainability & Social Impact Director  
Simon Rowley, Director of Flex Workspaces  
Marc Wilder, Leasing Director  
Andrew White, Development Director





This presentation contains 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.

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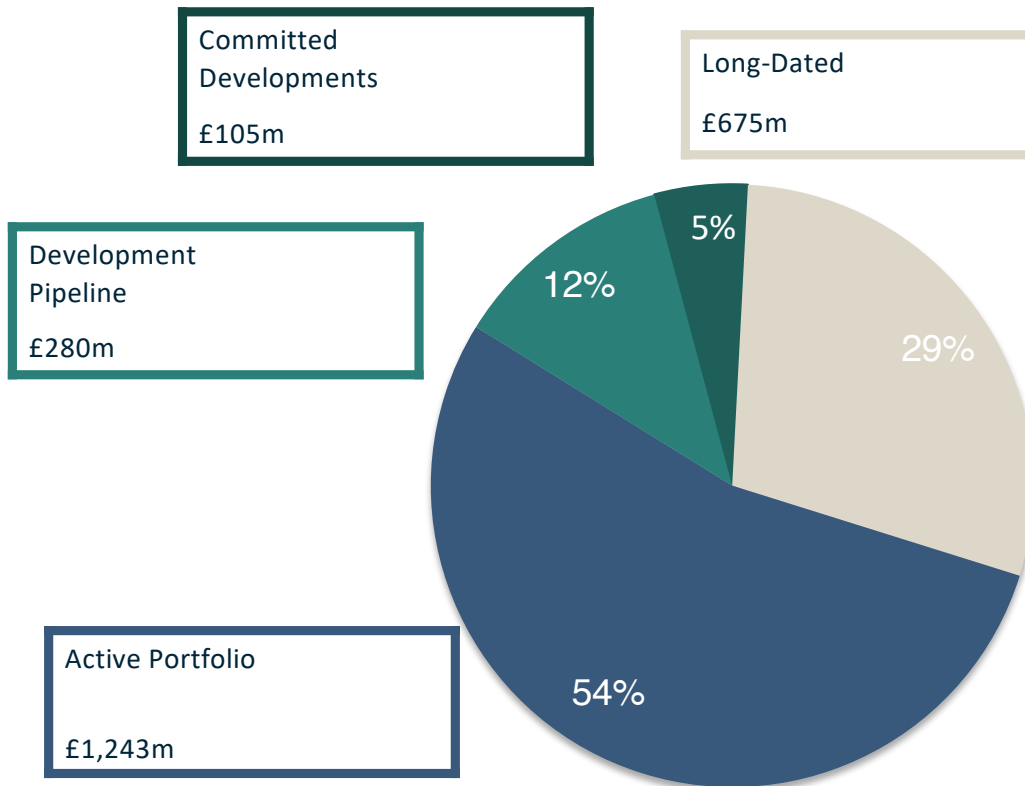
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# Appendix: Portfolio and Valuation

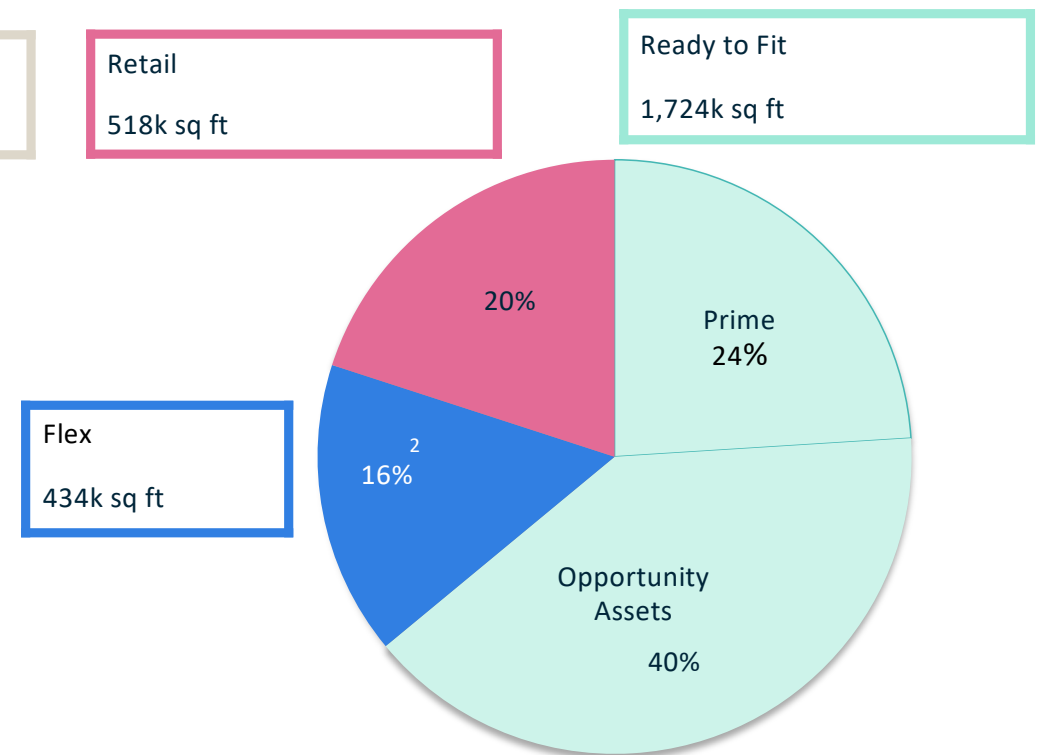
# Our Portfolio<sup>1</sup>

Significant potential to add value

## Portfolio by Asset Class by Value



## Portfolio by Product by Area

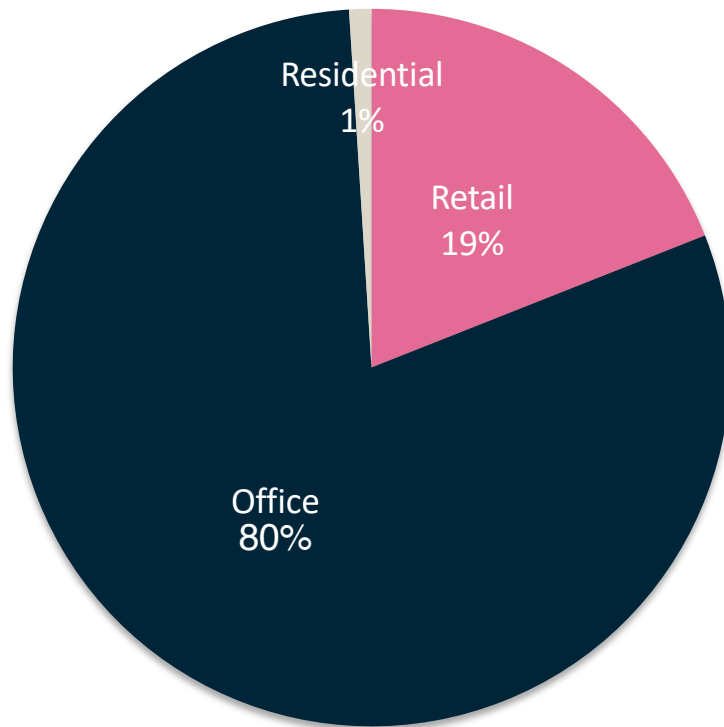


1. At 30 Sept. 2. % of total portfolio

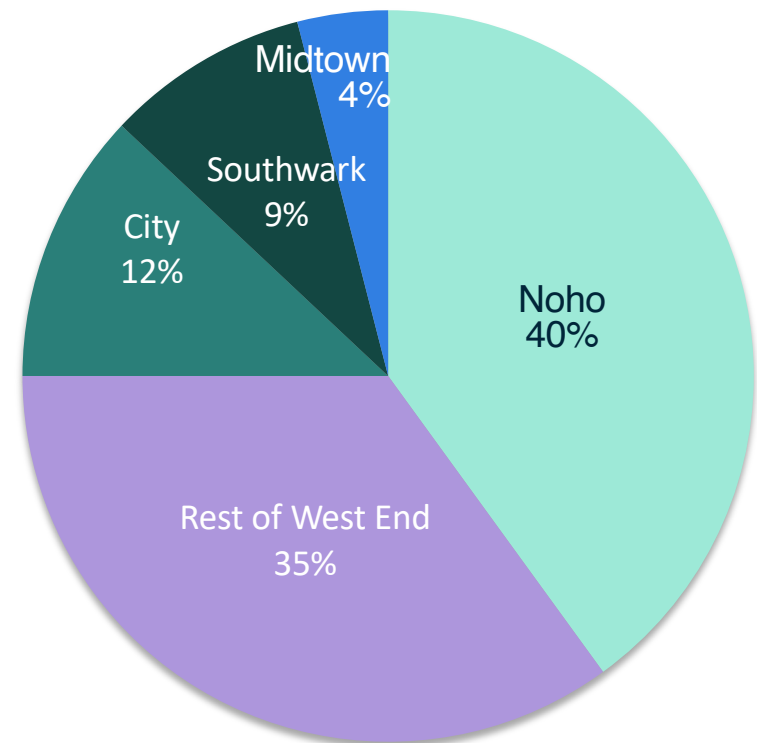
# GPE Portfolio Mix<sup>1</sup>

At 30 September 2023

By Type (by value)



By Location (by value)



1. Includes share of Joint Ventures

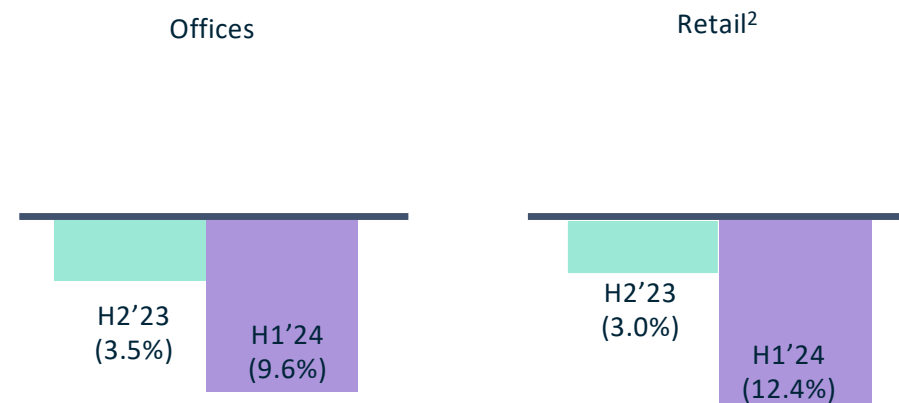
# The Valuation

Including share of Joint Ventures

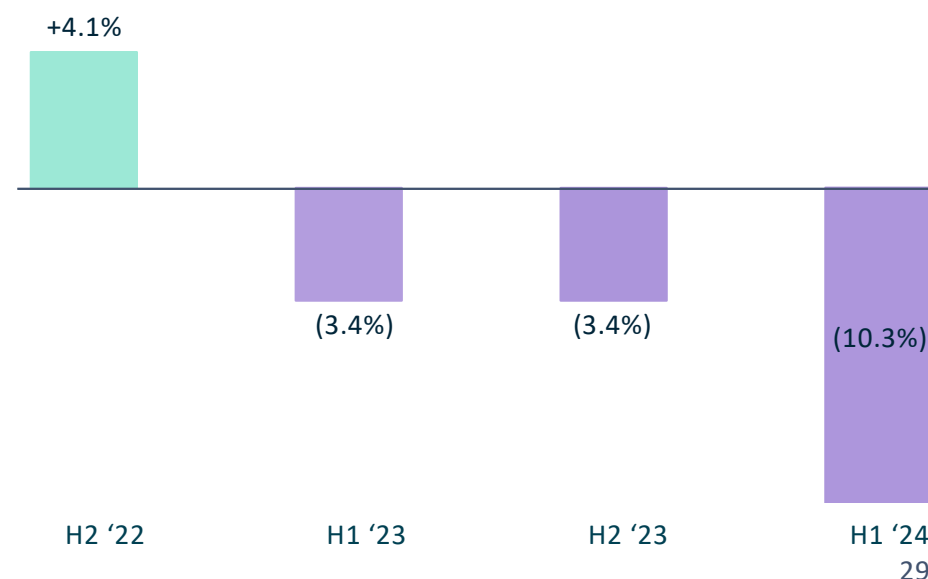


To 30 Sep '23	£m	Movement %	
		6 months	12 months
North of Oxford St	886.9	(8.0%)	(10.1%)
Rest of West End	698.7	(4.1%)	(7.9%)
<b>Total West End</b>	<b>1,585.6</b>	<b>(6.3%)</b>	<b>(9.2%)</b>
Total City, Midtown & Southwark	491.1	(15.6%)	(18.8%)
<b>Investment Portfolio</b>	<b>2,076.7</b>	<b>(8.7%)</b>	<b>(11.6%)</b>
<b>Development properties</b>	<b>104.7</b>	<b>(33.0%)</b>	<b>(36.7%)</b>
<b>Properties held throughout period</b>	<b>2,181.4</b>	<b>(10.3%)</b>	<b>(13.3%)</b>
Acquisitions	121.3	(5.9%)	(5.9%)
<b>Total Portfolio</b>	<b>2,302.7</b>	<b>(10.1%)</b>	<b>(12.9%)</b>

## Office vs Retail<sup>1</sup>



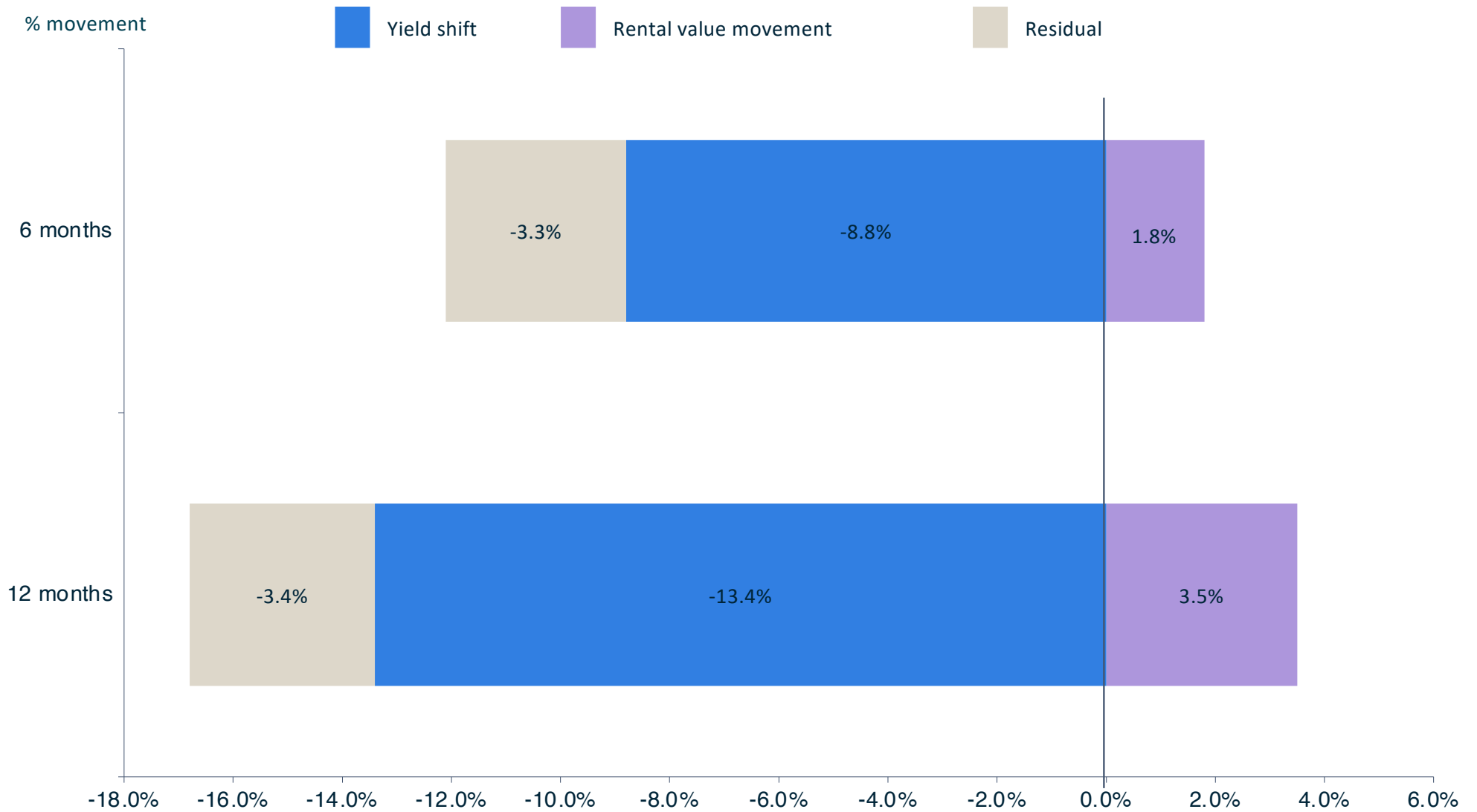
## Biannual Valuation Movement, Total Portfolio<sup>1</sup>



1. Like-for-like net movement 2. 19% of portfolio by value

# The Valuation<sup>1</sup>

## Drivers of valuation movement



1. Including share of Joint Ventures

# The Valuation

Including share of Joint Ventures



	Initial Yield	Equivalent Yield		
		%	Basis point +/-	
			6 month	12 month
North of Oxford Street				
Offices	3.9%	5.0%	22	50
Retail	2.6%	5.2%	52	60
Rest of West End				
Offices	2.8%	5.1%	41	73
Retail	3.6%	4.8%	67	79
Total West End	3.4%	5.1%	39	62
City, Midtown and Southwark	4.6%	5.7%	64	90
Total Portfolio <sup>1</sup>	3.6%	5.2%	43	68
	(4.2% inc rent free)	(6.2% Reversionary Yield)		

## Fully Managed spaces - valued on a split yield approach:

- Property yield applied to the fitted rent
- 8.5% yield applied to profit on the services income for let space

1. Excludes developments

# The Valuation

Including share of Joint Ventures



	Value £m	6 months to		12 months %
		Sep'23 £m	Change %	
North of Oxford St	886.9	(77.3)	(8.0%)	(10.1%)
Rest of West End	698.7	(30.2)	(4.1%)	(7.9%)
Total West End	1,585.6	(107.5)	(6.3%)	(9.2%)
City, Midtown and Southwark	491.1	(91.0)	(15.6%)	(18.8%)
Investment portfolio	2,076.7	(198.5)	(8.7%)	(11.6%)
Development properties	104.7	(51.6)	(33.0%)	(36.7%)
Properties held throughout the period	2,181.4	(250.1)	(10.3%)	(13.3%)
Acquisitions	121.3	(7.6)	(5.9%)	(5.9%)
Total portfolio	2,302.7	(257.7)	(10.1%)	(12.9%)



# The Valuation

Wholly Owned

GPE.

	Value £m	6 months to		12 months %
		Sep '23 £m	Change %	
North of Oxford St	850.1	(72.5)	(7.9%)	(9.9%)
Rest of West End	350.8	(18.3)	(4.9%)	(9.7%)
Total West End	1,200.9	(90.8)	(7.0%)	(9.8%)
City, Midtown and Southwark	392.2	(64.7)	(14.2%)	(16.8%)
Investment portfolio	1,593.1	(155.5)	(8.9%)	(11.6%)
Development properties	104.7	(51.6)	(33.0%)	(36.7%)
Properties held throughout the period	1,697.8	(207.1)	(10.9%)	(13.7%)
Acquisitions	121.3	(7.6)	(5.9%)	(5.9%)
Total portfolio	1,819.1	(214.7)	(10.6%)	(13.3%)

# The Valuation

## Joint Ventures (100%)



	Value £m	6 months to		12 months %
		Sep'23 £m	Change %	
North of Oxford St	73.6	(9.7)	(11.6%)	(15.3%)
Rest of West End	695.8	(23.9)	(3.3%)	(6.1%)
Total West End	769.4	(33.6)	(4.2%)	(7.0%)
City, Midtown and Southwark	197.8	(52.5)	(21.0%)	(26.0%)
Investment portfolio	967.2	(86.1)	(8.2%)	(11.7%)
Development properties	-	-	-	-
Properties held throughout the period	967.2	(86.1)	(8.2%)	(11.7%)
Acquisitions	-	-	-	-
Total portfolio	967.2	(86.1)	(8.2%)	(11.7%)

# The Valuation<sup>1</sup>

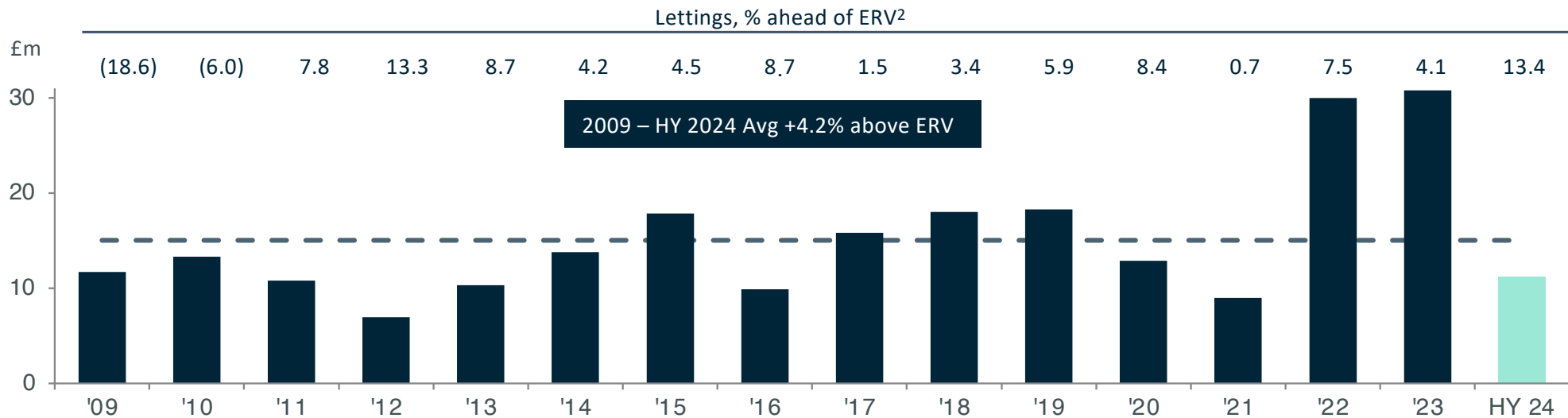
## ERV and Reversionary potential



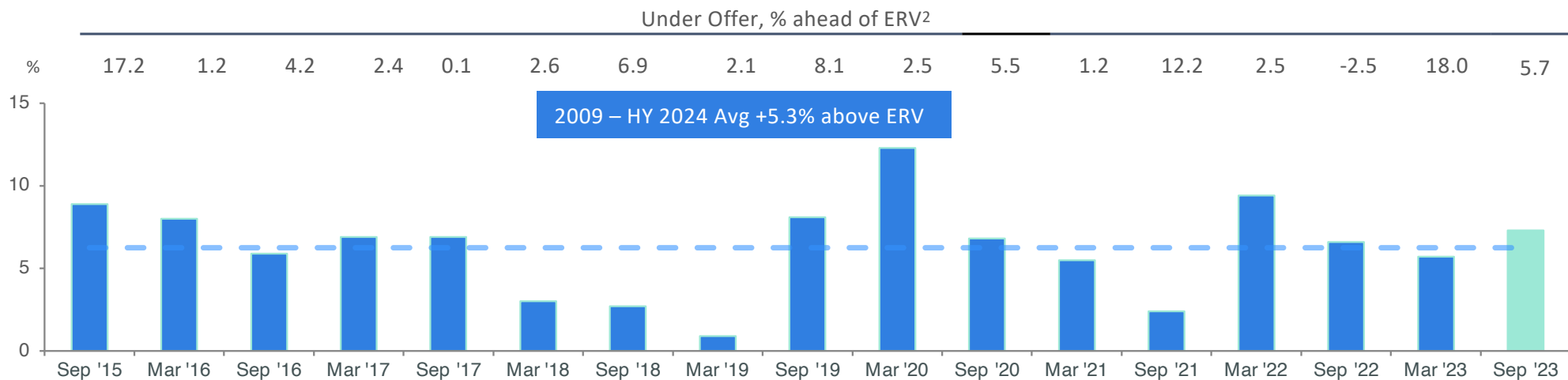
To 30 Sep'23	Movement in ERV			Average Office Rent Passing  £ per sq ft	Average Office ERV  £ per sq ft	Reversionary Potential  %
	6 months		12 months %			
	%	£m				
North of Oxford St						
Offices	2.9%	1.1	5.2%	78.05	96.80	15.1%
Retail	1.4%	0.2	(0.6%)			7.6%
Rest of West End						
Offices	3.9%	1.2	5.3%	94.00	107.75	16.3%
Retail	1.2%	0.2	0.3%			24.4%
<b>Total West End</b>	<b>2.8%</b>	<b>2.7</b>	<b>3.8%</b>	<b>84.20</b>	<b>101.35</b>	<b>12.9%</b>
<b>City, Midtown &amp; Southwark</b>						
Offices	0.5%	0.3	2.9%	52.90	72.60	20.7%
Retail	(0.3%)	-	(0.3%)			
<b>Total City, Midtown &amp; Southwark</b>	<b>0.4%</b>	<b>0.3</b>	<b>2.7%</b>			<b>15.2%</b>
<b>Total Let Portfolio</b>	<b>1.8%</b>	<b>3.0</b>	<b>3.5%</b>	<b>71.80</b>	<b>85.80</b>	<b>13.5%</b>

1. Including share of Joint Ventures

## GPE: Investment Portfolio Lettings<sup>1</sup>



## GPE: Space Under Offer<sup>3</sup>

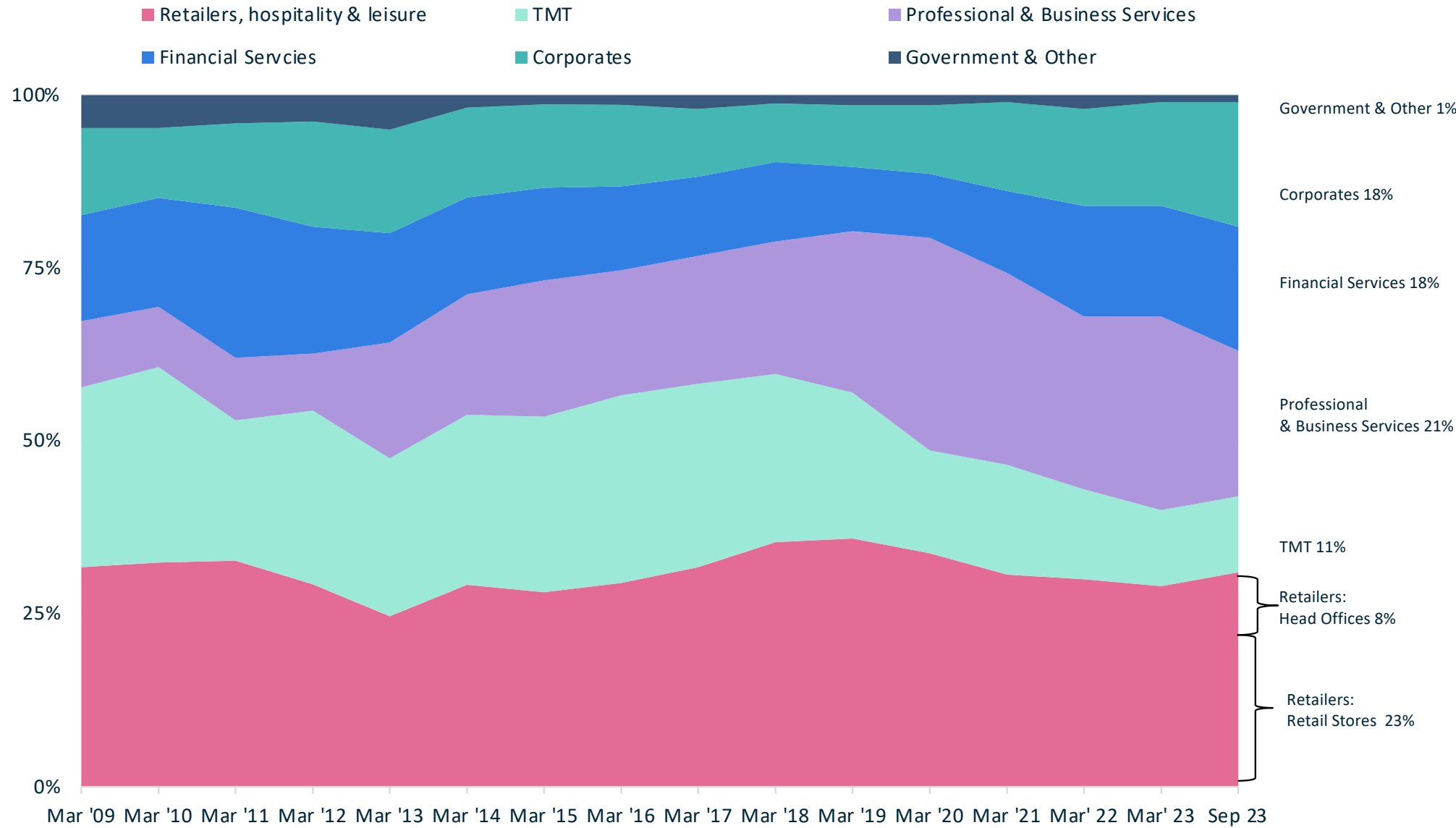


1. 100%, inc development lettings, excludes pre-lets; avg. per year for period Mar '09 – Mar '23

2. % ahead of March ERVs excluding short-term lets ahead of development 3. As at reporting date; avg for Sept '15 – Sep '23.

# GPE Customers<sup>1</sup>

By Sector



1. Includes share of Joint Ventures

# Top Customers<sup>1</sup>

30 September 2023



Customer	Sector	£m
Kohlberg Kravis Roberts	Financial Services	4.4
Runway East	Professional & Business Services	3.2
Glencore	Corporate	3.1
Exane	Financial Services	2.8
New Look <sup>2</sup>	Retailers & Leisure	2.7
Richemont <sup>2</sup>	Retailers & Leisure	2.7
Fashion Retail Academy <sup>2</sup>	Retailers & Leisure	2.5
Uniqlo	Retailers & Leisure	2.4
RBH Group	Retailers & Leisure	2.3
Carlton Communications	TMT	2.2
Covalt Management Services	Professional & Business Services	1.9
LPP Reserved Limited	Retailers & Leisure	1.6
Independent Television News	TMT	1.5
Ahli United Bank (UK)	Financial Services	1.4
Brown-Forman Beverages	Corporate	1.4
Two Sigma International Limited	Professional & Business Services	1.4
AKO Capital Management Limited	Financial Services	1.3
Heineken	Corporate	1.3
Marlin Equity Partners Limited	Financial Services	1.3
Scape UK Management Limited	Corporate	1.3
Total		42.6

Top 10  
25.5%

Top 20  
38.4%

1. Contracted rent, including share of Joint Ventures

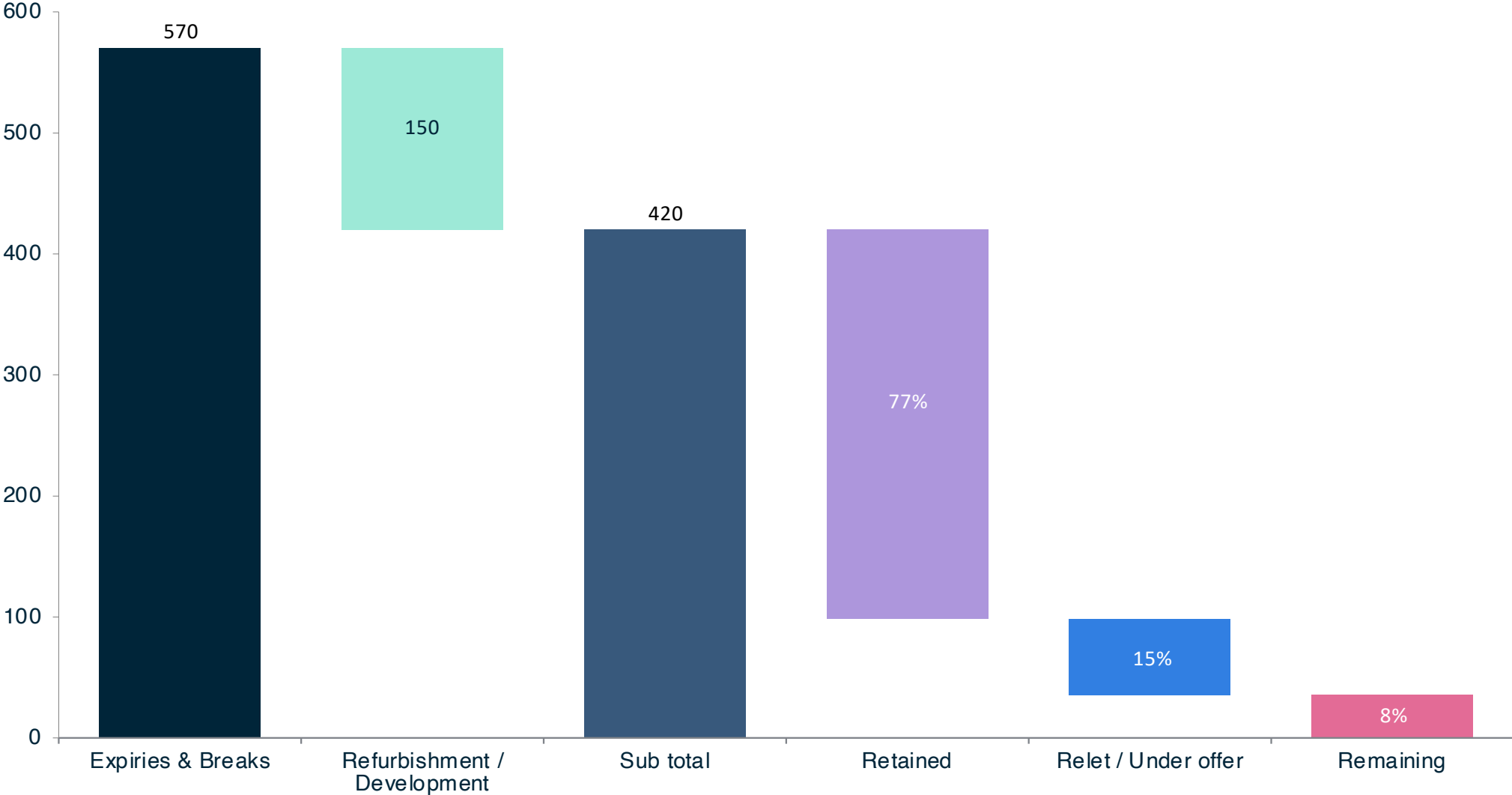
2. Office occupiers

# Portfolio Management

Customer Retention, 12 months to September 2023<sup>1</sup>



Area (000 sq ft)



1. Joint Ventures at 100%

# Portfolio Management

## Movement in Reversions<sup>1</sup>



	6 months to	
	30 Sep 2023	31 March 2023
At beginning of period	£9.9m	£7.3m
Portfolio activity <sup>2</sup>	£0.2m	£1.6m
Reversion capture	(£0.3m)	(£0.2m)
Acquisitions and disposals	£3.9m	-
ERV movement	£1.2m	£1.2m
At end of period	£14.9m	£9.9m

1. Based on let portfolio; includes share of Joint Ventures

2. Includes lease expiries, breaks, new lettings and amounts transferred to the development portfolio



# Portfolio Management

## Expiry Profile<sup>1</sup>



### % by total rental income subject to lease expiry or break



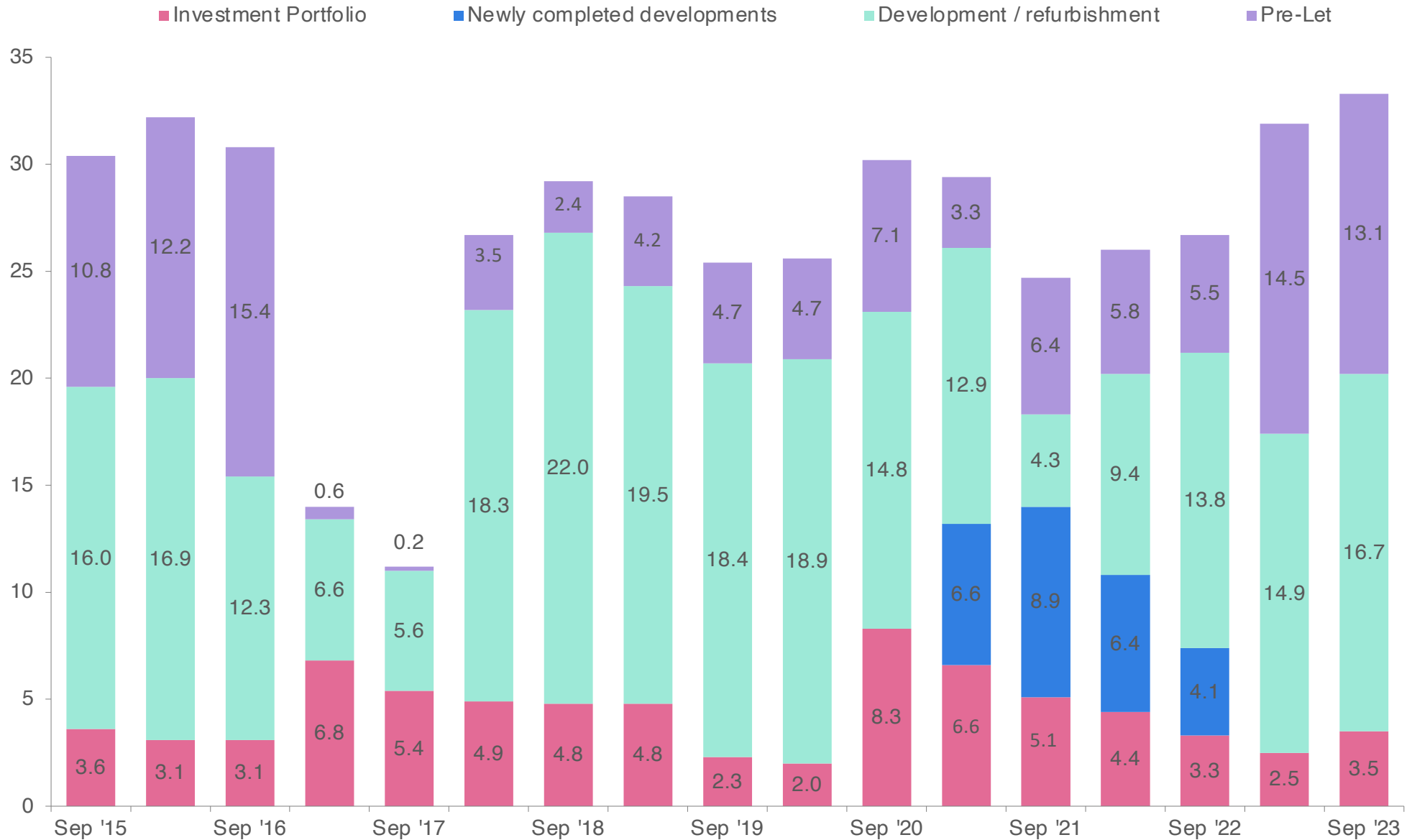
1. Includes share of Joint Ventures

# Portfolio Management

Void Rate, % by Rental Value<sup>1</sup>



% by rental value as at 30 September 2023



1. Includes share of Joint Ventures



## Appendix: Financials



# Balance Sheet

Proportionally consolidated for Joint Ventures



£m	Group	JVs	Total	Mar '23
Investment property	1,819.1	483.6	2,302.7	2,380.0
Other assets	38.8	2.8	41.6	45.0
Net debt at book value	(661.2)	25.3	(635.9)	(437.6)
Other liabilities	(50.0)	(11.3)	(61.3)	(68.8)
Net assets and EPRA NTA	1,146.7	500.4	1,647.1	1,918.6
Fair value of financial liabilities	76.4	-	76.4	83.4
EPRA NDV	1,223.1	500.4	1,723.5	2,002.0
EPRA NTA per share (diluted)	452p	198p	650p	757p
EPRA NDV per share (diluted)	483p	198p	681p	790p

# Income Statement

Proportionally consolidated for Joint Ventures



£m	Group	JVs	Total	Sep '22
Rental income	35.0	10.0	45.0	42.1
Fees from joint ventures	0.6	-	0.6	1.5
Property and administration costs	(25.3)	(1.1)	(26.4)	(27.2)
Development management contracts profit	-	-	-	0.1
Trading property revenue	-	-	-	0.2
Finance costs	(4.4)	(3.0)	(7.4)	(5.1)
Profit before revaluation of investment property	5.9	5.9	11.8	11.6
Revaluation of investment property	(219.7)	(45.5)	(265.2)	(98.3)
Reported loss before tax	(213.8)	(39.6)	(253.4)	(86.7)
Tax	-	-	-	0.1
Reported loss after tax	(213.8)	(39.6)	(253.4)	(86.6)
EPRA Earnings				
Profit before revaluation of investment property	5.9	5.9	11.8	11.6
Less: trading property revenue	-	-	-	(0.2)
EPRA Earnings	5.9	5.9	11.8	11.4
<b>EPRA EPS</b>	<b>2.4p</b>	<b>2.3p</b>	<b>4.7p</b>	<b>4.5p</b>

# Income Statement

EBITDA proportionally consolidated for Joint Ventures



£m	Group	JVs	Total	Sep'22
Rental income	35.0	10.0	45.0	42.1
Fees from joint ventures	0.6	-	0.6	1.5
Property and administration costs	(25.3)	(1.1)	(26.4)	(27.2)
Development management contracts profit	-	-	-	0.1
Trading property revenue	-	-	-	0.2
Depreciation	0.9	-	0.9	0.9
<b>EBITDA</b>	<b>11.2</b>	<b>8.9</b>	<b>20.1</b>	<b>17.6</b>
Group interest payable	7.3	-	7.3	5.0
Less: headlease interest	(1.2)	-	(1.2)	(1.2)
Interest net of capitalised interest	6.1	-	6.1	3.8
Capitalised interest	4.3	-	4.3	4.6
Interest excluding benefit of capitalised interest	10.4	-	10.4	8.4
<b>Proportionally consolidated interest cover (ICR)</b>				
Net of capitalised interest			3.3x	4.5x
Excluding the benefit of capitalised interest			1.9x	2.1x

# EPRA Performance Measures

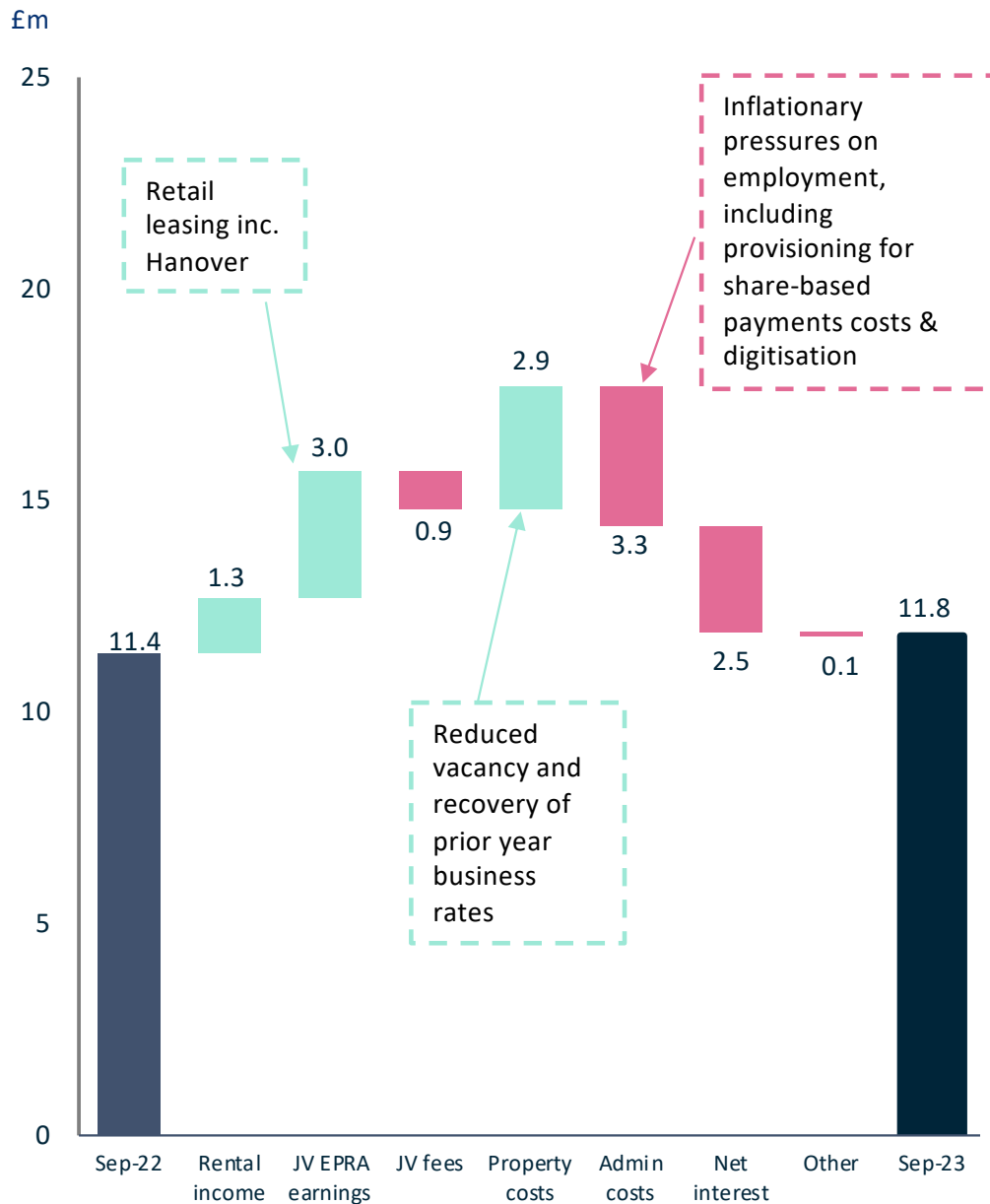


Measure	Sep '23	Mar '23
EPRA Net Tangible Assets	£1,647.1m	£1,918.6m
EPRA NTA per share	650p	757p
EPRA NDV	£1,723.5m	£2,002.0m
EPRA NDV per share	681p	790p
EPRA NRV	£1,815.1m	£2,092.2m
EPRA NRV per share	716p	826p
EPRA LTV	28.9%	19.8%
	Sep '23	Sep '22
EPRA earnings	£11.8m	£11.4m
Diluted EPRA EPS	4.7p	4.5p
EPRA costs (by portfolio value)	2.2%	2.0%

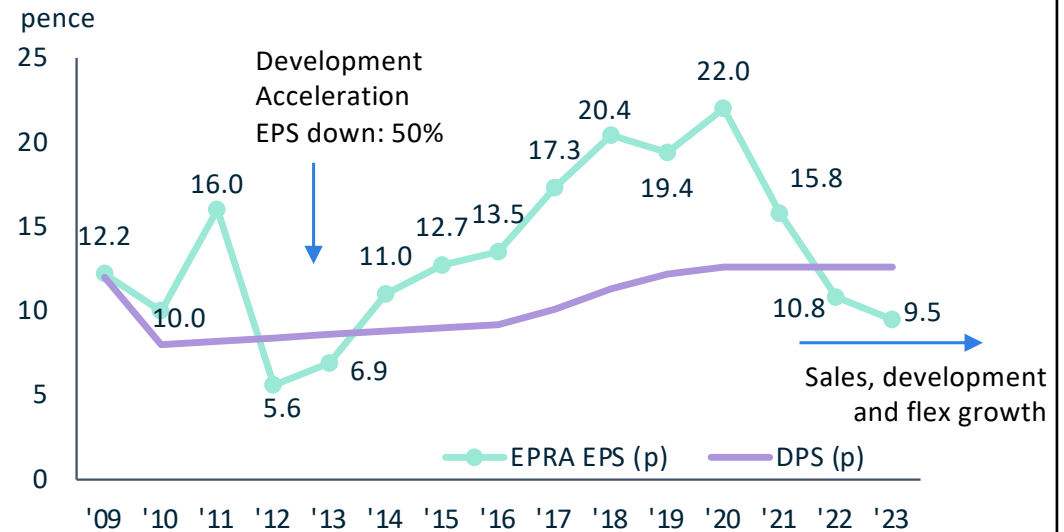
# Earnings and Dividends



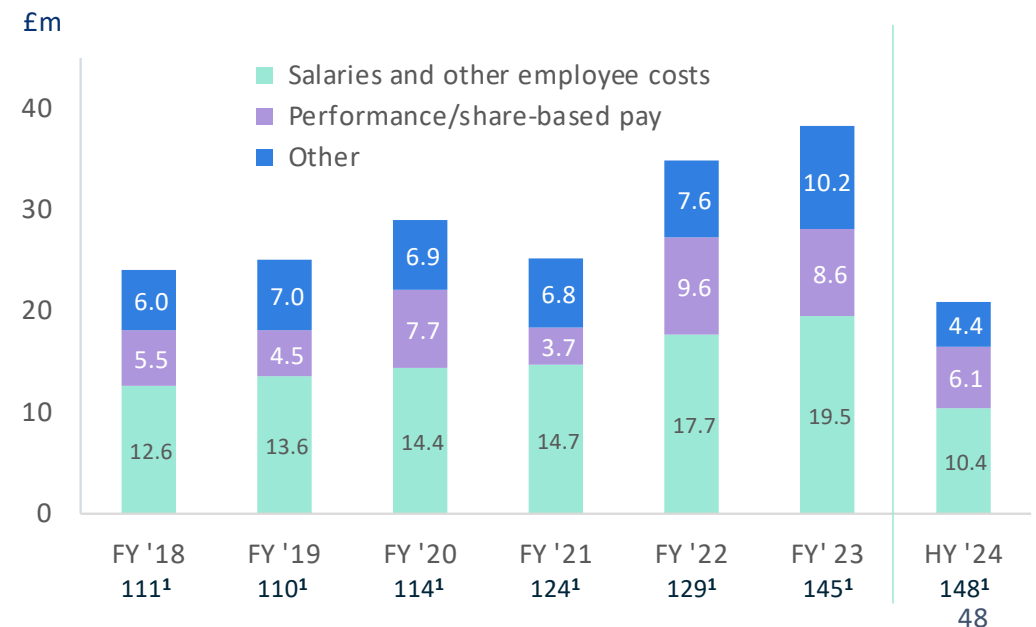
## EPRA Earnings



## Annual EPRA Earnings and Dividend History



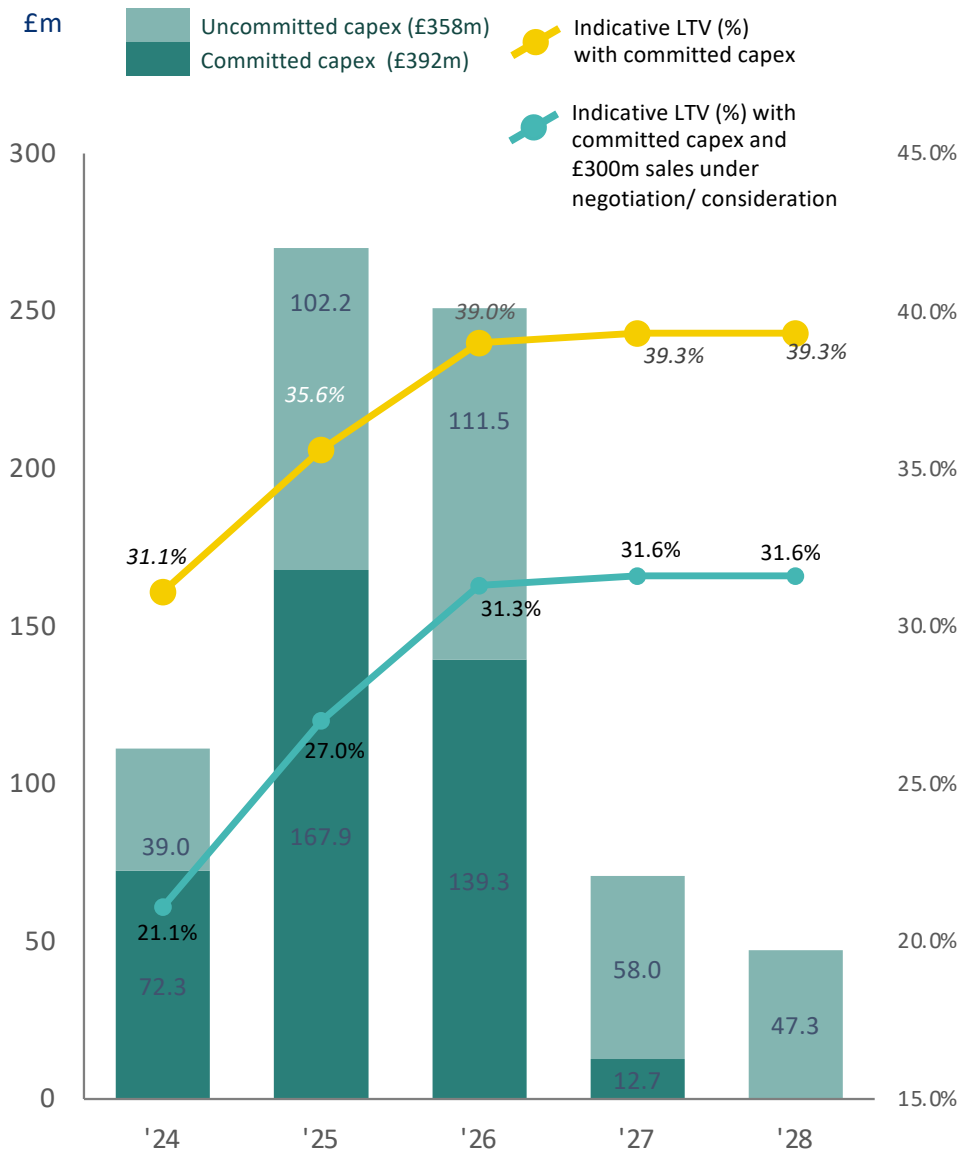
## Administration Costs



1. No. of Employees

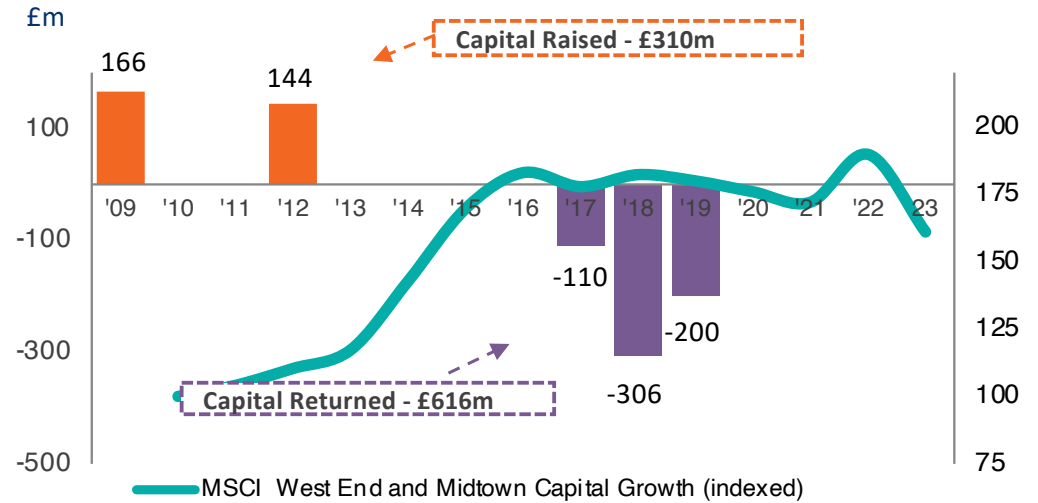


## Pro Forma LTV (before value creation)

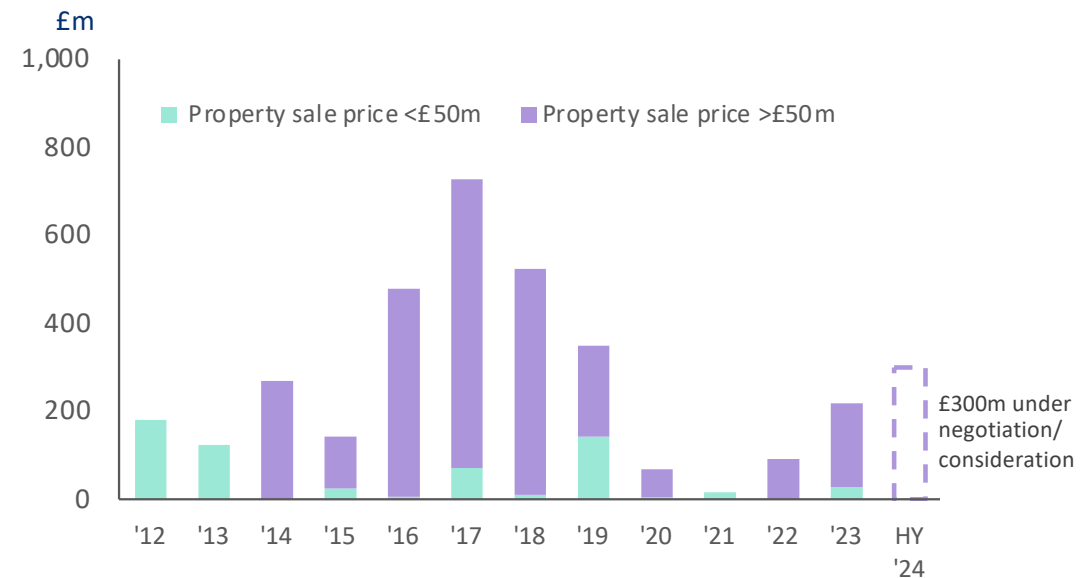


1. Calendar years

## Disciplined Equity Capital Management<sup>1</sup>



## Disciplined Capital Recycling



# Robust Debt Metrics

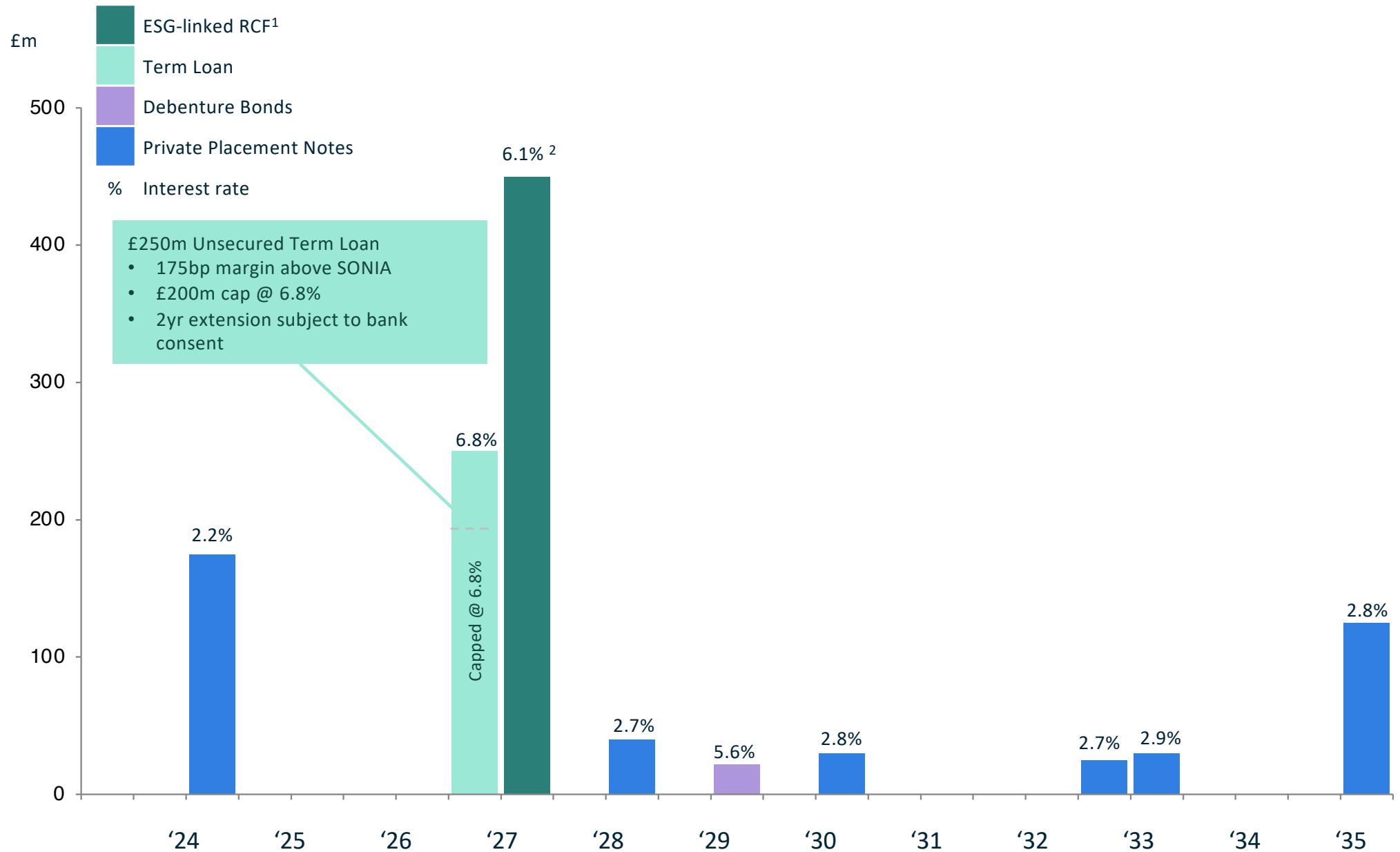
## Low-cost debt book



		Sep '23	March '23
Net debt excluding JVs (book value £m)		663.3	457.7
Gearing (net debt/net equity)		40.5%	24.0%
Total net debt including 50% JV cash balances (£m)		638.0	440.0
EPRA loan-to-property value		28.9%	19.8%
	Today	Sep '23	March '23
Interest cover ratio as per bank covenants	n/a	6.2x <sup>4</sup>	10.2x
Weighted average cost of debt <sup>1</sup>	n/a	3.7%	3.0%
Net debt to EBITDA <sup>2</sup>	n/a	16x	11.7x
Weighted average interest rate <sup>3</sup>	4.2%	3.8%	2.7%
Weighted average interest rate (Fully Drawn) <sup>3</sup>	4.9%	4.4%	3.9%
% of debt fixed / hedged	93%	67%	97%
Cash & undrawn facilities (£m)	508	258	457

1. For the period (including costs) 2. Calculated with both proportionally consolidated net debt and EBITDA 3. As at balance sheet date (excluding costs) 4. 2.3x excluding the benefit of capitalised interest

# Attractive Liquidity Profile

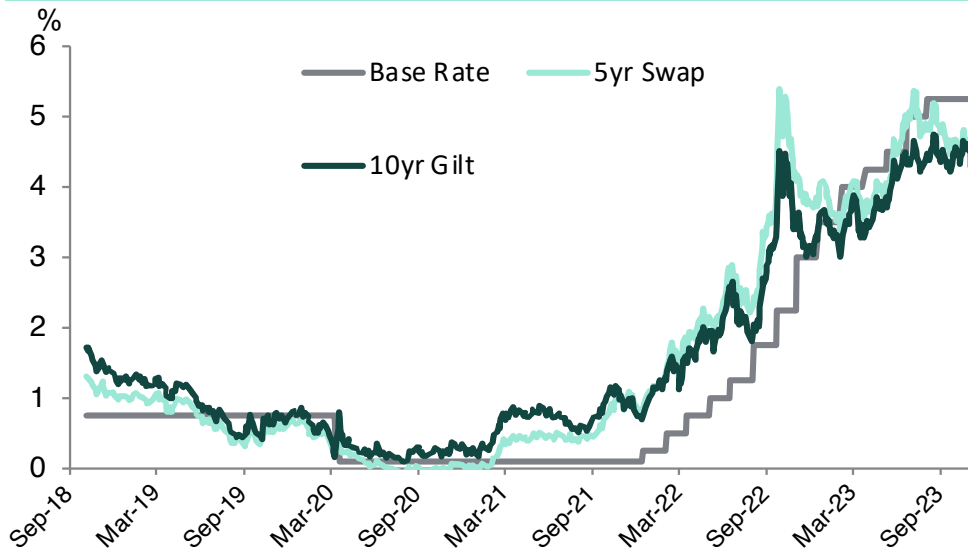


1. Revolving credit facility 2. As at 30 September

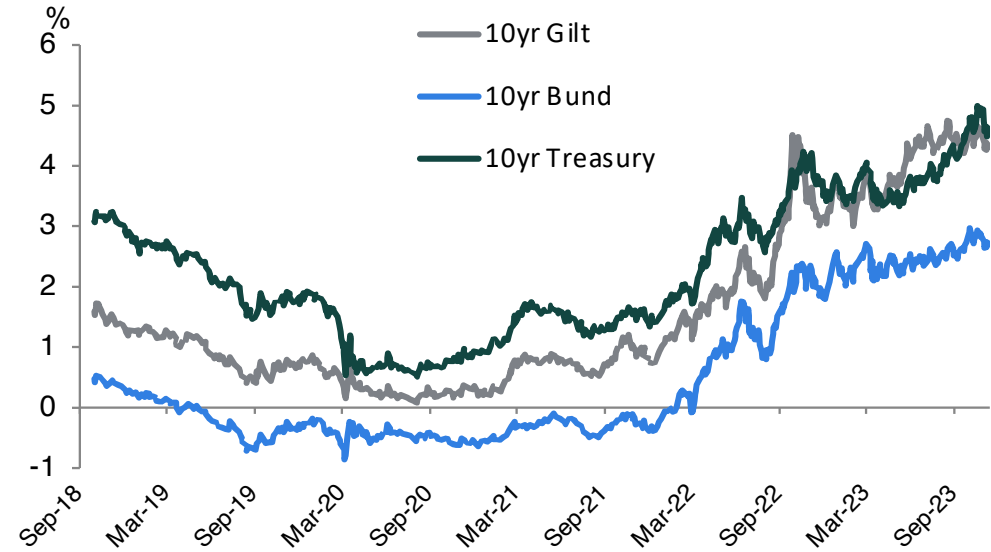
# Debt Pricing Update

Bond markets and interest rates

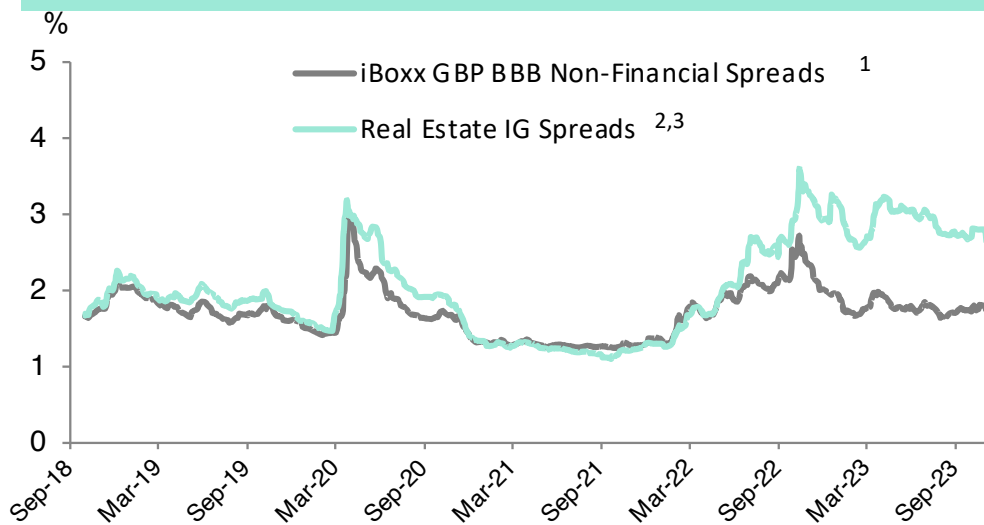
## UK Interest Rates<sup>1</sup>



## Government Bond Yields<sup>1</sup>



## Bond Spreads



## GBP BBB Bonds (ex Financials) Yields<sup>1</sup>

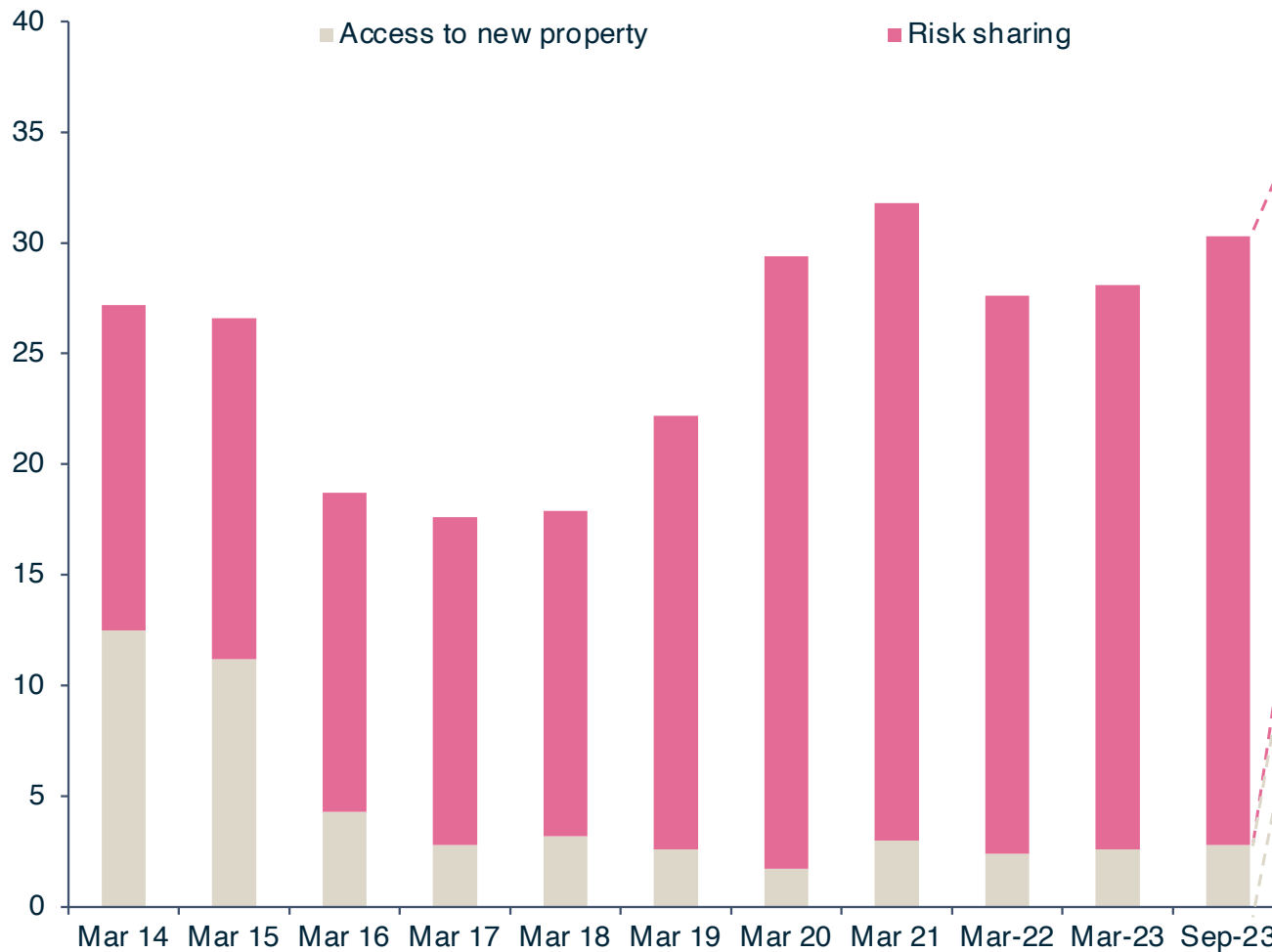


1. NatWest 2. JP Morgan 3. Basket of senior unsecured IG GBP Real Estate Bonds

# Joint Venture Business

## Contribution to Group

### % of net assets held in JV



### Net assets held in JV<sup>1</sup>

	£132.2m
	£322.2m
	£46.0m
<b>Total</b>	<b>£500.4m</b>
<b>As % of Group net assets</b>	<b>30.4%</b>

### Previous joint venture partners

capco

SCOTTISH WIDOWS

Brookfield



1. Active joint ventures only



## Appendix: Flex



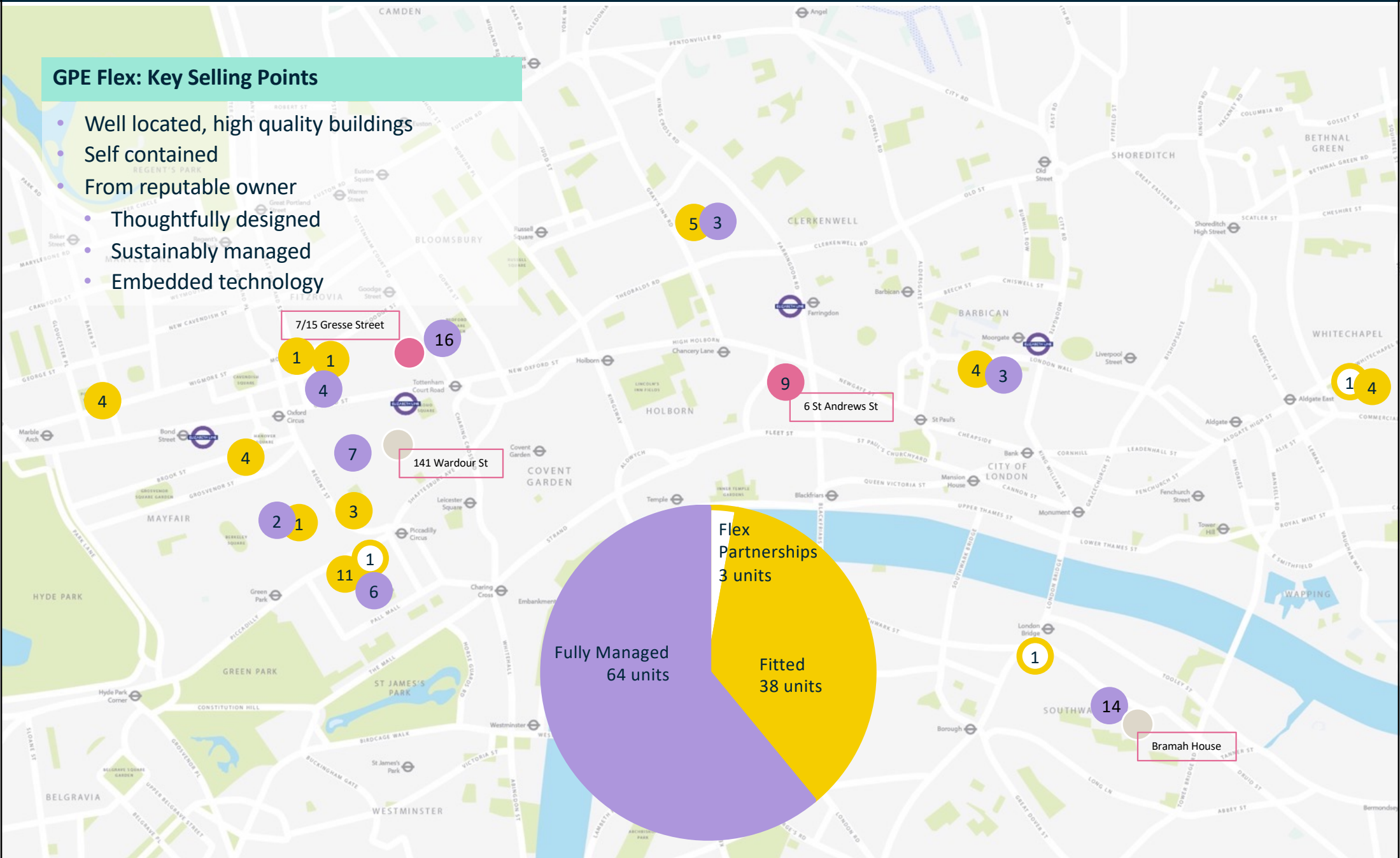
# Our Flex Portfolio

Proven in numerous buildings and locations: 434,000 sq ft; 105 units



## GPE Flex: Key Selling Points

- Well located, high quality buildings
- Self contained
- From reputable owner
- Thoughtfully designed
- Sustainably managed
- Embedded technology



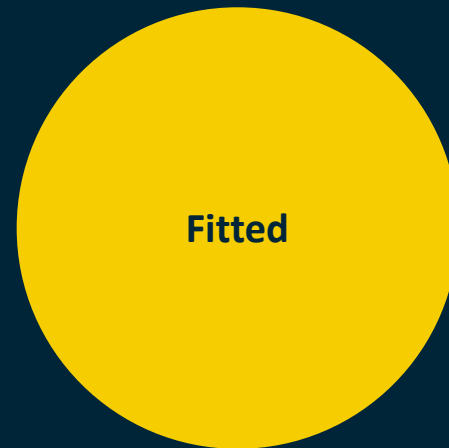
# Number of units    Flex acquisitions last 2 years    Flex acquisitions since March '23

# Three Flex Products

We understand our customers



## GPE Flex Products



**Fitted**



**Fully Managed**



**Flex Partnerships**

### What Customers Want

GPE delivered;  
by floor /building

Partnership delivered;  
by desk/room

What Customers Want	Fitted	Fully Managed	Flex Partnerships
Dedicated, fully furnished space; customised branding	✓	✓	
Flexible agreements; space to grow	✓	✓	✓
Sustainably developed; proven workplace experts / trusted	✓	✓	✓
sesame® - smart workplace app; Wi-Fi enabled; concierge service; helpdesk	✓	✓	✓
IT support		✓	✓
Community manager; food & beverage		✓	✓
Full maintenance support <sup>1</sup>		✓	✓

1. Cleaning service & maintenance; landscaping & planting; waste management



# Our Flex Offers: Fitted

Hassle-free experience; business ready

GPE.



Private floor with your own front door



Customer branded, customisable space



Desks, chairs & soft furnishings all included



Plug and play with a secure internet connection



sesame<sup>®</sup> smart building app and lifestyle concierge service



Straight forward process, simple, flexible agreements



No intermediary; deal directly with GPE



Space to grow: expand organically within 1.9 m sq ft office portfolio

No. of units<sup>1</sup> 38

Average lease term 4.33 years term certain

Average unit size 3,400 sq ft

Average rent £82 psf, +66%<sup>2</sup>

1. Including committed. 2. Net effective vs Ready to Fit, deals completed in last 12 months

# Our Flex Offers: Fully Managed

All the benefits of Fitted, plus full-service delivery by GPE; all-in-one bill

GPE.



Services include:

- community manager and concierge service
- food & beverage
- cleaning service
- maintenance inc. handyman service
- planting
- waste management
- business rates

No. of units<sup>1</sup> 64

Average lease term 2.2 years term certain

Average unit size 3,400 sq ft

Average rent £184 psf, +103%<sup>2</sup>

1. Including committed. 2. Net effective Vs Ready to Fit, deals completed in last 12 months

# Our Flex Offers: Flex Partnerships

By desk and room

GPE.

Leveraging partner infrastructure:

- High-intensity, smaller spaces / co-working
- Delivers increased amenity; enlivens building
- Incubator for future Fitted / Fully Managed customers
- Provides customers with expansion / project space

Partnership agreements:

- Revenue/profit share; upside potential
- Utilised ahead of redevelopment to maximise cashflow
- First long-term partnership at The Hickman (20,500 sq ft)



# Growing With Our Flex Customers

Our journey with Synthesia Limited so far...

## 16 Dufour's Place, W1

- Synthesia is an AI Video generator company founded in 2017
- From Albert House (The Office Group) August 2021: 1,595 sq ft
- 2-year term, Fully Managed

## Kent House, W1

- Dec 21: Series B fund raised
- July 22: new lease 3,547 sq ft
- 3-year term, Fully Managed

## Kent House, W1

- June 23: Series C fund raised
- Exchanged September 2023: additional 3,906 sq ft (total: 7,453 sq ft)
- 2-year term, Fully Managed

Date	Area taken
Aug-21	1,595 sq ft
Jul-22	3,547 sq ft
Sep-23	7,453 sq ft

# Our Flex Performance

How we measure performance

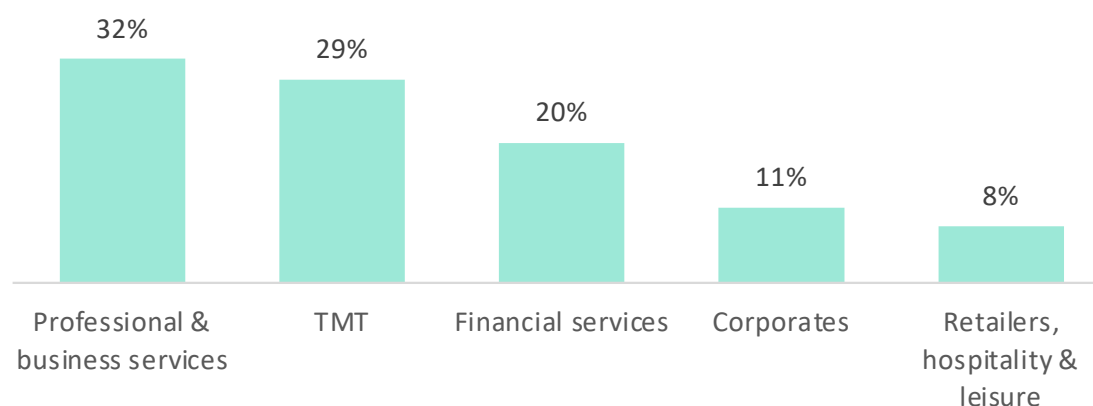


	Target		Lettings 12mths to Sept-23		Calculation	Purpose
	Fitted	Managed	Fitted	Managed		
Net effective rent beat	30%+	50%+	66%	103%	$\frac{\text{Flex NE rent} - \text{Opex}}{\text{Ready to Fit NE rent}}$	Additional rent being generated from Flex
10yr cashflow beat	10%	35%	30%	76%	$\frac{\text{Flex 10yr net cashflow}}{\text{Ready to Fit 10 yr net cashflow}}$	Additional cashflow being generated from Flex, ignoring valuation movement
Yield on cost	5.0%+	6.0%+	5.0%	6.0%	$\frac{\text{Flex NE rent} - \text{opex} - \text{voids}}{\text{Book value} + \text{Capex}}$ Average over 10 years post refurb	Relative income return on capital invested
Services margin	n/a	20%	n/a	39%	$\frac{\text{Fully Managed NE rent} - \text{Opex} - \text{Fitted NE rent}}{\text{Opex}}$	Excess income being generated for every £1 of opex spent to provide Fully Managed service
Average lease term	n/a	n/a	Break: 3.6yrs <sup>1</sup> Expiry: 5.8yrs	Break: 1.3yrs Expiry: 2.1yrs	Years from lease start to a) first break and b) lease expiry	Flex customers' lease terms comparable to Ready to Fit

## Key assumptions / definitions:

- **NE (Net Effective) Rent:** Headline rent – rent free
- **Net cashflow:** NE rent, after opex, voids and capex
- **Opex:** For Fully Managed; service provision, business rates, legal/letting/broker fees, SDLT
- **Voids:** 50% customers vacate on expiry, with 3 month void equates to occupancy of 95%
- **Capex:** Initial CAT A/B capex, plus £5psf p.a. refresh over 10 years

## Our Flex customers by sector



1. Excluding New Look deal at the Hickman, break: 2.7 years and expiry: 3.6 years

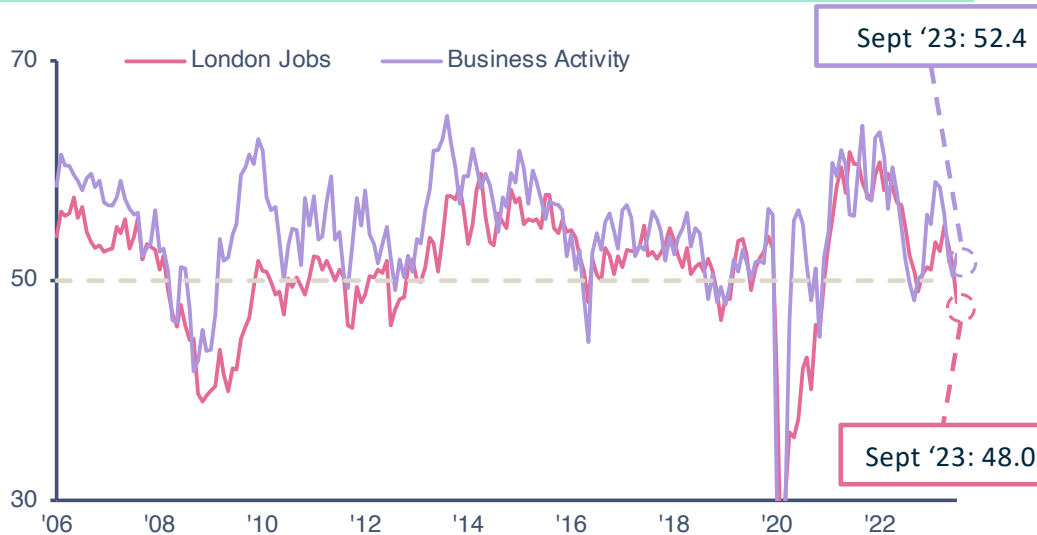


# Appendix: Market Conditions

# London Market Conditions

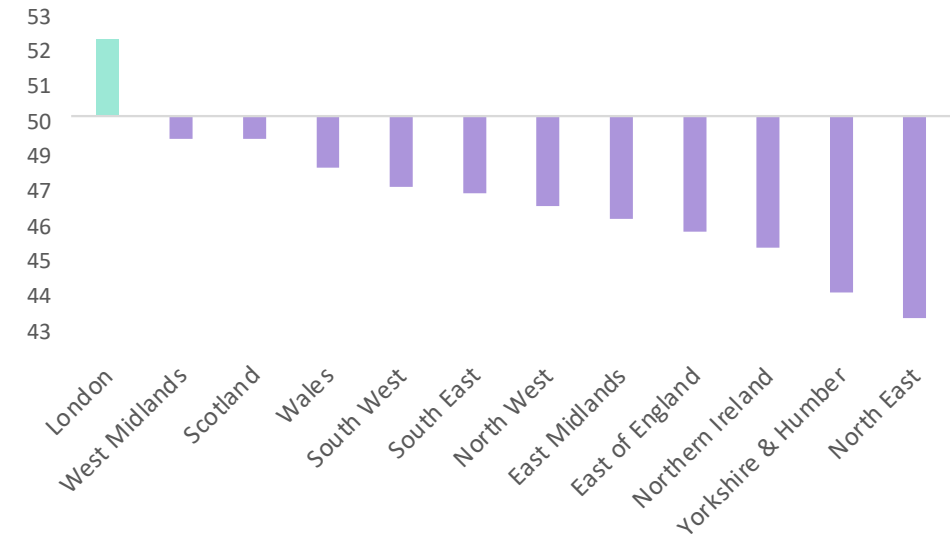
Macro still weak, but London growing and set to outperform the wider UK

## Macro softened since May '23<sup>1</sup>

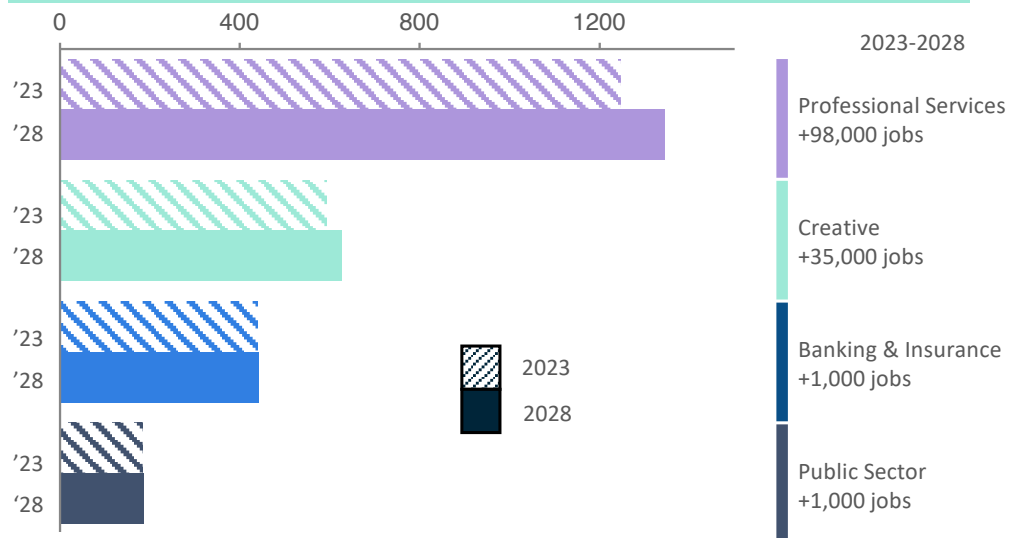


## London set to outperform

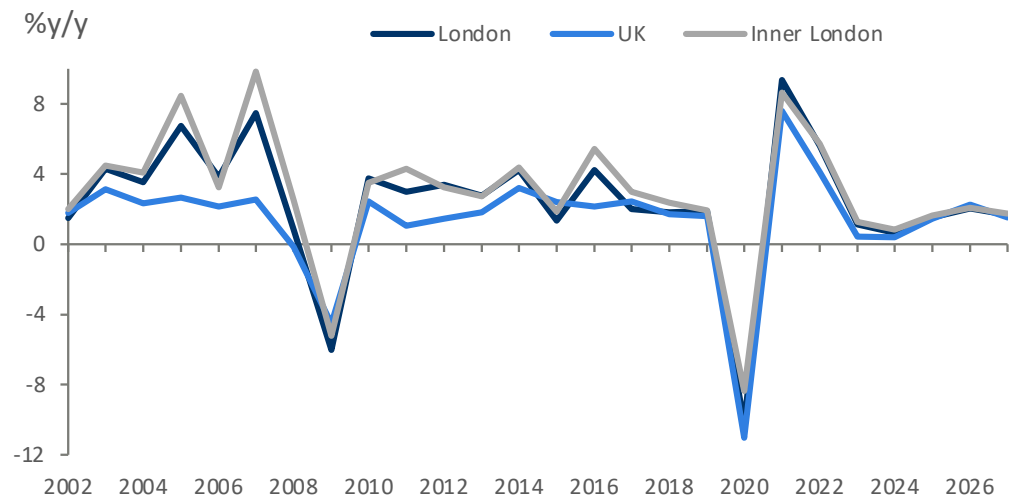
PMI Sept 23: Business activity index



## London jobs forecast to grow<sup>2</sup>



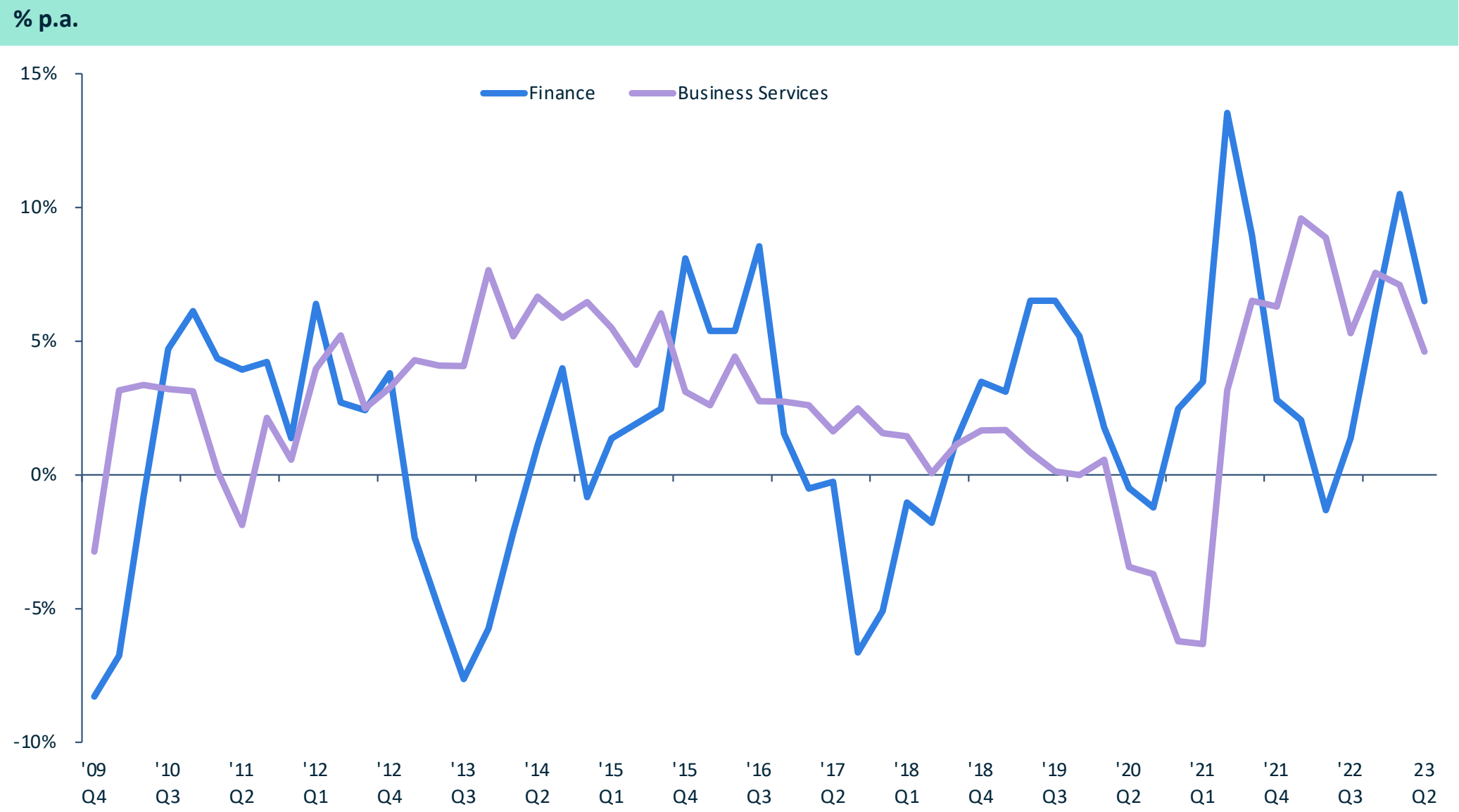
## GVA growth: London v UK<sup>2</sup>



1. Natwest PMI 2. ONS/Oxford Economics

# London Office Jobs

London Finance and Business Services employment



Source: ONS



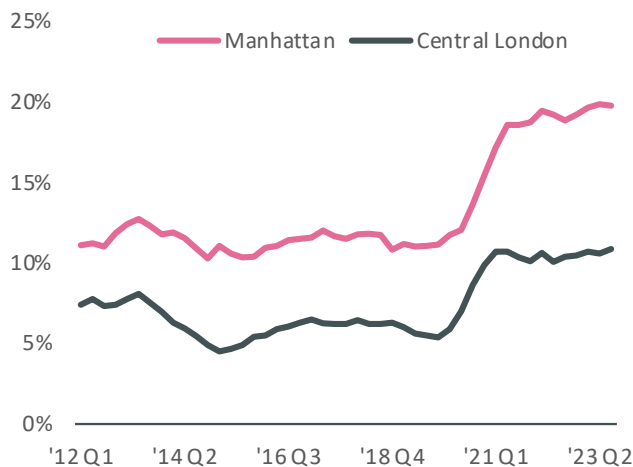
# London Outperforming

Central London rents outperforming global peers inc. Manhattan

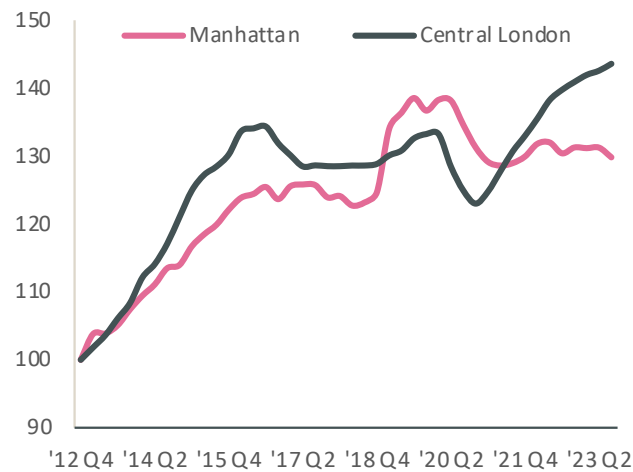
## Global Office Vacancy Rates (%)<sup>1</sup>



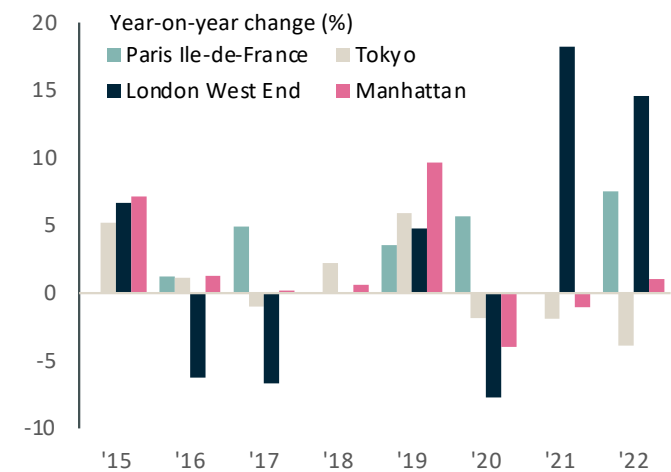
## Manhattan vs C. London Availability<sup>1</sup>



## Manhattan vs C. London Rental Index<sup>1, 2</sup>

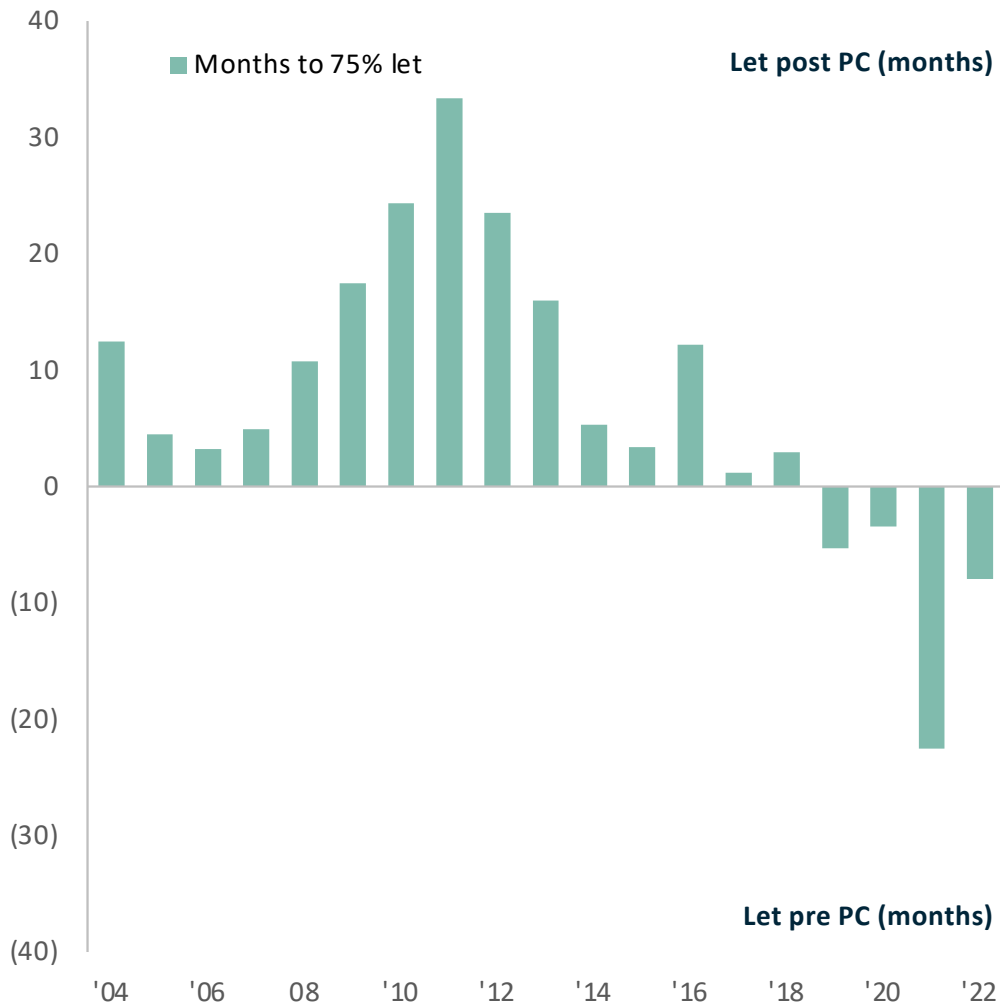


## Prime Office Rental Growth

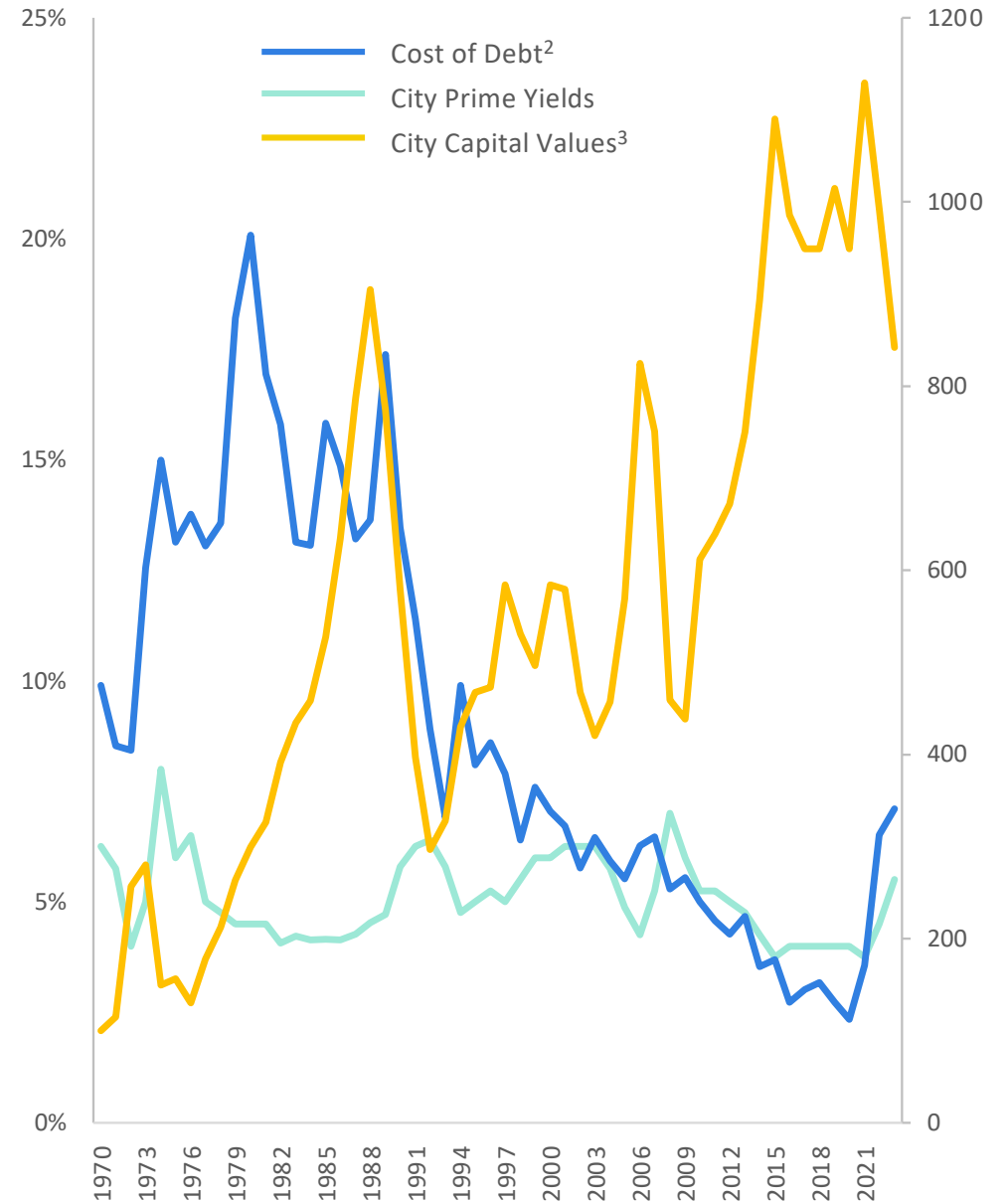


1. CBRE. 2. Avg Asking Manhattan Rent and Central London Prime Rent Index Indexed Q4 2012 = 100

## New Space Letting at Record Speed<sup>1</sup>



## Investment Market; Pressure on Yields

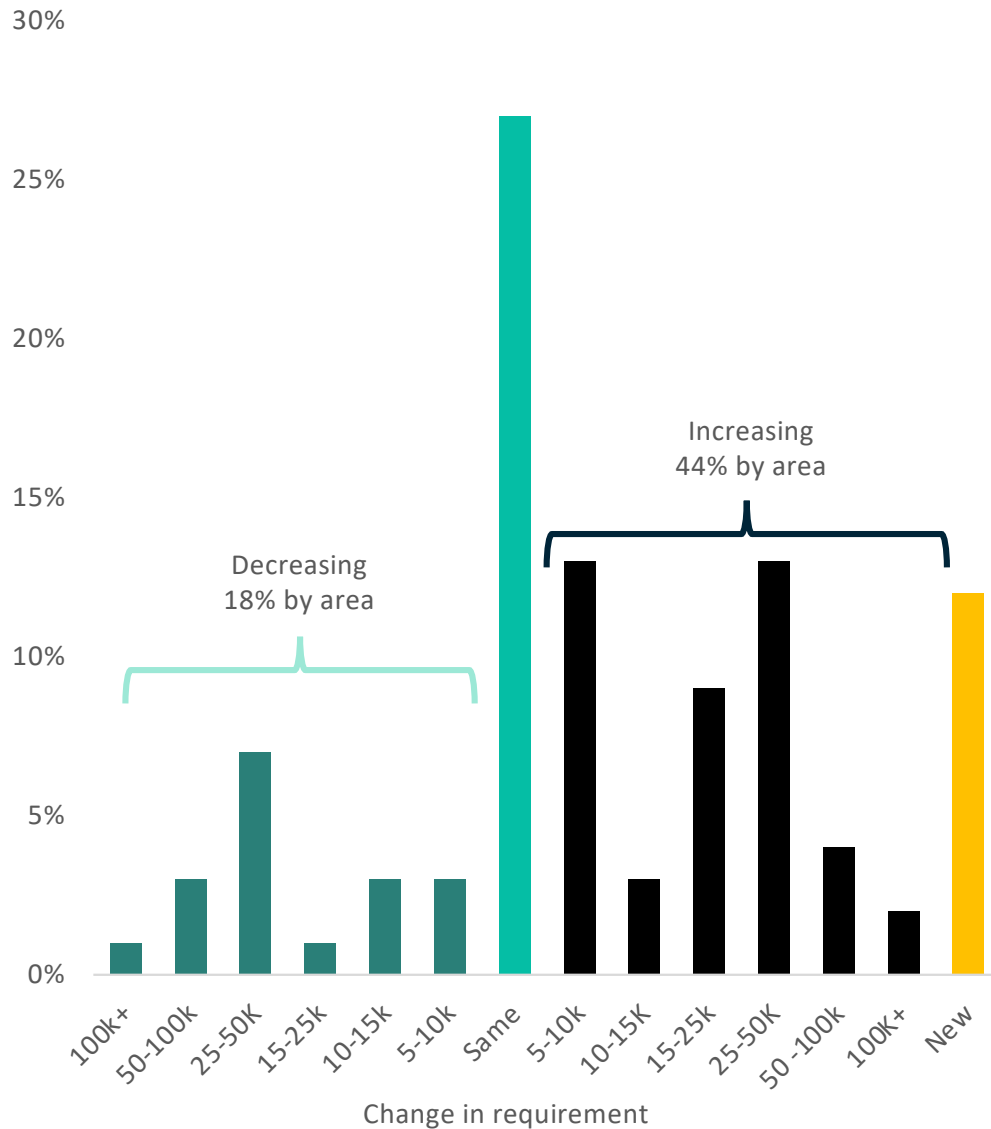


1. CBRE 2. 5-year swap rate plus Bayes / De Montfort Lending Survey prime office margin 3. Right hand scale 1970=100

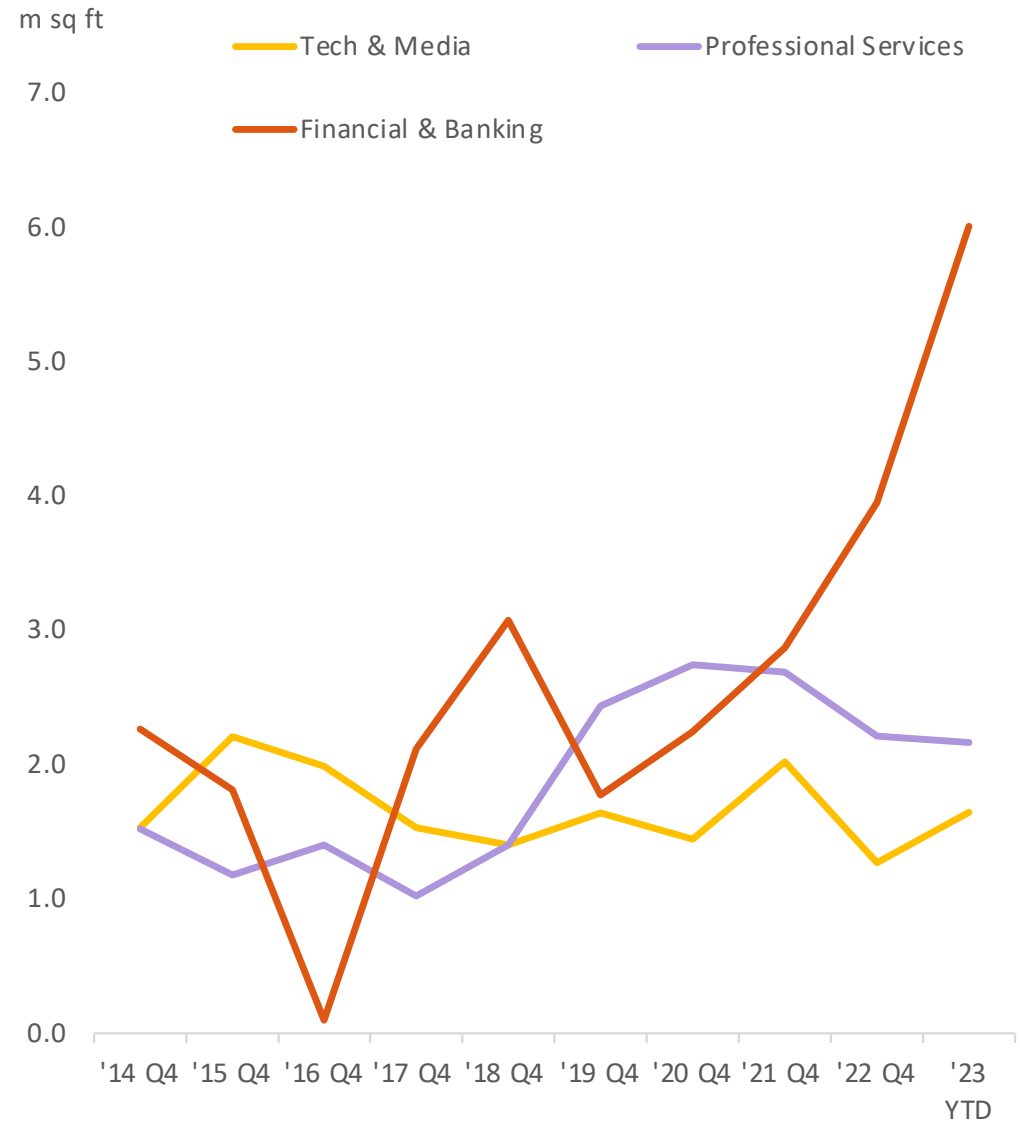
# London Market Conditions

## Active Demand

### Occupiers Looking to Increase / Decrease Space by Area<sup>1</sup>



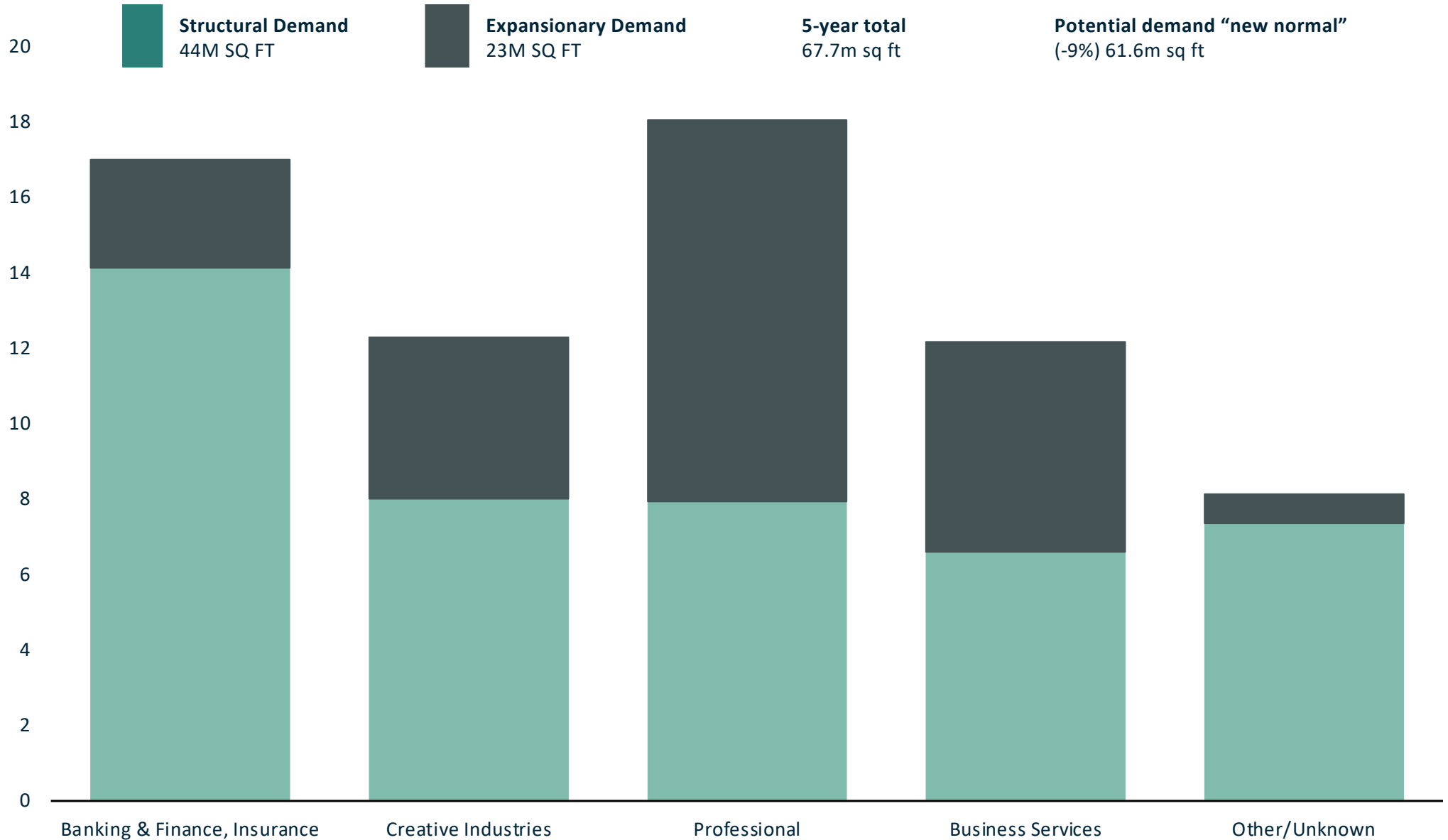
### Active Demand by Sector<sup>1</sup>



1. Savills Central London Office Market Q3 '23 'New' includes new requirements and occupiers coming out of serviced offices

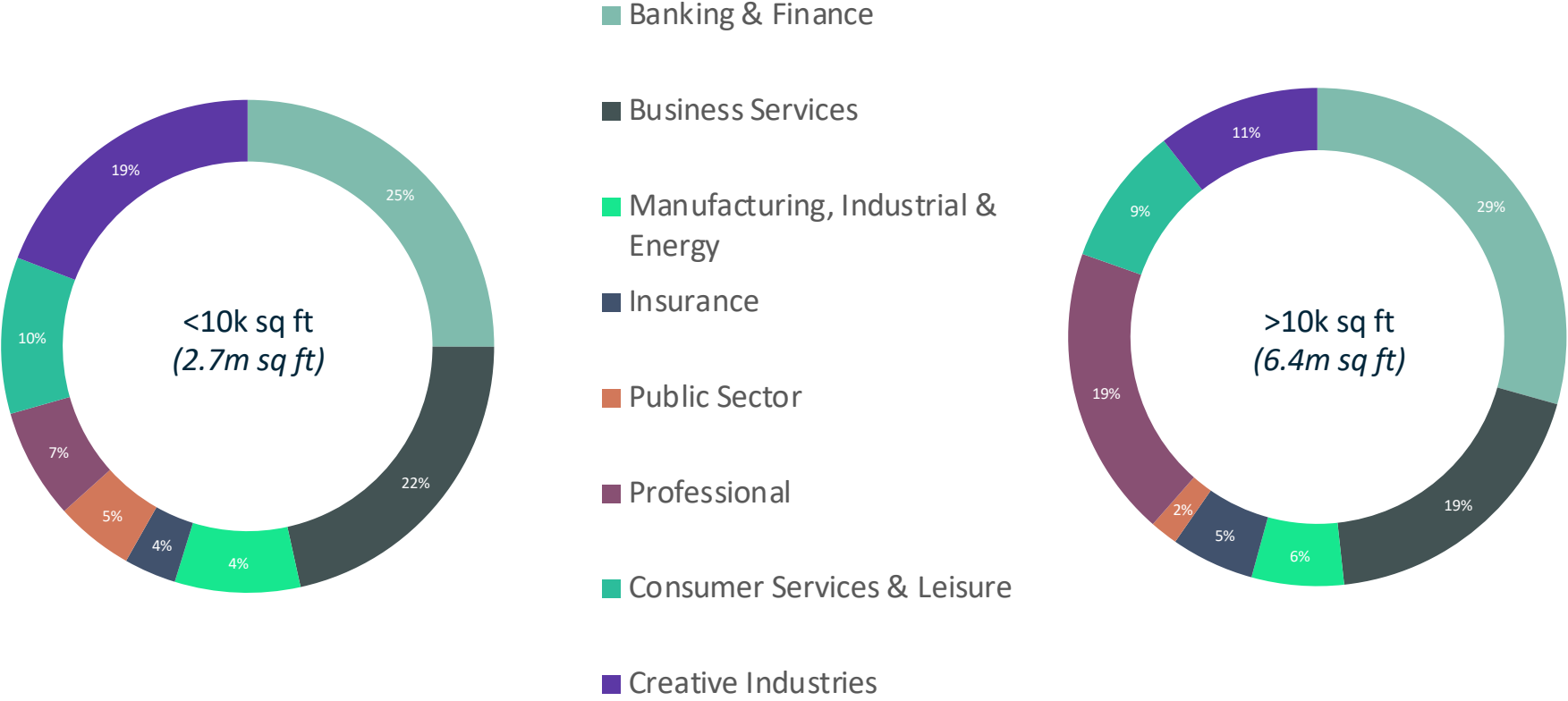
# Central London Active Demand

Future Leasing Demand 2023 - 2027<sup>1</sup>



# London Market Conditions

## Occupational Demand by Business Sector<sup>1</sup>



# City Active Requirements

>10,000 sq ft



000 sq ft	Mar 2013	Sep 2013	Mar 2014	Sep 2014	Mar 2015	Sep 2015	Mar 2016	Sep 2016	Mar 2017	Sep 2017	Mar 2018	Sep 2018	Mar 2019	Sep 2019	Mar 2020	Sep 2020	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023	Sep 2023	Change		
																							12 mths	1 <sup>st</sup> 6 mths	2 <sup>nd</sup> 6 mths
Professional Services	838	838	945	841	904	678	649	991	881	728	907	1,282	1,395	2,356	2,362	1,658	2,054	1,938	1,810	1,955	1,500	1,114	-43%	-23%	-26%
Financial Services	894	1,232	1,041	435	1,310	1,394	840	631	1,468	1,202	1,743	1,618	1,466	725	405	322	456	1,639	1,090	1,345	1,711	2,784	107%	27%	63%
Manufacturing & Corporates	55	175	90	55	209	451	361	414	252	214	165	199	28	39	30	35	93	252	228	60	269	80	33%	348%	-70%
Misc	423	666	497	127	344	420	328	391	262	352	367	370	521	957	163	20	240	120	70	205	80	85	-59%	-61%	6%
Marketing & Media	71	124	233	493	188	211	440	632	683	217	247	81	67	200	60	72	152	237	88	40	24	10	-75%	-40%	-58%
IT & Tech	554	422	204	109	581	634	433	418	476	782	519	711	470	947	934	219	616	793	798	765	230	380	-50%	-70%	65%
Government	25	70	480	430	560	252	318	179	184	227	165	162	108	110	90	70	45	45	30	-	217	24	n.a.	n.a.	-89%
Insurance	568	417	475	456	366	316	202	434	332	285	155	220	177	247	395	424	307	184	320	670	568	175	-74%	-15%	-69%
<b>Total</b>	<b>3,428</b>	<b>3,943</b>	<b>3,964</b>	<b>2,946</b>	<b>4,462</b>	<b>4,355</b>	<b>3,571</b>	<b>4,090</b>	<b>4,538</b>	<b>4,007</b>	<b>4,268</b>	<b>4,643</b>	<b>4,232</b>	<b>5,581</b>	<b>4,439</b>	<b>2,820</b>	<b>3,962</b>	<b>5,208</b>	<b>4,434</b>	<b>5,040</b>	<b>4,599</b>	<b>4,652</b>	<b>-8%</b>	<b>-9%</b>	<b>1%</b>

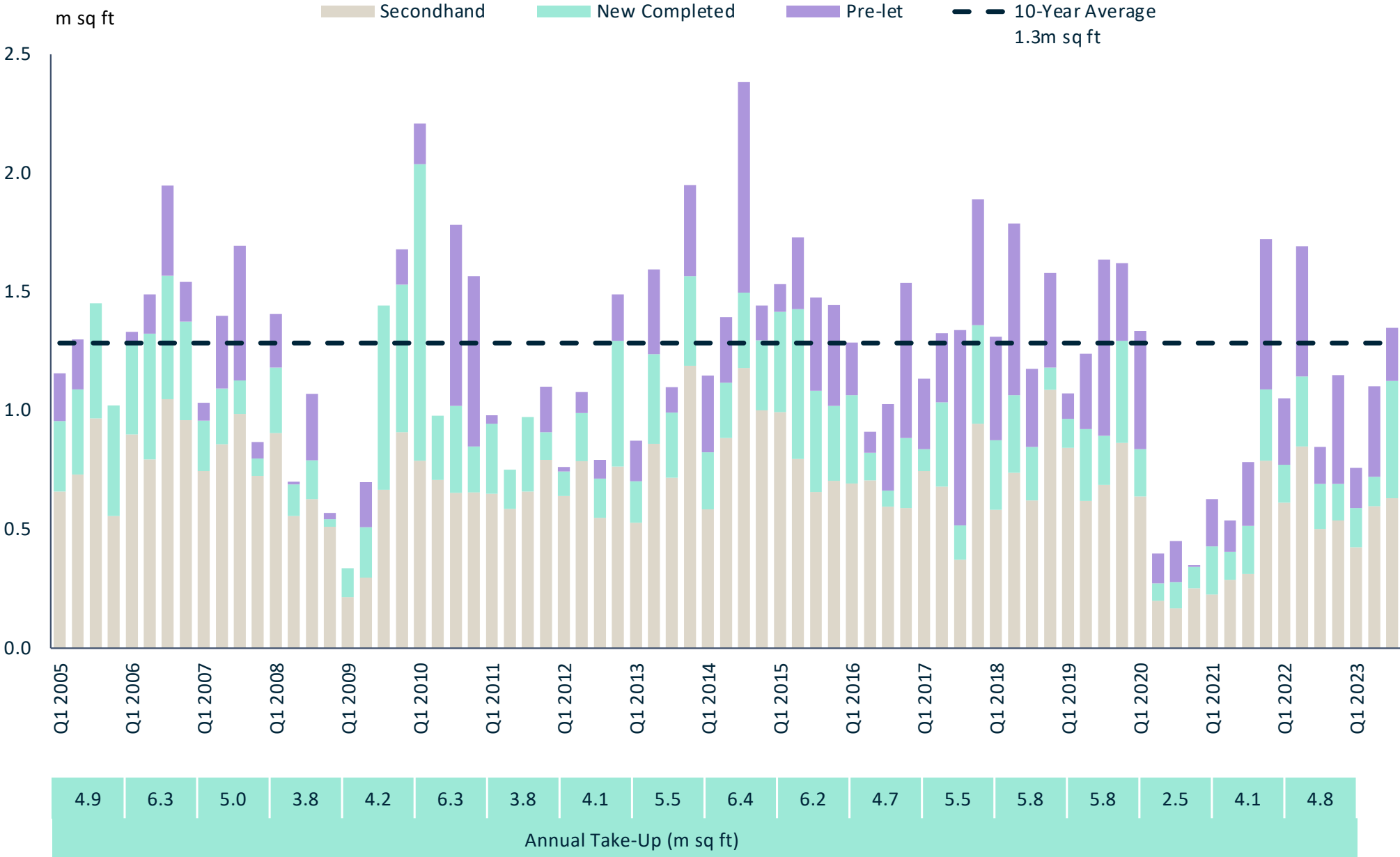
# West End Active Requirements

>10,000 sq ft



000 sq ft	Mar 2013	Sep 2013	Mar 2014	Sep 2014	Mar 2015	Sep 2015	Mar 2016	Sep 2016	Mar 2017	Sep 2017	Mar 2018	Sep 2018	Mar 2019	Sep 2019	Mar 2020	Sep 2020	Mar 2021	Sep 2021	Mar 2022	Sep 2022	Mar 2023	Sep 2023	Change		
																							12 mths	1 <sup>st</sup> 6 mths	2 <sup>nd</sup> 6 mths
Professional Services	156	206	40	20	115	275	120	353	170	55	75	22	134	54	60	152	185	125	310	170	250	519	205%	47%	108%
Financial Services	616	261	409	367	502	418	344	499	300	372	329	293	555	693	890	624	649	290	720	660	822	1,194	81%	25%	45%
Manufacturing & Corporates	445	154	319	177	376	556	512	598	447	445	792	725	814	554	603	249	323	159	299	135	363	555	311%	169%	53%
Miscellaneous	210	330	262	225	203	295	140	208	262	317	388	474	312	125	213	12	25	50	50	120	110	40	-67%	-8%	-64%
Marketing & Media	145	163	218	360	225	557	570	418	548	720	551	420	273	562	162	285	521	500	272	130	220	194	49%	69%	-12%
IT & Technology	276	207	125	130	223	239	495	334	352	298	1,072	137	278	186	164	37	157	189	173	180	193	146	-19%	7%	-24%
Government	83	130	17	-	-	-	180	283	131	105	150	242	185	47	67	-	-	-	25	-	-	13	n.a.	n.a.	n.a.
<b>Total</b>	<b>1,930</b>	<b>1,451</b>	<b>1,390</b>	<b>1,279</b>	<b>1,644</b>	<b>2,340</b>	<b>2,361</b>	<b>2,693</b>	<b>2,210</b>	<b>2,312</b>	<b>3,356</b>	<b>2,313</b>	<b>2,551</b>	<b>2,221</b>	<b>2,159</b>	<b>1,359</b>	<b>1,860</b>	<b>1,313</b>	<b>1,849</b>	<b>1,395</b>	<b>1,958</b>	<b>2,661</b>	<b>91%</b>	<b>40%</b>	<b>36%</b>

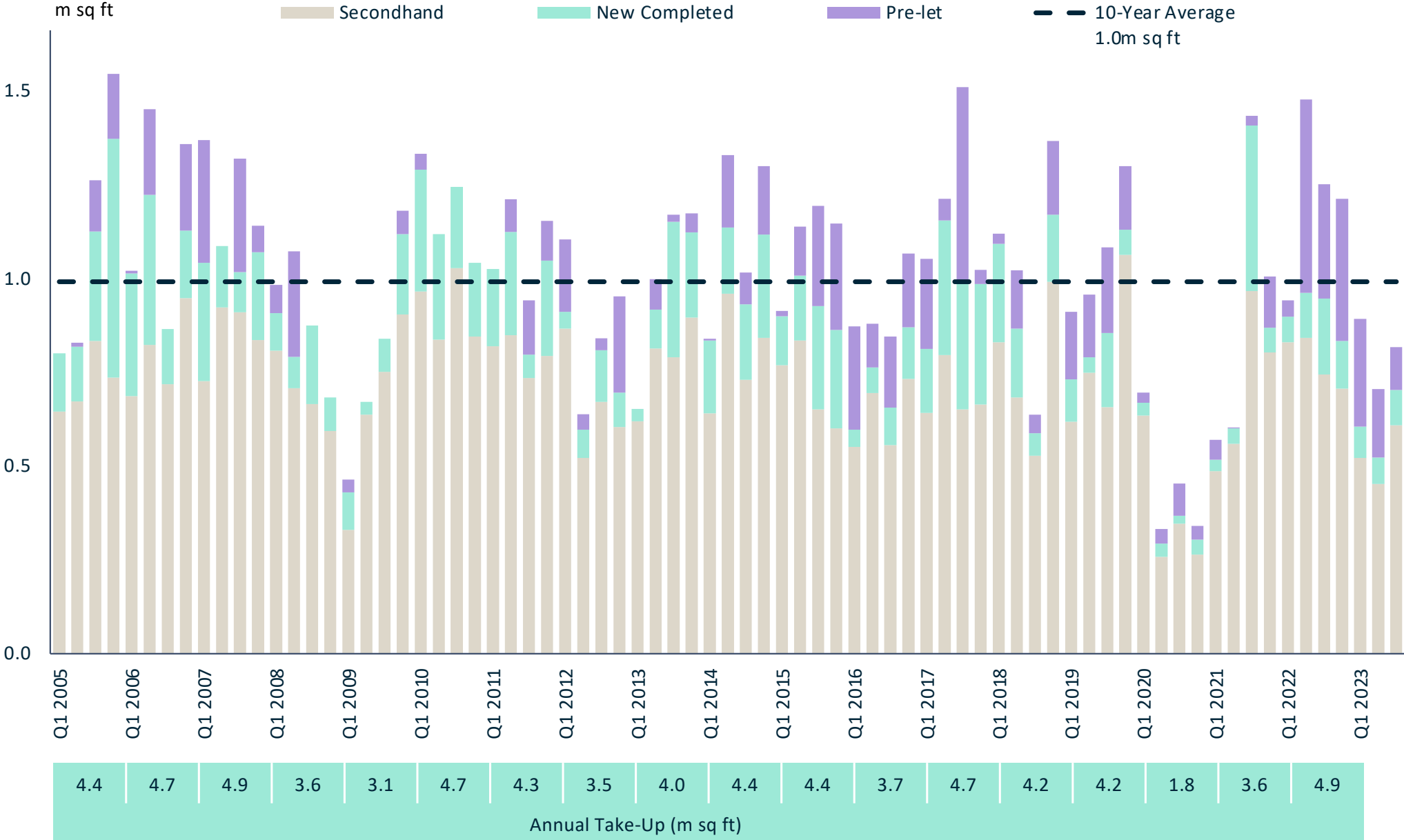
# City Take-Up



Source: CBRE

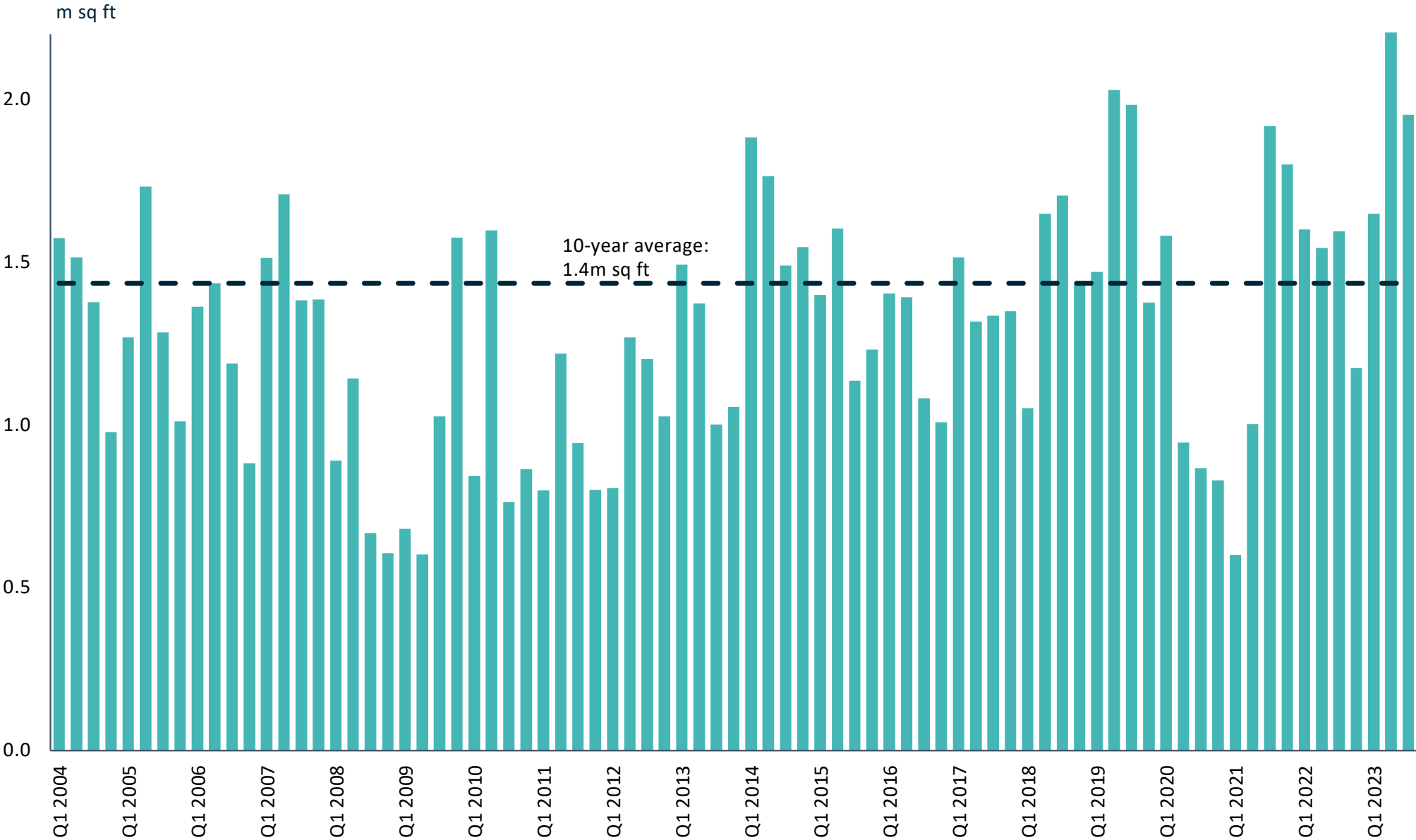


# West End Take-Up



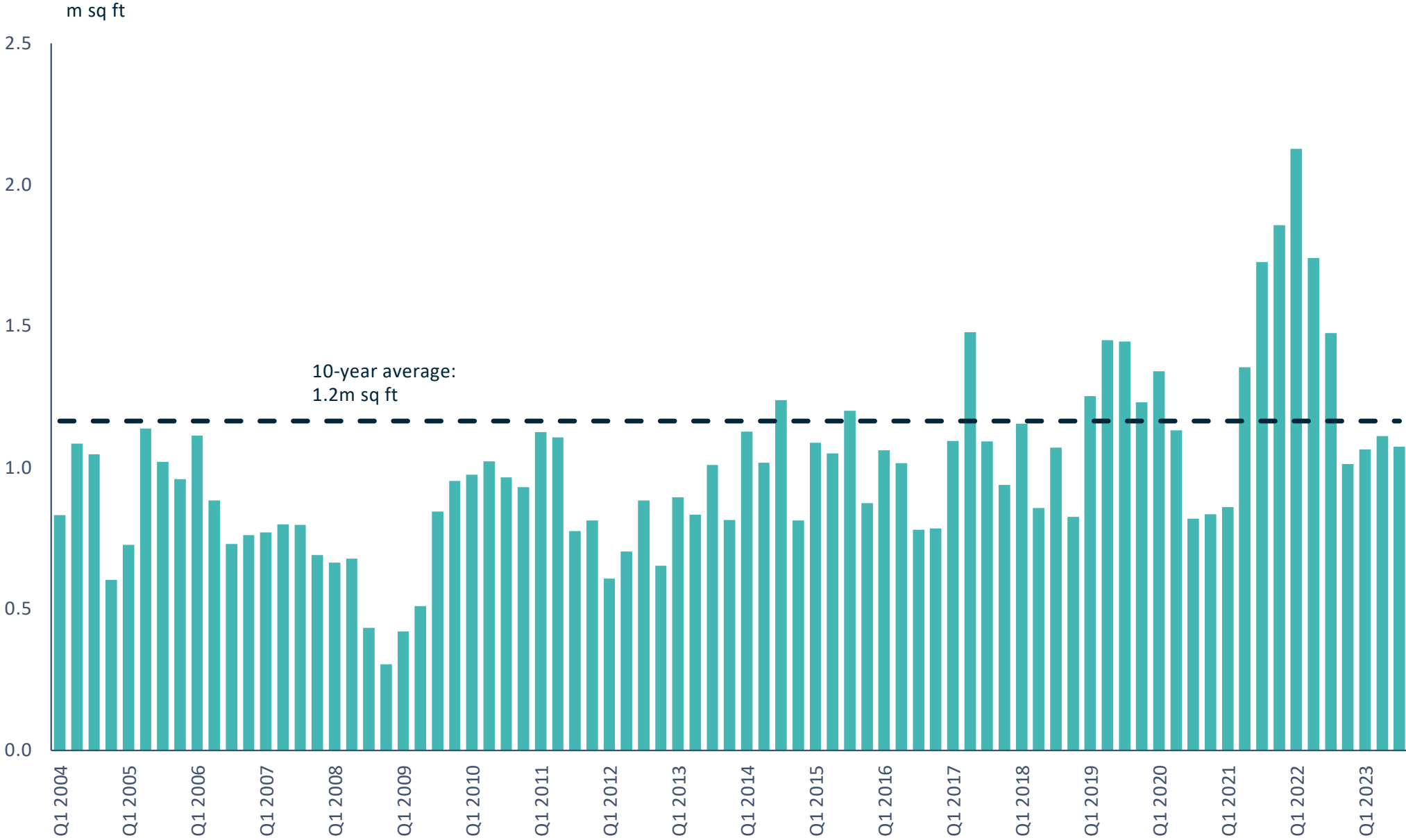
Source: CBRE

# City Office Under Offer



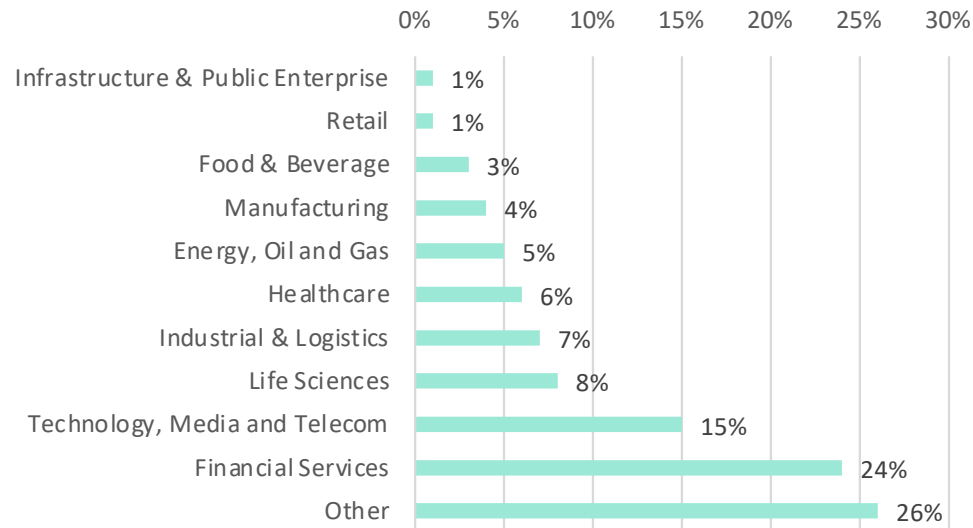
Source: CBRE

# West End Office Under Offer

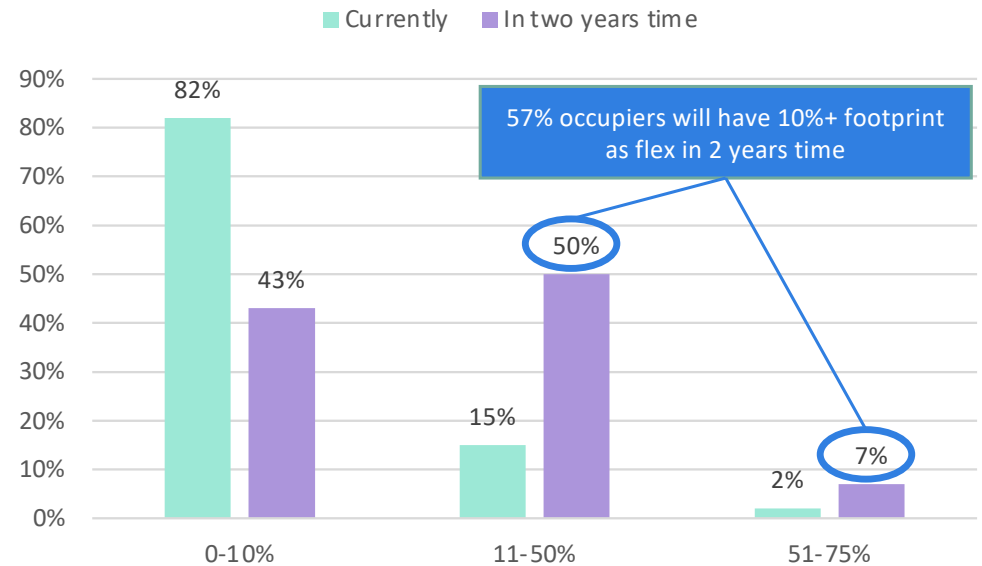


Source: CBRE

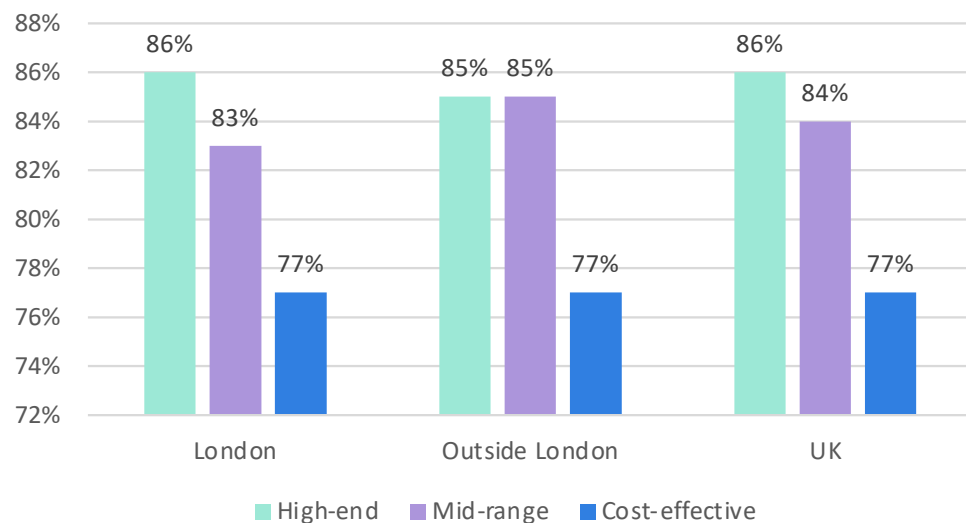
## CBRE Flex customers by sector



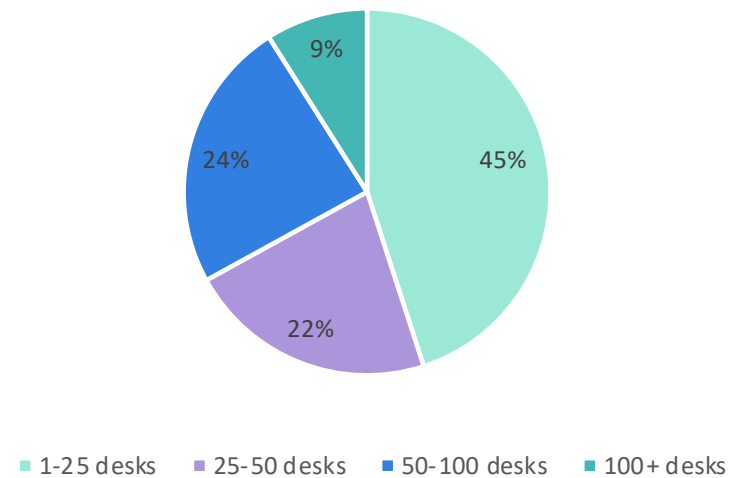
## Proportion of CBRE customer footprint in flex space



## Flex occupancy rate by quality of space



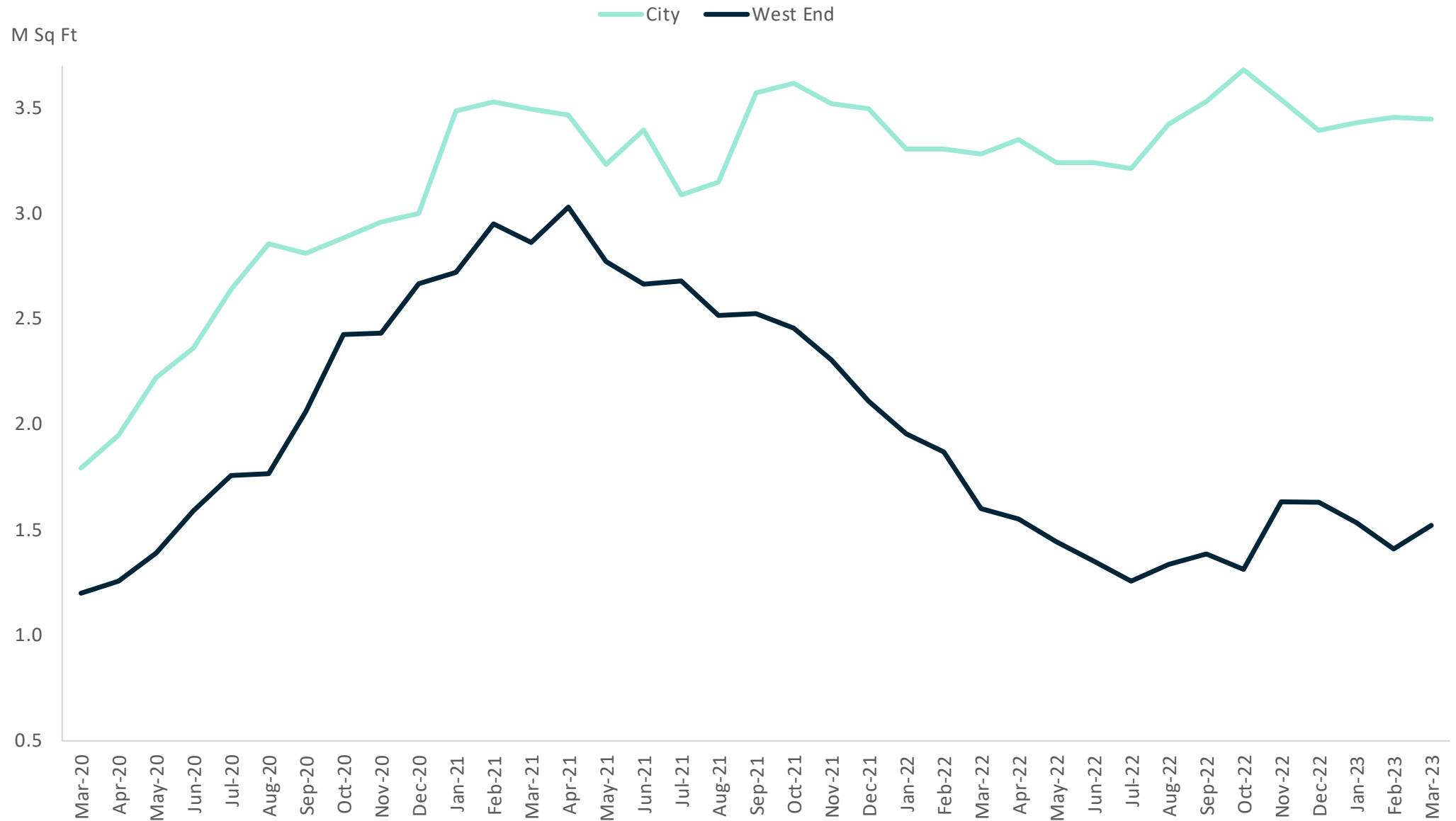
## Availability of London flex space by unit size



1. CBRE, The Instant Group, 2023

# Occupier Controlled Space<sup>1</sup>

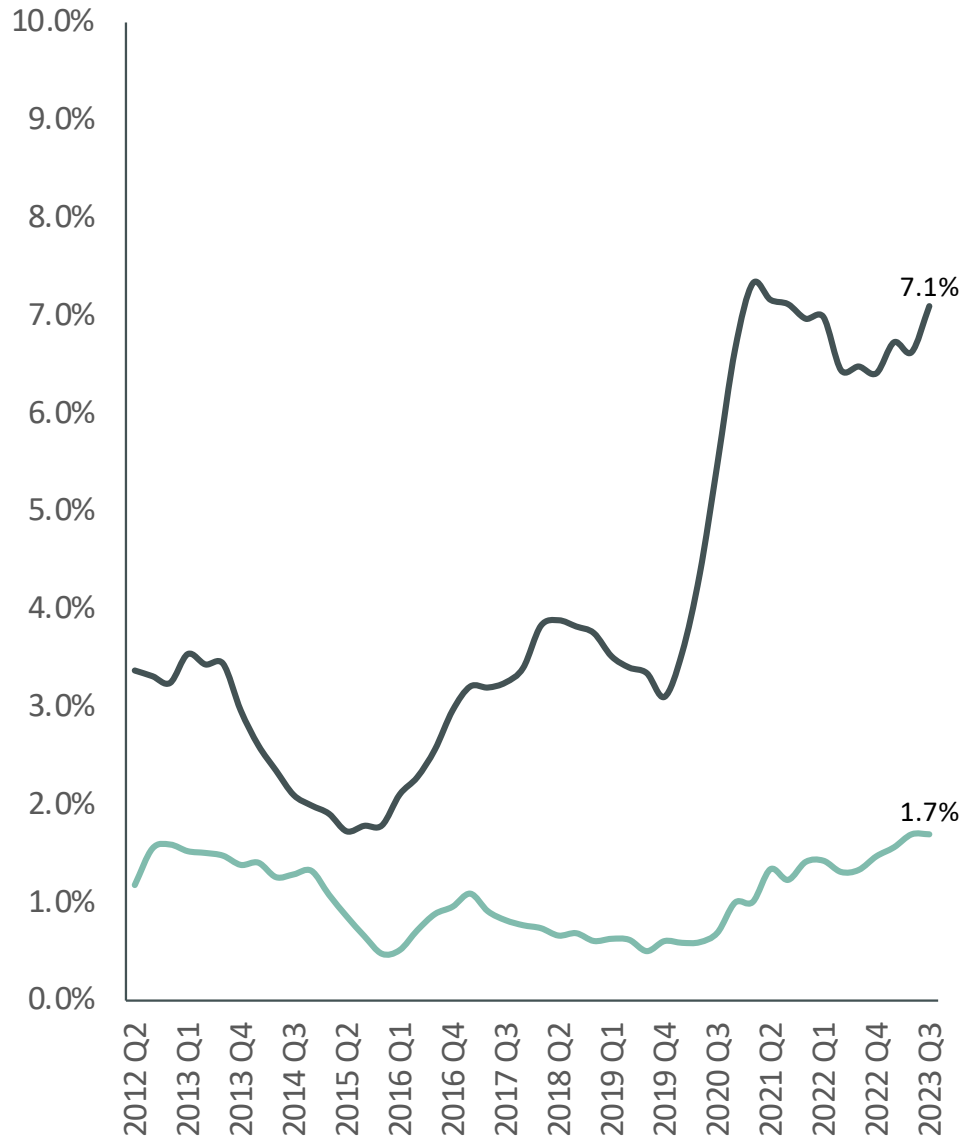
Halved in the West End since April 2021



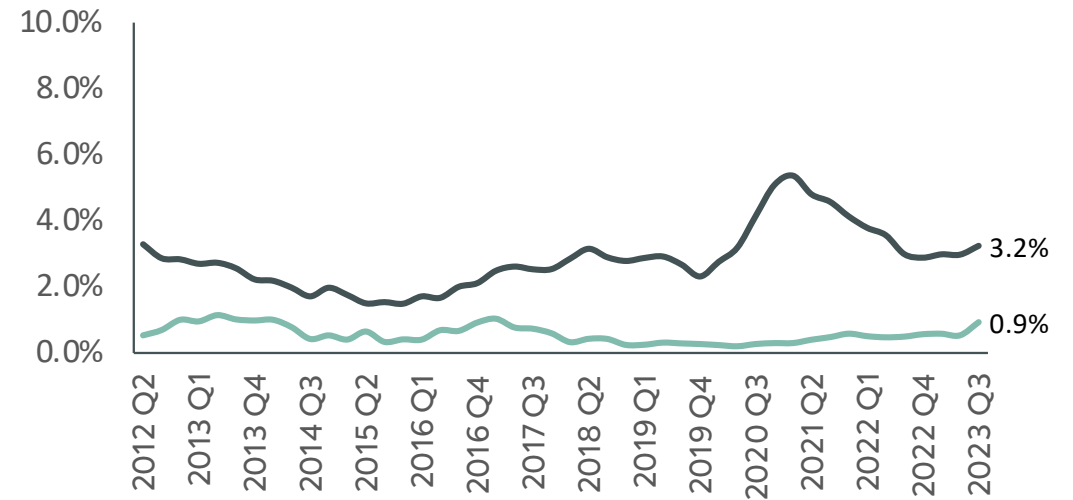
# Central London Vacancy

Newly completed & secondhand vacancy (sq ft) as a % of total stock

## Central London



## West End



## City

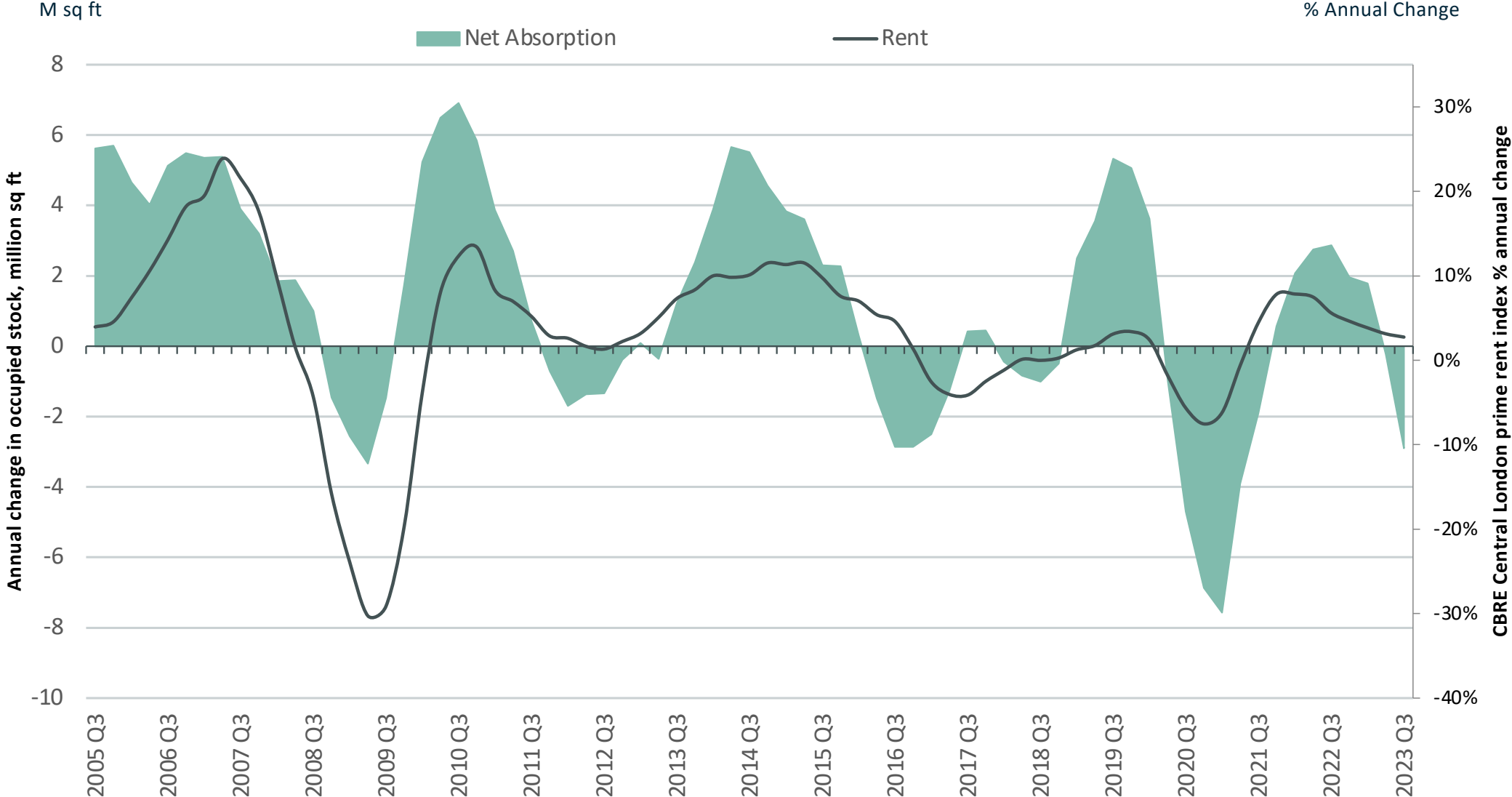


# Central London Demand

## Q3 Net Absorption

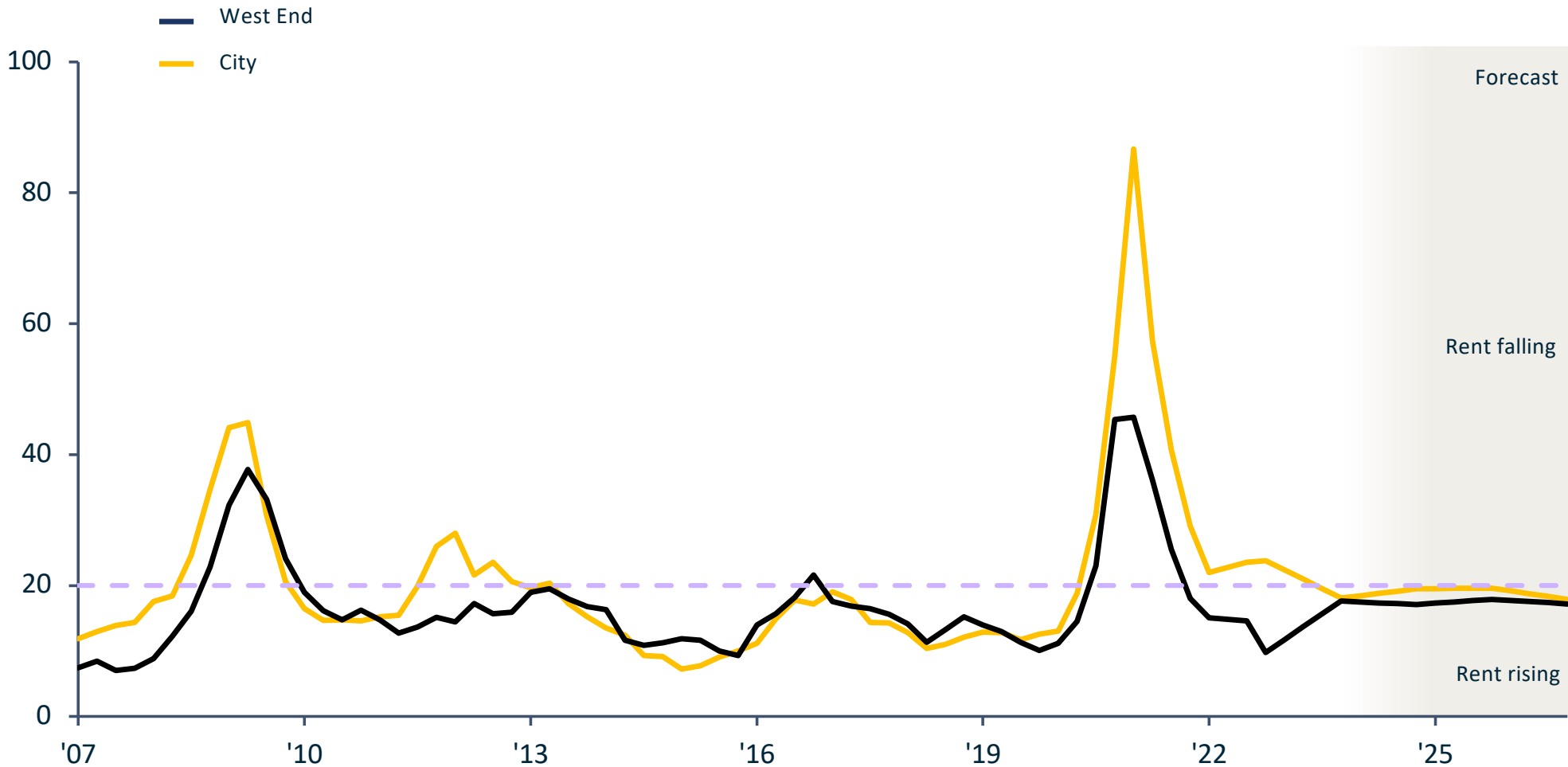


Change in occupied stock (LHS) vs Central London Prime Rent Index (RHS)



## PMA: Office Market Balance<sup>1</sup>

Months supply



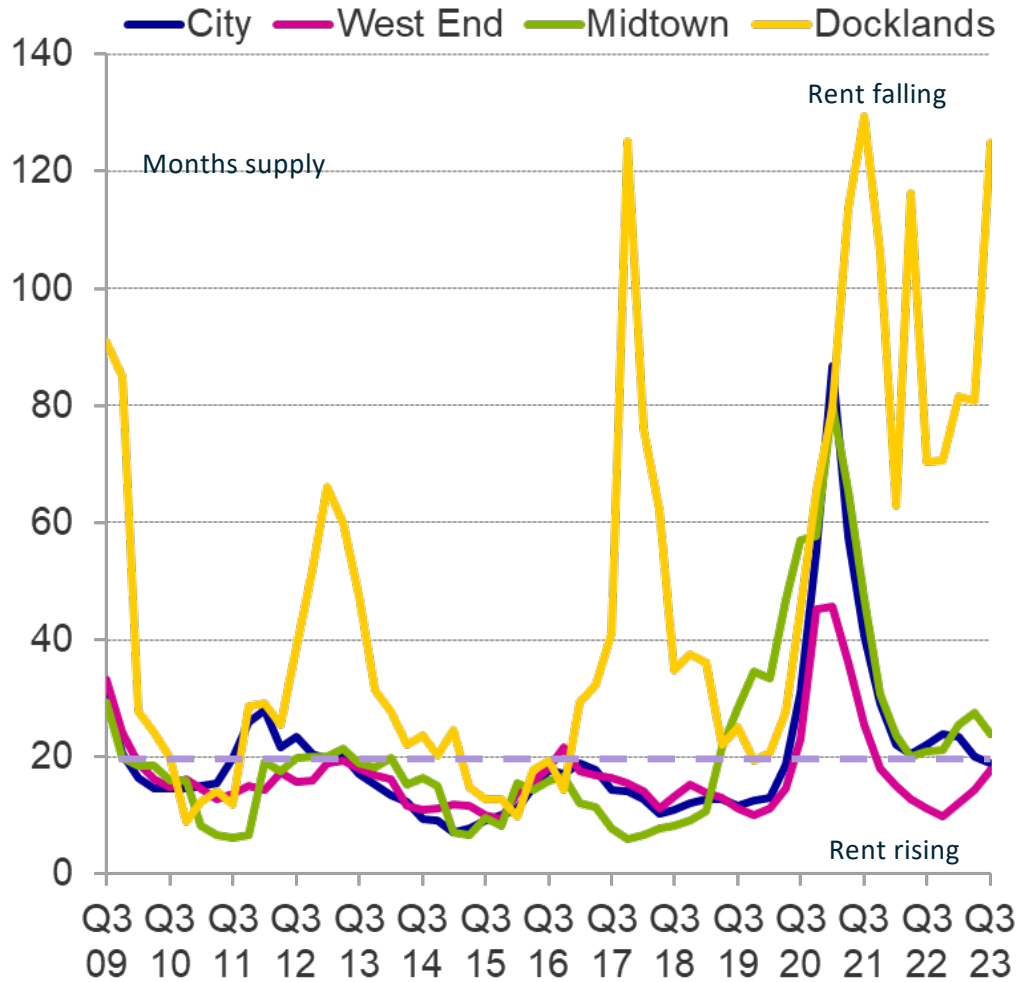
1. PMA



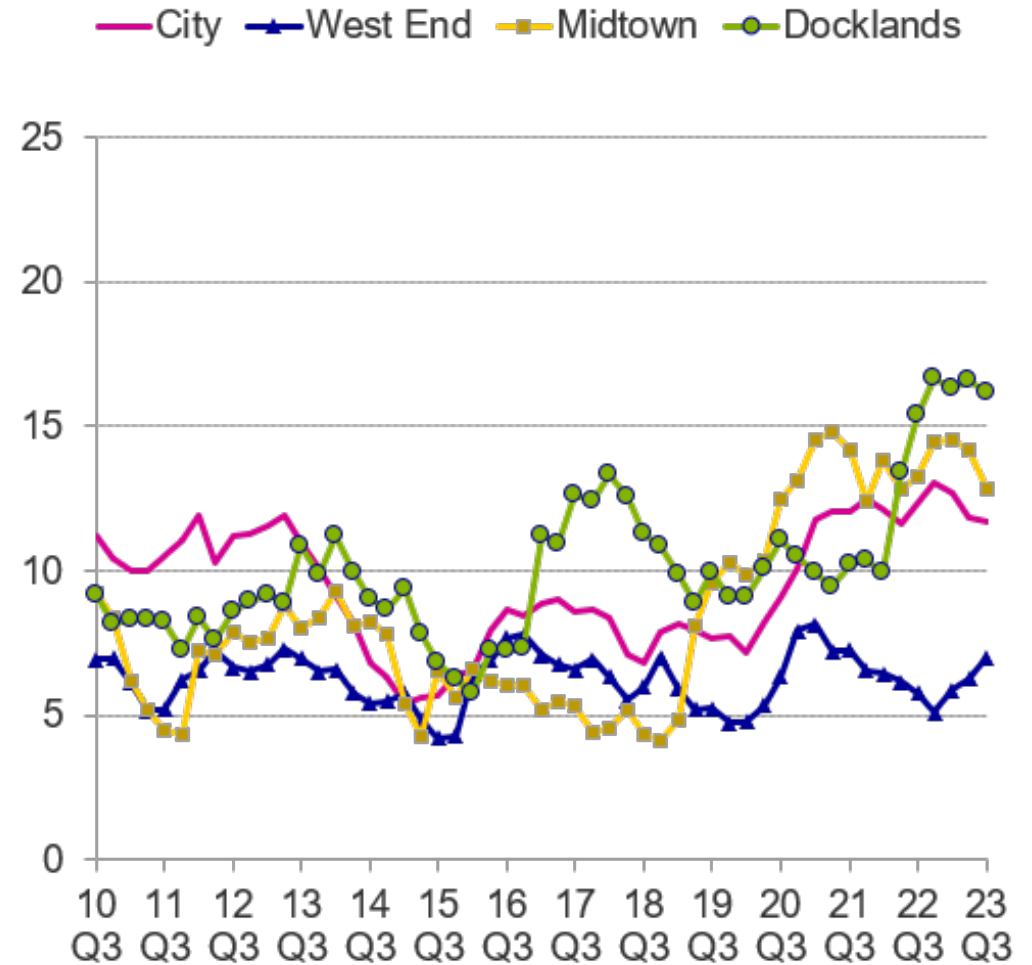
# London Market Conditions<sup>1</sup>

Submarkets diverging; West End fundamentals strong

PMA: Office Market Balance

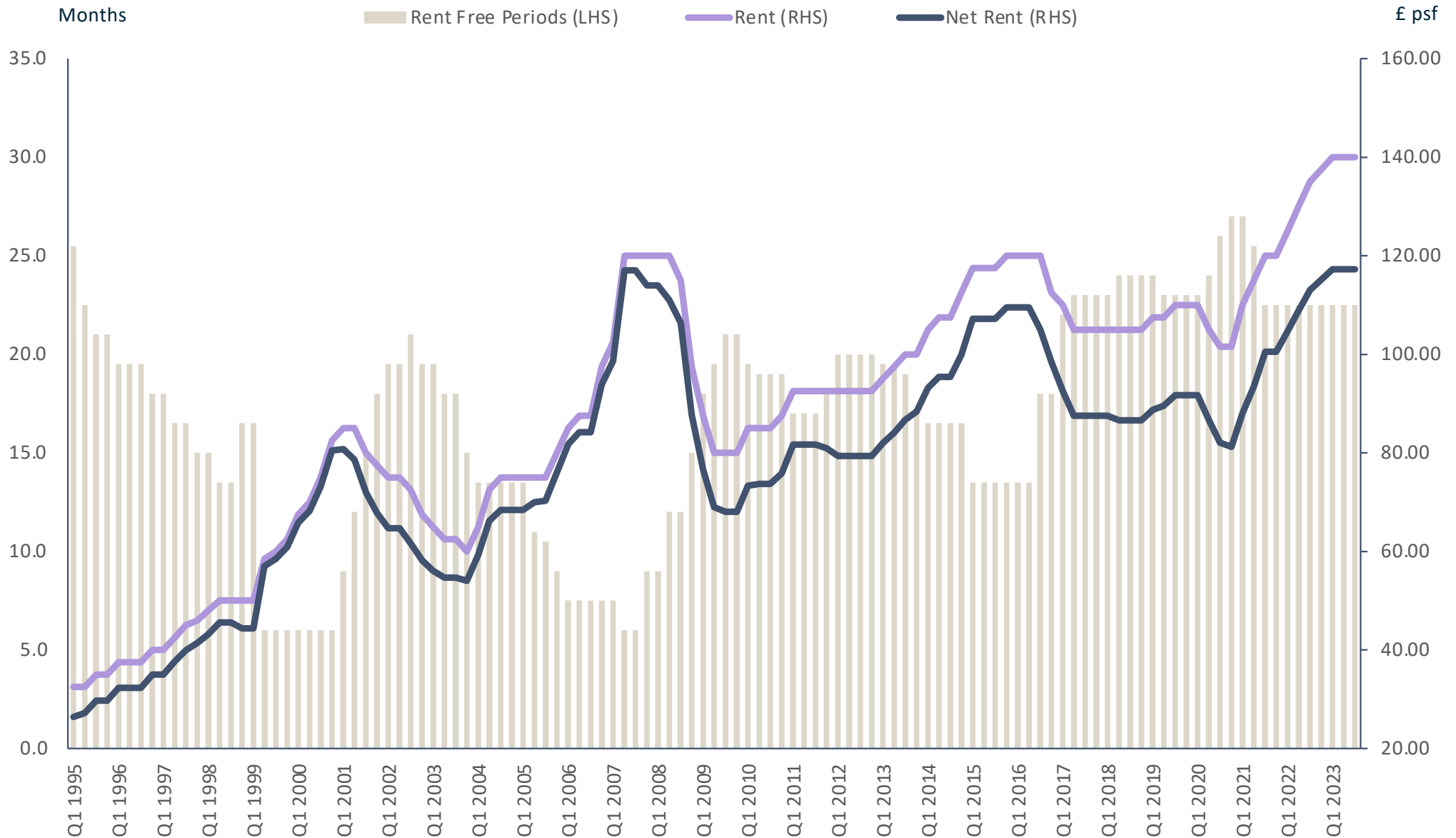


PMA: Vacancy Rate



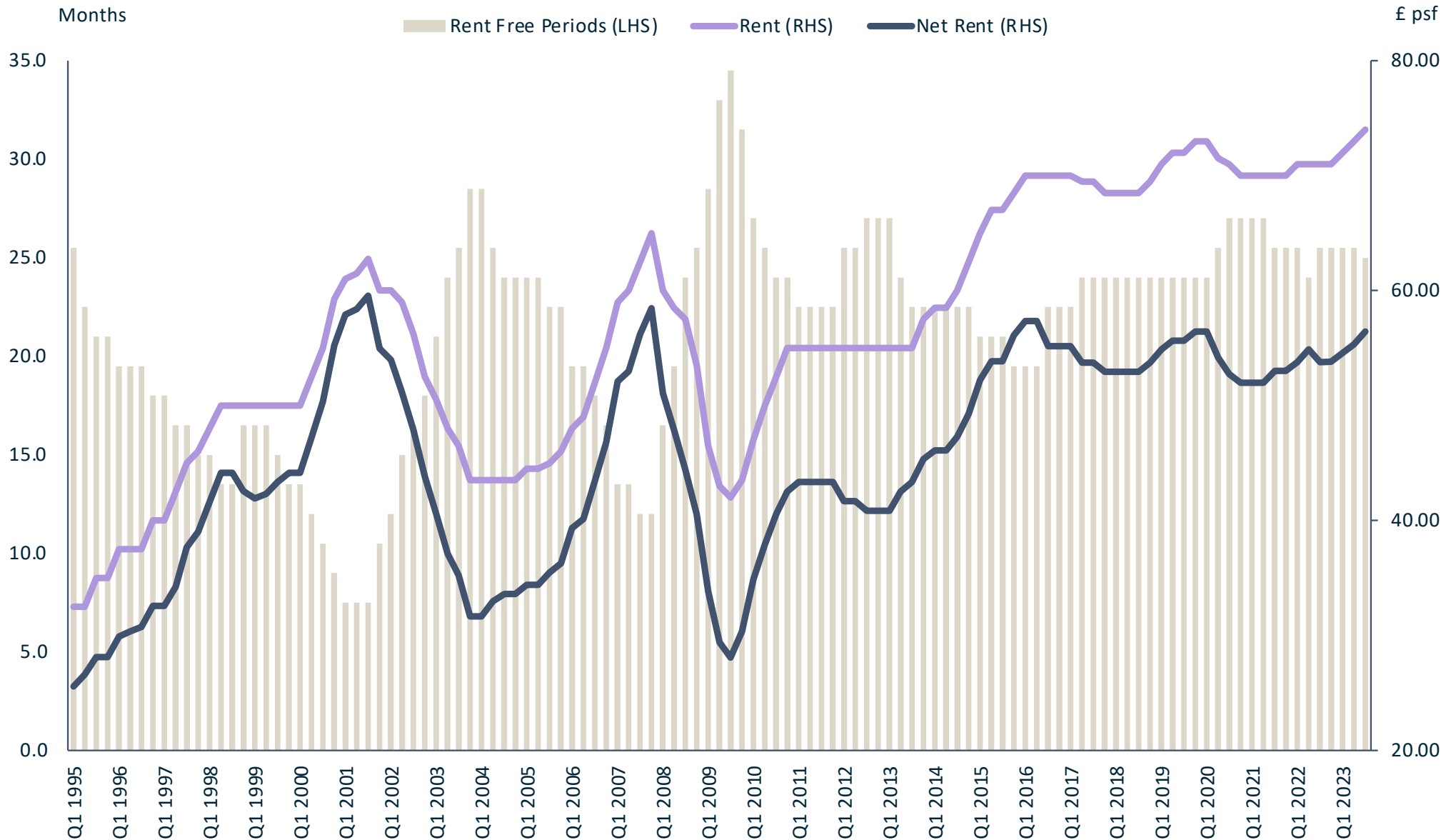
# West End Top Prime Rents

vs. Rent Free Periods



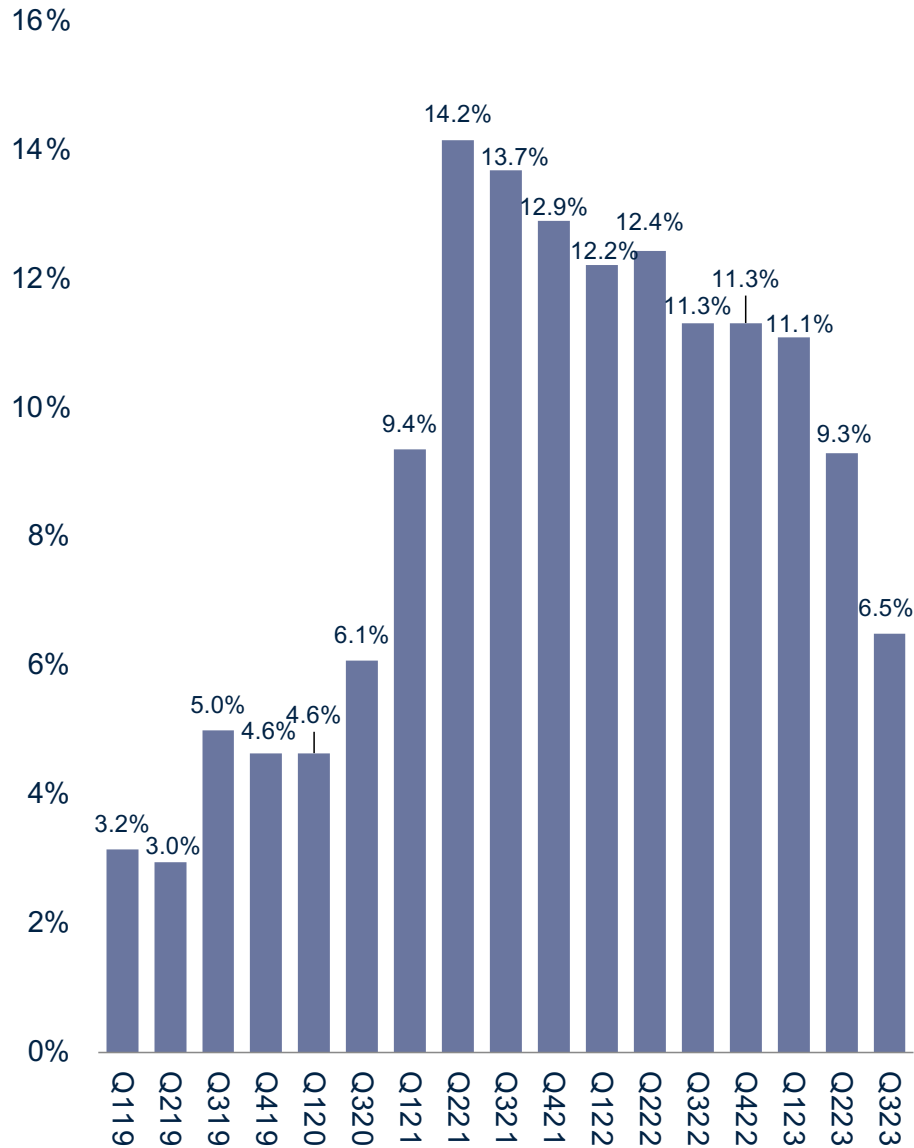
# City Top Prime Rents

vs. Rent Free Periods



Vacancy falling, retailers active and Zone A rents returning to growth

## Prime West End Retail Vacancy (% unit count)<sup>1</sup>

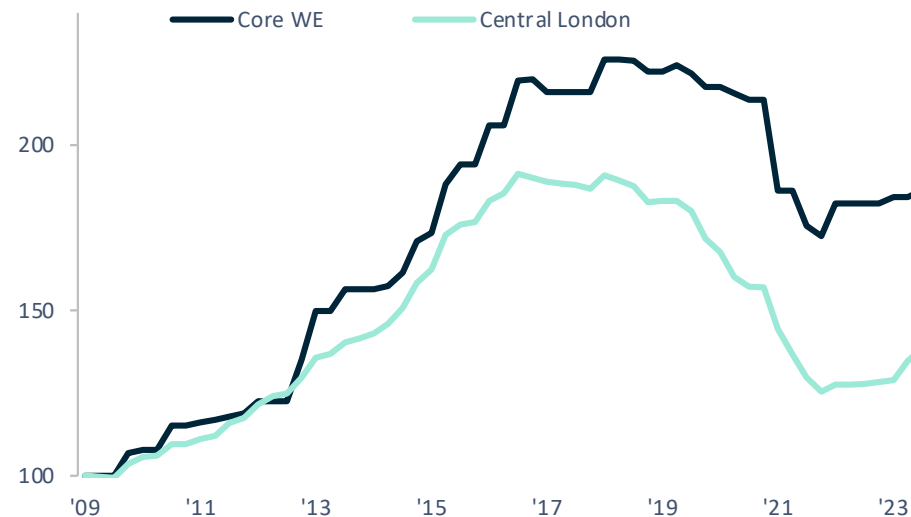


1. Savills

## Recent Oxford Street Transactions

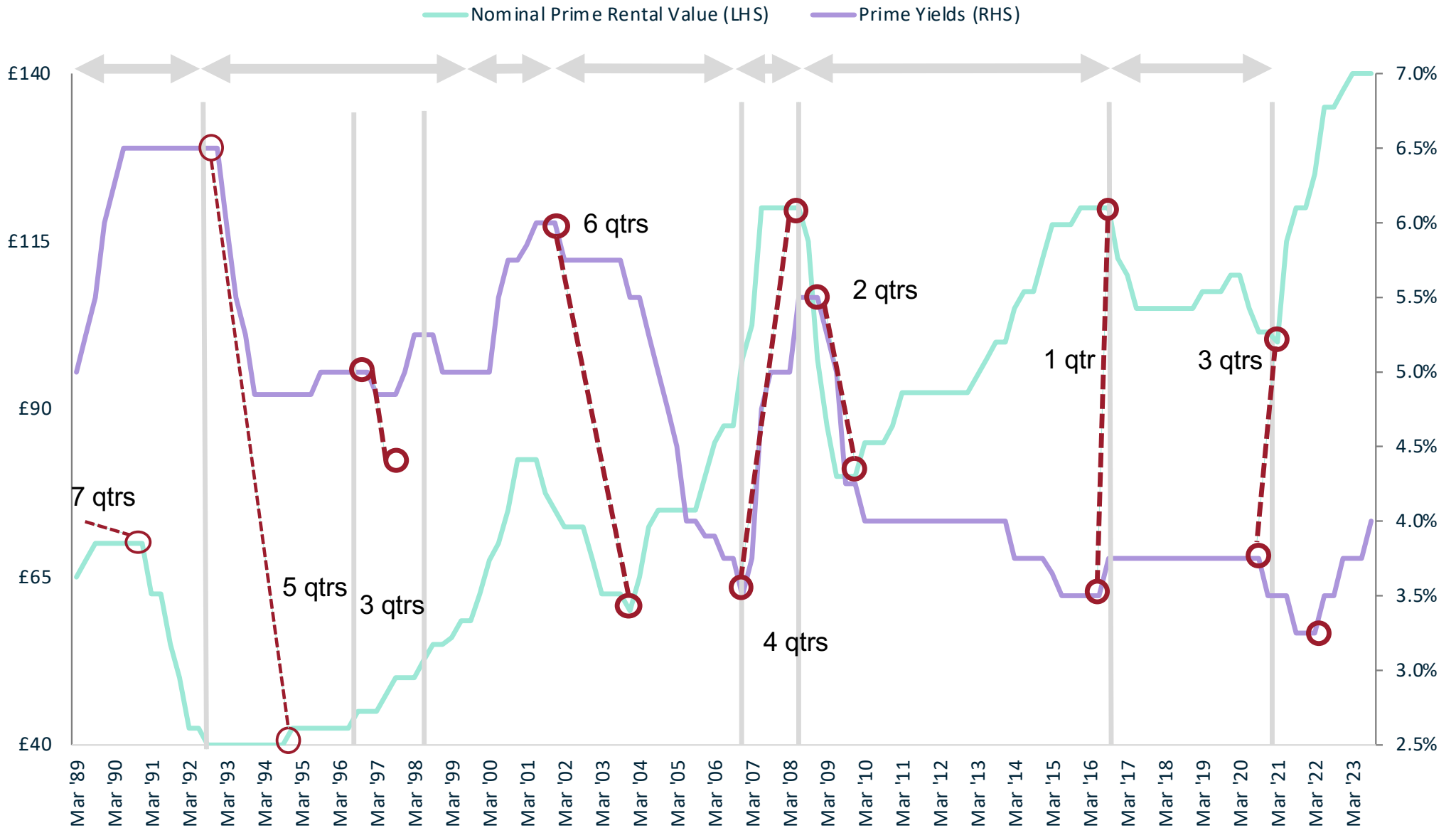


## Retail: Central London Prime Zone A Rental Growth<sup>1</sup>

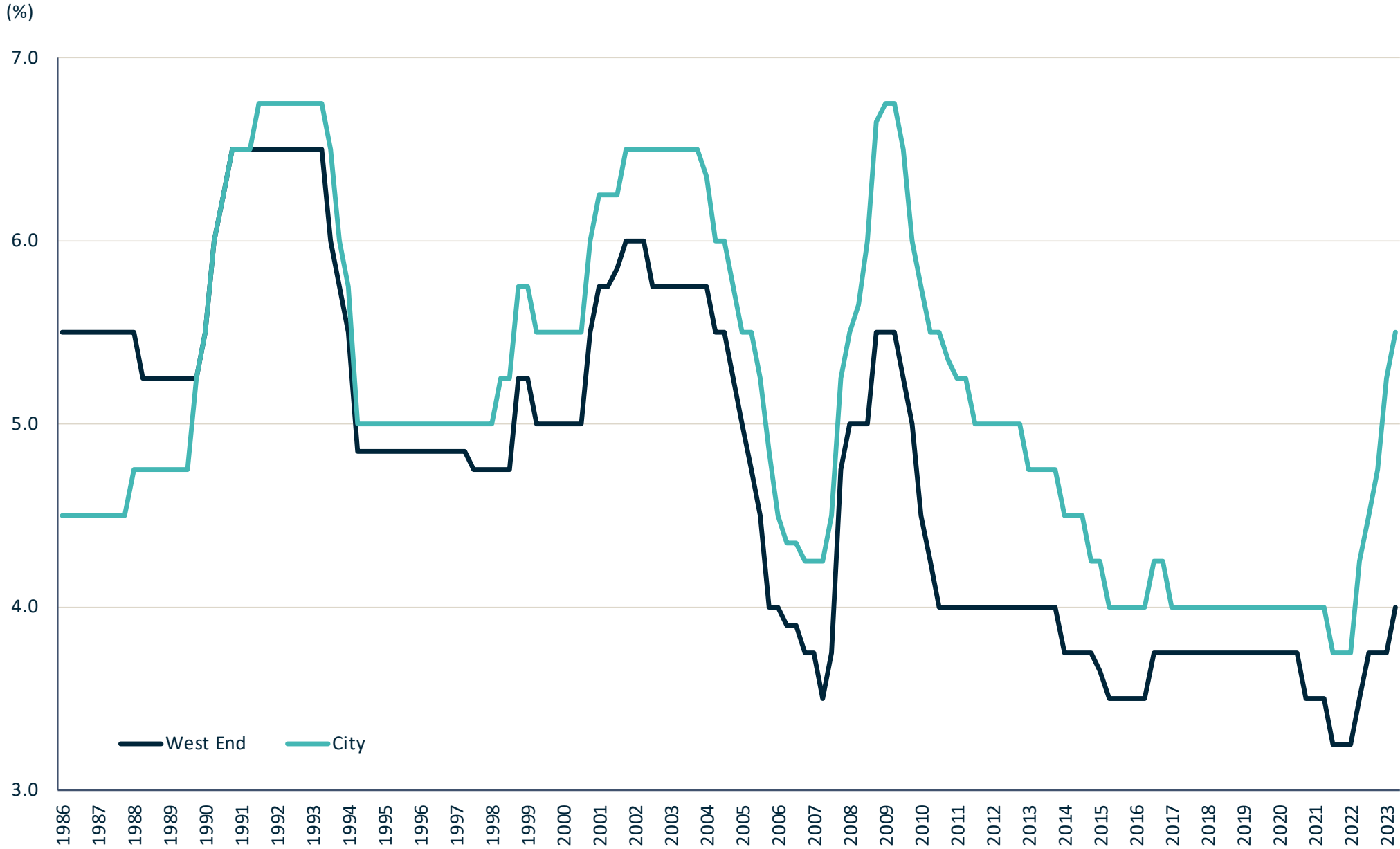


# History of Rental Lags to Yield Moves

West End Prime Yields and Rental Growth



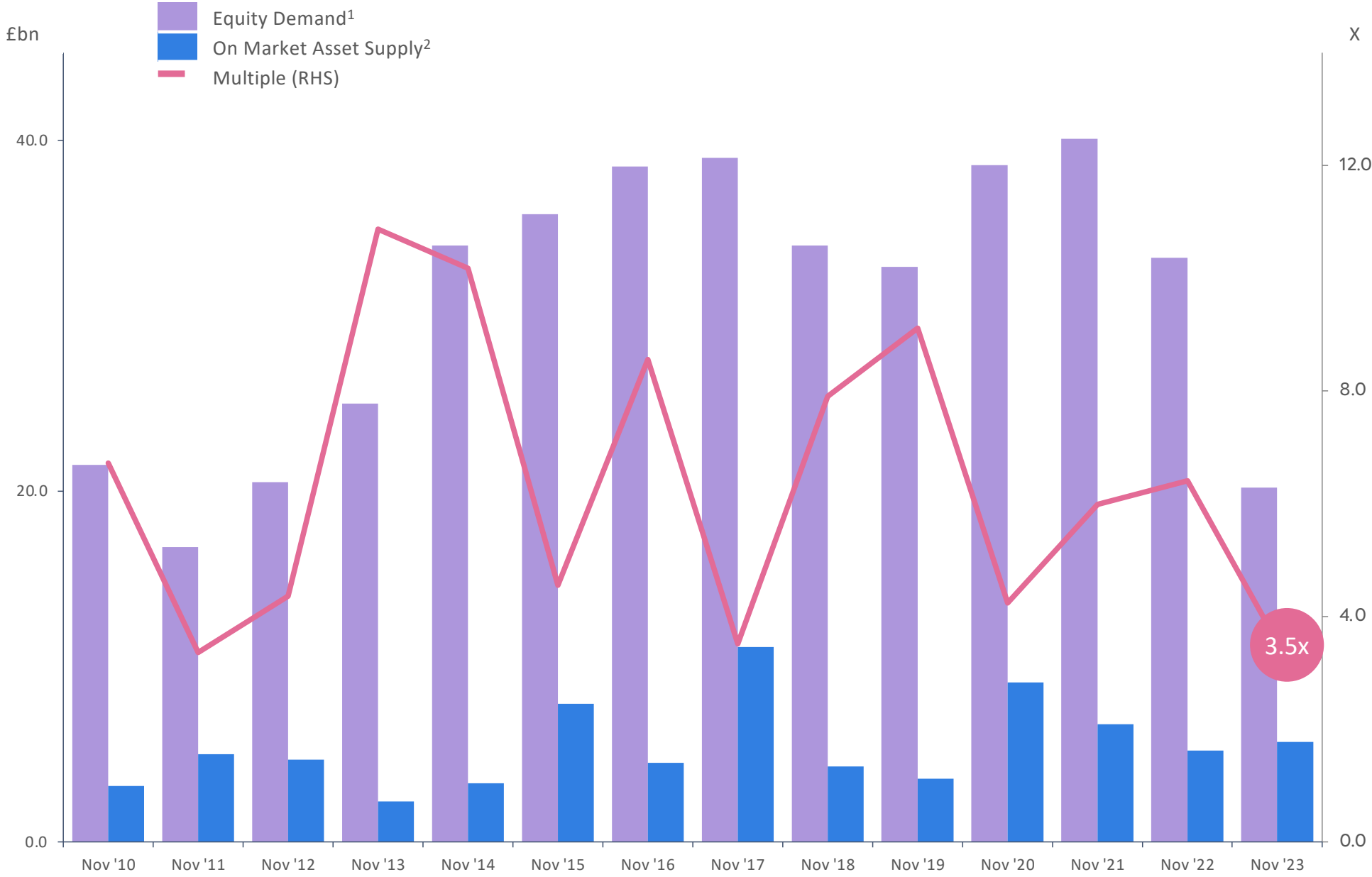
# Central London Prime Yields



Source: CBRE

# Equity Demand and Supply

Central London Investment & Development Property



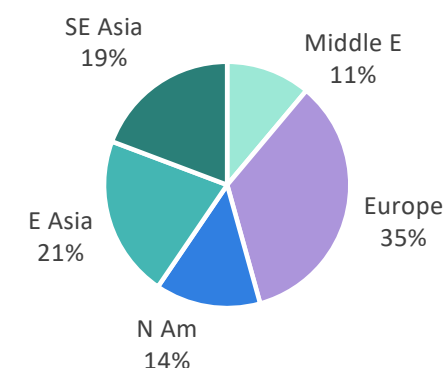
1. CBRE 2. GPE, available stock on the market

# Equity Demand and Supply

## Central London Investment & Development Property

### Equity Demand<sup>1</sup>

	2014		2015		2016		2017		2018		2019		2020	2021		2022		2023	
	£bn	May	Nov	May	Nov	May	Nov	May	Nov	May	Nov	Nov	May	Nov	May	Nov	May	Nov	
Private	6.5	6.5	9.0	9.0	7.5	14.0	15.5	15.5	14.4	13.7	13.8	14.3	16.3	15.7	16.0	11.3	10.0	9.4	7.8
UK REITs	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.2	1.5	1.8	1.8	2.0	2.5	2.5	2.0	2.0	1.2	1.0
Sovereign / Overseas Funds	11.5	17.0	18.0	16.0	17.3	16.0	14.0	14.5	15.4	13.8	10.0	10.5	13.5	14.5	12.1	14.7	14.0	12.3	7.7
UK Funds	2.0	2.5	4.0	3.5	2.5	1.5	1.0	1.0	0.8	1.0	1.7	1.7	1.8	2.0	2.0	2.0	1.4	1.2	0.9
US Capital	4.5	5.5	5.5	4.5	4.5	4.5	6.0	5.0	4.0	3.0	3.0	3.0	3.0	4.0	5.0	5.0	4.4	2.4	2.1
German Funds	1.3	1.5	2.5	1.8	1.0	1.5	2.0	2.0	1.2	1.0	1.5	1.5	2.0	2.5	2.5	1.7	1.5	1.0	0.7
	<b>27.8</b>	<b>34.0</b>	<b>40.0</b>	<b>35.8</b>	<b>33.8</b>	<b>38.5</b>	<b>39.5</b>	<b>39.0</b>	<b>37.0</b>	<b>34.0</b>	<b>31.8</b>	<b>32.8</b>	<b>38.6</b>	<b>41.2</b>	<b>40.1</b>	<b>36.7</b>	<b>33.3</b>	<b>27.5</b>	<b>20.2</b>



### Asset Supply<sup>2</sup>

	2014		2015		2016		2017		2018		2019		2020	2021		2022		2023		6 mnth % chng	12 mnth % chng
	£bn	May	Nov	May	Nov	May	Nov	May	Nov	May	Nov	Nov	May	Nov	May	Nov	May	Nov			
City	0.7	1.8	1.0	6.1	3.3	3.1	4.2	7.9	2.3	2.4	1.8	1.6	6.9	4.1	4.2	4.3	3.6	2.3	2.2	-	(39%)
West End	1.6	1.5	1.0	1.8	1.6	1.4	1.7	3.2	3.7	1.9	1.7	2.0	2.2	2.2	2.5	2.1	2.8	2.3	3.5	48%	21%
Total	2.3	3.3	2.0	7.9	4.9	4.5	5.9	11.1	6.0	4.3	3.5	3.6	9.1	6.3	6.7	6.4	6.4	4.6	5.7	24%	(11%)
Multiple	12.1	10.3	20.0	4.5	6.9	8.6	6.7	3.5	6.2	7.9	9.1	9.1	4.2	6.5	6.0	5.7	5.2	6.0	3.5		

1. CBRE, figures not available for May 20 2. GPE, available stock on the market





**Appendix: Sustainability**

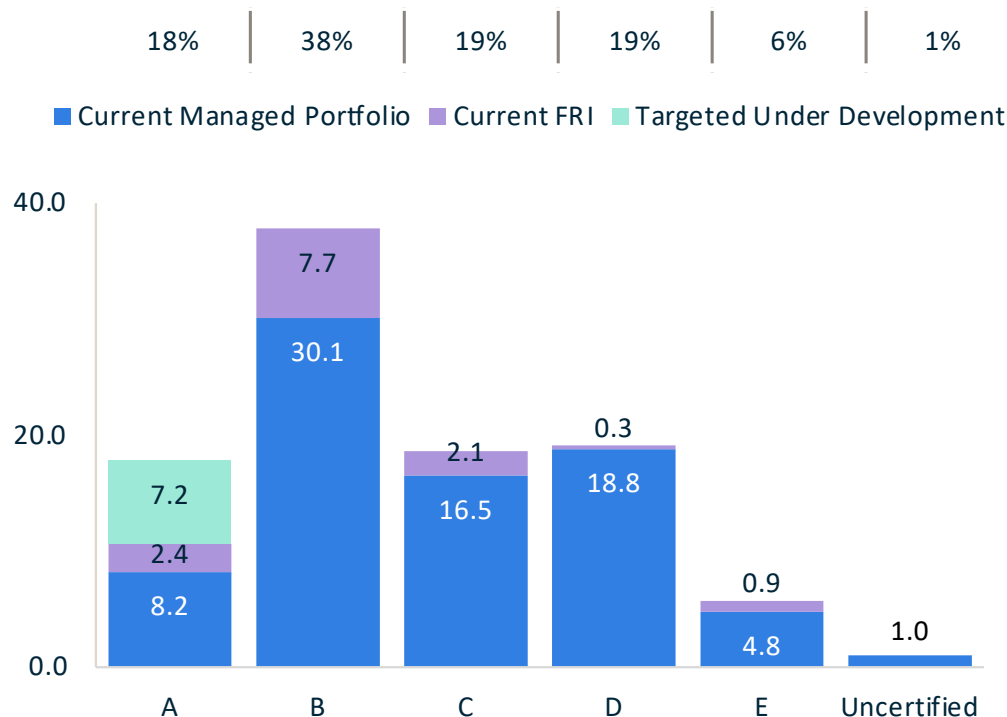
## Progress on EPCs

- 100% compliant with '23 EPC legislation
- 49% of portfolio compliant with anticipated minimum B rating by 2030
- Rises to 56% of portfolio compliant on delivery of 2 Aldermanbury Square, EC2

## Progress against Net Zero Carbon Roadmap

- On track for 6% reduction in energy intensity (kWh/m<sup>2</sup>) for year end March '24 (when compared to previous financial year)
- 23% reduction in carbon footprint at year end March '23<sup>1</sup>

## EPC Ratings: percentage of portfolio by area



## Decarbonisation Fund

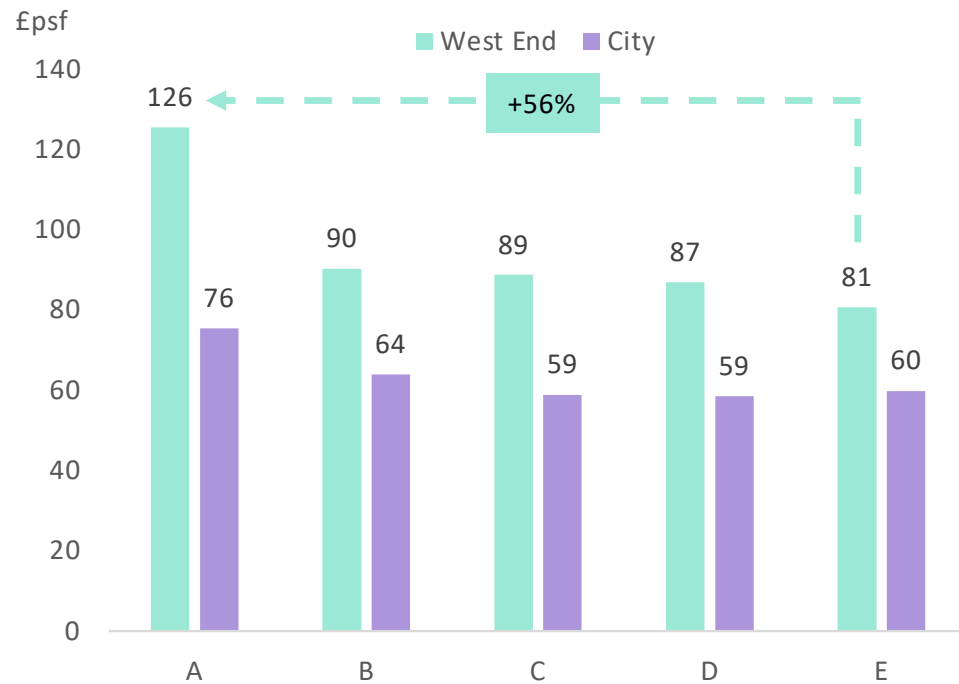
- £1.63m total contribution to Decarbonisation Fund since inception in 2021.
- 100% of funds deployed to support energy efficiency projects in portfolio
- Internal Carbon Price remains at £95 per tonne with review underway

1. Against 2019 baseline

### Impact of Energy Efficiency Certification on Investment Deal<sup>1</sup>

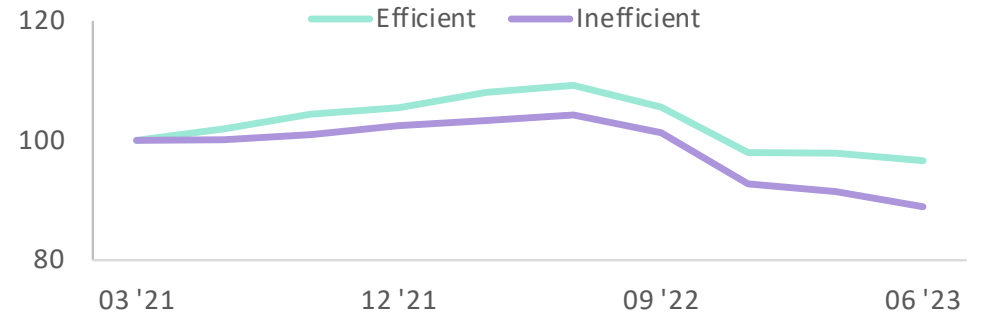
	BREEAM certificate	EPC <sup>2</sup>
Capital values	20.6%	3.7%
Yields (NIY)	24bp	N/A
Rents	11.6%	4.2%

### Impact of EPC Ratings on Rents 2023<sup>3</sup>

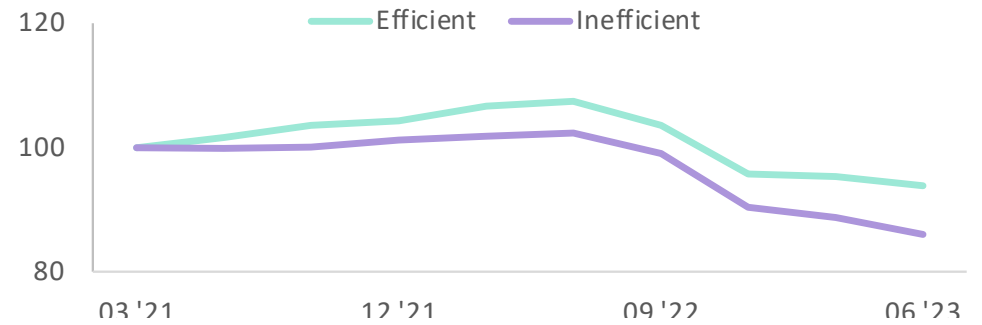


### Energy Efficiency Impact on Office Space Performance<sup>4</sup>

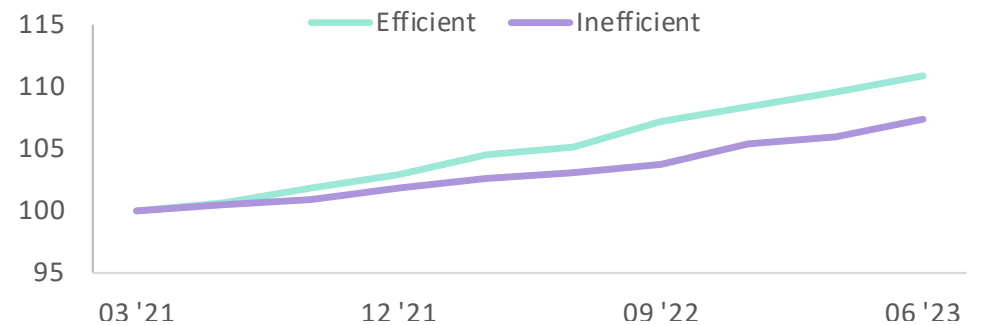
#### Total Returns



#### Capital Value Growth



#### ERV Growth



1. JLL; based on 592 'pure' investment deals, January 2017 - December 2021 in Central London 2. Single step improvement. 3. PMA Central London Office; Avg £ per sq ft; excludes unclassified buildings. 4. CBRE Sustainability Index 2023; index Q1 '21

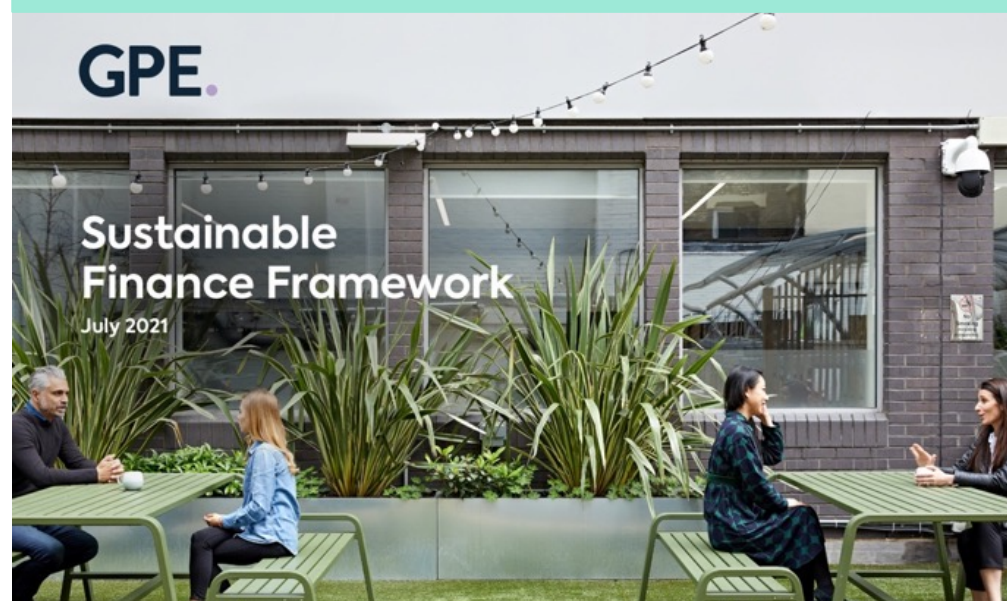
## £450m ESG Linked RCF

- Issued Jan 20
- First RCF by UK REIT with adjustable margin based on performance against ESG-linked KPIs
- Fully available for general corporate purposes
- Entire RCF matures in Jan 27
- KPIs aligned with GPE sustainability strategy, including:
  - Reducing portfolio energy intensity
  - Reducing embodied carbon of refurbishments and developments
  - Increasing portfolio biodiversity
- Headline 90bp margin decreased by 2.5bp given KPI outperformance
  - Adjustments for the year ended March 23 donated to London Wildlife Trust

## £250m Term Loan

- Issued Sep 23
- Will incorporate ESG-linked KPIs

## Sustainable Finance Framework (SFF)



- Published Jul 21
- Fully integrating sustainability across our debt capital structure
- Aligned to principles issued by International Capital Markets Association (ICMA) and Loan Markets Association (LMA)
- Potential to issue debt instruments to finance projects with a positive environmental and/or social impact
- Covers range of debt instruments including public bonds, USPPs and bank loans

# Social Impact Strategy

£1.17m social value created YTD, bringing total to £3.57m created towards £10m 2030 target

## Healthy and inclusive communities

- **XLP: £82K** fundraised through Community Week
- **Volunteering: 1,500 hours** donated YTD to charitable / non-profit organisations challenging inequality
- **Partnership with National Energy Action** continues to support people in fuel poverty



## Growth of local business and social enterprise

- **£862K social value** created through the donation of space to charities and not for profit organisations
- **£191K direct spend** with social enterprises



## Diverse skills / accessible employment opportunities

- **26 weeks of internships** provided through Change100 disability programme
- **2 apprentices** employed directly in GPE team
- Over **300 hours of inclusion training** for GPE team
- **42 young people** reached through **career workshops** and mentoring



## Connecting people with urban nature

- **London Wildlife Trust: £26K** donated from ESG-linked RCF
- **95 hours of volunteering** to support maintenance of London's green spaces
- **£40K invested** YTD in improving **biodiversity** across our buildings



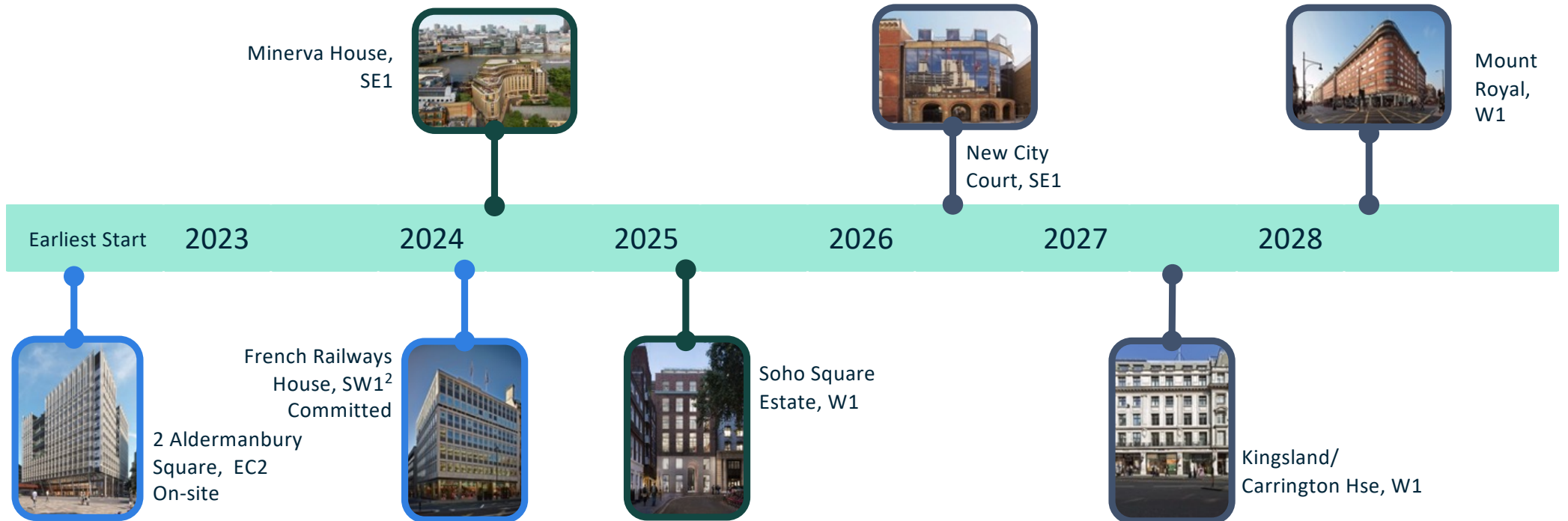


# Appendix: Developments

# HQ: Feeding Ready to Fit

7 Schemes

<p>On Site/ Near-Term</p> <p>Capex to come £579m</p>	<p>Existing 378,600 sq ft</p> <p>ERV £60m</p>	<p>Completed 624,300 sq ft</p>	<p>Medium Term</p> <p>Existing 229,700 sq ft</p>	<p>Targeting 530,000 sq ft</p>	<p>Pipeline Total</p>	<p>New Build<sup>1</sup> 1,154,300 sq ft</p>
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1. Existing area used where insufficient design information exists. 2. Includes 50 Jermyn St, SW1

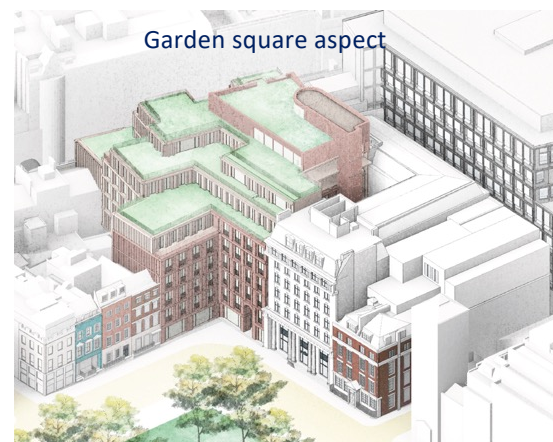
# Soho Square, W1

Best in class HQ redevelopment



### Next steps:

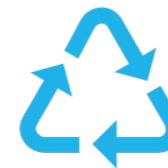
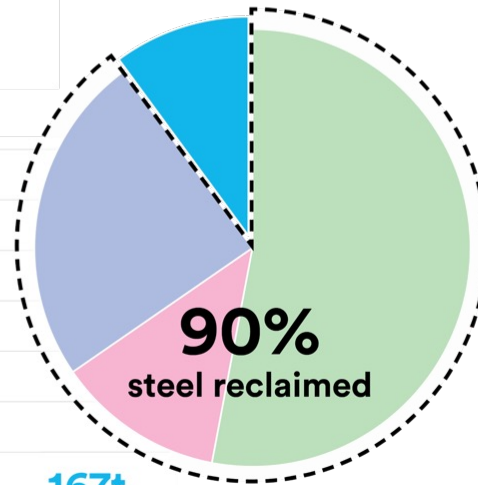
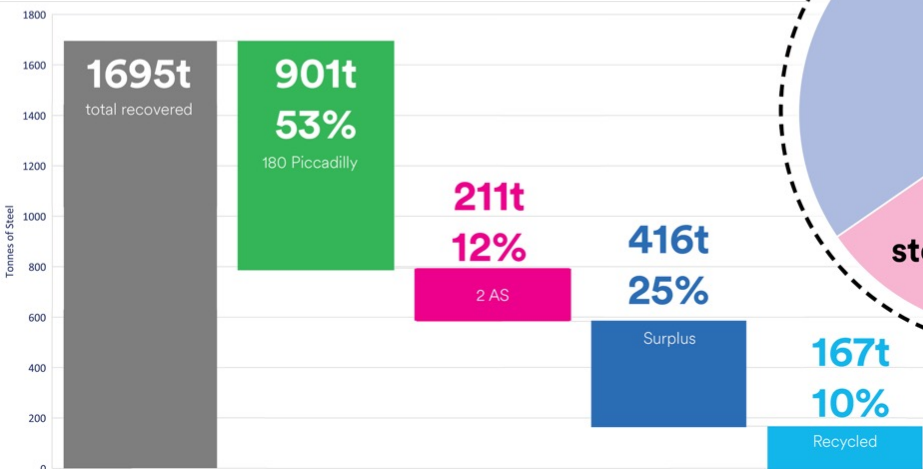
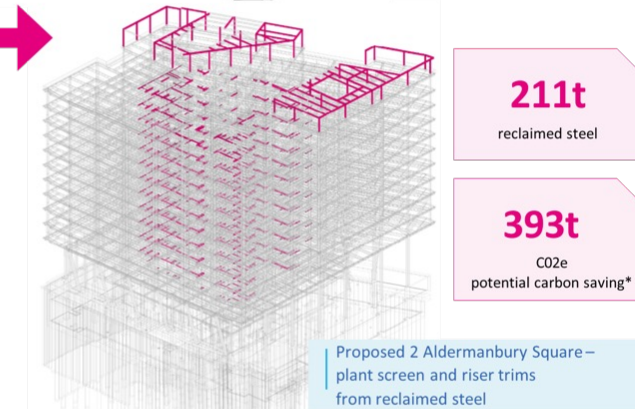
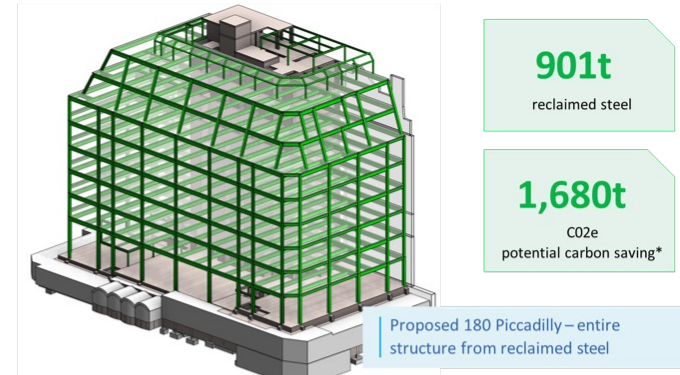
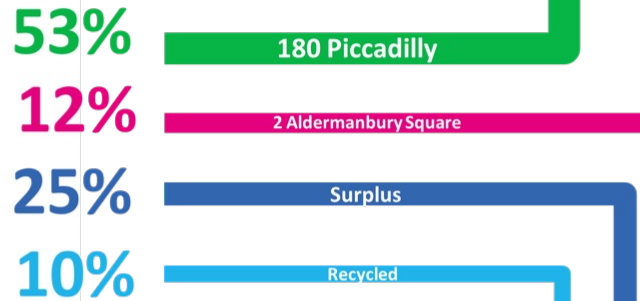
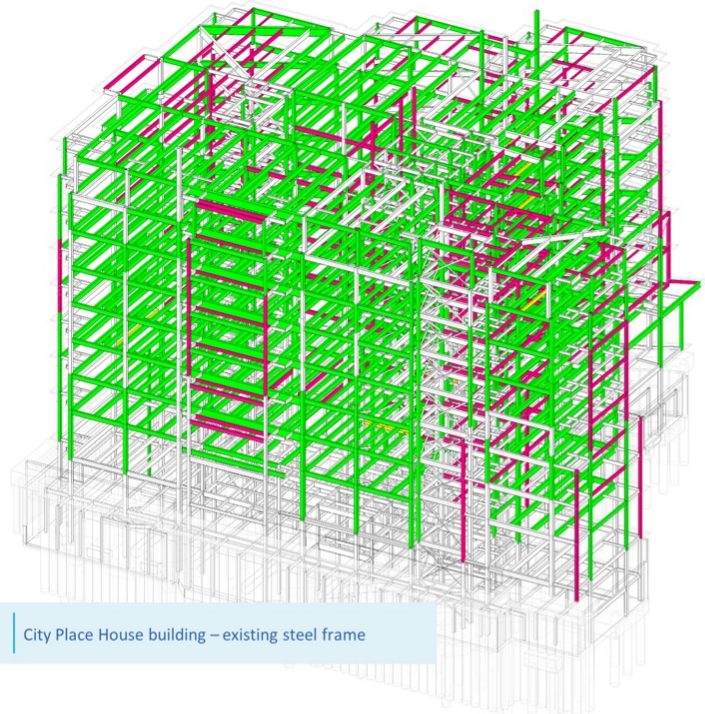
- Improve the design; engaging with Westminster and adjoining owners
- Target EPC A, BREAAAM 'Outstanding'
- Vacant possession: November 2024





# 2 Aldermanbury Square. Steel re-use

90% of existing steelwork reclaimed



- 416t reclaimed steel
  - 775t CO<sub>2</sub>e potential carbon saving\*
- \*assumes 47 kg-CO<sub>2</sub>e/t reclaimed steel vs. 1910 kg-CO<sub>2</sub>e/t new steel

# Opportunity Rich Capex Opportunity

## 13 Major Schemes



	Existing Area	New build area (sq ft) <sup>2</sup>	Earliest Start	Capex (£m)	Uplift in ERV (%)	Next Steps
2 Aldermanbury Square, EC2	176,000	322,600	On Site	£251m	+153%	Commence main works
French Railways House <sup>1</sup> , SW1	54,700	67,600	Q1'24	£99m	+165%	Commence demolition
<b>Prime HQ Developments – 2 Committed</b>	<b>230,700</b>	<b>390,200</b>		<b>£350m</b>	<b>+156%</b>	
Minerva House, SE1	91,700	143,100	2024	£121m	+173%	Complete s106
Soho Square Estate, W1	56,200	91,000	2025	£108m	+178%	Design
<b>Prime HQ Developments – 2 Near Term</b>	<b>147,900</b>	<b>234,100</b>		<b>£229m</b>	<b>+176%</b>	
New City Court, SE1	98,000	389,100 <sup>3</sup>	2026			Design
Kingsland/Carrington House, W1	39,600	48,800	2027			Design
Mount Royal, W1	92,100	92,100	2029			Design
<b>Prime HQ Developments – 3 Medium Term</b>	<b>229,700</b>	<b>530,000</b>				
<b>Prime HQ – 7 Total Schemes</b>	<b>608,300</b>	<b>1,154,300</b>		<b>£579m</b>		
6/10 St Andrew Street, EC4	46,200	47,800	On Site	£27m		
Alfred Place, WC1	38,000	38,200	On Site	£15m		
<b>Flex – 2 Committed Refurbs</b>	<b>84,200</b>	<b>86,000</b>		<b>£42m</b>		
Egyptian House, SW1	25,600	25,600	2023	£30m		
Gresse Street, W1	43,100	43,100	2024	£40m		
141 Wardour Street, W1	30,100	30,100	2024	£22m		
Kent House, W1	40,700	40,700	2024	£13m		
<b>Flex – 4 Pipeline Refurbs</b>	<b>139,500</b>	<b>139,500</b>		<b>£105m</b>		
<b>Flex – 6 Total Schemes</b>	<b>223,700</b>	<b>225,500</b>		<b>£147m</b>		
<b>Major Schemes – 13 major schemes</b>	<b>832,000</b>	<b>1,379,800</b>		<b>£726m</b>		
<b>Flex – Other Refurbs</b>		<b>124,600</b>		<b>£24m</b>		
<b>Total Capex</b>		<b>1,504,400</b>		<b>£750m</b>		
<b>Land value</b>				<b>£594m</b>		
<b>Total commitment</b>				<b>£1,344m</b>		
% of net assets					82%	
% of portfolio by area		45%				

1. Including 50 Jermyn St, SW1 2. Existing area used where insufficient design information exists 3. Business plan under review

# Development Scheme Review

Completions since May 2009



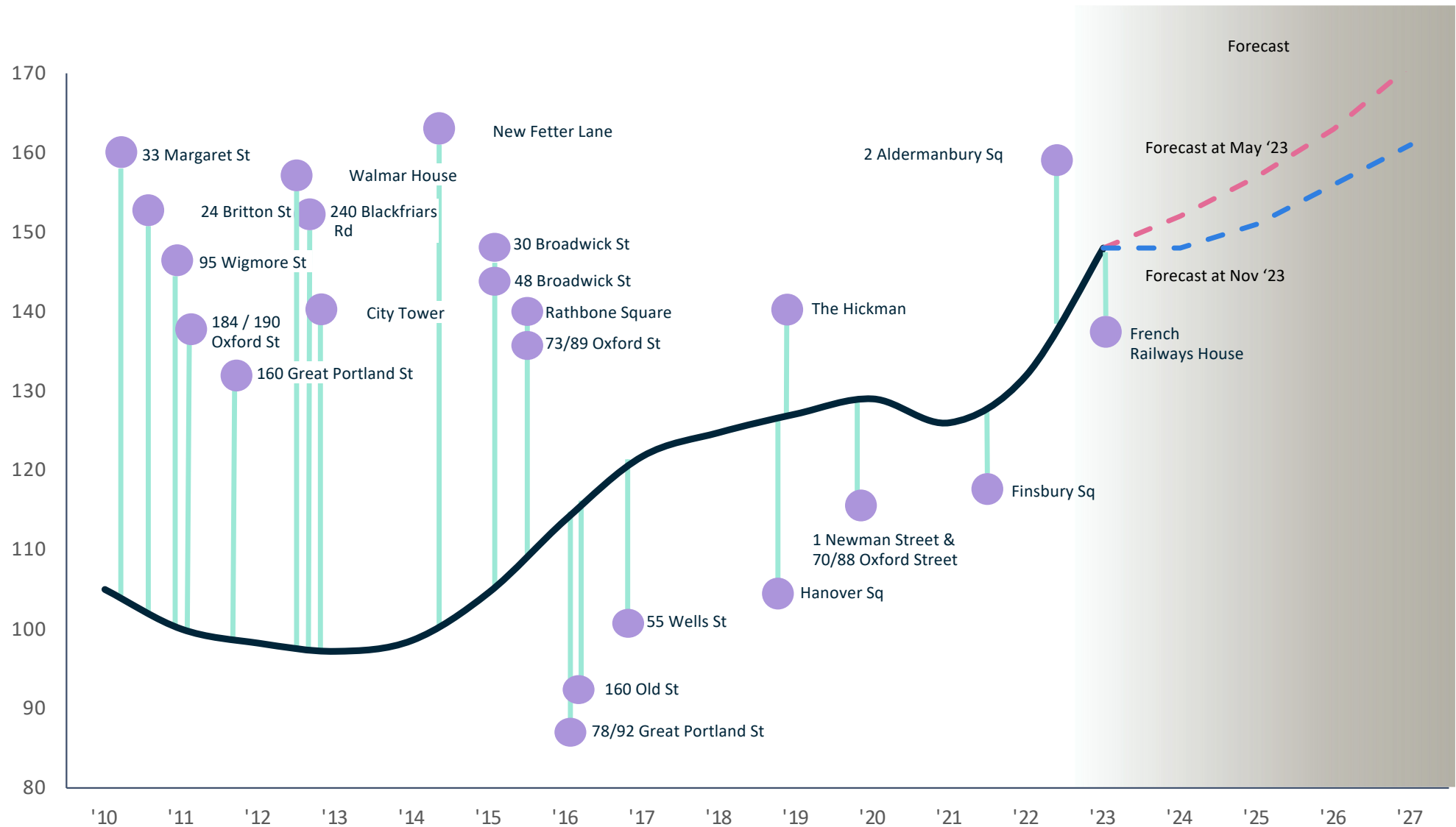
	PC	New build area sq ft	Cost £m <sup>1</sup>	Profit £m <sup>1</sup>	Yield on cost <sup>2</sup>	Rent £m pa <sup>1,2</sup>	% let at PC <sup>3</sup>	BREEAM Rating
184/190 Oxford St, W1	Apr 2011	26,400	28.7	7.1	SOLD	SOLD	100%	-
23 Newman St, W1 (Residential)	Oct 2011	24,900	26.4	0.8	SOLD	SOLD	n/a	Echohomes/Very Good
24 Britton St, EC1	Nov 2011	51,300	19.3	6.4	SOLD	SOLD	100%	Very Good
160 Great Portland St, W1	May 2012	92,900	63.3	26.8	SOLD	SOLD	100%	Very Good
33 Margaret St, W1	Dec 2012	103,700	91.0	52.1	SOLD	SOLD	97%	Excellent
95 Wigmore St, W1 (GWP)	Jul 2013	112,200	54.8	34.2	SOLD	SOLD	92%	Excellent
City Tower, 40 Basinghall St, EC2	Sep 2013	138,200	35.6	11.8	5.4%	3.1	24%	Very Good
240 Blackfriars Road, SE1 (GRP)	Apr 2014	236,700	67.6	37.7	SOLD	SOLD	57%	Excellent
Walmar House, W1	Oct 2014	60,300	59.6	32.1	7.4%	4.2	12%	Very Good
12/14 New Fetter Lane, EC4	Nov 2015	142,300	49.6	51.9	SOLD	SOLD	100%	Excellent
48/50 Broadwick St, W1 (Residential)	Feb 2016	6,500	8.6	1.1	SOLD	SOLD	n/a	-
90/92 Great Portland St, W1	Aug 2016	8,600	5.0	(0.1)	SOLD	SOLD	0%	Excellent
30 Broadwick St, W1	Nov 2016	92,300	132.4	47.4	SOLD	SOLD	25%	Excellent
73/89 Oxford St & 1 Dean St, W1	Jul 2017	90,200	200.4	51.0	SOLD	SOLD	91%	Excellent
Rathbone Square, W1 (Commercial)	Mar 2017	268,900	292.8	83.1	SOLD	SOLD	91%	Excellent
78/80 Great Portland St, W1	May 2017	18,100	20.7	2.6	SOLD	SOLD	2%	Excellent
84/86 Great Portland St, W1	May 2017	22,700	28.3	4.2	SOLD	SOLD	100%	Very Good
55 Wells St, W1	Nov 2017	37,300	50.8	9.6	SOLD	SOLD	10%	Excellent
Rathbone Square, W1 (Residential)	Nov 2017	151,700	280.1	3.5	SOLD	SOLD	n/a	Sustainable Homes L4
160 Old St, EC1 (GRP)	Apr 2018	161,700	66.5	13.0	SOLD	SOLD	71%	Excellent
The Hickman, E1	Sep 2020	75,300	61.0	10.2	6.4%	3.9	0%	Excellent
Hanover Sq, W1 (GHS)	Nov 2020	219,400	312.2	22.8	4.2%	12.8	55%	Excellent
1 Newman St & 70/88 Oxford Street, W1	Jul 2021	122,700	294.2	(28.4)	4.2%	12.4	33%	Excellent
50 Finsbury Square, EC2	Jan 2023	129,200	138.3	51.7	SOLD	SOLD	100%	Excellent
		2,393,500	2,387.2	532.6	4.8%	36.4		

As at completion Profit on  
cost: 22%

# Delivering The Developments

Managing construction costs: inflation

## Average Construction Inflation Index<sup>1</sup>



1. Based on Arcadis, Alinea, Aecom and Gardiner and Theobald London indices

# Our Integrated Team

## GPE Senior Management



### Executive Committee

Toby Courtauld Chief Executive	Nick Sanderson Chief Financial & Operating Officer	Dan Nicholson Executive Director	Janine Cole Sustainability & Social Impact Director	Carrie Heiss Human Resources Director
	Andrew White Development Director	Marc Wilder Leasing Director	Darren Lennark General Counsel & Company Secretary	

### Senior Management

Stephen Burrows Joint Director of Finance & IR	Helen Hare Director of Projects	Martin Leighton Joint Director of Finance	Hugh Morgan Director of Investment Management	Jordan McLean Director of IT, Innovation and Digital Transformation
Charlie Turrell Head of Financial Planning and Analysis	Simon Rowley Director of Flex Workspaces	Piers Blewitt Director of Development Management	Rebecca Bradley Director of Customer Experience	Lisa Day Head of Customer Experience – Ready to Fit
Alexis George Head of Health & Safety	Sarah Goldman Head of Retail	Martin Quinn Head of Technical Project Delivery	Steven Rollinson Head of IT	Jack Kelly Head of Flex Customer Experience