

Property Tour 26 June 2013

Unlocking potential

GREAT
PORTLAND
ESTATES



Successful Strategy is Delivering



1. Profitable developments

- Completed 2 schemes
 - 100% pre-let
 - 51% profit on cost
- Started 2 schemes
- 12/14 New Fetter Lane, EC4 pre-let
- 5 committed schemes
 - 63% pre-let
 - 34% profit on cost
- Planning submitted 509,000 sq ft
- Programme never been stronger
 - 25 schemes, 2.5m sq ft
- Platform into 2020's

3. Accretive recycling

- £184m⁴ sold
 - 2.8% NIY
 - 4.0% > book value
- £271m⁴ acquired, 10 properties
 - £112m post placing
 - 4.7% NIY; 5.4% EY
 - Multiple opportunities
 - 9 in development pipeline

2. Strong leasing & creative asset management

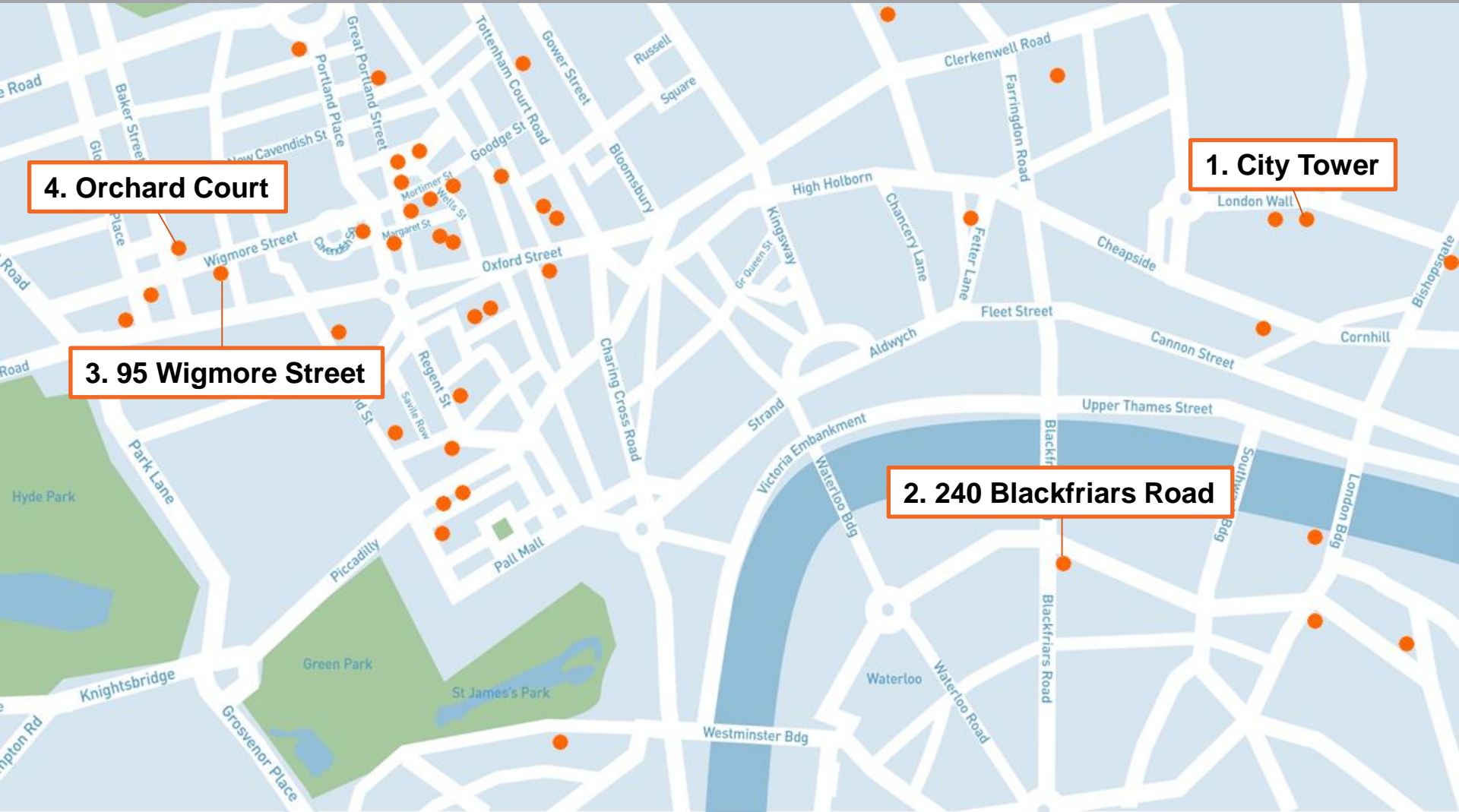
- £13.4m¹ pa rent in 84 lettings
 - 6.6%² > March 2012 ERV
 - 8.7% > ERV ex pre-lets
- Rental values \uparrow 4.9% vs market³ @ 3.9%
- Portfolio reversion \uparrow to 12.3% (Sept 2012: 11.3%)
- Since year end, £11.8m pa signed
 - 20.25 year pre-let at Fetter Lane
 - Pro forma void rate \downarrow @ 2.0%
 - A further £3.3m¹ pa under offer

4. Financial position remains strong

- Avg. interest rate \downarrow to 3.7%
- LTV \downarrow to 32.7%
- Debt maturity \uparrow to 6.9 years
- £282m cash / facilities = capacity for expansion

Strong performance, great shape

Agenda



City Tower, Basinghall St, EC2

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SKY LIGHT
CITY TOWER

City Tower, Basinghall St, EC2



- 140,200 sq ft city Core building
- Completion August 2013
- £46.25 psf ERV March 2013
- 26% let
- Positive tenant interest ahead of October launch
- Well specified space

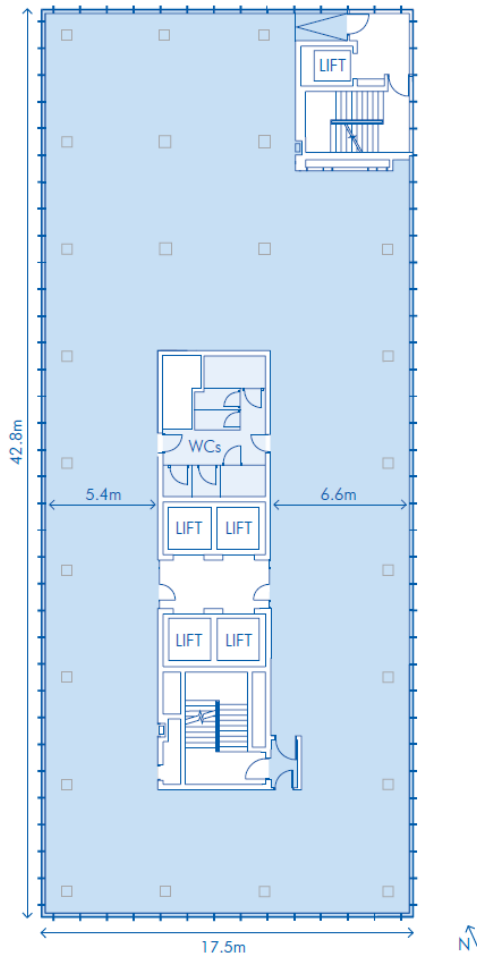
GPE profit on cost	28.3%
Ungearred IRR	24.1%
Yield on cost	8.2%



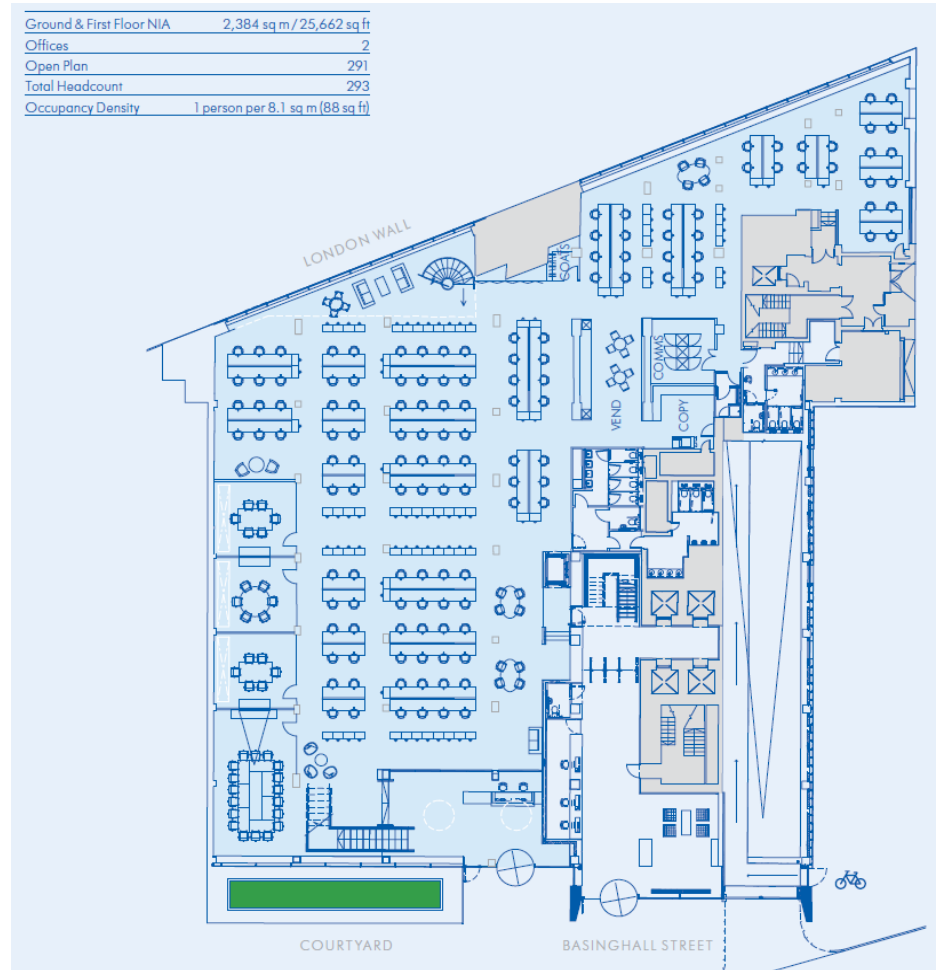
City Tower, Basinghall St, EC2



Typical Tower Floor (6,300 sq ft)



Podium floor – Skylight



City Tower, Basinghall St, EC2

CGI – podium floor

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City Tower, Basinghall St, EC2




Competing buildings¹



TOWER FLOORS

110 Cannon St, EC4	Heron Tower, EC2	1 London Bridge, SE1	125 Old Broad St, EC2	Monument Place, EC3
				
<ul style="list-style-type: none"> • 43,800 sq ft • Rent: £55 psf • Floorplate: 5,000 - 7,000 sq ft 	<ul style="list-style-type: none"> • 229,000 sq ft • Rent: £55 - £67.50 psf • Floorplate: 12,000 sq ft 	<ul style="list-style-type: none"> • 168,000 sq ft • Rent: £57.50 psf • Floorplate: 6,000 - 8,500 sq ft 	<ul style="list-style-type: none"> • 28,700 sq ft • Rent: £45 - £49.40 psf • Floorplate: 6,000 sq ft 	<ul style="list-style-type: none"> • 73,200 sq ft • Rent: £55 psf • Floorplate: 6,000 - 9,000 sq ft

PODIUM FLOORS

77 Queen Victoria St, EC4	Hanbury Street, E1	85 Clerkenwell Rd, EC2	20 Farringdon Rd, EC1	Commodity Quay, E1
				
<ul style="list-style-type: none"> • 25,000 sq ft • Rent: £50 - £55 psf • Self contained 	<ul style="list-style-type: none"> • 18,600 sq ft • Rent: £32.50 psf • Ground floor 	<ul style="list-style-type: none"> • 30,500 sq ft • Rent: £45 psf • Self contained 	<ul style="list-style-type: none"> • 26,500 sq ft • Rent: £29.50 psf • Ground floor 	<ul style="list-style-type: none"> • 143,000 sq ft • Rent: £47.50 psf • Floors of 25,000 sq ft

¹ Quoting rents where known

240 Blackfriars Road, SE1

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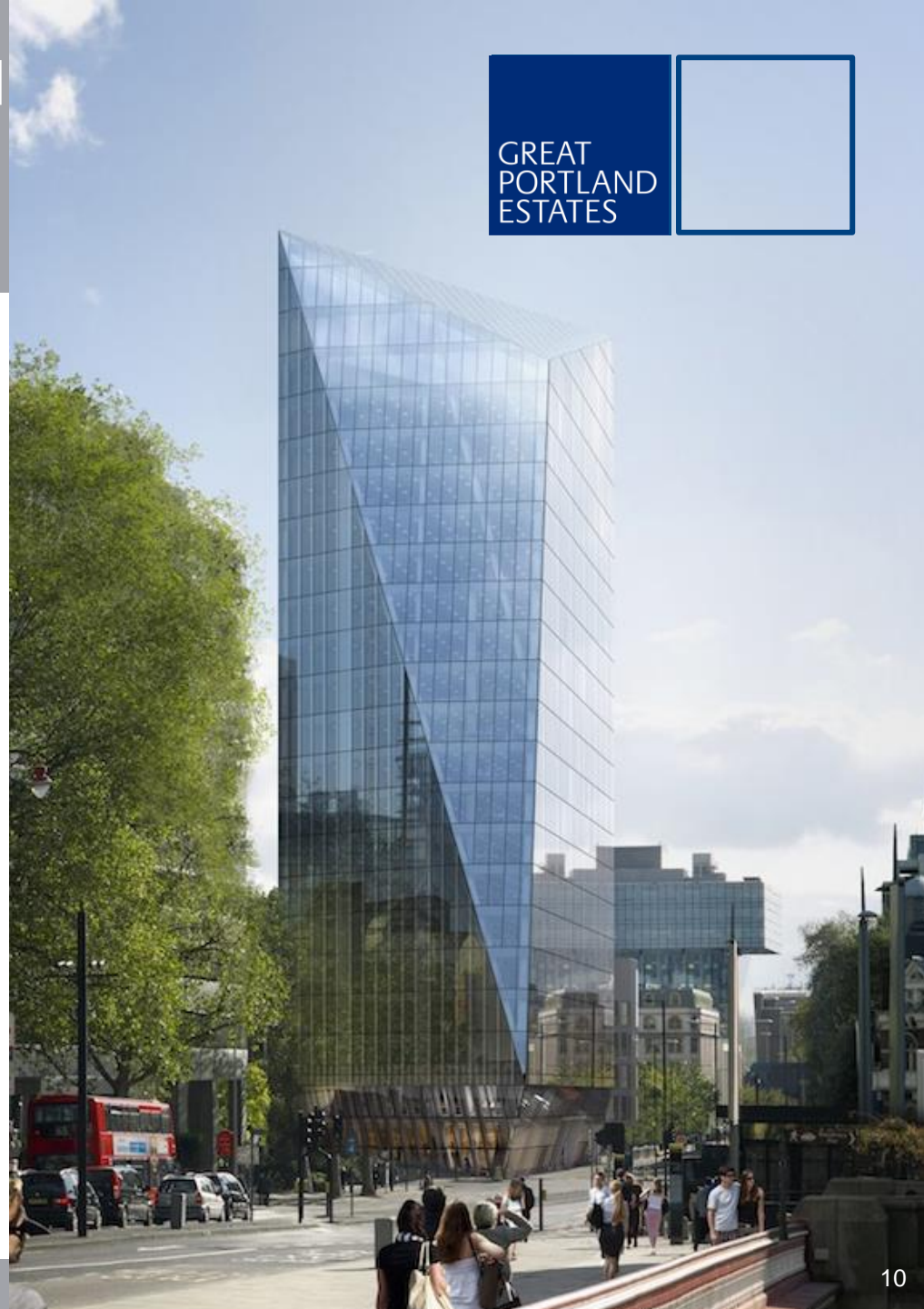


240 Blackfriars Road, SE1

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- 236,300 sq ft prominent South Bank building
- 47% pre-let to UBM
- Tenant interest in building
- £46.75 psf Office ERV March 2013
(non pre-let)

GPE profit on cost	39.0%
Ungearred IRR	25.0%
Yield on cost	8.3%



240 Blackfriars Road, SE1

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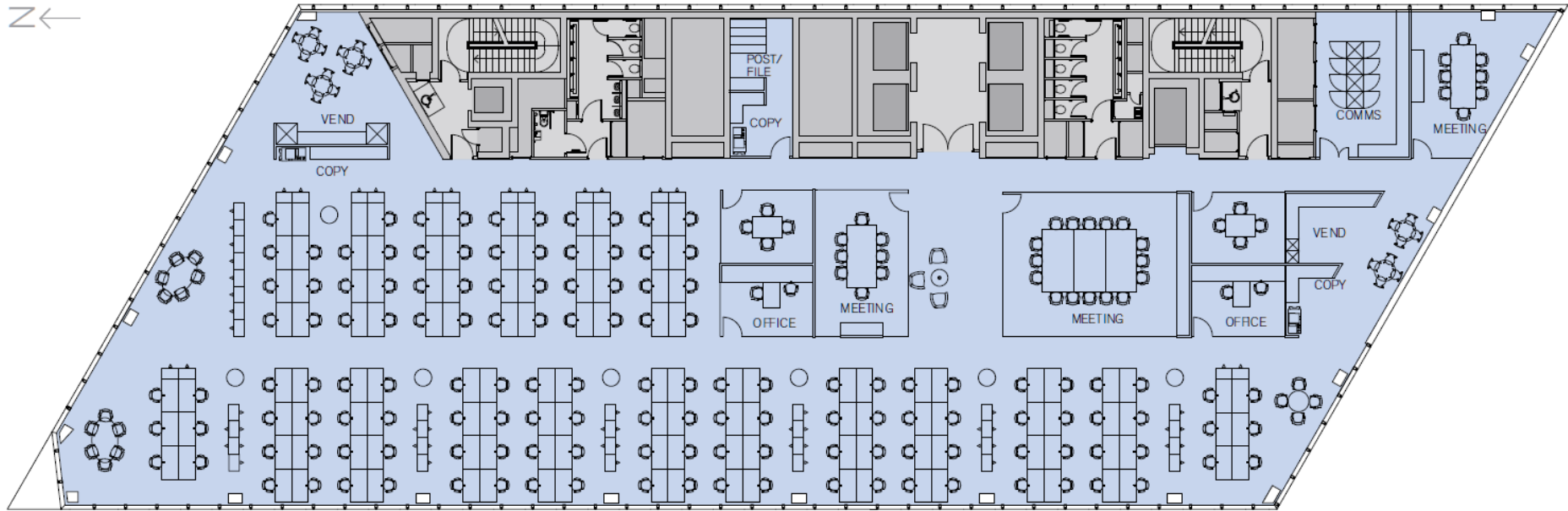
240 Blackfriars Road, SE1

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240 Blackfriars Road, SE1

Typical Tower Floor



NIA	1,120 sq m/12,056 sq ft
Open plan workstations	138
Cellular offices	2
<hr/>	
Total headcount	140
IPR per person	8 sq m/86 sq ft

95 Wigmore St, W1

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95 Wigmore St, W1



- Completion July 2013
- 112,300 sq ft prime office / retail space
- Office space 84% pre-let at £83.00 psf
 - 5% ahead of CBRE ERV Mar 12
- Good covenants
 - Bridgepoint
 - Lane, Clark & Peacock
- WAULT 12.9 years
- Strong interest in 12,900 sq ft 4th floor office and retail space

GPE profit on cost	51.7%
Ungeared IRR	25.7%
Yield on cost	7.3%



95 Wigmore St, W1

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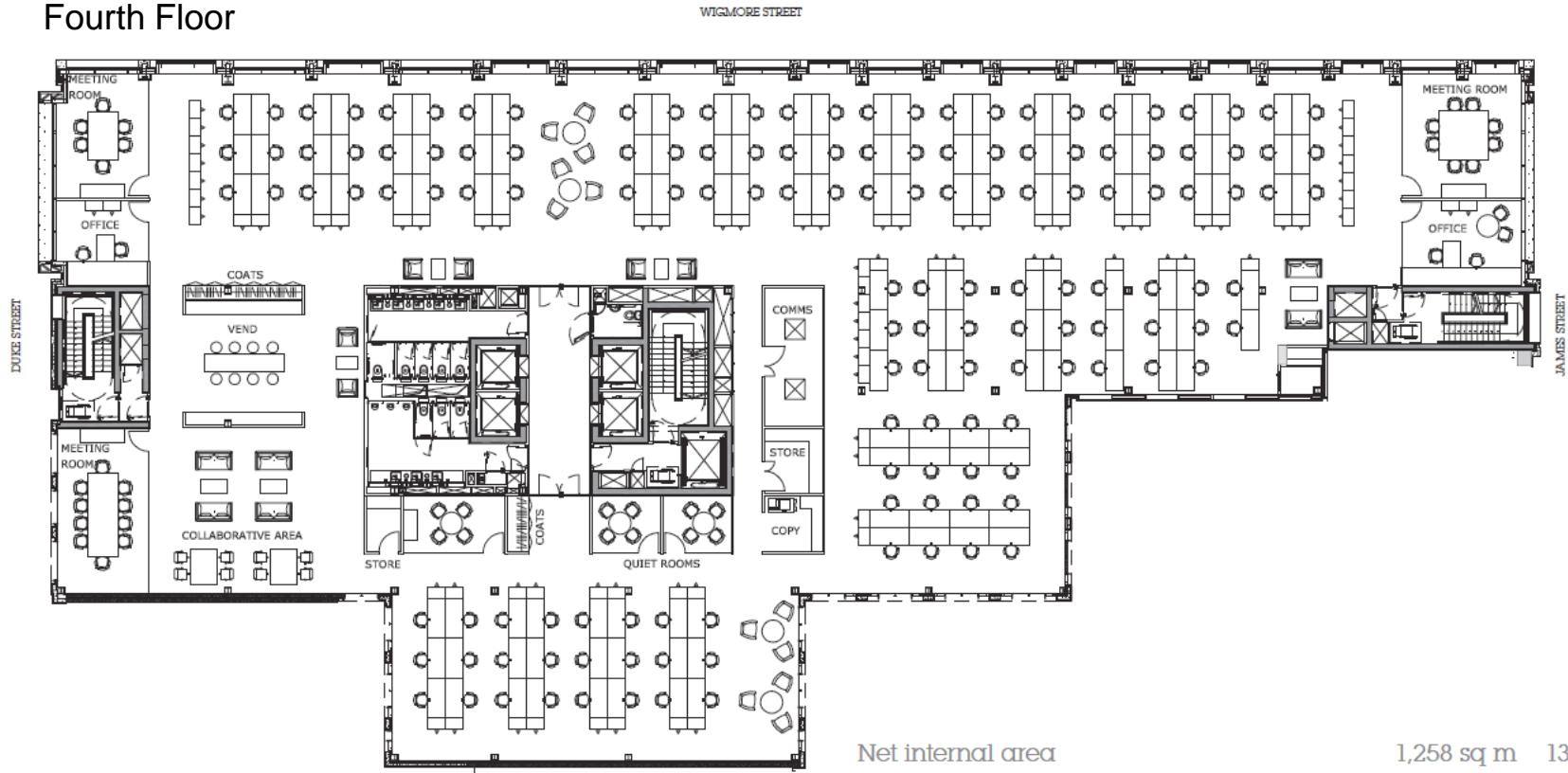


95 Wigmore St, W1

Last remaining office floor – now under offer



Fourth Floor



Net internal area	1,258 sq m	13,541 sq ft
Open plan workstation		144
Cellular offices		2
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Total headcount		146
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Occupancy per person	8 sq m	86 sq ft



Orchard Court, Portman Square, W1

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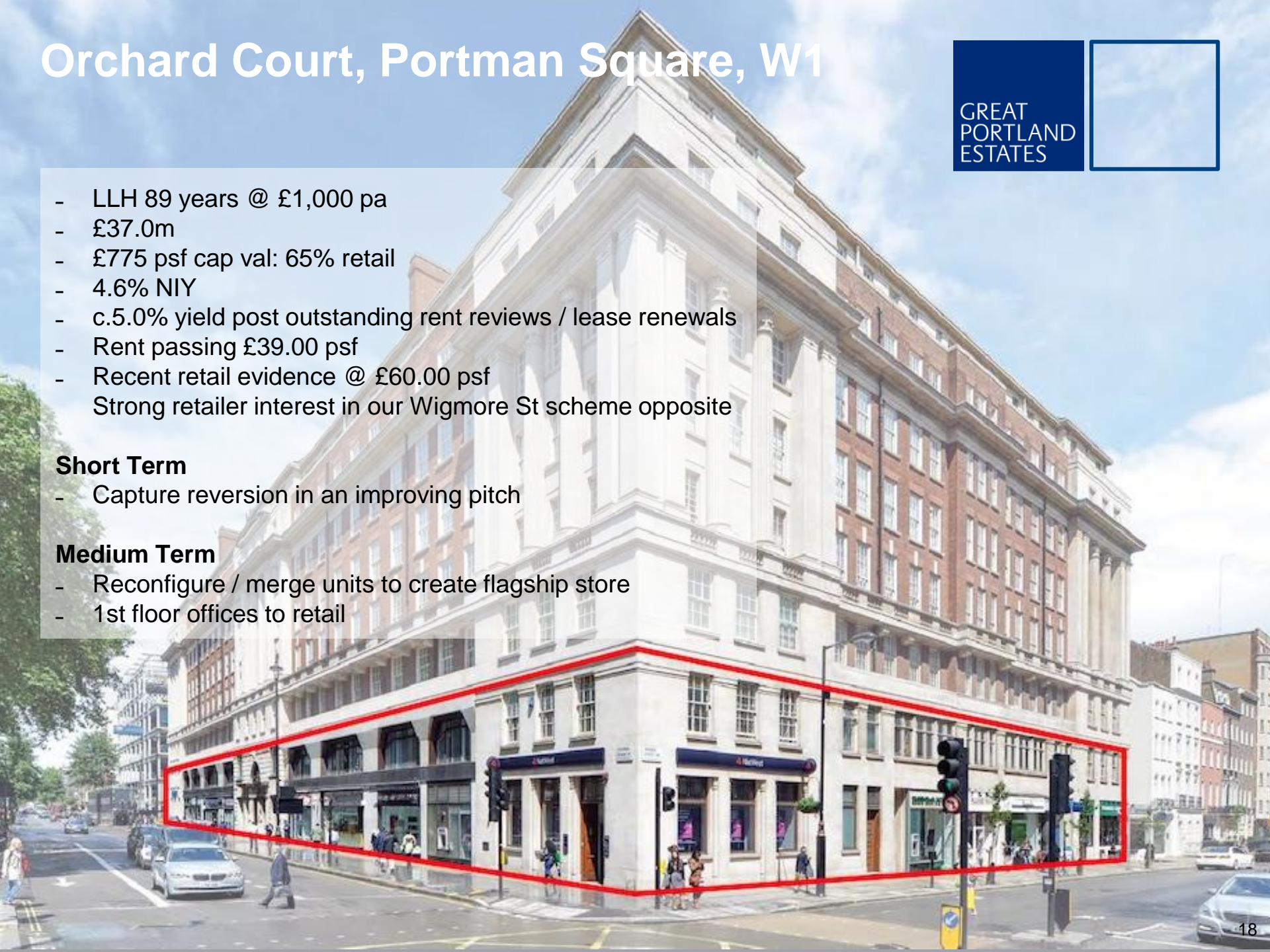
- LLH 89 years @ £1,000 pa
- £37.0m
- £775 psf cap val: 65% retail
- 4.6% NIY
- c.5.0% yield post outstanding rent reviews / lease renewals
- Rent passing £39.00 psf
- Recent retail evidence @ £60.00 psf
- Strong retailer interest in our Wigmore St scheme opposite

Short Term

- Capture reversion in an improving pitch

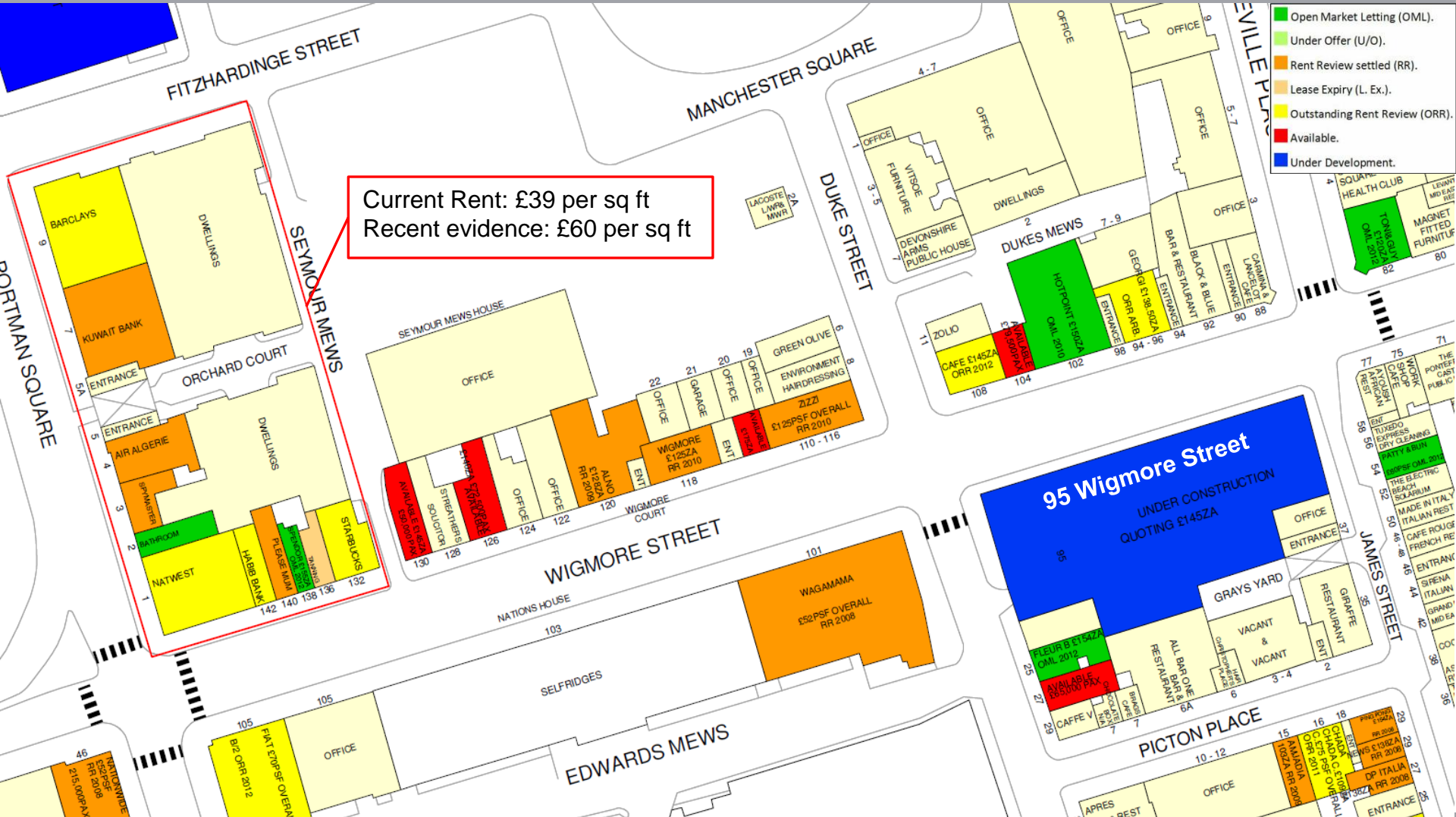
Medium Term

- Reconfigure / merge units to create flagship store
- 1st floor offices to retail



Orchard Court, Portman Square, W1

Reconfigure units, capture reversion



Orchard Court, Portman Square, W1



Opportunity

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Markets are supportive

- Supply to remain tight
- Demand for GPE space strong
- Investment market competitive
 - Yields stable: prime lower?

Strategy is clear

- Repositioning: low rents, low capital values
- Central London only: West End bias (81% today)
- Recycling: crystallising profits, replenish pipeline
 - Good buying track record
 - 53% of portfolio bought since 2009

Portfolio primed for growth

- Reversions to capture – beating ERVs
- Asset management to exploit: mark ERVs higher
- Near term development profits
 - 20 scheme pipeline
 - 2.5m sq ft total programme, 55% of portfolio

Outlook

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Strategy is delivering results

- Continue to beat IPD

Portfolio positioning excellent

Growth opportunity is material

Rents and capital values to rise

Financial strength

Confident outlook