Unlocking potential

AGM 2017

Headline Results

31 March 2017	12 months	H2	H1
Property Valuation[1]	(4.9%)	(0.4%)	(3.7%)
Developments[1]	*(1.2%)*	*+4.8%*	*(6.3%)[2]*
Portfolio ERV movement[1]	(1.3%)	(0.8%)	(0.5%)
Total Property Return	(3.0%)	(0.8%)	(2.2%)
EPRA NAV per share	(5.7%)	(1.7%)	(4.0%)
EPRA Earnings per share	+28.1%	+36.4%	+20.3%

1. Like-for-like, including share of joint ventures   2. Based on development properties at 31 March 2017

Financial Highlights

Balance Sheet	March 17	March 16	Change
Portfolio value[1]	£3,145.5m	£3,703.9m	(4.9%)[2]
EPRA NAV per share[3]	799p	847p	(5.7%)
EPRA NNNAV per share[3]	782p	831p	(5.9%)
Loan-to-property value	12.2%[4]	17.4%	(5.2pps)

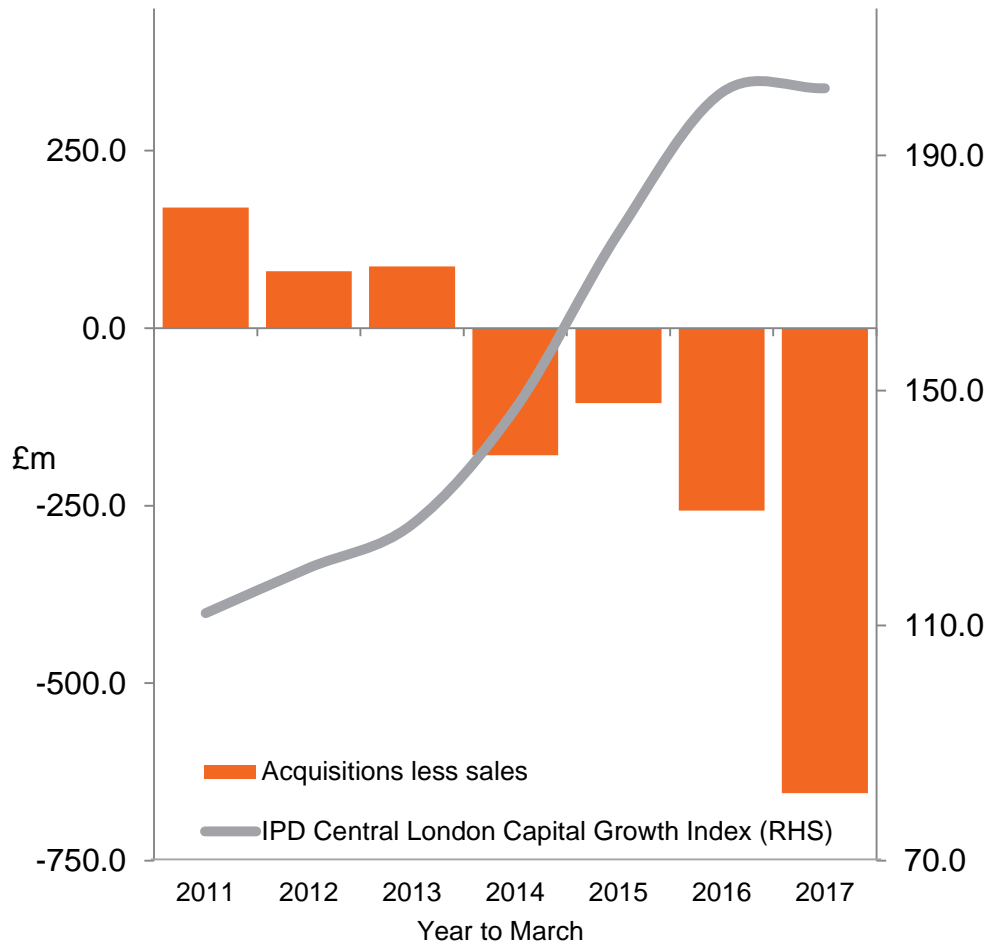| Income Statement	March 17	March 16	Change
EPRA earnings	£59.3m	£47.8m	+24.1%
EPRA EPS[3]	17.3p	13.5p	+28.1%
Dividend per share	10.1p	9.2p	+9.8%

£110 million (32 pence per share) special dividend paid on 31 May 2017

Executing Our Strategy
Net sales ➔ Preparing to invest

GPE Acquisitions less Sales[1]

Legend:
- Acquisitions less sales
- IPD Central London Capital Growth Index (RHS)

Y-axis (left): £m — 250.0, 0.0, -250.0, -500.0, -750.0
Y-axis (right): 190.0, 150.0, 110.0, 70.0
X-axis: 2011, 2012, 2013, 2014, 2015, 2016, 2017 — Year to March

Phase

De-risk	Done
Execution	Development completions
	Leasing
	Reversion capture
Acquisition	Preparing to invest

FY 2017 Operational highlights

- Record sales: £727m (v acquisitions of £71m)
  - o 2 forward sales crystallised £227m whole life surplus
- Successful development completions
  - o 6 schemes finished/sold
  - o 3 committed schemes 65% pre-sold
- Strong leasing and capturing reversion
  - o £25.6m of lettings; 1.8% > ERV
  - o 21% reversionary (69% due by March '19)
- Excellent start to FY 2018
  - o £6.0 million of lettings[2] in Q1; 2.3% > ERV
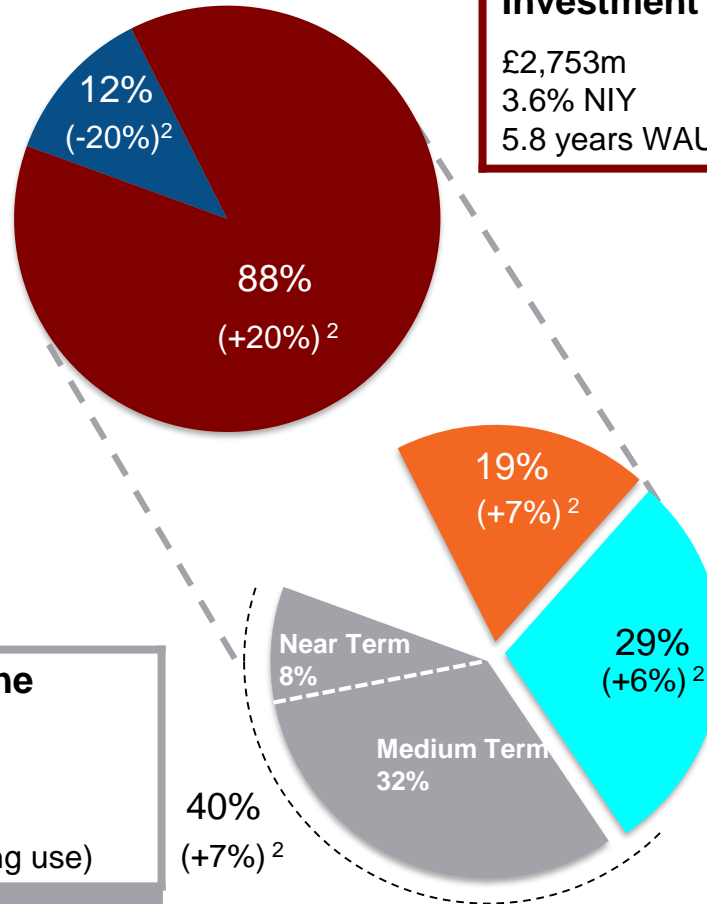 - o £49.6m Whitechapel acquisition

Opportunity
Long term organic growth[1]

Committed Developments

£393m
65.2% pre-let / pre-sold

Near term value upside

Investment Portfolio

£2,753m
3.6% NIY
5.8 years WAULT

Long-Dated

£583m
3.6% NIY
11.4 years WAULT
11% reversionary

Crystallise surpluses

Development Pipeline

£1,266m
3.7% NIY
3.8 years WAULT
27% reversionary (existing use)

Long term value upside

Active Asset Management

£904m
3.7% NIY
4.4 years WAULT
19% reversionary (existing use)

Repositioning upside

12%
(-20%)[2]

88%
(+20%)[2]

19%
(+7%)[2]

29%
(+6%)[2]

Near Term
8%

Medium Term
32%

40%
(+7%)[2]

Development
Pipeline – 40% of today's portfolio

	New build area (sq ft)	Opportunity Area		Earliest Start	Status
Near Term					
Oxford House, W1	89,100	Crossrail	<5 mins	2018	Refurb consented; New build feasibility
Hanover Square, W1	220,200	Crossrail	<5 mins	2018	Consented; Demolition complete
Near Term Total	**309,300**				
Medium Term					
52/54 Broadwick St, W1[1]	47,000	Crossrail	<5 mins	2018-20	Feasibility / Design
50 Finsbury Sq, EC2	126,400	Crossrail	<5 mins	2018-20	Feasibility / Design
City Place House, EC2	176,500	Crossrail	<5 mins	2018-22	Feasibility / Design
31/34 Alfred Place, WC1	37,200	Crossrail	<5 mins	2023-25	Active Asset Mngmnt; Feasibility / Design
Minerva House, SE1	120,000	London Bridge	<5 mins	2021-22	Feasibility / Design
New City Court, SE1	352,000	London Bridge	<5 mins	2021-22	Feasibility / Design
Kingsland/Carrington House, W1	51,400	Prime Retail	<5 mins	2022-23	Feasibility / Design
Mount Royal, W1	92,100	Prime Retail	<5 mins	2022-23	Feasibility / Design
95/96 New Bond St, W1	9,600	Prime Retail	<5 mins	2023-24	Feasibility / Design
35 Portman Square, W1	73,000	Core West End	<5 mins	2021-22	Active Active Asset Mngmnt; Feasibility / Design
French Railways House, SW1	75,000	Core West End	<5 mins	2021-22	Active Active Asset Mngmnt; Feasibility / Design
Jermyn St, SW1	132,700	Core West End	<5 mins	2021-22	Active Active Asset Mngmnt; Feasibility / Design
Medium Term Total	**1,292,900**				
Pipeline Total	**1,602,200**				

1. 52/54 Broadwick St & 10/16 Dufours Place, W1 2. Walking distance from underground, Crossrail or mainline station (TfL / Google)

Medium Term Pipeline
Preparing for next cycle; increasing quality and scale

50 Finsbury Sq, EC2 — Crossrail

New City Court, 20 St Thomas St, SE1 — London Bridge

Mount Royal, 508/540 Oxford St, W1 — Prime Retail

35 Portman Square, W1 — Core West End

Opportunity

Strategy: Consistent and clear

- Repositioning: rental and capital growth
- Recycling in tune with the cycle
- Central London only: West End bias (73% today)

London: Europe's World City

- Growing
- Long term demand
- Supply to remain tight
- Deep, liquid Investment markets

Delivering our strategy

- Executing & crystallising
- Leasing well
- Preparing pipeline
- Getting ready to buy
- Unprecedented financial strength

More to come

- 1.6m sq ft programme, stronger than ever
- Platform into 2020s
- Significant reversions
- Highest proximity to Crossrail: 85% within 800m

Unlocking potential

Appendix

Pro Forma Debt Metrics
Net debt, LTV and cash/undrawn facilities

£m	Net Debt			Cash & undrawn facilities
	Group	JVs	Total	Total
At 31 March 2017	502.8	74.0	**576.8**	**378**
Sale of 73/89 Oxford Street, W1[1]	(56.4)	-	**(56.4)**	**56**
Sale of Rathbone Square, W1[2]	(259.7)	-	**(259.7)**	**260**
Special dividend	110.0	-	**110.0**	**(110)**
Redemption of USPPs (2019/2022)	13.2	-	**13.2**	**(141)**
Issue of new PP notes (2024)	-	-	-	**175**
Pro forma	309.9	74.0	**383.9**	**618**
Portfolio value	2,580.0	565.5	**3,145.5**	
Pro forma loan to value	*12.0%*	*13.1%*	***12.2%***	

1. Deferred sales proceeds of £71.0 million less cost to complete 2. Deferred sales proceeds of £262.4 million less cost to complete

10