



British Land: Campus Strategy in action

Broadgate Event

20 June 2018



THE QUEEN'S AWARDS
FOR ENTERPRISE:
2016

The Queen's Award for Enterprise

British Land was awarded the UK's highest accolade for business success, for economic, social and environmental achievements over five years.



Agenda

Our Campus Strategy

- Tim Roberts, Head of Offices

Transforming Broadgate

- David Lockyer, Head of Broadgate

Delivering Retail

- Claire Barber, Head of Central London Retail

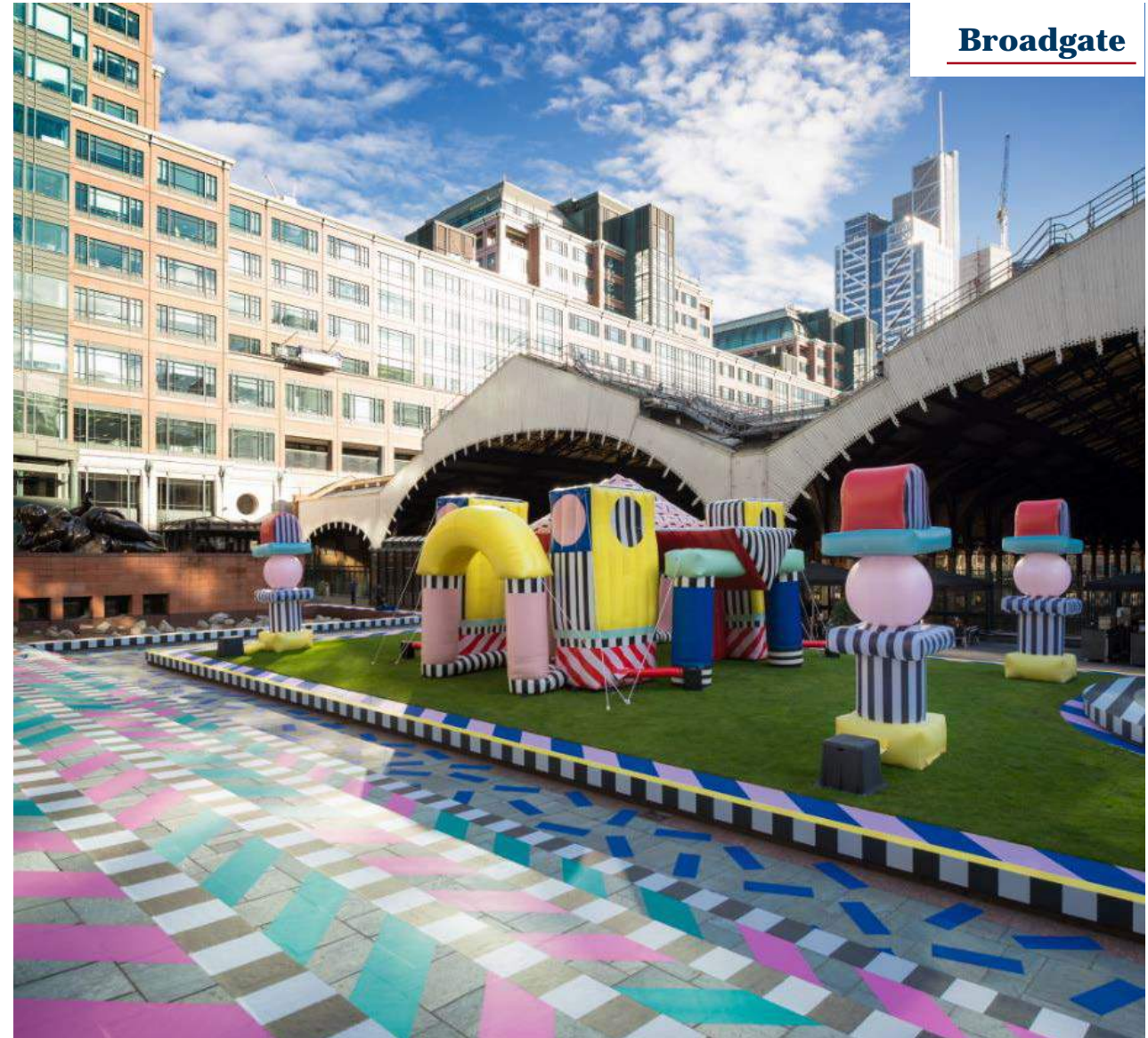
Wrap up and Q&A

- Tim Roberts, Head of Offices

Breakouts:

- Walk around tour of 100 Liverpool St.
- Storey update
- Leasing activity update, review of Broadgate model

Drinks at Yauatcha, Broadgate Circle



Our campus strategy

Tim Roberts, Head of Offices



Key areas of focus

- 1 Unique campus strategy
- 2 1.6m sq ft development programme;
63% pre-let or under offer by ERV
- 3 Storey – broadening our office offer
- 4 Letting success driving strong performance



Our London campuses



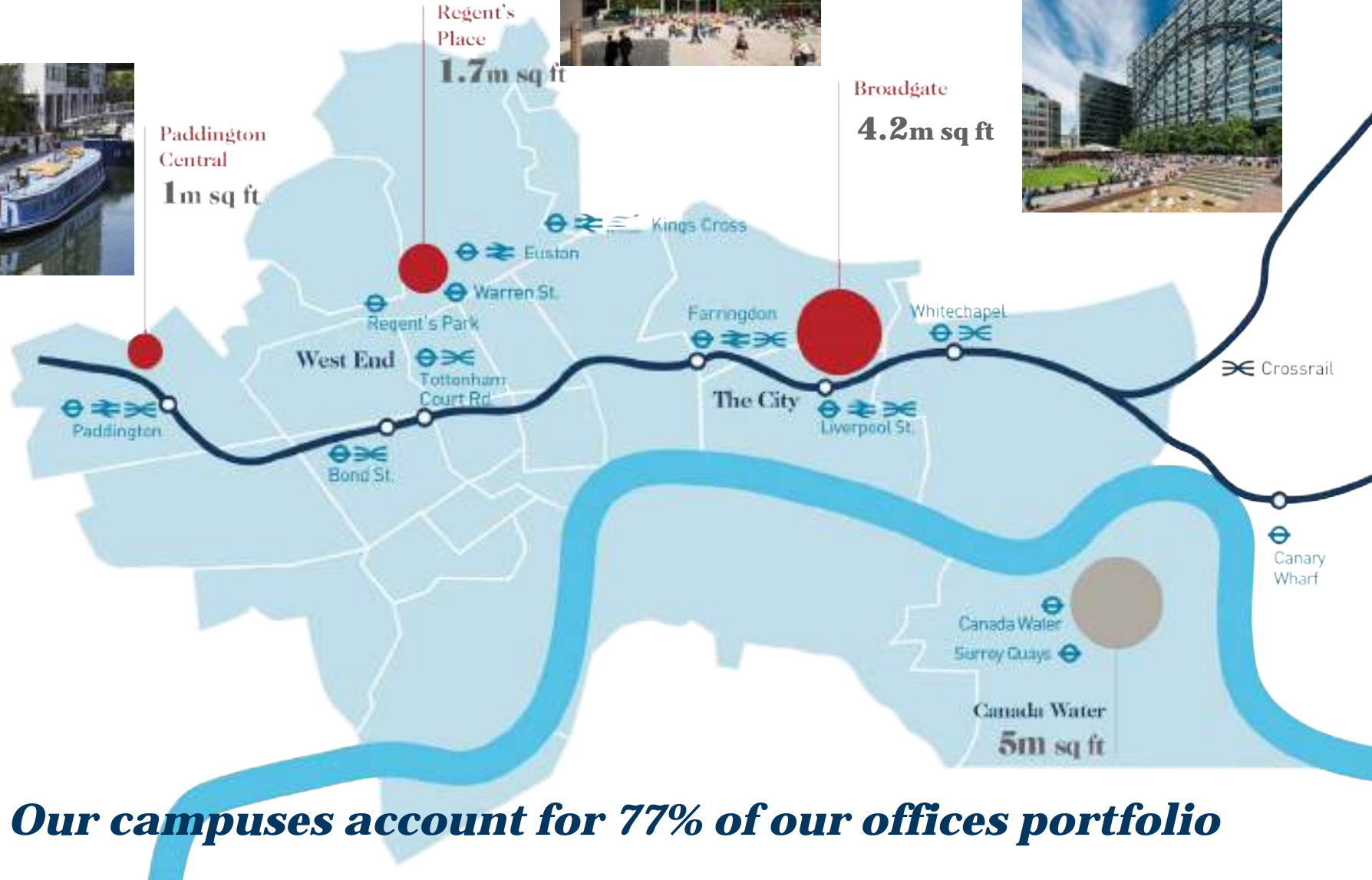
Paddington Central
1m sq ft



Regent's Place
1.7m sq ft



Broadgate
4.2m sq ft



Our campuses account for 77% of our offices portfolio

Why our campuses are unique



1 Act as a social hub



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Technology-enabled smart places



2 Diverse retail and leisure offering



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Well connected and accessible



3 Promote collaboration



7

Safe, pedestrianised environments



4 High quality facilities and amenities



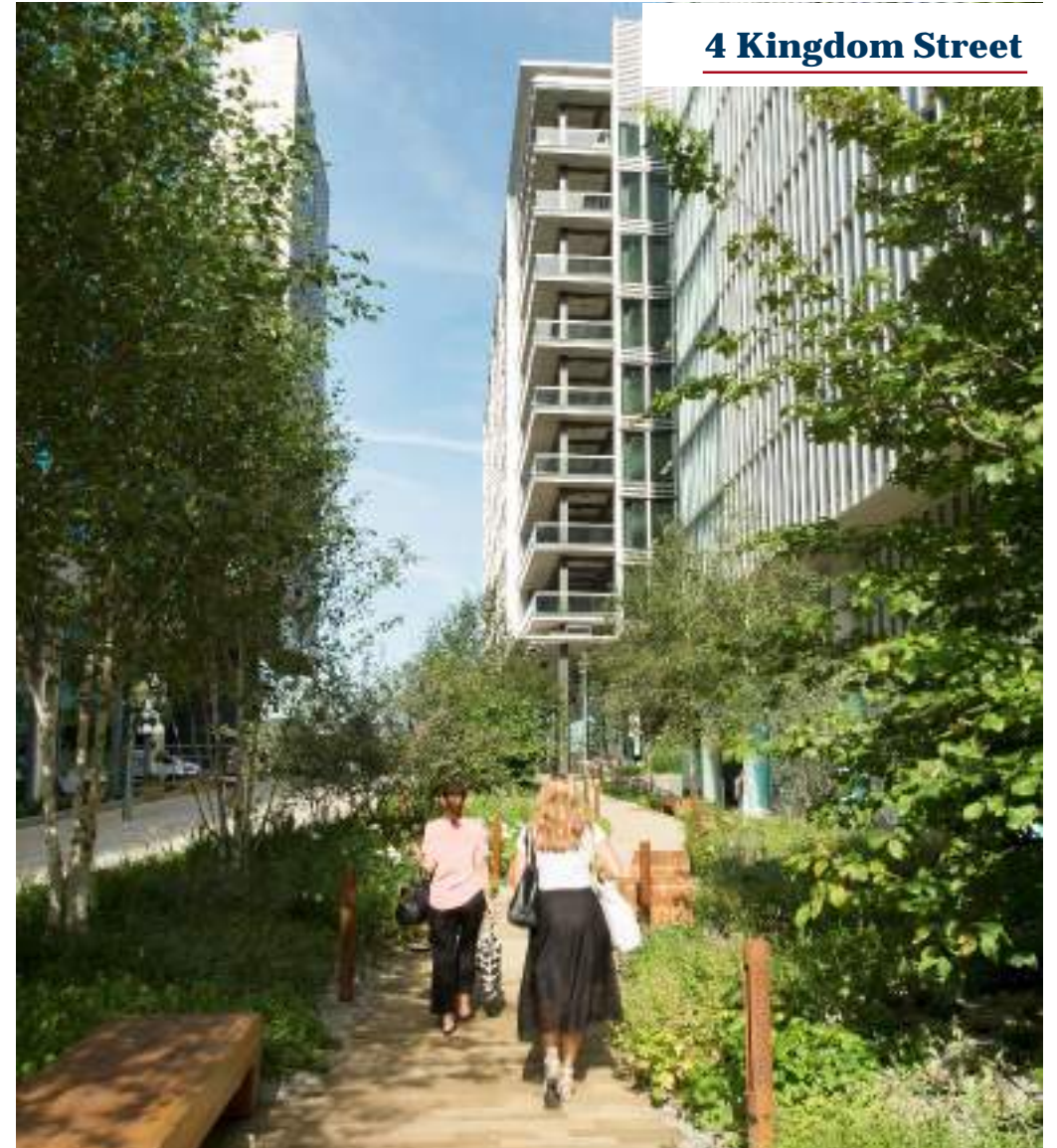
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Sustainable and eco-friendly

Our campus strategy enables us to respond to changing needs

Development is a driver of performance

- **Committed development pipeline doubled to 1.6m sq ft**
- **Commitments during the year**
 - **1 Triton Square:** fully pre-let to Dentsu Aegis
 - **1FA:** 79,000 sq ft pre-let to Mimecast and 11,000 sq ft pre-let to Everyman
 - **135 Bishopsgate:** 42,000 sq ft pre-let to Eataly and under offer on 269,000 sq ft
- **Important contributor to FY18 performance**
 - £112m of capital uplift
- **Improved rental tone at Paddington**
 - Recently completed 4 Kingdom Street uplift of £46m
 - driving valuation uplift of £73m across campus



Broadening our offer, reflecting customer needs

Business needs are evolving...



Adapting to
changing
environment



Productive workforce



Attract and retain
talent



Optimising cost base

Role of real estate is changing...



Brand and culture



Accessibility

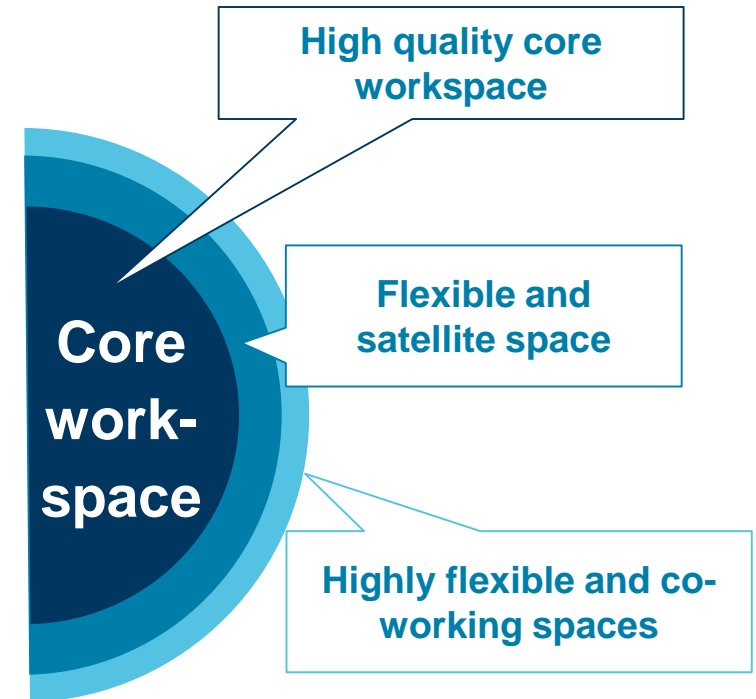


Human experience &
amenity



Affordable and flexible

Driving demand for different workspaces



Progress at Storey

- Established to meet the growing need for flexibility from:
 - SMEs, particularly tech focused
 - Larger corporates looking for project or overflow space
- Fully serviced space, contracts between 1-3 years
- Good performance to date:
 - 114,000 sq ft launched, with space at each campus
 - Occupancy at 77%
 - Average contract 27 months
 - Premium to net effective ERV is 48%; long term expect c. 20%
- Committed to a further 119,000 sq ft
 - Including 73,000 sq ft at 1FA



Appold Street



4 Kingdom Street

Our approach is delivering

- **1.2m sq ft office leasing activity in FY18**
 - 4x the volume achieved in FY17
 - 5.6% ahead of ERV
 - Representing 7.3% of central London take up

Strong start to the year

- **55,000 sq ft signed**
 - 11,000 sq ft to Everyman Cinema
 - 44,000 sq ft tech lettings at 3FA
- **Further 146,000 sq ft placed under offer**



De-risked development pipeline focused on campuses



Committed pipeline

- ERV of £63m
- 63% pre-let or under offer on committed development

Near term pipeline

Completions 2019 onwards

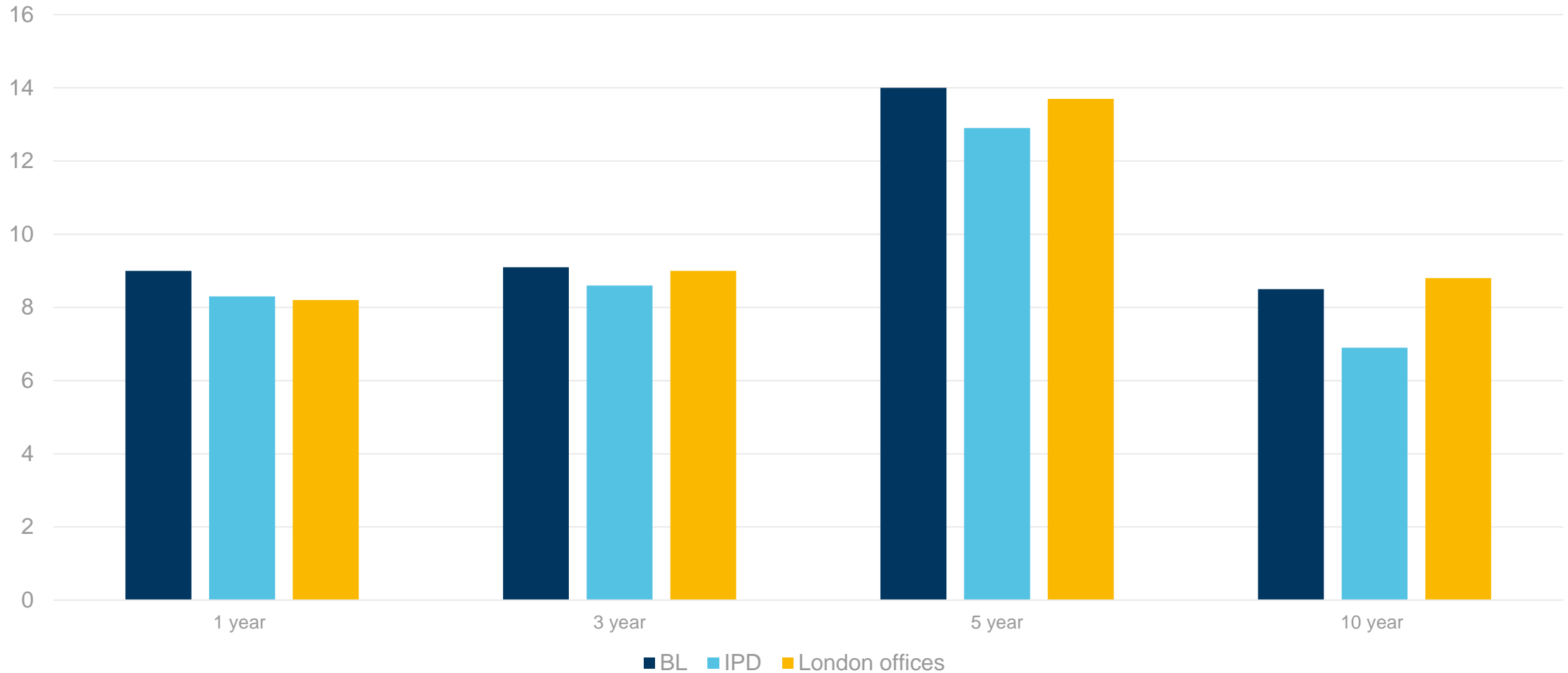
- ERV of £30m
- Planning consent achieved on 77%

Medium term pipeline

Attractive development opportunities including 5m sq ft at Canada Water

Our strategic approach has been good for performance

Total return vs IPD



FY18 valuation +4.5% with a total return of 9%, outperforming the market

Conclusion

- Unique campus strategy
- Significantly de-risked development pipeline
- Broadening our offer and transforming our campuses
- Widening occupier demand, driving performance



Investor Event, 20 June 2018

BROADGATE

Our vision

To transform the
Broadgate
neighbourhood into a
world class, seven
day, mixed use
Central London
destination



Broadgate – then

1980s corporate campus – a clear reflection of customer needs

- Large, prestigious buildings
- Safe and pedestrianised
- City-focused
- Deliberately inward looking

Innovative focus on public space – a distinctive feature of the campus

Completed redevelopments include

- 199 Bishopsgate
- 201 Bishopsgate
- Broadgate Tower
- Broadgate Circle
- 5 Broadgate



Businesses in and around Broadgate include leaders in finance, tech, media and consumer goods



OLD STREET

SHOREDITCH

SPITALFIELDS

CLERKENWELL

BARBICAN

THE CITY

WHITECHAPEL

BROADGATE

Broadgate surrounds Liverpool Street station: London's most important transport hub on Crossrail





Broadgate Circle



FRANCO MANCA

YAUATCHA

YAUATCHA

Finsbury Avenue
Square



An architectural rendering of Exchange Square, a modern urban plaza. The scene is dominated by two large, multi-story buildings. The building on the left features a prominent, dark, curved metal structure that arches over a walkway. The building on the right is a mix of brick and glass. In the foreground, a paved walkway leads through a lush garden area with various plants, including purple flowers and tall, thin stalks. Several people are depicted in the scene, including a man carrying a child on his shoulders, a woman walking a dog, and a couple walking away from the camera. The overall atmosphere is bright and sunny, suggesting a pleasant day in a well-designed public space.

Exchange Square

Award winning
Winter Forest at
Broadgate



A Sense of Space





THE CURTAIN

3 mins



THE NED

10 mins



NOBU

6 mins

46 major hotels are in development or have just launched within a 1 mile radius of Broadgate

Broadgate – the next phase

Move of UBS into 5 Broadgate created a unique opportunity to redevelop nearly one third of the campus

Released 3 buildings for development

- 100 Liverpool Street
- 1 Finsbury Avenue
- 2-3 Finsbury Avenue

At the same time RBS vacated 135 Bishopsgate

Well placed to start development

- 97% occupancy
- Plan envisaged a mix of space and phased delivery
- Addressed lease expiry profile through re-gears, including 132,000 sq ft extension at Boardwalk House to Credit Agricole and meanwhile uses at 2 & 3 FA



3 developments
delivering over 1m sq ft
of space
45% pre-let or under offer



100 Liverpool Street
PC Q120



1 Finsbury Avenue
PC Q119



135 Bishopsgate
PC Q219

100 Liverpool Street

Committed to a full redevelopment in December 2016

- 522,000 sq ft including 90,000 sq ft retail
- Net increase of 89,000 sq ft
- PC Q120

Amongst the smartest, best connected space in London

- Single digital spine that connects systems within the building
- WiredScore platinum rating for internet connectivity and infrastructure
- Well Gold certification for wellbeing

Broad mix of space

- Flexible floor plates to cater to a range of occupier needs
- 90,000 sq ft retail
- 20,000 sq ft outside terraces

161,000 sq ft pre-let to SMBCE, the European subsidiary of Japanese bank SMBC



The 15,000 sq ft lobby is a welcoming and inviting space, with a central coffee bar and collaborative working





Entrances and innovative lobby concept by Universal Design Studio, the designers behind Ace Hotel Shoreditch





& alternative Tales

& alternative Tales

J. SALONE

100

CAM

CAM

1FA

Refurbishment

- 291,000 sq ft, including 45,000 sq ft retail and leisure

Completion in Q119

- Coinciding with the launch of Crossrail
- Phased delivery of committed developments

90,000 sq ft pre-let:

- 79,000 sq ft to Mimecast
- 11,000 sq ft to Everyman Cinema

73,000 sq ft allocated to Storey





1FA's boutique cinema, gym and innovative retail spaces open out onto Finsbury Avenue Square and its year-round arts programme

Neil Murray, co-founder at Mimecast

“British Land’s progressive approach will ensure our new London office at 1FA is great for collaboration, innovation and relaxing at the end of the day.

“The restaurants and shops, roof terraces within the building and relaxed outdoor space of Finsbury Avenue Square, **will create an enviable working environment to help attract the best of Europe’s largest pool of tech talent”**



135 Bishopsgate

Further differentiated offer

- 21st Century warehouse space
- 328,000 sq ft

Completion in Q219

- Coinciding with the launch of Crossrail
- Phased delivery of committed developments

Virtually fully pre-let or under offer

- 42,000 sq ft pre-let to Eataly
- Under offer on 269,000 sq ft of office space





1-2 Broadgate

507,000 sq ft
development including
160,000 sq ft retail

340,000 sq ft offices
with up to 28,000 sq ft
of terraces on each
floor

Connects Finsbury
Avenue Square with
retail at 100 Liverpool
Street and the
Broadgate Circle to
create a 350,000 sq ft
retail, F&B and leisure
hub

Expect to submit
planning Autumn 2018



2&3 FA

Consent in place for a
563,000 sq ft
development

Currently retaining
optionality through
short term lettings





140,000 sq ft short term lettings
across 2-3FA



STARLING BANK



VIETNAMESE STREET EATS



TESSIAN





Delivering Retail

Claire Barber

Our Vision

To transform
the Broadgate
neighbourhood
into a world
class, seven
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Footfall

Every year 120 million people pass through Liverpool Street Station compared to:

Heathrow	76m
St Pancras	50m
Westfield Stratford	49.5m
Covent Garden	42m
Bluewater	28m
Westfield London	28.5m
Brent Cross	12m



TOTAL RETAIL FLOOR SPACE

525,000

177% increase

RESIDENTS

9.3M

within our modelled retail catchment

WORKERS

882K

within an 18 minute travel time

2022

CATERING

£205M

61% increase

RETAIL SPEND

£408M

75% increase, outperforming
Canary Wharf, Spitalfields and
Marylebone

TOTAL SPEND

£613M

70% increase



Existing occupiers

JOSÉ PIZARRO

José Pizarro

"We had so many customers from here: everyone was saying why aren't you opening in Broadgate? So I did and it's been just perfect for me."



YAUATCHA



ISLAND POKÉ

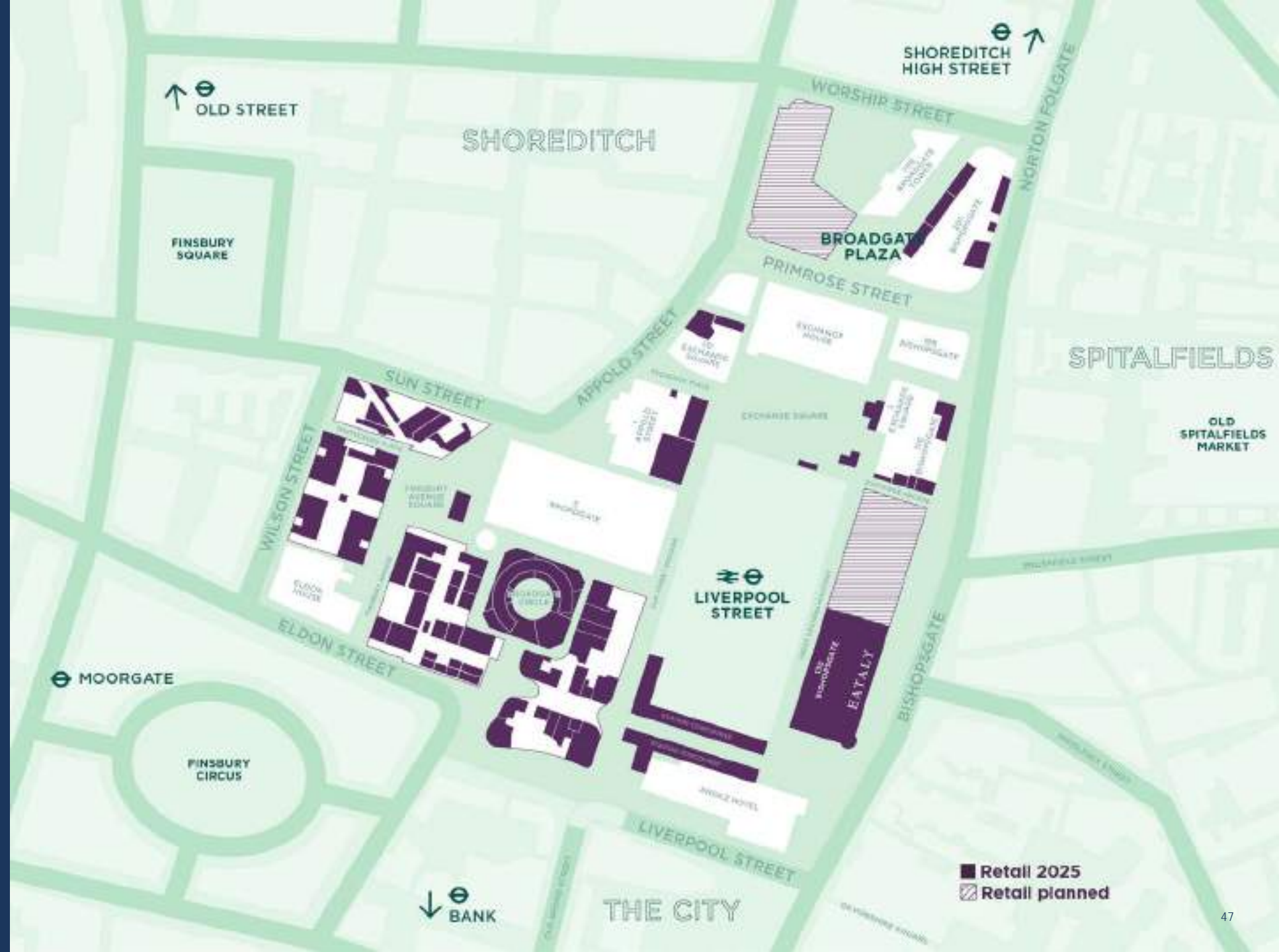


YOLK

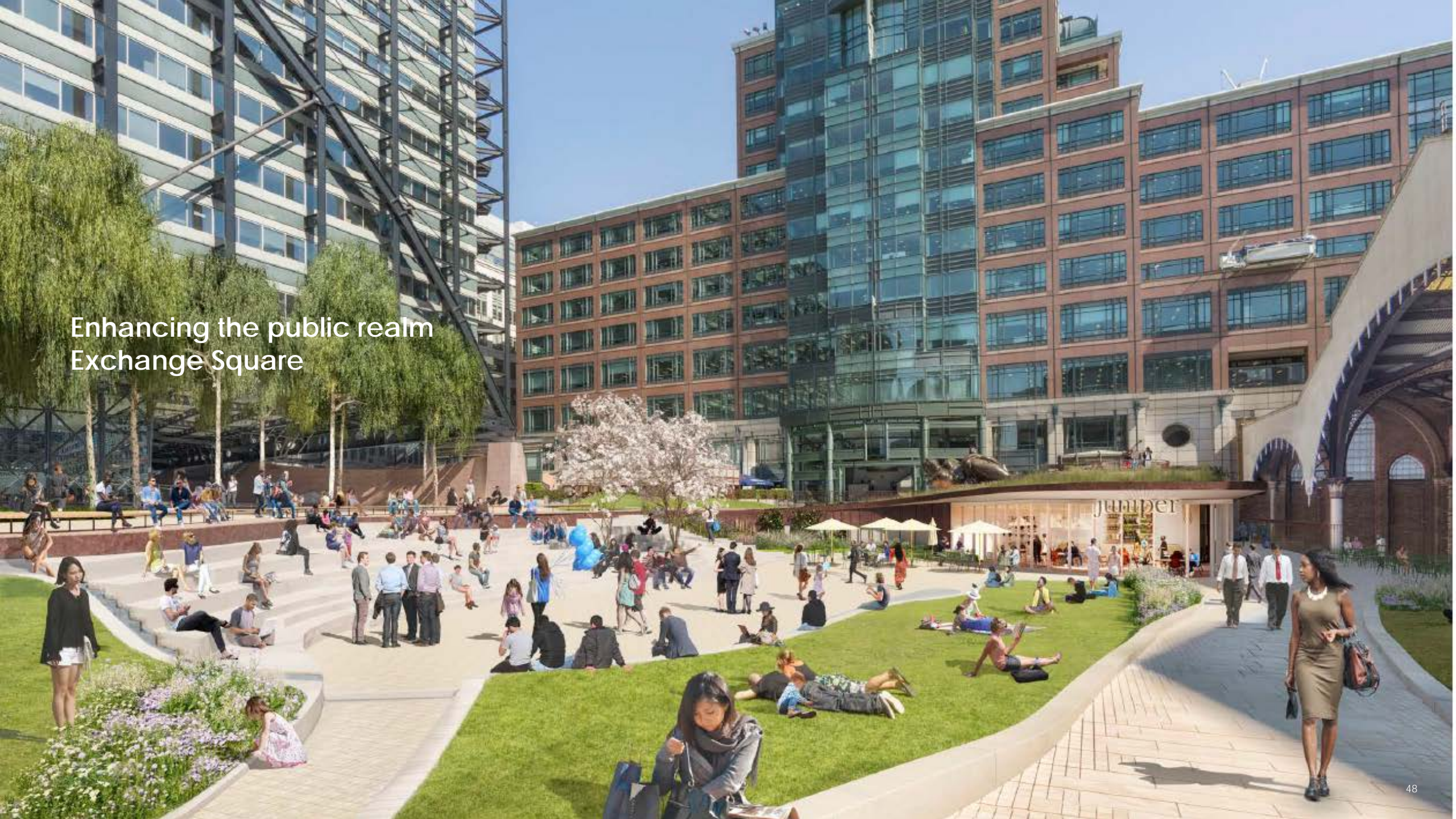
"Broadgate gave us a chance. They trusted in a new business because they believed in us and the concept."

Retail vision: tomorrow

Broadgate retail 2025:
500,000 sq ft



Enhancing the public realm
Exchange Square





Eataly

“Visiting Borough Market before opening our first Eataly in Italy was a source of great inspiration for our concept. This is why opening a place in London where people can buy, eat and learn is a very important and exciting milestone for us. This is real London. It is not touristic.”

Luca Baffigo, Eataly



Our neighbours

Some of London's best food and drink,
retail and entertainment within short reach

46 major hotels in development or
launched within a 1 mile radius

Some of the most prominent gym
operators and leisure offerings





Coming soon
EVERYMAN

**Coming to Broadgate in 2019,
a new 3-screen cinema from this
boutique operator**

“We think this incredible part of London and its innovative spirit needs a boutique cinema like Everyman. And we particularly liked Broadgate’s focus on people and on providing a great experience, with its public squares, outdoor dining and plans to become a retail destination.”

—
Crispin Lilly, Everyman

100 Liverpool Street



1FA





90,000 sq ft of premium, multi-level
retail spaces by Hopkins Architects

A flavour of what's to come





Hello

Coffee

FINSBURY BRASSERIE

1FA

The dual entrances onto Wilson Street and Finsbury Avenue Square, with retail and restaurants at ground floor level, will further link Broadgate into the surrounding neighbourhood

1-2 Broadgate

160,000 sq ft retail
over 3 floors



Strong demand for
our retail space



Improving the experience
for our customers



Role of the Store



Showroom



Transaction



Fulfilment



Q&A