

LondonMetric Investor Presentation

January 2020



AGENDA

- ▴ Highlights
- ▴ Market & Strategy
- ▴ Property & Finance
- ▴ Outlook
- ▴ Appendices



Key Highlights

Sector calls and income focus continue to deliver portfolio outperformance

- Portfolio aligned to structurally supported sectors
 - Distribution 69%¹
 - Long income 24%¹
- Urban logistics exposure grown during FY 20
 - £455m Mucklow portfolio integrated, strong income growth prospects
 - £120m other investments, WAULT 17 years
 - £148m of distribution disposals, mostly larger box
- Strong operational performance in H1
 - Total Property Return +3.5%, outperformance of 270 bps⁴
 - LFL income growth of 3.0%³
 - 52 portfolio initiatives, adding £3.1m rent

Portfolio

£2.2bn¹

from £1.8bn in March 19

Urban Logistics

37%¹

from 27% in March 19

WAULT

11.3 years

98.2% occupancy

Total Accounting Return

+2.5%

+3.9% ex Mucklow deal costs²

1. After adjusting for distribution disposals since 30 September 2019, some of which have exchanged but not completed. Including developments.

2. 2.5p transaction costs relating to the acquisition

3. On standalone LMP portfolio, excluding Mucklow

4. Compared to IPD All Property



Market Review

Online shopping and rising consumer expectations driving demand for logistics

Logistics

- Online adoption continues to grow
 - Shift remains profound and permanent
 - ‘Amazon Race’ with rising consumer expectations
- Logistics continues to perform
 - Supply chains requiring continual investment
 - Big box supply responding to demand, tempering rental growth
- Urban Logistics enjoying strong tailwinds
 - Perfect scenario of rising demand and falling supply
 - Benefiting from first mover advantage in a fragmented market

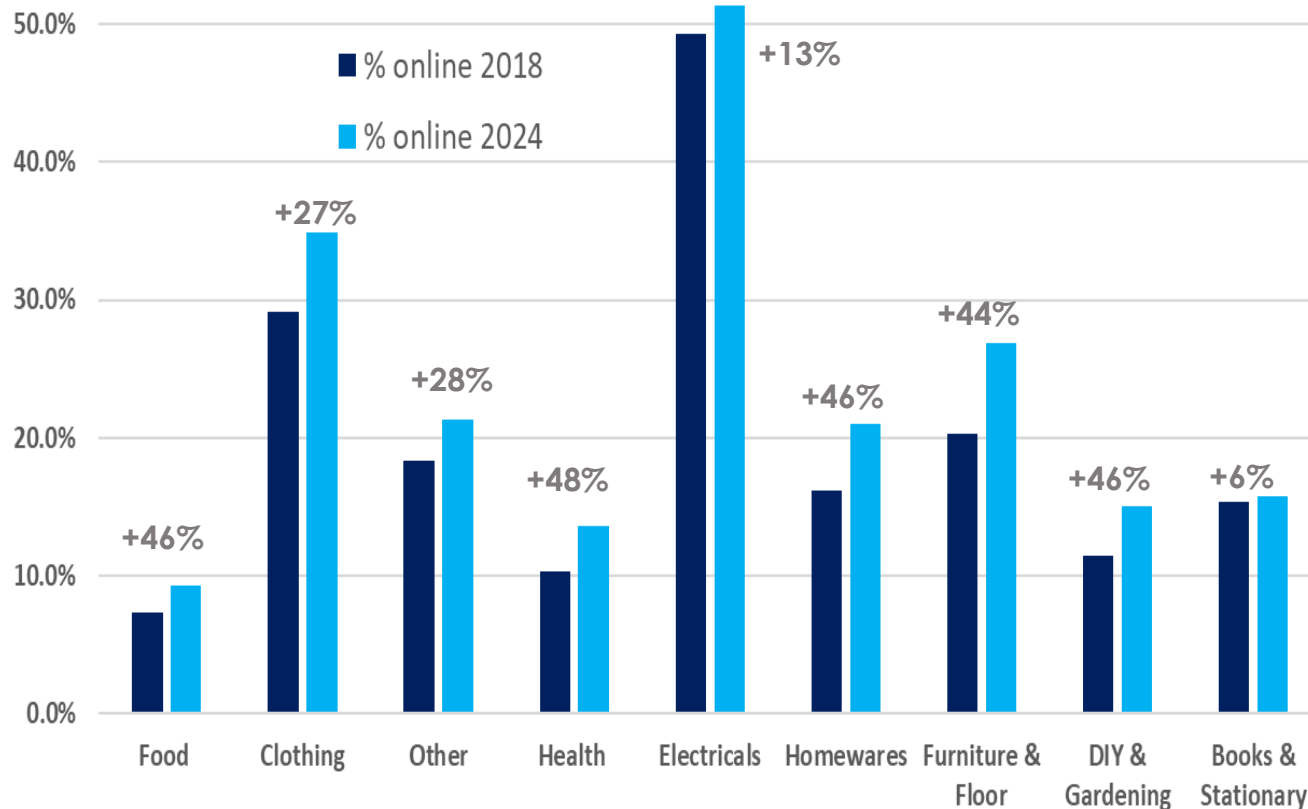
Physical Retail

- Headwinds strengthen
 - Further store closures are a guaranteed certainty
 - CVAs prove not a case of ‘prime’ v ‘secondary’
- Retailers continue to right size
 - Leases shortening, rents declining & incentives rising
 - Survivors are inheriting unprecedented pricing power
- Investment market remains challenging
 - Liquidity tightening and yields expanding
- Not all retail the same
 - Convenience & discount complementing online



Online retail adoption (UK)¹

Growth in online sales (by value) & online penetration (%)



Online sales (% of non food)

30.7% **36.8%**

2019

2024

Change over 5 years

+27% online sales

(+4.9% pa)

+3% store sales

(+0.6% pa)

1. Source: Global Data, Graph does not show entertainment component

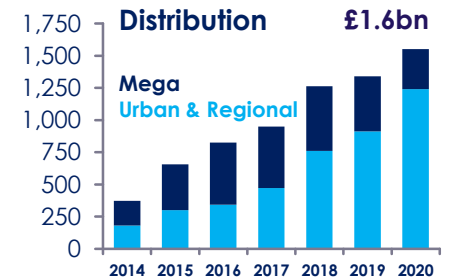


Strategy

Creating an “all weather” portfolio aligned to structural trends

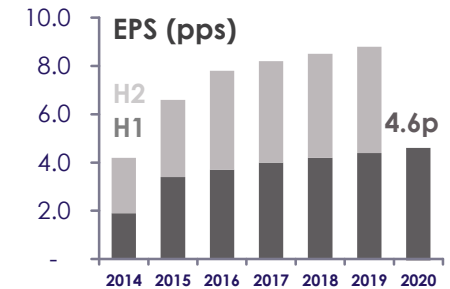
Distribution

- ▶ Distribution real estate underpins modern shopping habits
- ▶ Urban and regional logistics delivering superior rental growth
- ▶ Big box rental growth positive but trending slower



Long income

- ▶ Continued global search for yield
- ▶ Demographic shifts will continue to intensify search for income
- ▶ Repetitive & reliable income will deliver strong compounded returns



Portfolio Resilience

- ▶ Disciplined and rational approach
- ▶ Fit for purpose modern long let real estate
- ▶ Granularity & diversification of income



1. Source: Bloomberg as at 30 September 2019, dividend return assumes reinvestment, based on share price of 217.4p
 2. Based on financial year end. First year shown is for FY 13/14



Income Diversification

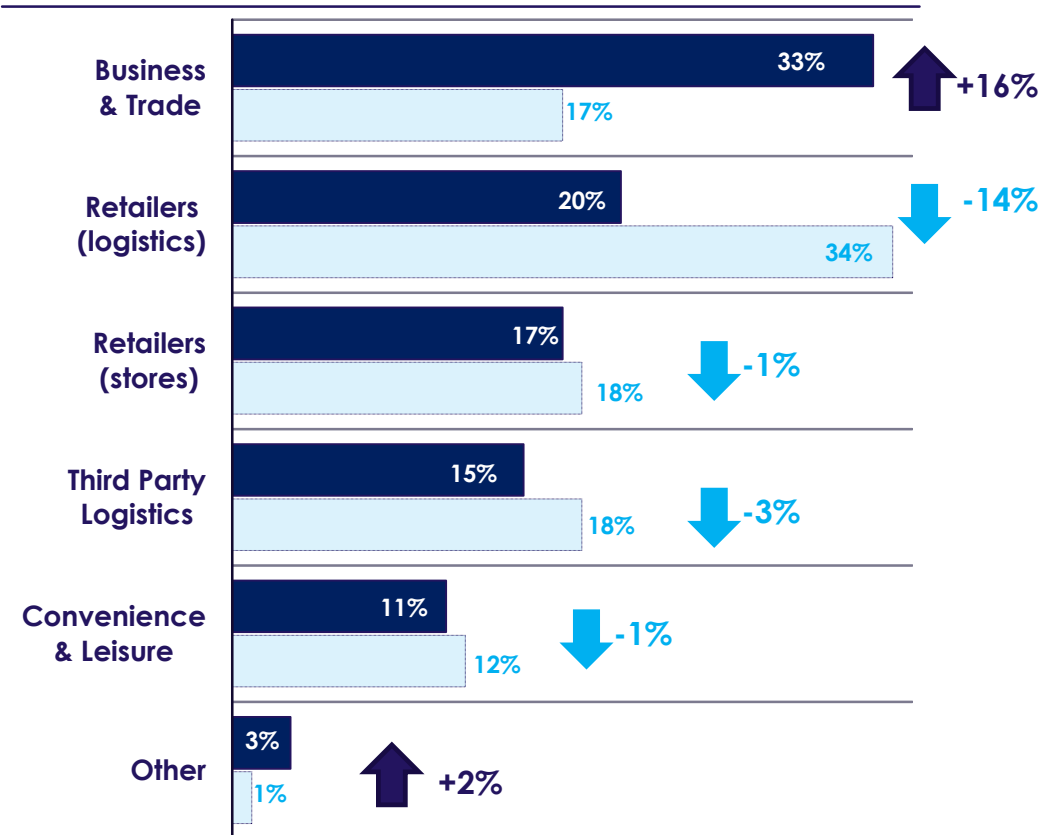
Our activities continue to improve the portfolio's income diversification and granularity

Top 10 occupiers²

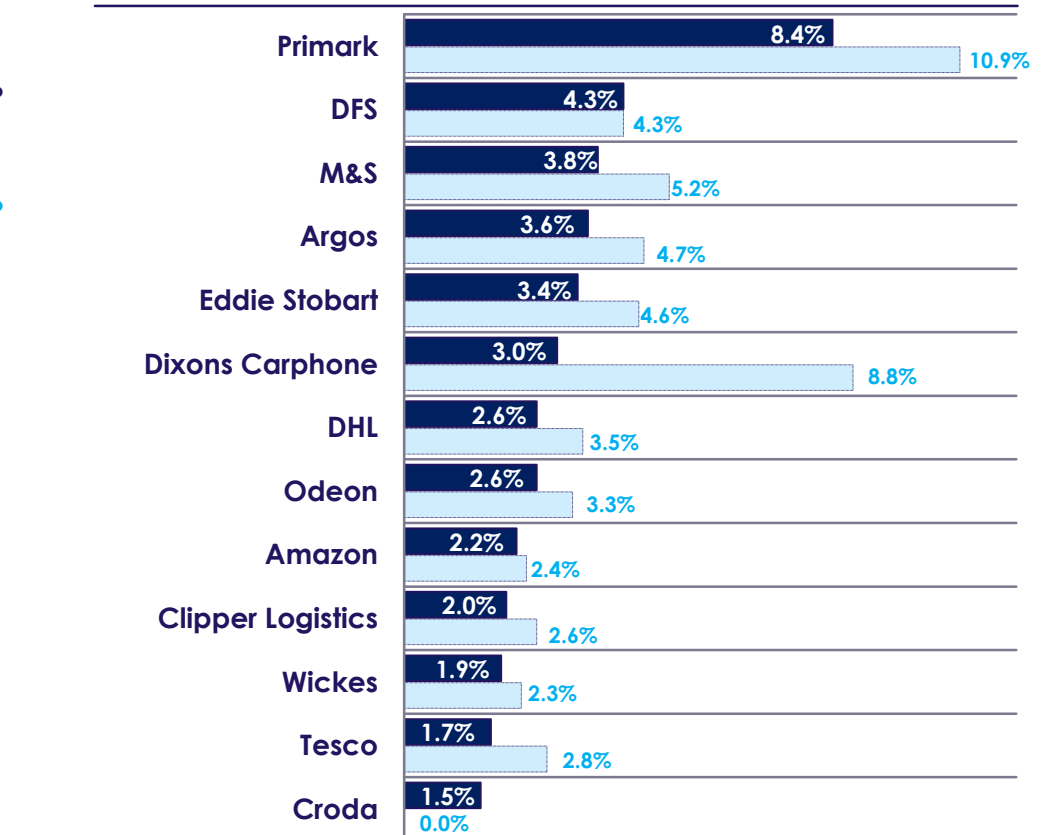
36% of income

Reduced from 51% in March 19

Dec-19 Mar-19
Income (by occupier type)^{1,2}



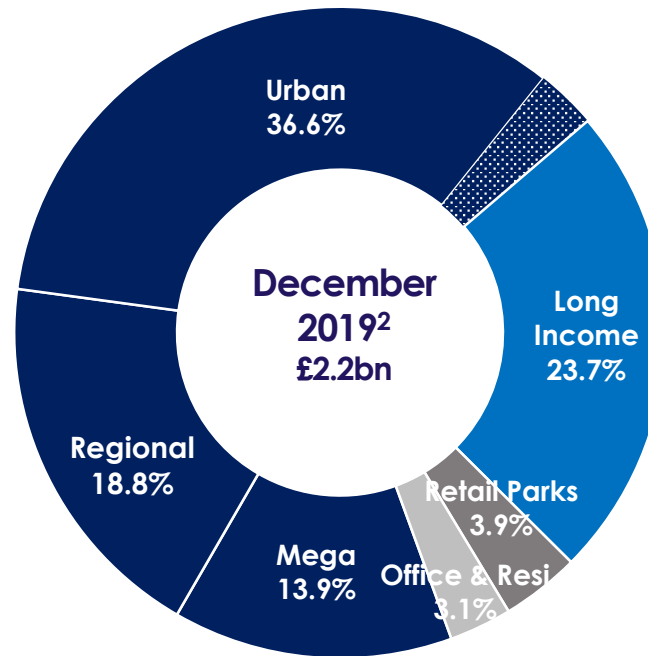
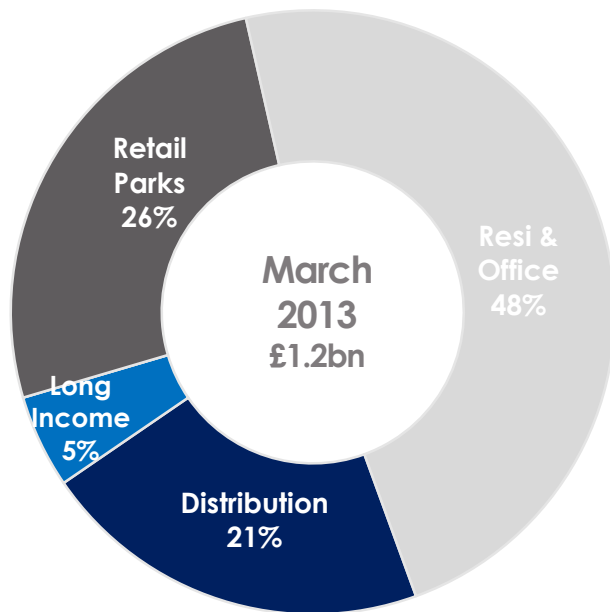
Dec-19 Mar-19
Income (occupiers >1.5%)²



1. Convenience includes roadside and wholesale assets
 2. As at 30 September 2019, adjusted for subsequent distribution disposals up to December 2019



Portfolio metrics and change since 2013



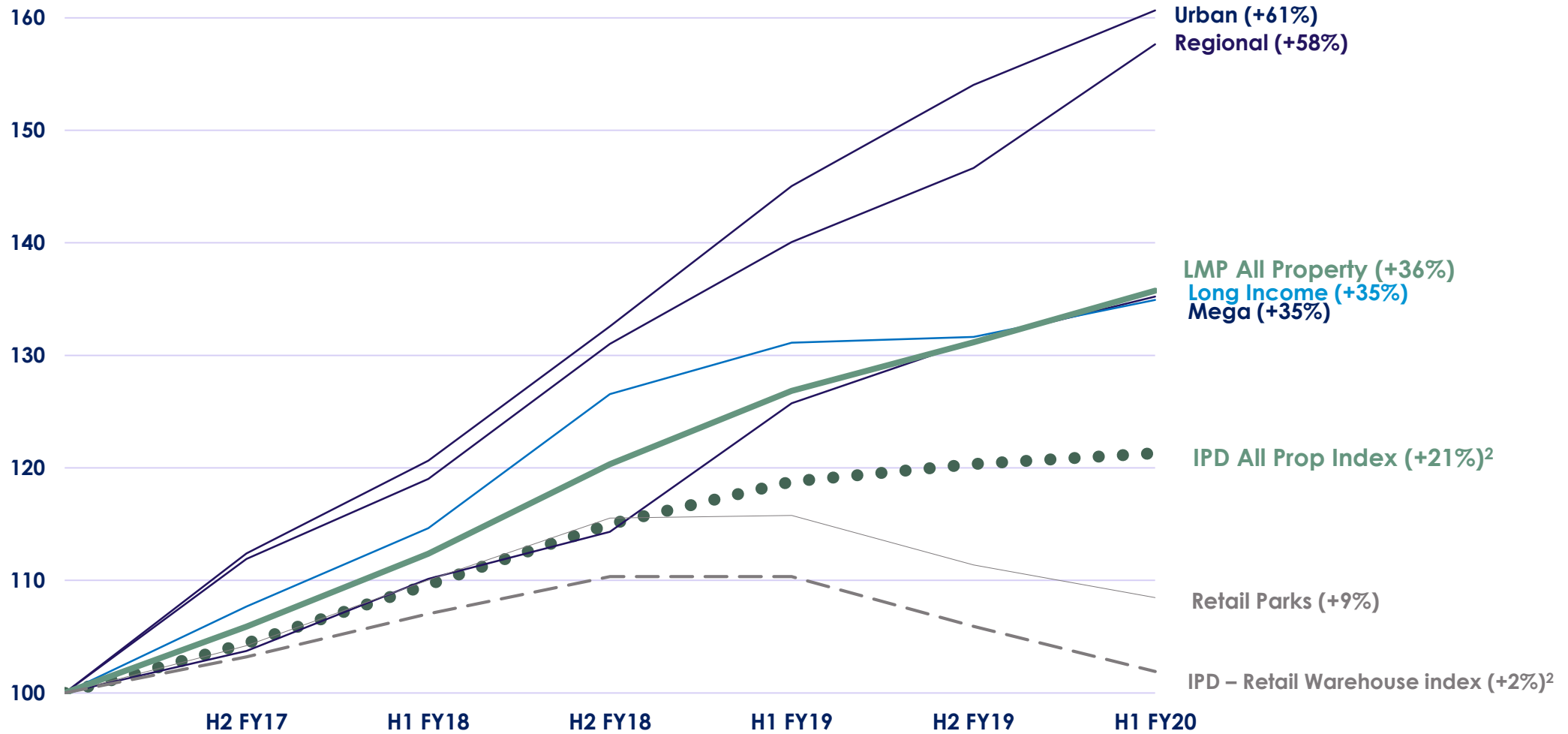
| | Value ² (£m) | EY ^{2,3} (%) | WAULT ² (Years) | TPR ⁴ (6m) |
|---------------------|----------------------------|--------------------------|-------------------------------|--------------------------|
| Urban | 820 | 5.4 | 7.8 | +4.3% |
| Regional | 421 | 5.0 | 14.8 | +7.5% |
| Mega | 311 | 4.5 | 16.7 | +3.0% |
| Long Income | 531 | 5.7 | 12.5 | +2.5% |
| Retail Parks | 88 | 6.8 | 9.4 | -2.6% |
| Offices | 63 | 6.5 | 6.7 | +1.9% |
| All Property | | 5.4 | 11.3 | +3.5% |

Occupancy 98.2% **Gross to Net 98.7%** **Contractual uplifts 52.3%**

1. Shaded area of urban represents multi-let estates assets (£73m)
 2. After adjusting for distribution disposals since 30 September 2019, some of which have exchanged but not completed. Includes developments
 3. Equivalent Yield (EY) and WAULT on investment portfolio.
 4. Source: IPD. Developments included in relevant sectors. Portfolio TPR and CVg includes residential



Total Property Return for LondonMetric over 3 years¹



1. Source: IPD to 30 September 2019
2. Comparison IPD benchmark



Distribution – Portfolio

End to end logistics, majority urban logistics

Urban^{1,3} - 53%



- 99 assets, 6.5m sq ft
- £41.0m rent (£6.40 psf)
- NIY² 4.8%, EY 5.4%
- WAULT 8 years
- Occupancy 97%

- Contractual uplifts: 27%
- Rent Reviews⁴: +16% (+33% PPE)
- TPR: +4.3%

Regional¹ - 27%



- 11 assets, 2.9m sq ft
- £17.1m rent (£6.20 psf)
- NIY² 4.1%, EY 5.0%
- WAULT 15 years
- Occupancy 96%

- Contractual uplifts: 78%
- Rent Reviews⁴: +14%
- TPR: +7.5%

Mega¹ - 20%



- 3 assets, 2.5m sq ft
- £14.0m rent (£5.60 psf)
- NIY² 4.2%, EY 4.5%
- WAULT 17 years
- Occupancy 100%

- Contractual uplifts: 100%
- Rent Reviews⁴: +9% (+8% PPE)
- TPR: +3.0%



1. Rent, yields, occupancy & WAULT on investment portfolio. Assets and sq ft include developments. As at 30 September 2019, adjusted for distribution disposals to December 2019
 2. Topped up NIY
 3. Including Multi-let Estates
 4. Ahead of passing on 5 yearly equivalent basis. PPE includes deals in legal as at 27 November 2019

Distribution – Investment (FY20 - YTD)

Asset selection is increasingly critical – focussing on the right assets in the right sectors

Disposals

- **£148m of disposals (5 assets)**
- Larger warehouses in less attractive geographies
- Improved diversification of top occupiers and income certainty



Newark

- **726,000 sf (mega)- £80.8m**
- **WAULT: 14 years, NIY: 5.1%**



Doncaster

- **330,000 sf (mega) - £32.8m**
- **WAULT: 4 years, NIY: 6.2%**



Doncaster

- **176,000 sf (regional) - £15.1m**
- **WAULT: 10 years. NIY:6.2%**

Acquisitions

- **£370m of assets acquired**
- Predominantly urban logistics through the Mucklow acquisition
- Other long let regional warehouses & South East located urban acquisitions



Mucklow portfolio

- **3.1m sf (urban)- c£310m**
- **WAULT: 5 years**



Goole

- **232,000 sf (regional)- £24.0m**
- **WAULT: 20 years, NIY: 5.2%**



Bognor Regis

- **299,000 sf (regional) - £17.8m**
- **WAULT: 17 years, NIY: 9.0%**



A&J Mucklow Acquisition

Creating one of the UK's leading listed logistics & distribution platforms

Strategic Rationale

- Accelerates conviction call to grow urban logistics exposure
- Well located, well let & complementary real estate
- Greater scale and improved income granularity

Applying Our Approach

- More intensive asset management focus
- Pro-actively engaged with occupiers
- Conservative structure and corporate actions creating efficiencies

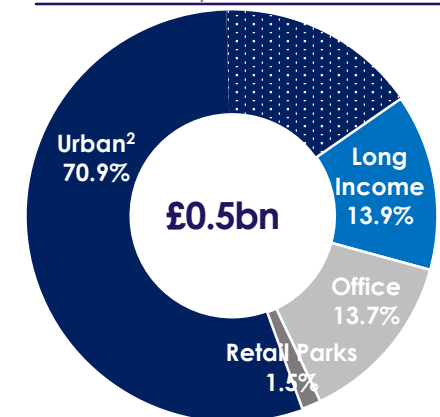
Delivering Early Results

- H1 portfolio initiatives delivered £0.5m rent uplift
- Office disposals
- Annualised administrative cost savings of £1.8m
- Highly focused and motivated team integrated

Distribution & Long Income¹

83%

of c£455m portfolio



Midlands, London & SE

96%

with strong Birmingham focus

Portfolio Initiatives in H1

14 deals

Post period end: 25 deals (+£0.5m)³

1. As at 30 September 2019
 2. Shaded area represents multi-let estates assets
 3. Deals signed and in legals as at 27 November 2019



Mucklow case study: Wednesbury One

Lengthening income and capturing reversion

173,000 sq ft, 6 modern warehouses

- Third largest Mucklow asset
- 4 deals since acquisition
 - 1 new 10 year lease
 - 1 break removed with rent review settled
 - 2 rent reviews¹
- LFL rent +14%
 - WAULT(1st break) from 2.6 to 6.4 years
- Further deals targeted
 - Expected running yield +70bps²



Located between Wolverhampton & Birmingham, 1.5 miles to J9 of M6, 4 miles to J1 of M5

1. Includes 1 deal in legals as at 27 November 2019
2. Compared to acquisition yield



Distribution Developments

Short cycle, derisked activity at attractive yields¹

Bedford



Phase 1 – 188,000 sq ft

- Rent secured: £1.3m
- 100% let
- Yield on cost: 6.4%

Phase 2 – 500,000 sq ft

- Subject to commitments
- Anticipated rent: £3.3m
- Yield on cost: 7.3%



Tyseley



Phase 1 – 135,000 sq ft

- Anticipated rent: £1.0m
- 45% let
- Yield on cost: 7.0%

Phase 2 – 195,000 sq ft

- Subject to commitments
- Anticipated rent: £1.3m
- Yield on cost: 7.0%



1. See appendix for further details on all development activity. Phase 1 of Bedford and Tyseley are BREEAM Very Good



Long Income

100% occupied with 50% of income subject to contractual uplifts

Convenience & Leisure - 44%



- Occupancy 100%
- 34 assets, 0.8m sq ft
- £11.8m rent (£14.60 psf)
- NIY² 4.8%, EY 5.0%
- WAULT 15 years

- Contractual uplifts: 82%
- Rent Reviews³: +14%
- TPR: +4.0%, CVg⁴: +1.8%



NNN Retail - 35%



- Occupancy 100%
- 23 assets, 0.9m sq ft
- £13.4m rent (£21.90 psf)
- NIY² 6.6%, EY 6.1%
- WAULT 10 years

- Contractual uplifts: 23%
- London & South East: >50%
- TPR: +1.8%, CVg⁴: -1.9%



Trade, DIY & Other - 21%



- Occupancy 100%
- 17 assets, 0.8m sq ft
- £6.7m rent (£10.00 psf)
- NIY² 5.6%, EY 5.8%
- WAULT 13 years

- Contractual uplifts: 45%
- Regears: 13 years
- TPR: +0.6%, CVg⁴: -2.1%



1. Rent, yield, occupancy & WAULT on investment portfolio. Number of assets and sq ft include developments
2. Topped up NIY
3. Ahead of passing on 5 yearly equivalent basis
4. Source: IPD



Portfolio Management

52 deals in H1 delivering £3.1m additional rent

- 31 lettings & regears¹, 11 year WAULT
- 21 rent reviews¹, 12% ahead of previous passing²
- 3.0% LFL Income growth³

| | Distribution | Long Income |
|-----------------|--|---|
| H1 | 23 lettings & regears <ul style="list-style-type: none"> • £2.4m rent uplift, 10 years | 7 lettings & regears <ul style="list-style-type: none"> • Rent in line, 14 years |
| | 6 rent reviews² <ul style="list-style-type: none"> • £0.4m rent uplift (+13%) | 14 rent reviews² <ul style="list-style-type: none"> • £0.2m rent uplift (+14%) |
| Post period end | 24 lettings & regears⁴ <ul style="list-style-type: none"> • £0.9m rent uplift, 10 years | 8 lettings & regears⁴ <ul style="list-style-type: none"> • £0.3m rent uplift, 16 years |
| | 5 rent reviews^{2,4} <ul style="list-style-type: none"> • £0.5m rent uplift (+33% urban, +8% mega) | |



1. Includes two retail park deals (one letting & one rent review) which are not shown on page and added £0.1m of income
 2. 5 yearly equivalent basis
 3. LFL on LMP portfolio excluding Mucklow assets
 4. Including deals in legals. PPE: 38 deals signed or in legals as at 27 November 2019, including one retail park letting (not shown above)



Market Outlook

Alignment to the right sectors and assets will continue to define the sector's winners and losers

- **Structurally supported sectors remain in demand**

- Polarisation of performances will continue
- Disruption is challenging some traditional sectors
- Liquidity scarce for larger, over rented retail assets

Logistics

Convenience

Student

Healthcare

- **Asset selection to define winners and losers**

- Property market not properly discriminating between assets within sectors
- Cap rates need to reflect direction, trajectory and timings of cashflows
- Owning the right assets in the right sectors will determine the winners

Geography

Credit strength

WAULT

Income growth

- **Income compounding strategies to outperform hyperactive ones**

- Low interest rates/bond yields driving demand for income
- Demographic shifts and liability matching supporting demand
- Reliable, repetitive and growing income streams remain highly attractive

UK rates

10yr indexed: -1.57%

10yr gilts: +0.64%

Base rate: +0.75%

Cash ISA: +1.36%



Financial Highlights

Half Year to 30 September 2019

| | Sept 2019 | Sept 2018 | Change |
|---|-----------|-------------------|--------|
| Contracted Rent | £124.7m | £93.4m | +33.5% |
| Net Rental Income | £54.9m | £47.1m | +16.6% |
| EPRA Earnings | £35.2m | £30.9m | +13.9% |
| EPRA Earnings (pps) | 4.6p | 4.4p | +2.9% |
| Dividend (pps) | 4.0p | 3.8p | +5.3% |
| EPRA NAV (pps) | 175p | 175p ¹ | |
| Reported (Loss)/Profit ³ | £(10.2)m | £79.3m | |
| Reported Profit ex. Mucklow costs ³ | £47.0m | £79.3m | |

EPRA cost ratio⁴

14.3%

FY 2019: 15.0%

Dividend Cover

114%

HY 2018: 117%

Revaluation surplus

+£16.6m

Equivalent Yield² flat, ERVg +0.5%

NAV (ex. Mucklow costs)

177.4p

2.5p of deal costs

1. Comparison to March 2019
2. Equivalent yield movement on portfolio (LFL)
3. IFRS basis
4. Including vacancy cost



Financial metrics

| Debt Metrics ¹ | 30 September 2019 | 31 March 2019 |
|----------------------------|----------------------------------|---------------------------------|
| Total Facilities | £1,034.0m | £999.7m |
| Gross Debt ² | £963.0m <i>76% unsecured</i> | £626.2m <i>70% unsecured</i> |
| Loan to Value ³ | 37.9% (c35% at Dec-19) | 32.2% |
| Average cost of finance | 3.0% | 3.1% |
| Marginal cost of finance | 2.0% | 2.0% |
| Average maturity | 5.3 years | 6.4 years |
| Hedging ⁴ | 72% | 73% |

1. Proportionally consolidated basis

2. Includes fair value adjustment of £2.8m relating to a secured debt facility from the Mucklow acquisition

3. LTV as at 31 March 2019 included consideration receivable on a £10.5m sales exchanged with delayed completion at year end

4. Based on total facilities drawn



Look forward

Continued alignment to the right side of structural change to enhance dividend progression

Disruption will continue

- Technological and social change will continue to impact
- Consumer shifts permanent and continue unabated

Align portfolio to macro trends

- £1.6bn distribution portfolio puts us on the right side of structural change
- Urban logistics and long income our “conviction call” offering superior growth prospects

Prioritise income & income growth

- Continued focus on generating reliable, repetitive and growing income
- Our all weather portfolio has length, strength & income growth

Deliver income compounded returns through dividend

- Our sustainable and growing earnings deliver a covered and progressive dividend
- If you own the right buildings in the right sectors, time creates wealth

APPENDICES

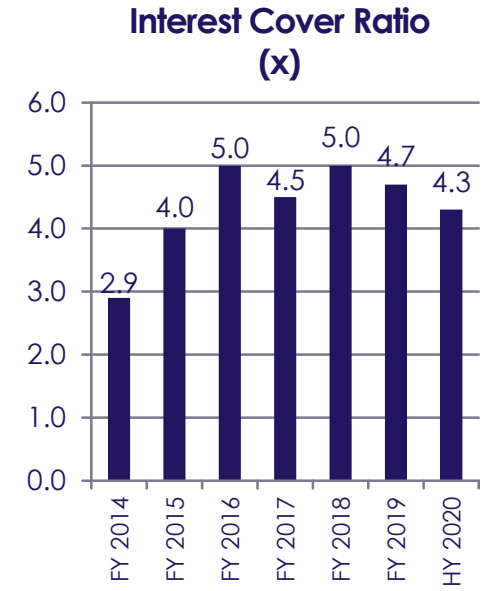
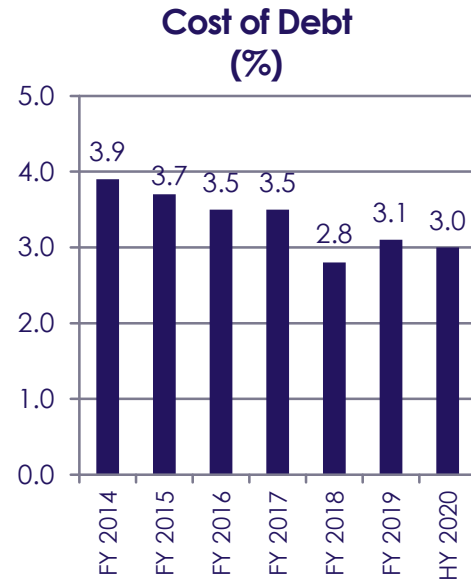
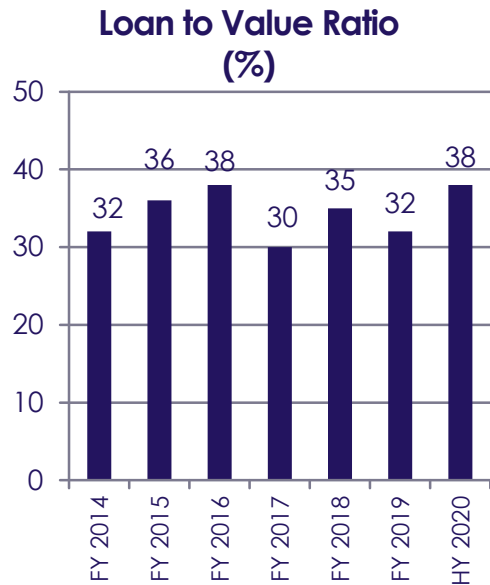
Portfolio Metrics

| As at 30 September 2019 | Area | Valuation (Share) | Revaluation Surplus/(Deficit) | | IPD CVg ³ | Occupancy | NIY ¹ | WAULT (years) | | Contracted Rent | Fixed Uplifts | Average Rent |
|--|-------------|----------------------|----------------------------------|-------------|-------------------------|--------------|------------------|---------------|-------------|--------------------|------------------|-----------------|
| (except for area, value, WAULT & Rent which have been adjusted for distribution disposals) | (m sq ft) | (£m) | (£m) | (%) | (%) | (%) | (%) | Expiry | Break | (£m) | (%) | (£psf) |
| Mega distribution | 2.5 | 311.3 | -0.2 | -0.1 | 0.6 | 100.0 | 4.2 | 16.7 | 16.7 | 14.0 | 100.0 | 5.60 |
| Regional distribution | 2.9 | 387.2 | 15.6 | 3.6 | 5.3 | 96.2 | 4.2 | 14.8 | 13.7 | 17.1 | 77.7 | 6.20 |
| Urban logistics ⁶ | 6.5 | 806.0 | 14.3 | 1.8 | 2.4 | 96.6 | 4.8 | 7.8 | 6.1 | 41.0 | 27.3 | 6.40 |
| Distribution | 11.9 | 1,504.5 | 29.7 | 1.8 | 2.7 | 97.3 | 4.6 | 11.1 | 10.0 | 72.1 | 58.0 | 6.20 |
| Long Income | 2.5 | 524.3 | -8.1 | -1.5 | -0.3 | 100.0 | 5.6 | 12.5 | 11.8 | 31.9 | 50.0 | 15.20 |
| Offices | 0.3 | 61.9 | 0.1 | 0.1 | 0.2 | 100.0 | 6.3 | 6.7 | 5.5 | 4.1 | 15.7 | 16.80 |
| Retail Parks | 0.4 | 88.5 | -4.7 | -5.1 | -5.9 | 99.6 | 7.0 | 9.4 | 7.6 | 6.6 | 15.1 | 17.10 |
| Investment Portfolio | 15.1 | 2,179.1 | 16.8 | 0.7 | | 98.2 | 4.9 | 11.3 | 10.2 | 114.7 | 52.3 | 7.80 |
| Residential | | 6.7 | -0.2 | -2.7 | | | | | | 0.0 | | |
| Development^{2,5} | | 55.7 | | | | | | | | 1.6 | | |
| Total Portfolio⁴ | 15.1 | 2,241.5 | 16.6 | 0.7 | 1.0 | | | | | 116.3 | | |

1. Topped up NIY
2. Developments at Bedford (Phase 2), Goole, Weymouth & Tyseley account for £53.7m. Swindon and New Malden included in investment portfolio
3. As calculated by MSCI (IPD)
4. Total Portfolio Value excludes development trading assets (£1.1m) and head lease/right of use assets (£6.0m)
5. Development surplus included in respective sub sectors
6. Including £73m of multi-let estates



Financing Metrics



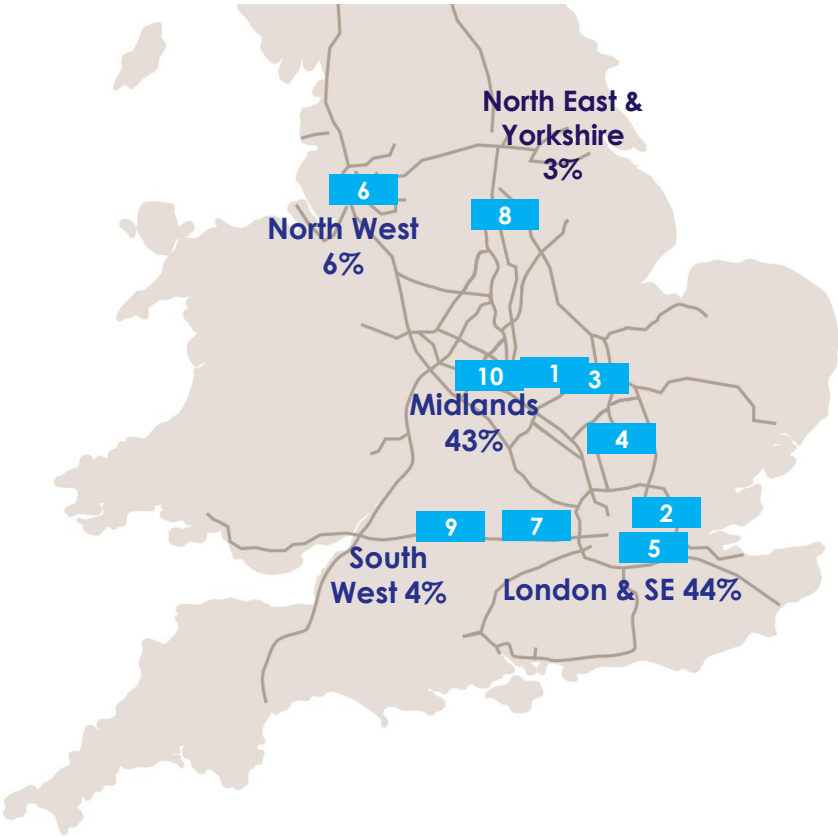
| As at 30 September 2019 | Lender | Facility (£m) | Drawn (£m) | Maturity (years) | Expiry |
|--|---------------------|----------------|--------------|------------------|---------|
| Unsecured RCF | Syndicate | 443.8 | 400.0 | 2.3 | 2021-22 |
| Private Placement 2018 | Syndicate | 150.0 | 150.0 | 11.3 | 2029-34 |
| Private Placement 2016 | Syndicate | 130.0 | 130.0 | 5.2 | 2023-28 |
| Secured – Distribution | Helaba | 130.0 | 130.0 | 4.8 | 2024 |
| Unsecured | Wells Fargo | 75.0 | 50.0 | 5.8 | 2025 |
| Secured (SWIP facility) | SWIP | 60.0 | 60.0 | 12.2 | 2031 |
| Fair Value adjustment of SWIP facility | n/a | 2.8 | 2.8 | n/a | n/a |
| Total Group | | 991.6 | 922.8 | 5.4 | |
| MIPP JV (50%) – Long Income | Deutsche Pfandbrief | 42.4 | 40.2 | 3.6 | 2023 |
| Total Group and JV | | 1,034.0 | 963.0 | 5.3 | |



Distribution Assets

| Largest assets (by value) | | Occupier | Annualised rent (£m) |
|---------------------------|----|---------------|----------------------|
| Islip | 1 | Primark | 5.7 |
| Dagenham | 2 | Eddie Stobart | 4.1 |
| Thrapston | 3 | Primark | 4.2 |
| Bedford | 4 | Argos | 4.1 |
| Croydon | 5 | Tesco | 1.9 |
| Warrington | 6 | Amazon | 2.1 |
| Reading | 7 | DHL | 1.8 |
| Ollerton | 8 | Clipper | 2.0 |
| Swindon | 9 | Oak Furniture | 1.6 |
| Crick | 10 | XPO | 1.6 |

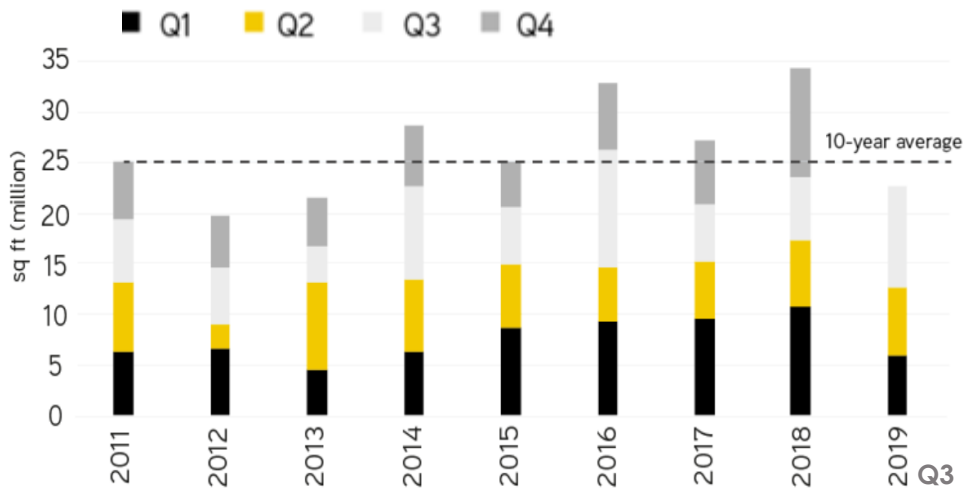
| MEGA | | REGIONAL | | URBAN | |
|---------------------|------|------------------------|------|------------------------|------|
| Midlands | 72% | London & South East | 53% | London & South East | 45% |
| London & South East | 28% | Midlands | 18% | Midlands | 41% |
| | 100% | North East & Yorkshire | 7% | North West | 5% |
| | | North West | 12% | North East & Yorkshire | 4% |
| | | South West | 10% | South West | 4% |
| | | | 100% | Other | 1% |
| | | | | | 100% |



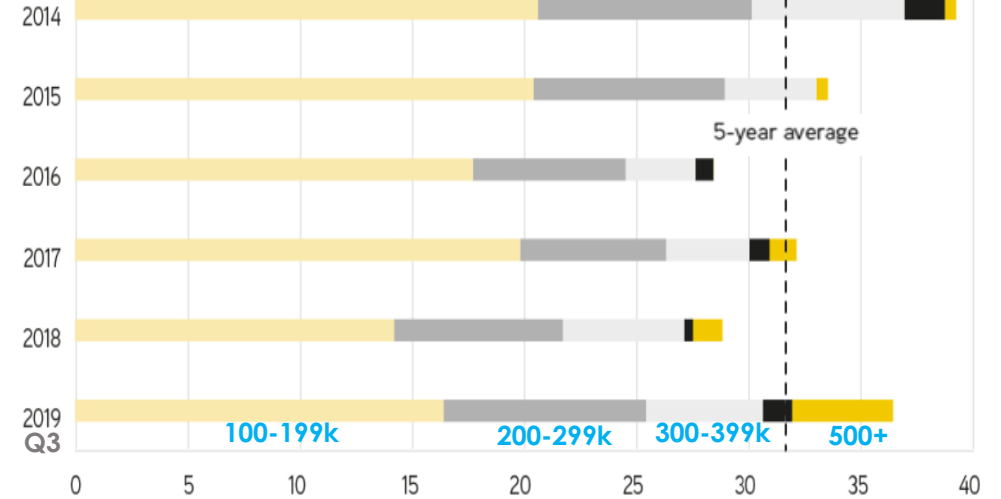


Distribution – Demand/Supply

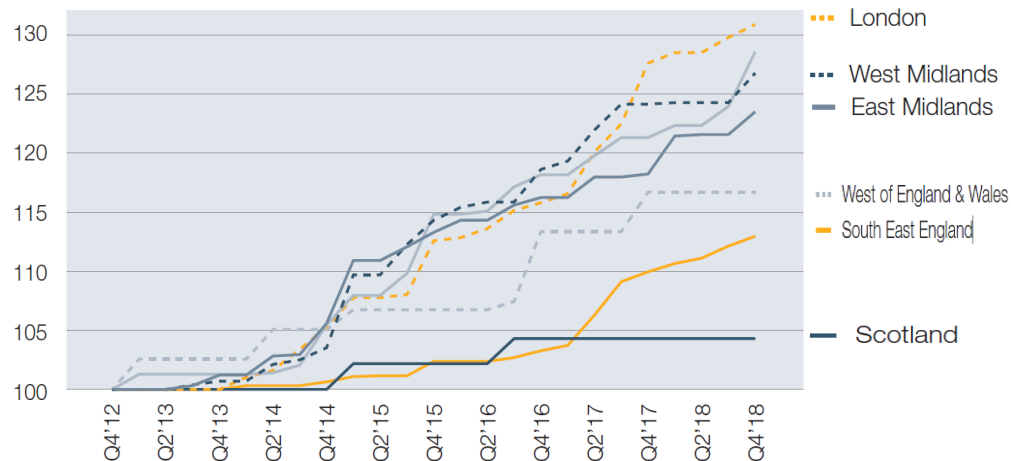
Take-up (m sq ft)¹



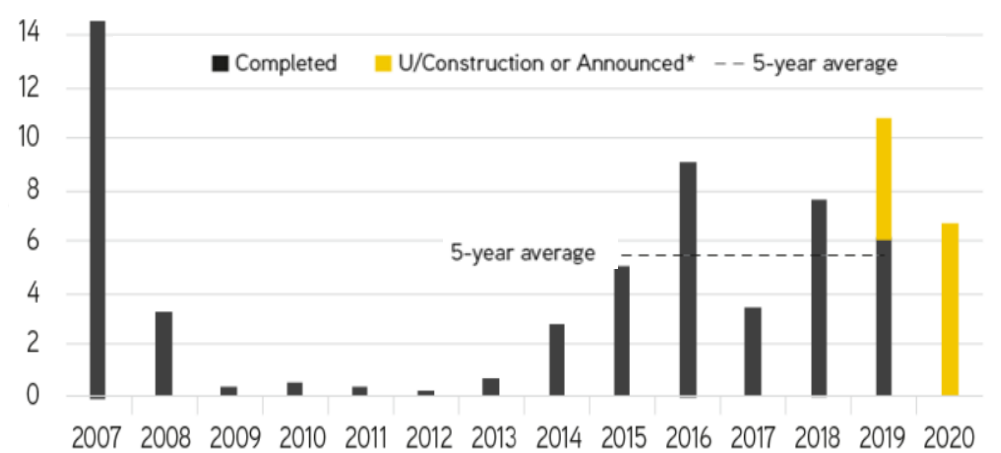
Supply (m sq ft) by size bracket¹



Rental Growth since 2012²



Speculative Development (m sq ft)¹



1. Colliers report December 2019, >100,000 sq ft units.
 2. Gerald Eve report Spring 2019, prime headline rents



Acquisitions – FY 2020 (YTD²)

| | Sector | Value (LM share) | Yield | | WAULT (years) | |
|--------------------------|--------------|---------------------|-------------|------------------------|------------------|-------------|
| | | £m | NIY | Reversion ¹ | Expiry | 1B |
| Croydon | Distribution | 4.2 | 3.5% | 6.0% | 16.9 | 6.9 |
| Dunstable | Distribution | 5.7 | 5.0% | 5.6% | 15.0 | 12.0 |
| Bognor Regis | Distribution | 17.8 | 9.0% | 9.6% | 17.1 | 7.1 |
| Croda funding | Distribution | 24.0 | 5.2% | 5.6% | 20.0 | 20.0 |
| DFS upweight | Distribution | 8.4 | 5.9% | 5.9% | 10.9 | 10.9 |
| DFS upweight | Long Income | 27.2 | 8.5% | 8.5% | 10.9 | 10.9 |
| Bournemouth & Worthing | Long Income | 6.1 | 4.9% | 6.1% | 20.0 | 20.0 |
| Coventry | Long Income | 9.4 | 4.6% | 5.2% | 24.4 | 24.4 |
| Carwash Portfolio (IMOs) | Long Income | 6.2 | 6.3% | 7.1% | 25.0 | 25.0 |
| Wareham | Long Income | 3.7 | 4.9% | 5.4% | 20.0 | 20.0 |
| Carwash Portfolio (IMOs) | Long Income | 4.5 | 6.3% | 7.1% | 25.0 | 25.0 |
| Glastonbury | Long Income | 1.9 | 5.2% | 5.8% | 20.0 | 20.0 |
| Total | | 119.1 | 6.6% | 7.0% | 17.3 | 14.5 |

1. Reversionary yield based on current ERV or, in case of contractual uplifts, running yield in 5 years based on inflation expectations
 2. As at December 2019



Disposals – FY 2020 (YTD²)

| | Sector | Value (LM share) | Yield | WAULT (years) | |
|--------------------------|--------------|---------------------|-------------|------------------|-------------|
| | | £m | % | Expiry | 1B |
| X1 Carwash (IMO) | Long Income | 0.6 | 5.5% | 25.0 | 25.0 |
| X5 Carwash (IMO) | Long Income | 2.7 | 5.5% | 25.0 | 25.0 |
| Llanelli | Long Income | 1.5 | 5.3% | 15.0 | 15.0 |
| Leicester | Office | 5.7 | 6.0% | 9.5 | 9.5 |
| Moore House (H1 20 only) | Residential | 7.8 | 1.6% | n/a | n/a |
| Doncaster (Croda) | Distribution | 5.9 | 7.0% | 2.2 | 2.2 |
| Rotherham | Distribution | 13.3 | 5.0% | 8.3 | 8.3 |
| Newark | Distribution | 80.8 | 5.1% | 13.6 | 13.6 |
| South Elmsall | Distribution | 32.8 | 6.2% | 4.3 | 4.3 |
| Doncaster | Distribution | 15.1 | 6.2% | 10.3 | 10.3 |
| Total | | 166.2 | 5.4% | 10.1 | 10.1 |

1. Reversionary yield based on current ERV or, in case of contractual uplifts, running yield in 5 years based on inflation expectations
2. As at December 2019



Developments Summary

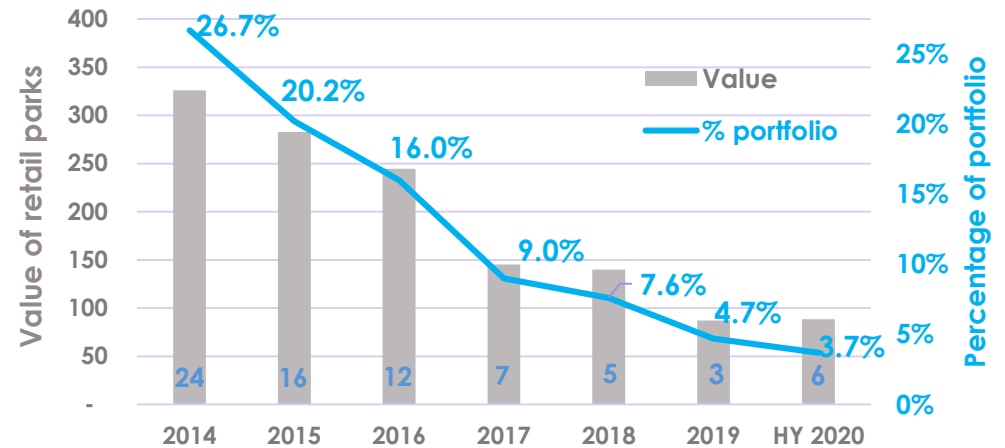
| | Sq ft 000 | PC ¹ | BREEAM | Rent/ uplift £m | YOC (%) | Total cost £m | Up To FY19 | H1 20 | H2 20 | FY 21 | |
|--|------------|-----------------|-----------|-----------------|------------|---------------|------------|-------|-------|-------|--|
| Bedford (Phase 1) | 188 | | Very Good | 1.3 | 6.4 | 20 | 15 | 2 | 3 | - | 3 urban warehouses, 100% let (terms on 50k sq ft) |
| Durham | 58 | | n/a | 0.8 | 5.4 | 14 | 7 | 4 | 3 | - | Long income forward fund let to Lidl and Range |
| Tyseley (Phase 1a) ⁴ | 58 | | Very Good | 0.4 | 7.0 | 6 | - | - | - | - | Let to Decora |
| Completed H1 20 | 304 | | | 2.5 | 6.2 | 40 | | | | | |
| Goole | 232 | Q4 20 | Very Good | 1.3 | 5.2 | 24 | - | 8 | 12 | 4 | Regional distribution forward fund let to Croda |
| Tyseley (Phase 1b) ^{2,4} | 77 | Q4 19 | Very Good | 0.6 | 7.0 | 8 | - | 1 | - | - | 7 urban warehouses, strong occupier interest |
| Swindon ³ | 55 | Q4 19 | n/a | 0.3 | 7.8 | 4 | - | 2 | 2 | - | Extension to existing Oak distribution warehouse |
| Weymouth | 27 | 2020 | Very Good | 0.6 | 6.3 | 9 | 4 | 2 | 2 | 1 | 19k sq ft pre-let to Aldi, terms on further 8k sq ft |
| In construction H2 20 | 391 | | | 2.8 | 6.2 | 45 | | | | | |
| 84% of developments (by area) in FY20 are expected to be certified BREEAM Very Good | | | | | | | | | | | |
| Bedford (Phase 2) ² | 500 | | | 3.3 | 7.3 | 46 | | | | | Regional distribution |
| I54 Wolverhampton | 210 | | | tbc | tbc | tbc | | | | | Site option for distribution development |
| Tyseley (Phase 2) ² | 195 | | | 1.3 | 7.0 | 19 | | | | | Urban distribution, discussions on 100k sq ft |
| New Malden ³ | 57 | | | 0.4 | 4.7 | 8 | | | | | Extension & modification of existing asset with 3 new occupiers. Planning imminent |
| Pipeline | 962 | | | | | | | | | | |

1. Based on calendar quarters and years
 2. Anticipated yield on cost and rents
 3. Marginal yield on cost
 4. Unless otherwise shown above, costs on Tyseley were incurred before the purchase of Mucklow and therefore not shown.



Retail Parks

- £88m value, 3.7% of portfolio
- Kirkstall, Tonbridge & Coventry account for c90%
- 97% let¹ with a WAULT of 9.4 years, 7.0% NIY
- Modern fit for purpose shopping
- 1 CVA, 0.06% of rent ~20% reduction



Kirkstall, Leeds



- 120,000 sq ft
- £2.5m rent (£20.60 psf)
- WAULT 9 years
- Occupancy 92%

Tonbridge



- 60,000 sq ft
- £1.3m rent (£22.00 psf)
- WAULT 14 years
- Occupancy 100%

Coventry



- 120,000 sq ft & 18,000 sq ft Aldi
- £2.2m rent (£15.70 psf)
- WAULT 9 years
- Occupancy 100%



1. Following surrender post period end. Occupancy at 30 September was 99.6%



Responsible Business / ESG

2019 Responsible business report available at:

<https://www.londonmetric.com/our-company/responsible-business>

- Continue to score well on ESG benchmarking. Increasing our focus on TCFD¹ and resilient related matters
- Carbon footprint fallen 87% since 2015 due to change in assets mix & portfolio initiatives
- Activities focused on improving energy efficiency of assets in conjunction with our occupiers
- Emphasis on stakeholder engagement, particularly around occupiers, our people and the community
- Responsible Business Committee meetings three times a year, supported by sustainability adviser, JLL



| ESG benchmarking | Environmental progress | Energy consumption | Occupier engagement | | | | | | | | | | |
|--|--|--|---------------------|-------|-------------------|----|---------------|----|--------------------|------------|-------------------|----|---|
| <p>GRESB</p> <p>LondonMetric Property Plc</p> <p>Participation & Score Peer Comp</p> <p>Green Star maintained in 2019: GRESB remains our most relevant benchmark. Since 2014, score has improved from 34 to 71 (peers: 67).</p> <p>EPRA: Gold star maintained in 2019.</p> <p>ISS: Absolute & relative improvement</p> | <p>BREEAM Very Good Rating on:</p> <ul style="list-style-type: none"> • 25% of portfolio (FY15: 10%) • 84% (expected) of developments in FY20 across 0.6m sq ft <p>EPCs: In March 2019, 100% of assets were rated “E” or above with 77% rated “A-C”, up from 59% in 2015.</p> <p>Green energy & solar: 85% of our supply on green tariff (2018: 0%). 1.8 Mw solar PVs now installed.</p> <p>BREEAM VERY GOOD</p> <p>Percentage of portfolio rated BREEAM Very Good or Excellent</p> <p>25%</p> <p>Up from 10% in 2015</p> <p>CONTRACTOR ACHIEVEMENTS</p> <ul style="list-style-type: none"> • 100% compliance with our Responsible Business Requirements & checklists • Excellent Considerate Constructors site score at Bedford Development | <p>Energy consumption in FY19 of 1,134 MWh v 9,056 MWh in FY15. Excluding voids, consumption was 279 MWh, equal to c16 mid-sized houses. Only 10% of portfolio has landlord controlled supply.</p> <p>Energy reduction: Over-achieved on long term LFL reduction target of -4%pa since FY16, significantly exceeded our energy intensity target of -20% by FY22.</p> <table border="1"> <thead> <tr> <th>Consumption (Mwh)</th> <th>1,134</th> </tr> </thead> <tbody> <tr> <td>per million sq ft</td> <td>94</td> </tr> <tr> <td>per £m profit</td> <td>16</td> </tr> <tr> <td>GHG (tco2e)</td> <td>334</td> </tr> <tr> <td>per million sq ft</td> <td>28</td> </tr> </tbody> </table> | Consumption (Mwh) | 1,134 | per million sq ft | 94 | per £m profit | 16 | GHG (tco2e) | 334 | per million sq ft | 28 | <p>Continually tracking our occupiers' satisfaction scores & potential energy efficiency improvements across all assets. During FY 19:</p> <ul style="list-style-type: none"> • 10 initiatives were in progress or planned, mainly relating to improved heating systems, lighting (LED), roofing, windows & solar PV • we scored highly in our annual occupier survey with responses from over half of our occupier base and a further score improvement compares to 2018. <p>OCCUPIER SCORE IN 2019 SURVEY</p> <p>9/10</p> <p>For how well we compared against other landlords</p> |
| Consumption (Mwh) | 1,134 | | | | | | | | | | | | |
| per million sq ft | 94 | | | | | | | | | | | | |
| per £m profit | 16 | | | | | | | | | | | | |
| GHG (tco2e) | 334 | | | | | | | | | | | | |
| per million sq ft | 28 | | | | | | | | | | | | |

1. Task Force on Climate-related Financial Disclosure



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