Landsec

Appendices

As at 30 September 2021

Contents

Sustainability leadership

Demonstrated by our performance across all key ESG benchmarks

Benchmark	Latest performance
GRESB ★★★★★ 2021	**GRESB 2021** Real Estate Sector leader – 5-star rated entity Standing Investments: Regional Listed Sector Leader for Europe within Diversified – Office/Retail (score 91%) Developments: Score 93%
CDP DISCLOSURE INSIGHT ACTION A LIST 2020 CLIMATE	**CDP 2020** A-list (top 2.8%) for the fourth consecutive year Inclusion on the 2020 Supplier Engagement Leaderboard (top 7%)
Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA Sustainability Award Silver Class 2021 S&P Global	**DJSI 2020** Score 85/top 99th percentile European Real Estate leader, ranking 4th globally Silver Class distinction in the S&P Global Sustainability Awards

Benchmark	Latest performance
ecoact an atos company	**Ecoact 2021** Ranked 1st amongst FTSE 100 companies (2020: 3rd) for our sustainability reporting and climate-related strategy and 3rd across global indices analysed (FTSE 100, Euro STOXX 50 and DOW 30)
EPRA sBPR GOLD	**EPRA 2021** Received our 8th Gold Award for best practice sustainability reporting
FTSE4Good	**FTSE4Good 2021** 87th percentile. We continue to retain our established position in the FTSE4Good Index
Corporate ESG Performance Prime RATED BY ISS ESG	**ISS ESG 2020** Prime status. Rating C+. Decile rank 1/transparency level: very high
MSCI	**MSCI ESG Rating 2020** A rating
SUSTAINALYTICS a Morningstar company	**Sustainalytics ESG Risk Rating 2021** 8.5 (negligible risk)/ranking 11 out of 1,042 companies in the real estate industry
WDi Workforce Disclosure Initiative 2020 AWARD WINNER	**Workforce Disclosure Initiative 2020** WDI Award for most complete disclosure

Our portfolio
Sustainability performance of our assets

- 55% reduction in carbon emissions (tCO_2e) compared with 2013/14 baseline
- 37% reduction in energy intensity (kWh/m2) compared with 2013/14 baseline
- Zero waste sent to landfill with 68% of waste recycled
- 44% BREEAM certified by portfolio floor area

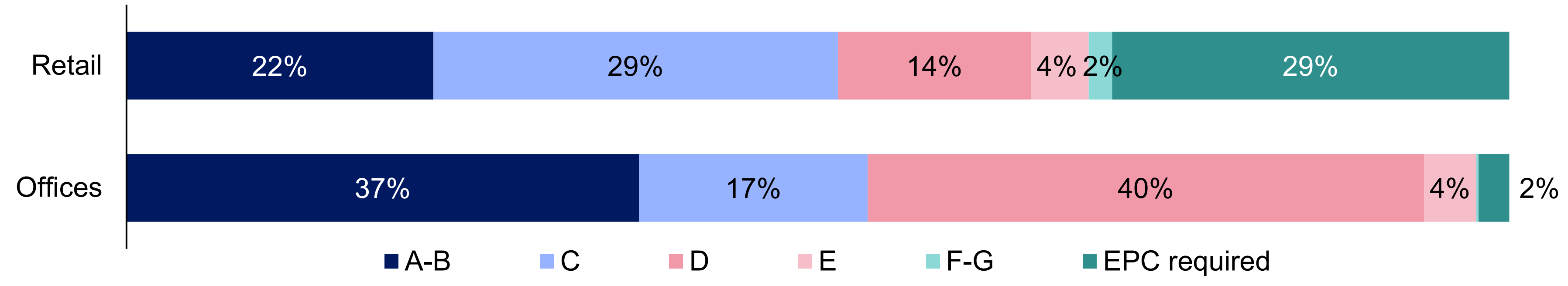
Outstanding	Excellent	Very good	Good/pass
0.5%	41.3%	52.6%	5.6%

- 82% of portfolio by floor area already compliant with 2023 Minimum Energy Efficiency Standards regulation (EPC E or above)
- In first 6 months of 2021/22, created over £2.3m social value by creating opportunities and engaging with local communities across our assets, supporting 87 people into work
- New developments to be net zero: The Forge, SE1, Timber Square, SE1, Portland House, SW1 and Red Lion Court, SE1

THE FORGE, SE1

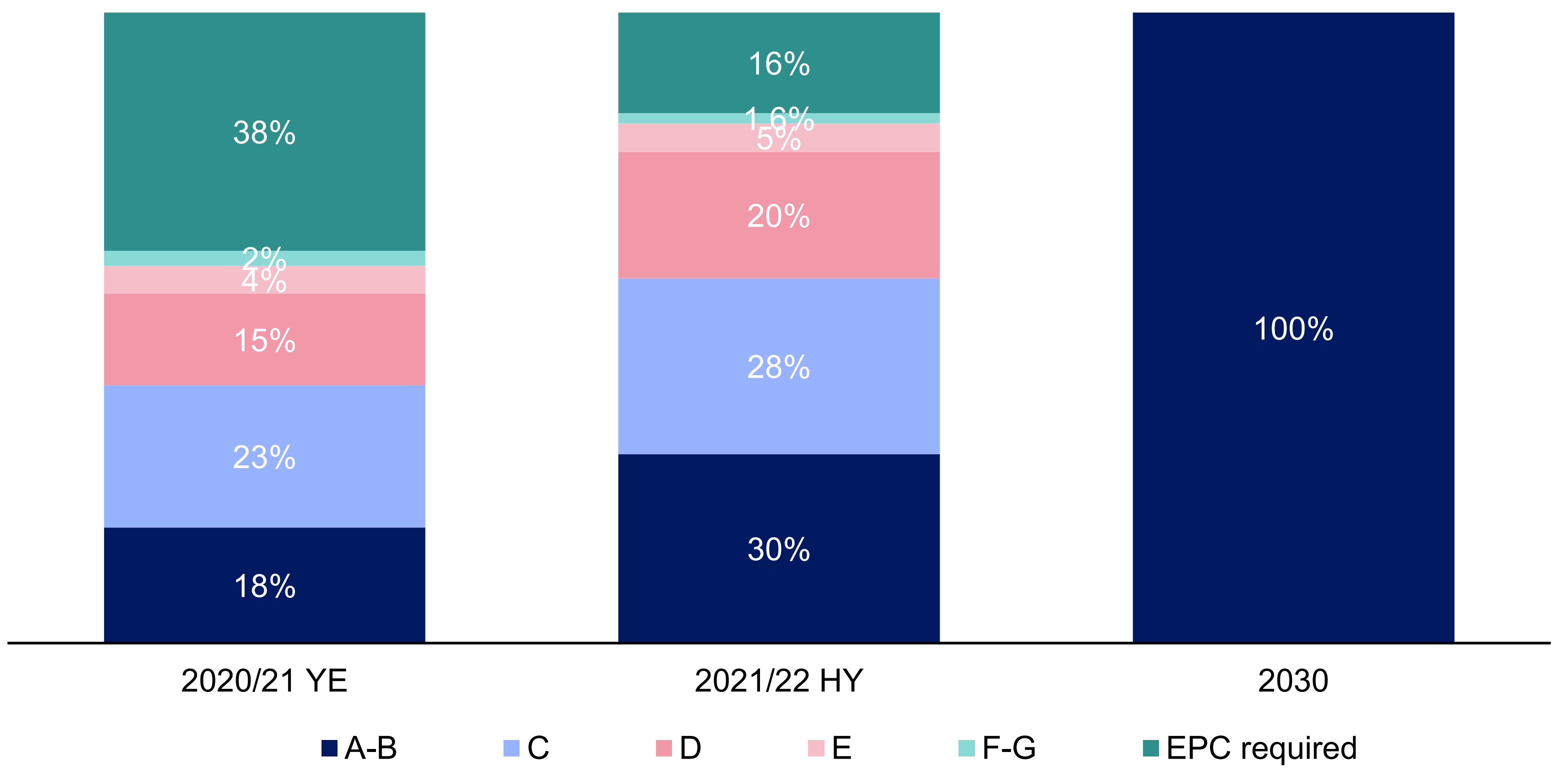
Minimum Energy Efficiency Standards (MEES)

- According to current MEES, all non-domestic rented properties need to achieve an EPC E by 2023, where cost effective
- We have made further progress on this area, undertaking EPC assessments to ensure all spaces have a valid EPC certificate by 2023
- 84% of portfolio by rental value (82% by floor area) is already compliant with 2023 MEES (EPC E or above)(1)

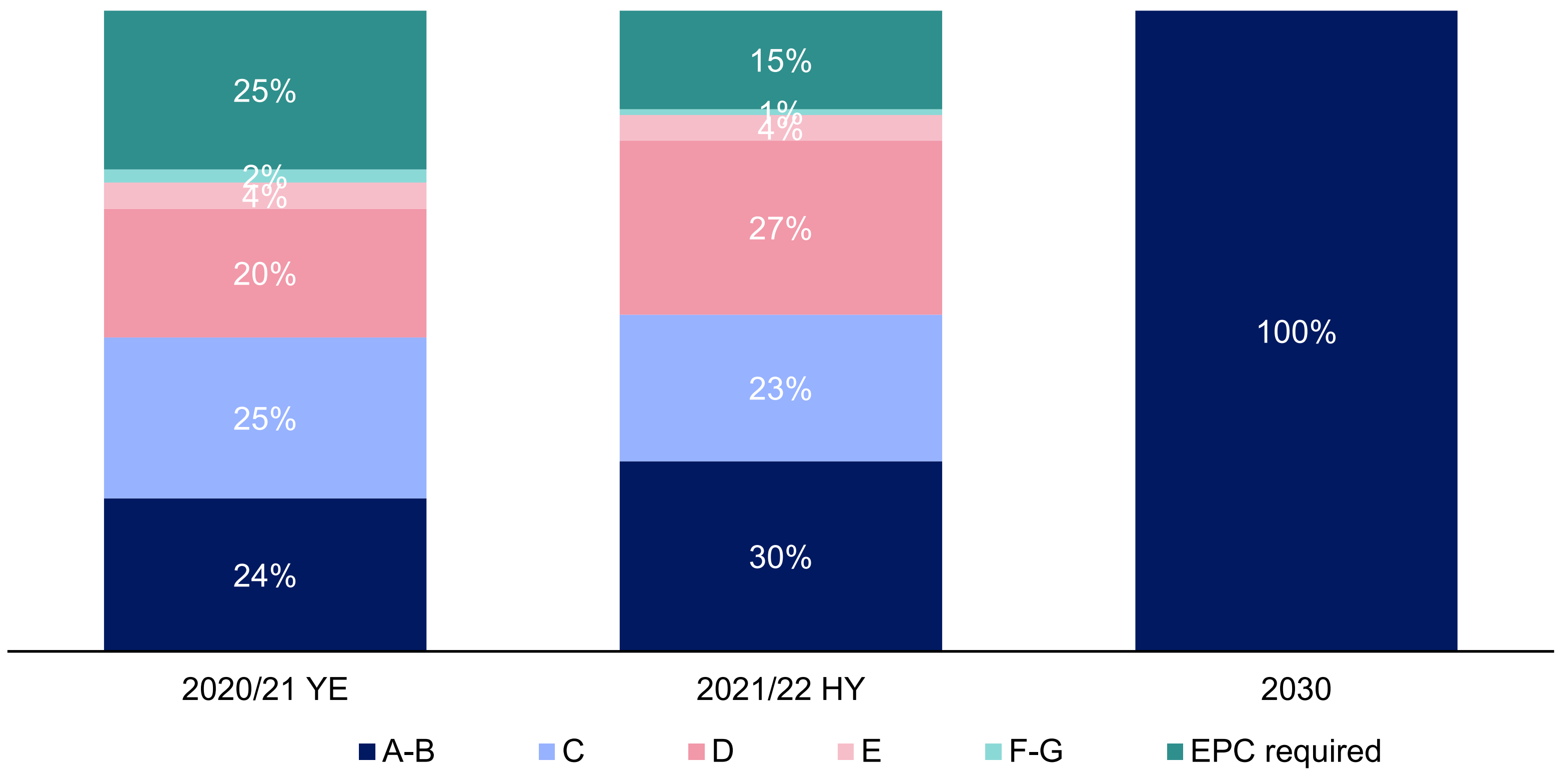


- UK Government has confirmed that the non-domestic minimum energy efficiency standards (MEES) will be EPC B by 2030
  - 37% of our office portfolio already is EPC B or above, compared with 22% of the offices market(2)
- Our investment plan to achieve our science-based target will also ensure that our portfolio meets the MEES of EPC B by 2030

Portfolio EPC rating (by floor area)(3)



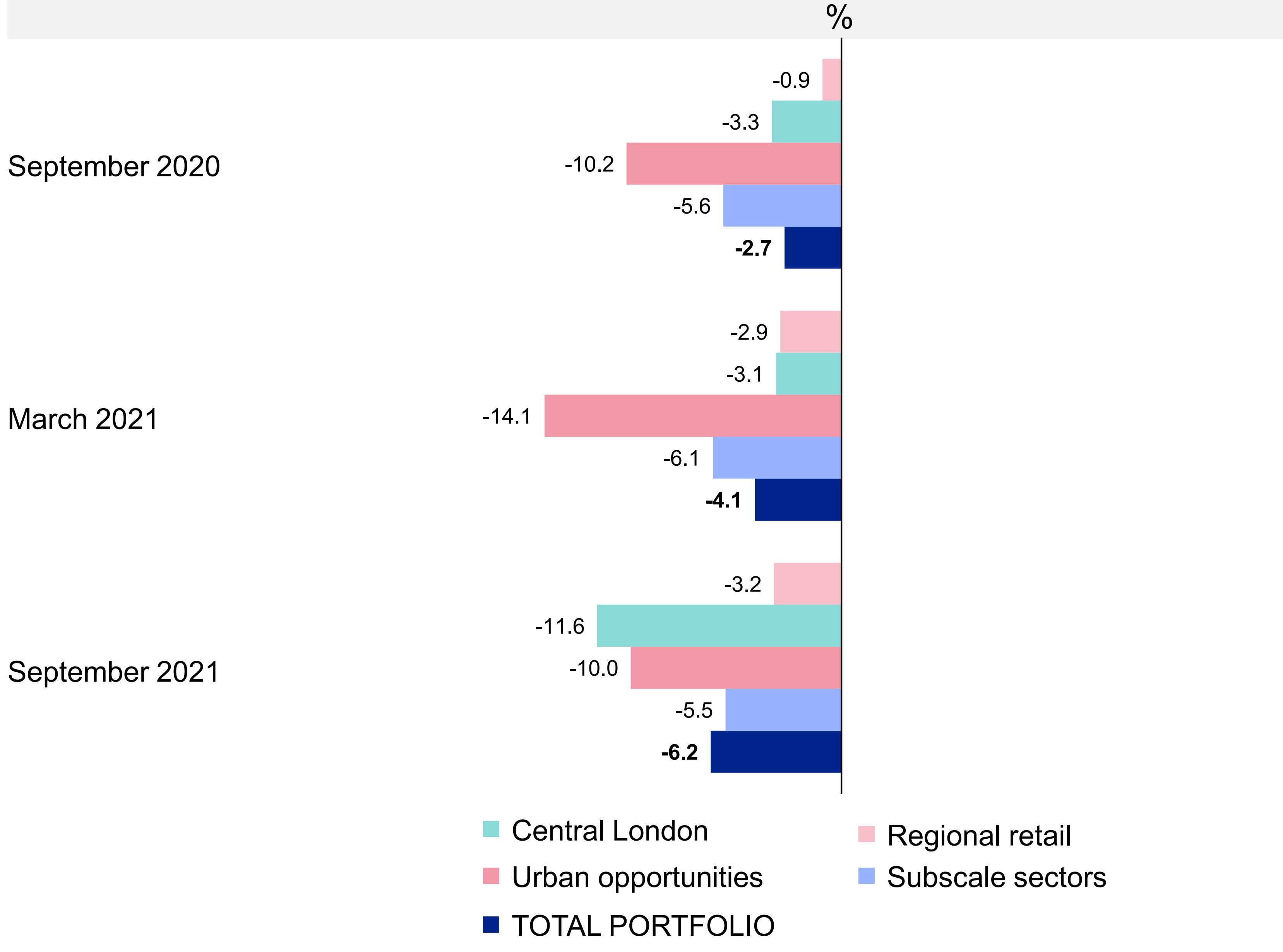
Portfolio EPC rating (by rental value)(3)



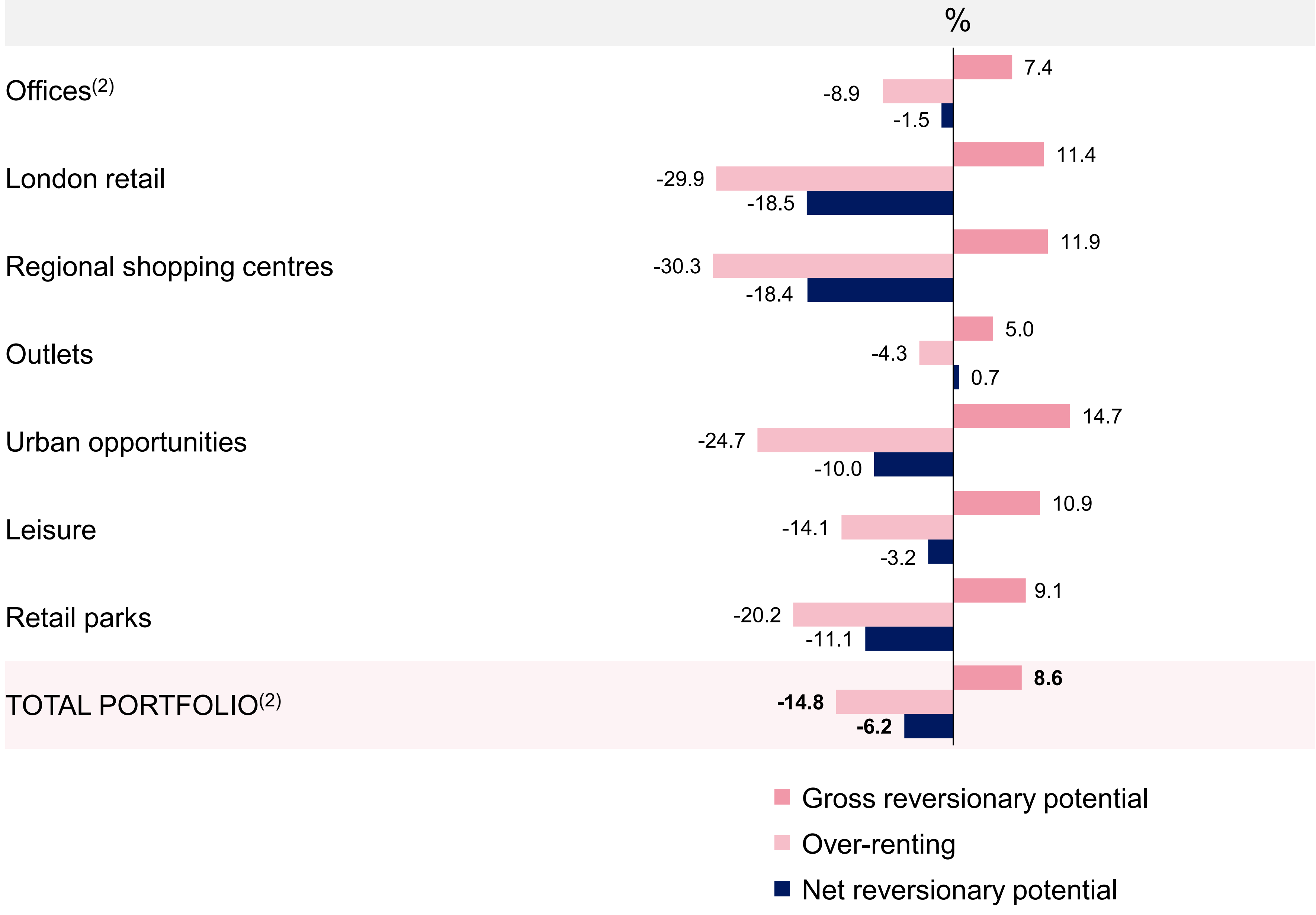
(1) Office figures include ground floor retail units that require individual EPC certificates
(2) EPC data from Better Buildings Partnership Real Estate Environmental Benchmark (REEB) 2019/20
(3) The EPC charts show only the relevant portfolio under MEES regulation, excluding spaces that are not required to have EPC or spaces not covered by MEES regulation, such as assets located in Scotland

Reversionary potential
Like-for-like portfolio

Net reversionary potential(1)



Reversionary potential(1) at 30 September 2021



(1) Excludes voids and rent free periods

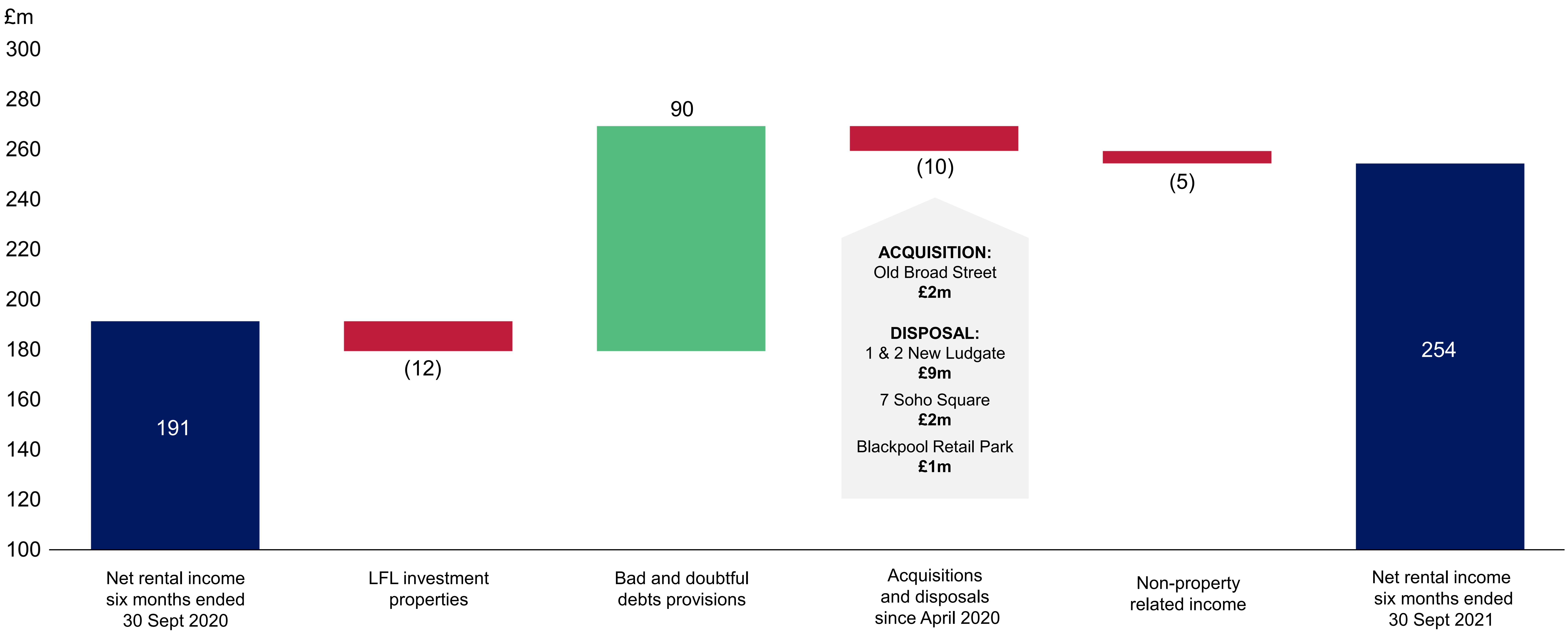
(2) As at 30 September 2021, Queen Anne's Mansions (QAM), SW1 accounted for 88% of the offices like-for-like over-renting. Excluding QAM, the offices segment and Combined Portfolio would be 7.4% and -2.8% net reversionary, respectively

Net rental income[1]

	Central London			Regional retail			Urban opportunities			Subscale sectors			Combined Portfolio		
	30 Sept 2021	30 Sept 2020	Change	30 Sept 2021	30 Sept 2020	Change	30 Sept 2021	30 Sept 2020	Change	30 Sept 2021	30 Sept 2020	Change	30 Sept 2021	30 Sept 2020	Change
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Like-for-like investment properties	136	138	(2)	60	71	(11)	13	11	2	36	37	(1)	245	257	(12)
Proposed developments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Development programme	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Completed developments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisitions since 1 April 2020	2	-	2	-	-	-	-	-	-	-	-	-	2	-	2
Sales since 1 April 2020	-	11	(11)	-	-	-	-	-	-	1	2	(1)	1	13	(12)
Non-property related income	1	6	(5)	2	2	-	-	-	-	-	-	-	3	8	(5)
Bad and doubtful debts expense	(2)	(8)	6	5	(44)	49	1	(6)	7	(1)	(29)	28	3	(87)	90
Net rental income	**137**	**147**	**(10)**	**67**	**29**	**38**	**14**	**5**	**9**	**36**	**10**	**26**	**254**	**191**	**63**

(1) On a proportionate basis

Net rental income bridge



Strong rent collection and lower bad debt provisions

Group and JV bad debt summary	31 October 2021	31 March 2021
	£m	£m
Debtor	157	214
Provision	(100)	(127)
Debtor after provision	**57**	**87**
% provided	64%	59%

Rent collection	29 September quarter day 2021	29 September quarter day 2021
	Collection day 10 (%)	Amounts received to date (%)
Offices	95	100
Rest of central London	80	83
Regional retail	83	92
Urban opportunities	50	60
Subscale sectors	58	69
Total	**85**	**91**

RETAIL CUSTOMER DISCUSSION

86%
of rent roll reviewed where retail occupiers have agreed concession / re-gears or no support was required

Of £8m rent outstanding, £4m relates to customers who had withheld payment pending documentation of agreed concessions

Rent reviews and lease expiries and breaks[1]

Central London excluding developments

	Outstanding	2021/22	2022/23	2023/24	2024/25	2025/26	Total to 2026
	£m	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to review	57	26	30	23	6	8	**150**
Adjusted ERV[2]	56	26	29	23	5	8	**147**
Over-renting[3]	(3)	-	(1)	-	(1)	-	**(5)**
Gross reversion under lease provisions	**2**	**-**	**-**	**-**	**-**	**-**	**2**
		2021/22	**2022/23**	**2023/24**	**2024/25**	**2025/26**	**Total to 2026**
		£m	£m	£m	£m	£m	£m
Rents passing from leases subject to expiries or breaks[4]		5	32	22	11	38	**108**
ERV		7	35	23	11	40	**116**
Potential rent change		**2**	**3**	**1**	**-**	**2**	**8**
Total reversion from rent reviews and expiries or breaks							**10**
Voids and tenants in administration[5]							16
Total							**26**

(1) This is not a forecast and takes no account of increases or decreases in ERV before the relevant review dates
(2) Adjusted ERV reflects ERV when reversion is expected at next rent review, or passing rent where the reversion to ERV is expected after 2026
(3) Not crystallised at rent review because of upward only rent review provisions
(4) Rents passing from leases subject to expiries or breaks does not include any lease where a reversion is expected from a rent review before the expiry or break date
(5) Excludes tenants in administration where the administrator continues to pay rent

Rent reviews and lease expiries and breaks[1]
Regional retail excluding developments

	Outstanding	2021/22	2022/23	2023/24	2024/25	2025/26	Total to 2026
	£m	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to review[2]	33	26	18	3	1	1	**82**
Adjusted ERV[3]	26	25	15	3	1	2	**72**
Over-renting[4]	(8)	(2)	(4)	-	-	-	**(14)**
Gross reversion under lease provisions	**1**	**1**	**1**	**-**	**-**	**1**	**4**

	2021/22	2022/23	2023/24	2024/25	2025/26	Total to 2026
	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to expiries or breaks[5]	16	23	15	14	14	**82**
ERV	17	18	14	11	12	**72**
Potential rent change	**1**	**(5)**	**(1)**	**(3)**	**(2)**	**(10)**
Total reversion from rent reviews and expiries or breaks						**(6)**
Voids and tenants in administration[6]						21
Total						**15**

(1) This is not a forecast and takes no account of increases or decreases in ERV before the relevant review dates
(2) Annualised rents have been reduced to reflect the impact of Covid-19 on turnover related rent, which has driven an increase in reversionary potential across Regional retail
(3) Adjusted ERV reflects ERV when reversion is expected at next rent review, or passing rent where the reversion to ERV is expected after 2026
(4) Not crystallised at rent review because of upward only rent review provisions
(5) Rents passing from leases subject to expiries or breaks does not include any lease where a reversion is expected from a rent review before the expiry or break date
(6) Excludes tenants in administration where the administrator continues to pay rent

Rent reviews and lease expiries and breaks[1]

Urban opportunities excluding developments

	Outstanding	2021/22	2022/23	2023/24	2024/25	2025/26	Total to 2026
	£m	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to review	5	1	1	4	-	-	**11**
Adjusted ERV[2]	4	1	1	4	-	-	**10**
Over-renting[3]	(2)	-	-	-	-	-	**(2)**
Gross reversion under lease provisions	**1**	**-**	**-**	**-**	**-**	**-**	**1**

	2021/22	2022/23	2023/24	2024/25	2025/26	Total to 2026
	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to expiries or breaks[4]	2	2	9	2	1	**16**
ERV	3	2	6	1	-	**12**
Potential rent change	**1**	**-**	**(3)**	**(1)**	**(1)**	**(4)**
Total reversion from rent reviews and expiries or breaks						**(3)**
Voids and tenants in administration[5]						2
Total						**(1)**

(1) This is not a forecast and takes no account of increases or decreases in ERV before the relevant review dates
(2) Adjusted ERV reflects ERV when reversion is expected at next rent review, or passing rent where the reversion to ERV is expected after 2026
(3) Not crystallised at rent review because of upward only rent review provisions
(4) Rents passing from leases subject to expiries or breaks does not include any lease where a reversion is expected from a rent review before the expiry or break date
(5) Excludes tenants in administration where the administrator continues to pay rent

Rent reviews and lease expiries and breaks[1]
Subscale sectors excluding developments

	Outstanding	2021/22	2022/23	2023/24	2024/25	2025/26	Total to 2026
	£m	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to review	26	4	5	6	5	2	**48**
Adjusted ERV[2]	23	3	5	5	5	2	**43**
Over-renting[3]	(4)	(1)	(1)	(1)	(1)	-	**(8)**
Gross reversion under lease provisions	**1**	**-**	**1**	**-**	**1**	**-**	**3**

	2021/22	2022/23	2023/24	2024/25	2025/26	Total to 2026
	£m	£m	£m	£m	£m	£m
Rents passing from leases subject to expiries or breaks[4]	2	3	7	11	6	**29**
ERV	2	3	5	10	5	**25**
Potential rent change	**-**	**-**	**(2)**	**(1)**	**(1)**	**(4)**
Total reversion from rent reviews and expiries or breaks						**(1)**
Voids and tenants in administration[5]						4
Total						**3**

(1) This is not a forecast and takes no account of increases or decreases in ERV before the relevant review dates
(2) Adjusted ERV reflects ERV when reversion is expected at next rent review, or passing rent where the reversion to ERV is expected after 2026
(3) Not crystallised at rent review because of upward only rent review provisions
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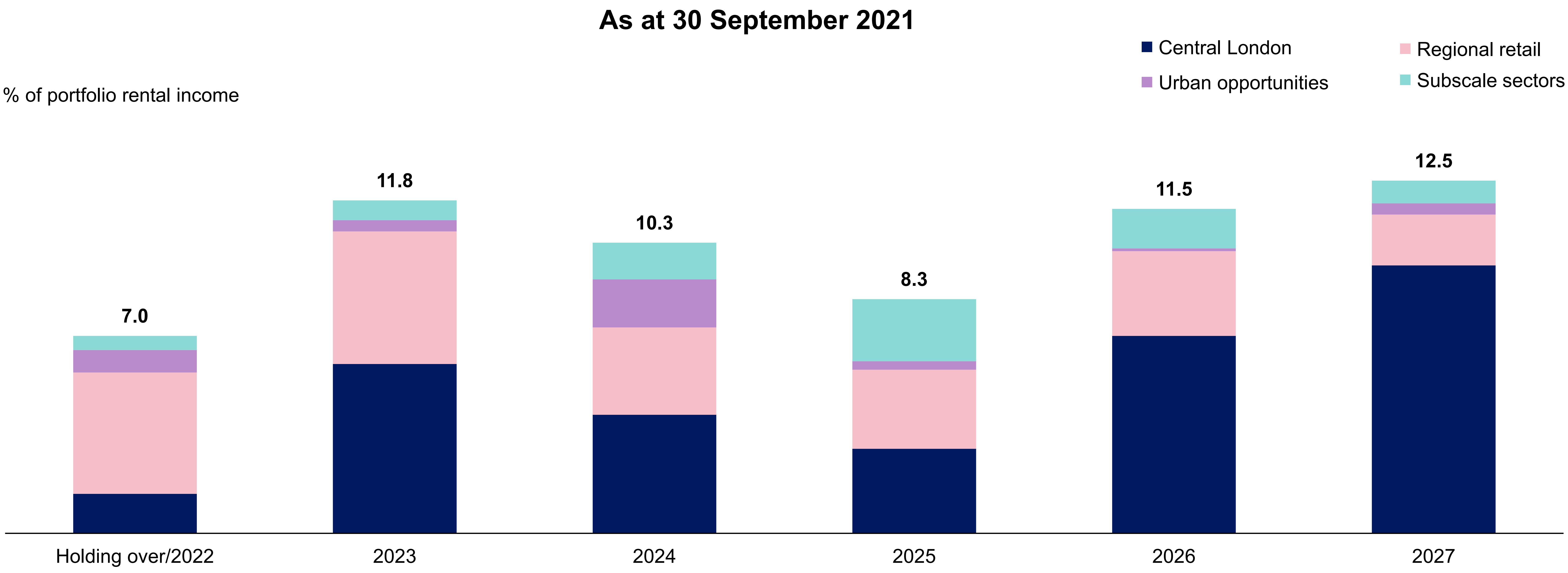
Combined Portfolio – lease maturities (expiries and break clauses)

Excluding development programme



	Holding over/2022	2023	2024	2025	2026	2027
Central London – offices	0.9	5.4	3.7	2.2	5.8	9.2

Retail sales and footfall

Outlets and Regional shopping centres

Footfall and sales growth/decline (26 weeks to 3 October 2021 vs 26 weeks to 6 October 2019)

Landsec	26 weeks to 3 October 2021	Benchmarks	26 weeks to 3 October 2021	
Footfall	-28.2%	UK footfall[1]	-28.7%	
Same centre sales[2]	-9.2%	BRC non-food in-store total[3]	-0.9%	Sales benchmarks include retail parks, which have benefitted above other asset types during the pandemic.
Same centre sales excluding automotive	-7.6%			
Same store sales[5]	0.5%	BRC non-food in-store LFL[3]	25.7%	Sales benchmarks include pandemic successful categories that are marginal in Landsec's tenant mix, e.g. furniture.
Same store sales excluding automotive	0.5%			
		BRC non-food all retail[4]	10.4%	

Source: Landsec, unless specified below, data is exclusive of VAT and for the 26-week figures above, based on over 1,900 tenancies where the occupiers provide Landsec with turnover data

(1) Springboard UK national benchmark, Springboard index based on more than 600 UK Retail Destinations

(2) Landsec same centre total sales. Based on all store sales and takes into account new stores, new space and lost sales through lockdown

(3) BRC – KPMG Retail Sales Monitor (RSM). Based on an average of quarterly non-food retail sales growth for physical i.e. bricks and mortar stores only (does not include online sales)

(4) BRC – KPMG Retail Sales Monitor (RSM). Based on an average of quarterly non-food retail sales growth including online sales

(5) Landsec same store/same tenant like-for-like sales only includes sales for tenants that were open and trading throughout the period

Top retail and leisure occupiers by percentage of Group rent

Brand	Status	Number of units	Group rent
Cineworld		14	2.1%
Boots		21	1.8%
Sainsbury's		9	1.4%
M&S[1]		14	1.2%
H&M		15	1.1%
Vue		6	1.1%
Next		11	1.0%
Primark		7	0.9%
Tesco		8	0.9%
Nando's		29	0.6%
Superdrug/Perfume Shop		21	0.6%
John Lewis Partnership[2]		7	0.5%
The Restaurant Group[3]	CVA	29	0.5%
VF Corporation		18	0.5%
River Island		8	0.5%

Brand	Status	Number of units	Group rent
J C Decaux		19	0.5%
Odeon		4	0.4%
Currys		5	0.4%
Zara		7	0.4%
Superdry		7	0.4%
SnoZone		2	0.4%
Signet		16	0.4%
Hollywood Bowl		7	0.3%
JD Sports		9	0.3%
Calvin Klein		10	0.3%
EE		12	0.3%
Costa		25	0.3%
McDonald's		15	0.3%
Nuffield Health		4	0.3%
Nike		4	0.3%

(1) Includes M&S Simply Food store
(2) Includes Waitrose & Partners Stores
(3) Includes Wagamama who are not party to the current CVA

CVA/administration exposure by occupier

As at 30 September 2021

Brand	Status	Number of units trading	Group rent
Clarks	CVA	8	0.3%
The Restaurant Group	CVA(1)	14	0.2%
Travelodge	CVA	3	0.2%
Carpetright	CVA	3	0.1%
Homebase Ltd	CVA	1	0.1%
BMB Clothing	CVA	7	0.1%
Moss Bros	CVA	9	0.1%
New Look	CVA	4	0.1%
All Saints	CVA	5	0.1%
Pizza Express	CVA	12	0.1%
Wasabi	CVA	4	<0.1%
Yo! Sushi	CVA	4	<0.1%

Brand	Status	Number of units trading	Group rent
Hotter	CVA	2	<0.1%
Dune	CVA	4	<0.1%
Guess	CVA	4	<0.1%
Leon	CVA	2	<0.1%
Peacocks	Administration	1	<0.1%
Revolution Bars	CVA	2	<0.1%
Ann Summers	CVA	1	<0.1%
Bakers & Baristas	CVA	2	<0.1%
Accessorize	Administration	2	<0.1%
Pravins	CVA	1	<0.1%
Others	CVA/administration	33	0.4%
Units trading in CVA/administration		**128**	**2.1%**

(1) Excludes Wagamama who are not party to the current CVA.

Summary of retail and leisure units in CVA/administration

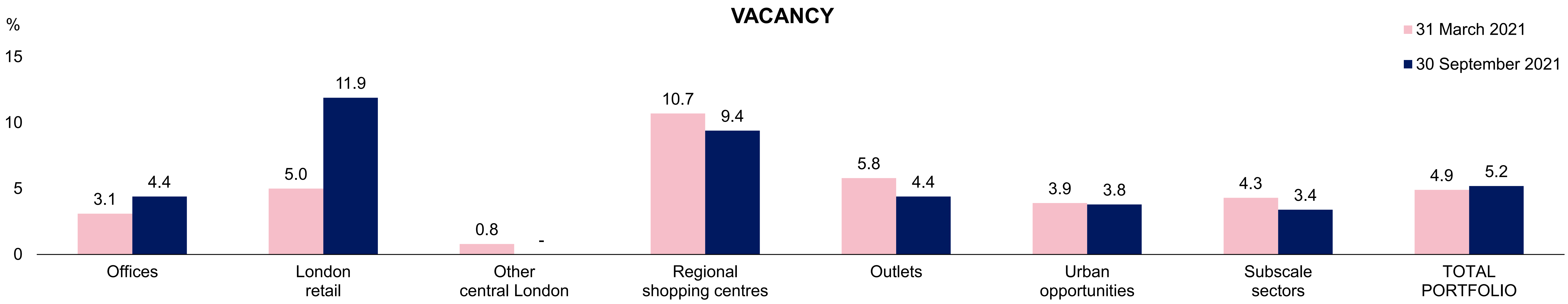
Analysis by annualised rental income (ARI)

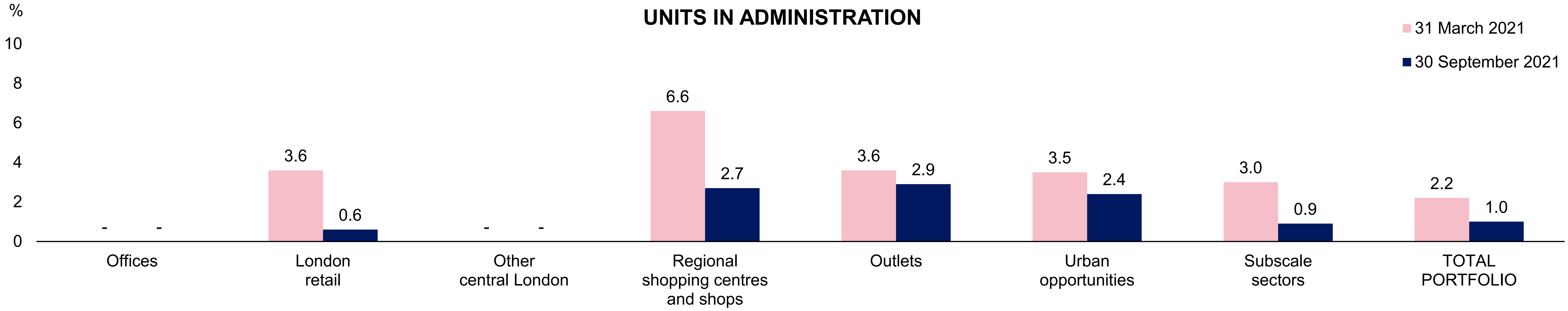
	As at 31 March 2021				As at 30 September 2021		
	ARI of units still trading under CVA /administration at 31 March 2021	Number of units trading at 31 March 2021	% of group ARI at 31 March 2021	ARI entering CVA/restructuring in the period	ARI of units still trading under CVA /administration at 30 September 2021	Number of units trading at 30 September 2021	% of group ARI at 30 September 2021
Administration	£4.0m	72	0.8%	-	£1.9m	22	0.3%
CVA/restructuring	£8.8m	148	1.6%	£0.7m	£9.6m	106	1.8%
	£12.8m	**220**	**2.4%**	**£0.7m**	**£11.5m**	**128**	**2.1%**

Lettings agreed on units previously in CVA/administration

	Number of investment lettings	Number of temporary lettings	Total lettings
Administration	13	10	23
CVA/restructuring	21	5	26
	34	**15**	**49**

Vacancy and units in administration
Like-for-like portfolio





Like-for-like occupancy in the portfolio was 96.2% at 30 September 2021, 96.0% at 31 March 2021

Office-led development programme returns

		21 Moorfields, EC2	The Forge, SE1	Lucent, W1	n2, SW1
Status		Fully committed; pre-let	Fully committed; speculative	Fully committed; speculative	Fully committed; speculative
Estimated completion date		September 2022	October 2022	March 2023	June 2023
Description of use		Office – 100%	Office – 99% Retail – 1%	Office – 77% Retail – 21% Residential – 2%	Office – 100%
Landsec ownership	**%**	100	100	100	100
Size	**sq ft (000)**	564	140	144	167
Letting status	**%**	100	-	-	-
Market value as at 30 September 2021	**£m**	675	75	125	56
Net income/ERV	**£m**	38	10	13	13
Total development cost (TDC) to date	**£m**	416	80	158	73
Forecast TDC	**£m**	619[1]	148	245	207
Gross yield on cost[2]	**%**	6.1	6.4	5.3	6.2
Valuation surplus/(deficit) to date	**£m**	253	(4)	(34)	(16)
Market value + outstanding TDC	**£m**	877[1]	143	211	189
Gross yield on market value + outstanding TDC	**%**	4.3	6.6	6.2	6.8

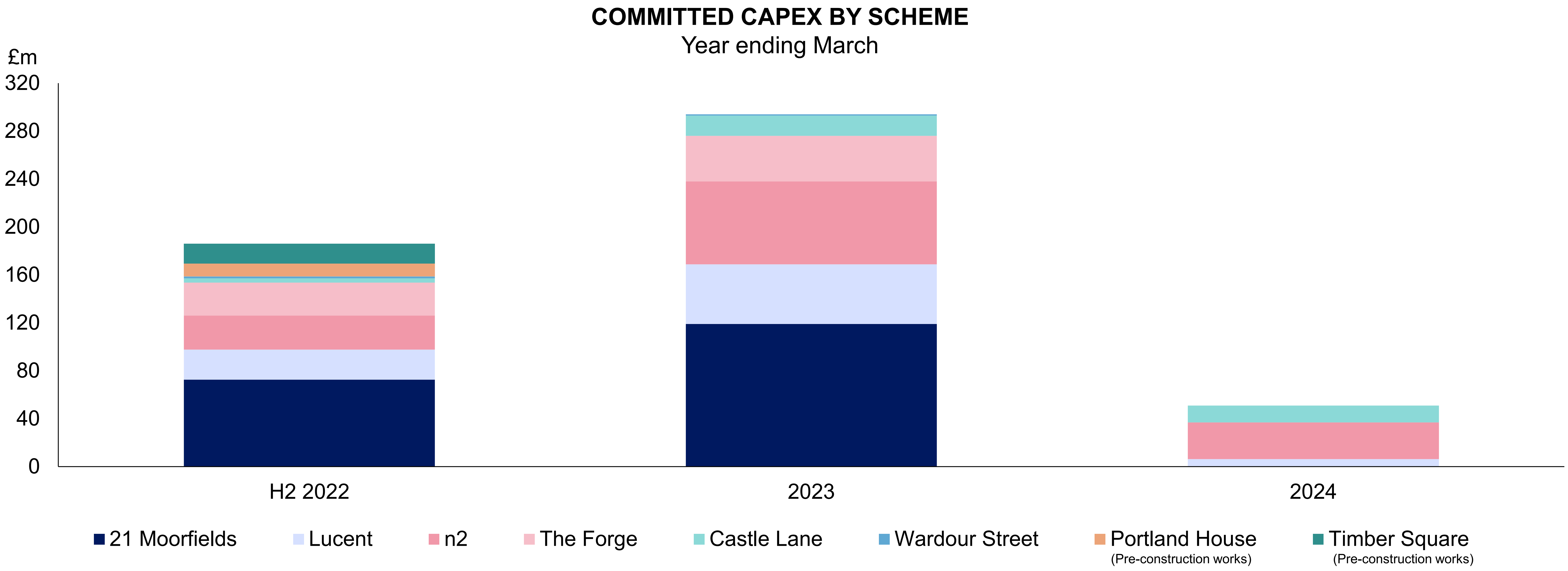
(1) Includes estimated overage payable of £36m as at 30 September 2021
(2) Based on ERV to the nearest £0.1m

Pipeline of office-led development opportunities

		Timber Square, SE1	Portland House, SW1	Red Lion Court, SE1
Status		Planning granted, demolition ongoing.	Planning granted. Refurbishment options being refined.	Progressing design through to planning submission H1 2022
Earliest start date		July 2021	June 2023	November 2023
Estimated completion date		March 2024	August 2025	October 2026
Description of use		Office – 96% Retail – 4%	Office – 95% Retail – 5%	Office – 98% Retail – 2%
Landsec ownership	**%**	100	100	100
Current annualised rental income	**£m**	-	-	-
Proposed size	**sq ft (000)**	380	295	235

Committed capital expenditure

- £504m committed capex across the six schemes in development programme
- £27m pre-construction works for Portland House and Timber Square
- Disposals to fund capex

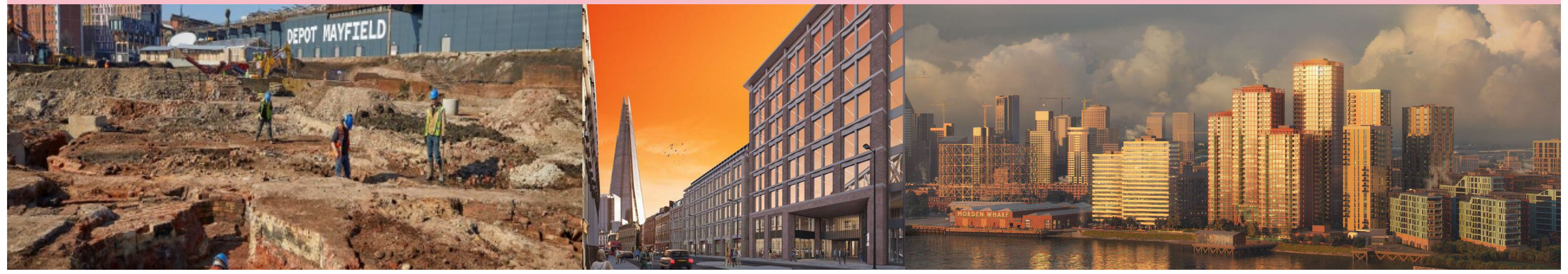


Pipeline of Mixed-use urban neighbourhoods

			Current use	Indicative use			
	Status	Landsec ownership	Retail and leisure	Number of homes	Office	Retail, leisure and other	Earliest start on site
		%	sq ft (000)		sq ft (000)	sq ft (000)	
Finchley Road, NW3	Masterplanning	100	310	1,860	-	120	2023
Shepherd's Bush, W12	Masterplanning	100	300	950	125	200	2024
The Lewisham Centre, SE13	Site assembly and masterplanning	100	330(1)	2,500	40	235	2024
Buchanan Galleries, Glasgow	Masterplanning	100	610	380	800	460	2024
Great North Leisure Park, N12	Feasibility study	100	90	830	-	50	2024

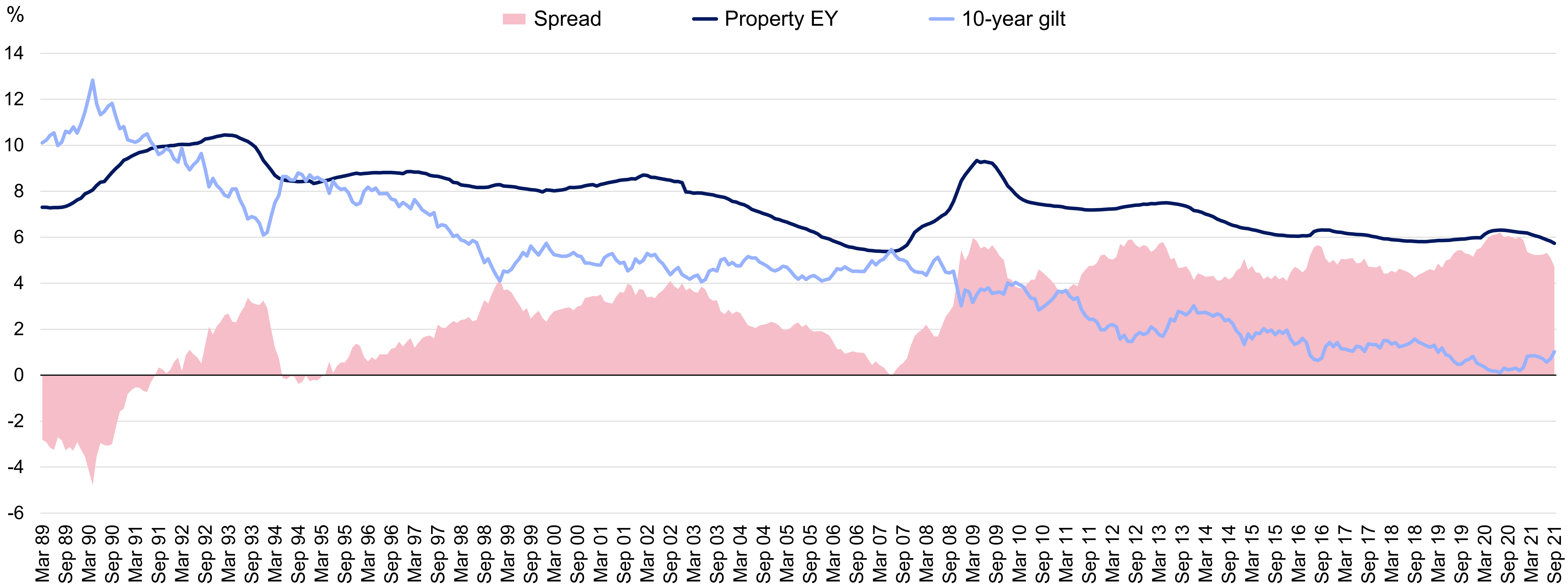
(1) Excludes 147,000 sq. ft. acquired sites for future development

Acquisitions materially accelerate Urban opportunities strategy

	75% stake in MediaCity	Recommended all cash offer for U+I plc
		
Strategic rationale	› Majority stake in established mixed-use location with development optionality over phase 2	› Access to and optionality over a significant pipeline of high quality mixed-use projects
Assets and status	› Phase 1 c.£530m value, 5.8% net initial yield, 10 year WAULT (100%) › Phase 2 outline planning consent, additional 1.6m sq ft c.£750m GDV (100%)	› Mayfield c.£1.5bn GDV (100%). 50% JV. Strategic Regeneration Framework Status › Landmark Court c.£240m GDV (100%). 51% JV. Detailed consent › Morden Wharf c.£770m GDV. Development agreement › Other longer-term projects
Earliest start on site for development	› H1 2023	› Mayfield on site › Landmark Court 2022 › Morden Wharf TBC
Development capex opportunity	› c. £500m	› Potential to deploy £600m – 800m in the short to medium term

Property/gilt yield spread

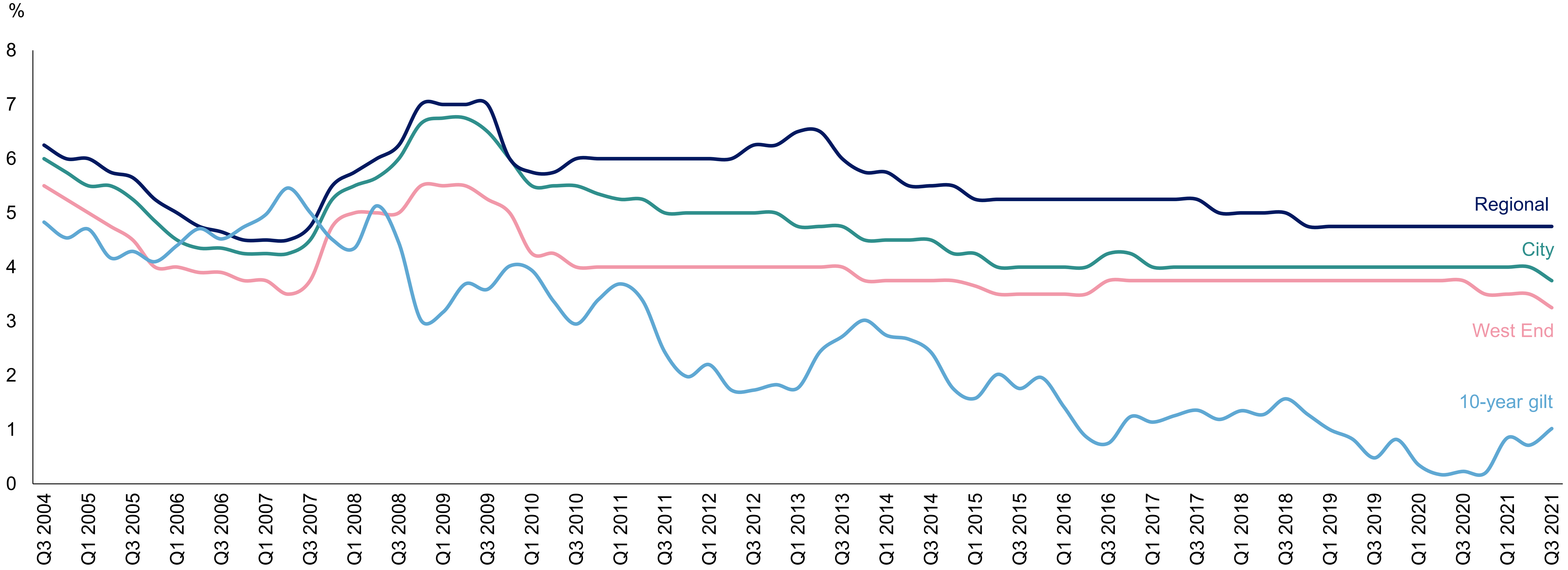
The yield spread has dropped below 500bps but still represents a healthy buffer



Source: Bloomberg, MSCI Monthly Index All Property

Office prime yields

The yield spread still represents a healthy buffer

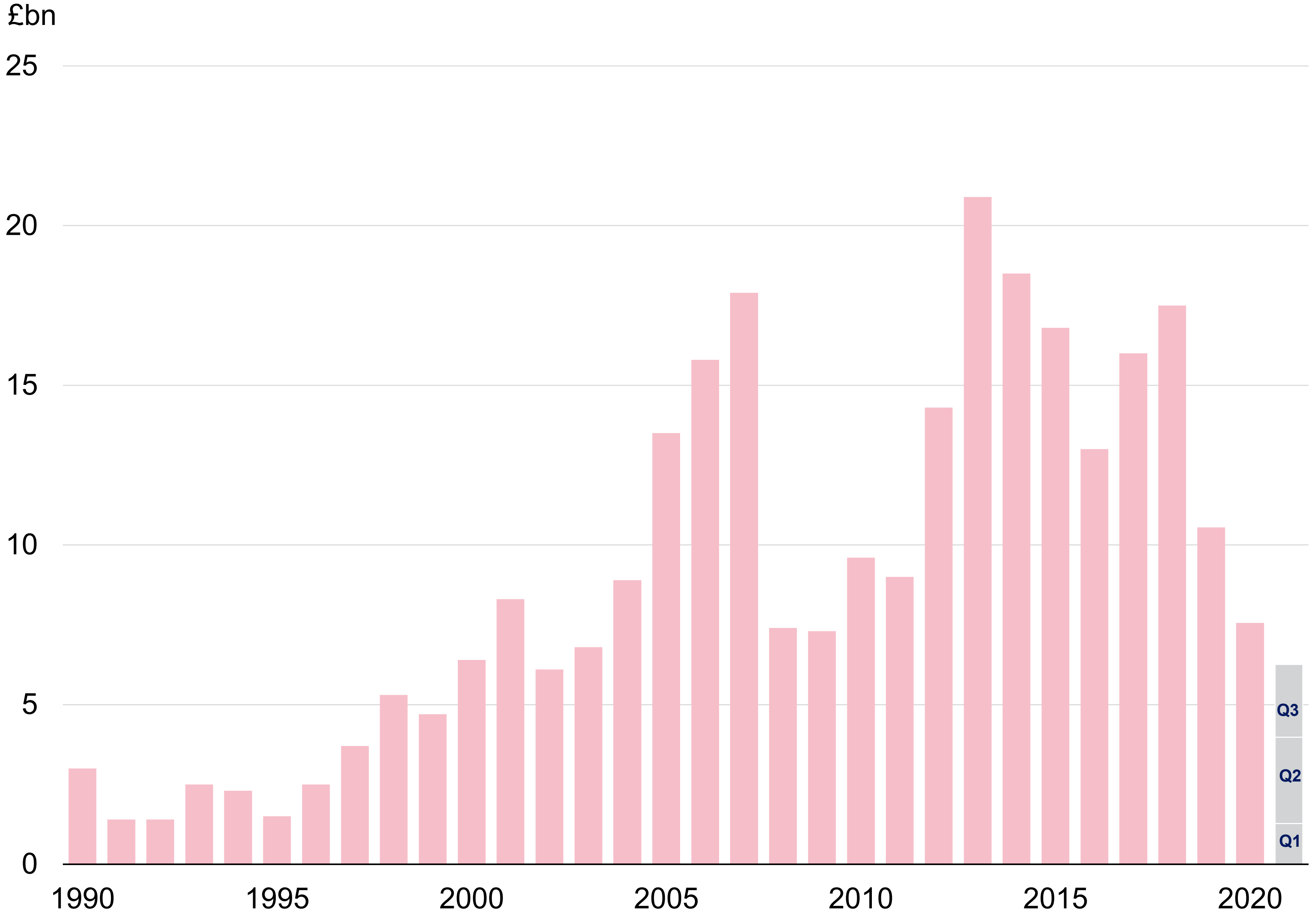


Source: CBRE research, Bloomberg

Central London investment market

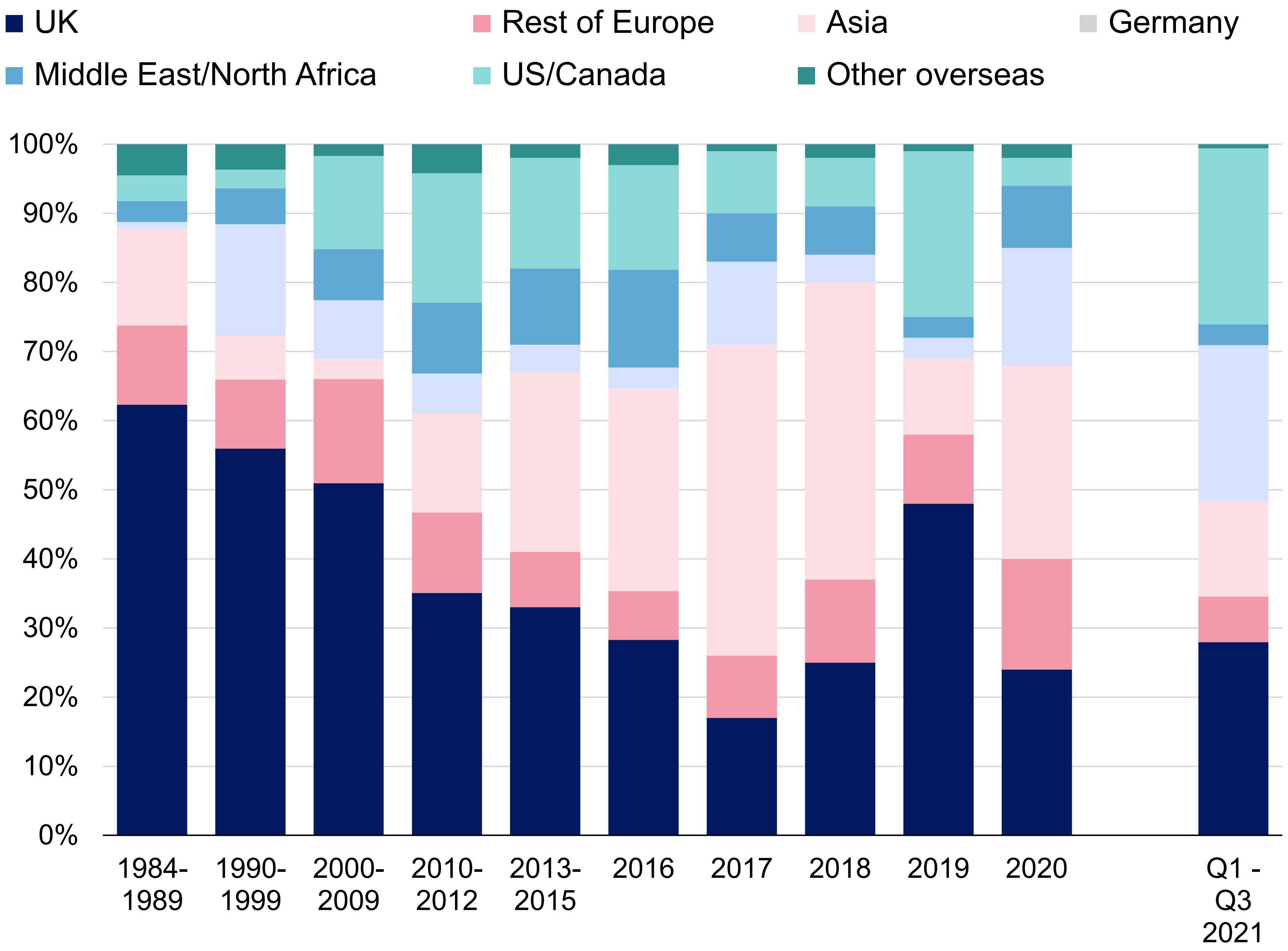
2021 likely to surpass 2020 levels with £6.3bn transacted so far with c.£3.0bn expected complete by Q4; overseas demand continue to be the main driver

Investment volumes



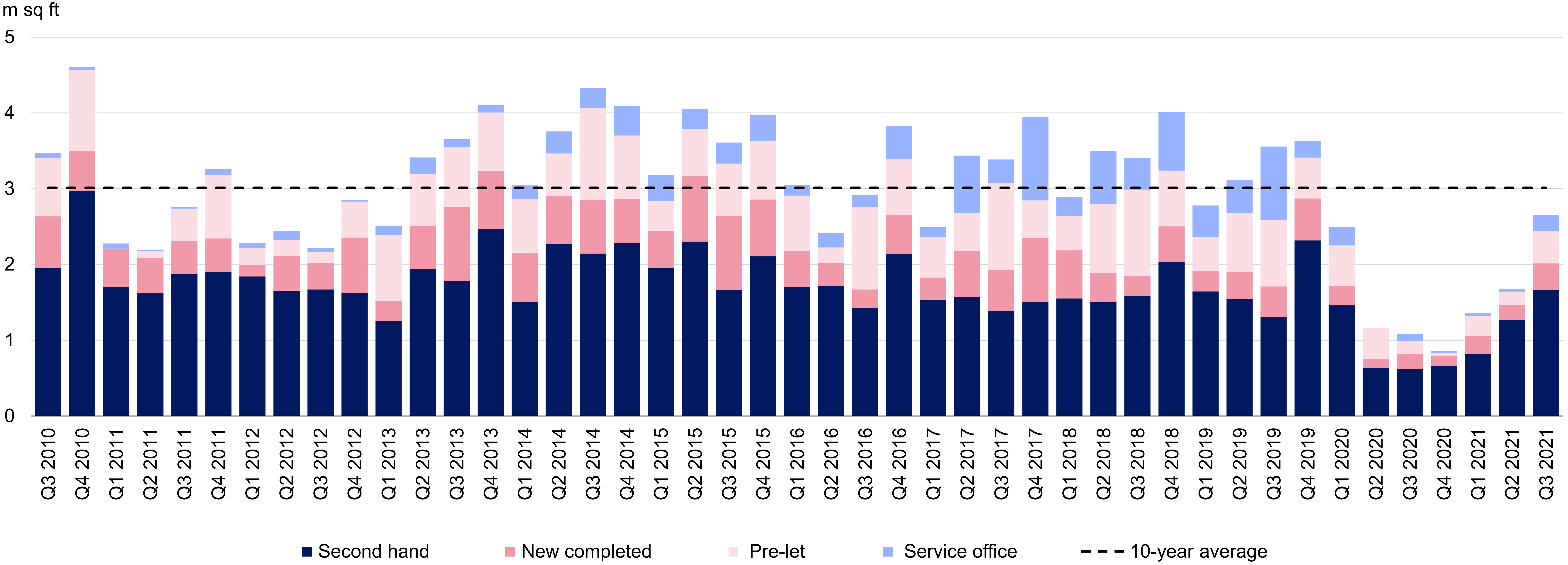
Source: CBRE; shows calendar years

Office capital inflow by region



Central London quarterly take-up

Third consecutive quarter of rising take-up as Q3 totalled 2.7m sq ft; 12% below the long-term average

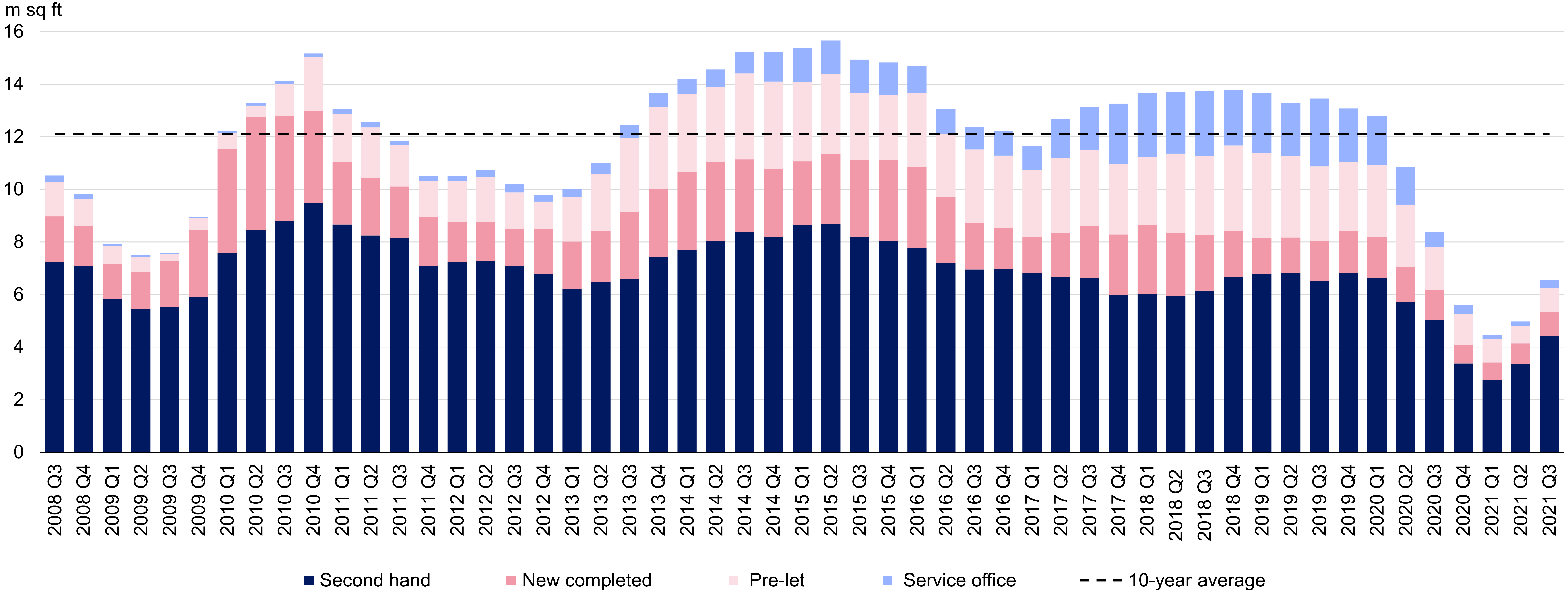


Source: CBRE

(1) New space here is defined as newly-completed and pre-let

Central London rolling 12-month take-up

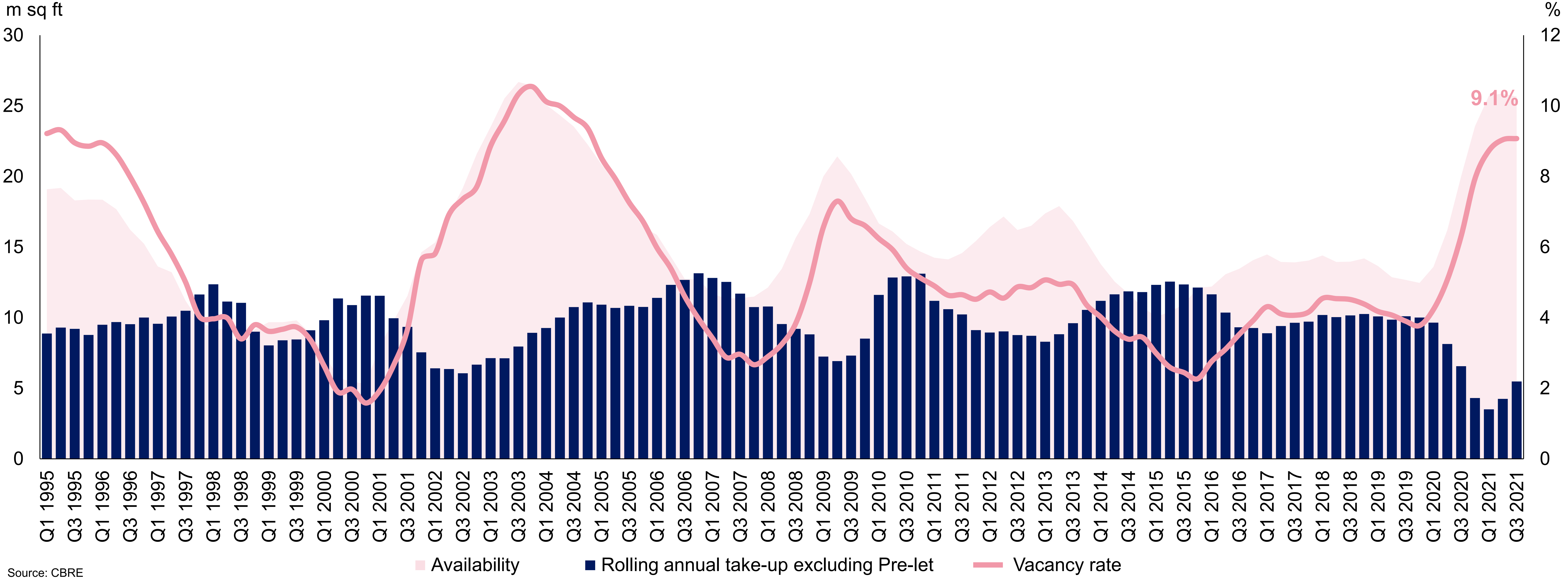
Rolling annual take-up to Q3 2021 was 6.5m sq ft; 46% below the long-term average



Source: CBRE

Central London availability and vacancy rate

Total availability stands at 25.7m sq ft, above the long-term average but appears to have stabilised

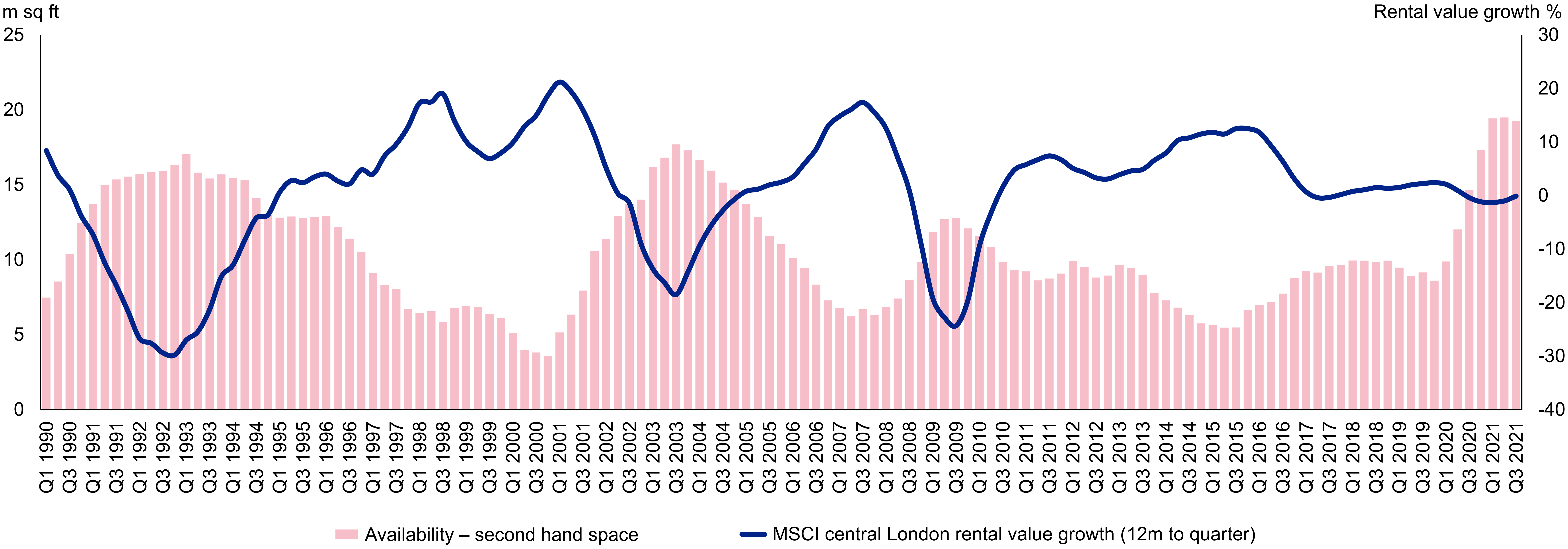


Source: CBRE

(1) Availability represents the total net lettable floor space in existing properties, which is being actively marketed, either for lease, sublease, and assignment or for sale for owner occupation as at the end of the survey period. Availability includes space that is being marketed and is physically vacant or occupied. Space that is physically vacant, but not being marketed or is not available for occupation is excluded from availability. Space that is Under Construction and will become ready to occupy within 12 months is included within availability

Central London second hand supply vs rental value growth

Overall availability appearing to plateau is a result of a drop in second hand availability; 3% decline since March 2021



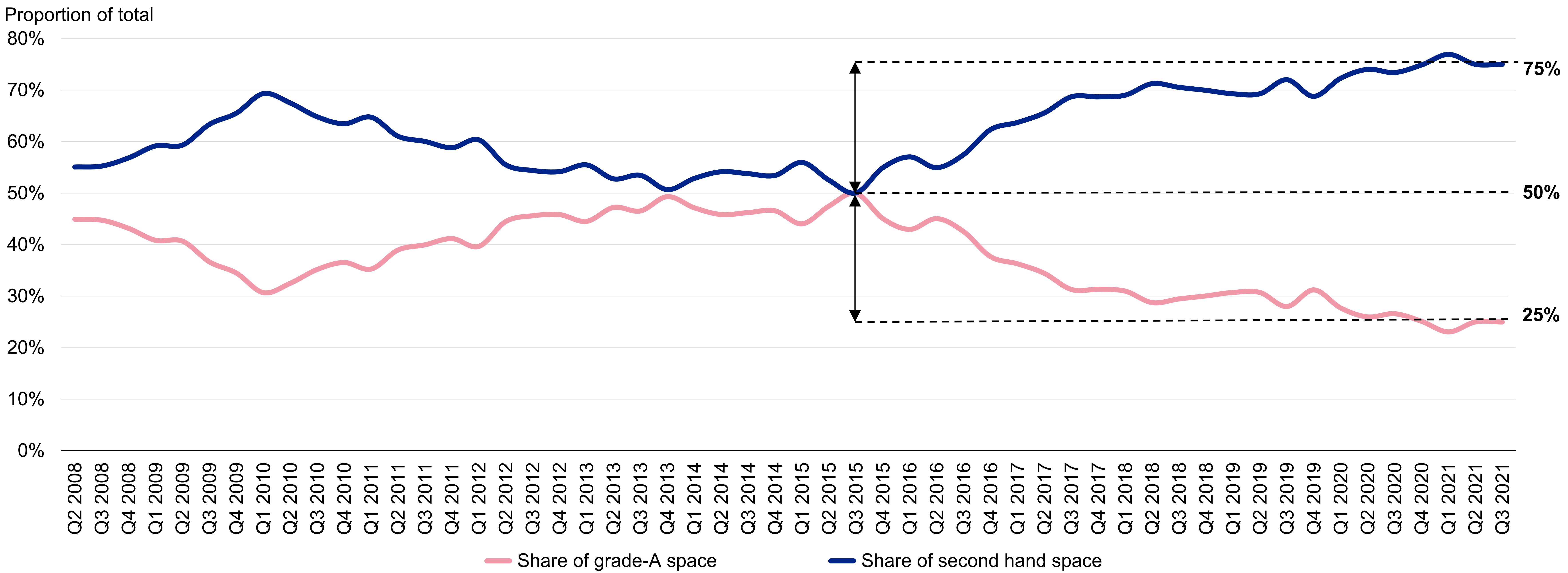
Source: CBRE, MSCI Monthly Index

(1) Second hand space is space which is being marketed having been previously occupied in its current state. Current state can include a minor re-decoration, but not a comprehensive refurbishment

(2) Availability represents the total net lettable floor space in existing properties, which is being actively marketed, either for lease, sublease, and assignment or for sale for owner occupation as at the end of the survey period. Availability includes space that is being marketed and is physically vacant or occupied. Space that is physically vacant, but not being marketed or is not available for occupation is excluded from availability. Space that is Under Construction and will become ready to occupy within 12 months is included within availability

London Office market availability – grade-A vs second hand space

The majority of availability in London is second hand space with the gap between prime and secondary continuing to grow

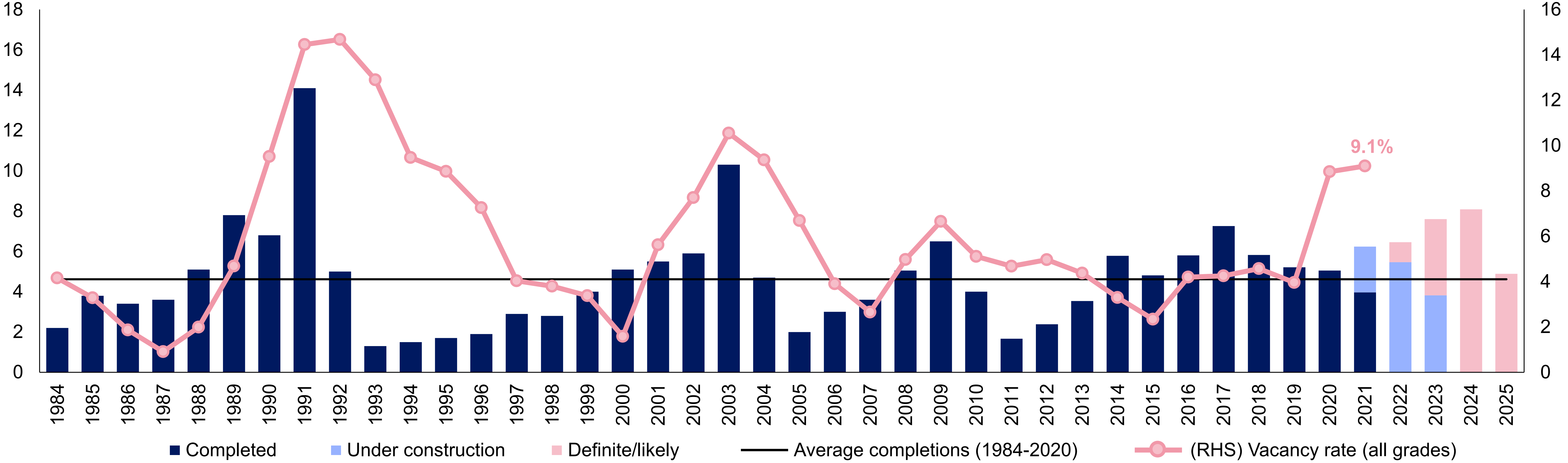


Source: CBRE

(1) Grade-A space here is defined as newly-completed space and space that is under construction and will become ready to occupy within 12 months

Central London supply as at 30 September 2021

11.6m sq ft currently under construction and a further 18m sq ft could complete by 2025



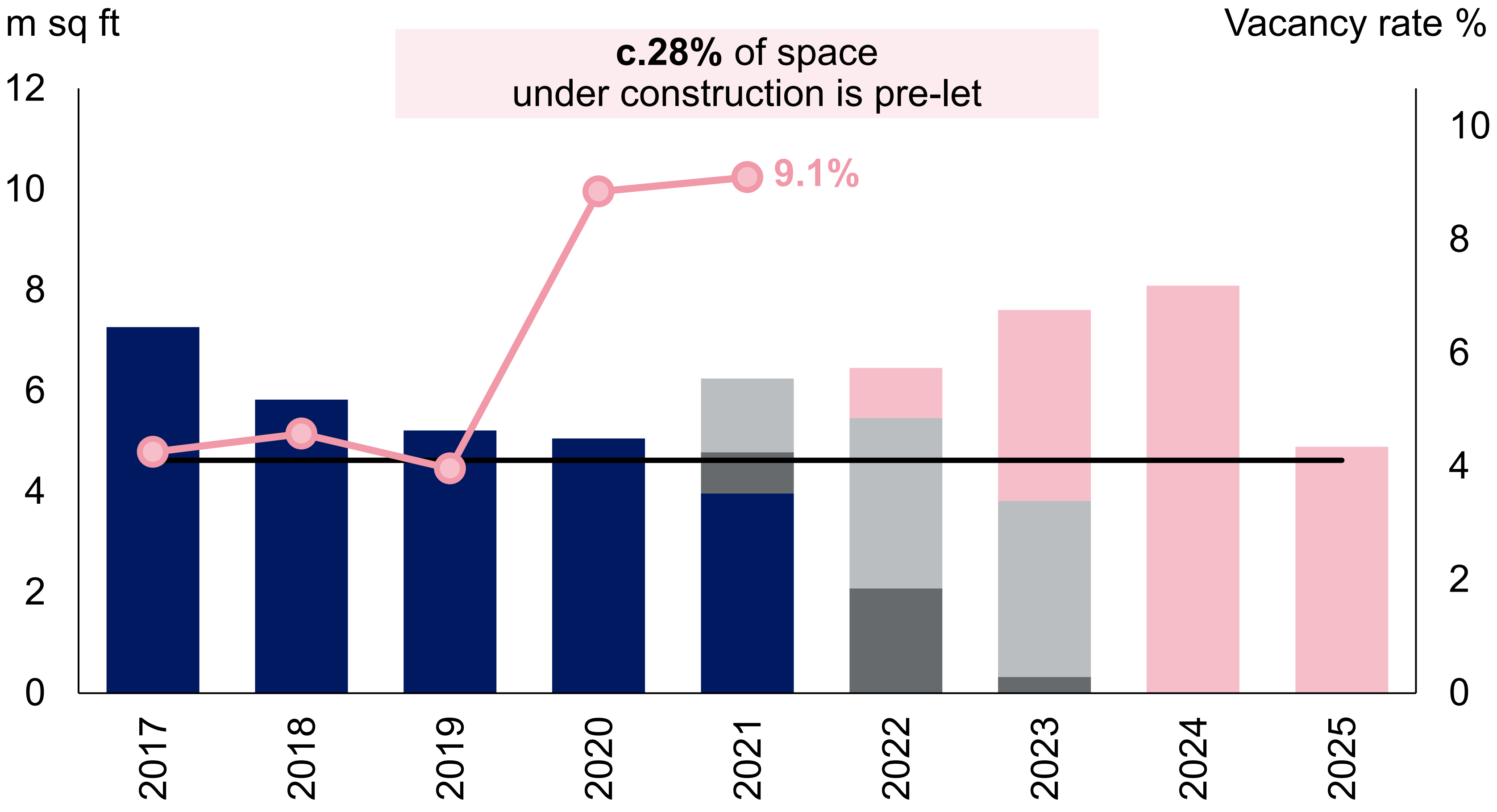
Source: CBRE, Knight Frank, Landsec; shows calendar years

(1) Completions/under construction includes fringe (White City, Non-Core Docklands, Stratford, Nine Elms, Hammersmith). Vacancy rate as at September 2021. From 2017, supply pipeline monitors schemes above 20,000 sq ft
(2) Landsec estimated future supply based on data from CBRE and Knight Frank
(3) “Definite/likely” are proposed schemes where it is reasonable to expect delivery in that year based on, inter alia: planning, pre-let, funding, vacant possession, demolition, construction contract
(4) Grade-A space is brand new or comprehensively refurbished space, with high specification and prominent market image
(5) Vacancy rate is expressed as vacant space as a percentage of total stock
(6) Total stock represents the total completed space (occupied and vacant) in the private and public sector recorded as the net lettable area

Central London supply as at 30 September 2021

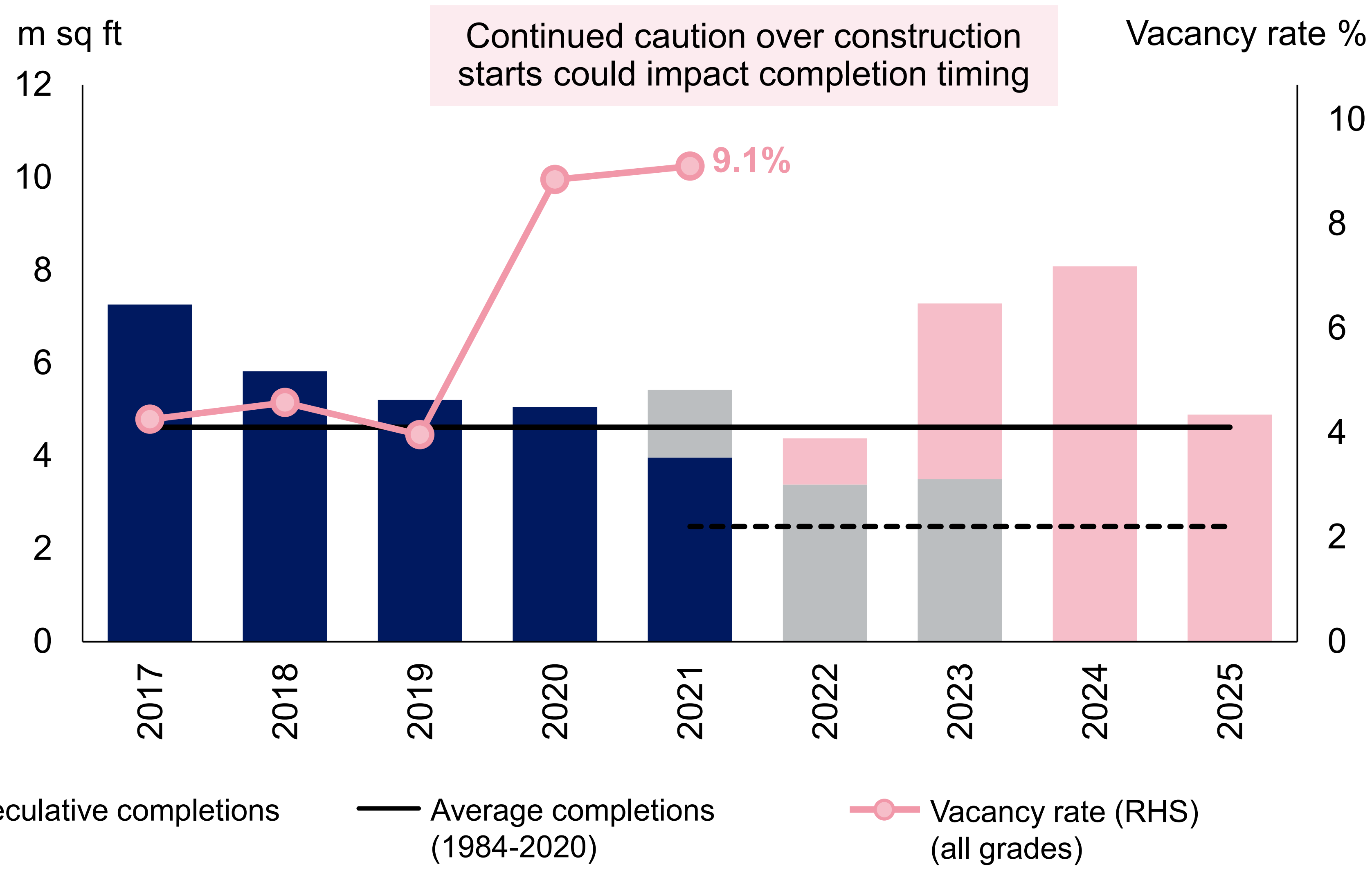
2021 set to be the eighth consecutive year of above long-term completions

Under construction pipeline split into pre-let and speculative



Future speculative completions forecast to be above the long-term speculative completions. However, there is potential for current market uncertainty to delay completions

Speculative pipeline only



Source: CBRE, Knight Frank, Landsec; shows calendar years

(1) Completions/under construction includes fringe (White City, Non-Core Docklands, Stratford, Nine Elms, Hammersmith). Vacancy rate as at September 2021. From 2017, supply pipeline monitors schemes above 20,000 sq ft
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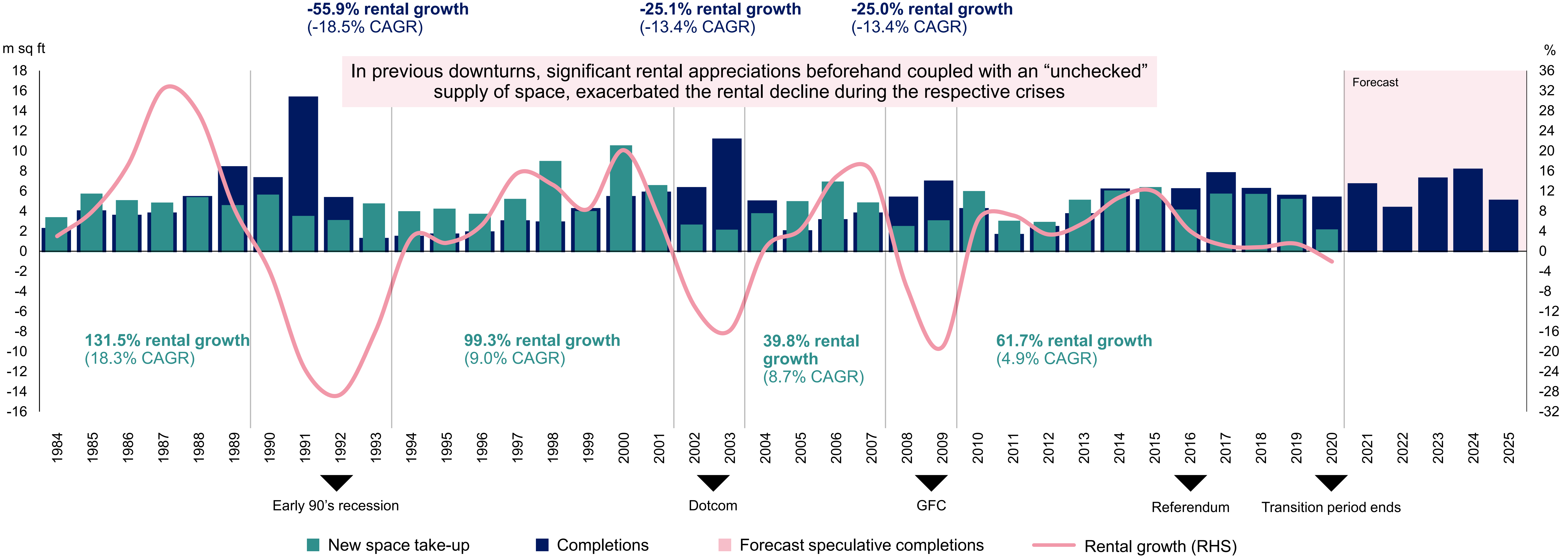
(6) Total stock represents the total completed space (occupied and vacant) in the private and public sector recorded as the net lettable area

Central London office market

Demand has broadly kept pace with supply over the last 3 years which has prevented a cumulative build-up of new space. This coupled with the 'flight to quality' may limit any rental decline



Source: CBRE, Knight Frank, MSCI Annual Index, Landsec; shows calendar years
(1) Landsec forecast based on data from CBRE and Knight Frank
(2) New space is defined as newly-completed and pre-let

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