Press release

GPE.
Greater together

17 November 2022

Strong operating results supported by record leasing and financial strength

The Directors of Great Portland Estates plc announce the results for the Group for the six months ended 30 September 2022[1], with highlights including:

- **New leasing record including largest ever letting at 2 Aldermanbury Square, EC2; 4.4% ahead of ERV[2]**
- **Significant capex programme of £1.1 billion; 1.5 million sq ft delivering into supply drought**
- **Yield driven valuation decline of 3.4% (ERVs up 0.7%); EPRA NTA per share of 794 pence**
- **Significant financial strength; low pro forma LTV of 17.8% and £494m of liquidity**
- **GPE well positioned to capitalise on opportunities emerging in London**

Toby Courtauld, Chief Executive, said: "Over the past six months, property values in our markets have come under pressure, given the challenging macro-economic and geopolitical environment. However, demand for best in class spaces remains robust, driving strong leasing activity, best illustrated by our own record leasing since March, growing prime office rents and enabling us to continue recycling capital out of mature assets at near cycle-low yields.

Whilst economic challenges may persist in the near term, our experience is that many customers are looking through the downturn in assessing their real estate needs, seeking to trade up to great spaces that are fit for future working patterns. In that context, GPE is well placed; the central London office market is prospectively starved of new, Grade A supply and we plan to deliver our £1.1 billion capex programme into this shortage and a recovering economy; our flex office offer is growing well, delivering our highest rental growth through providing great service to customers; and our strong balance sheet, low leverage and plentiful liquidity combined with our long track record of creating opportunities in volatile market conditions means that we are well positioned to capitalise. GPE is in good health and, against this backdrop, we look to our future with confidence."

Record leasing inc. pre-let of all offices at 2 Aldermanbury Square, EC2; 4.4% ahead of ERV[2]

- £16.7 million p.a. of new annual rent across 205,300 sq ft (inc. £4.6 million in retail), market lettings 4.4% above March 2022 ERV (Fully Managed lettings: 10.3%>ERV); further £6.6 million of lettings under offer
- Our Flex offer now c.15% of office portfolio, targeting 650,000 sq ft (c.26%) of office portfolio by 2027
- Rent roll up 5.4%, vacancy down to 7.4% (Mar 2022: 10.8%); 3.3% excl. developments; 100% rent collection
- Since 1 October, further £27.5 million p.a. of new annual rent signed across 346,300 sq ft, market lettings 2.5% above March 2022 ERV, including:
    - Our largest ever pre-let at 2 Aldermanbury Square, EC2; £24.7 million, 20 year term

Total prospective capex of £1.1 billion; commitment to 2 Aldermanbury Square, EC2

- Good progress across 13 schemes, well timed to deliver into supply constrained market; 1.5 million sq ft; c.50% of portfolio
- Net Zero Carbon refurbishment at 50 Finsbury Square, EC2 on track for hand over to Inmarsat in December
- Following pre-let, commitment to develop 2 Aldermanbury Square, EC2, anticipated completion Q4 2025
- Three further near-term development schemes, starts from 2023; with significant refurbishment programme to enhance our Fully Managed offer

Valuation down 3.4% driven by yield expansion; EPRA[4] NTA per share of 794 pence

- Portfolio valuation of £2.6 billion, down 3.4%[3]; -3.9% offices (inc. Flex -1.4%) and -1.5% retail
- Rental values up by 0.7%[3] (+1.0% offices (inc. Flex +3.3%) and -0.5% retail); yield expansion of 15 bp
- Portfolio rental value growth guidance of 0% to +2.5% for the financial year
- IFRS NAV and EPRA[4] NTA per share of 794 pence, down 4.9% over six months
- EPRA[4] earnings of £11.4 million, down 39.0% on H1 2021. EPRA[4] EPS of 4.5 pence, down 39.2%
- IFRS loss after tax of £86.6 million (2021: profit of £62.2 million); interim dividend maintained at 4.7 pence per share

Significant strength; profitable capital recycling, pro forma LTV of 17.8%

- Two sales (£217.8 million) inc. exchange of 50 Finsbury Square, EC2 for £190 million in October, reflecting a topped up net initial yield of 3.85% and capital value of £1,471 per sq ft, completion Q1 2023
- Two acquisitions (£37.1 million) inc. 6/10 St Andrew Street, EC4 for £30.0 million (£650 per sq ft), growing our Fully Managed offer
- Pro forma[5] EPRA LTV of 17.8%, weighted average interest rate of 2.7%, cash and undrawn facilities of £494 million[5]; weighted average debt maturity of 6.8[5] years; no maturities in next 18 months
- Reviewing £0.9 billion of acquisitions and £100 million of sales
- Team reorganisation and promoting from within to deliver Customer First approach and position business to take advantage of changing market conditions

[1] All values include share of joint ventures unless otherwise stated [2] Leasing in period to 30 September 2022 [3] On a like-for-like basis [4] In accordance with EPRA guidance. We prepare our financial statements using IFRS, however we also use a number of adjusted measures in assessing and managing the performance of the business. These include like-for-like figures to aid in the comparability of the underlying business and proportionately consolidated measures, which represent the Group's gross share of joint ventures rather than the net equity accounted presentation included in the IFRS financial statements. These metrics have been disclosed as management review and monitor performance of the business on this basis. We have also included a number of measures defined by EPRA, which are designed to enhance transparency and comparability across the European Real Estate sector, see note 7 to the financial statements. Our primary NAV metric is EPRA NTA which we consider to be the most relevant measure for the Group. [5] Pro forma for the expected proceeds from the sale of 50 Finsbury Square, EC2 (£190 million), after deducting expected capex to complete (£11.3 million).

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The results presentation will be broadcast live at 10.00am today with the link available at:

www.gpe.co.uk/investors/latest-results

A conference call facility will also be available to listen to the presentation at 10.00am today on the following numbers:

UK: 0808 109 0701 (freephone) International: +44 (0) 33 0551 0202
Conference PIN: 8414019#

A video interview with Toby Courtauld and Nick Sanderson is available, along with accompanying presentation materials and appendices, at:

www.gpe.co.uk/investors/latest-results

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Any forward-looking statements made by or on behalf of Great Portland Estates plc (GPE) 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. GPE does not undertake to update forward-looking statements to reflect any changes in GPE's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Information contained in this announcement relating to the Company or its share price, or the yield on its shares, should not be relied upon as an indicator of future performance.

Half Year Results

Our business

Our business is accompanied by graphics (see Appendix 1 and 3)

Our leasing and Flex activities

During the six months to 30 September 2022, momentum in our occupational markets remained good. Our Customer First approach has continued to attract demand for our brand of high quality, well-located space, resulting in a strong first half leasing performance.

Key highlights include:

- 63 new leases were signed during the first half (2021: 35 leases), generating annual rent of £16.7 million (our share: £15.1 million; 2021: £21.8 million), market lettings 4.4% above March 2022 ERVs (offices; 5.1%; retail -2.8%), including;
    - six Fitted and eleven Fully Managed leases, achieving on average £183 per sq ft on the Fully Managed space, 10.3% ahead of March 2022 ERV; and
    - 20 new retail leases securing £4.6 million of rent with market lettings 2.8% below March 2022 ERV, including two units at 50 Finsbury Square, EC2, where the retail space is now all let or under offer.
- nine rent reviews securing £10.1 million p.a. (our share: £5.2 million; 2021: £2.0 million) of rent were settled during the half year, 2.0% ahead of previous passing rent and 5.0% ahead of ERV;
- total space covered by new lettings, reviews and renewals during the first half was 358,000 sq ft (2021: 387,200 sq ft);
- 78% (by area) of the 87 leases with breaks or expiries in the twelve months to 30 September 2022 were retained, re-let, or are under offer, leaving 66,000 sq ft still to transact; and
- following the successful leasing period, the Group's rent roll has increased by 5.4% to £109.7 million and the Group's vacancy has reduced to 7.4% (31 March 2022: 10.8%).

The table below summarises our leasing transactions in the period:

Leasing Transactions	Three months ended 30 September 2022	Six months ended 30 September 2022	Six months ended 30 September 2021
New leases and renewals completed			
Number	43	63	35
GPE share of rent p.a.	£9.7 million	£15.1 million	£21.8 million
Area (sq ft)	146,200	205,300	358,800
Rent per sq ft (including retail)	£99	£104	£76
Rent reviews settled			
Number	7	9	3
GPE share of rent p.a.	£4.8 million	£5.2 million	£2.0 million
Area (sq ft)	148,300	152,700	28,400
Rent per sq ft (including retail)	£64	£66	£72

Note: Includes joint ventures at share

Notable transactions during the six months included:

- At 1 Newman Street, W1, we signed a further two office leases (27,700 sq ft) in the period for a combined rent of £2.6 million p.a. These two lettings completed the 80,700 sq ft office leasing at an average 3.2% ahead of ERV and an average void of only five months;
- At Kent House, W1, following the recent conversion of a 4,000 sq ft unit to Fully Managed space, we secured a new customer on a two year term at a record £240 per sq ft average over the term; and
- In early July, we leased a further retail unit at Hanover Square, W1 to the Opera Gallery, who will be relocating further north on New Bond Street to create a new larger flagship premises across basement, ground and first floor levels totalling over 6,100 sq ft of space. Opera Gallery will join other luxury retailers at our Hanover Square scheme, including Canali, Pronovias, Seiko, Moyses Stevens and WatchHouse. With a further letting to Bang & Olufsen completed post 30 September, there are now only two retail stores remaining, both of which are under offer.

At 30 September 2022, the Group's vacancy rate (including share of joint ventures) was 7.4%, down from 10.8% at 31 March 2022, due to the strong leasing in the period. Excluding recently completed developments, the vacancy rate was 3.3%, down from 4.4% at 31 March 2022. The average passing rent across our office portfolio was £71.50 per sq ft, up from £67.50 per sq ft at 31 March 2022.

Since 30 September 2022, our leasing activity included:

- The pre-let of all 321,100 sq ft of office space at our 2 Aldermanbury Square, EC2 development to a leading international law firm. Clifford Chance entered an agreement to lease for the lower ground to twelfth floors, on separate 20 year leases, with options to break at year 15 together with additional options to break at year eight on the fourth floor; and year twelve on the fifth floor. Clifford Chance also has an option to hand back the first to fourth floors of the building (up to 89,000 sq ft) which expires on 1 March 2024. The agreement to lease is conditional on the discharge of two planning conditions (by May 2023) and approval from the City of London as required by GPE's headlease ahead of practical completion. Clifford Chance will pay an initial average rent of £77.00 per sq ft (assuming no space is handed back) and will benefit from 38 months' rent free over the fifteen year terms, with a further three months' rent free in the event those leases are not broken.
- In total, we completed ten new leases generating £27.5 million (our share: £27.1 million) of annual rent (346,300 sq ft), with market lettings 2.5% above March 2022 ERVs; and
- A further 79,300 sq ft of space is under offer which would deliver approximately £6.6 million p.a. in rent (our share: £5.9 million), with market lettings 2.5% below March 2022 ERVs.

On track to create 650,000 sq ft of Fitted and Fully Managed spaces by 2027
Evolving patterns of work are changing what many customers want from their office space and we are meeting this demand with our innovative Fitted and Fully Managed spaces. During the period, including our Flex partnerships, we increased our flex offerings across the portfolio and they now total 284,000 sq ft (or c.15% of our offices). This included rolling out our offering to two new buildings in the period at Kent House, W1 and Alfred Place, WC1.

Looking forward, our portfolio is well suited to further growing this flexible office exposure. Our average building size is small at around 65,000 sq ft and more than 80% of our floors are sub-10,000 sq ft. We have further ambitions for growth and are targeting to grow our offer organically to more than 650,000 sq ft. This growth would take these offerings to around 26% of our office portfolio by 2027 and we are excited about the opportunity for future growth in this space. We will supplement this growth through targeting investment opportunities that lend themselves to our flexible space products, as demonstrated by our acquisitions of 7/15 Gresse Street, W1 and 6/10 St Andrew Street, EC4 earlier in 2022.

Team reorganisation and promoting from within
As we focus on delivering our Customer First approach and positioning GPE to take advantage of changing market conditions, we have undertaken a team reorganisation whilst also continuing to promote from within. We are rebalancing the responsibilities of our Executive Directors. Nick Sanderson is assuming reporting line responsibility for Marketing, Flex and Customer Experience, whilst Dan Nicholson is taking on New Business, Health & Safety and the newly created Workplace Services function (headed by David O'Sullivan). We are also promoting Rebecca Bradley to Director of Customer Experience and Relationships who will be responsible for operational delivery of customer experience across all our spaces. She will report to Steven Mew who sits on the Executive Committee. Robin Matthews (Investment Director) will be leaving the business. We thank Robin for his six years of service as a valued colleague and Executive Committee member and wish him continued success in the future. There are no changes to the existing composition of the Board, their other responsibilities or any other changes to the Executive Committee resulting from these appointments.

Our development activities and capex programme

Within our £1.1 billion prospective capex programme we have continued to make excellent progress with both our two committed and three near-term schemes, and have advanced our plans to further invest in the expansion of our Fully Managed spaces. Since March 2022, we have committed to the 322,700 sq ft development of 2 Aldermanbury Square, EC2 and continued to make good progress at 50 Finsbury Square, EC2, scheduled to complete next month and now 100% pre-let or under offer.

Two committed schemes, offices 100% pre-let
At 50 Finsbury Square EC2, construction is advancing well with the scaffolding removed ahead of expected completion next month. The Net Zero Carbon scheme will deliver 129,200 sq ft of refurbished space, including 121,800 sq ft of offices all of which is pre-let to Inmarsat. All of the 7,300 sq ft of retail space has now been let or is under offer. In October 2022, we exchanged contracts to sell the scheme on completion for £190.0 million, see below. Based on the sales price, we expect the scheme to deliver a profit on cost of 37%. At 30 September 2022, 50 Finsbury Square, EC2 was valued at £176.0 million and required an estimated £11.3 million of capital expenditure to complete.

Following the pre-let to Clifford Chance, we have committed to the redevelopment of 2 Aldermanbury Square, EC2. Our scheme will substantially increase the size of the building to 322,700 sq ft (up from 176,000 sq ft) and will deliver our second Net Zero Carbon building, after 50 Finsbury Square, EC2. We are currently on-site demolishing the old building and, as part of this process, are extracting the structural steel and reconditioning it for reuse in one of our future development schemes. This pioneering approach will reduce the embodied carbon of the steel when reused by more than 90%. The scheme also includes a number of public realm and amenity improvements that will have a positive impact on the local area and improve accessibility to the western entrance of the Liverpool Street Elizabeth Line station. The cost to complete the scheme is £276 million and it is expected to deliver a profit on cost of 11%.

Beyond this, the team continues to prepare our substantial development pipeline of a further six development schemes with prospective deliveries from the mid-2020s and beyond.

Three near term schemes; planning permission granted at French Railways House & 50 Jermyn Street, SW1
In May 2022, we obtained planning permission at French Railways House and 50 Jermyn Street, SW1, part of our Piccadilly Estate. Our proposed major office-led redevelopment will provide 67,700 sq ft (up from 54,700 sq ft) of new Grade A space. Whilst aspects of the circular economy have been integrated in other development schemes, this scheme is designed to fully embrace the principles of the circular economy. As well as reusing the existing basement and foundations, we are aiming to reuse the structural steel from the demolition of 2 Aldermanbury Square, EC2, in its construction. If successful, this will save around 1,000 tons of carbon and reduce the embodied carbon in the steelwork by more than 90%. The development of the building is subject to The Crown Estate consent.

At New City Court, SE1, we submitted a second planning application for an amended scheme of 389,100 sq ft in April 2021. Having explored all avenues to have both the 2018 and 2021 schemes approved by Southwark Council without success, we therefore regretfully appealed for non-determination with the public inquiry taking place in July 2022. With the inquiry now concluded we expect a decision from the Secretary of State in May 2023.

At Minerva House, SE1, we are finalising plans for a 140,300 sq ft major office refurbishment. Our proposals will reposition this building taking full advantage of its river frontage and, by adding additional storeys, we will be able to create outdoor terraces and amenity space with commanding views over central London. A planning application for the scheme was submitted in November 2021 and we expect a decision later this financial year.

In total, our five on-site and near-term schemes will deliver 1.1 million sq ft of best-in-class, highly sustainable space, perfectly placed to benefit from a market where forward look supply is severely constrained. With a further three schemes in the medium-term pipeline, our total development programme totals 1.3 million sq ft and will provide strong growth potential over the coming years.

Significant refurbishment programme to enhance our Fully Managed offer
In order to grow our flexible office offer, we are planning to refurbish four buildings to provide new dedicated Fully Managed spaces as well as converting a significant number of floors across our portfolio. These buildings include our recent purchases at 7/15 Gresse Street, W1 and 6/10 St Andrew Street, EC4, and Alfred Place, WC1 and Egyptian House, SW1 (Piccadilly) where we have secured vacant possession to enable our works to commence mid next year.

In total, these four schemes will deliver an additional 155,000 sq ft of well designed, tech-enabled and sustainable space which will also benefit from high levels of service delivery and amenity provision. Together with other flex and refurbishment capex across the portfolio, this programme will total around £145 million.

Our investment activities

Activity in our investment markets was robust in the first half of the financial year. However, more recent economic uncertainty, together with an increased cost of financing, has weighed on pricing and valuations. We anticipate that given this change in the economic backdrop, further opportunities to buy will emerge. Accordingly, we continue to monitor the market closely and have more than £0.9 billion of potential acquisitions currently under review. Our focus remains on development and repositioning opportunities, buildings that would suit our flex products and assets that are currently challenged from a sustainability perspective.

Recycling capital, two disposals totalling £217.8 million broadly in line with book value
In June, we sold the freehold of 6, 7/8 and 9/10 Market Place, W1 to a UK private property company. The property comprises three adjoining mixed use assets totalling 18,000 sq ft including multi-let offices and restaurant/café space. The headline sale price of £28.2 million reflects a net initial yield of 4.1% on a topped up basis and capital value of £1,480 per sq ft. After deduction of outstanding occupier incentives and rental guarantees, the net price was £27.8 million, 3.0% ahead of the March 2022 book value.

In October, we exchanged contracts on the sale of the freehold of 50 Finsbury Square, EC2 to a wholly owned subsidiary of Wirtgen Invest Holding GmbH, a private German family office. The headline price of £190.0 million (subject to adjustment for final building area and retail leasing) reflects a topped up net initial yield of 3.85% and capital value of £1,471 per sq ft (or £1,690 per sq ft on expiry of rent frees) and is broadly in line with the March 2022 book value after adjusting for estimated capex to complete. We will retain responsibility for delivering the development with completion of the sale expected in Q1 2023 following practical completion and commencement of the leases of the office and retail space.

Two attractive acquisitions
In May we completed the off-market acquisition of the long leasehold interest at 6/10 St Andrew Street, EC4 for £30.0 million (£650 per sq ft). The 46,200 sq ft building is currently vacant and benefits from planning permission for a two-storey extension. The building is located within five minutes walking distance of Chancery Lane and Farringdon stations and is only 450 metres from the new Farringdon Elizabeth Line. It has excellent fundamentals and requires substantial refurbishment to bring it in line with GPE's net zero carbon commitment. It will provide approximately 48,000 sq ft over lower ground and eight upper floors, with two private terraces as well as a communal roof terrace and winter garden. St Andrew Street will deliver best-in-class Fully Managed office space in a core target location, with outstanding amenity space at ground floor and roof top levels.

Also in May, we acquired 2 Cathedral Street, SE1 for £7.1 million reflecting a 4.4% net initial yield and £1,100 per sq ft. The 6,400 sq ft freehold building is currently let until 2029 at a rent of £332,000 per annum. The property is located in the heart of Borough market and will complement GPE's Minerva House holding in this exciting submarket.

Valuation

Valuation is accompanied by graphics (see Appendix 2)
The valuation of the Group's properties was £2,614.0 million as at 30 September 2022, reflecting a valuation decrease of 3.4% on a like-for-like basis since 31 March 2022. At 30 September 2022, the wholly-owned portfolio was valued at £2,069.0 million and the Group had three active joint ventures which owned properties valued at £545.0 million (our share) by CBRE.

Development gains supporting value increase
The key drivers behind the Group's valuation movement for the six-month period were:

- portfolio management – a strong six months, 72 new leases, rent reviews and renewals were completed, securing £20.3 million (our share) of annual income, supporting the valuation. At 30 September 2022, the portfolio was 6.7% reversionary;
- rental value increase – since the start of the financial year, rental values increased by 0.7% on a like-for-like basis, with our flex offices increasing by 3.3% and our overall office portfolio up by 1.0%, whilst our retail portfolio reduced by 0.5%; and
- increased investment yields – equivalent yields increased by 15 basis points over the period. At 30 September 2022, the portfolio true equivalent yield was 4.6% and reversionary yield was 5.3%.

Including rent from pre-lets and leases currently in rent free periods, the topped up initial yield of the investment portfolio at 30 September 2022 was 3.9%, 10 basis points higher than the start of the financial year.

Whilst the overall valuation decreased by 3.4% during the six months on a like-for-like basis, elements of the portfolio continued to show greater variation. Although our office portfolio values fell in value by 3.9%, as a result of yield expansion of 18 basis points, our Flex offices were only down 1.4% as a result of rental value increases of 3.3% across the Flex portfolio in the period. Our retail performed slightly better falling in value by only 1.5%. Furthermore, properties with an EPC rating of A or B reduced in value by 2.5%, out-performing properties with an EPC of C or D which fell by 4.2% in the six months. Our joint venture properties fell in value by 2.6% over the period, helped by the strong retail leasing activity at our recently completed development Hanover Square, W1, while the wholly-owned portfolio fell by 3.6% on a like-for-like basis, supported by our committed developments at 50 Finsbury Square.

The Group delivered a total property return (TPR) for the six months to 30 September 2022 of -2.1% (2021: -3.7%), compared to the Central London MSCI quarterly benchmark of -1.0%, and a capital return of -3.3% (versus -2.5% for MSCI). This relative underperformance resulted from our above benchmark exposure to short leasehold and short income properties.

Near-term market outlook
Our markets are cyclical, as a result, we actively monitor numerous lead indicators to help identify key trends in our marketplace. Over the last six months, given the increased economic uncertainty, our property capital value indicators have deteriorated from those we reported in May. In the short term, we expect investment activity in the central London commercial property market to remain muted, as higher interest rates reduce prospective returns, and prime yields to come under further upward pressure. In the occupational market, given a strong leasing and rental performance of the portfolio in the first half of the year, we have marginally moderated our rental value growth range for the financial year to 31 March 2023 to between 0% and +2.5%, predominantly driven by the positive performance of our office portfolio.

Our financial results

Our financial results are accompanied by graphics (see Appendix 4)
We prepare our financial statements using IFRS. However, we also use a number of Alternative Performance Measures (APMs) to help explain the performance of the business. These include quoting a number of measures on a proportionately consolidated basis to include joint ventures, as it best describes how we manage the portfolio, like-for-like measures and using measures prescribed by European Public Real Estate Association (EPRA). The measures defined by EPRA are designed to enhance transparency and comparability across the European real estate sector. Reconciliations of APMs are included in note 7 to the accounts.

We calculate net assets and earnings per share in accordance with EPRA's Best Practice Recommendations. The recommendations are designed to make the financial statements of public real estate companies clearer and more comparable across Europe enhancing the transparency and coherence of the sector. EPRA's Best Practice Recommendations include three NAV metrics: EPRA Net Tangible Assets (NTA), Net Reinvestment Value (NRV) and Net Disposal Value (NDV). We consider EPRA NTA to be the most relevant measure for the Group and the primary measure of net asset value and relevant reconciliations between IFRS numbers and EPRA metrics are included in note 7 to the accounts.

Valuation fall drives 4.9% decrease in EPRA NTA per share
IFRS NAV per share and EPRA NTA per share at 30 September 2022 were 794 pence per share, a decrease of 4.9% over the last six months, largely due to the 3.4% like-for-like decrease in the value of the property portfolio. The main drivers of the 41 pence per share decrease in NTA from 31 March 2022 were:

- the decrease of 39 pence per share arising from the revaluation of the property portfolio;
- EPRA earnings for the period of 5 pence per share increased NTA;
- the final dividend of 8 pence per share reduced NTA; and
- other movements increased NTA by 1 pence per share.

The EPRA NTA decrease of 4.9%, combined with the payment of last year's final dividend of 7.9 pence per share, delivered a total accounting return for the six months to 30 September 2022 of minus 4.0% (2021: +3.2%).

At 30 September 2022, the Group's net assets were £2,008.1 million, down from £2,112.9 million at 31 March 2022, with the decrease largely attributable to the fall in property valuation. EPRA NDV per share reduced marginally to 830 pence at 30 September 2022 compared to 838 pence at 31 March 2022 (down 1.0%), supported by the impact of rising interest rates on the fair values of our fixed rate low coupon debt.

Earnings reduced, in line with guidance and our portfolio activities
Revenue from our wholly-owned properties rose by £1.3 million, largely driven by higher rental income (together with the spreading of lease incentives) including the commencement of new leases at 1 Newman Street, W1. The increase in rental income was largely offset by a decrease in joint venture fees, down £2.8 million on last year to £1.5 million, as the result of no disposal fees in the current year (2021: sale of 160 Old Street, EC1).

Adjusting for acquisitions, disposals and transfers to and from the development programme, like-for-like rental income (including from joint venture properties) increased 7.3% on the prior period after estimated credit loss provisions.

Cost of sales increased from £13.7 million to £14.2 million for the period to 30 September 2022, with the increase primarily due to higher service charge expenses, including costs associated with the delivery of our Fully Managed spaces.

As the central London economy continues to recover from the pandemic, we have seen a continued improvement in collection rates for both the June and September 2022 quarters (96% and 100% after 7 days respectively). Of the £8.7 million rent and service charge outstanding at 30 September 2022, we provided £3.8 million as an expected credit loss (an additional £1.4 million in the period).

Administration costs were £17.6 million, an increase of £1.4 million, primarily as a result of the investment associated with digitising elements of our business, the delivery of our Customer First programme and the creation of our new website, together with inflationary salary uplifts and increased headcount to support our enhanced operational capabilities.

EPRA earnings from joint ventures (excluding fair value movements) were £2.9 million, a decrease of £6.9 million from the prior year, largely driven by the disposal of 160 Old Street, EC1 and the Superdry surrender premium of £7.9 million (our share: £3.9 million) at 103/113 Regent Street, W1 received in the prior year. In total, our joint ventures delivered a loss before tax of £14.8 million (2021: £26.8 million profit).

Gross interest on our debt facilities was £8.3 million, up £1.1 million on the prior period. This increase was primarily due to higher underlying interest rates on our £450 million revolving credit facility and additional drawings to fund both the recent acquisitions as well as the Group's development capital expenditure. We capitalised interest of £4.6 million (2021: £4.0 million). As a result, the Group had net finance costs (including interest receivable) of £1.9 million (2021: £0.1 million).

EPRA earnings were £11.4 million, 39.0% lower than for the same period last year. Revaluation losses together with EPRA earnings resulted in an IFRS loss after tax of £86.6 million (2021: profit of £62.2 million). The basic and diluted loss per share for the period was 34.3 pence, compared to earnings of 24.6 pence per share for 2021. Diluted EPRA earnings per share was 4.5 pence (2021: 7.4 pence).

Results of joint ventures

The Group's net investment in joint ventures was £561.5 million, a decrease from £582.8 million at 31 March 2022, largely due to a 2.6% like-for-like decrease in value of the property portfolio. Our share of joint venture net rental income was £8.4 million, significantly down from £14.8 million last year primarily as a result of the profitable sale of 160 Old Street, EC1 and a one-off surrender premium of £3.9 million (our share) received in the prior year, offset by increased leasing activity at Hanover Square, W1. The underlying joint venture profits are stated after charging £1.5 million of GPE management fees (2021: £4.3 million) with the decrease attributable to the disposal fee received in the prior year for the sale of 160 Old Street, EC1.

Overall, our three active joint ventures represent an important proportion of the Group's business. At 30 September 2022, joint ventures represented 20.8% of the portfolio valuation, 28.0% of net assets and 22.7% of rent roll (31 March 2022: 21.1%, 27.6% and 22.8% respectively).

Strong financial position; pro forma EPRA LTV low at 17.8%

The Group's consolidated net debt increased to £603.3 million at 30 September 2022, compared to £531.2 million at 31 March 2022. The increase was largely due to two acquisitions in the period as well as the on-going development capital expenditure across the Group of £46 million in the six months, partly off-set by the sale proceeds. Group gearing increased to 30.4% at 30 September 2022 (31 March 2022: 25.4%). Including cash balances in the joint ventures, total net debt was £579.3 million (31 March 2022: £502.3 million) equivalent to an EPRA loan to value of 23.6% (31 March 2022: 20.5%). Taking into account the sale proceeds of 50 Finsbury Square, EC2, net of costs to complete the building, pro forma EPRA LTV will fall to 17.8%.

The Group is operating with substantial headroom over its debt covenants. At 30 September 2022, pro forma for the sale of 50 Finsbury Square, property values would have to fall by around 62% before covenant breach. Through the cycle, the Group aims to maintain a target LTV range between 10% and 35%, consistent with our low leverage levels over the last 10 years. Due in part to both our very low levels of low-cost debt, and the treatment of capitalised interest under our Group covenants, our interest cover ratio was high at 15.8 times (covenant: 1.35 times).

The Group's weighted average cost of debt, including fees and joint venture debt, for the period was 2.9%, the same as it was at 31 March 2022. The weighted average interest rate (excluding fees) at the period end was 2.8%, up from 2.5% at 31 March 2022, as we increased amounts drawn on the RCF towards the end of the period. At 30 September 2022, 73% of the Group's total debt was at fixed or hedged rates (31 March 2022: 84%). Our weighted average drawn debt maturity was 6.1 years at 30 September 2022 (31 March 2022: 6.9 years), or 6.8 years pro forma for the sale of 50 Finsbury Square, EC2, with no debt maturities until 2024.

Taxation

The tax credit in the income statement for the half year was £0.1 million (2021: £0.1 million charge) and the effective tax rate on EPRA earnings was 0% (2021: 0%). The majority of the Group's income is tax-free as a result of its REIT status. Other allowances were available to set against non-REIT profits.

As a REIT, the majority of rental profits and chargeable gains from our property rental business are exempt from UK corporation tax, provided we meet a number of conditions including distributing at least 90% of the rental income profits of this business (known as Property Income Distributions (PIDs)) on an annual basis. These PIDs are then typically treated as taxable income in the hands of shareholders. During the six months ended 30 September 2022, the Group paid a PID of £20.0 million.

The Group's REIT exemption does not extend to either profits arising from the sale of trading properties or gains arising from the sale of investment properties in respect of which a major redevelopment has completed within the preceding three years (including the sale of 50 Finsbury Square, EC2, which is expected to complete in Q1 2023).

Dividends

The Board has declared an interim ordinary dividend of 4.7 pence per share (2021: 4.7 pence) which will be paid on 4 January 2023. 2.3 pence per share of this dividend will be a REIT Property Income Distribution (PID) in respect of the Group's tax-exempt property rental business.

Principal risks and uncertainties

The Group recognises that the successful management of risk is critical to enable delivery of the Group's strategic priorities. Ultimate responsibility for risk rests with the Board but the effective day-to-day management of risk is integral to the way the Group does business and its culture. The Board undertakes a robust assessment of the principal risks facing the Group on a regular basis.

The principal risks and uncertainties facing the Group for the remaining six months of the financial year remain in line with those detailed on pages 64 to 77 of the 2022 Annual Report with no material changes:

Failure to profitably deliver the Flex strategy	Failure to profitably develop the development programme (including challenging planning environment)
Climate change and decarbonisation	People
Pandemic	Failure to meet customer needs
London attractiveness	Cyber security and infrastructure failure
Poor capital allocation decisions and/or misreading market conditions	Health and safety
Adverse macro environment (incorporating retail market uncertainties)	

The Board and Executive Committee continue to regularly review the potential risks and impacts presented by the volatile economic backdrop, including in relation to elevated levels of inflation and higher underlying interest rates. As we emerge from the pandemic, the Board also continues to monitor both short-term impacts and potential longer-term structural changes in working and retail practices and the level and nature of demand for space in central London.

As a result of heightened economic uncertainty, the Group's forecasts and business plans continue to be prepared under a variety of market scenarios to reflect a number of potential outcomes.

Condensed group income statement

For the six months ended 30 September 2022

Year to 31 March 2022 Audited £m		Notes	**Six months to 30 September 2022 Unaudited £m**	Six months to 30 September 2021 Unaudited £m
84.2	Revenue	2	**43.5**	42.2
(30.1)	Cost of sales	3	**(14.2)**	(13.7)
54.1			**29.3**	28.5
(35.0)	Administrative expenses		**(17.6)**	(16.2)
(4.1)	Expected credit losses	12	**(1.2)**	(3.1)
(0.4)	Development management profit/(losses)		**0.1**	(0.2)
14.6	Operating profit before (deficit)/surplus from investment property and results of joint ventures		**10.6**	9.0
107.9	(Deficit)/surplus from investment property	8	**(80.6)**	26.6
45.9	Share of results of joint ventures	9	**(14.8)**	26.8
168.4	**Operating (loss)/profit**		**(84.8)**	62.4
7.4	Finance income	4	**3.1**	4.1
(9.1)	Finance costs	5	**(5.0)**	(4.2)
166.7	**(Loss)/profit before tax**		**(86.7)**	62.3
0.5	Tax	6	**0.1**	(0.1)
167.2	**(Loss)/profit for the period**		**(86.6)**	62.2

66.1p	**Basic (loss)/earnings per share**	7	**(34.3p)**	**24.6p**
66.0p	**Diluted (loss)/earnings per share**	7	**(34.3p)**	**24.6p**
10.8p	**Basic EPRA earnings per share**	7	**4.5p**	**7.4p**
10.8p	**Diluted EPRA earnings per share**	7	**4.5p**	**7.4p**

All results are derived from continuing operations in the United Kingdom and are attributable to ordinary equity holders.

Condensed group statement of comprehensive income

For the six months ended 30 September 2022

Year ended 31 March 2022 Audited £m		**Six months to 30 September 2022 Unaudited £m**	Six months to 30 September 2021 Unaudited £m
167.2	(Loss)/profit for the period	**(86.6)**	62.2
	Items that will not be reclassified subsequently to profit and loss:		
2.6	Actuarial gain/(loss) on defined benefit scheme	**0.6**	(0.7)
(0.5)	Deferred tax on actuarial (loss)/gain on defined benefit scheme	**(0.1)**	0.1
169.3	**Total comprehensive (expense)/income for the period**	**(86.1)**	61.6

Condensed group balance sheet

At 30 September 2022

As at 31 March 2022 Audited £m		Notes	**As at 30 September 2022 Unaudited £m**	As at 30 September 2021 Unaudited £m
	Non-current assets			
2,144.4	Investment property	8	**2,135.7**	1,959.2
582.8	Investment in joint ventures	9	**561.5**	563.0
5.0	Property, plant and equipment	10	**4.2**	5.7
3.5	Pension asset		**4.3**	0.1
1.0	Other investments	11	**1.5**	1.5
2,736.7			**2,707.2**	2,529.5
	Current assets			
21.1	Trade and other receivables	12	**14.0**	21.8
–	Corporation tax		**–**	–
–	Cash and cash equivalents		**7.0**	6.8
21.1			**21.0**	28.6
2,757.8	**Total assets**		**2,728.2**	2,558.1
	Current liabilities			
(0.2)	Interest-bearing loans and borrowings		**–**	–
(55.2)	Trade and other payables	13	**(40.7)**	(53.3)
(55.4)			**(40.7)**	(53.3)
	Non-current liabilities			
(531.0)	Interest-bearing loans and borrowings	14	**(610.3)**	(445.4)
(55.6)	Obligations under head leases	16	**(66.7)**	(40.7)
(2.9)	Obligations under occupational leases	17	**(2.4)**	(3.4)
(589.5)			**(679.4)**	(489.5)
(644.9)	**Total liabilities**		**(720.1)**	(542.8)
2,112.9	**Net assets**		**2,008.1**	2,015.3
	Equity			
38.7	Share capital	15	**38.7**	38.7
46.0	Share premium account		**46.0**	46.0
326.7	Capital redemption reserve		**326.7**	326.7
1,697.9	Retained earnings		**1,593.9**	1,602.2
3.6	Investment in own shares	18	**2.8**	1.7
2,112.9	**Total equity**		**2,008.1**	2,015.3
835p	**Diluted net assets per share**	7	**794p**	796p
835p	**Diluted EPRA NTA per share**	7	**794p**	796p

Condensed group statement of cash flows

For the six months ended 30 September 2022

Year to 31 March 2022 Audited £m		Notes	**Six months to 30 September 2022 Unaudited £m**	Six months to 30 September 2021 Unaudited £m
	Operating activities			
168.4	Operating (loss)/profit		**(84.8)**	62.4
(149.7)	Adjustments for non-cash items	19	**95.0**	(51.0)
(1.6)	Decrease/(increase) in receivables		**7.1**	(0.8)
3.0	(Decrease)/increase in payables		**(7.4)**	(1.9)
20.1	**Cash generated by operations**		**9.9**	8.7
(13.9)	Interest paid		**(8.1)**	(7.1)
0.1	Interest received		**–**	–
0.4	Tax refunded		**–**	0.4
6.7	**Cash flow from operating activities**		**1.8**	2.0
	Investing activities			
7.3	Distributions from joint ventures		**3.5**	4.8
–	Funds to joint ventures		**–**	–
89.5	Funds from joint ventures		**6.0**	89.5
–	Investment in joint ventures		**–**	–
(120.6)	Purchase and development of property		**(90.1)**	(34.3)
(0.3)	Purchase of plant and equipment		**(0.1)**	(0.1)
–	Purchase of other investments		**(0.5)**	(0.5)
–	Sale of properties		**27.4**	(0.4)
(24.1)	Cash flow (used in)/from investing activities		**(53.8)**	59.0
	Financing activities			
(202.5)	Revolving credit facility repaid	14	**(160.0)**	(116.0)
244.5	Revolving credit facility drawn	14	**239.0**	71.0
–	Repayment of short-term interest-bearing loans and borrowings		**(0.2)**	–
(3.0)	Payment of lease obligations		**(1.7)**	(1.5)
(32.7)	Dividends paid	21	**(18.1)**	(18.8)
6.3	**Cash flow from/(used in) financing activities**		**59.0**	(65.3)
(11.1)	Net increase/(decrease) in cash and cash equivalents		**7.0**	(4.3)
11.1	Cash and cash equivalents at 1 April		**–**	11.1
–	Cash and cash equivalents at balance sheet date		**7.0**	6.8

Condensed group statement of changes in equity

For the six months ended 30 September 2022 (unaudited)

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Retained earnings £m	Investment in own shares £m	Total equity £m
Total equity at 1 April 2022	38.7	46.0	326.7	1,697.9	3.6	2,112.9
Loss for the period	–	–	–	(86.6)	–	(86.6)
Actuarial gain on defined benefit scheme	–	–	–	0.6	–	0.6
Deferred tax on defined benefit scheme	–	–	–	(0.1)	–	(0.1)
Total comprehensive expense for the period	–	–	–	(86.1)	–	(86.1)
Employee Long-Term Incentive Plan charge and other items	–	–	–	–	1.3	1.3
Transfer to retained earnings	–	–	–	2.1	(2.1)	–
Dividends to shareholders	–	–	–	(20.0)	–	(20.0)
Total equity at 30 September 2022	38.7	46.0	326.7	1,593.9	2.8	2,008.1

Condensed group statement of changes in equity

For the six months ended 30 September 2021 (unaudited)

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Retained earnings £m	Investment in own shares £m	Total equity £m
Total equity at 1 April 2021	38.7	46.0	326.7	1,560.0	0.2	1,971.6
Profit for the period	–	–	–	62.2	–	62.2
Actuarial loss on defined benefit scheme	–	–	–	(0.7)	–	(0.7)
Deferred tax on defined benefit scheme	–	–	–	0.1	–	0.1
Total comprehensive income for the period	–	–	–	61.6	–	61.6
Employee Long-Term Incentive Plan charge	–	–	–	–	2.0	2.0
Transfer to retained earnings	–	–	–	0.5	(0.5)	–
Dividends to shareholders	–	–	–	(19.9)	–	(19.9)
Total equity at 30 September 2021	38.7	46.0	326.7	1,602.2	1.7	2,015.3

Condensed group statement of changes in equity

For the year ended 31 March 2022 (audited)

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Retained earnings £m	Investment in own shares £m	Total equity £m
Total equity at 1 April 2021	38.7	46.0	326.7	1,560.0	0.2	1,971.6
Profit for the period	–	–	–	167.2	–	167.2
Actuarial gain on defined benefit scheme	–	–	–	2.6	–	2.6
Deferred tax on defined benefit scheme	–	–	–	(0.5)	–	(0.5)
Total comprehensive income for the year	–	–	–	169.3	–	169.3
Employee Long-Term Incentive Plan charge	–	–	–	–	3.9	3.9
Transfer to retained earnings	–	–	–	0.5	(0.5)	–
Dividends to shareholders	–	–	–	(31.9)	–	(31.9)
Total equity at 31 March 2022	38.7	46.0	326.7	1,697.9	3.6	2,112.9

Condensed notes forming part of the half year results

1 Basis of preparation

The information for the year ended 31 March 2022 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The annual financial statements of Great Portland Estates plc will be prepared in accordance with the requirements of the Companies Act 2006 and in accordance with United Kingdom adopted International Financial Reporting Standards (IFRSs). The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34 Interim Financial Reporting and in accordance with the Disclosure, Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority. The accounting policies and methods of computation applied are consistent with those applied in the Group's latest annual audited financial statements. The nature of the Critical Judgements and Key Sources of Estimation Uncertainty applied in the condensed financial statements have remained consistent with those applied in the Group's latest annual audited financial statements. The key source of estimation uncertainty is the valuation of the property portfolio. There were no critical judgements made in the preparation of the condensed financial statements. The Group's performance is not subject to seasonal fluctuations.

New standards, amendments and interpretations are in issue and effective for the Group's financial year ended 31 March 2023, but they do not have a material impact on the interim financial report. There were no new or revised IFRSs, amendments or interpretations in issue but not yet effective that are potentially material for the Group and which have not yet been applied.

Going concern

The directors have considered the appropriateness of adopting the going concern basis in preparing the financial statements for the period ended 30 September 2022, with particular focus on the impact of geopolitical tensions and high inflation on the macro-economic conditions in which the Group is operating. This assessment is based on the next 12 months of the Group's financial forecasts, including a going concern scenario which included the following key assumptions:

- a 33% decline in the valuation of the property portfolio;
- an 8% increase in rental income; and
- an overall decrease of around 28% in EPRA earnings.

The going concern scenario demonstrates that the Group over the next 12 months:

- has significant liquidity to fund its ongoing operations;
- is operating with significant headroom above its Group debt financing covenants;
- property values would have to fall by a further 50% before breach (or 62% from 30 September 2022 values);
- earnings before interest and tax would need to fall by a further 70% before breach of our ICR; and
- has no debt maturities.

Based on these considerations, together with extensive stress testing, available market information and the directors' knowledge and experience of the Group's property portfolio and markets, the directors have adopted the going concern basis in preparing the accounts for the period ended 30 September 2022.

2 Revenue

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
66.1	Gross rental income	**32.8**	32.7
1.2	Spreading of lease incentives	**2.5**	0.2
11.2	Service charge income	**5.1**	4.9
5.1	Joint venture fee income	**1.5**	4.3
0.6	Fully Managed services income	**1.4**	0.1
–	Trading property revenue	**0.2**	**–**
84.2		**43.5**	42.2

The table below sets out the Group's gross rental income split between types of space provided:

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
45.5	Ready to fit	**21.1**	23.0
13.1	Retail	**5.9**	7.2
3.4	Fitted	**1.6**	0.9
1.6	Fully Managed	**1.9**	0.2
2.5	Flex Partnerships	**2.3**	1.4
66.1		**32.8**	32.7

The table below sets out the Group's net rental income, please see note 7 for the Group's alternative performance measures:

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
66.1	Gross rental income	**32.8**	32.7
(3.6)	Expected credit losses	**(1.1)**	(3.1)
62.5	Rental income	**31.7**	29.6
1.2	Spreading of lease incentives	**2.5**	0.2
(1.1)	Ground rent	**(0.5)**	(0.9)
62.6		**33.7**	28.9

3 Cost of sales

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
15.8	Service charge expenses (including Fully Managed service costs)	**7.8**	6.9
13.2	Other property expenses	**5.9**	5.9
1.1	Ground rent	**0.5**	0.9
30.1		**14.2**	13.7

3 Cost of sales (continued)

The table below sets out the Group's property costs, please see note 7 for the Group's alternative performance measures:

Year to 31 March 2022 £m		Six months to 30 September 2022 £m	Six months to 30 September 2021 £m
(11.2)	Service charge income	**(5.1)**	(4.9)
(0.6)	Fully Managed services income	**(1.4)**	(0.1)
15.8	Service charge expenses (including Fully Managed service costs)	**7.8**	6.9
13.2	Other property expenses	**5.9**	5.9
0.5	Expected credit losses	**0.1**	–
17.7		**7.3**	7.8

4 Finance income

Year to 31 March 2022 £m		Six months to 30 September 2022 £m	Six months to 30 September 2021 £m
7.3	Interest income on joint venture balances	**3.1**	4.1
0.1	Interest on cash deposits	**–**	–
7.4		**3.1**	4.1

5 Finance costs

Year to 31 March 2022 £m		Six months to 30 September 2022 £m	Six months to 30 September 2021 £m
2.1	Interest on revolving credit facilities	**2.2**	1.1
11.0	Interest on private placement notes	**5.5**	5.5
1.2	Interest on debenture stock	**0.6**	0.6
1.9	Interest on obligations under head leases	**1.2**	0.9
0.1	Interest on obligations under occupational leases	**0.1**	0.1
16.3	Gross finance costs	**9.6**	8.2
(7.2)	Less: capitalised interest at an average interest cost of 2.9% (2021: 2.8%)	**(4.6)**	(4.0)
9.1		**5.0**	4.2

6 Tax

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
	Current tax		
–	UK corporation tax – current period	**–**	–
–	UK corporation tax – prior periods	**–**	–
–	Total current tax	**–**	–
(0.5)	**Deferred tax**	**(0.1)**	0.1
(0.5)	Tax (credit)/charge for the period	**(0.1)**	0.1

The difference between the standard rate of tax and the effective rate of tax arises from the items set out below:

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
166.7	(Loss)/profit before tax	**(86.7)**	62.3
31.7	Tax (credit)/charge on (loss)/profit at standard rate of 19% (2021: 19%)	**(16.5)**	11.8
(25.8)	Changes in the fair value of properties not subject to tax	**18.8**	(7.7)
(8.0)	REIT tax-exempt rental profits and gains	**(3.1)**	(4.9)
1.6	Other	**0.7**	0.9
(0.5)	Tax (credit)/charge for the period	**(0.1)**	0.1

During the period, deferred tax of £0.1 million was debited directly to equity (2021: £0.1 million credited). The Group recognised a net deferred tax asset at 30 September 2022 of £nil (2021: £nil). This consists of deferred tax assets of £0.9 million (2021: £0.1 million) and deferred tax liabilities of £0.9 million (2021: £0.1 million).

Movement in deferred tax:

	At 1 April 2022 £m	**Recognised in the income statement £m**	**Recognised in equity £m**	**At 30 September 2022 £m**
Net deferred tax asset/(liability) in respect of other temporary differences	–	**0.1**	**(0.1)**	**–**

A deferred tax asset of £4.5 million (2021: £4.5 million), mainly relating to revenue losses and contingent share awards, was not recognised because it is uncertain whether future taxable profit will arise against which this asset can be utilised.

As a REIT, the majority of rental profits and chargeable gains from the Group's property rental business are exempt from UK corporation tax. The Group is otherwise subject to corporation tax. In particular, the Group's REIT exemption does not extend to either profits arising from the sale of trading properties or gains arising from the sale of investment properties in respect of which a major redevelopment has completed within the preceding three years (including the sale of 50 Finsbury Square, EC2, which is expected to complete in Q1 2023).

In order to ensure that the Group is able to both retain its status as a REIT and to avoid financial charges being imposed, a number of tests (including a minimum distribution test) must be met by both Great Portland Estates plc and by the Group as a whole on an ongoing basis. These conditions are detailed in the Corporation Tax Act 2010.

7 Alternative performance measures and EPRA metrics

Adjusted earnings and net assets per share are calculated in accordance with the Best Practice Recommendations issued by the European Public Real Estate Association (EPRA). The recommendations are designed to make the financial statements of public real estate companies clearer and more comparable across Europe enhancing the transparency and coherence of the sector. The directors consider these standard metrics to be the most appropriate method of reporting the value and performance of the business the reconciliations between these measures and the equivalent IFRS figures are shown in the tables below.

Earnings per share:

Weighted average number of ordinary shares

Year to 31 March 2022 No. of shares		**Six months to 30 September 2022 No. of shares**	Six months to 30 September 2021 No. of shares
253,867,911	Issued ordinary share capital at 1 April	**253,867,911**	253,867,911
(877,335)	Investment in own shares	**(964,408)**	(877,335)
252,990,576	Weighted average number of ordinary shares – basic	**252,903,503**	252,990,576

Basic and diluted earnings per share

Year to 31 March 2022 Earnings per share pence		**Six months to 30 September 2022 Loss after tax £m**	**Six months to 30 September 2022 No. of shares million**	**Six months to 30 September 2022 Loss per share pence**	Six months to 30 September 2021 Profit after tax £m	Six months to 30 September 2021 No. of shares million	Six months to 30 September 2021 Earnings per share pence
66.1	Basic	**(86.6)**	**252.9**	**(34.3)**	62.2	253.0	24.6
(0.1)	Dilutive effect of LTIP shares	**–**	**–**	**–**	–	0.1	–
66.0	Diluted	**(86.6)**	**252.9**	**(34.3)**	62.2	253.1	24.6

EPRA Earnings per share

Year to 31 March 2022 Earnings per share pence		**Six months to 30 September 2022 Profit/(loss) after tax £m**	**Six months to 30 September 2022 No. of shares million**	**Six months to 30 September 2022 Earnings/(expense) per share pence**	Six months to 30 September 2021 Profit/(loss) after tax £m	Six months to 30 September 2021 No. of shares million	Six months to 30 September 2021 Earnings/(expense) per share pence
66.1	Basic	**(86.6)**	**252.9**	**(34.3)**	62.2	253.0	24.6
(42.7)	Deficit/(surplus) from investment property (note 8)	**80.6**	**–**	**31.9**	(26.6)	–	(10.5)
(12.4)	Deficit/(surplus) from joint venture investment property (note 9)	**17.7**	**–**	**7.0**	(17.0)	–	(6.7)
–	Trading property revenue	**(0.2)**	**–**	**(0.1)**	–	–	–
(0.2)	Deferred tax	**(0.1)**	**–**	**–**	0.1	–	–
10.8	Basic EPRA earnings	**11.4**	**252.9**	**4.5**	18.7	253.0	7.4
–	Dilutive effect of LTIP shares	**–**	**–**	**–**	–	0.1	–
10.8	Diluted EPRA earnings	**11.4**	**252.9**	**4.5**	18.7	253.1	7.4

7 Alternative performance measures and EPRA metrics (continued)

Net assets per share:

In accordance with EPRA, we report three NAV metrics: EPRA Net Tangible Assets (NTA), Net Reinvestment Value (NRV) and Net Disposal Value (NDV). We consider EPRA NTA to be the most relevant measure for the Group and the primary measure of net asset value.

Number of ordinary shares

31 March 2022 No. of shares		**30 September 2022 No. of shares**	30 September 2021 No. of shares
253,867,911	Issued ordinary share capital	**253,867,911**	253,867,911
(877,335)	Investment in own shares	**(1,025,440)**	(877,335)
252,990,576	Number of shares - basic	**252,842,471**	252,990,576
145,862	Dilutive effect of LTIP shares	**-**	122,571
253,136,438	Number of shares - diluted	**252,842,471**	253,113,147

EPRA net assets per share

31 March 2022 EPRA NTA £m		**30 September 2022 IFRS £m**	**30 September 2022 EPRA NTA £m**	**30 September 2022 EPRA NDV £m**	**30 September 2022 EPRA NRV £m**	30 September 2021 EPRA NTA £m
2,112.9	IFRS basic and diluted net assets	**2,008.1**	**2,008.1**	**2,008.1**	**2,008.1**	2,015.3
–	Fair value of financial liabilities	**–**	**–**	**91.5**	**–**	–
–	Real estate transfer tax	**–**	**–**	**–**	**190.7**	–
2,112.9	Net assets used in per share calculations	**2,008.1**	**2,008.1**	**2,099.6**	**2,198.8**	2,015.3

31 March 2022 EPRA NTA pence		**30 September 2022 IFRS pence**	**30 September 2022 EPRA NTA pence**	**30 September 2022 EPRA NDV pence**	**30 September 2022 EPRA NRV pence**	30 September 2021 EPRA NTA pence
835	Net assets per share	**794**	**794**	**830**	**870**	797
835	Diluted net assets per share	**794**	**794**	**830**	**870**	796

Total Accounting return

31 March 2022 per share pence		**30 September 2022 per share pence**	30 September 2021 per share pence
779.0	Opening EPRA NTA (A)	**835.0**	779.0
835.0	Closing EPRA NTA	**794.0**	796.0
56.0	(Decrease)/increase in EPRA NTA	**(41.0)**	17.0
12.6	Ordinary dividend paid in period	**7.9**	7.9
68.6	Total return (B)	**(33.1)**	24.9
8.8%	Total accounting return (B/A)	**(4.0%)**	3.2%

7 Alternative performance measures and EPRA metrics (continued)

Cash earnings per share

Year to 31 March 2022 Earnings per share pence		**Six months to 30 September 2022 Profit after tax £m**	**Six months to 30 September 2022 No. of shares million**	**Six months to 30 September 2022 Earnings per share pence**	Six months to 30 September 2021 Profit after tax £m	Six months to 30 September 2021 No. of shares million	Six months to 30 September 2021 Earnings per share pence
10.8	Diluted EPRA earnings	**11.4**	**252.9**	**4.5**	18.7	253.1	7.4
(2.8)	Capitalised interest	**(4.6)**	**–**	**(1.8)**	(4.0)	–	(1.6)
(0.5)	Spreading of tenant lease incentives	**(2.5)**	**–**	**(1.0)**	(0.2)	–	(0.1)
(3.3)	Spreading of tenant lease incentives in joint ventures	**(3.3)**	**–**	**(1.3)**	(3.7)	–	(1.4)
1.5	Employee Long Term Incentive Plan charge	**1.3**	**–**	**0.5**	2.0	–	0.8
5.7	Cash earnings per share	**2.3**	**252.9**	**0.9**	12.8	253.1	5.1

EPRA loan-to-property value and net debt

31 March 2022 £m		**30 September 2022 £m**	30 September 2021 £m
21.9	£21.9 million 5.625% debenture stock 2029	**21.9**	22.0
87.0	£450.0 million revolving credit facility	**166.0**	–
425.0	Private placement notes	**425.0**	425.0
0.2	Current interest bearing loans and borrowings	**–**	–
34.1	Net payables	**26.7**	31.5
–	Less: cash balances	**(7.0)**	(6.8)
568.2	Net debt excluding joint ventures	**632.6**	471.7
–	Joint venture bank loans (at share)	**–**	–
4.7	Joint venture net payables (at share)	**7.5**	4.6
(28.9)	Joint venture cash balances (at share)	**(24.0)**	(29.1)
544.0	Net debt including joint ventures (A)	**616.1**	447.2
2,088.8	Group properties at market value	**2,069.0**	1,918.5
558.6	Joint venture properties at market value (at share)	**545.0**	538.5
2,647.4	Property portfolio at market value including joint ventures (B)	**2,614.0**	2,457.0
20.5%	EPRA Loan-to-property value (A/B)	**23.6%**	18.2%

Net gearing

31 March 2022 £m		**30 September 2022 £m**	30 September 2021 £m
533.9	Nominal value of interest-bearing loans and borrowings	**612.9**	446.9
2.9	Obligations under occupational leases	**2.4**	3.4
–	Less: cash balances	**(7.0)**	(6.8)
536.8	Adjusted net debt (A)	**608.3**	443.5
2,112.9	Net assets	**2,008.1**	2,015.3
(3.5)	Pension scheme asset	**(4.3)**	(0.1)
2,109.4	Adjusted net equity (B)	**2,003.8**	2,015.2
25.4%	Net gearing (A/B)	**30.4%**	22.0%

8 Investment property

Investment property

	Freehold £m	Leasehold £m	Total £m
Book value at 1 April 2022	**929.6**	**1,047.2**	**1,976.8**
Costs capitalised	**12.8**	**21.3**	**34.1**
Acquisitions	**7.5**	**43.5**	**51.0**
Disposals	**(27.0)**	**–**	**(27.0)**
Net valuation deficit	**(33.2)**	**(42.0)**	**(75.2)**
Book value at 30 September 2022	**889.7**	**1,070.0**	**1,959.7**

Investment property under development

	Freehold £m	Leasehold £m	Total £m
Book value at 1 April 2022	**167.6**	**–**	**167.6**
Costs capitalised	**11.5**	**–**	**11.5**
Interest capitalised	**2.7**	**–**	**2.7**
Net valuation deficit	**(5.8)**	**–**	**(5.8)**
Book value at 30 September 2022	**176.0**	**–**	**176.0**
Book value of total investment property at 30 September 2022	**1,065.7**	**1,070.0**	**2,135.7**

(Deficit)/surplus from investment property

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
107.9	Net valuation (deficit)/surplus on investment property	**(81.0)**	27.0
–	Profit/(loss) on sale of investment properties	**0.4**	(0.4)
107.9	**(Deficit)/surplus from investment property**	**(80.6)**	26.6

The Group's investment properties, including those held in joint ventures (note 9), were valued on the basis of Fair Value by CBRE Limited (CBRE), external valuers, as at 30 September 2022. The valuations have been prepared in accordance with the current version of the RICS Valuation – Global Standards (incorporating the International Valuation Standards) and the UK national supplement (the Red Book) and have been primarily derived using comparable recent market transactions on arm's length terms. The investment property under development at 30 September 2022 was exchanged for sale post period end.

Real estate valuations are complex and derived using comparable market transactions, which are not publicly available and involve an element of judgement and estimation. Therefore, in line with EPRA guidance, we have classified the valuation of the property portfolio as Level 3 as defined by IFRS 13. There were no transfers between levels during the period. Inputs to the valuation, including capitalisation yields (typically the true equivalent yield) and rental values, are defined as 'unobservable' as defined by IFRS 13.

Everything else being equal, there is a positive relationship between rental values and the property valuation, such that an increase in rental values will increase the valuation of a property and a decrease in rental values will reduce the valuation of the property. Any percentage movement in rental values will translate into approximately the same percentage movement in the property valuation. However, due to the long-term nature of leases, where the passing rent is fixed and often subject to upwards only rent reviews, the impact will not be immediate and will be recognised over a number of years. The relationship between capitalisation yields and the property valuation is negative and more immediate; therefore an increase in capitalisation yields will reduce the valuation of a property and a reduction will increase its valuation.

8 Investment property (continued)

A decrease in the capitalisation yield by 25 basis points would result in an increase in the fair value of the Group's investment property by £149.6 million, whilst a 25 basis point increase would reduce the fair value by £134.2 million. There are interrelationships between these inputs as they are determined by market conditions, and the valuation movement in any one period depends on the balance between them. If these inputs move in opposite directions (i.e. rental values increase and yields decrease) valuation movements can be amplified, whereas if they move in the same direction they may offset, reducing the overall net valuation movement. Additionally, investment property under development is sensitive to income, cost and developer's profit assumptions included in the valuations.

The valuation of the property portfolio reflects its fair value taking into account the market view of all relevant factors including the climate related risks associated with the properties. This includes the impact of expected regulatory changes, and we estimate that the investment required to upgrade our existing buildings to the new minimum EPC B rating by 2030 is around £20 million (including share of joint ventures).

Key inputs to the valuation (by building) at 30 September 2022

		ERV		**True equivalent yield**	
		Average £ per sq ft	**Range £ per sq ft**	**Average %**	**Range %**
North of Oxford Street	Office	**83**	**54 – 223**	**4.6**	**4.1 – 6.2**
	Retail	**64**	**33 – 110**	**4.5**	**4.3 – 7.0**
Rest of West End	Office	**100**	**46 – 215**	**5.0**	**3.3 – 6.8**
	Retail	**96**	**15 – 266**	**4.7**	**3.7 – 6.8**
City, Midtown and Southwark	Office	**65**	**35 – 163**	**5.2**	**4.1 – 5.6**
	Retail	**29**	**25 – 73**	**5.3**	**4.1 – 5.6**

Key inputs to the valuation (by building) at 31 March 2022

		ERV		True equivalent yield	
		Average £ per sq ft	Range £ per sq ft	Average %	Range %
North of Oxford Street	Office	79	43 – 96	4.3	3.9 – 5.7
	Retail	65	33 – 111	4.4	4.1 – 7.0
Rest of West End	Office	87	57 – 111	4.8	3.3 – 6.2
	Retail	97	15 – 226	4.5	3.4 – 6.2
City, Midtown and Southwark	Office	57	46 – 67	4.5	3.8 – 5.5
	Retail	29	25 – 71	5.2	4.9 – 5.2

The book value of investment properties includes £66.7 million (2021: £40.7 million) in respect of the present value of future ground rents. Net of these amounts, the market value of the investment properties was £2,069.0 million. During the period, the Group capitalised £0.7 million (2021: £0.3 million) of employee costs in respect of its development team into investment properties under development. At 30 September 2022 the Group had capital commitments of £16.0 million (2021: £48.9 million).

9 Investment in joint ventures

	Equity £m	Balances with partners £m	Total £m
At 1 April 2022	365.3	217.5	582.8
Movement on joint venture balances	–	**(3.0)**	**(3.0)**
Additions	–	–	–
Share of profit of joint ventures	**2.9**	–	**2.9**
Share of revaluation deficit of joint ventures	**(17.7)**	–	**(17.7)**
Profit on sale of investment property	–	–	–
Share of results of joint ventures	**(14.8)**	–	**(14.8)**
Distributions	**(3.5)**	–	**(3.5)**
At 30 September 2022	**347.0**	**214.5**	**561.5**

The investments in joint ventures comprise the following:

Ownership 31 March 2022		Country of Incorporation/registration	Ownership 30 September 2022	Ownership 30 September 2021
50%	The GHS Limited Partnership	Jersey	**50%**	50%
50%	The Great Ropemaker Partnership	United Kingdom	**50%**	50%
50%	The Great Victoria Partnerships	United Kingdom	**50%**	50%

The investment properties include £5.1 million (2021: £5.2 million) in respect of the present value of future ground rents, net of these amounts the market value of our share of the total joint venture properties is £545.0 million. At 30 September 2022, the Group's share of joint venture capital commitments was £1.4 million (2021: £2.4 million).

Transactions during the period between the Group and its joint ventures, who are related parties, are set out below:

31 March 2022 £m		30 September 2022 £m	30 September 2021 £m
82.2	Movement on joint venture balances during the period	**3.0**	85.4
(217.5)	Balances receivable at the period end from joint ventures	**(214.5)**	(214.3)
7.3	Interest on balances with partners	**3.1**	4.1
7.3	Distributions	**3.5**	4.8
5.1	Joint venture fees paid	**1.5**	4.3

The joint venture balances bear interest as follows: the GHS Limited Partnership at 4.0% p.a. and the Great Ropemaker Partnership at 2.0% p.a. The Group earns fee income from its joint ventures for the provision of management services. All of the above transactions are made on terms equivalent to those that prevail in arm's length transactions.

Summarised balance sheets

31 March 2022 At share £m		The GHS Limited Partnership £m	The Great Ropemaker Partnership £m	The Great Victoria Partnerships £m	30 September 2022 Total £m	30 September 2022 At share £m	30 September 2021 At share £m
563.8	Investment property	**682.7**	**331.5**	**86.1**	**1,100.3**	**550.1**	543.7
2.7	Current assets	**2.1**	**1.9**	**0.3**	**4.3**	**2.2**	4.4
28.9	Cash and cash equivalents	**13.7**	**14.0**	**20.3**	**48.0**	**24.0**	29.1
(217.5)	Balances from partners	**(228.0)**	**(128.0)**	**(73.1)**	**(429.1)**	**(214.5)**	(214.3)
(7.4)	Current liabilities	**(6.1)**	**(8.7)**	**(4.6)**	**(19.4)**	**(9.7)**	(9.0)
(5.2)	Obligations under head leases	–	**(10.2)**	–	**(10.2)**	**(5.1)**	(5.2)
365.3	Net assets	**464.4**	**200.5**	**29.0**	**693.9**	**347.0**	348.7

9 Investment in joint ventures

Summarised income statements

31 March 2022 At share £m		The GHS Limited Partnership £m	The Great Ropemaker Partnership £m	The Great Victoria Partnerships £m	30 September 2022 Total £m	30 September 2022 At share £m	30 September 2021 At share £m
20.1	Net rental income	**7.2**	**7.5**	**2.0**	**16.7**	**8.4**	10.9
3.9	Surrender premium	**–**	**–**	**–**	**–**	**–**	3.9
(1.9)	Property and administration costs	**(1.2)**	**(2.5)**	**(0.8)**	**(4.5)**	**(2.3)**	(0.8)
(7.6)	Net finance costs	**(4.9)**	**(1.5)**	**–**	**(6.4)**	**(3.2)**	(4.2)
14.5	Share of profit of joint ventures	**1.1**	**3.5**	**1.2**	**5.8**	**2.9**	9.8
28.1	Revaluation of investment property	**(25.2)**	**(8.5)**	**(1.8)**	**(35.5)**	**(17.7)**	13.7
3.3	Profit on sale of investment property	**–**	**–**	**–**	**–**	**–**	3.3
45.9	Share of results of joint ventures	**(24.1)**	**(5.0)**	**(0.6)**	**(29.7)**	**(14.8)**	26.8

10 Property, plant and equipment

	Right of use asset for occupational leases £m	Leasehold improvements £m	Fixtures and fittings/other £m	Total £m
Cost or valuation				
At 1 April 2022	4.9	5.6	1.9	12.4
Additions	**–**	**–**	**0.1**	**0.1**
At 30 September 2022	**4.9**	**5.6**	**2.0**	**12.5**
Depreciation				
At 1 April 2022	2.4	3.4	1.6	7.4
Charge for the period	**0.5**	**0.3**	**0.1**	**0.9**
At 30 September 2022	**2.9**	**3.7**	**1.7**	**8.3**
Carrying amount at 30 September 2022	**2.0**	**1.9**	**0.3**	**4.2**
Carrying amount at 31 March 2022	2.5	2.2	0.3	5.0

11 Other investments

31 March 2022 £m		30 September 2022 £m	30 September 2021 £m
1.0	At 1 April	**1.0**	1.0
0.7	Acquisitions	**0.5**	–
(0.7)	Return of capital	**–**	0.5
1.0		**1.5**	1.5

In January 2020, the Group entered into a commitment of up to £5 million to invest in Pi Labs European PropTech venture capital fund. At 30 September 2022, the Group had made net investments of £1.5 million. Launched in 2014, Pi Labs is Europe's longest standing PropTech VC and this third fund has a primary focus to invest in early stage PropTech start-ups across Europe and the UK that use technology solutions to enhance any stage of the real estate value chain. Key areas of focus for the fund include sustainability, the future of work, the future of retail, commercial real estate technologies, construction technology and smart cities.

12 Trade and other receivables

31 March 2022 £m		30 September 2022 £m	30 September 2021 £m
14.4	Trade receivables	**8.7**	19.3
(6.0)	Expected credit loss allowance	**(3.8)**	(6.6)
8.4		**4.9**	12.7
0.5	Prepayments and accrued income	**2.2**	1.2
4.0	Other taxes	**0.1**	–
8.2	Other trade receivables	**6.8**	7.9
21.1		**14.0**	21.8

Trade receivables consist of rent and service charge monies, which are due on the quarter day with no credit period. Interest is charged on trade receivables in accordance with the terms of the occupier's lease. Trade receivables are provided for based on the expected credit loss, which uses a lifetime expected loss allowance for all trade receivables based on an assessment of each individual occupier's circumstance. This assessment reviews the outstanding balances of each individual occupier and makes an assessment of the likelihood of recovery, based on an evaluation of their financial situation. Where the expected credit loss relates to revenue already recognised this has been recognised immediately in the income statement. For the portion of the expected credit loss that relates to future revenue which is no longer considered fully recoverable, the relevant amount of rent received in advance has been released.

31 March 2022 £m		30 September 2022 £m	30 September 2021 £m
	Movements in expected credit loss allowance		
(7.9)	Balance at 1 April	**(6.0)**	(7.9)
(4.9)	Expected credit loss allowance during the period (see below)	**(1.4)**	(3.7)
1.1	Expected credit loss allowance in respect of future periods	**0.8**	0.3
5.7	Amounts written-off as uncollectable	**2.8**	4.7
(6.0)		**(3.8)**	(6.6)

The expected credit loss for the period comprises:

	Gross 30 September 2022 £m	Net of VAT 30 September 2022 £m	Gross 30 September 2021 £m	Net of VAT 30 September 2021 £m
Expected credit loss allowance for the period				
Group	**1.4**	**1.2**	3.7	3.1
Joint ventures (at share)	**(0.1)**	**(0.1)**	(0.4)	(0.4)
Total	**1.3**	**1.1**	3.3	2.7

13 Trade and other payables

31 March 2022 £m		30 September 2022 £m	30 September 2021 £m
16.0	Rents received in advance	**14.2**	16.0
16.9	Accrued capital expenditure	**7.9**	18.0
19.2	Other accruals	**16.7**	17.7
3.1	Other payables	**1.9**	1.6
55.2		**40.7**	53.3

14 Interest-bearing loans and borrowings

31 March 2022 £m		30 September 2022 £m	30 September 2021 £m
	Non-current liabilities at amortised cost		
	Secured		
22.0	£21.9 million 5.625% debenture stock 2029	**22.0**	22.0
	Unsecured		
85.4	£450.0 million revolving credit facility	**164.6**	–
174.7	£175.0 million 2.15% private placement notes 2024	**174.8**	174.7
39.9	£40.0 million 2.70% private placement notes 2028	**39.9**	39.9
29.9	£30.0 million 2.79% private placement notes 2030	**29.9**	29.9
29.9	£30.0 million 2.93% private placement notes 2033	**29.9**	29.9
24.9	£25.0 million 2.75% private placement notes 2032	**24.9**	24.8
124.3	£125.0 million 2.77% private placement notes 2035	**124.3**	124.2
531.0		**610.3**	445.4

At 30 September 2022, the Group had a floating rate £450.0 million revolving credit facility. The facility is unsecured, attracts a floating rate based on a headline margin which was reduced to 90.0 basis points over SONIA (plus or minus 2.5 basis points subject to a number of ESG linked targets). £400 million of the facility matures in January 2027, with the remainder maturing in January 2025. At 30 September 2022, the Group had £284 million (2021: £450.0 million) of undrawn committed credit facilities.

At 30 September 2022, properties with a carrying value of £116.3 million (2021: £115.0 million) were secured under the Group's debenture stock.

Fair value of financial liabilities

31 March 2022 Book value £m	31 March 2022 Fair value £m	**Items not carried at fair value**	30 September 2022 Book value £m	30 September 2022 Fair value £m	30 September 2021 Book value £m	30 September 2021 Fair value £m
0.2	0.2	Short-term interest-bearing loans and borrowings	**–**	**–**	–	–
22.0	25.7	£21.9 million 5.625% debenture stock 2029	**22.0**	**21.4**	22.0	26.7
423.6	412.0	Private placement notes	**423.7**	**332.8**	423.4	431.5
85.4	85.4	£450.0 million revolving credit facility	**164.6**	**164.6**	–	–
531.2	523.3		**610.3**	**518.8**	445.4	458.2

The fair values of the Group's cash and cash equivalents and trade payables and receivables are not materially different from those at which they are carried in the financial statements. The fair values of the Group's private placement notes and debenture stock were determined by comparing the discounted future cash flows using the contracted yields with those of the reference gilts plus the implied margins.

15 Share capital

Year to 31 March 2022 Number	Year to 31 March 2022 £m		**Six months to 30 September 2022 Number**	**Six months to 30 September 2022 £m**	Six months to 30 September 2021 Number	Six months to 30 September 2021 £m
		Allotted, called up and fully paid				
253,867,911	38.7	At the beginning and end of the period	**253,867,911**	**38.7**	253,867,911	38.7

At 30 September 2022, the Company had 253,867,911 ordinary shares with a nominal value of $15\frac{5}{19}$ pence each.

16 Head lease obligations

Head lease obligations in respect of the Group's leasehold properties are payable as follows:

	Minimum lease payments 30 September 2022 £m	**Impact of discounting 30 September 2022 £m**	**Present value of minimum lease payments 30 September 2022 £m**	Minimum lease payments 30 September 2021 £m	Impact of discounting 30 September 2021 £m	Present value of minimum lease payments 30 September 2021 £m
Less than one year	**2.4**	**(2.4)**	**–**	1.9	(1.9)	–
Between two and five years	**9.7**	**(9.5)**	**0.2**	9.5	(9.4)	0.1
More than five years	**302.8**	**(236.3)**	**66.5**	191.1	(150.5)	40.6
	314.9	**(248.2)**	**66.7**	202.5	(161.8)	40.7

During the period, the Group regeared the head lease at 2 Aldermanbury Square, EC2 and purchased the leasehold interest of 6/10 St Andrew Street, EC4.

17 Occupational leases obligations

Obligations in respect of the Group's occupational leases for its head office are payable as follows:

	Minimum lease payments 30 September 2022 £m	**Impact of discounting 30 September 2022 £m**	**Present value of minimum lease payments 30 September 2022 £m**	Minimum lease payments 30 September 2021 £m	Impact of discounting 30 September 2021 £m	Present value of minimum lease payments 30 September 2021 £m
Less than one year	**1.0**	**–**	**1.0**	1.0	(0.1)	0.9
Between two and five years	**1.5**	**(0.1)**	**1.4**	2.6	(0.1)	2.5
More than five years	**–**	**–**	**–**	–	–	–
	2.5	**(0.1)**	**2.4**	3.6	(0.2)	3.4

18 Investment in own shares

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
(0.2)	At the beginning of the period	**(3.6)**	(0.2)
(3.9)	Employee Long-Term Incentive Plan charge	**(1.2)**	(2.0)
0.5	Transfer to retained earnings	**2.1**	0.5
–	Other	**(0.1)**	–
(3.6)	At the end of the period	**(2.8)**	(1.7)

The investment in the Company's own shares is held at cost and comprises 1,025,440 shares (31 March 2022: 877,335 shares) held by the Great Portland Estates plc LTIP Employee Share Trust which will vest for certain senior employees of the Group if performance conditions are met.

During the period, 53,831 shares (2021: no shares) were awarded to directors and senior employees in respect of the 2019 LTIP award. The fair value of shares awarded and outstanding at 30 September 2022 was £12.9 million (2021: £12.2 million).

19 Notes to the group statement of cash flow

Adjustment for non-cash items

Year to 31 March 2022 £m		**Six months to 30 September 2022 £m**	Six months to 30 September 2021 £m
(107.9)	Deficit/(surplus) from investment property	**80.6**	(26.6)
3.9	Employee Long-Term Incentive charge and other items	**1.3**	2.0
(1.2)	Spreading of tenant lease incentives	**(2.5)**	(0.2)
(45.9)	Share of results from joint ventures	**14.8**	(26.8)
1.6	Depreciation	**0.9**	0.7
(0.2)	Other	**(0.1)**	(0.1)
(149.7)	Adjustments for non-cash items	**95.0**	(51.0)

20 Rent receivable under non-cancellable leases

Future aggregate minimum rents receivable under non-cancellable leases are:

31 March 2022 £m		**30 September 2022 £m**	30 September 2021 £m
	The Group as a lessor		
56.4	Less than one year	**60.1**	57.3
122.1	Between one and five years	**145.6**	111.7
78.9	More than five years	**75.3**	67.3
257.4		**281.0**	236.3

The Group leases its investment properties. The weighted average length of lease at 30 September 2022 was 3.4 years (2021: 3.2 years). All investment properties, except those under development or being prepared for development, generated rental income and no contingent rents were recognised in the period (2021: £nil).

21 Dividends

The declared interim dividend of 4.7 pence per share (2021: 4.7 pence per share) was approved by the Board on 17 November 2022 and is payable on 4 January 2023 to shareholders on the register on 25 November 2022. The dividend is not recognised as a liability in the Half Year Results.

22 Reserves

The following describes the nature and purpose of each reserve within equity:

Share capital

The nominal value of the Company's issued share capital, comprising $15\frac{5}{19}$ pence ordinary shares.

Share premium

Amount subscribed for share capital in excess of nominal value less directly attributable issue costs.

Capital redemption reserve

Amount equivalent to the nominal value of the Company's own shares acquired as a result of share buy-back programmes.

Retained earnings

Cumulative net gains and losses recognised in the Group income statement together with other items such as dividends.

Investment in own shares

Amount paid to acquire the Company's own shares for its Employee Long-Term Incentive Plan less accounting charges.

Directors' responsibility statement

The Directors confirm that the condensed interim financial statements have been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting", and that the Interim Results includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the period and their impact on the interim condensed financial statements, and a description of the principal risks and uncertainties for the remainder of the financial year; and
- material related party transactions in the period and any material changes in the related party transactions described in the last annual report.

By the order of the Board

Toby Courtauld
Chief Executive
17 November 2022

Nick Sanderson
Chief Financial & Operating Officer
17 November 2022

Independent review report to Great Portland Estates plc

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 which comprises the condensed group income statement, the condensed group statement of comprehensive income, the condensed group balance sheet, the condensed group statement of changes in equity, the condensed group cash flow statement and related notes 1 to 22.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.
This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

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

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

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

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
London, United Kingdom
17 November 2022

Directors and shareholders' information

Directors

Richard Mully
Chairman, Non-Executive
Toby Courtauld
Chief Executive
Nick Sanderson
Chief Financial & Operating Officer
Dan Nicholson
Executive Director

Mark Anderson
Non-Executive Director
Nick Hampton
Non-Executive Director
Emma Woods
Non-Executive Director
Charles Philipps
Non-Executive Director
Alison Rose
Non-Executive Director
Champa Magesh
Non-Executive Director

Shareholders' information

Financial calendar	**2022**
Ex-dividend date for interim dividend	24 November
Registration qualifying date for interim dividend	25 November
	2023
Interim dividend payable	4 January
Announcement of full year results	24 May*
Annual General Meeting	6 July*
Final dividend payable	10 July*

*Provisional.

Shareholder enquiries
All enquiries relating to holdings of shares, bonds or debentures in GPE, including notification of change of address, queries regarding dividend/interest payments or the loss of a certificate, should be addressed to the Company's registrars:

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

Tel: +44 (0) 371 384 2030 (Lines are open 8.30am-5.30pm Monday to Friday)

E-mail: customer@equiniti.com

See www.shareview.co.uk for further information

Website: www.gpe.co.uk
The Company's corporate website holds, amongst other information, a copy of our latest annual report and accounts, a list of properties held by the Group and press announcements.

Dividend payments
As a REIT, dividend payments must be split between PIDs and non-PIDs. Information in respect of the tax consequences for shareholders of receiving dividends can be found on the Company's website at www.gpe.co.uk/investors/shareholder-information/reits

Company Secretary
Darren Lennark
Registered office:
33 Cavendish Square
London W1G 0PW
Tel: 020 7647 3000
Fax: 020 7016 5500
Registered Number: 596137

Glossary

Building Research Establishment Environmental Assessment Methodology (BREEAM)

Building Research Establishment method of assessing, rating and certifying the sustainability of buildings.

Cash EPS

EPRA EPS adjusted for non-cash items: tenant incentives, capitalised interest and charges for share-based payments.

Core West End

Areas of London with W1 and SW1 postcodes.

Development profit on cost

The value of the development at completion, less the value of the land at the point of development commencement and costs to construct (including finance charges, letting fees, void costs and marketing expenses).

Development profit on cost %

The development profit on cost divided by the land value at the point of development commencement together with the costs to construct.

Earnings per Share (EPS)

Profit after tax divided by the weighted average number of ordinary shares in issue.

EPRA metrics

Standard calculation methods for adjusted EPS and NAV as set out by the European Public Real Estate Association (EPRA) in their Best Practice and Policy Recommendations.

EPRA net disposal value (NDV)

Represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. Diluted net assets per share adjusted to remove the impact of goodwill arising as a result of deferred tax and fixed interest rate debt.

EPRA Net Reinstatement Value (NRV)

Represents the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives, real estate transfer taxes and deferred taxes on property valuation surpluses are therefore excluded.

EPRA net tangible assets (NTA)

Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax. Diluted net assets per share adjusted to remove the cumulative fair value movements on interest-rate swaps and similar instruments, the carrying value of goodwill arising as a result of deferred tax and other intangible assets.

Estimated Rental Value (ERV)

The market rental value of lettable space as estimated by the Company's valuers at each balance sheet date.

Fair value – investment property

The amount as estimated by the Company's valuers for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. In line with market practice, values are stated net of purchasers' costs.

Glossary (continued)

Ready-to-fit

For businesses typically taking larger spaces on longer leases who want to fit out the space themselves.

Fitted spaces

Where businesses can move into fully furnished, well designed workspaces, with their own front door, furniture, meeting rooms, kitchen and branding.

Fully Managed

Fitted space where GPE handles all day-to-day running of the workplace in one monthly bill.

Flex partnerships

Revenue share agreements with flexible space operators, these are typically structured via lease arrangements with the revenue share recognised within rental income.

Internal Rate of Return (IRR)

The rate of return that if used as a discount rate and applied to the projected cash flows that would result in a net present value of zero.

MSCI

Morgan Stanley Capital International (MSCI) is a company that produces an independent benchmark of property returns.

MSCI central London

An index, compiled by MSCI, of the central and inner London properties in their monthly and quarterly valued universes.

Like-for-like portfolio

The element of the portfolio that has been held for the whole of the period of account.

EPRA Loan-to-Value (LTV)

The nominal value of total bank loans, private placement notes, debenture stock and any net liabilities/assets, net of cash (including our share of joint ventures balances), expressed as a percentage of the market value of the property portfolio (including our share of joint ventures).

Net assets per share or Net Asset Value (NAV)

Equity shareholders' funds divided by the number of ordinary shares at the balance sheet date presented on a diluted and undiluted basis.

Net debt

The book value of the Group's bank and loan facilities, private placement notes and debenture loans plus the nominal value of the convertible bond less cash and cash equivalents.

Net gearing

Total Group borrowings (including the convertible bonds at nominal value) less short-term deposits and cash as a percentage of equity shareholders' funds, calculated in accordance with our bank covenants.

Net initial yield

Annual net rents on investment properties as a percentage of the investment property valuation having added notional purchaser's costs.

Non-PIDs

Dividends from profits of the Group's taxable residual business.

PMI

Purchasing Managers Index.

Property Income Distributions (PIDs)

Dividends from profits of the Group's tax-exempt property rental business.

REIT

UK Real Estate Investment Trust.

Rent roll

The annual contracted rental income.

Glossary (continued)

Return on shareholders' equity

The growth in the EPRA diluted net assets per share plus dividends per share for the period expressed as a percentage of the EPRA net assets per share at the beginning of the period.

Reversionary or under-rented

The percentage by which ERV exceeds rent roll on let space.

Reversionary potential

The percentage by which ERV exceeds rent roll on let space.

Topped up initial yield

Annual net rents on investment properties as a percentage of the investment property valuation having added notional purchaser's costs and contracted uplifts from tenant incentives.

Total Accounting Return (TAR)

The growth in EPRA NTA per share plus ordinary dividends paid, expressed as a percentage of EPRA NTA per share at the beginning of the period.

Total potential future growth

Portfolio rent roll plus the ERV of void space, space under refurbishment and the committed development schemes, expressed as a percentage uplift on the rent roll at the end of the period.

Total Property Return (TPR)

Capital growth in the portfolio plus net rental income derived from holding these properties plus profit on sale of disposals expressed as a percentage return on the period's opening value as calculated by MSCI.

Total Shareholder Return (TSR)

The growth in the ordinary share price as quoted on the London Stock Exchange plus dividends per share received for the period expressed as a percentage of the share price at the beginning of the period.

Triple net asset value (NNNAV)

NAV adjusted to include the fair value of the Group's financial liabilities and deferred tax on a diluted basis.

True equivalent yield

The constant capitalisation rate which, if applied to all cash flows from an investment property, including current rent, reversions to current market rent and such items as voids and expenditures, equates to the market value having taken into account notional purchaser's costs. Assumes rent is received quarterly in advance.

Ungeared IRR

The ungeared internal rate of return (IRR) is the interest rate at which the net present value of all the cash flows (both positive and negative) from a project or investment equal zero, without the benefit of financing. The internal rate of return is used to evaluate the attractiveness of a project or investment.

Vacancy rate

The element of a property which is unoccupied but available for letting, expressed as the ERV of the vacant space divided by the ERV of the total portfolio.

Weighted Average Unexpired Lease Term (WAULT)

The Weighted Average Unexpired Lease Term expressed in years.

Whole life surplus

The value of the development at completion, less the value of the land at the point of acquisition and costs to construct (including finance charges, letting fees, void costs and marketing expenses) plus any income earned over the period.

Appendix 1

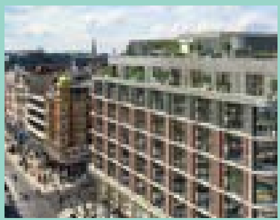
Performance in our occupational and investment markets diverged during the period. Robust occupational demand continued to drive leasing activity, particulary for best in class spaces. Investment markets however slowed as inflation put significant upward pressure on interest rates around the world and the likelihood of a UK recession increased.

Macro-economic backdrop

- IMF estimates global GDP growth of 3.2% in 2022 and forecasts 2.7% growth for 2023.
- UK economy forecast to enter recession; 0.5% expected fall in UK GDP growth in Q4 2022; 0.6% reduction in 2023 (Oxford Economics).
- Consumer confidence at record low levels in September 2022 driven by increases in the cost of living and political and economic uncertainty.
- Deloitte CFO survey Q3 2022: 77% of CFOs rate financial and economic uncertianty as high or very high, with corporate risk appetite near the lowest on record
- UK PMI surveys for services and manufacturing have reduced, indicating a decline in business activity.
- Inflationary risks persist; UK CPI 10.1% in September 2022, forecast to remain elevated.

Occupational markets[1]

- Activity levels have recovered; central London take-up 6.4 million sq ft in period, 4.2% ahead of 10-year average.
- Knight Frank estimates that central London active demand remains healthy at 7.5 million sq ft, down 10.7% year on year.
- Availability remains elevated at 24.7 million sq ft, down from 25.4 million sq ft at 31 March 22 and 54% ahead of the ten-year average.
- Central London vacancy rate 8.3% at 30 September 2022; down from 9.0% at 31 March 2022.
- Supply remains tight; availability of space newly completed or under construction low at 32.0% of total stock (7.9 million sq ft).



The West End

- Office take-up 2.7 million sq ft; up 40.1% on preceding six months.
- Availability 5.7 million sq ft, largely unchanged..
- Vacancy 3.9% down from 4.6% at March 22, newly completed vacancy only 0.6%.
- Prime office rental values £135.00 per sq ft at 30 September 2022, up 8.0% in period.
- Retail vacancy stabilised; Zone A rents unchanged on key retail streets.

The City

- Office take-up 2.5 million sq ft; down 10.1% on previous six months.
- Availability 10.9 million sq ft, down 9.5%.
- Vacancy 12.2% down from 12.9% at March 22, newly completed vacancy only 2.7%.
- Prime office rental values £71.00 per sq ft, unchanged in period.

Investment markets[1]

- Restrictions on international travel reducing but still limiting certain buyers' ability to inspect buildings and conduct effective due diligence.
- Demand for London real estate lower following strong H2 in 2021; office investment deals £5.2 billion in period; down 43.9% on previous six months.
- We estimate that £5.2 billion of real estate is currently on the market for sale versus £33.3 billion of equity demand looking to invest.
- Given increases in financing rates, prime yields increased; CBRE report prime yields of 3.5% and 4.25% for core West End and City respectively.
- Retail yields unchanged; 4.00% Regent Street, 4.25% Oxford Street and 2.75% Bond Street.

1. To 30 September 2022 and sourced from CBRE unless otherwise stated.

Appendix 1 continued

Selected lead indicators

Drivers of rents[1]	May 2022	**Today**
GDP/GVA growth	🟠	🔴
Business investment	🟠	🔴
Confidence	🟠	🔴
Employment growth	🟢	🟠
Active demand/take-up	🟢	🟠
Vacancy rates	🟠	🟠
Development completions	🟢	🟢
Drivers of yields		
Rental growth	🟢	🟠
Weight of money	🟢	🟢
Gilts	🟠	🔴
BBB Bonds	🟠	🔴
Exchange rates	🟠	🟢
Political risk	🟠	🟠

1. Offices.

Appendix 2

Portfolio performance

		Wholly-owned £m	Joint ventures[1] £m	Total £m	Proportion of portfolio %	Valuation movement %
North of Oxford Street	Office	752.9	–	752.9	28.8	(1.8)
	Retail	174.4	43.0	217.4	8.3	(2.5)
	Residential	4.7	–	4.7	0.2	12.0
Rest of West End	Office	262.5	244.3	506.8	19.4	(3.0)
	Retail	158.3	126.2	284.5	10.9	(1.6)
	Residential	5.0	–	5.0	0.2	(1.8)
Total West End		**1,357.8**	**413.5**	**1,771.3**	**67.8**	**(2.1)**
City, Midtown and Southwark	Office	485.8	131.5	617.3	23.6	(6.8)
	Retail	8.3	–	8.3	0.3	(7.9)
	Residential	4.0	–	4.0	0.2	(2.1)
Total City, Midtown and Southwark		498.1	131.5	629.6	24.1	(6.8)
Investment property portfolio		**1,855.9**	**545.0**	**2,400.9**	**91.9**	**(3.4)**
Development property		176.0	–	176.0	6.7	(3.2)
Total properties held throughout the period		**2,031.9**	**545.0**	**2,576.9**	**98.6**	**(3.4)**
Acquisitions		37.1	–	37.1	1.4	(7.0)
Portfolio valuation		**2,069.0**	**545.0**	**2,614.0**	**100.0**	**(3.4)**

1. GPE share.

Portfolio characteristics

		Investment properties £m	Development properties £m	Total property portfolio £m	Office £m	Retail £m	Residential £m	Total £m	Net internal area sq ft 000's
North of Oxford Street		975.0	–	975.0	752.9	217.4	4.7	975.0	762
Rest of West End		796.3	–	796.3	506.8	284.5	5.0	796.3	568
Total West End		**1,771.3**	**–**	**1,771.3**	**1,259.7**	**501.9**	**9.7**	**1,771.3**	**1,330**
City, Midtown and Southwark		666.7	176.0	842.7	819.1	19.6	4.0	842.7	1,219
Total		**2,438.0**	**176.0**	**2,614.0**	**2,078.8**	**521.5**	**13.7**	**2,614.0**	**2,549**
By use:	Office	1,914.1	164.7	2,078.8					
	Retail	510.2	11.3	521.5					
	Residential	13.7	–	13.7					
Total		**2,438.0**	**176.0**	**2,614.0**					
Net internal area sq ft 000's		2,420	129	2,549					

Appendix 3

Sales for the period ended 30 September 2022

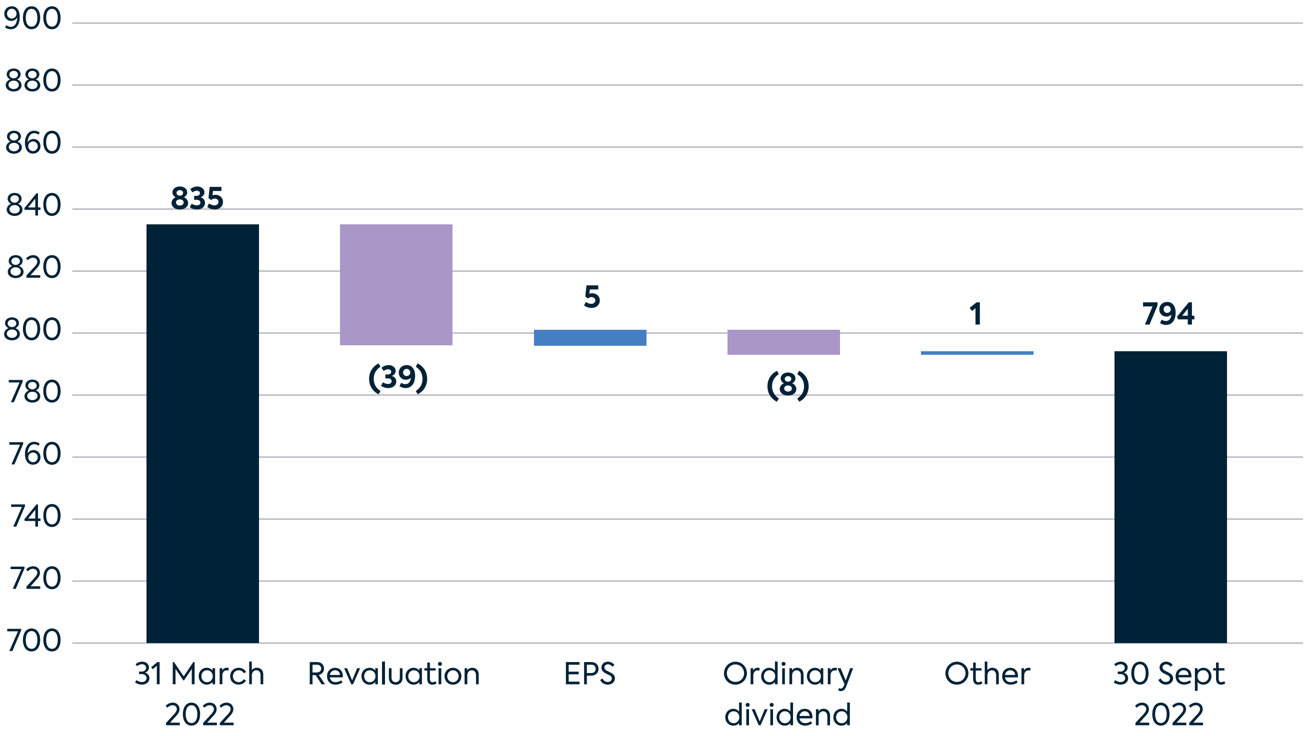
	Price £m	Premium to book value %	Price per sq ft £	NIY %
Commercial				
6/10 Market Place, W1	27.8	3.0	1,480	4.1

Acquisitions for the period ended 30 September 2022

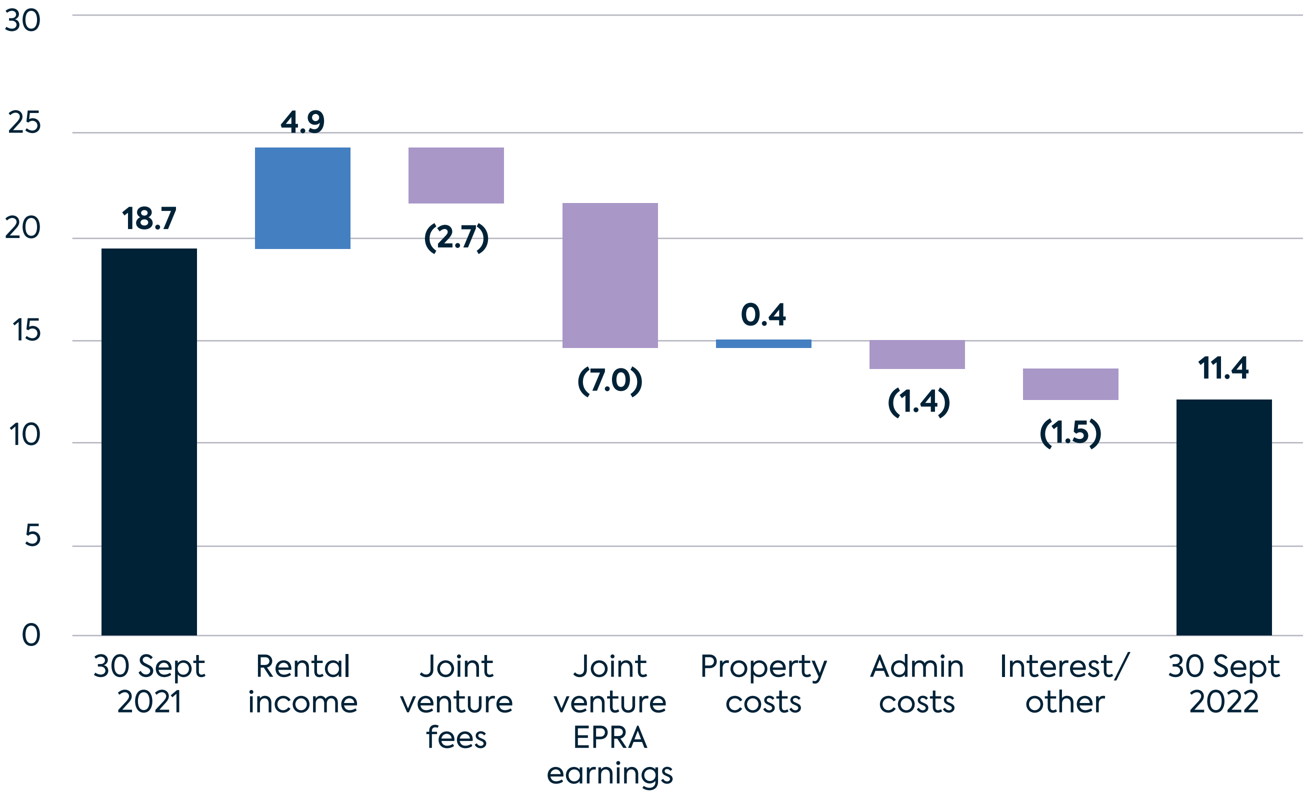
	Price £m	NIY %	Area sq ft	Cost per sq ft £
Commercial				
6/10 St Andrew Street, EC4	30.0	–	46,200	650
2 Cathedral Street, SE1	7.1	4.4	6,400	1,100

Appendix 4

EPRA NTA pence per share



EPRA earnings £m



● Increase ● Decrease ● Total

Appendix 4 continued

Debt analysis

	Pro forma[1]	Sept 2022	March 2022
Net debt excluding JVs (£m)	424.6	603.3	531.2
Net gearing	21.2%	30.4%	25.4%
Total net debt including 50% JV cash balances (£m)	400.6	579.3	502.3
EPRA LTV	17.8%	23.6%	20.5%
Interest cover	n/a	15.8x	n/a
Weighted average interest rate	2.7%	2.8%	2.5%
Weighted average cost of debt	n/a	2.9%	2.9%
% of debt fixed	100%	73%	84%
Cash and undrawn facilities (£m)	494	315	391

1. Pro forma for the sale of 50 Finsbury Square, EC2.

Appendix 5

Rental income

			Wholly-owned			Share of joint ventures			
			Rent roll £m	Reversionary potential £m	Rental values £m	Rent roll £m	Reversionary potential £m	Rental values £m	Total rental values £m
London	North of Oxford Street	Office	35.4	1.5	36.9	–	–	–	36.9
		Retail	5.5	(0.4)	5.1	3.2	0.7	3.9	9.0
	Rest of West End	Office	15.1	1.0	16.1	9.7	0.5	10.2	26.3
		Retail	6.7	1.2	7.9	4.5	(0.2)	4.3	12.2
	Total West End		**62.7**	**3.3**	**66.0**	**17.4**	**1.0**	**18.4**	**84.4**
	City, Midtown and Southwark	Office	20.3	2.3	22.6	7.5	0.9	8.4	31.0
		Retail	1.8	(0.1)	1.7	–	–	–	1.7
	Total City, Midtown and Southwark		**22.1**	**2.2**	**24.3**	**7.5**	**0.9**	**8.4**	**32.7**
Total let portfolio			**84.8**	**5.5**	**90.3**	**24.9**	**1.9**	**26.8**	**117.1**
Voids					10.7			1.1	11.8
Premises under refurbishment and development					30.6			0.2	30.8
Total portfolio					**131.6**			**28.1**	**159.7**

EPRA vacancy

	Wholly-owned £m	Joint ventures £m	Total £m	Void %
Investment void	10.7	1.1	11.8	7.4
Premises under refurbishment	21.6	0.2	21.8	13.7
EPRA vacancy rate	32.3	1.3	33.6	21.1
Premises under development	9.0	–	9.0	5.6
Total void	**41.3**	**1.3**	**42.6**	**26.7**

Rent roll security, lease lengths and voids

			Wholly-owned			Joint ventures		
			Rent roll secure for five years %	Weighted average lease length Years	Voids %	Rent roll secure for five years %	Weighted average lease length Years	Voids %
London	North of Oxford Street	Office	25.0	4.8	6.1	–	–	–
		Retail	50.9	6.2	45.6	11.0	2.8	–
	Rest of West End	Office	16.8	1.7	7.3	89.1	12.8	–
		Retail	24.9	3.4	3.6	45.8	6.7	19.4
	Total West End		**25.3**	**4.0**	**11.0**	**63.4**	**9.4**	**5.3**
	City, Midtown and Southwark	Office	21.9	1.8	4.1	1.5	1.8	1.4
		Retail	18.9	2.5	–	–	–	–
	Total City, Midtown and Southwark		**21.7**	**1.8**	**4.1**	**1.5**	**1.8**	**1.4**
Total portfolio			**24.3**	**3.5**	**8.2**	**44.9**	**7.1**	**4.1**

Rental values and yields

			Wholly-owned		Joint ventures		Wholly-owned		Joint ventures	
			Average rent £psf	Average ERV £psf	Average rent £psf	Average ERV £psf	Initial yield %	True equivalent yield %	Initial yield %	True equivalent yield %
London	North of Oxford Street	Office	78.1	82.7	–	–	3.1	4.6	–	–
		Retail	54.6	64.2	70.7	86.4	2.3	4.5	3.8	3.6
	Rest of West End	Office	99.8	99.8	116.0	121.6	2.9	5.0	–	3.7
		Retail	87.5	95.6	103.7	108.6	3.6	4.7	2.2	4.0
	Total West End		**80.2**	**81.5**	**100.9**	**105.2**	**3.0**	**4.6**	**1.1**	**3.8**
	City, Midtown and Southwark	Office	53.7	65.3	45.6	51.6	3.6	5.2	5.3	5.1
		Retail	25.8	28.7	–	–	4.0	5.3	–	–
	Total City, Midtown and Southwark		**49.2**	**60.4**	**45.6**	**51.6**	**3.6**	**5.2**	**5.3**	**5.1**
Total portfolio			**68.9**	**71.4**	**74.0**	**79.6**	**3.2**	**4.8**	**2.1**	**4.1**