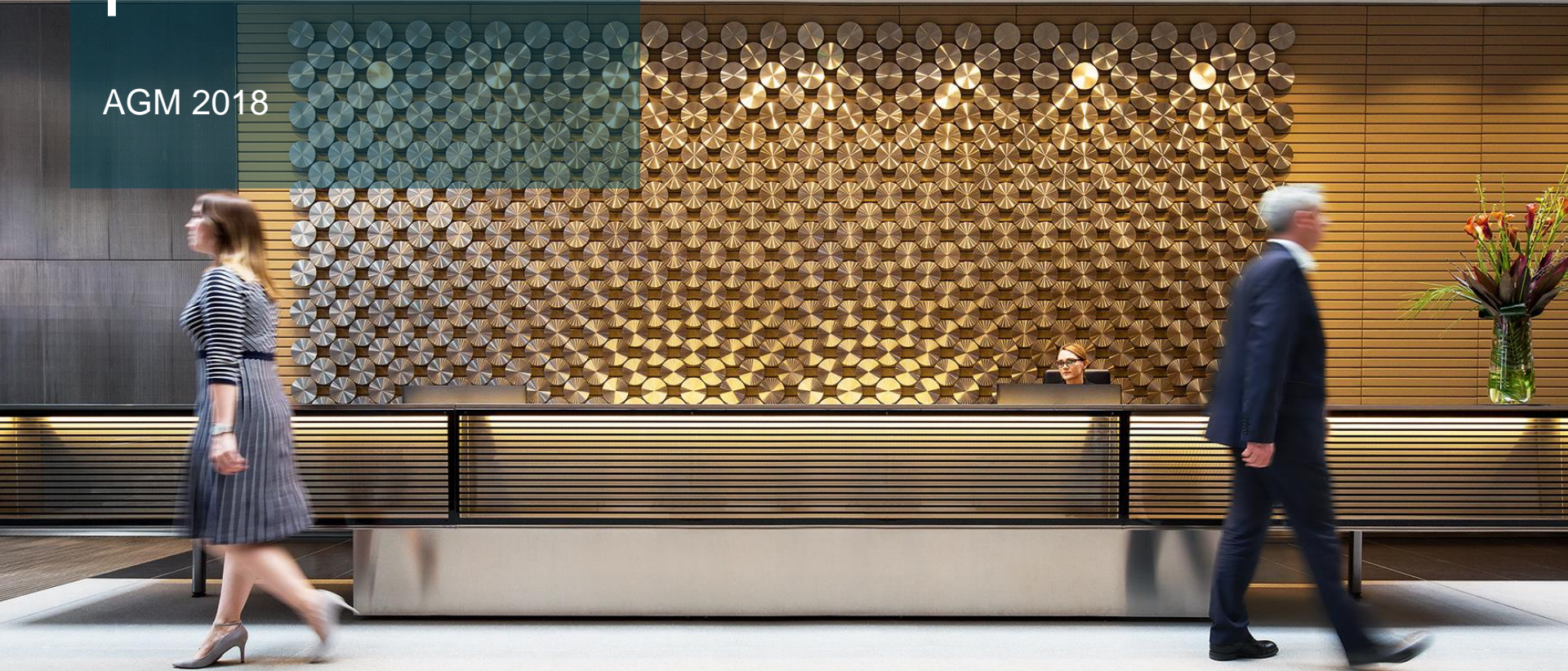


Great Portland Estates plc



# A year of unlocking potential

AGM 2018



# Strong Results



31 March 2018	12 months	H2	H1
Property Valuation <sup>1</sup>	+2.9%	+1.9%	+1.0%
<i>Developments</i> <sup>1</sup>	+7.0%	+6.2% <sup>2</sup>	+1.6% <sup>3</sup>
Portfolio ERV movement <sup>1</sup>	+0.3%	(0.4%)	+0.7%
Total Property Return	+5.5%	+3.1%	+2.4%
EPRA NAV per share	+5.8%	+3.9%	+1.8%
EPRA Earnings per share	+17.9%	+20.0%	+15.7%

1. Like-for-like, including share of joint ventures 2. Based on development properties at 31 March 2018  
 3. Based on development properties at 30 September 2017

# Financial Highlights



<b>Balance Sheet</b>	<b>March 18</b>	<b>March 17</b>	<b>Change</b>
Portfolio value <sup>1</sup>	£2,790.0m	£3,145.5m	+2.9% <sup>2</sup>
EPRA NAV per share <sup>3</sup>	845p	799p	+5.8%
EPRA NNAV per share <sup>3</sup>	842p	782p	+7.7%
Loan-to-property value	11.6% <sup>4</sup>	18.3%	(6.7pps)

<b>Income Statement</b>	<b>March 18</b>	<b>March 17</b>	<b>Change</b>
EPRA Earnings <sup>3</sup>	£66.5m	£59.3m	+12.1%
EPRA EPS <sup>3</sup>	20.4p	17.3p	+17.9%
Dividend per share	11.3p	10.1p	+11.9%

	<b>March 18</b>	<b>March 17</b>	<b>Change</b>
Total Accounting Return	7.1%	(4.6%)	+11.7pps

1. Including share of JVs 2. Like-for-like change 3. On an EPRA basis

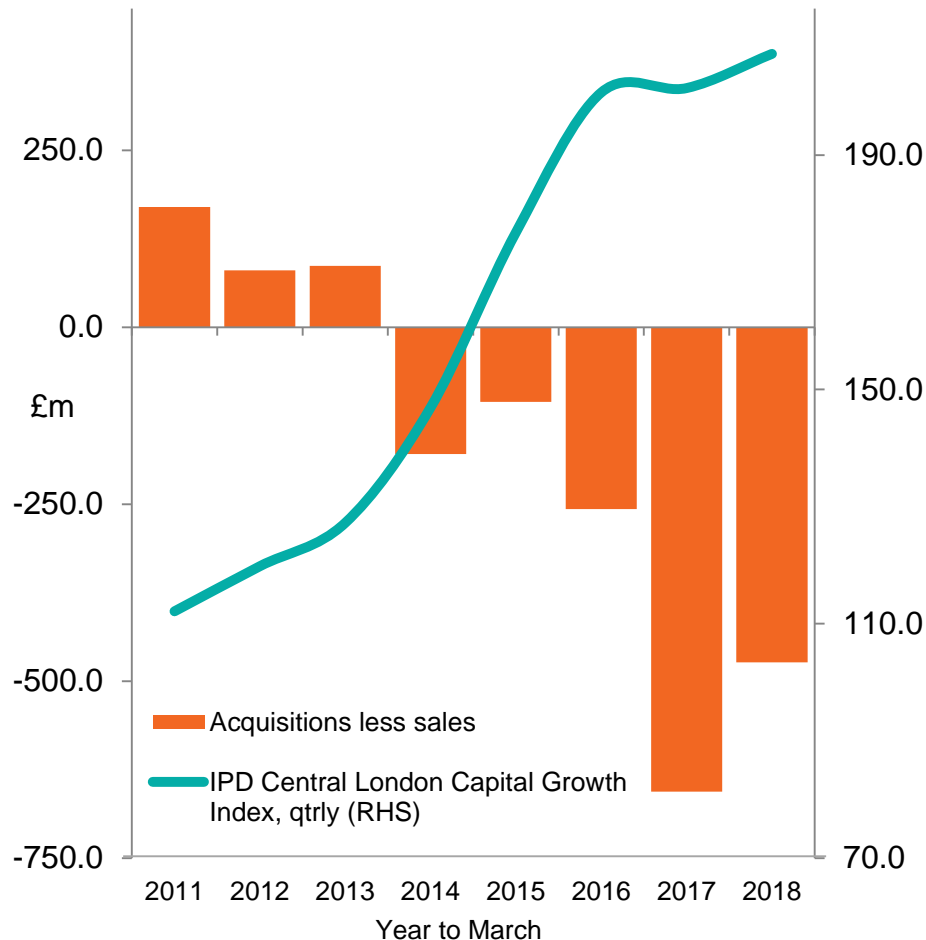
4. Pro forma for £306m capital return, sales completed since 31 March 2018 and draw down of £100m USPP notes

# Executing Our Strategy

## Net sales & investing in organic growth



### GPE Acquisitions less Sales<sup>1</sup>



### Phase

<b>De-risk</b>	Net seller
<b>Execution</b>	Leasing
	Reversion capture
	Development starts
	Pipeline preparation
<b>Acquisition</b>	Ready to invest

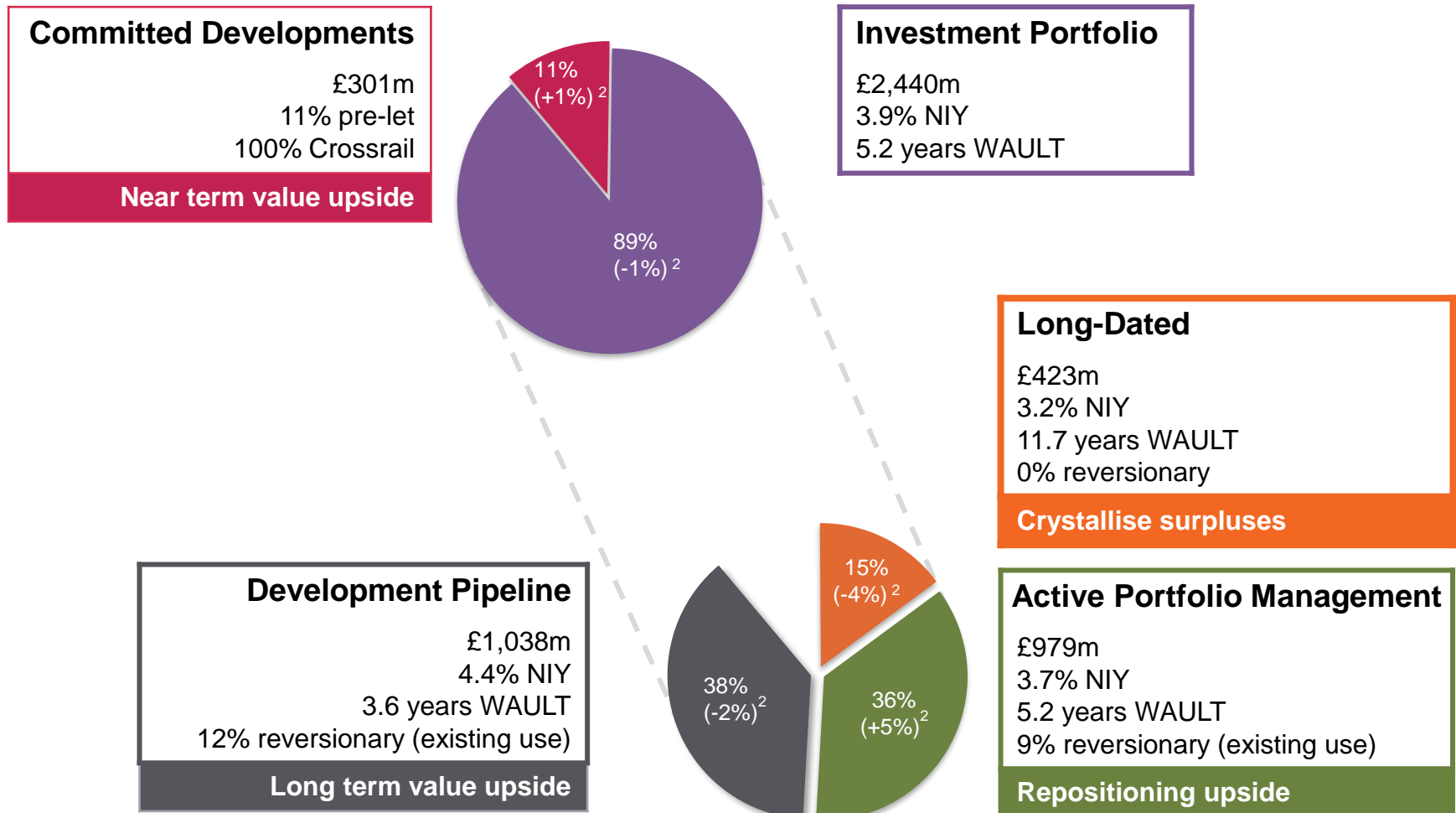
### FY 2018 Operational highlights

- Accretive sales: £329.0 million
  - 5.4% ahead of book value
- Successful development completions
  - 3 schemes finished; 90% let or sold
  - 3 schemes started, 0.4 million sq ft; 16% anticipated profit on cost
- Strong leasing and capturing reversion
  - £31.1m of lettings; 2.6% > ERV
  - 12% reversionary (46% due by March '19)
- Good start to FY 2019
  - £2.5 million of lettings<sup>2</sup> in Q1; 1.9% > ERV
  - £4.4 million under offer; 4.4% > ERV

1. Includes share of Joint Ventures

# Opportunity

## Long term organic growth<sup>1</sup>



# Committed Project

## Hanover Square, W1

GREAT  
PORTLAND  
ESTATES

**Scheme area** 221,300 sq ft

### Over Station Development<sup>1</sup>

- 133,900 sq ft offices; 10,600 sq ft retail
- 57,200 sq ft pre-let to KKR
  - Avg £115 psf; 15 year term
  - 36.6% of total office ERV
  - 25.8% of total scheme ERV
- Further leasing interest
- Land buy back process commenced
- Anticipated construction start Q3 2018

### New Bond St / Brook St

- 33,300 sq ft offices; 31,300 sq ft retail; 12,200 sq ft resi
- Construction commenced
- Retail marketing campaign Q3 2018
- Targeting pre-lets

### Scheme completion Q3 2020

GPE profit on cost	16.1%
Ungearred IRR	9.1%
Development yield	4.5%

1. Including 20 Hanover Sq

# Pipeline Update

## 13 schemes



	New build area (sq ft) <sup>1</sup>	Opportunity Area	Earliest Start	Next Steps
Whitechapel Courtyard Sites, E1	19,000	Crossrail	2019	Planning application
City Place House, EC2	176,600	Crossrail	2019	Planning application
50 Finsbury Sq, EC2	126,400	Crossrail	2020	Planning application
52/54 Broadwick St, W1 <sup>2</sup>	47,000	Crossrail	2022-23	Design
31/34 Alfred Place, WC1	37,200	Crossrail	2023-25	Masterplanning with adjoining owners
Minerva House, SE1	120,000	London Bridge	2021-22	Design
New City Court, SE1	373,900	London Bridge	2021-22	Planning application
Kingsland/Carrington House, W1	51,400	Prime Retail	2022-23	Design
Mount Royal, W1	92,100	Prime Retail	2022-23	Design
95/96 New Bond St, W1	9,600	Prime Retail	2023-24	Design
35 Portman Square, W1	73,000	Core West End	2021-22	Design
French Railways House, SW1	75,000	Core West End	2021-22	Design
Jermyn St, SW1	133,100	Core West End	2021-22	Design
<b>Pipeline Total</b>	<b>1,334,300</b>			

1. Existing area used where insufficient design information exists 2. 52/54 Broadwick St & 10/16 Dufours Place, W1

# Opportunity

## Strategy: Consistent and clear

- Repositioning: rental and capital growth
- Recycling in tune with the cycle, crystallising profits
- Central London only: West End bias (70% today)

## London: Europe's World City

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

## Delivering our strategy

- Successfully executing asset plans
- Evolving product to suit changing occupier demand
- Ready to buy – but no need to; must be accretive
- Bringing exceptional developments into production
- Preparing pipeline; platform into 2020s
- Unprecedented financial strength; maintain discipline
- Highest proximity to Crossrail: 88% within 800m

