



Making great places even better

Shaftesbury

Results for the year ended 30 September 2019

Investor and Analyst Presentation

Agenda

Introduction

Brian Bickell

Results & Finance

Chris Ward

Operational Review

Brian Bickell

Summary & Outlook

Brian Bickell

Q&A

Brian Bickell

Chris Ward

Simon Quayle

Tom Welton

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Note: All data refers to the wholly-owned portfolio unless otherwise stated

Introduction

Shaftesbury



Wardour Street, Chinatown

Introduction

Introduction

Qualities of our portfolio and proven strategy deliver resilient performance

- Growing income, earnings and dividends
- Robust domestic and international demand
- Commercial leasing activity above ERV
- Continuing high occupancy
- Wholly-owned valuation broadly flat; Longmartin retail valuation decline
- Significant reversionary potential
- Record level of asset management activity
- ESG embedded in our culture and throughout the business



Introduction

London's West End

Exceptional portfolio in the heart of the West End

- Seven-days-a-week trading environment with access to affluent, diverse customer base
 - Largest employment concentration in the UK
 - Lively and popular destination drawing visitors and businesses from around the world
 - World-class variety of shopping, food & beverage, entertainment and cultural attractions
 - At the heart of London's transport network
- West End's broad-based economy and demand/supply imbalance underpins long-term resilience and rental prospects

>200 million
annual visits to the West End

c. 700,000 working population
in the City of Westminster

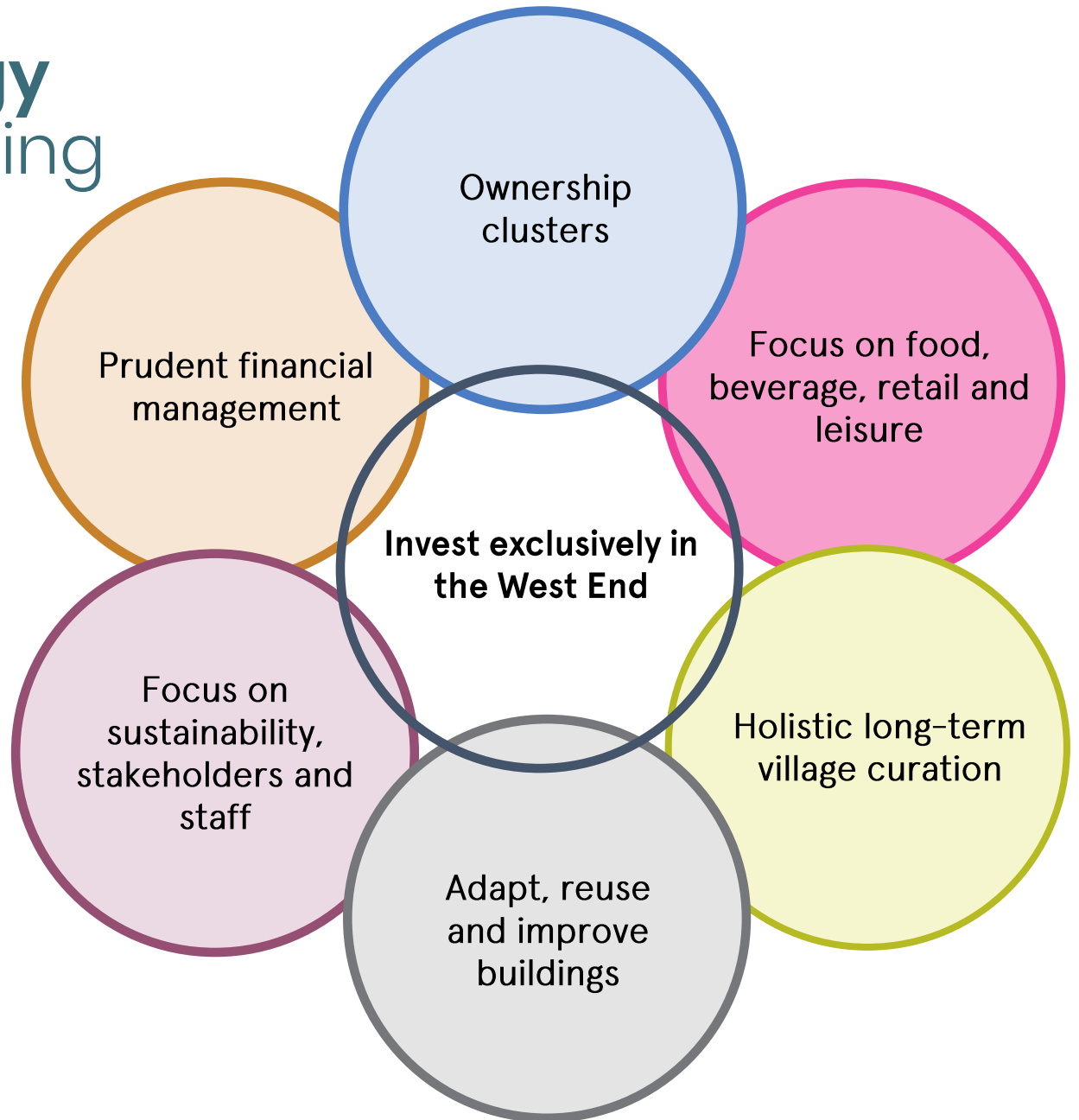
>3% of UK GVA produced within the
City of Westminster

>225 million passengers use the
six Underground stations closest to our
villages each year

Introduction

Long-term strategy

Focused on delivering long-term income growth



Introduction

Long-established strategy to adapt and improve our buildings

- Inherent flexibility in our heritage building stock
- Reconfigure and improve space; introduce new uses
 - Ensure the space we offer reflects occupier demand
 - Anticipate market trends
- Lower floors – long-term shift from retail to food and beverage
- Upper floors – replace very small low-grade offices with residential
- Re-purposing enhances long-term income prospects

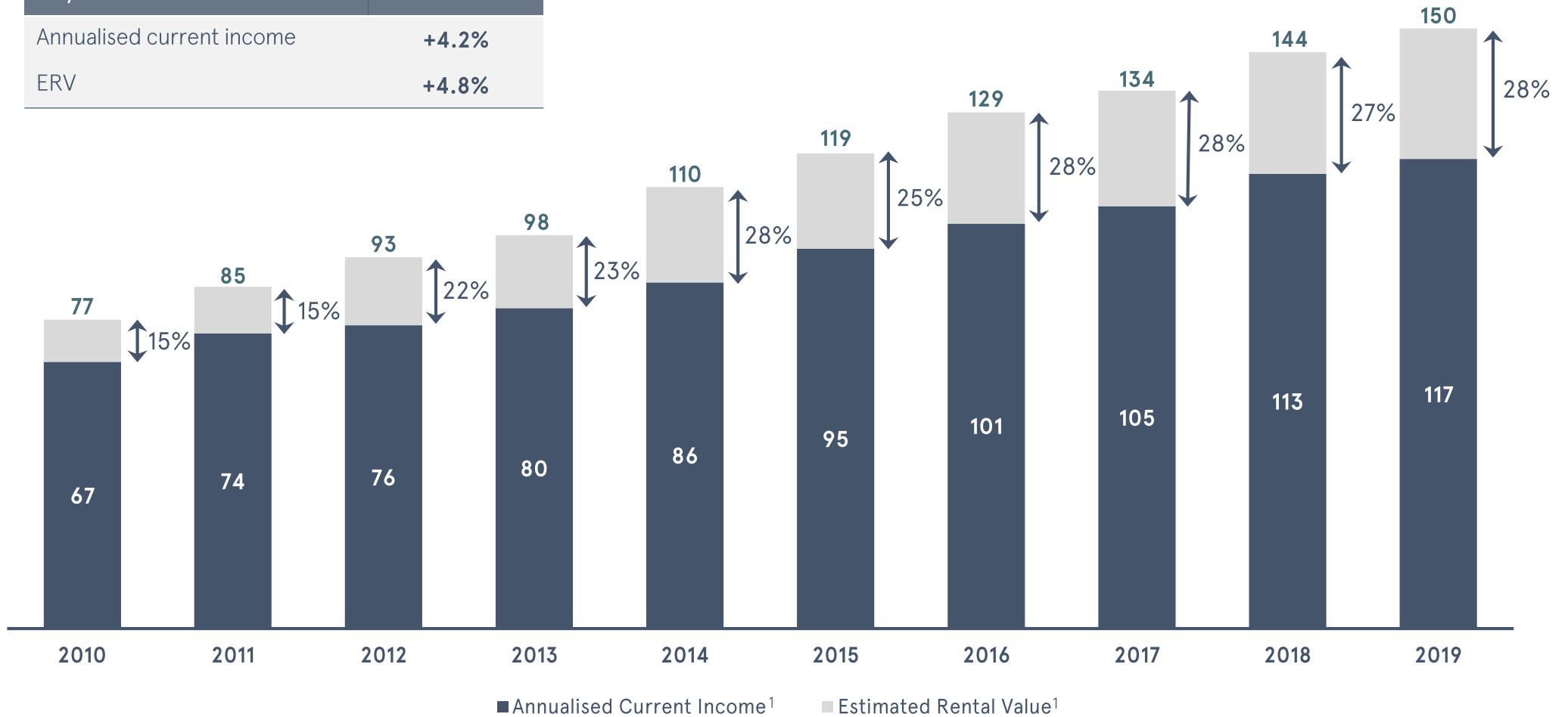
Examples

- Kingly Court: offices → retail → restaurant
- Thomas Neal's Warehouse: retail → food market
- Chinatown: release redundant upper floors for non-restaurant uses
- Upsize/downsize shops: add/remove first floors/basements

Introduction

Portfolio reversionary potential

10 year L-f-L CAGR	
Annualised current income	+4.2%
ERV	+4.8%



Results & Finance

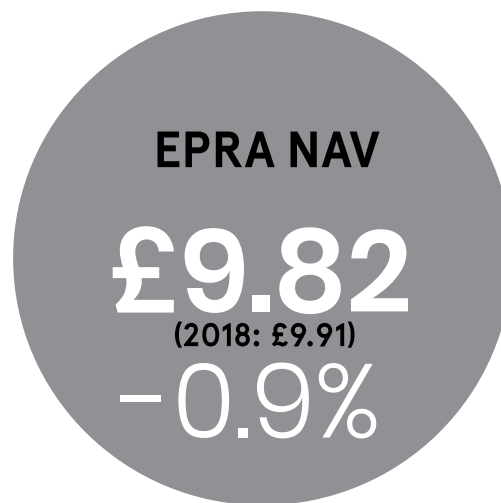
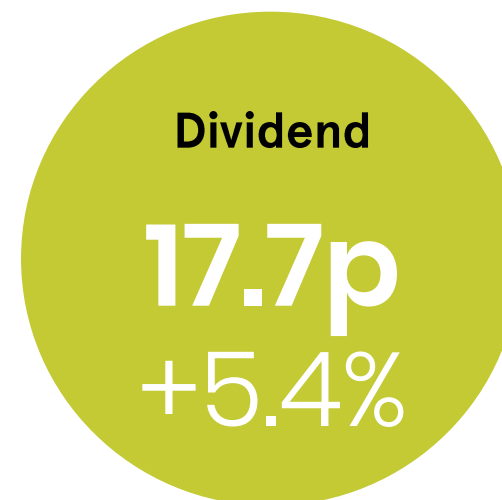
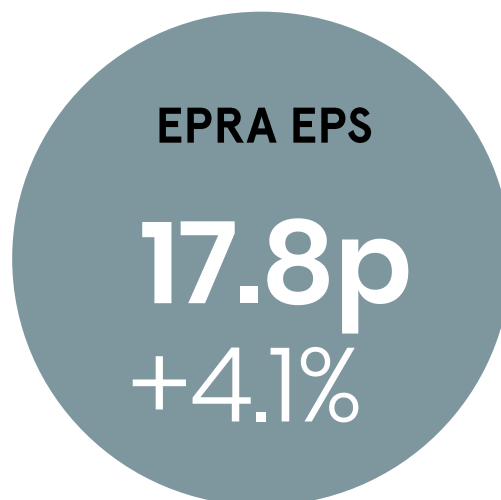
Chris Ward

Shaftesbury



Lowndes Court, Carnaby

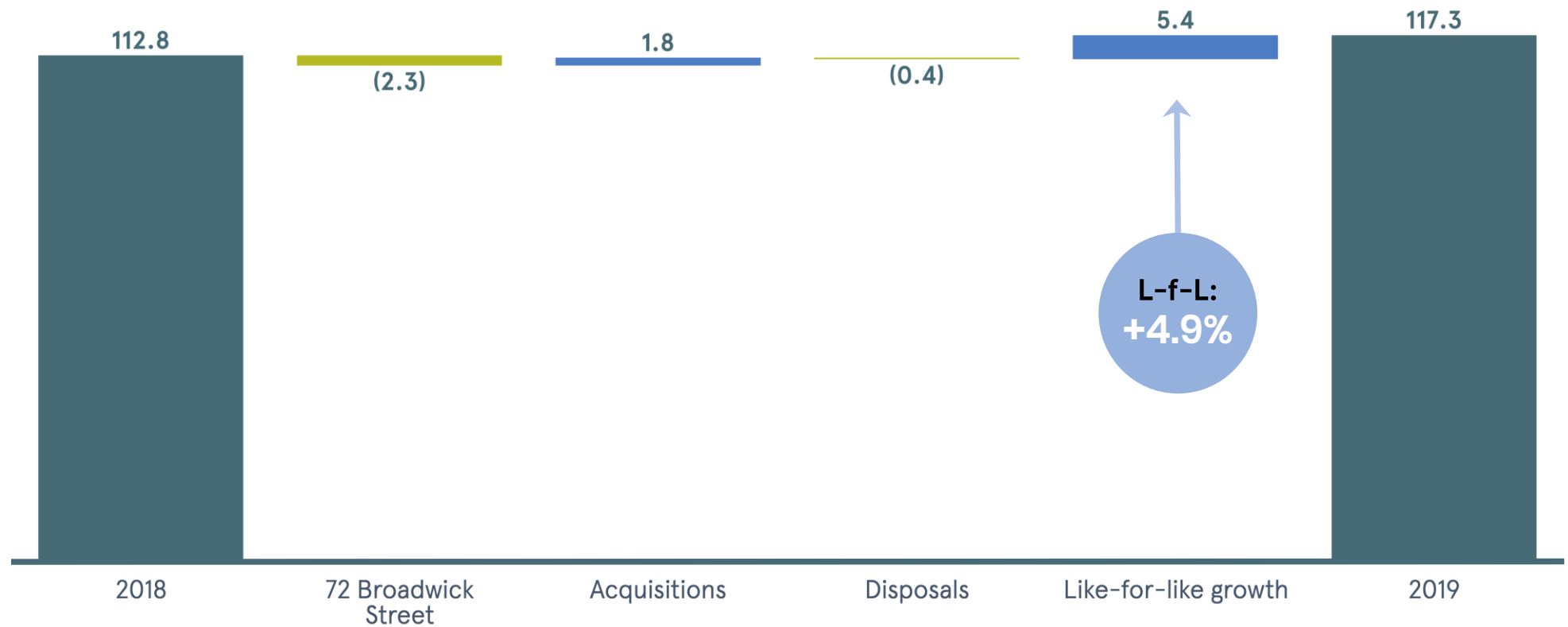
Headlines



Rental income

Converting reversion into contracted income

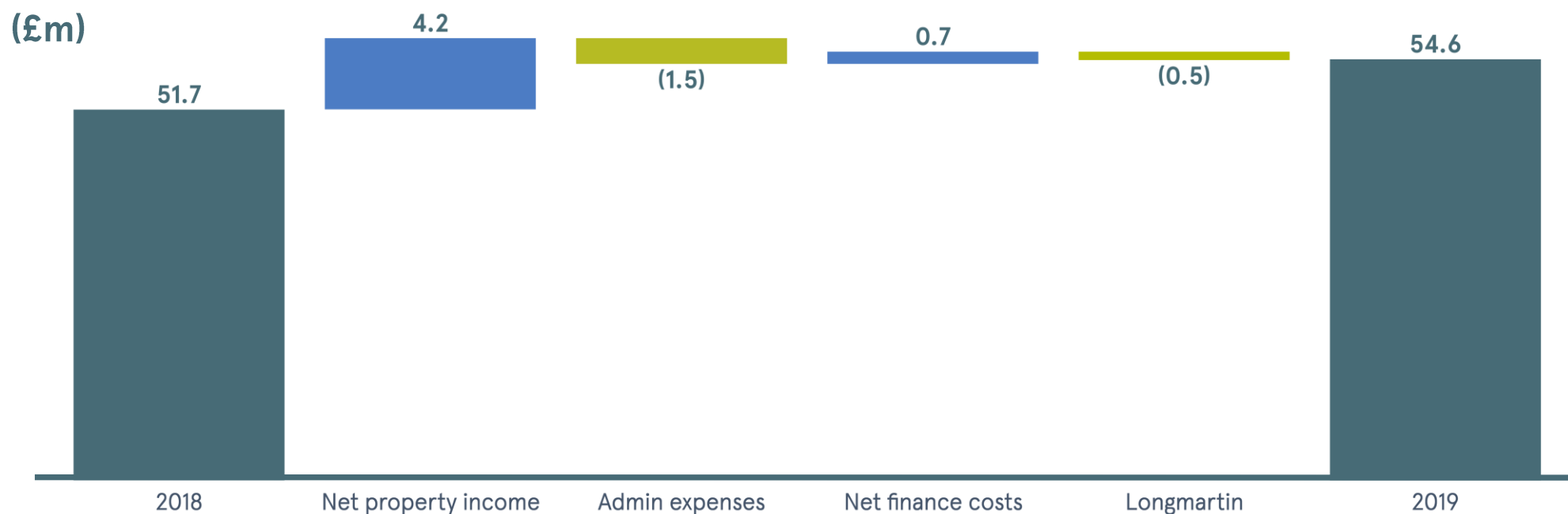
(£m)



EPRA earnings

Growing net property income delivering higher earnings

NET PROPERTY INCOME	EPRA EARNINGS	EPRA EPS	TOTAL DIVIDEND
+4.5%	+5.6%	17.8p	17.7p



Net asset value

Decrease in NAV due to revaluation deficits

EPRA NAV PER SHARE

-0.9%

TOTAL ACCOUNTING RETURN

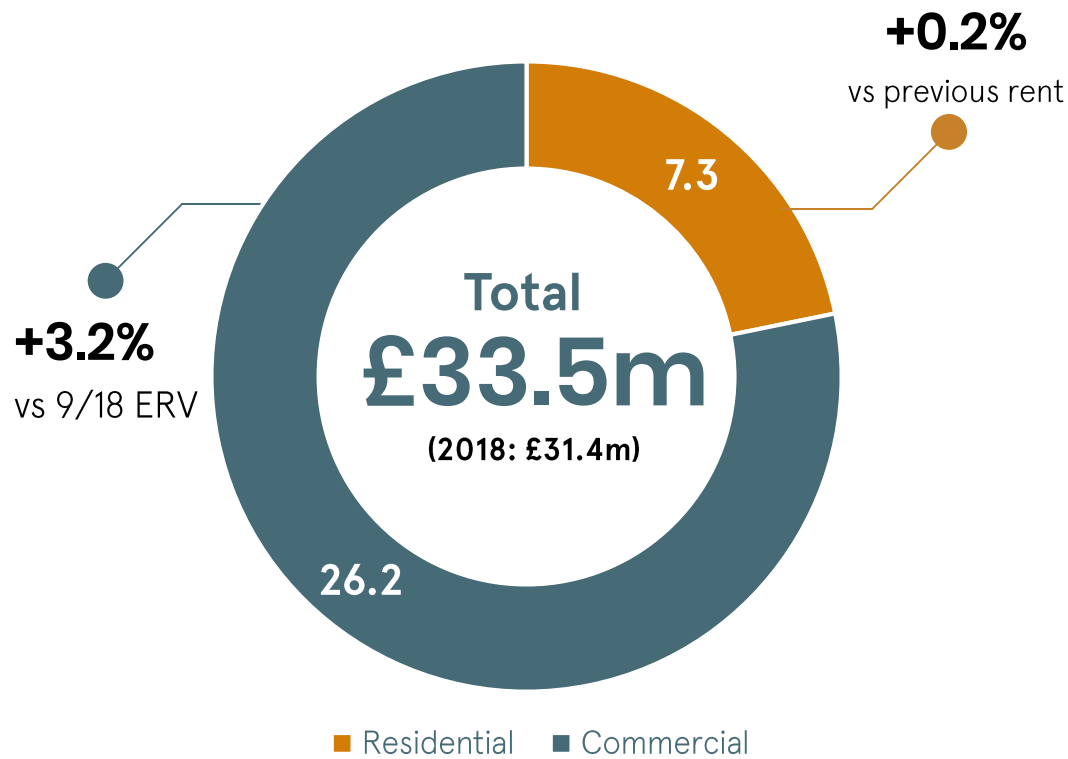
+0.8%

EPRA NAV (pence per share)



Leasing activity

Robust occupier demand

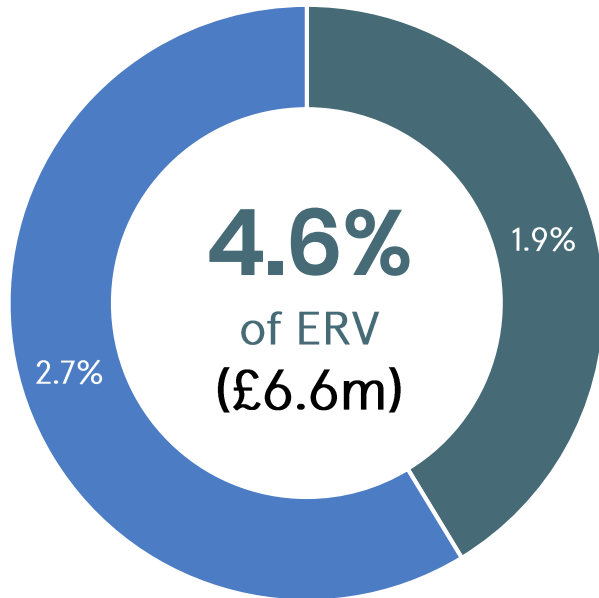


- Robust demand across all uses and locations
- Average letting times broadly unchanged
- Lease incentives stable
- Securing income and proving new tones
- Useful evidence for leasing negotiations

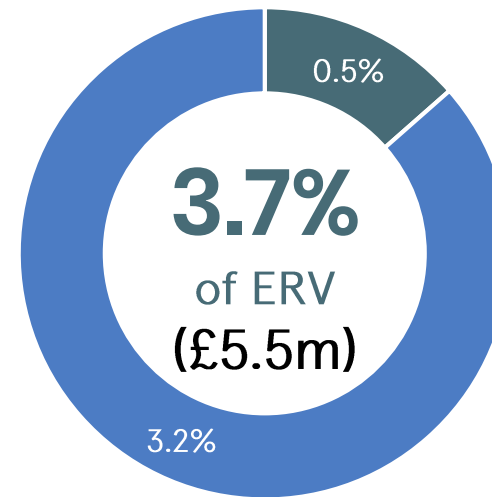
EPRA vacancy

Occupancy levels remain high

September 2018



September 2019

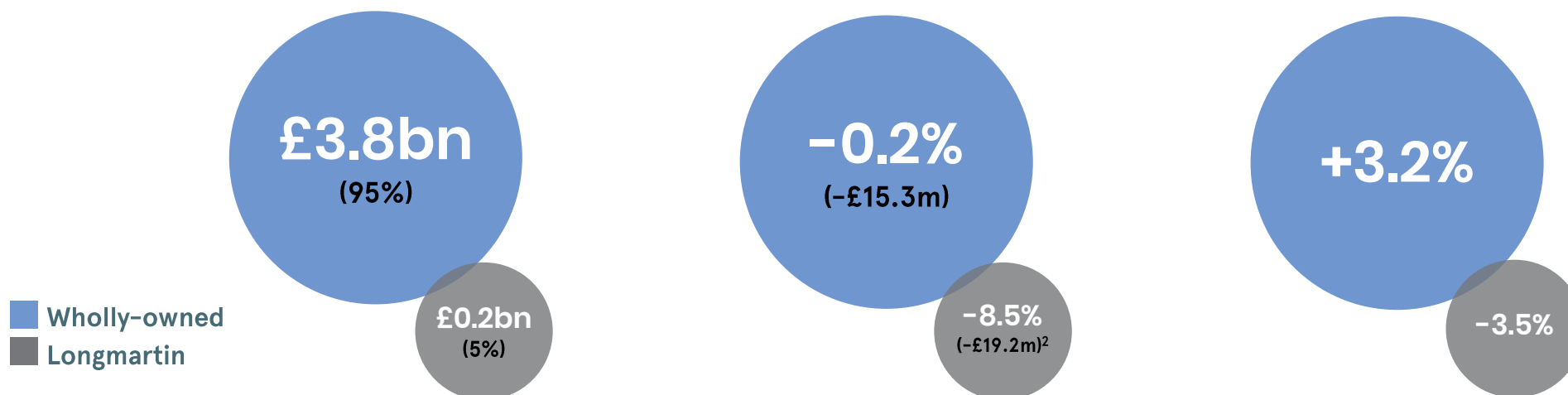


- Larger schemes¹
- Underlying vacancy

Valuation

Wholly-owned portfolio: broadly flat
 Longmartin: decline in retail values

	Portfolio valuation	Valuation growth ¹	ERV growth ¹
Combined portfolio	£4.0bn	-0.6%	+2.7%



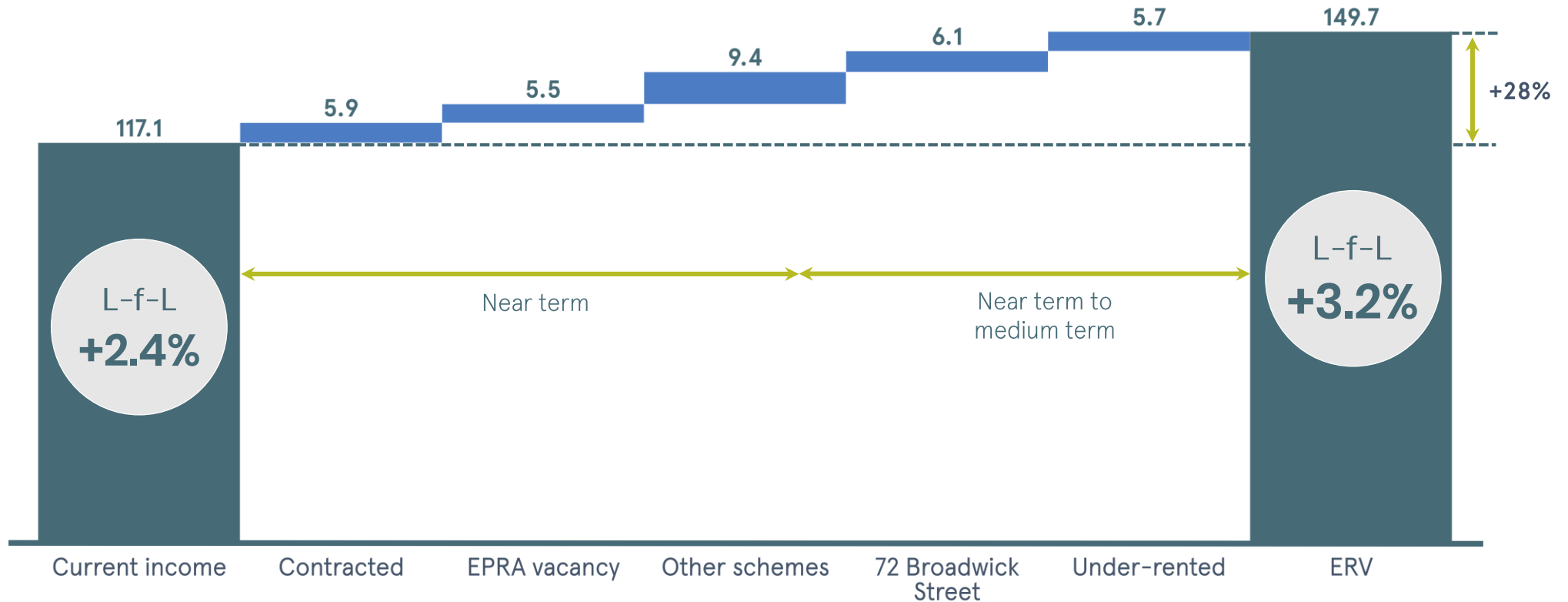
■ Wholly-owned
 ■ Longmartin

1. Like-for-like
 2. Our 50% share

Wholly-owned portfolio reversionary potential

Leasing and asset management drives growth

(£m)



Wholly-owned valuation

Resilient performance with rental growth in all villages

VALUATION	ERV GROWTH ¹	EQUIVALENT YIELD	REVALUATION
£3.8bn	+3.2%	+6 bps 3.47%	-£15.3m -0.2% ¹

- Rental growth in every village
- Larger shops equivalent yield: +5-20 bps, mainly in Carnaby Street
 - Market-wide shift in sentiment
 - General uncertainty around occupier demand for even the best located larger shops
 - ...despite continuing occupier demand and rental growth
- Softening of residential capital values: average 2.3%

Wholly-owned valuation

Strong investor demand and limited availability

▪ Strong investor demand

- Domestic and international investors seeking:
 - Investment security
 - High occupancy
 - Reliable cash flows
 - Asset management opportunities

**Equivalent
Yield**
3.47%
+6 bps vs 9/18

▪ Supply

- Limited availability of properties to buy which meet our strict criteria
- Owners remain reluctant to sell
- Strong competition

▪ Potential greater value

- Unique 15.2 acre portfolio of predominantly restaurant, leisure and retail properties in adjacent, or adjoining, locations in the West End
- Long record of strong occupier demand for these uses and high occupancy levels due to limited supply: underpins long-term prospects for rental growth
- Valued in parts, not in its entirety¹

Longmartin valuation

Write-down in Long Acre retail

VALUATION ¹	ERV GROWTH ²	EQUIVALENT YIELD	REVALUATION ¹
£209m	-3.5%	+12 bps 3.94%	-£19.2m -8.5% ²

Retail (37%)

- Valuation decrease¹: £18.5m (-19.4%)²
- Long Acre (ERV: -14%, EY: +35 bps)
 - Growing availability/shadow vacancy
 - Similar to regional high street rather than wholly-owned villages
 - Large units – high occupancy costs and fit out
 - Fragmented ownership
 - Rental tone: £550-£600 psf (2018: £618-£650 psf)
 - Current uncertainty over occupier demand
- Equivalent yield (all retail): +25bps (3.89%)

Non-retail (63%)

- Valuation decrease¹: £0.7m (-0.6%)²
- ERV growth: +0.8%
- Equivalent yield: +3 bps (3.97%)

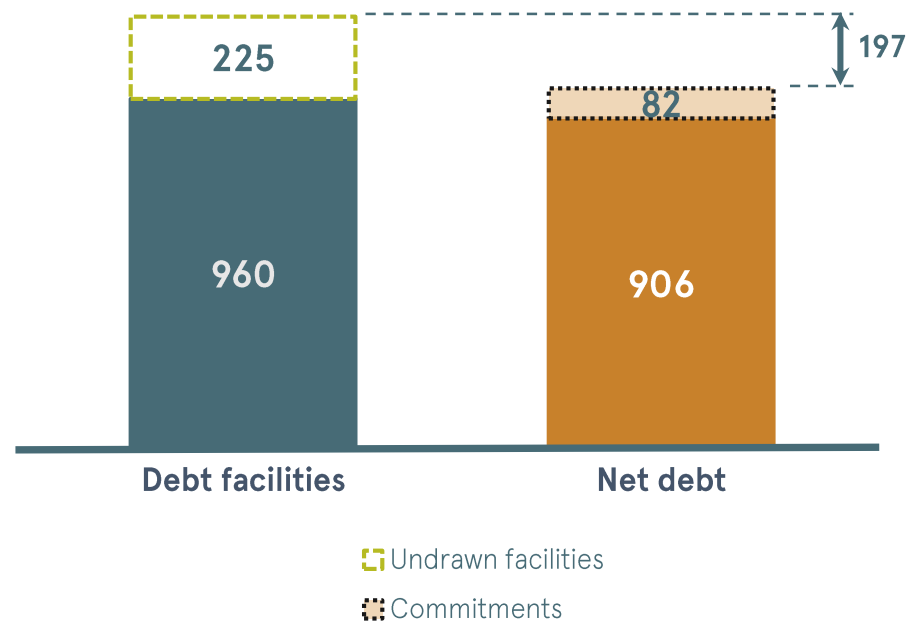
Debt summary

Strong balance sheet

LOAN-TO-VALUE ¹	INTEREST COVER	WEIGHTED AVERAGE DEBT MATURITY	BLENDED COST OF DEBT ²
23.9%	2.7x	9.3 years	3.2%

- Marginal cost of debt: 1.6%
- Spread of debt maturities: 2022 to 2035
- Pro-forma available resources: £197m
- Pro-forma LTV: 25.6%
- Ability to act quickly when opportunities arise

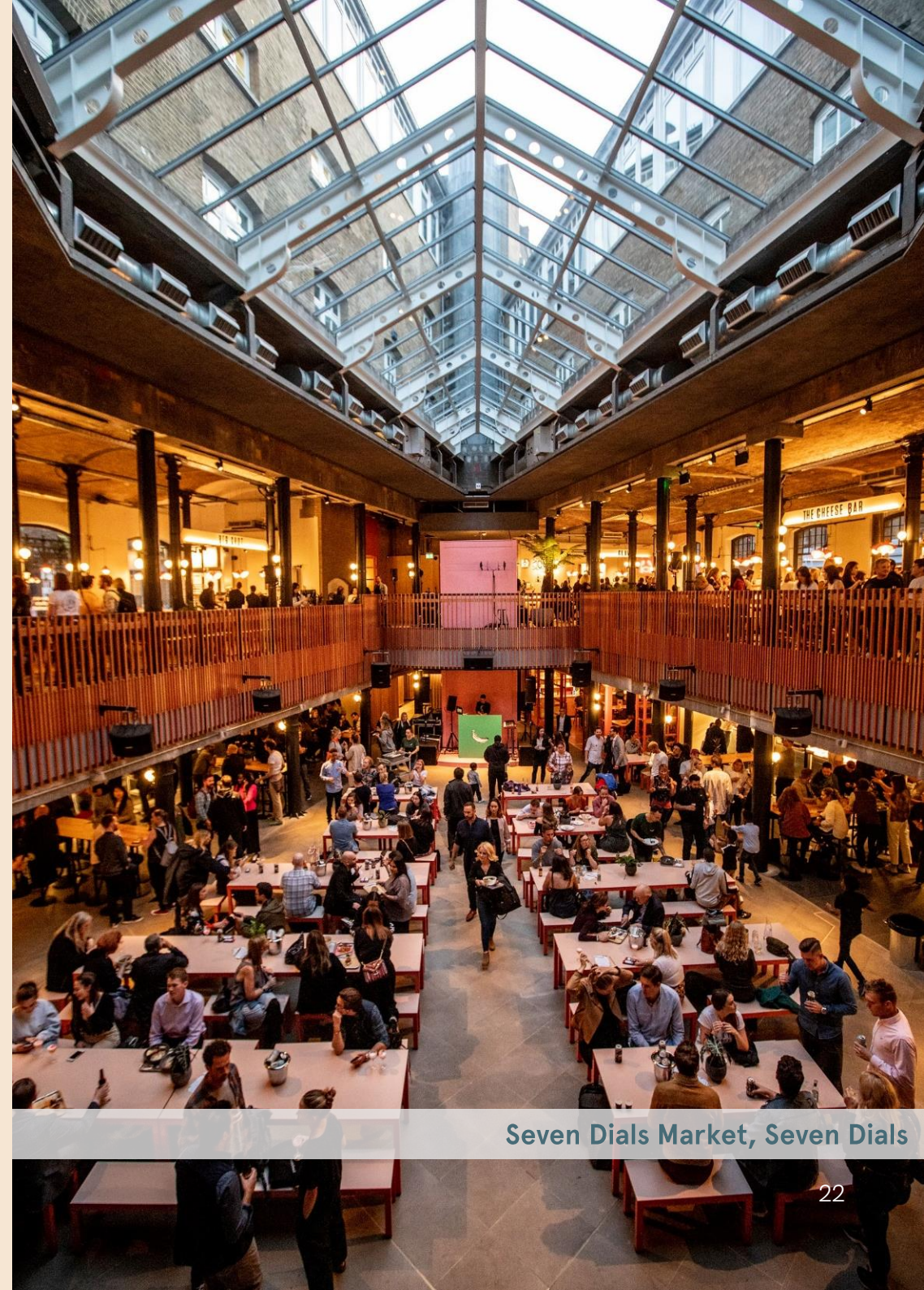
Debt summary (£m)



Operational Review

Brian Bickell

Shaftesbury



Seven Dials Market, Seven Dials

Operational Review

Operating environment

Robust demand from a wide range of domestic and international occupiers

- Exceptional footfall, unmatched by any other UK location
 - Potential to trade profitably seven-days-a-week in our high footfall villages
 - Affluent, diverse customer base
 - Occupiers reporting yearly sales growth, although cost pressures continue
- Sustained demand
 - Differentiated offer important
 - Curated locations
 - Space and leases which meets occupier requirements
- Largely unaffected by high-profile national retail and restaurant failures
 - Tenant insolvencies < 2% of ERV
 - Space handed back has re-let well



Operational Review

Food, beverage and leisure

Halo effect on footfall, dwell-time and trading

LETTINGS/RENEWALS/REVIEWS

£9.9m

17.5% of ERV¹

OCCUPANCY

97%

EPRA vacancy: £1.4m

WEIGHTED AVERAGE UNEXPIRED LEASE TERM

9 years

- Largest single owner of food and beverage space in the West End
 - Focus on mid-market independent, innovative concepts, rather than formulaic chains
- Availability of space constrained
 - Local planning and licensing policy
- Healthy occupier demand
 - High occupancy
 - Premiums being paid for good sites



38%

of ERV

315

Restaurants
cafés and pubs

Operational Review

A selection of our recent restaurant and café openings



Fafa's



Xi Dumplings



Apple Butter



Kolamba



The Breakfast Club



Zahter



Mr. Ji



Yeda



Oree Boulangerie



Milkmaid

Retail

Less exposed to changes affecting national retailers

LETTINGS/RENEWALS/REVIEWS

£12.5m

26.6% of ERV¹

OCCUPANCY

93%

EPRA vacancy: £3.2m

WEIGHTED AVERAGE UNEXPIRED LEASE TERM

3 years

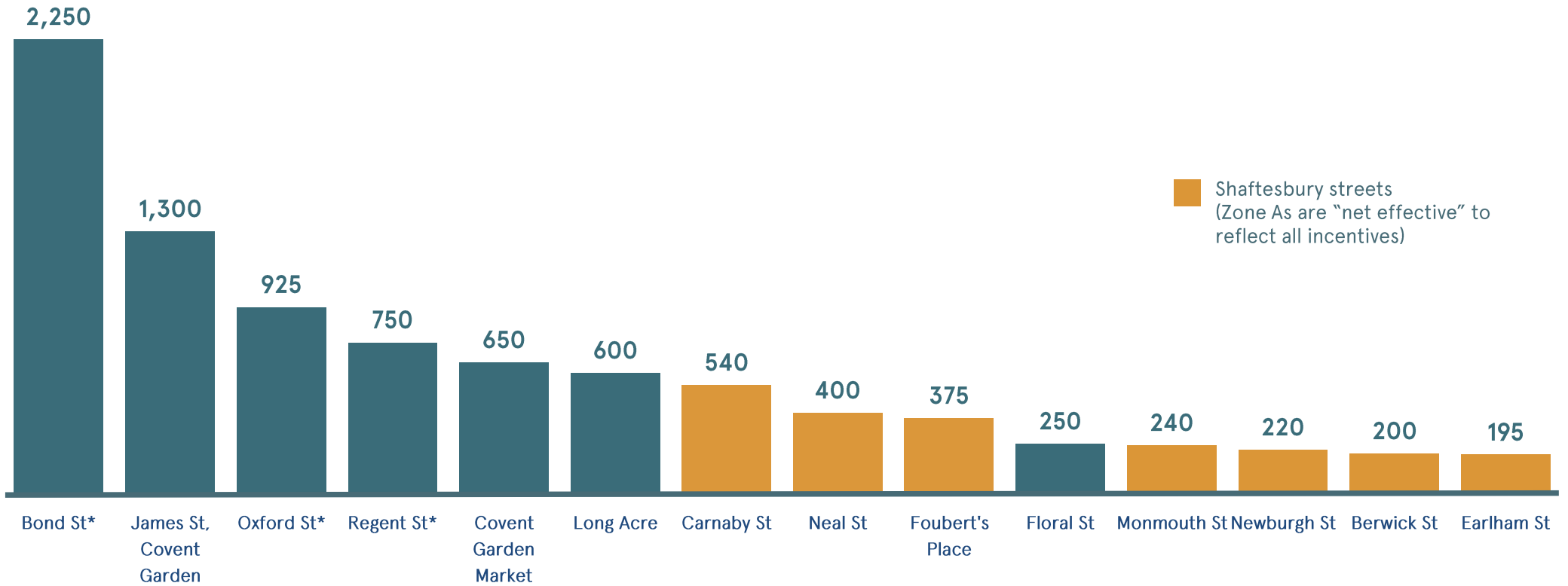
- **Good leasing activity and resilient occupancy**
 - Competitive rents
 - Wide range of shop sizes
 - Reputation for encouraging innovation
 - Mid-market, innovative, independent brands
- **Long-term flexible leasing strategy**
 - Our retail leases have always been relatively short
 - Trial new concepts to keep brand line-up fresh and interesting
- **Reconfiguring larger shops and re-purposing space where appropriate to anticipate trends in demand**



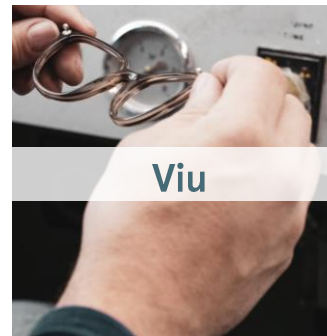
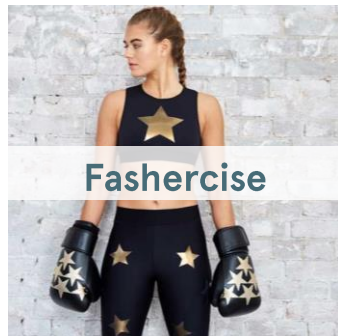
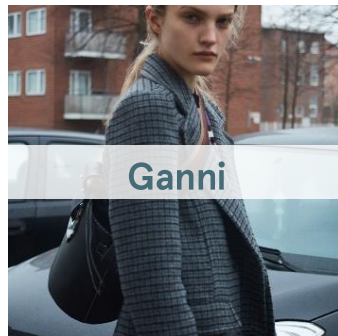
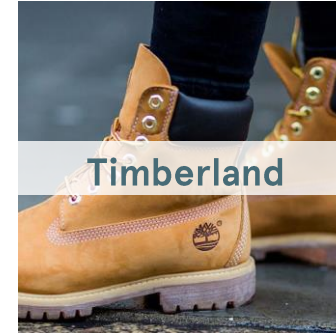
Retail

Competitive rental levels compared to nearby streets

West End retail rental tones (prime zone A per sq. ft.)



A selection of new retail openings



Offices

Important provider of small, flexible office space

LETTINGS/RENEWALS/REVIEWS

£3.8m

13.6% of ERV¹

OCCUPANCY

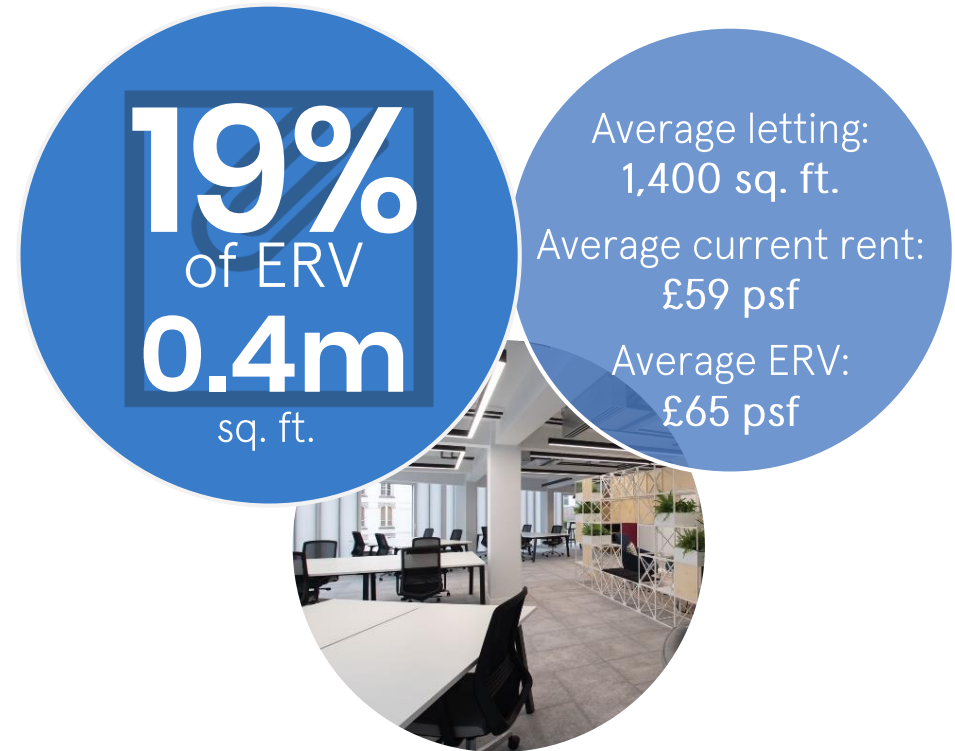
96%

EPRA vacancy: £0.8m

WEIGHTED AVERAGE UNEXPIRED LEASE TERM

3 years

- Office space is occupied by media, creative, fashion and tech SME businesses – natural home in our villages
- Self-contained space still popular
- Good demand; rental levels firm
 - Affordable accommodation
 - High occupancy
 - Incentives remain stable
- Options for flexible “plug and play” fitted-out workspace



Residential

High occupancy and stable cash flow

LETTINGS/RENEWALS/REVIEWS

£7.3m

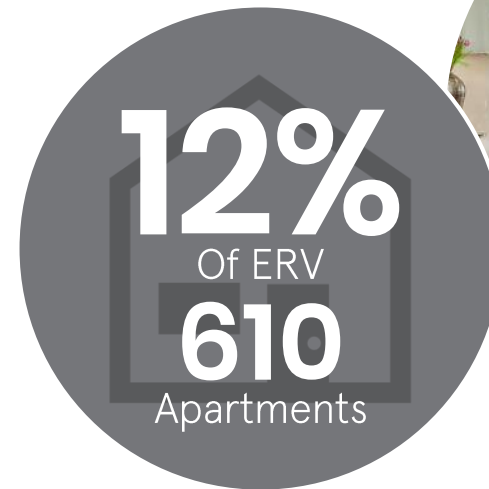
39.9% of ERV¹

OCCUPANCY

99%

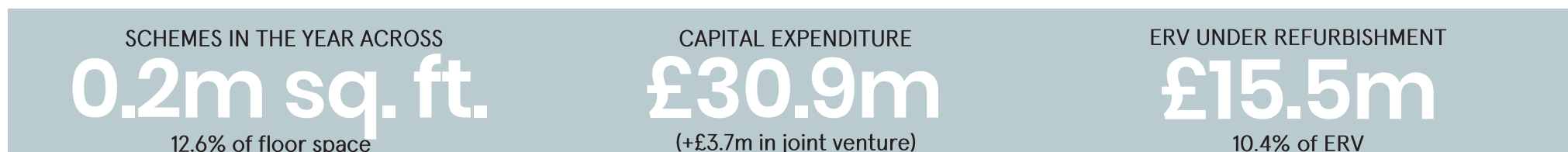
EPRA vacancy: £0.1m

- Occupational demand strengthened in second half
 - 30 September 2019 – only 3 apartments were vacant (all under offer)
- Provides a reliable cash flow
 - Rents achieved marginally up on previous rents
 - Annual indexation
- Rolling upgrade programme continues



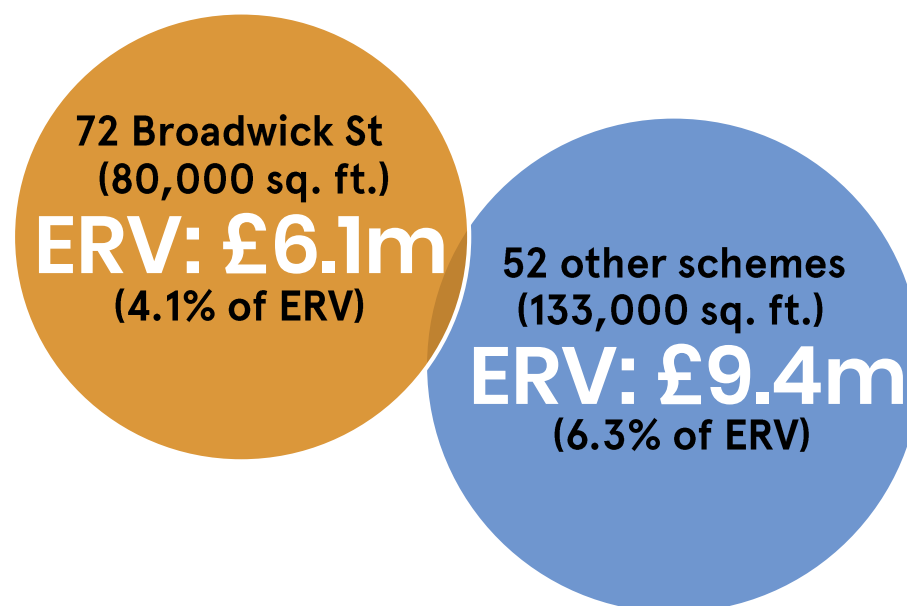
Schemes

Future proofing our buildings



- Long established “refurbish and re-purpose” strategy
 - Reconfigure space to meet market demand
 - Introduce new uses, enhancing income/value
 - Improve environmental performance
- Resizing larger shops where appropriate
 - Nine schemes (49,000 sq. ft.) in 2019
 - Five new projects (23,000 sq. ft.) already identified for 2020 (subject to planning consent)
- High level of activity
 - Schemes with ERV of £5.0m will complete by 31.3.2020

Scheme vacancy (% of ERV)



72 Broadwick Street, Carnaby

Planning secured; works commenced

- 80,000 sq. ft. mixed-use scheme now underway:
 - Introduce new retail, restaurant and leisure uses
 - Relocate office and residential entrances to activate commercial frontages
 - Extend and refurbish remaining office space
 - Reconstruct residential to increase the number of flats from 11 to 15
- Estimated scheme cost: £32m, of which £6m had been incurred by 30 September 2019
- Completion is anticipated in phases from late-2020
 - Early occupier interest in new space



Operational Review

Longmartin

Repositioning the courtyard


- Courtyard scheme creating 3 new restaurants completed in November 2019
 - Currently marketing – good interest
- Sussex House redevelopment completed
 - Offices now let (7,500 sq. ft.), flagship corner unit under offer
- Dishoom to commence fit out of their new combined 10,000 sq. ft. restaurant in January 2020
- Reconfiguration of Long Acre retail (subject to planning)
 - First floor will revert to office use
- Courtyard aesthetic improvements continue



Acquisitions and disposals

Further additions with potential for future rental growth

- Acquisitions: £47.0m in Carnaby, Fitzrovia, Soho and Seven Dials
- Forward purchase of 90-104 Berwick Street
 - Vendor's scheme delayed further
 - Handover now expected by April 2020
 - Purchase price reduced from £38.5m to £36.0m
- Disposal of two properties: £14.3m (net), 24.3% above book value
- Constrained availability of properties which meet our criteria likely to continue



Acquisitions
£47.0m



Disposals
£14.3m
**24.3% above
book value**

Environment

Adopting the UN Sustainable Development Goals

- Sustainable re-use and management of buildings
 - Extend the useful economic life of our heritage buildings
 - Target BREEAM Very Good rating on schemes (>£1m)
 - Rolling programme to improve EPC ratings since 2014
- Environmentally conscious
 - Support initiatives including: Wild West End and Bees' Needs
 - Reducing waste, single use plastic and traffic
 - Water fountain in Kingly Court has saved over 75,000 single-use plastic bottles since June 2018
- Focus on improving tenant engagement and sustainability in the use of our buildings
 - Developed Blue Turtle initiative for sustainability in restaurants



Industry recognition



Social responsibility

Importance of being community-minded

- A good corporate citizen
- Long-term engagement with our local community
- Work with Westminster City Council and Camden Council to support their policy objectives
- Invest in our employees
 - Three year Strategic People Plan initiated

The House of
St Barnabas
LONDON



LandAid
THE PROPERTY INDUSTRY CHARITY

*uniting to
end youth
homelessness*



Measuring
Community
Investment



Award recognising
the level of
community giving



Young
Westminster
Foundation

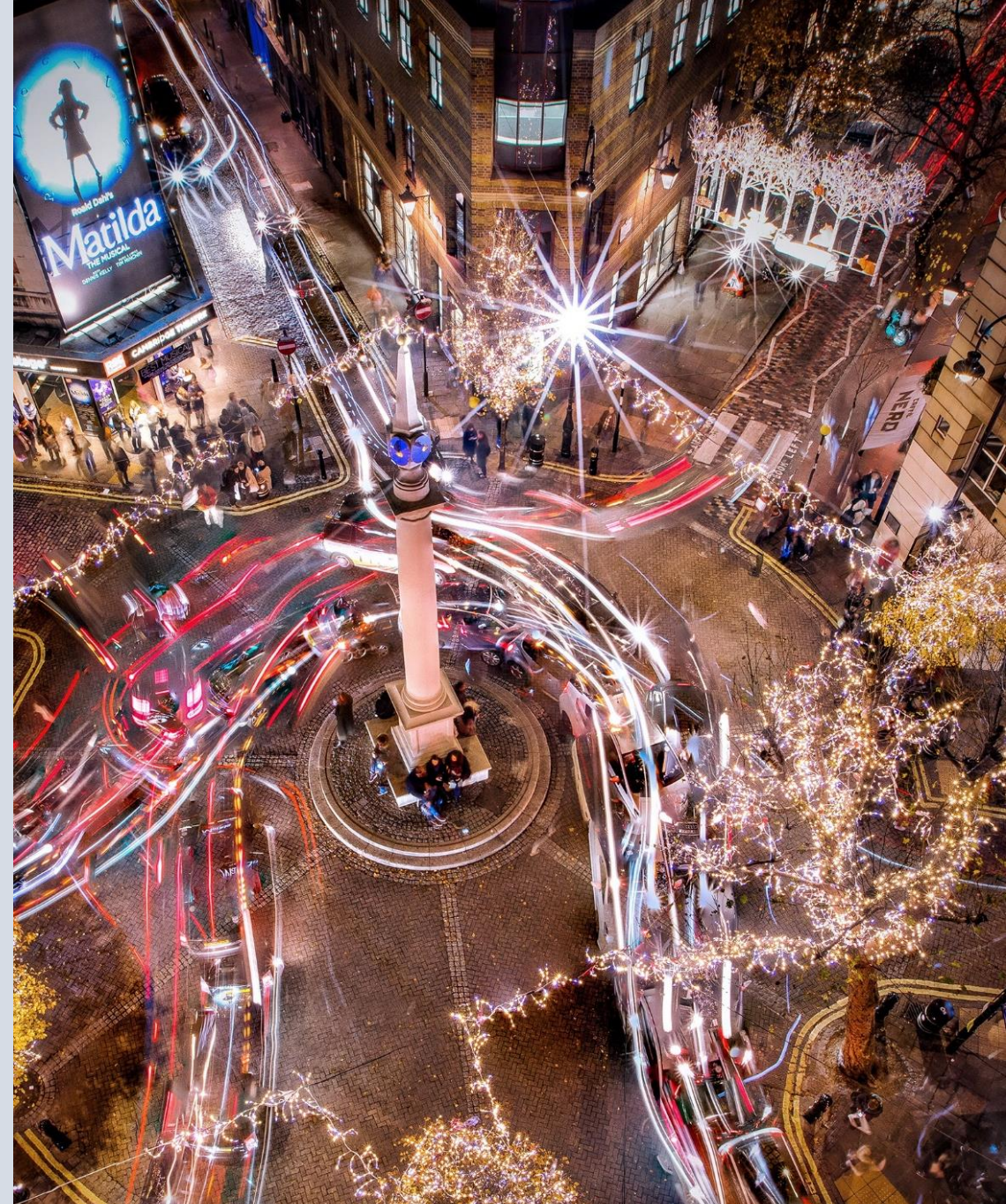


"Small school, big heart"

Summary & Outlook

Brian Bickell

Shaftesbury



The Dial, Seven Dials

Outlook

Resilient portfolio and proven strategy – well positioned for long-term rental growth

- **Uncertain macro environment**
 - Business and consumer confidence impacted by current political climate
 - Structural challenges facing national retail are likely to continue
- **Impossible-to-replicate portfolio and proven strategy**
 - London and West End have strong growth prospects
 - Our locations are in the liveliest, popular heart of the West End
 - Proven, long-term strategy focusing on food, beverage, retail and leisure and creating distinctive destinations
 - Flexible portfolio – have always adapted space to market conditions
- **Positive outlook for future long-term growth**



Long-term focus

Focused on income growth



Appendices

- 1 Portfolio
- 2 Financial
- 3 Valuation
- 4 Village Summaries
- 5 Other

Shaftesbury



Newport Court, Chinatown

1

Portfolio

Exceptional portfolio in the heart of London's West End

CARNABY

4.8 ACRES

36%
Of portfolio¹

COVENT GARDEN

4.8 ACRES

26%
Of portfolio¹

CHINATOWN

3.2 ACRES

21%
Of portfolio¹

SOHO

1.5 ACRES

8%
Of portfolio¹

FITZROVIA

0.9 ACRES

4%
Of portfolio¹

LONGMARTIN

1.9 ACRES

5%
Of portfolio¹

£4.0bn²

valuation

1.9 million sq. ft.

of commercial and residential space and 0.3m sq ft held in joint venture

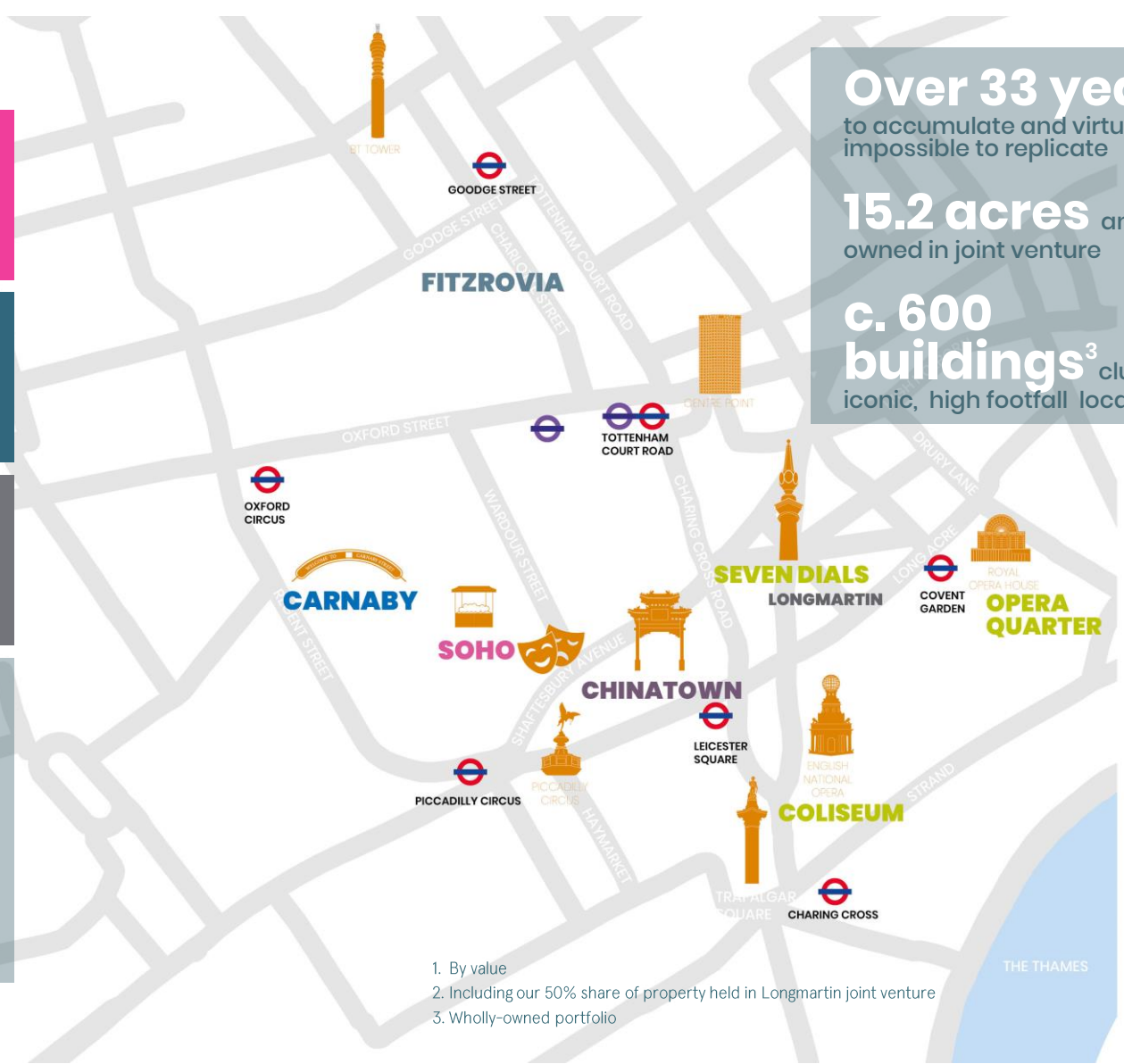
100% of our portfolio is close to an Underground/Elizabeth Line station

Over 33 years

to accumulate and virtually impossible to replicate

15.2 acres and 1.9 acres owned in joint venture

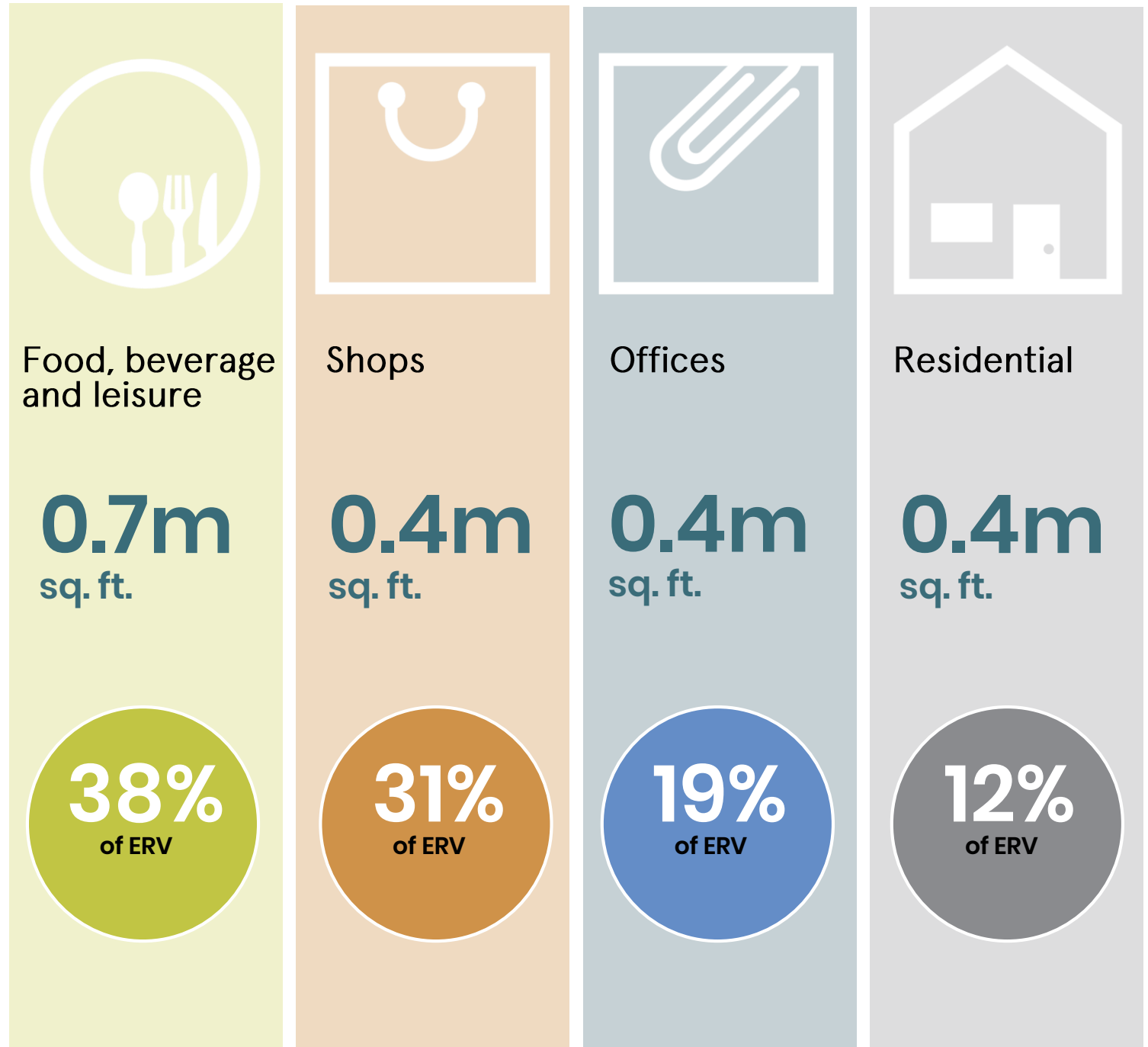
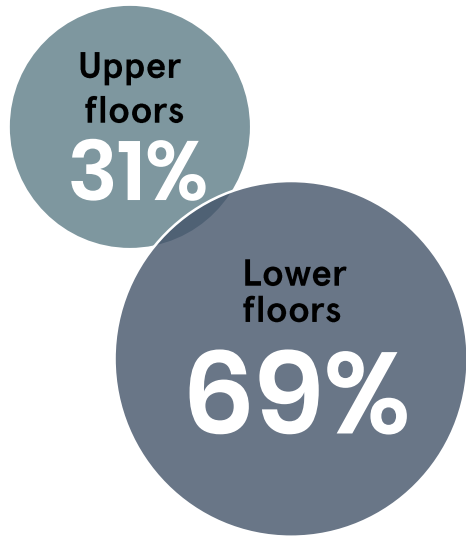
c. 600 buildings³ clustered in iconic, high footfall locations



1. By value
2. Including our 50% share of property held in Longmartin joint venture
3. Wholly-owned portfolio

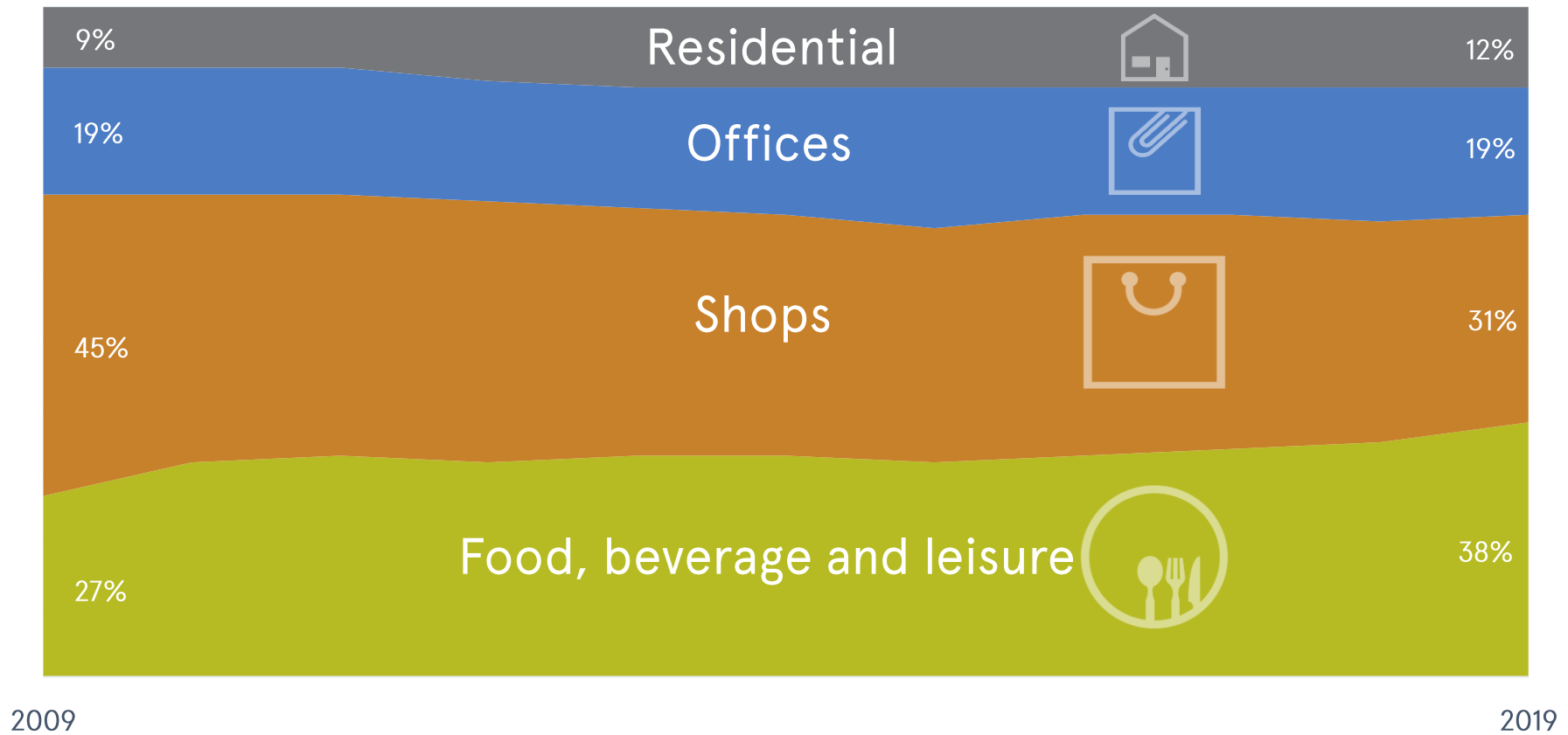
Appendix: 1 Portfolio

Our portfolio Split by ERV



Mix of uses (wholly-owned portfolio)

Evolution of uses over time (% of ERV)

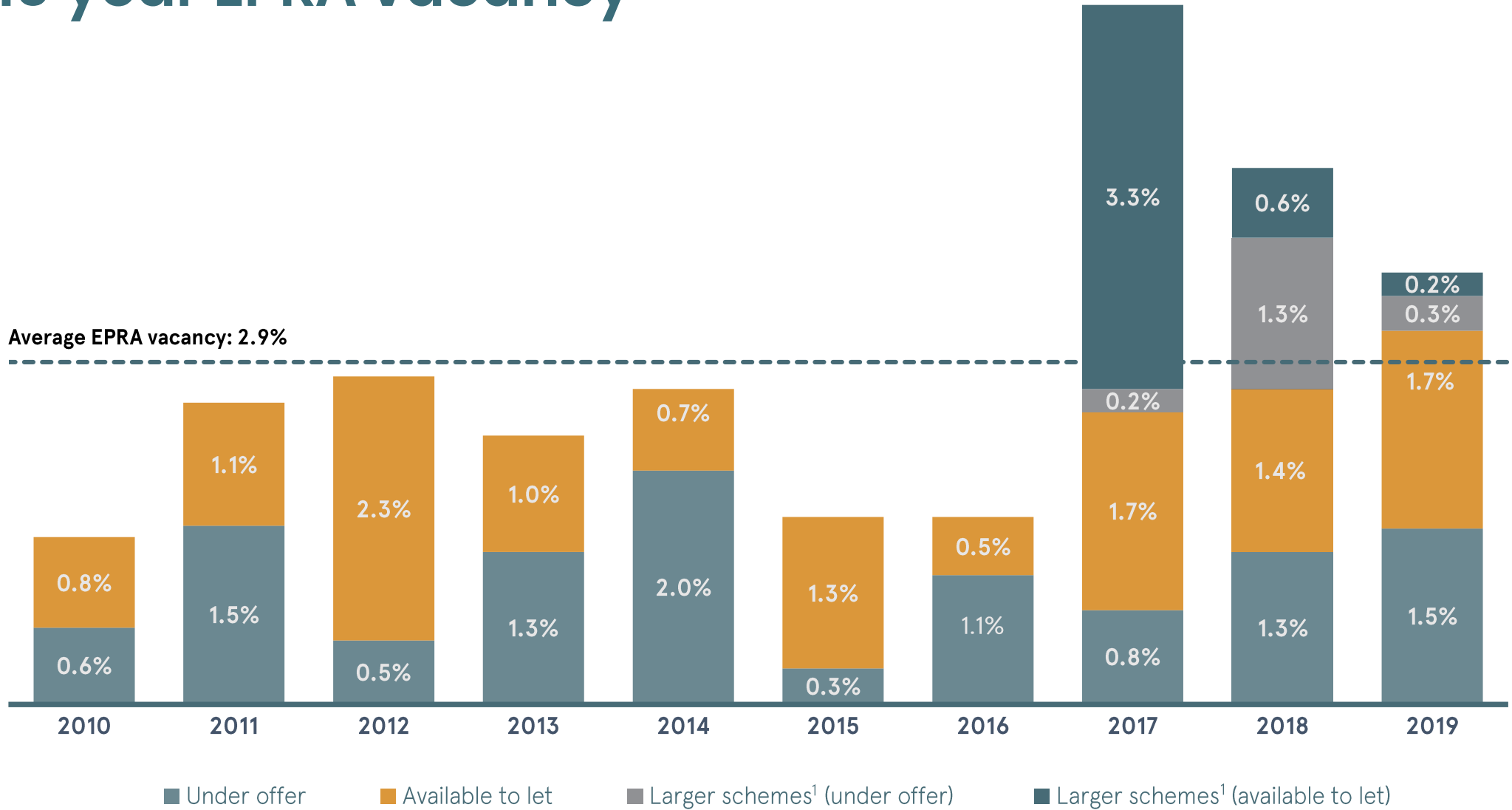


Appendix: 1 Portfolio

EPRA vacancy

	Food, beverage and leisure £m	Shops £m	Offices £m	Residential £m	Total £m	% of total ERV 30.9.2019	% of total ERV 30.9.2018
Larger schemes¹							
Under offer	-	0.5	-	-	0.5	0.3%	1.3%
Available-to-let	-	0.3	-	-	0.3	0.2%	0.6%
	-	0.8	-	-	0.8	0.5%	1.9%
Underlying vacancy							
Under offer	0.9	0.8	0.4	0.1	2.2	1.5%	1.3%
Available-to-let	0.5	1.6	0.4	-	2.5	1.7%	1.4%
	1.4	2.4	0.8	0.1	4.7	3.2%	2.7%
Total							
Under offer	0.9	1.3	0.4	0.1	2.7	1.8%	2.6%
Available-to-let	0.5	1.9	0.4	-	2.8	1.9%	2.0%
	1.4	3.2	0.8	0.1	5.5	3.7%	4.6%
Sq. ft. (000s)	16	46	12	1	75		100

10 year EPRA vacancy

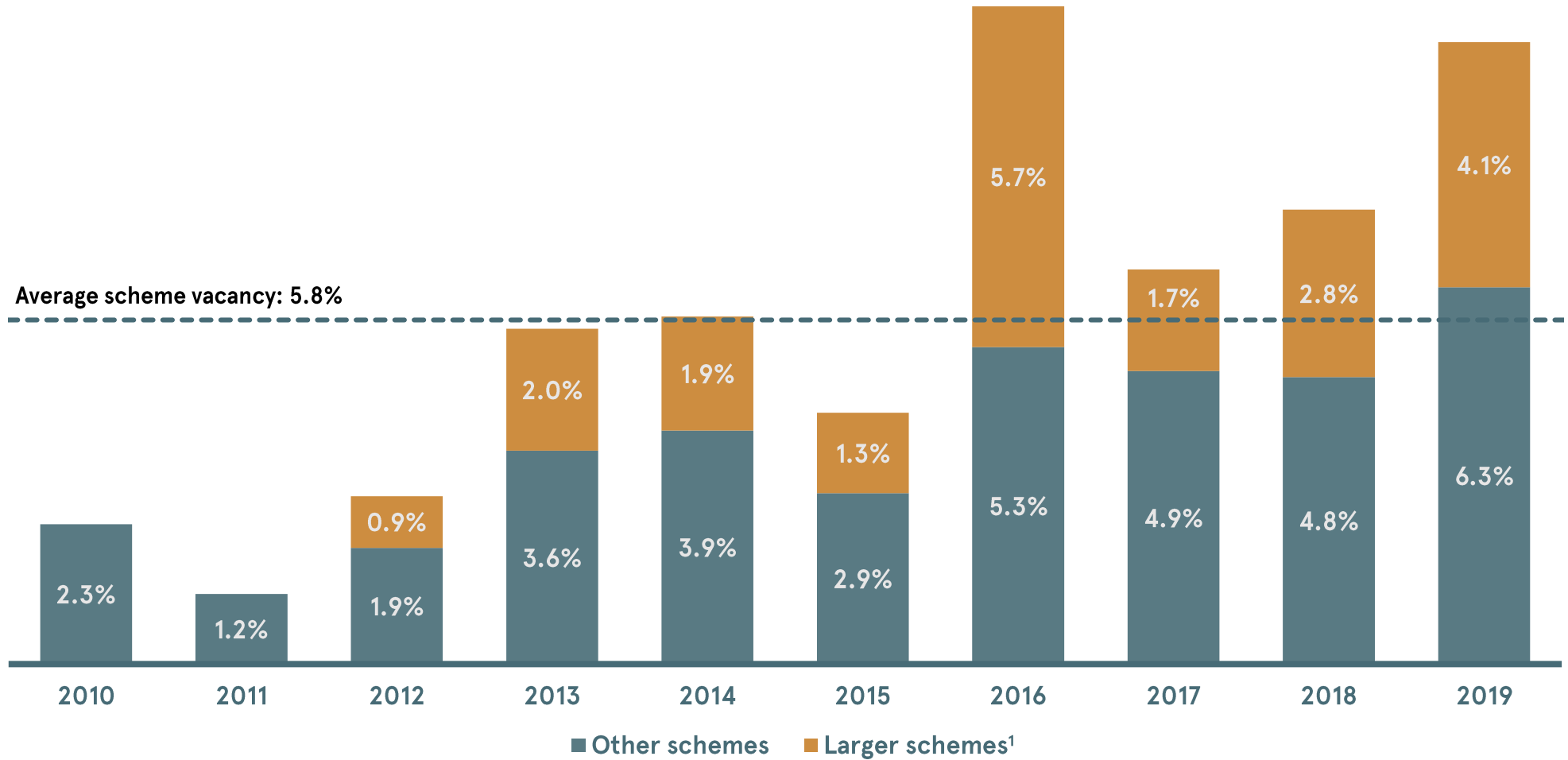


Appendix: 1 Portfolio

Scheme vacancy

	Food, beverage and leisure £m	Shops £m	Offices £m	Residential £m	Total £m	% of total ERV 30.9.2019	% of total ERV 30.9.2018
72 Broadwick St	3.5	0.4	1.5	0.7	6.1	4.1%	2.8%
Other schemes	1.9	2.4	4.0	1.1	9.4	6.3%	4.8%
Total	5.4	2.8	5.5	1.8	15.5	10.4%	7.6%
Sq. ft. (000's)	73	27	77	36	213		175

10 year scheme vacancy



1. 2012 to 2014: Carnaby Court. 2015: Central Cross. 2016: Central Cross, 57 Broadwick St and Thomas Neal's Warehouse. 2017: 57 Broadwick St. 2018 to 2019: 72 Broadwick St.

Examples of current schemes on site¹

50 Marshall Street

Estimated cost: £4.9m

Estimated completion: Q4 2020



45/49 Charing Cross Road

Estimated cost: £4.0m

Estimated completion: Q2 2020



1 Gerrard Place

Estimated cost: £6.4m

Estimated completion: Q1 2020



2

Financial

EPRA earnings and NAV reconciliations

EARNINGS	2019 £m	2018 £m
IFRS profit after tax	26.0	175.5
EPRA adjustments:		
Investment property revaluation	15.3	(123.1)
Profit on disposal of investment properties	(2.8)	(4.6)
Adjustments re: Longmartin JV:		
Investment property revaluation	19.2	5.0
Deferred tax	(3.1)	(1.1)
EPRA earnings	54.6	51.7
Number of shares (million)	307.4	302.1
EPRA EPS	17.8p	17.1p

NAV	2019 £m	2018 £m
IFRS net assets	3,007.2	3,033.0
Effect of exercise of options	0.5	0.5
Diluted net assets	3,007.7	3,033.5
Adjustments re: Longmartin JV:		
Deferred tax	13.6	16.7
EPRA NAV	3,021.3	3,050.2
Number of shares (diluted) (million)	307.7	307.7
EPRA NAV per share	£9.82	£9.91

Income and costs

EPRA EARNINGS	2019 £m	2018 £m
Rental income	117.3	112.8
Property costs	(19.3)	(19.0)
Net property income	98.0	93.8
Admin expenses	(15.2)	(13.7)
	82.8	80.1
Net finance costs	(30.5)	(31.2)
Share of Longmartin JV profit before tax ¹	2.9	3.6
Recurring profit before tax	55.2	52.5
Share of Longmartin JV current tax	(0.6)	(0.8)
EPRA earnings	54.6	51.7

PROPERTY COSTS	2019 £m	2018 £m
Operating costs	7.3	7.6
Vacant property costs	2.0	1.4
Management fees	2.7	2.6
Letting costs	3.4	3.6
Village promotion	3.9	3.8
Property outgoings	19.3	19.0

Reconciliation of IFRS to proportional consolidation

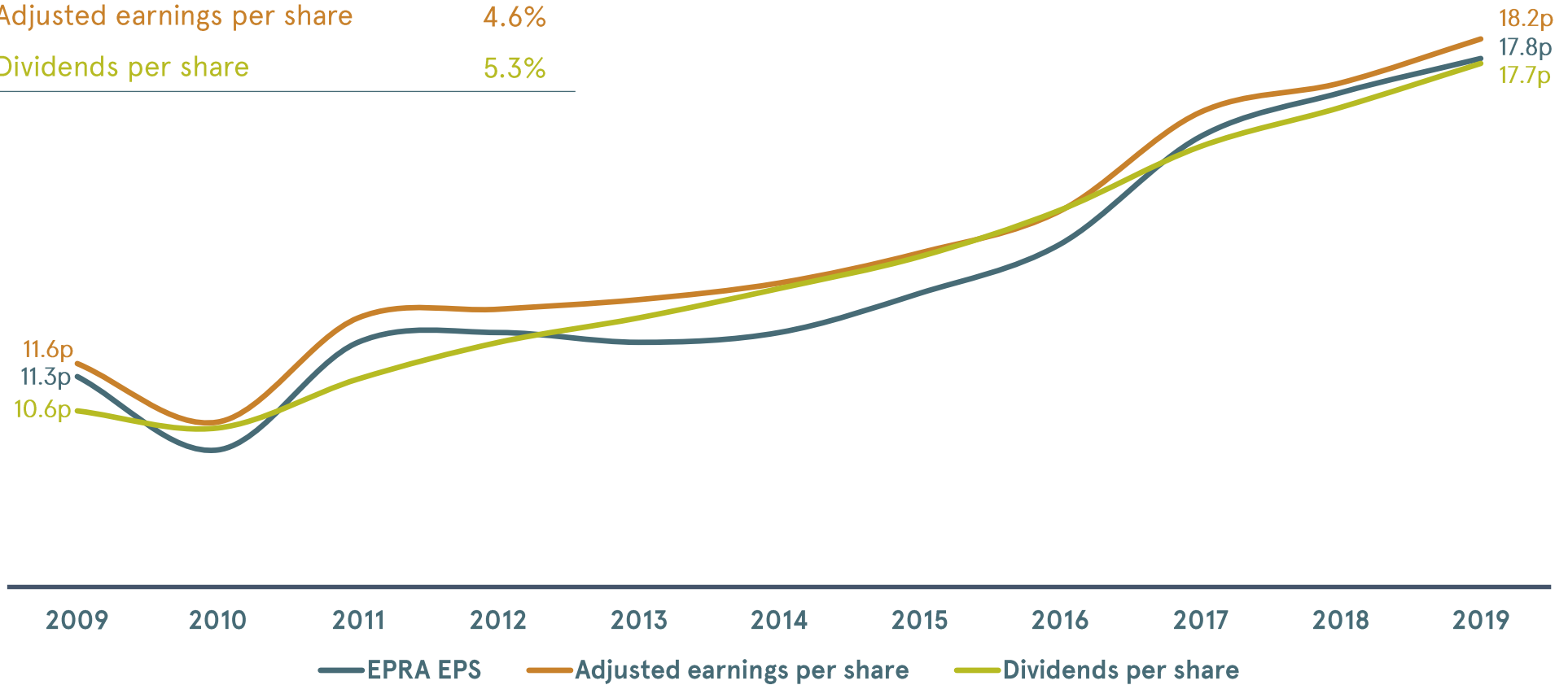
BALANCE SHEET	2019			2018		
	IFRS £m	Longmartin JV £m	Proportional consolidation £m	IFRS £m	Longmartin JV £m	Proportional consolidation £m
Investment properties	3,765.9	213.2	3,979.1	3,714.8	228.7	3,943.5
Investment in Longmartin JV	127.6	(127.6)	-	143.9	(143.9)	-
Net debt	(905.8)	(59.4)	(965.2)	(841.3)	(58.7)	(900.0)
Other assets and liabilities	19.5	(26.2)	(6.7)	15.6	(26.1)	(10.5)
Net assets	3,007.2	-	3,007.2	3,033.0	-	3,033.0

INCOME STATEMENT	2019			2018		
	IFRS £m	Longmartin JV £m	Proportional consolidation £m	IFRS £m	Longmartin JV £m	Proportional consolidation £m
Net property income	98.0	6.4	104.4	93.8	7.1	100.9
Admin expenses	(15.2)	(0.1)	(15.3)	(13.7)	(0.2)	(13.9)
Profit on disposal	2.8	-	2.8	4.6	-	4.6
Revaluation (deficit)/surplus	(15.3)	(19.2)	(34.5)	123.1	(5.0)	118.1
Operating profit	70.3	(12.9)	57.4	207.8	1.9	209.7
Net finance costs	(30.5)	(3.4)	(33.9)	(31.2)	(3.4)	(34.6)
Share of Longmartin post-tax loss	(13.8)	13.8	-	(1.1)	1.1	-
Profit before tax	26.0	(2.5)	23.5	175.5	(0.4)	175.1
Tax	-	2.5	2.5	-	0.4	0.4
Profit after tax	26.0	-	26.0	175.5	-	175.5

Earnings and dividends per share

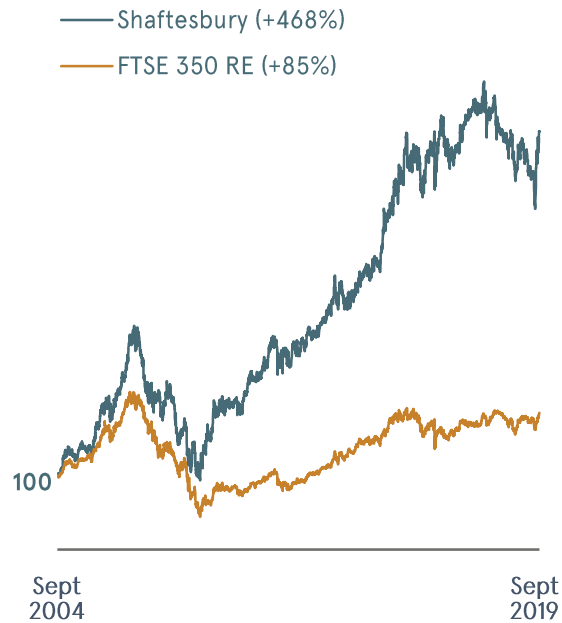
10 year CAGR

EPRA EPS	4.6%
Adjusted earnings per share	4.6%
Dividends per share	5.3%



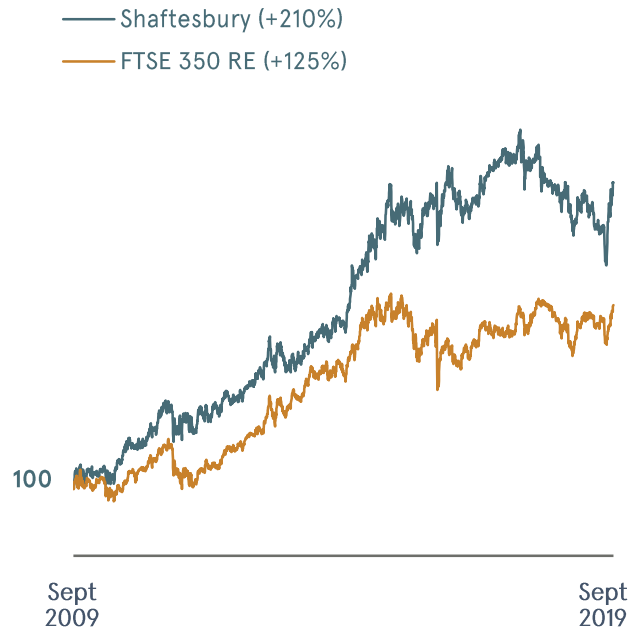
TSR outperformance

15 years



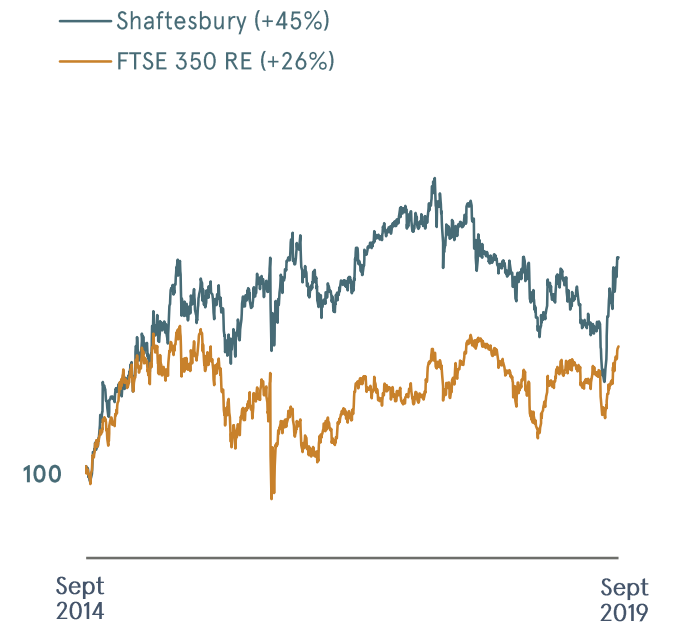
Relative performance +383%

10 years



Relative performance +85%

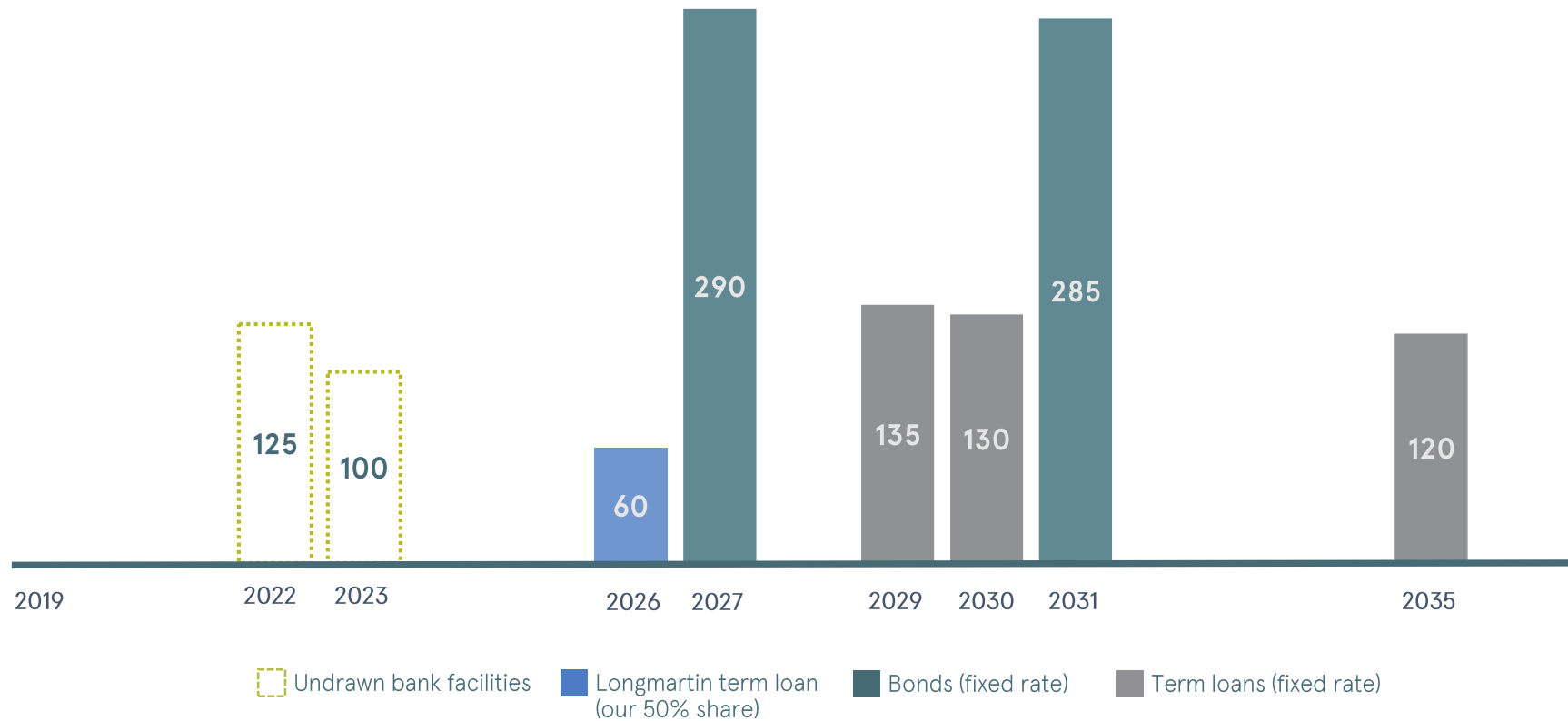
5 years



Relative performance +19%

Debt maturity profile

Weighted average maturity: 9.2 years¹

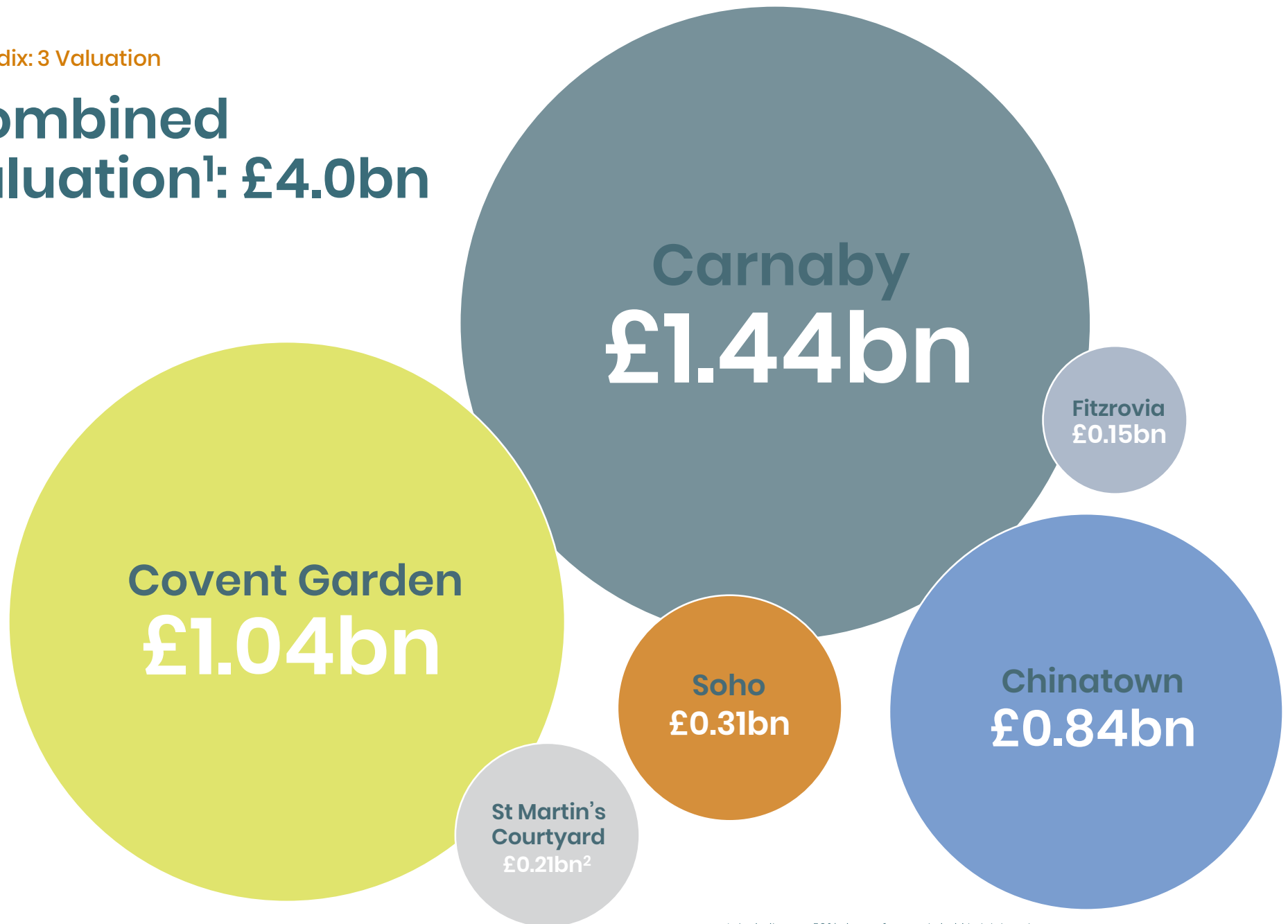


3

Valuation

Appendix: 3 Valuation

Combined valuation¹: £4.0bn



1. Including our 50% share of property held in joint venture
2. Our 50% share of Longmartin

Appendix: 3 Valuation

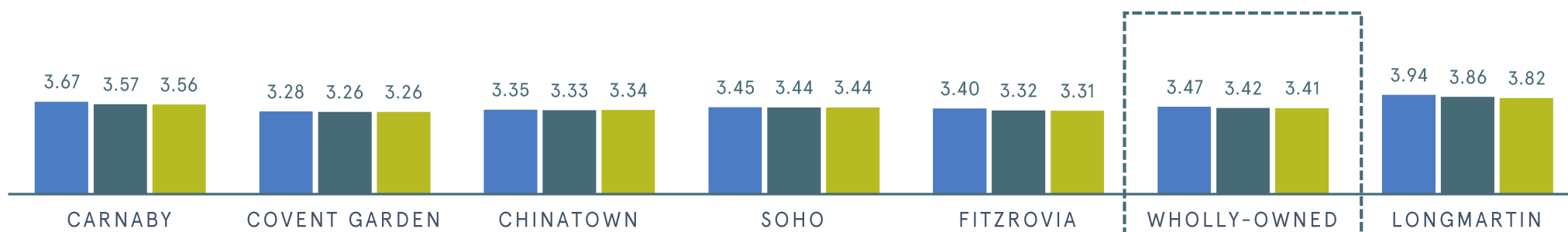
Valuation summary

	Fair value £m	% of portfolio	Annualised current income £m	ERV £m
Wholly-owned portfolio				
Carnaby	1,437.7	36%	44.4	60.8
Covent Garden	1,036.5	26%	30.3	39.0
Chinatown	843.9	21%	26.8	31.8
Soho	314.1	8%	10.7	12.1
Fitzrovia	152.0	4%	4.9	6.0
	3,784.2	95%	117.1	149.7
Longmartin joint venture (our 50%)	209.0	5%	7.5	10.0
Combined portfolio	3,993.2	100%	124.6	159.7

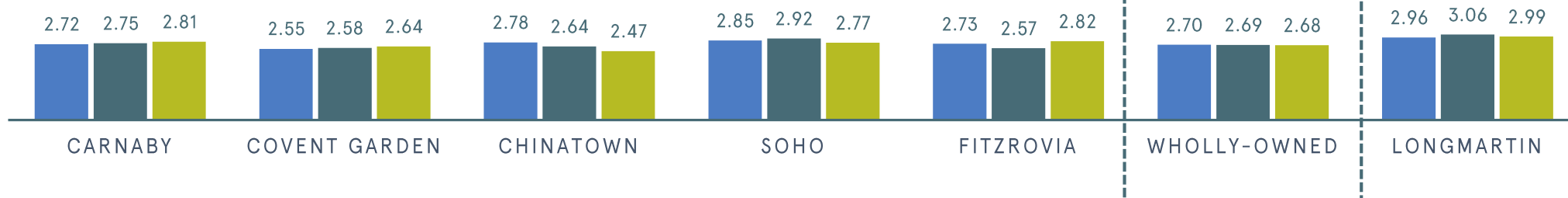
Yields

■ Sep-19 ■ Mar-19 ■ Sep-18

Equivalent yield (%)



Initial yield (%)



Appendix: 3 Valuation

Portfolio reversion by use

	Food, beverage & leisure £m	Retail £m	Office £m	Residential £m	Wholly- owned £m	% Wholly- owned ERV	Longmartin £m	Total portfolio £m
Annualised current income	46.3	35.7	18.8	16.3	117.1	78.2%	7.5	124.6
Vacancy								
- Under offer/available-to-let	1.4	3.2	0.8	0.1	5.5	3.7%	0.9	6.4
- 72 Broadwick Street	3.5	0.4	1.5	0.7	6.1	4.1%	-	6.1
- Other schemes	1.9	2.4	4.0	1.1	9.4	6.3%	1.1	10.5
	53.1	41.7	25.1	18.2	138.1	92.3%	9.5	147.6
Contracted (rent frees, stepped rents)	1.8	3.3	0.8	-	5.9	3.9%	0.6	6.5
Under-rented	1.6	2.1	2.0	-	5.7	3.8%	(0.1)	5.6
ERV	56.5	47.1	27.9	18.2	149.7	100.0%	10.0	159.7

4

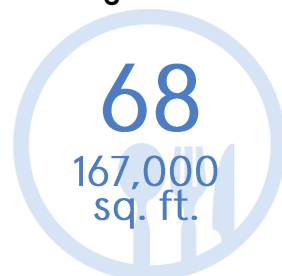
Village Summaries

Carnaby - in numbers

carnaby.co.uk



Food, beverage and leisure



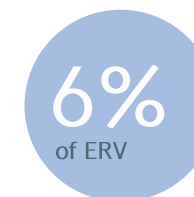
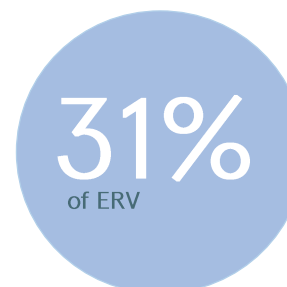
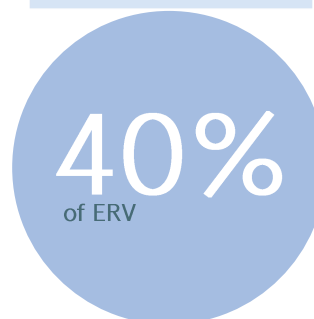
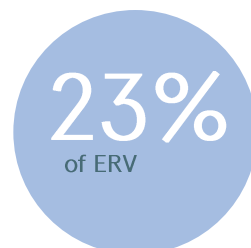
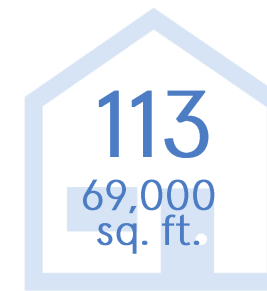
Retail



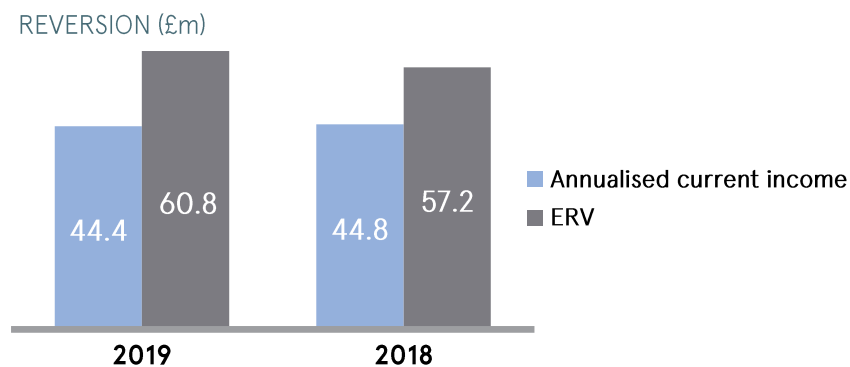
Offices



Residential



	2019	2018
Valuation	£1,437.7m	£1,424.7m
Acquisitions	£17.9m	£115.5m
Capital expenditure	£14.0m	£8.5m
Capital value return (L-f-L)	-1.3%	+3.9%
Equivalent yield	3.67%	3.56%
Reversion	£16.4m	£12.4m



1. By value; combined portfolio including our 50% share of property held in joint venture

Covent Garden – in numbers

sevendials.co.uk



Food,
beverage and leisure



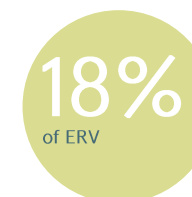
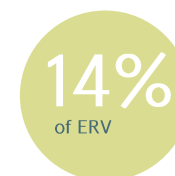
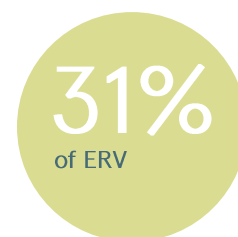
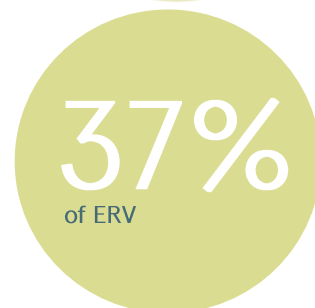
Retail



Offices

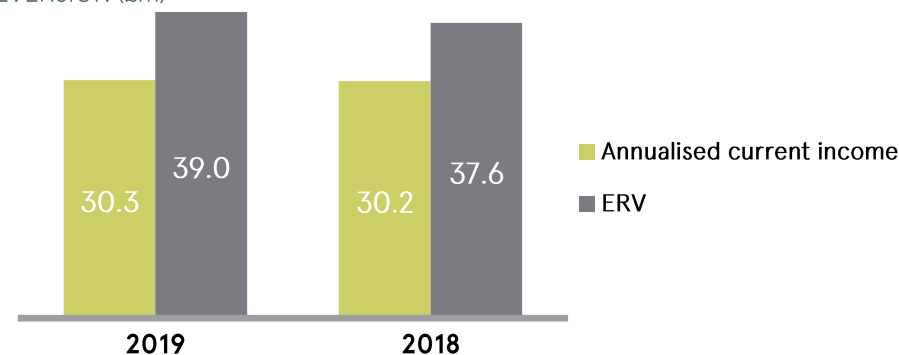


Residential



	2019	2018
Valuation	£1,036.5m	£1,013.7m
Acquisitions	£20.0m	£33.2m
Disposals	-	£5.1m
Capital expenditure	£4.7m	£5.7m
Capital value return (L-f-L)	-0.1%	+4.0%
Equivalent yield	3.28%	3.26%
Reversion	£8.7m	£7.4m

REVERSION (£m)



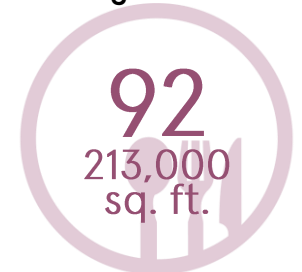
1. By value; combined portfolio including our 50% share of property held in joint venture

Chinatown – in numbers

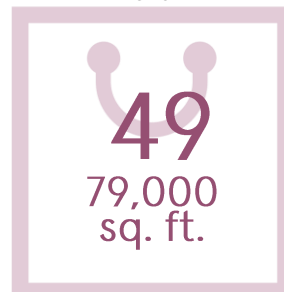
chinatown.co.uk



Food, beverage and leisure



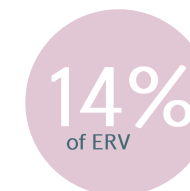
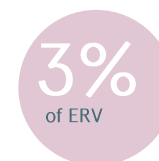
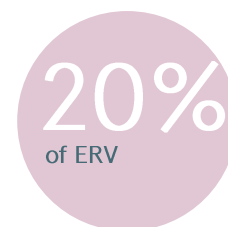
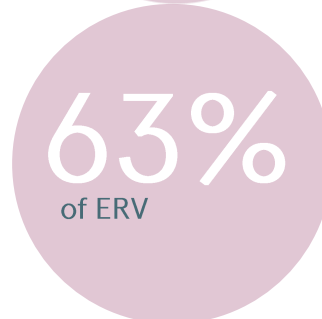
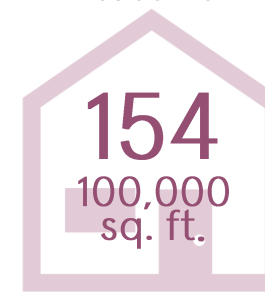
Retail



Offices

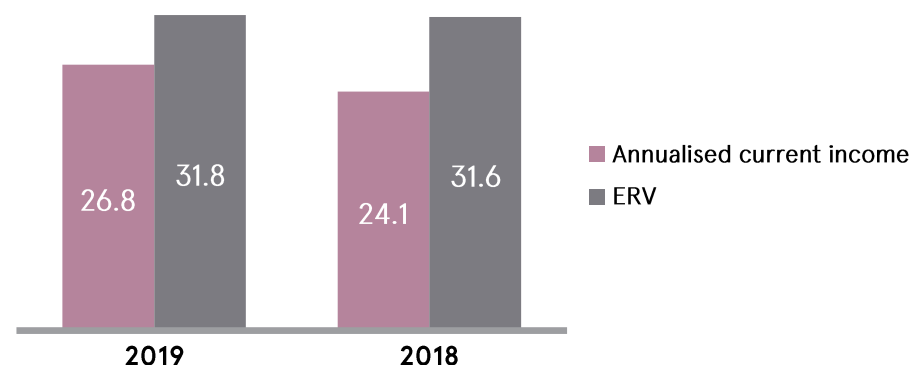


Residential



	2019	2018
Valuation	£843.9	£837.2m
Acquisitions	-	£4.0m
Disposals	£9.1m	-
Capital expenditure	£8.9m	£8.0m
Capital value return (L-f-L)	+0.8%	+4.2%
Equivalent yield	3.35%	3.34%
Reversion	£5.0m	£7.5m

REVERSION (£m)



1. By value; combined portfolio including our 50% share of property held in joint venture

Soho – in numbers

thisissoho.co.uk



Food,
beverage and leisure



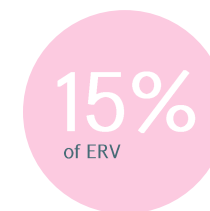
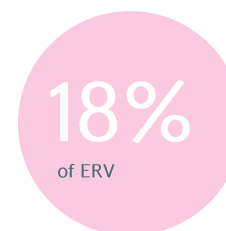
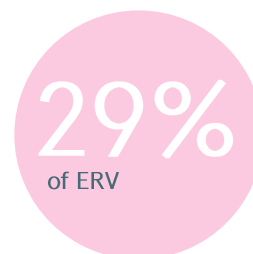
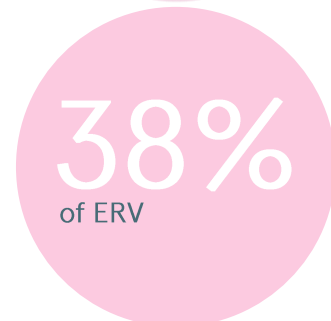
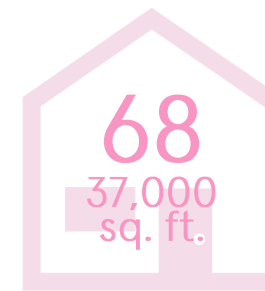
Retail



Offices

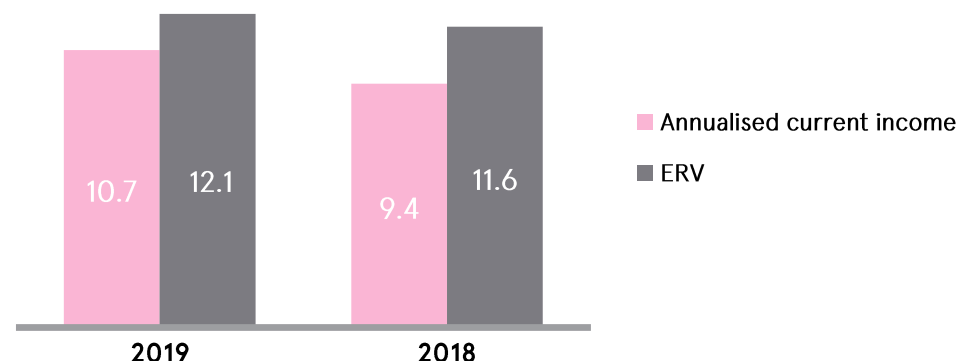


Residential



	2019	2018
Valuation	£314.1m	£300.8m
Acquisitions	£3.5m	£15.1m
Disposals	-	£3.6m
Capital expenditure	£1.2m	£1.5m
Capital value return (L-f-L)	+3.1%	+6.2%
Equivalent yield	3.45%	3.44%
Reversion	£1.4m	£2.2m

REVERSION (£m)



1. By value; combined portfolio including our 50% share of property held in joint venture

Fitzrovia - in numbers



Food,
beverage and leisure



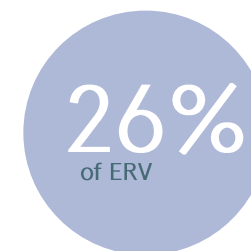
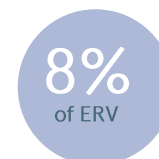
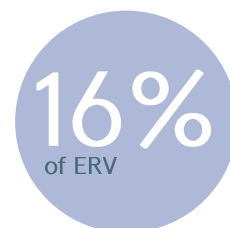
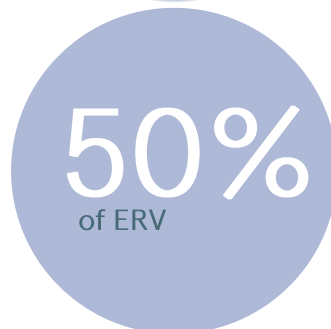
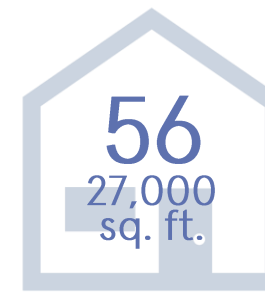
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Offices

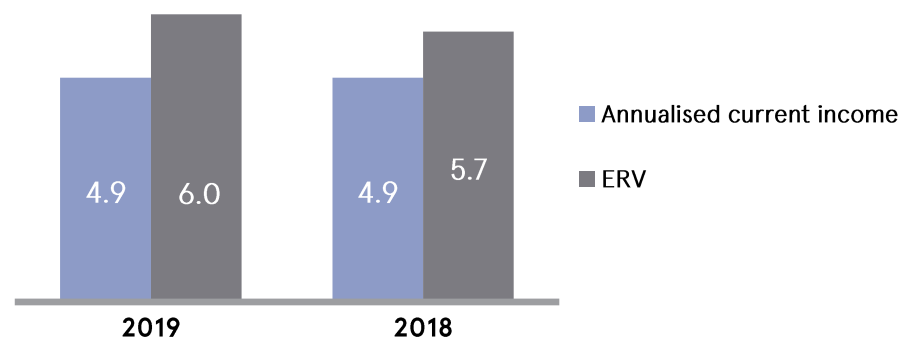


Residential



	2019	2018
Valuation	£152.0m	£148.2m
Acquisitions	£5.6m	-
Capital expenditure	£2.1m	£1.6m
Capital value return (L-f-L)	-2.4%	+4.5%
Equivalent yield	3.40%	3.31%
Reversion	£1.1m	£0.8m

REVERSION (£m)



1. By value; combined portfolio including our 50% share of property held in joint venture

Longmartin – in numbers

stmartinscourtyard.co.uk



Food, beverage and leisure



Retail



Offices



Residential



15%
of ERV

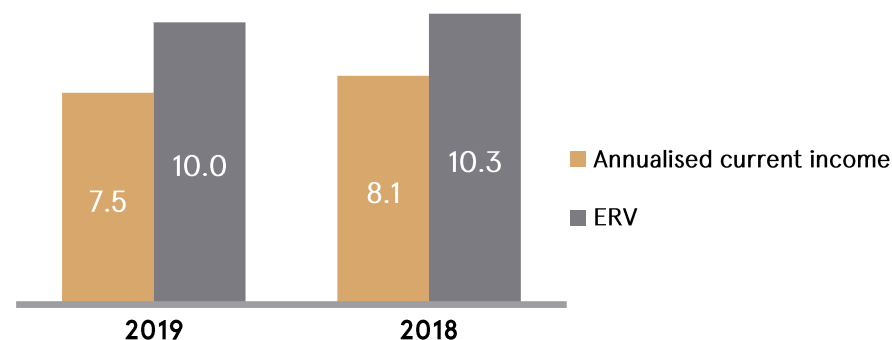
35%
of ERV

36%
of ERV

14%
of ERV

	2019	2018
Valuation	£209.0m	£224.6m
Capital expenditure	£3.7m	£2.4m
Capital value return (L-f-L)	-8.5%	-2.5%
Equivalent yield	3.94%	3.82%
Reversion	£2.5m	£2.2m

REVERSION (£m)



1. By value; combined portfolio including our 50% share of property held in joint venture

5

Other

Principal risks

Reduction of spending and/or footfall in our areas

- **Potential causes**
 - Fall in the popularity of the West End and particularly our areas leading to decreasing visitor numbers
 - Changes in consumer tastes, habits and spending power
 - Terrorism or the threat of terrorism
 - Competing destinations
- **Consequences**
 - Reduced tenant profitability
 - Reduced occupier demand
 - Higher vacancy
 - Reduced rental income and declining earnings
 - Reduced ERV, capital values, and NAV (amplified by gearing)

Changes in regulatory environment

- **Potential causes**
 - Unfavourable changes to national or local planning and licensing policies
 - Tenants acting outside of planning/licensing consents
 - Growing complexity and level of sustainability regulation
 - Increased stakeholder focus on ESG
- **Consequences**
 - Ability to maximize the growth prospects of our assets limited
 - Reduces occupier demand
 - Increased costs
 - Reduced earnings
 - Decrease in property values and NAV (amplified by gearing)

Principal risks (continued)

Macroeconomic factors

▪ Potential causes

- Macroeconomic shocks or events
- 2019 general election
- Uncertainty on the timing and terms of Brexit
- Upward cost pressures

▪ Consequences

- Lower consumer confidence
- Reduced visitor numbers
- Reduced tenant profitability
- Reduced occupier demand
- Pressure on rents
- Higher vacancy
- Reduced rental income and declining earnings
- Reduced ERV, capital values and NAV (amplified by gearing)
- Depending upon the terms of Brexit, lower availability of labour, occupier supply chain disruption and higher import costs

Decline in the UK real estate market

▪ Potential causes

- Changes to political landscape
- Increasing bond yields and cost of finance
- Reduced availability of capital and finance
- Lower relative attractiveness of property compared with other assets classes
- Changing overseas investor perception of UK real estate

▪ Consequences

- Reduced property values
- Decrease in NAV (amplified by gearing)
- Risk of loan covenant breaches
- Ability to raise new debt funding curtailed

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