LONDONMETRIC PROPERTY PLC
(“LondonMetric” or the “Group” or the “Company”)
FULL YEAR RESULTS FOR THE YEAR ENDED 31 MARCH 2025

Our activity has driven strong earnings and dividend growth, and we are delivering on our aim to further consolidate our position as the UK’s leading Triple Net Lease REIT

LondonMetric today announces its full year results for the year ended 31 March 2025.

Income Statement	FY 2025	FY 2024
Net rental income (£m)	390.6	175.3
EPRA earnings[1] (£m)	268.0	121.6
IFRS reported profit (£m)	347.9	118.7
EPRA earnings per share[1] (p)	13.1	10.9
IFRS earnings per share (p)	17.1	10.6
Dividend per share (p)	12.0	10.2
Balance Sheet	FY 2025	FY 2024
EPRA net tangible assets[1] (NTA) (£m)	4,071.0	3,908.9
IFRS net assets (£m)	4,123.9	3,969.5
EPRA NTA per share[1] (p)	199.2	191.7
IFRS net assets per share (p)	202.4	195.2

1. Further details on alternative performance measures can be found in the Financial Review and definitions can be found in the Glossary

Focus on winning sectors and delivering on M&A drives rents, earnings and dividend growth
- Net rental income increased 123% to £390.6m
- EPRA earnings up 120% to £268.0m, +20.7% on a per share basis
- Sector leading EPRA cost ratio at 7.8%
- Dividend increased 17.6% to 12.0p, 109% covered by earnings, including Q4 dividend declared today of 3.3p
- Continued dividend progression with expected 5.3% increase in Q1 2026 dividend to 3.0p (Q1 25: 2.85p)

Strong returns driven by reliable, repetitive and growing income
- Total property return of 8.3% (200bps outperformance of MSCI), income return 5.7% and ERV growth 3%
- Like for like income growth of 4.2% drives valuation uplift of £106.0m
- EPRA NTA per share of 199.2p (+3.9%)
- IFRS reported profit of £347.9m (2024: £118.7m)
- Total accounting return of 9.7% (2024: 1.3%)

Portfolio aligned to strongest thematics
- Portfolio value of £6.2bn (2024: £6.0bn) with logistics weighting at 46%
- £343m acquired in year (87% logistics)
- £342m disposed (£214m were former LXi and CTPT assets), further £63 million sold post year end

Activity continues to enhance portfolio quality, strengthening long and strong income characteristics
- WAULT of 18.5 years, gross to net income ratio of 99% and occupancy at 98% (99% post year end activity)
- Contractual rental uplifts on 77% of income, 40% of income subject to annual reviews
- Occupational activity added £15.3m pa contracted income
- Rent reviews +17% on five yearly equivalent basis with market reviews +40%
- Income uplift expected over next two years of £27m, 18% embedded reversion on logistics assets
- 92% of portfolio EPC A-C rated (up from 85%) with 3.6MWp of solar PV added and 2.6MWp of near-term potential

Scale delivering economies of opportunities and greater access to capital
- Unlocked M&A with Urban Logistics REIT Plc and Highcroft Investments Plc adding £1.2bn of assets
- Extended maturity on £975m of debt and new debt facilities of £525m (with post year end activity)
- LTV at 32.7%, debt maturity of 4.7 years and cost of debt at 4.0% (100% hedged following £489m of hedging activity)
- BBB+ credit rating in year increases options for future financings

Andrew Jones, Chief Executive of LondonMetric, commented:

"This has been a remarkable year for LondonMetric. Our NNN income model has delivered exceptional earnings and dividend per share growth of 21% and 18% respectively. We have integrated the £3 billion of assets acquired through the LXi takeover, transacted on over £680 million of sales and acquisitions, and delivered strong rental growth from 340 asset management initiatives.

"We have every reason to be optimistic about our relentless expansion and the opportunities available from our highly scalable platform. In an environment where scale is essential, our £6 billion portfolio is set to grow by a further £1 billion through M&A activity which will add to our urban logistics exposure, our strongest conviction call sector for rental growth."

"Our strong performance and execution reflect over ten years of building up the right portfolio aligned to the strongest sectors, with the best team and the strongest relationships, all underpinned by unemotional capital allocation, overhead efficiency and a resolute focus on income and growth. With ten years of dividend progression under our belt, our all-weather portfolio is more capable than ever of delivering reliable, repetitive and growing income, and we remain firmly on track to achieving dividend aristocracy."

For further information, please contact:

LONDONMETRIC PROPERTY PLC: +44 (0)20 7484 9000
Andrew Jones (Chief Executive)
Martin McGann (Chief Financial Officer)
Gareth Price (Investor Relations)

FTI CONSULTING: +44 (0)20 3727 1000
Dido Laurimore Londonmetric@fticonsulting.com
Richard Gotla
Andrew Davis

Meeting and audio webcast

An analysts meeting will be held at 9.00am today and a live audio webcast will be available at the below link. An on demand recording will also be available from the same link shortly after the meeting: https://brrmedia.news/LMP_FY_24/25

Notes to editors

LondonMetric Property Plc is the UK's leading triple net lease REIT with a £6 billion portfolio aligned to structurally supported sectors of logistics, healthcare, convenience, entertainment and leisure. It owns and manages desirable real estate that meets occupiers' demands, delivers reliable, repetitive and growing income-led returns and outperforms over the long term.
Further information is available at www.londonmetric.com.

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Alternative performance measures: The Group financial statements are prepared in accordance with IFRS where the Group's interests in joint ventures and non-controlling interests are shown as single line items on the income statement and balance sheet. Management reviews the performance of the business principally on a proportionately consolidated basis, which includes the Group's share of joint ventures and excludes non-controlling interests on a line by line basis. Alternative performance measures are financial measures which are not specified under IFRS but are used by management as they highlight the underlying performance of the Group's property rental business and are based on the EPRA Best Practice Recommendations (BPR) reporting framework which is widely recognised and used by public real estate companies.

Chair's statement

It has been another exceptional year for LondonMetric having successfully integrated the LXi and CTPT acquisitions, completed over 100 investment transactions and 340 occupier initiatives, advanced additional M&A opportunities and debt refinancings, and strengthened the team.

Our activity is delivering on our aim to further consolidate our position as the UK's leading Triple Net Lease REIT. Our income metrics remain sector leading as we strengthen and grow the portfolio's rental income and extract efficiencies and the wider potential from our scalable platform. We continue to reshape the portfolio to ensure that it is aligned to mission critical real estate in structural supported sectors with attractive income growth prospects.

Our financial results for the year to 31 March 2025 were outstanding and reflect the first full year for the enlarged group. Net rental income was up 123% to £390.6 million, whilst our EPRA earnings per share increased by 21% to 13.1p, a 236% increase from the 3.9p at the time of our formation in 2013 (an 11% compounded annual growth rate). This has allowed us to increase our dividend per share for the tenth year, up 18% on 2024 to 12.0p and 109% covered by EPRA earnings per share. We expect dividend growth to continue and are guiding to a 5.3% increase in our first quarterly dividend for FY26 to 3.0p.

Over the year, our portfolio's valuation increased by £106 million, reflecting our strong income performance which has enabled us to deliver an attractive total property return of 8.3%, a 200bps outperformance of MSCI All Property. EPRA NTA per share increased by 3.9% over the year which helped to generate a total accounting return of 9.7%.

We have continued to strengthen and build flexibility into our debt structure. During the year we achieved a BBB+ credit rating which, together with our greater scale, is opening up wider sources of capital. We have put in place new debt facilities, extended existing debt facilities and added further hedging at attractive rates. Our debt metrics are in great shape with a debt maturity of five years, an average cost of debt of 4.0%, significant undrawn facilities and a conservative LTV at 33%.

Looking ahead, our exceptional team is working tirelessly to build an even stronger business that can continue to deliver earnings and dividend growth over the long term.

In the near term, we are hopeful of successfully concluding the acquisitions of Urban Logistics REIT and Highcroft Investments which would add £1.2 billion of assets and bring material benefits to all shareholders. Over the longer term, I am in no doubt that our enlarged scale and highly efficient business model will continue to offer up a wide variety of further opportunities for growth, both internally and externally through further M&A.

I am very grateful to Andrew Livingston for the valuable contribution he has made as he retires from the Board after nine years. Kitty Patmore takes on the role of our designated workplace Non Executive Director. Whilst remaining on the Board, Robert Fowlds hands the Remuneration Committee Chair position to Suzy Neubert following a five year term.

Finally, having seen at first hand the enormous commitment that has been made, I would like to thank all of our team and the Board for their hard work and dedication over the past year. I remain genuinely excited by the prospects for the Company.

Chief Executive Q&A

Q

How would you describe LondonMetric?

A

LondonMetric is a high conviction triple net lease ('NNN') real estate investment trust ('REIT') invested in the strongest property sectors with the lowest cost of operations. It is a highly efficient model that delivers reliable, repetitive and growing income returns and allows us to pass our collected rent onto our shareholders by way of a well covered, progressive and quarterly dividend payment.

Q

What is your approach and key focus?

A

We focus on owning mission critical and key operating assets in the strongest sectors benefitting from macro tailwinds and evolving consumer behaviour.

We buy smart, using our strong occupier relationships to give us a competitive edge in asset selection to ensure income longevity and growth, alongside value accretion. Our simple but highly effective approach has created an all weather portfolio

that can navigate short term macro volatility. This underpins our dividend growth, which has increased this year by 18%, representing our tenth year of progression and putting us well on the path to dividend aristocracy.

Q

What is your investment thesis?

A

Our investment thesis is predicated on aligning the portfolio to the macro trends of digitalisation, time as a valuable commodity and experiences. Consequently, we have pivoted our investments to the winning real estate sectors of logistics, convenience shopping, entertainment and leisure. We look to acquire quality assets in structurally supported sectors at reasonable prices, with conservative leverage to amplify returns, and then we aim to hold them for a long time. This is referred to as the three Cs – collect income, allow it to compound and watch the yields on cost compress.

Q

Has your M&A activity delivered as expected?

A

Our transformational LXi deal in March 2024 has materially increased our scale and continues to deliver significant operational and financial benefits. We have successfully integrated the portfolio and the people and, alongside the acquisition of CTPT in 2023, we have achieved significant annual cost savings, improved our debt optionality and seen much increased liquidity in our shares. The benefits of these deals, our focused capital allocation and our incredible team has strengthened our portfolio, income growth prospects and sector leading cost metrics.

Q

How are you ensuring the portfolio remains fit for purpose?

A

Our focus on NNN income compounding and strong shareholder alignment is ensuring that we remain disciplined, rational and active, continually improving our portfolio, financing and net operating income. Over the year, we exchanged on £342 million of sales at above prevailing book value. These were excellent sales and largely comprised non core LXi and CTPT assets.

We reinvested the sales proceeds into higher quality assets with better income reliability and growth trajectory, acquiring £343 million of mainly logistics warehousing. We will continue to monetise assets where future returns are less certain and reinvest into quality investment opportunities with growth, including external M&A deals and opportunities focused on urban logistics.

Q

What's happening in the world of Real Estate?

A

Sentiment in real estate continues to be adversely affected by elevated swap and ten year gilt rates, with recent macro events adding further to uncertainty. However, this is throwing up opportunities for well capitalised businesses – after all, market uncertainty can be the friend of investors looking for long term value.

Polarisation between the winning and the losing sectors remains and we do not expect this to change for some time. The winning sectors of 'sheds, beds & breads' continue to see good investor demand and transparent pricing, whilst the losing sectors continue to see muted growth and structural headwinds. For offices and shopping centres, occupancy, amenity and environmental costs will continue to weigh on net income and valuations.

Q

How are you positioned for the next year?

A

Recent activity is expected to see us materially increase our logistics weighting to 55%, in particular growing exposure to our key conviction sector of urban logistics, maintain a well positioned balance sheet and strong equity rating, and consolidate our FTSE 100 status. We will continue to capture strong income growth and, with further external growth and consolidation likely, we expect to further enhance our position as the leading UK NNN lease REIT.

Chief Executive’s review

As the UK’s leading NNN REIT we aim to deliver reliable, repetitive and growing income
We continue to believe that income and income growth are the defining characteristics of long term investment returns. We appreciate the true benefit of income compounding over the longer term, focusing on the quantity, quality and timing of when cash will be returned. Compounding is not intuitive and is often misunderstood and under appreciated. For us, it is as easy as ABC - always be compounding.

The introduction of the REIT regime into the UK in 2007 was a pivotal moment that allowed the real estate sector an unbelievable advantage to compound income. Whilst others failed to pivot their strategies, we have embraced the REIT structure, fully understanding and appreciating the outstanding outcomes that it can produce.

NNN income REITs that invest in quality assets in the strongest sectors and with high occupier contentment can deliver reliable income and growth, and are well placed to deliver long term compounded returns. This model has been highly successful in the US and is a scalable, low cost proposition that does not require great activity, people or risky decision making. We believe that this is the right way to invest: low cost, high quality, reliably and efficiently delivered.

Our portfolio has an annual net contracted rent of £340 million and very strong income metrics with a WAULT of 18.5 years, occupancy at 98% and a gross to net income ratio of 99% which reflects our minimal property costs. With 77% of income subject to contractual rental uplifts and 40% subject to annual reviews, this is providing certainty of income growth, with like for like income growth delivered of 4.2% across the portfolio over the year.

Our strategy is to own quality assets in winning sectors underpinned by strong income
Our job is to allocate capital into sectors where it will be treated best by supporting existing trends and looking for new ones. There is no substitute for being aware, alert and always prepared to pivot.

We are thematic investors who invest in structurally supported sectors benefitting from strong consumer tailwinds with high occupier contentment. After all, when you choose real estate where the wind is at your back, you are more likely to be a price setter than a price taker.

We also prioritise ‘mission critical’ assets as occupiers tend to stay longer, invest more and pay higher rents. This approach has served us well and improved our returns. Management’s share ownership culture ensures that we pursue quality returns over long periods, acknowledging that time is the friend of a wonderful portfolio, and so we are happy to get rich slowly.

Our model is focused on long term compounding, rather than simply growing assets under management. This tempers our acquisition activity, limits speculative development exposure and frames our disposal decisions. Buying lowly rated assets cheaply is not our strategy, as these assets tend to over distribute, diluting equity value and creating unnecessary risk, stress and taking up valuable thinking time.

We will exit weaker assets which have shorter leases, weakened credits and capital expenditure requirements that are likely to grow faster than net rents. Similarly, we have never seen the attraction of managing time and capital intensive assets such as offices or shopping centres, where tenants are addicted to incentives, depreciation is speeding up and occupiers are always demanding better amenities, paid for by the owners.

Our investment activity focuses on increasing our logistics exposure
We stated our ambition to increase our logistics weighting and, over the year, it increased from 43% to over 46% following £297 million of logistics acquisitions. Market uncertainty and elevated debt costs created a number of opportunities at a time where the field of competitors is quieter. Opportunities arose from various sellers including pension funds exiting direct real estate, motivated vendors facing refinancing challenges, investment funds subject to investor redemptions and occupiers looking to raise money through sale & leasebacks.

We also continued to review a number of M&A opportunities focused on urban logistics with our takeovers of Urban Logistics REIT Plc and Highcroft Investments Plc expected to increase our logistics weighting to approximately 55%. The logistics sector continues to be attractive with the sector’s structural tailwinds remaining strong from continued online sales growth, investment in more efficient and resilient supply chains and increased warehouse automation. Take up of logistics warehousing over the last year was in line with the prior year at around 20 million sq ft. Whilst the UK logistics vacancy rate has increased to 6%, the first quarter of 2025 has seen speculative supply fall, take up increase by 16% and lettings under offer increase by 11%.

We continue to believe that urban logistics remains the most attractive sub-sector and has the greatest demand/supply tension and consequently income growth potential. Supply continues to reduce as assets are converted into higher value land uses. Highly granular occupier demand is further benefitting from an ongoing need for occupiers to evolve operationally by locating

closer to the end customer, minimise delivery times, increase accuracy of delivery and satisfy consumer demands for instant gratification.

Our logistics assets delivered a strong total property return of 7.1% in the year and saw further ERV growth of 4%, with urban again the strongest sub-sector. Logistics rent reviews were settled at 19% above previous passing rents on a five yearly equivalent basis with urban logistics open market reviews seeing a 48% uplift. Our logistics portfolio remains highly reversionary and this is expected to provide superior future returns.

We are successfully transacting on our non core sales strategy
Our investments into logistics have been funded by the sale of 72 non core and mature assets in the year totalling £342 million and transacted at above prevailing book values. As with most portfolio acquisitions, you will never love all assets and our primary focus has been the sell down of non core LXi and CTPT assets, which totalled £214 million. We will always look to deal from the bottom of the deck and exit weak sectors and poorer quality assets as quickly as possible. After all, when you own secondary assets time can quite often destroy wealth.

The sales mainly comprised two oversized Asda food stores, a number of secondary offices and training centres, a large retail park, pubs, garden centres, gyms and hotels. We also sold eight urban logistics assets at very low yields of 4.6%, which is below our marginal cost of debt, and where we felt income growth was less certain. We continue to see good liquidity for our assets with £63 million sold post year end. Undoubtedly there will be some non core assets from our current M&A activity which we will look to quickly exit and recycle the proceeds.

Our long income assets are benefitting from structural tailwinds
Our long income portfolio represents 52% of our assets and provides incredible income let to strong operators, with inflation protection and attractive income compounding qualities which form the bedrock of our dividend. It is 99% occupied, offers a topped up NIY of 5.5%, a WAULT of 23 years and contractual rental uplifts on 90% of income.

The real estate is aligned to structurally supported sectors of convenience, entertainment & leisure and healthcare. These sectors are benefitting from changes in consumer behaviour and demographics as the population pivots expenditure towards convenience, experiences and better healthcare. Strong demand/supply dynamics in these sectors and attractive replacement metrics ensure that these assets are mission critical operating assets for our occupiers. In the year, our long income assets delivered a TPR of 8.6%. It is crucial in real estate that income compounding from contractual uplifts does not of itself create an over renting position. This is why our long income assets are let at rents that are in line with market rents and/or are let to occupiers that can pass on higher rents to their customers, thereby maintaining a healthy earnings to rent cover.

Convenience is an area where we are looking to grow our exposure. The store network remains integral to retailers, and our convenience assets are well located, stand-alone or cluster properties that are fit for purpose, right sized and right rented. These assets are let on long NNN leases to grocers, discounters, home and DIY operators with resilient business models that are less exposed to the migration of shopping online and offer essential goods and omni-channel optionality in a convenient format. Roadside convenience has been an area of focus for us, particularly drive-thrus, with a growing need to service customers requiring electric vehicle charging. We now own a substantial number of drive-thrus, let to national names like Costa, Burger King, McDonalds and Starbucks.

Healthcare is underpinned by strong demand drivers from an ageing and growing population as well as improvements in technology, and the real estate investment market in healthcare has been particularly active over the last year. UK private hospitals are particularly well placed and are increasingly taking on NHS patients as a result of the growing NHS waiting lists where seven million people are awaiting treatment. Unsurprisingly, they are seeing good demand from patients treated through private medical insurance as well as self-pay as they seek better and faster care. There has been strong growth in insured patient volumes across the independent healthcare provider sector. Ramsay Health Care, our largest occupier, continues to report strong growth in its UK business, particularly from NHS admissions.

Entertainment & leisure continues to benefit from the trend towards experiences and growing preference for staycations. We have continued to improve our hotel portfolio with the sell down of smaller and weaker performing Travelodge hotels, and targeting the selective acquisitions of well located and strongly performing Premier Inn hotels. Our theme park investments are benefitting from favourable trends and are proving to be non-cyclical performers as consumers prioritise experiences over things and an unwillingness to cut back on discretionary spend in this area. Theme parks also have significant barriers to entry in the UK with large investment required to maintain visitor appeal which adds to their defensive characteristics.

We continue to grow our income and improve our asset quality
We continue to see high occupier contentment and demand across our portfolio. During the year, occupier initiatives added £15.3 million per annum of rent and delivered like for like income growth of 4.2%. Lettings and regears added £5.9 million of

rent and were signed on average lease lengths of 19 years, with urban logistics assets contributing £4.0 million of uplift and seeing income on regears increasing by 43%. Rent reviews added £9.4 million, representing a 17% uplift on a five yearly equivalent basis with urban logistics delivering a 24% uplift.

Looking forward, we will benefit from collecting additional income from our highly reversionary logistics assets as well as the guaranteed uplifts on our long income assets with an additional £27 million of rental uplift expected over the next two years from the existing portfolio.

Our strong occupier relationships have seen us secure new pre-lets and de-risk our development activity. In the year, we completed development of a new 36,000 sq ft logistics warehouse for Ferrari Pistons, further drive-thru/to pods and funded the development of a new hotel for Merlin. We continue to work closely with M&S across a number of opportunities including food stores, general merchandise and logistics. We are developing new stores for them in New Malden, Weymouth, Largs and Blackpool, and have let a former Homebase to them in Luton. Including rent from our recently announced 390,000 sq ft M&S funding development in Avonmouth, these deals account for £7 million of rent per annum which would make M&S our fourth largest occupier, representing c.2.3% of our total annual rent.

We continue to embed sustainability across our activities, driven by our own aspirations as well as those of our stakeholders. We see ourselves as strong stewards of underinvested or poorer quality assets where we can use our expertise to materially improve buildings. Over the year, the portfolio's EPC A-C rating increased from 85% to 92% and five solar PV projects added 3.6MWp with a further 2.6MWp of near term projects. We completed our Net Zero Pathway and continue to work with our occupiers to help them meet their Net Zero objectives.

We continue to benefit from our strong team and its relationships

Our team's economic alignment to the Company's success ensures an ownership culture and a strong conviction to make the right property and financial decisions. We work with all stakeholders to deliver longer term benefits to our investors, occupiers, people, local communities, contractors, suppliers and advisors.

Our occupier survey in March 2025 again showed high contentment with an average score of 8.7 out of 10.0 for whether our occupiers would recommend LondonMetric as a landlord. This was particularly pleasing given that this was the first year that LXi occupiers were included. We also received a high score in our latest employee survey with 96% of employees saying that they enjoy working for the Company, which is slightly higher than last year. The team has worked incredibly hard over the year, has embraced our 'work from work' culture and I am very grateful for their efforts.

As a larger and growing business, we recognise the importance of investing in our people and have continued to strengthen our team with several new hires including the appointment of Darren Richards, who joined in January, as Chief Investment Officer. My appreciation also extends to these new colleagues who have integrated into the team seamlessly.

Outlook

Our NNN income model is delivering strong income and elevated levels of rental growth through a low cost and efficient platform. We believe that this is the right way to invest. Scale and efficiency is essential in today's environment, and we have every reason to be optimistic about our relentless expansion. Our M&A activity continues to improve liquidity in our shares, expand access to quality investment opportunities and enhance or exploit economies in terms of overheads and debt optionality. Our EPRA cost ratio is the lowest in the sector and we have a clear path to further progress our earnings per share and covered dividend.

However, we are not in this position by accident, and it is the result of over ten years of building the right portfolio, financial prudence, taking the hard decisions over easy ones and a strong team. Unlike some of our peers, our decisions have always been heavily influenced by macro trends, evolving consumer behaviour and demand/supply dynamics. After all, no matter how great the intelligence or how hard the work, the macro will always out run the micro.

Therefore, to ensure that our portfolio remains fit for the future, we will constantly refine its quality and income streams by trimming our exposure to certain sub-sectors, ex-growth assets and individual credits. The logistics market remains our strongest conviction for income growth and so we continue to reinvest into this market. As owners we are fully aligned with shareholders and remain focused on our mission, disciplined and ruthlessly efficient in how we operate our business and allocate capital.

We have now completed ten years of dividend progression and are on the path towards dividend aristocracy. After all, income compounding is the eighth Wonder of the World – the secret ingredient and the rocket fuel that creates wealth.

Our markets

Macro events continue to dictate the investment backdrop
The global economic outlook has changed significantly over recent months and continues to set the scene for the investment market. The US president's 'Liberation Day' tariffs have created significant volatility in the global bond and equity markets as investors have looked to assess the longer term impact of deglobalisation and increased protectionism. How this plays out is too difficult to predict, particularly with ongoing uncertainty from elevated inflation and geopolitical events, but lower growth is an inevitable outcome and a widespread global economic slowdown is being assumed by the markets.

For the UK, there are material risks to economic growth and a range of potential outcomes for inflation. The impact of recent rises in utility prices, national insurance costs, national living wage and above trend wage growth continues to add to inflation pressures that have persisted for several years. However, there is also potential for a disinflationary impact from tariffs from factors such as weaker commodity prices, lower input costs and a stronger currency.

For the UK consumer, what particularly matters is the impact of all this on future interest and mortgage rates. After hitting an inflexion point during the year and having been cut four times since, a further decline in interest rates is widely expected which could provide some cheer to the UK consumer; the same can't be said for the US consumer.

Liquidity and sentiment in real estate is improving

Interest rates remain the yardstick against which most investments are measured. Consequently, sentiment in the real estate sector continues to be largely driven by the outlook for five year swap rates and ten year gilts. Unsurprisingly, after a recalibration of valuations over the last few years and with five year swap rates now nearer 375bps compared to over 400bps a year ago, sentiment has improved and valuations have moved upwards across most real estate sectors.

Total UK real estate investment activity was over £50 billion in 2024, a 23% increase on 2023. This increased level of activity has continued into the first quarter of 2025 with £15 billion of transactions, reflecting a 75% increase year on year. There has been healthy activity across the 'winning' sectors, as well as growing popularity for warehouse assets; both distribution and retail. There have also been signs of activity in the London office and shopping centre markets, albeit at prices materially below previous valuations which reflects motivated vendors, falling rental values, growing capex requirements and expanded yields. However, the 'traditional' sectors accounted for only 46% of all investment activity in 2024, which is the lowest on record, and a number of high profile office and shopping centre transactions have been pulled as bids received did not meet sellers' inflated expectations.

We continue to see significant capital sit patiently on the sidelines awaiting greater macroeconomic and geopolitical clarity. With current swap rates continuing to rule out many debt funded buyers, we are seeing the greatest liquidity for smaller lots sizes. Our view remains that normal liquidity won't return until five year swap rates fall closer to 300bps to derive an all in cost of debt of c.5%, a level that allows most debt led real estate transactions to work; we're a lot closer but still not close enough.

We have also seen further sector consolidation and managed liquidation of externally managed small cap REITs where poor structures, lack of scale, limited alignment of interest and legacy investment strategies have manifested in material discount ratings. The days of easy money for externally managed small cap REITs with little in the way of shareholder alignment have long disappeared and the list of such companies is reducing by the day.

Polarisation across real estate will continue

Technological disruption continues to affect the way we communicate, travel, work and shop with profound and permanent consequences for both winning and losing real estate sectors. Structural tailwinds are providing strong support for logistics, convenience and hospitality related real estate. Student accommodation and build-to-rent have similarly benefitted from positive tailwinds but these are highly operational sectors that do not fit our NNN strategy. Data centres also offer exciting growth prospects aligned to the need for a growing digital infrastructure but remain a complex sector with availability of power a major constraint.

For the troubled office and retail sectors, prospects for some micro sub-sectors have improved, however significant headwinds persist. In the office market, outside of the very best locations, the headwinds are fierce with strong parallels to the shopping centre sector ten years ago. New technology, increasing obsolescence, new sustainability requirements and changing workers' preferences, are disrupting demand for all but the very best office space in the strongest markets. It's a case of returns being destroyed by vacancy, obsolescence, tenant incentives and expanding yields.

Whilst many office owners will confidently talk about increasing occupier demand and headline rental growth, the cost of achieving it, and expanding valuation yields make these less profitable in reality than the perception. The financial returns are

therefore extremely marginal with investors increasingly wary of future income growth to justify yields. After all, how many office landlords talk positively about their accretive rent review settlements.

Operational retail property continues to suffer as the consumer pivots further towards an omni-channel and convenience shopping model. The shift online has resulted in massive value erosion across many parts of physical retail, where there is still too much space and not enough occupiers. This is less pronounced in some of the strongest locations but, even here, passing rents are very often still higher than true ERVs once the incentives required to maintain occupancy are stripped out.

The adoption of omni-channel models is, however, helping retail parks which are seeing strong occupancy, reduced supply and stronger pricing equilibrium. This is particularly the case around the better geographies, where space is being lost to other higher value alternatives like residential and even warehousing. They exhibit NNN income characteristics, enjoy attractive demand/supply metrics and asset management initiatives can add income to enhance total returns.

The convenience grocery sector is seeing particularly strong growth, where stores retain their important role in essential spending due to low online penetration for food. However, performances remain polarised as larger format supermarkets continue to fight strong competition from the smaller, right rented, fit for purpose convenience and discount stores.

Property review

Total portfolio value

£6.2bn

Our portfolio is aligned to structurally supported assets

After doubling the size of the portfolio in 2024 to £6.0 billion, the portfolio value increased over the year to £6.2 billion. Our investment activity has, however, changed the weightings of our portfolio as we sold out of non core assets and reinvested the proceeds into higher growth assets, particularly in urban logistics, our strongest conviction call. As a result, our logistics weighting increased from 43% to 46% of the portfolio, whilst our long income weighting, which comprises the convenience, entertainment & leisure and healthcare sectors, fell from 54% to 52%. The portfolio is primarily focused on London and the Southeast (37% by value) and the Midlands (23%). The rest of England accounts for 34%, whilst Scotland and Wales account for just 4%. The remaining 2% relates to our theme park in Germany.

Portfolio weighting by value

1. Logistics	**46.1%**
2. Entertainment & leisure	**21.1%**
3. Convenience	**15.9%**
4. Healthcare (including education)	**15.1%**
5. Other (a retail park, offices and a life science asset)	**1.8%**

Our portfolio's income metrics remain very strong

The income security of the portfolio remains very strong with a WAULT of 18.5 years (17.4 years to first break) and only 5% of income expiring within the next three years. Occupancy remained high at 98% and our gross to net income ratio of 99% continues to reflect the portfolio's strong retention rate, very low property costs and minimal operational requirements.

Net contracted rent increased over the year from £339.7 million to £340.4 million benefitting from strong rental growth across the portfolio but offset by a reduction in income from divestment activity.

77% of total rent has guaranteed contractual rent reviews (40% of rent is reviewed annually):

- 53% of rent is index linked: with 28% RPI linked, 16% CPI+ linked and 9% CPI or CPIH linked; and
- 24% of rent is subject to fixed uplifts, with a weighted average uplift of 2.6% per annum.

The remaining 23% of income is linked to open market rent reviews. Index linked rent reviews are subject to a range of collars and caps which are typically between 1% to 4% over a five year period such that:

- For RPI reviews, at 22% inflation over a five year period (equivalent to 4% per annum), 94% of inflation is captured; and
- For CPI reviews, at 16% inflation over a five year period (equivalent to 3% per annum), 99% of inflation is captured.

The portfolio delivered a strong TPR of 8.3%

The portfolio delivered a total property return of 8.3% over the year. This represented a 200bps outperformance of the MSCI All Property UK Index. ERV growth was 3%, and the portfolio delivered a 1.7% property valuation increase despite 17bps of yield expansion. The portfolio's EPRA topped up net initial yield is 5.1% and its equivalent yield is 6.3%. Over the last six years, the Company has delivered a total property return of 52%, which is a compounded annual growth rate of 7%.

Logistics sector

£2.8bn

Our logistics assets are spread across urban, regional and mega sub-sectors and valued at £2,838 million, with a WAULT of 11.7 years and occupancy of 97.1%. Urban logistics has been our strongest conviction call for many years and, reflecting our investment activity in the year, our urban portfolio grew from £1,563 million to £1,796 million. These assets are spread across 163 locations and account for 63% of our overall logistics weighting. Demonstrating our focus on strong geographies, 83% of our urban logistics is located in London, the South East and the Midlands. Our regional logistics portfolio also grew over the year to £727 million, with several regional warehouses acquired.

As at 31 March 2025	Urban	Regional	Mega
Value[1]	£1,796m	£727m	£315m
WAULT	10 years	14 years	15 years
Average rent (psf)	£9.50	£7.00	£6.50
ERV (psf)	£11.00	£8.40	£8.40
ERV growth	4.7%	2.5%	2.6%
Topped up NIY	4.7%	4.6%	4.6%
Contractual uplifts	47%	74%	100%
Total property return	7.6%	6.3%	6.4%

1 Including developments

Logistics continues to deliver attractive rental growth which, together with material embedded reversion within our portfolio, is delivering strong income growth. Average ERVs on our logistics portfolio are 18% higher than average passing rents, with urban logistics assets at 16% and our regional and mega assets at 25%. The higher reversion on regional and mega assets reflects their greater exposure to index linked or fixed reviews as well as their longer leases, which limits our ability to capture the market rental growth seen over recent years.

Our logistics assets are valued at a topped up NIY of 4.6% and an equivalent yield of 5.8%. Over the year, they delivered a total property return of 7.1%. Our logistics portfolio saw a valuation uplift of 1.7%, reflecting continued market rental growth as well as strong logistics leasing and rent review activity, which added £9.0 million of rent and delivered like for like income growth of 4.7%. Our logistics assets saw an outward yield shift of 5bps over the year. ERV growth was 3.8% and urban logistics was again strongest at 4.7%, with regional and mega achieving 2.5% and 2.6% respectively.

Long income sector

£3.2bn

Our long income assets are let on long leases to strong operators, have low operational requirements and are in structurally supported sectors that are benefitting from the changes in the way people live and shop. They are spread across the convenience, entertainment & leisure and healthcare sectors. As at year end, the value of our long income assets was broadly unchanged at £3,207 million, representing 52% of our portfolio. These assets are 99% occupied, let with a WAULT of 23 years and generate an attractive topped up NIY of 5.5% with 90% of income subject to contractual rental uplifts and an equivalent yield of 6.7%.

As at 31 March 2025	Entertainment & leisure	Convenience	Healthcare (& education)
Value[1]	£1,298m	£978m	£931m
Contracted rent	£81m	£58m	£51m
WAULT	36 years	12 years	14 years
Topped up NIY	5.8%	5.6%	5.1%
Contractual uplifts	98%	70%	100%
Total property return	**8.8%**	**8.1%**	**9.9%**

1 Including developments

During the year, we sold £209 million of long income assets, of which £151 million were former LXi or CTPT properties. These included large foodstores, a number of health and education assets, pubs, garden centres and Travelodge hotels. £46 million of the sale proceeds were reinvested into several convenience properties, as well as a Premier Inn hotel. We expect to continue our sell down of non core long income assets, whilst selectively growing our convenience exposure further.

Long income generated a total property return over the year of 8.6%. It delivered an ERV growth of 2% and a valuation increase over the year of 2%. Convenience assets saw the strongest ERV growth at 5.4%. Like for like income growth on long income was 3.1% over the year.

Entertainment & leisure represents 21% of the portfolio and comprises:

- Theme parks – 47% of sub-sector – Four assets at Thorpe Park, Alton Towers, Warwick Castle and Heide Park (in Germany). These assets are let with a WAULT of 52 years to Merlin Entertainments, with a mixture of annual CPI+0.5% rent reviews and annual fixed rent reviews of 3.3% per annum;
- Hotels – 32% of sub-sector – 76 budget hotels, of which 66 are let to Travelodge with a WAULT of 25 years, mainly on five yearly CPI+0.5%/RPI linked reviews. They are located nationwide and focused on roadside locations; and
- Other – 21% of sub-sector – Consists mainly of 23 pubs, five cinemas, three garden centres and the AO Manchester Arena, which is mostly let to SMG Europe for a further 20 years.

Convenience represents 16% of the portfolio and comprises:

- Foodstores – 43% of sub-sector - 46 assets let at an average rent of £18.00 psf with key occupiers including M&S, Waitrose, Co-op, Costco, Tesco and Aldi. These are predominantly smaller format grocery with an average area of c.30,000 sq ft;
- NNN retail – 28% of sub-sector - 30 assets, primarily single or cluster assets let to discount, essential, electrical and home retail occupiers such as B&M, Currys, DFS, Dunelm, Home Bargains, Pets at Home and The Range at an average rent of £19.50 psf. These assets typically benefit from high alternative use values;
- Roadside – 14% of sub-sector - 69 assets, primarily convenience stores with attached petrol filling stations, drive-thru coffee outlets and automated car washes. Key occupiers include Co-op, IMO, BP, McDonalds, MFG and Starbucks; and
- Other – 15% of sub-sector - 23 trade/DIY stores and autocentres (key occupiers include Halfords, Kwik Fit, Topps Tiles and Wickes) and ten car parks let to Q-Park with a WAULT of 26 years.

Healthcare & education represents 15% of the portfolio and comprises:

- Hospitals – 85% of sub-sector - 12 private hospitals make up this sub-sector, of which 11 are let to Ramsay Health Care with a WAULT of 12 years and annual fixed rent reviews of 2.75%. The two largest hospitals are in Sawbridgeworth and Chelmsford. Ramsay is one of the leading independent healthcare providers in England, providing a comprehensive range of clinical specialities to private and self-insured patients, as well as patients referred by the NHS. Ramsay has seen strong growth in both private and NHS volumes;
- Care homes – 8% of sub-sector - Seven assets with key occupiers comprising Bupa and Priory with a WAULT of 19 years; and
- Education – 7% of sub-sector - Comprises a number of children’s nurseries and adventure centres, and one student accommodation asset.

Acquisitions in the year

£343m

Acquisitions in the year totalled £343.1 million, representing a NIY of 6.0% and a reversionary yield of 6.8%. They were spread across 32 assets and had a WAULT of 14 years with 56% of income benefitting from contractual rental uplifts. Logistics investments totalled £297.2 million, the majority of which were urban logistics, where 23 units were acquired for £188.9 million, with the remaining £108.3 million comprising three regional warehouses. Other acquisition comprised £45.9 million of convenience and hotel assets.

Availability of quality acquisition opportunities have been limited in our sectors of choice, but through our deep relationships we found attractively priced assets with strong income growth prospects. Sale and leasebacks through our occupier relationships represented 19% of acquisitions, whilst purchases from developers represented 27% and the remaining 54% was sourced from property and pension funds.

In logistics, 26 assets were acquired for £297 million:

- A 526,000 sq ft urban logistics portfolio, acquired for £78.0 million. The six single let assets were acquired from a FTSE 100 pension fund at a blended NIY of 5.8% which rises to 6.9% over the next two years from rent reviews. They have a low capital value and are in good macro locations;
- A 390,000 sq ft M&S regional logistics warehouse in Avonmouth, acquired for £74.0 million. The warehouse was acquired at a NIY of 5.65% and a reversionary yield of 6.6% and is pre-let on a 20-year lease with five yearly rent reviews linked to CPI. The BREEAM Excellent warehouse will be a key facility for M&S's food distribution business and the forward funded development is expected to complete in summer 2026 with LondonMetric receiving a funding coupon of 5.5% during construction;
- A 182,000 sq ft regional warehouse in Avonmouth let to Farmfoods, acquired through a sale and leaseback for £26.4 million;
- A 211,000 sq ft logistics park in Wednesbury acquired from a pension fund for £25.0 million with a low site density of 21% and immediate asset management opportunities through open market reviews;
- 127,000 sq ft of urban warehousing in Derby, Huntingdon, Farnham, Colchester and Leeds acquired for £20.6 million through sale and leasebacks with Travis Perkins;
- A 95,000 sq ft urban warehouse in Milton Keynes let to Ingram Content Group, acquired for £18.6 million;
- 58,000 sq ft of urban warehousing in York and Reading, acquired for £12.2 million;
- A 106,000 sq ft urban warehouse in Cardiff let to Booker, acquired for £8.8 million;
- A 150,000 sq ft regional warehouse in Chepstow, acquired for £7.9 million;
- 45,000 sq ft of urban warehousing in Bolton and Derby let to MKM, acquired for £6.5 million;
- A 37,000 sq ft industrial unit in Aberdeen let to Helix Well Ops, acquired for £5.6 million;
- 41,000 sq ft of urban warehousing let to Travis Perkins in Sheffield and Trowbridge, acquired for £5.3 million;
- 23,000 sq ft of urban warehousing in Lymington let to Travis Perkins, Tool Station and Halfords, acquired for £4.9 million; and
- A 18,000 sq ft urban warehouse in Swindon let to Jewson, acquired for £3.5 million.

In entertainment & leisure, one asset was acquired for £15 million:

- A 193-bedroom hotel in West Thurrock let to Premier Inn for a further ten years, acquired for £14.8 million.

In convenience, five assets were acquired for £31 million:

- A 54,000 sq ft NNN retail asset in Andover let to Wickes and KFC, acquired for £12.2 million;
- A 32,000 sq ft NNN retail asset in Basildon let to Pets at Home, Farmfoods, KFC and McDonald's, acquired for £10.0 million;
- A new 22,000 sq ft M&S foodstore in Blackpool, pre-let on a 15 year lease, and acquired at a cost of £6.8 million; and
- Two drive-thrus let to Burger King, acquired for £2.2 million.

Post year end we have acquired one asset for £5 million:

- A convenience development funding in Eastbourne pre-let to Greggs and Starbucks, acquired for £4.8 million.

Disposals in the year
£342m

Disposals in the year totalled £341.9 million, representing a NIY of 6.9%. Across 72 assets, they had an average transaction size of c.£5 million and a WAULT of 15 years. Sales were transacted at 1% above the prevailing book value. Sales largely comprised two large Asda stores as well as other convenience assets, eight offices, a large retail park, a number of health and education assets, pubs, garden centres, gyms and Travelodge hotels. In the year, we also sold eight urban logistics assets at a NIY of 4.6% and where we felt income growth was less certain. £214 million of sales related to assets that had been previously acquired through the LXi and CTPT transactions and which did not fit our investment strategy. On these two portfolios, we have so far achieved sales prices that are 1.6% ahead of acquisition value.

In entertainment & leisure, 16 assets were sold for £28 million:
- Nine pubs, sold for a total consideration of £10.5 million;
- One leisure asset in Hamilton, sold for £9.0 million;
- Four Travelodge hotels in Perth, Carlisle, Stonehouse and Preston as well as land on a Travelodge site in Nuneaton, sold for £5.2 million; and
- A garden centre in Huddersfield, sold for £3.1 million.

In logistics, eight assets were sold for £40 million:
- A 47,000 sq ft unit in Southampton, sold for £8.6 million;
- A 26,000 sq ft unit in Croydon, sold for £8.1 million;
- A 13,000 sq ft in Park Royal, sold for £7.1 million;
- A 39,000 sq ft unit in Aston, sold for £6.5 million;
- A 35,000 sq ft unit in Aberdeen, sold for £3.1 million;
- A 28,000 sq ft unit in Leicester, sold for £2.5 million;
- An 18,000 sq ft unit in Doncaster, sold for £2.5 million; and
- A 34,000 sq ft unit in Stockwell, sold for £1.4 million.

In convenience, 15 assets were sold for £108 million:
- Two large format Asda foodstores in Scotland and Halesowen, sold for £38.5 million;
- A 51,000 sq ft NNN retail asset in Weymouth which LondonMetric developed, sold for £14.3 million;
- A 34,000 sq ft roadside asset in York let to Vertu, sold for £10.5 million;
- A 41,000 sq ft trade/DIY asset in Ipswich, sold for £10.2 million;
- A 34,000 sq ft NNN retail asset in Basildon let to Lok'nStore, sold for £10.0 million;
- Two Cazoo roadside assets in Edinburgh and Cardiff, sold for £6.4 million;
- A 34,000 sq ft NNN retail asset in Totton, sold for £4.7 million (value at share);
- A 23,000 sq ft Lidl foodstore in Portsmouth, sold for £4.6 million;
- An 11,000 sq ft roadside site in Birstall, sold for £4.1 million;
- A 34,000 sq ft NNN retail asset in Stourbridge let to B&M, sold for £2.8 million;
- A 1,400 sq ft NNN retail asset in Kingston, sold for £1.2 million;
- A Boots retail unit, sold for £0.6 million; and
- Land in Bradford, sold for £0.1 million.

In healthcare & education, 23 assets were sold for £74 million:
- A 169,000 sq ft Compass training centre in Milton Keynes, sold for £23.7 million;
- A health and education asset in Fulham, sold for £21.8 million;

- An 82,000 sq ft Compass training & conference centre in Yarnfield, sold for £17.4 million; and
- 20 assets across the care home/assisted living sector, sold for a total of £10.8 million.

Other assets sold totalled £93 million and comprised:
- Eight offices in England and Scotland, sold for £54.1 million;
- A 138,000 sq ft retail park in Coventry, sold for £37.3 million; and
- Land at Mucklow Office Park, sold for £1.3 million.

Post year end we have sold £63 million of assets:
- A multi-let logistics asset in Crawley, sold for £21.4 million;
- A multi-storey car park in Yorkshire let to Q-Park, sold for £16.3 million:
- A logistics asset let to Ocado in Walthamstow, sold for £15.6 million;
- A Wickes store, sold for £5.5 million; and
- Several pubs, sold for £4.3 million.

Occupier activity in the year

+£15.3m income

Asset management continues to generate attractive income growth as we work in partnership with our occupiers. During the year, we undertook 340 occupier initiatives adding £15.3 million per annum of rent and delivering like for like income growth of 4.2%. Over the next two years, we expect further income growth of £27 million from our asset management activity.

Lettings and regears

68 lettings were signed in the year with a WAULT of 19 years, adding £5.9 million of rent per annum.

Logistics lettings added £4.4 million and were signed with a WAULT of ten years. Urban logistics added £4.0 million and included:

- 18 regears, adding £1.5 million of rent at 43% above previous passing rent. The largest regears were in Colnbrook, Crawley, Dudley, Greenford, Havant, Newhaven and Tyseley;
- 59,000 sq ft letting in Wednesbury, adding £0.5 million;
- 36,000 sq ft letting to Ferraris Piston Service in Cardiff of a newly developed warehouse, adding £0.4 million;
- 54,000 sq ft letting in Luton, adding £0.4 million (83% uplift);
- 38,000 sq ft in Basildon, adding £0.2 million (74% uplift);
- 14,000 sq ft in Dulwich, adding £0.2 million;
- 31,000 sq ft in Eastleigh, adding £0.1 million (30% uplift); and
- 34,000 sq ft letting in Ashford, adding £0.1 million (27% uplift).

Two regional logistics regears added £0.4 million. At Crick, five years term certain was added and rent increased by 26%. At Bognor Regis, a break was removed adding five years term certain, and the occupier undertook material environmental improvements.

Long income and other lettings added £1.5 million of rent with a WAULT of 29 years (13 years excluding Warwick Castle), including:

- M&S convenience lettings in Weymouth and Blackpool of two foodstores currently in development, adding £1.4 million of rent;
- A regear at Warwick Castle, adding £0.8 million of rent, where we funded a new 60-bedroom hotel and there is 52 years remaining on the lease;
- Lettings at Old Kent Road to Tapi, Burger King and Starbucks, adding £0.4 million;

- A letting to Sainsbury's of a convenience store in Bromsgrove replacing Homebase and adding £0.1 million of rent;
- Three EV charging lettings, adding £0.1 million of rent; and
- Lettings to British Garden Centres of three former LXi assets let to Dobbies where the rent has fallen by £1.4 million.

At the year end, 0.7 million sq ft was vacant with an ERV of £7.1 million. Subsequently, we have let or are under offer on 0.1 million sq ft and a further 0.3 million sq ft has been sold or is under offer to sell, with the remainder recently refurbished or under refurbishment. This activity would take our portfolio occupancy to 99%.

Post year end, we have also signed two further lettings with M&S. These include a new foodstore in New Malden and the regear of an existing store in Luton, which add a further £0.8 million of rent. The New Malden store is subject to planning and development is expected to start at the end of this year.

Rent reviews

We settled 272 rent reviews in the year, adding £9.4 million per annum of rent at an average of 17% above previous passing on a five yearly equivalent basis with open market reviews 40% higher.

Logistics rent reviews were settled across 50 assets adding £4.6 million per annum of income at 19% above previous passing rent, on a five yearly equivalent basis. These reviews comprised:

- 38 urban reviews settled at 24% above passing rent on a five yearly equivalent basis with open market urban reviews delivering a 48% uplift;
- Nine regional RPI linked reviews, predominantly annual reviews, settled at 18% above previous passing on a five yearly equivalent basis; and
- Three contractual mega reviews settled at 12% above previous passing rent on a five yearly equivalent basis.

Long income rent reviews were settled across 221 units, adding £4.8 million per annum of income at 16% above previous passing rent, on a five yearly equivalent basis.

All but seven of the reviews were inflation linked or fixed uplifts and the deals comprised:

- 45 entertainment & leisure rent reviews, adding £2.0 million, of which £1.0 million related to theme parks;
- 90 convenience rent reviews, adding £0.8 million; and
- 86 healthcare & education rent reviews, adding £2.0 million, of which £1.0 million related to annual fixed reviews on our Ramsay Hospitals.

Strong and diversified income with high satisfaction

Our investment and asset management actions over a number of years have increased the resilience of our portfolio by aligning our income to structurally supported sectors and assets with strong occupational and investment demand. The LXi merger in 2024 increased our income diversification through the addition of new sectors where we believe there are strong structural tailwinds.

Income concentration from our top occupiers increased from the LXi merger, with Ramsay Health Care, Merlin Entertainments and Travelodge representing our three largest occupiers and accounting for 27% of net contracted rent. Whilst these are strong credits with robust business models occupying key operating assets and investing materially in their estate, we expect to reduce our exposure to these occupiers over time.

Engagement with all of LXi's top occupiers continues to be very positive and we are developing these relationships further through our activity. Our latest occupier survey in March 2025 again demonstrated strong contentment and this year's survey was the first time we included LXi's occupiers. 214 occupiers were contacted representing 94% of our rent, and we received 79 responses representing 57% of our rent. We scored an average of 8.7 out of 10.0 for whether occupiers would recommend us as a landlord (2024: 9.0). In terms of satisfaction with our properties, we scored 8.6 (2024: 8.5).

Top ten occupiers (% of income)

Ramsay Health Care[1]	11.1%
Merlin Entertainments[2]	9.3%
Travelodge	6.3%
M&S[3]	2.3%
Primark	1.8%
Great Bear	1.8%
Tesco	1.8%
Amazon	1.4%
Argos	1.4%
THG	1.4%
Total	**38.6%**

1 Ramsay Health Care provides quality healthcare globally with 12 million admissions and patient visits per annum in over 500 locations. Ramsay is listed on the Australian Stock Exchange valued at £4 billion. In the UK, Ramsay has 34 acute hospitals caring for approximately 200,000 patients per annum and employing 7,500 people. UK revenues in the last financial year were 14% higher at £1.2 billion, driven by a strong increase in NHS admissions and private pay patients

2 Merlin Entertainments is a global leader in branded entertainment destinations with 62 million guests per annum. It operates 140 attractions in over 20 countries, including Alton Towers, Thorpe Park and Warwick Castle which are owned by LondonMetric. Merlin recorded global revenues of £2.1 billion in 2023 and is owned by the Lego family, Blackstone, Wellcome Trust and Canada Pension Plan Investment Board

3 Includes post year end activity with M&S

ESG activity

We recognise the importance of a comprehensive ESG strategy which minimises the environmental impact of our assets, maximises energy efficiency and improves climate resilience. As part of our drive to upgrade our assets, we continue to invest in high quality buildings and focus on working with our occupiers to progress energy efficiency and clean energy initiatives, mainly from solar PV, LED lighting upgrades, roof improvements and degasification. We also see ourselves as strong stewards of poorer quality assets with the necessary expertise and appetite to improve buildings.

Our alignment to NNN income assets means our Scope 1 and 2 emissions are de minimis and the energy intensity of our portfolio is materially reduced, with relatively straightforward interventions able to significantly improve energy ratings and reduce carbon emissions. This is reflected in our portfolio's EPC rating improvements over recent years and our minimal defensive capex for environmental upgrades, with expenditure typically achieving higher rents and/or paid for through lease incentive arrangements or by the occupier.

We continue to focus on improving our external ESG benchmarks scoring. Our GRESB score remained above the peer average at 73, resulting in a two-star rating. Our MSCI rating was 'A' and our ISS score remained at 'C-'. We also maintained our Gold Award for EPRA sBPR, continued to be included in the FTSE4Good Index and, in our second submission to CDP, we scored C+, which was a material improvement on the prior year. On our debt facilities, we updated our sustainability-linked targets in the year, building on previous commitments on minimum solar installations and EPC improvements. A further commitment was added to ensure our leasing activity promoted energy efficiency improvements.

We are committed to aligning with the UK Government's Net Zero target by 2050. In order to implement environmental initiatives and ultimately achieve Net Zero Carbon on our buildings, we remain reliant on our occupiers sharing similar environmental ambitions to us due to our full repair and insuring ('FRI')/NNN lease structures and long lease lengths. The acquisition of LXi materially changed our portfolio and increased our reliance on occupiers' environmental ambitions further. Over the year, we reviewed the LXi portfolio and engaged with key occupiers to understand the ESG implications of the acquisition and its impact on our Net Zero ambition.

Over the year, we conducted an in-depth science based portfolio carbon analysis. Using 2023 energy data from occupiers, we calculated our portfolio emissions baseline and categorised our properties into unique archetypes and typologies. This allowed us to model interventions needed to reach Net Zero, in line with the CRREM methodology. Consequently, we are targeting Net Zero by 2050 and further detail will be available in our Report and Accounts, and the portfolio's decarbonisation pathway will be published on our website at the same time. In the short term, we have set a target to achieve Net Zero for Scope 1 and 2 emissions where we have direct control by 2027.

As part of our work, we have modelled a series of short, medium, and long term carbon reduction interventions, ranging from tenant engagement to fabric improvements. These interventions, together with grid decarbonisation, should allow us to achieve

a 51% reduction in emissions by 2030 and full electrification of heating systems by 2040. The pathway models carbon reductions of 97% across our portfolio by 2050 against CRREM targets, with any residual emissions to be offset via a verified carbon programme. Our analysis included a review of key occupiers' net zero targets. The majority of our occupiers have comprehensive commitments to improving the sustainability of the properties that they lease from us.

Key progress in the year is summarised below:

- EPCs – After a deterioration in our EPC score in the prior year as a result of the LXi acquisition, our EPC ratings materially improved over the year with 'A-C' ratings rising from 85% to 92% and 'A-B' rating improving from 49% to 58%. Our EPC scores were helped in the year by various improvement initiatives, new EPC assessments on 185 units across 4.5 million sq ft (including enhanced energy assessments) and our investment activity, which saw us sell out of poorer rated assets and acquire predominantly EPC 'A-B' rated assets;
- Asset management and improvements – We have mandated that a minimum 'B' EPC rating needs to be achievable on all new leases, regears and refurbishments. We undertook a number of refurbishments in the year which have materially improved our assets including at Eastleigh and Bicester where EPC ratings were improved from 'C' to 'A' and 'A+' respectively;
- Occupier energy data – As part of measuring our occupiers' emissions at our buildings (Scope 3 emissions), which represent most of our overall emissions, we increased occupier energy data coverage from 72% last year to 80%. Our dedicated ESG platform that we put in place in the previous year has helped us to access a greater amount of data automatically and provide better analysis. The data from this platform helped to inform our Net Zero Pathway;
- Climate resilience and risk – we updated our portfolio climate risk analysis to include the LXi portfolio. Our physical climate risk analysis assessed our portfolio's current and future vulnerability to extreme climate hazards affecting the UK climate, with residual risks for each property and region. Over the next year, we will undertake more in-depth reviews of specific assets to develop action plans where necessary; and
- Solar PV – We continue to engage with occupiers on solar installations. A total of 3.6MWp capacity of solar was added to our portfolio in the year. These comprised warehouses in Huntingdon (1.9MWp), Biggin Hill (1.2MWp), Grange Park in Northampton (0.2MWp), Bicester (0.2MWp) and Eastleigh (0.1MWp) which have increased total installed capacity from 4.5MWp last year to 8.1MWp. We have further potential solar projects from near term initiatives totalling 2.6MWp.

Financial review

Our focus this year has been on integration following last year's transformational corporate acquisitions, which have positioned us as the UK's leading Triple Net Lease REIT and led to a FTSE 100 listing in June. Our increased scale has also helped us secure an investment grade Fitch credit rating of BBB+, providing debt optionality for future funding and better access to capital markets.

Significant progress has been made on the sale of weaker and non core assets acquired through the LXi and CTPT corporate acquisitions despite the continuing challenging market conditions. Proceeds have been reinvested into higher quality assets in stronger sectors, predominantly logistics, where income growth prospects are greater. In order to facilitate the sale of charged assets in the year we successfully completed a number of asset substitutions across four secured debt facilities. This has allowed the Group to retain in full well priced debt taken on through corporate acquisitions.

Our strong financial results reflect the full benefit of our merger activity, the strength of our portfolio and our focus on income growth and cost control. EPRA earnings have grown to £268.0 million and by 20.7% on a per share basis to 13.1p, which has allowed us to increase our dividend by 17.6% to our target of 12.0p per share whilst maintaining EPRA earnings cover of 109% and cash cover of 107% as set out in Supplementary note xx.

Driving this increase was a 122.8% increase in net rental income, strong rent collection rates and exceptionally low operating costs. We have benefitted from significant cost savings through operational synergies allowing us to report a sector leading EPRA cost ratio of 7.8%.

IFRS net assets also increased in the year by £154.4 million or 3.9% to £4,123.9 million. EPRA net tangible assets ('NTA') per share increased in line by 3.9% to 199.2p, up from 191.7p last year. This increase was largely due to a portfolio valuation gain of £106.0 million or 5.2p per share.

Our balance sheet remains robust and our financial position has been strengthened and diversified by three new five year revolving credit facilities totalling £525 million with new lenders ahead of our first material debt maturity of c.£350 million this autumn relating to secured loans acquired as part of the LXi transaction. Two of these facilities, totalling £350 million were agreed post period end. Each facility has two, one year extension options and reflects improved pricing which partly reflects our recent credit rating.

During the year, we extended the maturity by one year on £975 million of our existing revolving credit facilities to support our debt maturity, which was 4.7 years at the year end, despite the passing of a year (2024: 5.4 years).

Other debt metrics are strong, with an average cost of 4.0% (2024: 3.9%) and loan to value of 32.7% (2024: 33.2%). Undrawn debt facilities and cash of £912.3 million at the year end, which increase to £1.3 billion including debt facilities agreed post year end, support our transactional activity whilst maintaining ample headroom under banking covenants.

We acquired £339 million of current and forward starting derivatives in the year and extended protection on a further £150 million. At the year end, our drawn debt was fully hedged by fixed rate loans and interest rate derivatives and we continue to be very well protected against adverse movements in interest rates.

We will look to retain optionality going forward and continue to monitor market conditions for windows of opportunity to lock into longer term financing options at an attractive cost.

Presentation of financial information

The Group financial information is prepared in accordance with IFRS, where the Group's share of its joint venture ('JV') is shown as a single line item on the income statement and balance sheet and its subsidiaries including any non-controlling interest ('NCI') are fully consolidated.

The Group uses alternative performance measures based on the European Public Real Estate Association ('EPRA') Best Practice Recommendations ('BPR') to supplement IFRS, in line with best practice in our sector, as they highlight the underlying performance of the Group's property rental business and enhance the transparency and comparability of financial information across public real estate companies.

EPRA earnings and EPRA net tangible assets are key business metrics adopted in this review and throughout this report and exclude items including fair value movements on property, derivatives and other financial instruments, profits and losses on disposal of properties, net gains on business combinations and acquisition costs, all of which may fluctuate considerably from year to year. EPRA earnings is the key support to the level of dividend payments.

The supplementary notes include other EPRA metrics and a proportionally consolidated EPRA income statement and balance sheet. Further details, definitions and reconciliations between EPRA measures and the IFRS financial statements can be found in note 8 to the financial statements, Supplementary notes i to vii and xviii, and in the Glossary.

Income statement

Group EPRA earnings are summarised in the table below.

For the year to 31 March	**2025 £m**	2024 £m
Gross rental income	**395.5**	177.0
Property costs	**(4.9)**	(1.7)
Net rental income	**390.6**	175.3
Management fees	**1.2**	1.1
Net income	**391.8**	176.4
Administrative costs	**(27.1)**	(19.7)
Net finance costs[1]	**(97.1)**	(37.4)
Share of joint venture and non-controlling interest[2]	**1.9**	2.3
Tax[3]	**(1.5)**	–
EPRA earnings	**268.0**	121.6

1 Group net finance costs reflect net borrowing costs of £124.5 million (2024: £45.9 million) (note 5b) and finance income of £23.7 million (2024: £8.5 million) (note 5a) less the impact of inflation volatility relating to the income strip of £3.7 million in the current year

2 Reflects EPRA earnings for MIPP of £3.2 million reduced by the NCI share of EPRA earnings of £1.3 million as shown in supplementary note ii

3 UK and German current taxes as reflected in note 6 to the financial statements. Deferred tax on our German asset of £0.7 million is also included in IFRS reported profit

Net rental income

Sustained growth in net rental income underpins our key strategic aim as the UK's leading NNN lease REIT to deliver income and dividend progression for our shareholders over the long term, and we are pleased to report a 122.8% increase in the year, primarily due to the impact of corporate acquisitions, the largest of which LXi completed in March 2024. The detailed movements in net rental income are set out in the table below.

	£m	**£m**
Net rental income in the year to 31 March 2024		**175.3**
Additional rent from existing properties and developments		**3.3**
Movement in surrender premium income		**2.7**
Additional rent from acquisitions[1]	**222.9**	
Rent lost through disposals	**(7.0)**	
Additional rent from net acquisitions		**215.9**
Movement in provisions		**(3.4)**
Movement in property costs		**(3.2)**
Net rental income in the year to 31 March 2025		**390.6**

1 Includes additional rent from LXi of £207.5 million, CTPT of £5.9 million and from other acquisitions of £9.5 million

Despite the increase in property costs and rent provisions associated with an enlarged portfolio, our cost leakage ratio remains low at 1.2% (2024: 1.0%).

Prior to our merger, LXi entered into an income strip arrangement. The proceeds LXi received on two theme parks were matched with a corresponding financial liability and a 30% pay away of rent. The gross rental income receivable from the tenant is reflected in the income statement within revenue and the 30% pay away is reflected under IFRS as interest payable on other financial liabilities and included within finance costs. The total balance sheet liability of £231.0 million at the year end is set out in detail in note 14a(ii). The corresponding gross up is reflected within investment properties in the balance sheet as the external valuation of the assets is based on the net cash flows after deducting income strip payments.

Rent collection

Our rent collection rates continue to be very strong, reflecting the quality of our covenants and our focus on credit control. We have collected 99.5% of rent due in the year and trade receivables of £1.4 million that were overdue and considered at risk at the year end have been provided for in full.

Administrative costs and EPRA cost ratio

Administrative costs have increased by 37.6% to £27.1 million (2024: £19.7 million) due to the increased headcount and higher remuneration costs, reflecting significant changes to roles and responsibilities of certain employees following our acquisition of LXi, along with increased advisors fees of the enlarged group, some of which are not expected to recur.

Our sector leading EPRA cost ratio of 7.8% reflects merger synergies and a continued focus on cost control. The ratio reflects total operating costs as a percentage of gross rental income. The full calculation is shown in Supplementary note iv.

	31 March 2025 %	31 March 2024 %
EPRA cost ratio including direct vacancy costs	**7.8**	11.6
EPRA cost ratio excluding direct vacancy costs	**7.5**	11.1

Net finance costs

Our net finance costs have increased to £97.1 million this year (2024: £37.4 million) primarily as a result of the additional debt acquired through the LXi acquisition at the end of last year which was at a higher average borrowing rate of 5.2%. Whilst the £700 million refinancing that we completed in March 2024 was on more favourable terms than the secured LXi facilities being replaced, our average debt cost last year was 0.7% lower than in the current year.

The £59.7 million increase in net finance costs in the year reflects increased interest charges net of derivative receipts of £43.1 million, higher commitment fees, utilisation fees and amortisation of £4.7 million, increased interest charged on lease liabilities of £10.5 million and the unwinding of debt fair value discounts on acquisition of £3.9 million, offset by increases in interest receivable and capitalised interest of £2.5 million. Further detail is provided in note 5 to the financial statements.

Taxation

As the Group is a UK REIT, any income and capital gains from our qualifying property rental business is exempt from UK corporation tax. Any UK income that does not qualify as property income within the REIT regulations is subject to UK tax in the normal way. We acquired one German asset as part of the LXi merger which is subject to German corporate income tax, and deferred tax is provided on property revaluation gains. The tax charge of £2.2 million in the year relates primarily to German corporate and deferred taxes and the UK corporation tax charge attributable to the Group's non-controlling interest in LMP Retail Warehouse JV Holdings Limited.

The Group's tax strategy is compliance oriented; to account for tax on an accurate and timely basis and meet all REIT compliance and reporting obligations. We seek to minimise the level of tax risk and to structure our affairs based on sound commercial principles. We strive to maintain an open dialogue with HMRC with a view to identifying and solving issues as they arise. We continue to monitor and comfortably comply with the REIT balance of business tests and distribute as a Property Income Distribution ('PID') 90% of REIT relevant earnings to ensure our REIT status is maintained. The Group has already paid a large part of its expected PID for the year to 31 March 2025.

IFRS reported profit

A reconciliation between EPRA earnings and the IFRS reported profit is given in note 8(a) to the financial statements and supplementary note ii on a proportionately consolidated basis and is summarised in the table below.

For the year to 31 March	2025 £m	2024 £m
EPRA earnings	**268.0**	121.6
Revaluation of property	**106.0**	(7.5)
Fair value of derivatives	**(11.1)**	(3.9)
Loss on disposals	**(13.0)**	(7.4)
Gain on acquisition	**–**	49.4
Acquisition costs	**–**	(29.8)
Other movements[1]	**(2.0)**	(3.7)
IFRS reported profit	**347.9**	118.7

1 Includes revaluation of investments, JV and NCI (£2.4 million), impact of inflation volatility relating to the income strip (-£3.7 million) and deferred tax (-£0.7 million) in the year to 31 March 2025

The Group's reported profit for the year was £347.9 million (2024: £118.7 million), representing a 193% increase. As well as the increase in EPRA earnings of £146.4 million, the movement reflects a positive revaluation movement of £118.6 million and adverse movements in derivatives, disposals and other movements of £35.8 million.

Balance sheet

EPRA net tangible assets ('NTA') continues to be a key performance measure that includes both income and capital returns but excludes the fair valuation of derivatives that are reported in IFRS net assets. A reconciliation between IFRS and EPRA NTA is detailed in the table below and in note 8(c) to the financial statements. The EPRA proportionally consolidated balance sheet is shown in Supplementary note iii.

As at	31 March 2025 £m	31 March 2024 £m
Investment properties	**6,383.9**	6,232.2
Assets held for sale	**10.4**	8.5
Trading properties	**1.1**	1.1
Group investment property	**6,395.4**	6,241.8
Gross debt	**(2,073.2)**	(2,087.4)
Cash	**81.2**	111.9
Share of joint venture and non-controlling interest[1]	**42.2**	41.2
Other net liabilities	**(374.6)**	(398.6)
EPRA NTA	**4,071.0**	3,908.9
Derivatives	**23.7**	32.6
Deferred tax	**(0.5)**	–
IFRS equity shareholders' funds	**4,094.2**	3,941.5
Share of non-controlling interest	**29.7**	28.0
IFRS net assets	**4,123.9**	3,969.5

1 Reflects share of net assets of MIPP of £71.9 million (2024: £69.2 million) reduced by the NCI share of net assets of £29.7 million (2024: £28 million) as shown in Supplementary note iii

IFRS reported net assets have increased by £154.4 million or 3.9% in the year to £4.1 billion. Similarly, EPRA NTA has increased by £162.1 million or 3.9% on a per share basis to 199.2p. The movement is reflected in the table below.

	EPRA NTA £m	EPRA NTA per share p
At 1 April 2024	3,908.9	191.7
EPRA earnings	268.0	13.1
Dividend paid[1]	(181.4)	(8.9)
Property revaluation	106.0	5.2
Other movements[2]	(30.5)	(1.9)
At 31 March 2025	**4,071.0**	**199.2**

1 Dividend charge of £203.7 million less scrip saving of £22.3 million. Dividend per share is based on the weighted average number of shares in the year

2 Other movements include loss on sales (-£13.0 million), share based awards (-£13.4 million), impact of inflation volatility relating to the income strip (-£3.7 million), cost of derivatives purchased (-£2.2 million), revaluation of JV and NCI (£1.5 million) and other movements (£0.3 million)

EPRA earnings in the year covered dividends paid, increasing EPRA NTA per share by 4.2p and the revaluation gain added a further 5.2p per share. The movement in EPRA NTA per share, together with the dividend paid in the period, results in a total accounting return of 9.7%. The full calculation can be found in supplementary note viii.

Dividend

A sustainable, progressive and covered dividend remains a key priority for the Board which shapes our strategy. The dividend for the year of 12.0p per share is 109% covered by EPRA earnings and 107% covered on a cash basis as set out in supplementary note xx. We have continued to declare quarterly dividends and offer shareholders a scrip alternative to cash payments.

In the year to 31 March 2025, the Company paid the third and fourth quarterly dividends for the year to 31 March 2024 and the first two quarterly dividends for the year to 31 March 2025, at a total cost of £203.7 million or 11.1p per share as reflected in note 7 to the financial statements.

The Company issued 11.6 million ordinary shares under the terms of the Scrip Dividend Scheme, which reduced the cash dividend payment by £22.3 million to £181.4 million. The first two quarterly payments for the current year of 5.7p per share were paid as Property Income Distributions ('PIDs') in the year. The third quarterly dividend of 3.0p per share was paid as a PID in April 2025 and the Company has approved a fourth quarterly payment of 3.3p per share to be paid in July 2025, of which 1.5p will be a PID. The total dividend payable for 2025 of 12.0p represents an increase of 17.6% over the previous year.

The Board took the following into account when considering its dividend payments:

- Its REIT obligations to distribute 90% of property rental business profits;
- Its desire to pay a sustainable, covered and progressive return to shareholders;
- Its EPRA earnings for 2025; and
- The outlook for 2026.

At the year end, the Company had distributable reserves of £1,100.0 million (2024: £1,164.9 million), providing substantial cover for the dividend payable for the year. When required and at least six monthly, the Company receives dividends from its subsidiaries which increase its distributable reserves.

Portfolio valuation

Our property portfolio valuation including the share of joint ventures and excluding the non-controlling interest increased in the year to £6.2 billion as set out in the table below.

As at	31 March 2025 £m	31 March 2024 £m
Group property portfolio valuation	**6,123.5**	5,972.7
Share of joint venture	**69.9**	67.1
Share of non-controlling interest	**(38.1)**	(36.4)
Total property portfolio valuation	**6,155.3**	6,003.4

Portfolio valuation split

A breakdown of the total property portfolio valuation by sector is reflected in the table below.

As at	**31 March 2025 £m**	**31 March 2025 %**	31 March 2024 £m	31 March 2024 %
Mega distribution	**315.1**	**5.1**	310.2	5.2
Regional distribution	**726.8**	**11.8**	689.7	11.5
Urban logistics	**1,796.0**	**29.2**	1,563.2	26.0
Logistics	**2,837.9**	**46.1**	2,563.1	42.7
Convenience	**977.7**	**15.9**	1,012.1	16.8
Entertainment & leisure	**1,297.8**	**21.1**	1,271.3	21.2
Healthcare	**931.1**	**15.1**	960.2	16.0
Long income	**3,206.6**	**52.1**	3,243.6	54.0
Other	**110.8**	**1.8**	196.7	3.3
Property portfolio value	**6,155.3**	**100.0**	6,003.4	100.0
Income strip gross up[1]	**231.0**		221.5	
Head lease assets	**40.9**		47.6	
Total portfolio value	**6,427.2**		6,272.5	

1 Represents the gross up of the investment property balance associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022, as reflected in note 14a(ii)

Portfolio valuation movement

As at	**31 March 2025 £m**	31 March 2024 £m
Group opening valuation	**5,972.7**	2,958.7
Acquisitions[1]	**284.7**	3,157.9
Developments[2]	**22.8**	43.9
Capital expenditure[3]	**68.9**	22.5
Disposals[4]	**(323.7)**	(203.6)
Revaluation	**101.0**	(7.5)
Foreign currency	**(2.9)**	0.8
Group closing property portfolio valuation	**6,123.5**	5,972.7
Income strip gross up	**231.0**	221.5
Head lease assets	**40.9**	47.6
Group investment property[5]	**6,395.4**	6,241.8
Share of joint venture	**69.9**	67.1
Share of non-controlling interest	**(38.1)**	(36.4)
Total portfolio value	**6,427.2**	6,272.5

1 Group acquisitions include purchase costs and represent completed investment properties as shown in note 9 to the financial statements

2 Group developments include acquisitions, capital expenditure and lease incentive movements on properties under development as reflected in note 9

3 Group capital expenditure and lease incentive movements on completed properties as reflected in note 9 to the financial statements

4 Group disposals as reflected in notes 9a and 9b to the financial statements

5 Includes the value of assets held for sale and trading properties

The Group acquired property assets for £284.7 million and spent £91.7 million on developments and other capital expenditure. We generated net proceeds of £322.5 million which reduced the book value of property by £335.5 million (including the cost of lease incentives written off for the Group of £11.8 million).

At 31 March 2025, we had exchanged to sell two assets for £10.6 million (book value £10.4 million) and acquire one asset for £14.7 million, and these transactions will be accounted for on completion next year. A full reconciliation between transactions exchanged and completed in the period is set out in Supplementary note xix.

Financing

The key performance indicators used to monitor the Group's debt and liquidity position are shown in the table below.

As at	**31 March 2025 £m**	31 March 2024 £m
Gross debt	**2,073.2**	2,087.4
Cash	**81.2**	111.9
Net debt	**1,992.0**	1,975.5
Net debt/EBITDA	**6.4**	8.5
Loan to value[1]	**32.7%**	33.2%
Cost of debt[2]	**4.0%**	3.9%
Interest cover[3] (times)	**4.2**	4.5
Undrawn facilities	**831.1**	680.8
Average debt maturity	**4.7 years**	5.4 years
Hedging[4]	**100%**	100%

1 LTV includes the impact of sales and acquisitions that have exchanged and excludes the fair value of debt as reflected in Supplementary note xviii

2 Cost of debt is based on gross debt and including amortised costs but excluding commitment fees

3 Net income divided by net interest payable as defined by the Group's private placement and RCF funding arrangements

4 Based on the notional amount of existing hedges and total debt drawn

Financing activity in the year

Our financial position was strengthened and diversified in the year by a new £175 million revolving credit facility with SMBC that has two, one year extension options. This facility allows us to draw up to €50 million to hedge currency movements on our German asset and a margin grid that allows us to benefit from our credit rating, which led to a 25bps margin reduction in March. Our BBB+ investment grade credit rating also provides greater optionality around future funding sources.

In the second half of the year, we extended the maturity by one year on £975 million revolving credit facilities enhancing our debt maturity, and post period end, entered into another two revolving credit facilities for £350 million with new lenders. Each facility mirrors the SMBC facility in terms of pricing and duration. We have c.£350 million of former LXi debt that matures this autumn and now have ample coverage for its repayment within our new and undrawn facilities.

In order to facilitate the sale of charged assets in the year, we successfully completed a number of asset substitutions across four secured debt facilities. This has allowed the Group to retain in full well priced debt taken on through corporate acquisitions.

During the year we updated our sustainability-linked KPIs and targets on £1,375 million of revolving credit facilities following the corporate acquisitions. The targets focus on improvements in our EPC ratings, new renewable energy and low carbon heating installations and improvements to sustainability credentials of assets following leasing activity.

Hedging

The Group's policy continues to be to limit exposure to interest rate volatility by entering into hedging and fixed rate arrangements. We acquired £339 million of current and forward starting derivatives in the year and extended protection on a further £150 million, at an average rate of 2.9% and cost of £2.2 million, to extend our hedging and mitigate against future interest rate movements. At the year end, our drawn debt was fully hedged by fixed rate loans and interest rate derivatives and our floating rate debt drawn is fully hedged until April 2027.

We received £20.6 million (2024: £6.7 million) from interest rate derivatives in place during the year and continue to monitor our hedging profile in light of interest rate projections.

Financial loan covenants

The Group has comfortably complied throughout the year with the financial covenants contained in its debt funding arrangements and has substantial levels of headroom within these. Covenant compliance is regularly stress tested for changes

in capital values and income. The Group's unsecured facilities and private placement loan notes, which together account for 61% of debt drawn at the year end, contain gearing and interest cover financial covenants.

At 31 March 2025, the Group's gearing ratio as defined within these funding arrangements was 57% which is significantly lower than the maximum limit of 125%, and its interest cover ratio was 4.2 times, comfortably higher than the minimum level of 1.5 times. Property values would have to fall by 34% to breach the banking gearing threshold, which would equate to an LTV ratio of 53%, and rents would have to fall by 60% or interest costs rise by 159% before the banking interest covenant is breached.

Financial position at 31 March 2025

We have continued to strengthen and build flexibility into our debt structure. At 31 March 2025, we had total debt facilities of £2.9 billion, undrawn debt facilities and cash of £912.3 million and ample headroom under banking covenants. We are in a strong financial position, with diversified sources of funding and significant optionality to execute transactions as opportunities arise. Our loan to value has fallen to 32.7% (2024: 33.2%) after taking account of acquisitions and sales that have exchanged and will complete next year. Our other debt metrics remain robust, with debt maturity at the period end of 4.7 years (2024: 5.4 years) and an average cost of debt of 4.0% (2024: 3.9%).

Cash flow

During the year, the Group's cash balances decreased by £30.7 million as reflected in the table below.

For the year to 31 March	**2025 £m**	2024 £m
Net cash from operations before changes in working capital	**322.1**	113.0
Working capital movements and tax paid	**(5.2)**	10.1
Net cash from operating activities	**316.9**	123.1
Net cash (used in)/from investing activities	**(7.9)**	206.1
Net cash used in financing activities	**(339.7)**	(249.9)
Net (decrease)/increase in cash and cash equivalents	**(30.7)**	79.3

The net cash inflow from operations of £322.1 million incorporates operational cash flows of our corporate acquisitions last year.

The Group spent £337.2 million acquiring and developing property in the year and £19.3 million on other investments. It received £322.7 million from property disposals, £3.4 million from joint ventures and £22.5 million in interest.

Cash outflows from financing activities reflect dividend payments and distributions of £182.4 million, financing costs of £121.9 million, share purchases and awards of £18.7 million and net loan repayments of £16.7 million. Further detail is provided in the consolidated cash flow statement.

Risk management and internal controls

Managing risk

Our risk management framework ensures that risks are managed in line with our risk appetite.

The Board

Our Board determines the risk levels it is prepared to take in pursuing its strategic goals and is ultimately responsible for the Company's risk management and internal controls framework.

At each meeting the Chief Executive initiates discussions on risk providing the stimulus for debate through a market overview that includes relevant economic themes, other external factors, evolving trends within UK real estate and the general risk environment. Feedback from industry representatives and stakeholders, including investors, is shared with input from the Chief Financial Officer as required. Capital structure, asset and other Company specific risks are also covered at meetings with the Board using a high level dashboard to monitor material issues, track new and emerging risks and further promote regular risk discussion.

Risk areas are also highlighted in detailed papers for the Board's consideration and where such papers are circulated outside of regular meetings, Directors can discuss proposals with senior management before approval and Board ratification. Pertinent discussions between individual Directors outside of scheduled meetings are also brought to the Board's attention.

The macro environment continues to dominate with the UK's economic challenges aggravated by rapidly evolving US government policy and increasing geopolitical tensions. This year's Board discussions have included the potential impact on tenants of heightened geopolitical, supply chain and tariff uncertainty, rising business costs and other threats.

In addition, the Board more broadly discussed risks relating to staff retention, persistent high debt costs, market liquidity, corporate opportunities, non core asset sales, debt strategy, vacancies and asset management initiatives.

Determining appropriate risk appetite levels

Our risk management framework assures the Board that inherent business risks are being effectively identified and mitigated as much as possible. This reduces the occurrence of undesirable outcomes and ensures that controllable risks remain within acceptable appetite levels. Risk appetite denotes the degree and nature of risk that the Board is willing to accept or tolerate in pursuit of its strategic objectives.

The Board evaluates and discusses a wide range of factors, including emerging risks, to determine the extent to which it is prepared to accept some level of risk or adjust its existing risk appetite while delivering on its strategic priorities. It strives to maintain a low risk appetite overall, balancing commercial considerations within acceptable boundaries to safeguard stakeholder interests.

Risk categories

Our principal risks remain consistent with last year. We consider risk under the three main categories but recognise that these are often interlinked.

Risk categories	Risk consideration
Corporate - Relating to the entire Group	Culture, strategy, the market, political, economic, employees, Responsible Business practices, wider stakeholders, security, systems, regulation
Property - Focusing on our core business	Portfolio composition, investments, divestment, asset management, developments, valuation, occupiers
Financing - Focusing on business funding	Capital markets, investors, joint ventures, debt, cash management

LXi risk assessment update

A key focus for the Board this year has been to oversee the work undertaken to integrate LXi into the wider business following its acquisition last March and to ensure that all key risks were fully addressed as part of this process.

The acquisition initially raised the overall Company risk profile and the Board's appetite in relation to certain principal risks. This was partly connected to its timing close to our year end and LXi's externally managed business model, particularly its heavy reliance on third party service providers.

These risks were covered by careful management of the year end reporting process which included LXi staff relocating to LondonMetric's office in early April and the subsequent staged migration of the accounting functions previously undertaken externally onto our in-house platforms. This workstream reduced the risk of inaccuracies and delays in financial reporting and completed before the half year. New hires were also made to ensure that the enlarged Group is sufficiently resourced, and the Company's forecast model was enhanced to reflect the increased requirements and complexity of the Group.

Significant progress has also been made in the year on sales of lower growth and non core LXi assets with proceeds primarily reinvested into logistics to support what the Board considers more optimal sector weightings and to ensure that the portfolio remains fit for the future.

The acquisition of LXi also imported a material amount of shorter dated and secured debt onto the Company's balance sheet. Part of this was unwound immediately through a new £700 million unsecured facility to replace £625 million of secured debt on more favourable terms. A further £350 million of former LXi secured debt matures this autumn. Unsecured revolving credit facilities totalling £525 million have been completed to cover these maturities and additional investment. The Company has also recently obtained an investment grade credit rating which will provide further optionality around future funding sources.

Key actions to reduce increased risk from LXi acquisition

Corporate	**Property**	**Financing**
• Integrated LXi property portfolio and staff • Recruited additional staff to manage larger portfolio • Brought key outsourced LXi functions in-house for greater efficiency and control • Enhanced forecast model to reflect the increased requirements and complexity of the enlarged Group	• Forged relationships with tenants in new property sectors acquired • Prioritised sale of non core LXi assets, recycling into higher growth logistics • Analysed enlarged portfolio to progress Net Zero Pathway and targets	• Secured debt asset substitutions to facilitate sale of non core LXi assets • **Signed £525 million** of new unsecured facilities ahead of £350 million of upcoming secured maturities • Obtained credit rating to provide greater optionality around future funding sources

Looking ahead

Market sentiment in the real estate sector continues to be adversely affected by elevated and volatile five year swap and ten year gilt rates, compounded by recent geopolitical and macro events which have increased uncertainty.

These factors have dampened the positive outlook from the start of the year, with many investors adopting a 'wait and see' approach while they take time to consider the impact of these events. This environment can however create opportunities for long term investors with well capitalised businesses such as ours, with a well positioned balance sheet and strong equity rating.

We consider ourselves to be an active consolidator in the UK listed real estate market with a management team that has deep experience in both executing such transactions and integrating the businesses and portfolios acquired as last year's acquisitions of CTPT and LXi demonstrate.

We are currently progressing a recommended all-share acquisition of Highcroft Investments Plc that is expected to complete on 21 May 2025 and more recently have agreed the terms of a recommended cash and share offer to acquire Urban Logistics REIT Plc. These proposed acquisitions support our triple net strategy and would create an enlarged portfolio of £7.4 billion aligned to winning macro thematics and increase our logistics weighting to 55% to help drive earnings accretion in the next two years. Our competitive position for pursuing opportunities of scale and competing with large investors on substantial transactions would also be enhanced and a consolidation of our FTSE 100 status would provide enhanced access to capital and further increase share liquidity.

We continue to assess similar potential opportunities while also continuing to successfully transact on our non core sales strategy.

A review of our principal risks

Corporate risks

1. Strategy and its execution

Risk
Our asset selection or chosen sectors may not always align with the current economic climate, market cycle or occupier needs. External factors or ineffective implementation of strategy may prevent us from achieving our goals.

Impact
Our financial performance and growth objectives may be negatively impacted.

Mitigation

- Our income-led approach and focus on macro trends guide our capital allocation. We favour structurally supported sectors with assets that are benefitting from evolving consumer behaviour.
- Our strategy and objectives are regularly assessed and adjusted in response to evolving trends, market conditions and emerging opportunities or threats, including potentially disruptive technologies.
- We leverage connections, research and deep occupier relationships to gather intelligence to help guide strategy supported by a flat organisational structure that allows us to quickly identify market changes, emerging risks and monitor operations.
- Our portfolio is continually analysed and adjusted to take into consideration sector weightings, tenant and geographical concentrations, perceived threats and market changes, asset management opportunities and other factors.
- Our highly experienced Senior Leadership Team oversees the key operational and financial aspects important to the management of the business. Significant share ownership within the Team ensures strong alignment with shareholders on all major decisions.
- We maintain transactional controls and regularly update the Board on significant activity.

Commentary

Current year
Last year's merger activity substantially increased our scale and is delivering significant benefits that include materially higher earnings and cost synergies to drive dividend progression. EPRA earnings have increased by 20.7% to 13.1p per share and a sector leading low EPRA cost ratio of 7.8% reflects our efficient internalised management structure focused on cost control alongside rental growth. This has allowed us to increase our dividend to 12.0p per share up 17.6% on last year.

Our total return model focusing on NNN income compounding with strong shareholder alignment ensures that we remain disciplined, rational and active, looking to continually improve our portfolio, financing and net operating income. This year's investment activity has prioritised sales of non core and underperforming assets, primarily from the LXi and CTPT pool with sales of £342 million. Reinvestment of £343 million has mainly been into logistics where we believe the rental growth prospects are higher and where our ambition, particularly in urban, remains undiminished.

Last June we entered the FTSE 100 index. We continue to uphold a strong equity rating with enhanced liquidity in our shares.

Year ahead
We aim to maintain strong income growth and leverage external opportunities to strengthen our position as the UK's top NNN lease REIT. Selling non core former LXi assets will remain a priority, with patience exercised if market liquidity is weak.

Appetite
Low. We succeed by owning quality assets in key sectors with reliable, growing income that is crucial to long term investment and the delivery of superior total returns. Our focus on macro trends in real estate has guided our success and continues to shape our strategy.

Change in the year
Decreased risk - decrease results from the integration of corporate acquisitions made last year and significant progress on the sale of mainly inherited non core and underperforming assets.

2. Major event

Risk
Unexpected events on a national, regional or global scale like financial crises, pandemics, conflicts, terrorism, political or economic issues can cause market downturns, sector instability or major business disruption.

Impact
We may lose our competitive advantage and financial performance may suffer.

Mitigation
- We focus on the controllable aspects of our business by applying disciplined portfolio management. This includes maintaining a broad tenant base, low vacancy and a well located portfolio of predominantly UK assets in structurally supported sectors.
- Strong occupier relationships provide market intelligence and help us to better understand our tenants' businesses and needs. This helps us to identify emerging trends and risks and enables us to provide desirable assets with enduring occupier appeal that allow us to grow income and protect intrinsic asset value.
- We regularly review our debt strategy and nurture relationships with new and existing debt and equity providers. We have predominantly flexible funding arrangements from a diverse lender pool with significant covenant headroom, a low LTV and an investment grade credit rating.
- Our development exposure is low in the current economic climate. We have no speculative developments.
- Our property portfolio is safeguarded with appropriate insurance cover.

Commentary

Current year
Our diversified portfolio targets winning sectors, prioritising assets that are business critical or key to the operations of occupiers and those with high entry barriers. It continues to boast strong income metrics, including a sector leading 18.5 year WAULT, 98.1% occupancy and minimal cost leakage of 1.2%. Contractual rental uplifts cover 77% of income, with 40% subject to annual reviews, resulting in a 17% uplift on reviews this year. These metrics together with high quality occupier covenants across our portfolio help to insulate us from shorter term macro volatility.

Our increased scale and recent investment grade credit rating provide greater access to capital and debt optionality to help us maintain a strong balance sheet. Since our last Annual Report we have welcomed three new lenders providing £525 million in unsecured five year revolving credit facilities ahead of £350 million of maturities this autumn.

Year ahead
US government policy continues to rapidly evolve leading to a high degree of global uncertainty including on the durability and size of global tariffs coupled with rising political rhetoric and escalating tensions between the US and China. This is aggravating pre-existing economic challenges, driving market sentiment and extreme turbulence in equity and bond markets. The consequences for UK real estate are currently unknown.

Appetite
Such events are beyond the Board's control. The Board's primary focus remains on sustaining a strong portfolio and financing strategy to mitigate potential impacts as effectively as possible. The Board closely monitors the effects of such events when they arise and adjusts operations as necessary.

Change in the year
Increased risk - increase led by factors including fears of a hugely damaging global trade war and the ongoing conflicts in Ukraine and the Middle East, together with heightening tension elsewhere in addition to increasing levels of potentially dangerous disinformation.

3. People

Risk
Our business relies heavily on a relatively small team of highly motivated individuals whose skills and experience are crucial to the success of the Company. Attracting, motivating and retaining high calibre individuals particularly in senior roles is essential to lead the business and plan and execute strategy effectively.

Impact
We may lose our competitive advantage and financial performance may suffer.

Mitigation
- We conduct annual staff satisfaction surveys to assess employee contentment.
- Our designated workforce Non Executive Director hosts annual round table meetings with a cross section of staff to hear their views and any concerns, with feedback provided to the Board.
- We offer competitive remuneration packages with most staff participating in the LTIP which incentivises long term performance, creates an ownership culture and a sense of togetherness aiding staff retention and providing stability within the wider team. Staff turnover levels are low.
- The Senior Leadership Team promotes talent development below the Board.
- Annual staff appraisals provide a forum to discuss targets, progress, prospects and training needs which can also be raised directly with line managers at other times.
- External specialist support is contracted as required.

Commentary

Current year
This risk increased last year driven by the proximity of our merger with LXi to the year end and the significant increase in workload created by the doubling of the Company's size and LXi's less familiar asset classes. This was partly addressed by carefully managing the year end reporting process and the integration overall particularly when and how to successfully migrate LXI's accounting functions away from a third party service provider.

To aid their integration LXi staff were relocated to our main office within four weeks of the transaction completing with training and additional appraisals undertaken to support and settle them into their new teams and roles. Social events were also held to encourage team bonding.

The Group's talent pipeline has also been strengthened this year through the recruitment of new finance and property staff where the need for additional support was identified. This recruitment included the appointment of Darren Richards to the newly created role of Chief Investment Officer. Darren was also welcomed onto the Senior Leadership Team.

Our staff survey responses continue to be very positive with 96% of respondents stating that they feel that there is a strong culture of collaboration and teamwork at LondonMetric and that they are highly confident in senior management's decisions. These findings are consistent with feedback received by our designated workforce Non Executive Director following his informal off site session with employees.

Year ahead
Resourcing will be kept under review and we will continue to implement systems improvements which will streamline certain processes and enhance efficiency further.

Appetite
Low. The Board believes that it is vitally important that the business has the appropriate level of leadership, experience and expertise to deliver on its objectives and to identify and adapt to change. The Board also believes that it is key for the Company to maintain its culture of empowerment, inclusion, openness and teamwork as the business grows since these have aided staff motivation and retention, enabling the Company to flourish.

Change in the year
Decreased risk - decrease led by the successful integration of LXi and additional recruitment throughout the year.

4. Systems, processes and financial management

Risk
Our cyber security and the integrity of our property database and financial systems and the accuracy and timeliness of financial information which support strategy may be poor.

Impact
Decisions may be made on inaccurate data and published information may be misstated or delayed. Cyber threats may give rise to significant financial losses and reputational harm and be detrimental to business continuity.

Mitigation
- We have a strong controls culture and maintain appropriate segregation of duties and controls over financial systems. We also maintain appropriate data capture procedures to ensure the accuracy of our property database.
- Management accounts are produced quarterly, reviewed by senior managers then shared with the Board. Forecast variances are investigated and reported.
- Our cost management protocols guarantee that expenditure is legitimate, duly authorised and thoroughly monitored.
- Comprehensive due diligence is conducted on corporate acquisitions to identify differences in accounting policies, processes, controls and the timing of financial information. On completion, additional controls and oversight processes are implemented before integration as deemed appropriate.
- Our business continuity plan is tested and we seek to ensure the integrity of our IT systems and cyber security through third party penetration testing and staff training.

Commentary

Current year
As an externally managed REIT, LXi relied on third party providers for all functions including the provision of accounting services. Surrendering day-to-day control of accounting processes can lead to inaccuracies and delays in financial reporting, as well as difficulties in information sharing and issue resolution due to lack of direct access to accounting systems.

To avoid potential issues, senior finance team members met LXi's administrator to agree amendments to ongoing procedures and reporting for the merger and the year end to streamline it to the extent possible to minimise delays given the proximity of the transaction to our year end. The finance team then coordinated processes for the year end consolidation and audit of the enlarged Group and subsequently opted to bringing those functions undertaken by LXi's administrator in-house as soon as practicable. This, including testing, completed well ahead of the half year.

The Company's forecast model has been enhanced, with external specialist support, to reflect the increased requirements and complexity of the enlarged Group. Various systems improvements have also been made throughout the year to streamline processes and management of the financial reporting for the enlarged Group.

Year ahead
The billing and rent collection function currently provided by third party service providers on LXi assets will be brought in-house this year.

Management will also progress the pathway for compliance with the expanded Provision 29 of the 2024 Code. Support is being provided by BDO LLP who have been appointed to assist in documenting the Company's internal control processes over principal risks where they are currently undocumented.

Appetite
Low. The Board seeks to ensure that management continually strives to monitor and improve processes, including those relating to cyber security, so that they remain fit for purpose. The rising use of AI, however, is fuelling an increasing and ever-evolving risk to all businesses in terms of the frequency, sophistication and intensity of cyber threats.

Change in the year
Decreased risk - decrease led by the successful integration of LXi including its accounting function and the enhancement of the Group's forecasting model.

5. Responsible Business and sustainability

Risk
Failure to adhere to responsible business practices and effectively manage climate risk.

Impact
Non-compliance can harm our reputation and relationships with key stakeholders. It may also adversely impact occupiers' usage and satisfaction with our buildings and asset liquidity, shareholder returns and limit access to debt and capital markets.

Mitigation

- Aided by expert consultants, we track changes in law, stakeholder views and best practices on sustainability, environmental issues and social impact to inform our strategy.
- Responsibility for specific obligations sits with Senior Leadership Team members and our Responsible Business Working group meets regularly and reports to the Audit Committee.
- Sustainability targets are set, monitored, and reported. EPC benchmarks comply with Minimum Energy Efficiency Standards ('MEES') to maintain asset quality and desirability, avoiding higher voids, reduced income and liquidity issues.
- We assess environmental and climate change risks for our assets, commission studies and reports and provide staff training.
- High engagement levels with occupiers and shareholders seek to identify their priorities and needs.
- We collaborate with tenants to enhance the resilience of our assets and their business models in response to climate change risks. We also consider our impact on local communities.
- Contractors are required to conform to our responsible development requirements.

Commentary

Current year
Last year's merger activity reduced the Group's EPC A-C rating to 85% of the portfolio and caused us to pause on developing our Net Zero Pathway while we assessed the implications of the shift in our portfolio makeup. Good progress has been made this year on analysing the enlarged portfolio with Audit Committee consensus that the Net Zero Pathway targets which are now proposed are suitable for the business.

Good progress has also been made on our 2025 targets which have largely been achieved, including an increase in our EPC A-C rating to 92%. Our GRESB score fell slightly from 76 to 73, although we still outperform our peer group and, due to significant changes to scoring methodology, GRESB advise against direct comparisons being made against prior year performance ratings.

We continue to have a good level of occupier engagement which has translated into a significant number of ongoing and completed green initiatives. Green clauses are now widely being adopted on new leases and regears.

Our occupier survey landlord recommendation score was again high at 8.7/10.0 this year reflective of 57% of the enlarged portfolio by rent. Our employee satisfaction score was also high with 96% of employees stating they enjoy working for LondonMetric.

Year ahead
Agree medium term Net Zero Pathway KPIs, implement and monitor Pathway. Complete flood and climate risk analysis. Continue to improve EPC ratings on poorer performing assets and drive green initiatives with occupiers.

Appetite
Low. The Board has a low tolerance for non-compliance with risks that adversely impact reputation, stakeholder sentiment and asset liquidity.

Change in the year
No significant change. Significant progress made on establishing interim milestones and Net Zero Pathway targets and updating flood and climate risk analysis. Ongoing delivery against targets still required to mitigate risk. Our full Responsible Business report can be found at www.londonmetric.com

6. Regulatory framework

Risk
Failure to meet legal or regulatory requirements.

Impact
There may be reputational damage, increased costs, fines, penalties or sanctions. Access to debt and capital markets could also be reduced.

Mitigation
- We continually monitor regulatory changes that affect our business, with the assistance of specialist support providers and evaluate the impact of legislative changes on our strategic plans.
- Responsibility for particular obligations has been assigned to individual members of the Senior Leadership Team.
- Staff are provided with regular training on various pertinent matters including health and safety, cyber awareness, anti-money laundering, market abuse, whistleblowing, conduct and ethics.
- Our health and safety handbook is regularly updated and audits are conducted on developments to monitor compliance.
- Our procurement and supply chain policy sets standards for areas such as labour, human rights, pollution risk and community.

Commentary

Current year
While the regulatory environment continues to evolve, no significant new regulatory changes have impacted the business this year. Following completion of our merger, management became aware of weaknesses in the LXi regulatory control framework in relation to tax and subsidiary statutory account filings. These issues have since been resolved and LondonMetric's pre-existing controls would have prevented their occurrence.

Year ahead
We expect no significant change in this risk over the coming year. We acknowledge the 2024 Code's mandate for a Board declaration on the effectiveness of material controls over principal risks by 31 March 2027.

BDO LLP have been engaged to assist management in documenting the Company's internal control procedures. In the absence of an internal audit function BDO LLP will also test several key process flows to provide third party assurance to the Board as to the effectiveness of the material controls over those processes. Progress and any recommendations from this process will be fed back to the Audit Committee who will report to the Board.

Appetite
Low. The Board has no appetite where non-compliance risks injury or damage to its broad range of stakeholders, assets and reputation.

Change in the year
There has been no significant change in perceived risk.

7. Investment risk

Risk
We may be unable to source rationally priced investment opportunities.

Impact
Our ability to implement strategy and deploy capital into value and earnings accretive investments is at risk.

Mitigation
- Our property team leverages extensive experience and strong relationships to identify market insights and opportunities.
- Our Senior Leadership Team led Investment Committee meets regularly. Short reporting lines and Team members' active participation in daily operations lead to effective management and quick decision making.

- Management has a proven track record of executing transactions, making good sector choices and growing income even through periods of uncertainty and market volatility.
- We are a principal consolidator in the UK listed real estate market with a management team that has deep experience and proven success in both executing corporate transactions and integrating the acquired businesses.
- We have a resilient capital structure and significant undrawn headroom under our debt facilities. Our increased scale, FTSE 100 listing and investment grade credit rating provide better access to capital and debt.
- We have contractual rental uplifts over 77% of income and can afford to be patient, rational investors strongly aligned with shareholders through our significant executive share ownership.

Commentary

Current year
The market continues to be influenced by broader economic conditions and sticky debt costs which have suppressed liquidity particularly for larger direct property transactions for much of the year. There have been pockets of improved sentiment throughout the period, and we have progressed well in repositioning our portfolio towards our preferred sector weightings, finding reasonable liquidity in smaller lot sizes. We have transacted on £685 million of assets and increased our logistics exposure to 46% up from 43% despite the current market conditions where accretive capital deployment remains particularly difficult in our chosen sectors.

Year ahead
We are active supporters of further consolidation across the listed sector to improve scale, liquidity and unlock cost efficiencies for accelerated earnings progression as evidenced by our recent engagement with Highcroft Investments Plc and Urban Logistics REIT Plc. These proposed acquisitions support our triple net strategy and would create an enlarged portfolio of £7.4 billion aligned to winning macro thematics, consolidating our FTSE 100 status and increasing our logistics weighting to 55%. We continue to assess similar potential opportunities.

In the direct market opportunities within the winning sectors currently remain muted with limited supply of quality assets not helped by geopolitical uncertainty and volatility in the bond market. We will continue to prioritise the sale of non core former LXi assets.

Appetite
Low. The Board continues to focus on having the right people and funding in place to seize opportunities.

Change in the year
No significant change. We continue to expect increased scale, liquidity and our track record to confer a competitive advantage when pursuing possible transactions including superior access to larger investment opportunities.

8. Valuation risk

Risk
Investments may fall in value.

Impact
Pressure on net asset value may have negative implications for the Group and potentially loan to value debt covenants.

Mitigation
- Our focus remains on sustainable income and lettings to high quality tenants within a diverse portfolio of well located assets. Fit for purpose, modern long-let assets, low vacancy and strong tenant covenants provide resilience and reduce the negative impact of a market downturn.
- Our portfolio is predominantly aligned to structurally supported sectors with negligible exposure to legacy sectors and none to stranded assets.
- We constantly look to improve the quality and desirability of our assets. We work closely with our occupiers to deliver real estate solutions that will help their businesses thrive and that provide us with greater and longer income certainty.
- We continually monitor trends and the property cycle with investment decisions made strategically in anticipation of changing conditions. We are not afraid to pivot.

- Asset performance is regularly reviewed and benchmarked on an asset by asset basis.
- Tenant covenants and trading performance are monitored.

Commentary

Current year
Our primary focus during the year has been to sell down assets that we consider to be non core. We successfully sold 72 assets totalling £342 million at 1% above prevailing book value. £214 million related to assets previously acquired through the LXi and CTPT transactions which did not fit our investment strategy. We were delighted with these sales given the poorer quality of some of the real estate and the uncertainty over its liquidity.

We continue to see good liquidity for our assets with an average lot size of only £5 million during the 2025 year and post year end sales of £63 million.

Proceeds of sale have been redeployed into higher quality assets with better income reliability and growth trajectory which helps to mitigate valuation risk. We have grown our logistics exposure by £297.2 million representing 87% of total spend as the sector continues to benefit from continued online sales growth, investment in more efficient and resilient supply chains and increased warehouse automation. £188.9 million of this was into urban which remains the most attractive sub-sector with the greatest demand/supply tension and income growth potential. Urban supply continues to reduce as assets are converted into higher land uses. 63% of our overall logistics exposure is in urban with a total value of £1.8 billion and in strong geographies with 60% located in London and the South East and 23% in the Midlands.

Year ahead
The more positive market sentiment witnessed at the start of 2025 has weakened due to elevated levels of uncertainty resulting mainly from the impact of US trade policy with significantly larger than anticipated global tariffs and the economic impact of higher employment costs announced in the UK budget. Despite this, yields remain relatively stable presently with investors adopting a ‘wait and see’ approach while they take time to consider the impact of the above.

Appetite
The Board aims to keep valuation risk to a minimum through its asset selection and accretive asset management initiatives. Property valuations are however inherently subjective and there is no certainty that values will be realised. Valuations are particularly sensitive to changes in interest rates.

Change in the year
No significant change. Prime yields within structurally supported real estate sectors have stabilised over the past two years. Elevated debt costs and other economic factors however continued to impact market liquidity and pricing discovery for larger lot sizes.

9. Transaction and tenant risk

Risk
Acquisitions and asset management initiatives may be inconsistent with strategy, or our due diligence may be flawed. Tenants may default or fail.

Impact
This may negatively impact our financial performance, hinder the attainment of our growth objectives and put pressure on debt covenants.

Mitigation
- Thorough due diligence is undertaken on all investments with input from reputable external experts.
- New initiatives undergo cost benefit analysis prior to implementation.
- Tenant concentration, covenant strength and trading performance is considered for all investment and leasing transactions and regularly reviewed thereafter.
- We maintain close relationships with our tenants to understand their businesses and rent collection is monitored closely to identify potential issues.

- We have a diversified tenant base and limited exposure to occupiers in bespoke properties outside of the healthcare and theme park assets acquired through last year's merger where the tenant covenants are extremely strong.
- Our experienced asset management team collaborates with tenants to offer them real estate solutions that meet their business goals. This proactive management approach helps to reduce vacancy risk.

Commentary

Current year
During the year, 340 occupier initiatives added £15.3 million per annum of rent and like for like income growth of 4.2%. Lettings and regears added £5.9 million on average lease lengths of 19 years. Rent reviews delivered £9.4 million of additional rent, representing a 17% uplift on a five yearly equivalent basis.

The average ERVs on our logistics portfolio are 18% higher than average passing rents with urban at 16% and our regional and mega assets at 25%. Over the next two years, our pipeline of rent reviews alone is expected to add a further £27 million of annualised contracted rent as we capture inbuilt reversions.

Our long income assets which represent 52% of our portfolio generate an attractive topped up NIY of 5.5% with 90% of income subject to contractual uplifts and an equivalent yield of 6.7%. Operationally, the Company continues to perform strongly with virtually full occupancy and rent recovery of 99.5% in the year.

Year ahead
We anticipate no significant change in this risk over the next 12 months due to the granularity of our income, our focus on business critical or key assets for our tenants and the covenant strength of our largest tenants. We recognise however that the current challenging economic backdrop with high levels of uncertainty, the risk of further cost increases and supply chain disruption are likely to increase tenant default risk more generally. We will continue to monitor the effects of market conditions on our tenants' businesses.

Appetite
Low. The Board has no appetite for risk arising out of poor due diligence or implementation of investment and asset management activities. A degree of tenant covenant risk and lower unexpired lease terms are accepted on assets where there is high occupational demand, redevelopment potential or alternative site use.

Change in the year
No significant change. Our portfolio has remained broadly consistent with last year in terms of the largest tenants, occupancy levels and rent recovery.

10. Capital and finance risk

Risk
The Company may have insufficient liquid funds and available credit. Exposure to rising interest rates may be excessive.

Impact
Implementation of our property strategy may be at risk. Financial performance may be negatively impacted.

Mitigation
- We maintain a disciplined investment approach with competition for capital. Assets are considered for sale where we consider their future growth prospects to be muted.
- The availability of debt and the terms on which it is available are considered as part of our long term strategy and relationships are nurtured with a diversified range of lenders.
- Cash flow forecasts are closely monitored by Senior Leadership Team members.
- We maintain a modest level of gearing and monitor covenant headroom.
- Our facilities incorporate appropriate covenant headroom and cure rights. Our unsecured arrangements offer flexibility.
- Where secured loans inherited through our merger activity cover multiple assets, we evaluate the impact of asset disposals and collaborate with lenders on substitutions.
- Derivatives are used to fix or cap exposure to rising rates as deemed prudent.

Commentary

Current year
In order to facilitate the sale of charged assets in the year we successfully completed a number of asset substitutions across four secured debt facilities. This has allowed the Group to retain in full well priced debt taken on through corporate acquisitions.

This year, we have welcomed three new unsecured lenders signing three five year revolving credit facilities totalling £525 million, each with two, one year extension options, ahead of our first material secured debt maturity of £350 million this autumn. The facilities reflect improved pricing on a year ago partly as a result of our recent investment grade rating.

Cash and undrawn headroom under our facilities at the year end together with those that completed afterwards is significant at £1.3 billion. Covenant headroom is also significant with LTV of 32.7% at the year end and interest cover of 4.2 times.

All drawn debt is fully hedged or carries a fixed rate coupon. Additional hedging including £339 million of current and forward starting derivatives and extended protection on a further £150 million at an average rate of 2.9% was acquired during the year.

Year ahead
We will look to retain optionality and continue to monitor market conditions for windows of opportunity to lock into longer term financing options at an attractive cost.

Appetite
Low. The Board has no appetite for imprudently low levels of available headroom in its cash and credit lines and very limited appetite for unhedged floating rate debt in the current interest rate environment.

Change in the year
Decreased risk. We are in a secure financial position with diversified sources of funding. Our increased scale and FTSE 100 listing alongside our recent assignation as an investment grade issuer provide better access to capital and greater optionality around future funding sources.

Going concern and viability

The Directors have reviewed the Group's prospects and principal risks to assess short term and long term viability. Based on the results of this assessment, they believe that the Group has adequate resources to meet its liabilities as they fall due over the three year period to 31 March 2028 and will be able to continue in operation.

Time period of assessment
Consistent with previous years and in accordance with the 2018 UK Corporate Governance Code, the Board has assessed the prospects of the Group over the following time horizons:

- Short term – a period of 12 months from the date of this report as required by the 'Going Concern' provision; and
- Longer term – a period of three years to 31 March 2028 as required by the 'Viability Statement' provision.

Short term assessment
The Directors' short term going concern assessment, as required under provision 30 of the Code, considered the key models and metrics which the Senior Leadership Team use to measure and monitor liquidity. These are reviewed at their monthly meeting and at other times as required. Key metrics and information considered include the following:

- The current financial position of the Group;
- The short term cash flow forecast, which is undertaken on a weekly basis;
- Rent collection rates, which are circulated and reviewed on a weekly basis;
- The repayment profile of the Group's debt facilities;
- The hedging profile and forecast interest and swap rates; and
- The availability of cash and undrawn facilities.

The following key financial metrics, which are set out in the Financial review supported their assessment:

As at 31 March	**2025**
Loan to value	**32.7%**
Cost of debt	**4.0%**
Interest cover (times)	**4.2**
Undrawn facilities	**£831.1m**
Cash	**£81.2m**
Average debt maturity	**4.7 years**
Hedging	**100%**
Rent collection in the year	**99.5%**
Occupancy	**98.1%**

During the year, the Group agreed three new five year revolving credit facilities totalling £525 million with new lenders. Each facility has two, one year extension options and reflects improved pricing, which partly reflects our recent investment grade Fitch credit rating of BBB+ which increases optionality around future funding sources. Two of these facilities totalling £350 million were entered into post year end and increase cash and available undrawn facilities to £1.3 billion.

The Directors considered the c.£350 million of debt due to mature in the autumn relating to the secured loans acquired as part of the LXi transaction and £400 million revolving credit facilities which mature next year and concluded that the Group has sufficient undrawn facilities and cash resources available and ample headroom under banking covenants ahead of the maturities. In addition, as at 31 March 2025, the Group's gearing ratio as defined within its unsecured facilities and private placement loan notes, which together account for 61% of debt drawn, was 57% (maximum 125%) and interest cover was 4.2 times (minimum 1.5 times).

Going Concern Statement

On the basis of this review, together with available market information and the Directors' experience and knowledge of the portfolio, they have a reasonable expectation that the Company and the Group can meet its liabilities as they fall due and has adequate resources to continue in operational existence for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements for the year to 31 March 2025.

Longer term assessment

The Board reviews the viability assessment period and has determined that the three year period to 31 March 2028 remains appropriate for assessing the Group's viability, as in previous years for the following reasons:

- The Group's financial business plan and detailed budgets cover a rolling three year period;
- It is a reasonable approximation of the time it takes from obtaining planning permission for a development project to practical completion of the property; and
- Three years is considered to be the optimum balance between long term property investment and the difficulty in accurately forecasting ahead given the cyclical nature of property investment.

Assessment of viability

The Board conducted this review taking account of the Group's business strategy, principal and emerging risks, financial position and outlook as discussed throughout the Strategic review.

The Group's three year business model is used to consider future prospects on a quarterly basis and to stress test assumptions and consider the likely impact of changes in the principal risks, including:

- Macroeconomic conditions and changes impacting rental income, property values and finance costs;
- The occupier market and changes impacting occupancy levels;
- The availability of funds and interest rates; and
- The real estate market conditions impacting investment, divestment and development opportunities.

Our transformational M&A activity last year positioned us as the UK's leading Triple Net Lease REIT, doubling the size of the portfolio and diversifying into a broader range of operating segments. Our strategy, which is reviewed by the Board at each meeting and in-depth at one extended meeting each year, continues to be to invest in mission critical assets and deliver reliable, repetitive and growing income and dividends over the long term.

This strategy underpins the business plan and three year financial forecasting model which incorporates transactions under offer, committed developments and reinvestment plans. It is an integrated model that projects future earnings, cash flows and net assets and considers capital commitments, dividend cover, loan covenants and REIT compliance metrics.

The Senior Leadership Team provide key strategic input to the financial forecasts covering investment, divestment and development plans which consider their impact on earnings and liquidity. Forecasts are reviewed against actual performance and reported quarterly to the Board. The forecast model was enhanced at the start of the financial year with external specialist support to reflect the increased requirements and complexity of the enlarged Group following last year's merger activity.

The business plan was stress tested to ensure it remained resilient to adverse movements in its principal risks including changes to macroeconomic conditions that were considered severe but realistic scenarios, both on an individual and collective basis. The scenarios considered the likely impact on the Group's longer term profitability and liquidity and were consistent with previous years as set out below:

- A 2% increase in interest rates;
- A 5% tenant default rate reducing rent by the equivalent amount; and
- A 5% decline in property valuations.

The modelling indicated that under all scenarios the Group would still be able to execute its strategic plan and had sufficient reserves to continue in operation and remain compliant with its debt covenants. In addition, reverse stress testing was undertaken to determine the circumstances under which financial covenants would be breached and considered the following scenarios:

- The amount by which property values would need to fall before the gearing covenant was breached;

- The amount by which rent would need to fall before the interest cover covenant was breached; and
- The amount by which interest costs would need to rise before the interest cover covenant was breached.

Under the Group's unsecured and private placement debt facilities, that together account for 61% of the Group's borrowing, the reverse stress testing indicated the following:

- Property values would need to fall by 34% before the banking gearing threshold was reached and this would equate to a loan to value ratio of 53%; and
- Rental income would need to fall by 60% or interest payable rise by 159% to breach the interest cover covenant.

In conjunction with the modelling undertaken, the Board is mindful of the following points when assessing the Group's longer term prospects:

- Income certainty, with 77% of the Group's rental income benefitting from contractual uplifts;
- Income diversity, with 38% of rent due from our top ten occupiers;
- Strong rent collection, with 99.5% of rent due in the year collected;
- Strong relationships with debt providers, evidenced by the new £525 million revolving credit facilities agreed which also diversified the pool of lenders;
- Substantial liquidity, with undrawn debt facilities and cash of £831.1 million at the year end, mitigating refinancing risk;
- Fully hedged drawn debt as at 31 March 2025;
- The Group's proven track record of executing transactions, including sizeable corporate acquisitions and successful subsequent integration, making good sector choices and growing income even in uncertain, volatile and challenging times; and
- The Group's ability to be flexible and react to changes in the macroeconomic and property markets, including the ability to transact through M&A opportunities.

This testing, combined with the Group's strong financial position and mitigation actions available including deferring non committed capital expenditure and selling assets, supports the Group's ability to weather unexpected and adverse economic and property market conditions over the longer term viability period.

Viability Statement

Based on the results of their assessment, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three year viability period to 31 March 2028.

Directors’ Responsibilities Statement

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements also comply with International Financial Reporting Standards (‘IFRSs’) as issued by the International Accounting Standards Board. The Directors have elected to prepare the Company financial statements in accordance with Financial Reporting Standard 101 (‘FRS 101’) ‘Reduced Disclosure Framework’. Under Company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable FRS 101 ‘Reduced Disclosure Framework’ has been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity’s financial position and financial performance; and
- Make an assessment of the Company’s ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge:

- The financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- The Strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- The Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company’s performance, business model and strategy.

By order of the Board

Andrew Jones
Chief Executive
20 May 2025

Martin McGann
Chief Financial Officer
20 May 2025

Group income statement

For the year ended 31 March

	Note	**2025 £m**	2024 £m
Revenue	3	**396.7**	178.1
Cost of sales		**(4.9)**	(1.7)
Net income		**391.8**	176.4
Administrative costs	4a	**(27.1)**	(19.7)
Net gain on business combinations	15c	–	49.4
Acquisition costs	15c	–	(29.8)
Profit/(loss) on revaluation of investment properties		**106.0**	(7.5)
Profit on revaluation of investments		**0.9**	–
Loss on sale of investment properties		**(13.0)**	(7.4)
Share of profits/(losses) of joint ventures	10	**6.1**	(0.1)
Operating profit		**464.7**	161.3
Finance income	5a	**23.7**	8.5
Finance costs	5b	**(135.6)**	(49.8)
Profit before tax		**352.8**	120.0
Taxation	6	**(2.2)**	(0.1)
Profit for the year		**350.6**	119.9
Attributable to:			
Equity shareholders		**347.9**	118.7
Non-controlling interest	20b	**2.7**	1.2
Earnings per share			
Basic	8b	**17.1p**	10.6p
Diluted	8b	**17.0p**	10.6p

Group statement of comprehensive income

For the year ended 31 March

	2025 £m	2024 £m
Profit for the year	**350.6**	119.9
Foreign exchange translation (loss)/gain	**(0.4)**	0.5
Other comprehensive (expense)/income for the year	**(0.4)**	0.5
Total comprehensive income for the year	**350.2**	120.4
Attributable to:		
Equity shareholders	**347.5**	119.2
Non-controlling interest	**2.7**	1.2

All amounts relate to continuing activities.

Group balance sheet

As at 31 March

	Note	**2025 £m**	2024 £m
Non current assets			
Investment properties	9a	**6,383.9**	6,232.2
Investment in equity accounted joint ventures	10	**71.9**	69.2
Other investments and tangible assets		**21.7**	1.7
Derivative financial instruments	14c	**23.7**	32.6
		6,501.2	6,335.7
Current assets			
Assets held for sale	9b	**10.4**	8.5
Trading properties		**1.1**	1.1
Trade and other receivables	11	**13.7**	21.4
Cash and cash equivalents	12	**81.2**	111.9
		106.4	142.9
Total assets		**6,607.6**	6,478.6
Current liabilities			
Trade and other payables	13	**142.5**	155.8
Bank borrowings	14a(i)	**347.7**	43.5
Other financial liabilities	14a(ii)	**9.0**	8.6
Lease liabilities	16	**0.7**	1.1
		499.9	209.0
Non current liabilities			
Bank borrowings	14a(i)	**1,710.9**	2,030.6
Other financial liabilities	14a(ii)	**222.0**	212.9
Lease liabilities	16	**40.8**	47.0
Deferred tax	6	**10.1**	9.6
		1,983.8	2,300.1
Total liabilities		**2,483.7**	2,509.1
Net assets		**4,123.9**	3,969.5
Equity			
Called up share capital	17,18	**204.8**	203.7
Share premium	17,18	**425.9**	404.7
Capital redemption reserve	18	**9.6**	9.6
Other reserve	18	**2,317.7**	2,332.4
Retained earnings	18	**1,136.2**	991.1
Equity shareholders' funds		**4,094.2**	3,941.5
Non-controlling interest	20b	**29.7**	28.0
Total equity		**4,123.9**	3,969.5
IFRS net asset value per share	8c	**202.4p**	195.2p

The financial statements were approved and authorised for issue by the Board of Directors on 20 May 2025 and were signed on its behalf by:

Martin McGann
Chief Financial Officer
Registered in England and Wales, No 7124797

Group statement of changes in equity

For the year ended 31 March

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserves[1] £m	Retained earnings £m	Equity shareholders' funds £m	Non-controlling interest £m	Total equity £m
At 1 April 2024		**203.7**	**404.7**	**9.6**	**2,332.4**	**991.1**	**3,941.5**	**28.0**	**3,969.5**
Profit for the year		–	–	–	–	**347.9**	**347.9**	**2.7**	**350.6**
Other comprehensive expense in the year		–	–	–	**(0.4)**	–	**(0.4)**	–	**(0.4)**
Total comprehensive (expense)/income for the year		–	–	–	**(0.4)**	**347.9**	**347.5**	**2.7**	**350.2**
Purchase of shares held in Employee Benefit Trust		–	–	–	**(18.2)**	–	**(18.2)**	–	**(18.2)**
Vesting of shares held in Employee Benefit Trust		–	–	–	**3.9**	**(4.4)**	**(0.5)**	–	**(0.5)**
Distribution to non-controlling interest	20b	–	–	–	–	–	–	**(1.0)**	**(1.0)**
Share based awards		–	–	–	–	**5.3**	**5.3**	–	**5.3**
Dividends	7	**1.1**	**21.2**	–	–	**(203.7)**	**(181.4)**	–	**(181.4)**
At 31 March 2025		**204.8**	**425.9**	**9.6**	**2,317.7**	**1,136.2**	**4,094.2**	**29.7**	**4.123.9**

1 Other reserves include merger relief reserve, Employee Benefit Trust shares and a foreign currency exchange reserve as set out in note 18

	Note	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserves[1] £m	Retained earnings £m	Equity shareholders' funds £m	Non-controlling interest £m	Total equity £m
At 1 April 2023		98.3	395.5	9.6	490.3	973.6	1,967.3	27.9	1,995.2
Profit for the year		–	–	–	–	118.7	118.7	1.2	119.9
Other comprehensive income for the year		–	–	–	0.5	–	0.5	–	0.5
Total comprehensive income for the year		–	–	–	0.5	118.7	119.2	1.2	120.4
Share issue on acquisitions	17,18	104.9	–	–	1,840.1	–	1,945.0	–	1,945.0
Purchase of shares held in Employee Benefit Trust		–	–	–	(2.5)	–	(2.5)	–	(2.5)
Vesting of shares held in Employee Benefit Trust		–	–	–	4.0	(4.5)	(0.5)	–	(0.5)
Distribution to non-controlling interest	20b	–	–	–	–	–	–	(1.1)	(1.1)
Share based awards		–	–	–	–	3.5	3.5	–	3.5
Dividends	7	0.5	9.2	–	–	(100.2)	(90.5)	–	(90.5)
At 31 March 2024		203.7	404.7	9.6	2,332.4	991.1	3,941.5	28.0	3,969.5

Group cash flow statement

For the year ended 31 March

	Note	**2025 £m**	2024 £m
Cash flows from operating activities			
Profit before tax		**352.8**	120.0
Adjustments for non cash items:			
(Profit)/loss on revaluation of investment properties		**(106.0)**	7.5
Profit on revaluation of investments		**(0.9)**	–
Loss on sale of investment properties		**13.0**	7.4
Share of post tax (profit)/loss of joint ventures		**(6.1)**	0.1
Movement in lease incentives		**(47.9)**	(17.4)
Share based payment		**5.3**	3.5
Net gain on business combinations		–	(49.4)
Net finance costs		**111.9**	41.3
Cash flows from operations before changes in working capital		**322.1**	113.0
Change in trade and other receivables		**7.9**	(4.1)
Change in trade and other payables		**(12.5)**	14.8
Cash flows from operations		**317.5**	123.7
Tax paid		**(0.6)**	(0.6)
Cash flows from operating activities		**316.9**	123.1
Investing activities			
Net cash acquired from the acquisition of CTPT		–	26.0
Net cash acquired from the acquisition of LXi		–	47.3
Purchase of investment and development properties		**(296.1)**	(57.4)
Capital expenditure on investment properties		**(32.9)**	(5.8)
Purchase of investments and tangible assets		**(19.3)**	(0.5)
Lease incentives paid		**(8.2)**	(1.7)
Sale of investment properties		**322.7**	198.3
Investment in joint ventures		–	(10.5)
Distributions from joint ventures		**3.4**	2.7
Interest received		**22.5**	7.7
Net cash (used in)/from investing activities		**(7.9)**	206.1
Financing activities			
Dividends paid		**(181.4)**	(90.5)
Distribution to non-controlling interest	20b	**(1.0)**	(1.1)
Purchase of shares held in Employee Benefit Trust		**(18.2)**	(2.5)
Vesting of shares held in Employee Benefit Trust		**(0.5)**	(0.5)
New borrowings and amounts drawn down	19	**406.8**	669.2
Repayment of loan facilities	19	**(423.5)**	(769.2)
Purchase of derivative financial instruments		**(2.2)**	–
Financial arrangement fees and break costs		**(10.9)**	(10.6)
Lease liabilities and other financial liabilities paid		**(10.1)**	(1.1)
Interest paid		**(98.7)**	(43.6)
Net cash used in financing activities		**(339.7)**	(249.9)
Net (decrease)/increase in cash and cash equivalents	19	**(30.7)**	79.3
Opening cash and cash equivalents		**111.9**	32.6
Closing cash and cash equivalents		**81.2**	111.9

Notes forming part of the Group financial statements

1 Significant accounting policies

The financial information set out herein does not constitute the Company's statutory accounts for the years ended 31 March 2025 or 31 March 2024 but is derived from those accounts. Statutory accounts for the years ended 31 March 2025 and 31 March 2024 have been reported on by the independent auditor. The independent auditor's reports on the Annual Report and financial statements for 2025 and 2024 were unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006. Statutory accounts for the year ended 31 March 2024 have been filed with the Registrar of Companies. The statutory accounts for the year ended 31 March 2025 will be delivered to the Registrar following the Company's Annual General Meeting. The financial information set out in this results announcement has been prepared using the recognition and measurement principles of International Accounting Standards, International Financial Reporting Standards and Interpretations issued by the IASB. The accounting policies adopted in this results announcement are consistent with those used in preparing the financial statements for the year ended 31 March 2025, which are the same as those used in the financial statements for the year ended 31 March 2024.

a) General information

LondonMetric Property Plc is a company incorporated in the United Kingdom under the Companies Act and is registered in England. The address of the registered office is One Curzon Street, London, W1J 6HB. The principal activities of the Company and its subsidiaries ('the Group') and the nature of the Group's operations are set out in the Property review.

b) Statement of compliance

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and with International Financial Reporting Standards ('IFRS') as issued by the IASB.

c) Going concern

The Board has continued to pay particular attention to the appropriateness of the going concern basis in preparing these financial statements and its detailed assessment is set out above. Having performed a detailed assessment, the Directors consider the going concern assumption for the Group to be appropriate.

The assessment considers the principal risks and uncertainties facing the Group's activities, future development and performance. A key consideration is the Group's financial position, cash flows and liquidity, including its access to debt facilities and headroom under financial loan covenants, which is discussed in detail in the Financial review.

d) Basis of preparation

The financial statements are prepared on a going concern basis, as explained above.

The functional currency of the Company and the presentational currency of the Group is sterling. The functional currency of all subsidiaries except for the Group's German operations is sterling. Euro denominated results of the German operations have been converted to sterling initially at the applicable exchange rate ruling on the transaction date.

Foreign exchange gains and losses from settling transactions are reflected in the income statement, and from retranslating assets and liabilities held in foreign currencies in other comprehensive income. Assets and liabilities are retranslated at the period end rate and income and expenses are retranslated at the average rate.

The principal exchange rate used to translate foreign currency denominated assets and liabilities at the period end and the net income for the period was £1= €1.19.

The financial statements are prepared on the historical cost basis except that investment and development properties and derivative financial instruments are stated at fair value. The accounting policies have been applied consistently in all material respects except for the adoption of new and revised standards as noted below.

i) Significant accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future periods, the change is recognised over those periods. The accounting policies subject to significant judgements and estimates are considered by the Audit Committee and are as follows:

Significant areas of estimation uncertainty

Property valuations

The valuation of the property portfolio is a critical part of the Group's performance. The Group carries the property portfolio at fair value in the balance sheet and engages professionally qualified external valuers to undertake six monthly valuations.

The determination of the fair value of each property requires, to the extent applicable, the use of estimates and assumptions in relation to factors such as estimated rental value and current market rental yields. In addition, to the extent possible, the valuers make reference to market evidence of transaction prices for similar properties.

The fair value of a development property is determined by using the 'residual method', which deducts all estimated costs necessary to complete the development, together with an allowance for development risk, profit and purchasers' costs, from the fair valuation of the completed property.

Note 9(c) to the financial statements includes further information on the valuation techniques, sensitivities and inputs used to determine the fair value of the property portfolio.

Significant areas of judgement

Significant transactions

Some property transactions are large or complex and require management to make judgements when considering the appropriate accounting treatment. These include acquisitions of property through corporate vehicles, which could represent either asset acquisitions or business combinations under IFRS 3. Other complexities include conditionality inherent in transactions and other unusual terms and conditions. There is a risk that an inappropriate approach could lead to a misstatement in the financial statements.

ii) Adoption of new and revised standards

Standards and interpretations effective in the current period

During the year, the following new and revised standards and interpretations have been adopted and have not had a material impact on the amounts reported in these financial statements.

Name	Description
Amendments to IFRS 16	Lease liability in a sale and leaseback
Amendments to IAS 7 and IFRS 7	Supplier finance arrangements
Amendments to IAS 1	Non-current liabilities with covenants and classification of liabilities
Amendments to IFRS S1	General requirements for disclosure of sustainability related financial information
Amendments to IFRS S2	Climate-related disclosures

iii) Standards and interpretations in issue not yet adopted

The IASB and the International Financial Reporting Interpretations Committee have issued the following standards and interpretations, as at the date of this report, that are mandatory for later accounting periods and which have not been adopted early. The Directors do not expect that the adoption of the standards listed below will have a material impact on the financial statements of the Group in future periods, except in respect of IFRS 18 as noted below.

Name	Description
Amendments to IAS 21	Lack of exchangeability
IFRS 18	Presentation and disclosures in financial statements
IFRS 19	Subsidiaries without public accountability: disclosures

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures in the notes to the financial statements; and
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The Directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods.

iv) Consideration of climate change

In preparing the consolidated financial statements, the Directors have considered the impact of climate change, particularly in the context of risk identified in the TCFD disclosures. There has been no material impact identified on the financial reporting judgments and estimates. In particular, the Directors have considered the impact of climate change in respect of the following areas:

- Going Concern and the Viability Statement;
- Impact on the carrying value and useful economic lives of property and other tangible assets; and
- Preparation of budgets and cash flow forecasts.

Given no material risks have been identified as per the assessment outlined in the TCFD report, no climate change related impact was identified. The Directors are, however, aware of the changing nature of risks associated with climate change and will regularly assess these risks against judgements and estimates made in the preparation of the Group's financial statements.

e) Basis of consolidation

i) Subsidiaries

The consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are those entities controlled by the Group. Control is assumed when the Group:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

In the consolidated balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair value at the acquisition date. The results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

ii) Joint ventures

Joint arrangements are those entities over whose activities the Group has joint control. The Group's joint venture is a type of joint arrangement in which the partners have rights to the net assets. Joint ventures are accounted for under the equity method, whereby the consolidated balance sheet incorporates the Group's share of the net assets of its joint ventures and the consolidated income statement incorporates the Group's share of joint venture profits after tax. The Group's joint ventures adopt the accounting policies of the Group for inclusion in the Group financial statements. Joint venture management fees are recognised as income in the accounting period in which the service is rendered.

iii) Non-controlling interest

The Group's non-controlling interest ('NCI') represents a 31% shareholding in LMP Retail Warehouse JV Holdings Limited, which owns a portfolio of retail assets. The Group consolidates the results and net assets of its subsidiary in these financial statements and reflects the non-controlling interests' share within equity in the consolidated balance sheet and allocates to the non-controlling interest their share of profit or loss for the period within the consolidated income statement.

iv) Alternative performance measures

Our portfolio is a combination of properties that are wholly owned by the Group and part owned through joint venture arrangements or where a third party holds a non-controlling interest. Management reviews the performance of the Group's proportionate share of assets and returns, and considers the presentation of information on this basis helpful to stakeholders as

it aggregates the results of all the Group's property interests which under IFRS are required to be presented across a number of line items in the financial statements. The Group uses alternative performance measures based on the European Public Real Estate Association ('EPRA') Best Practice Recommendations ('BPR') to supplement IFRS, in line with best practice in our sector, as they highlight the underlying performance of the Group's property rental business and enhance the transparency and comparability of financial information across public real estate companies. These measures are alternative performance measures as they are not defined under IFRS.

The supplementary notes include other EPRA metrics and a proportionally consolidated EPRA income statement and balance sheet. Further details, definitions and reconciliations between EPRA measures and the IFRS financial statements can be found in note 8 to the financial statements, Supplementary notes i to vii and xviii, and in the Glossary.

v) Business combinations

Where properties are acquired through corporate acquisitions and there are no significant assets or liabilities other than property, the acquisition is treated as an asset acquisition. Where a business acquisition reflects an integrated set of activities and assets capable of being conducted and managed for the purpose of providing goods or services to customers, the acquisition accounting method is used. The cost of the acquisition is measured at the aggregate of the fair values of assets and liabilities acquired and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition costs are recognised in the income statement as incurred.

Any excess of the purchase price of business combinations over the fair value of the assets, liabilities and contingent liabilities acquired is recognised as goodwill. This is recognised as an asset and is reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement. Any deficit of the purchase price of business combinations over the fair value of the assets, liabilities and contingent liabilities acquired is recognised as a gain on acquisition in the income statement.

f) Property portfolio

i) Investment properties

Investment properties are properties owned or leased by the Group which are held for long term rental income and for capital appreciation. Investment property includes property that is being constructed, developed or redeveloped for future use as an investment property. Investment property is initially recognised at cost, including related transaction costs. It is subsequently carried at each published balance sheet date at fair value on an open market basis as determined by professionally qualified independent external valuers. Changes in fair value are included in the income statement.

Where a property held for investment is appropriated to development property, it is transferred at fair value. A property ceases to be treated as a development property on practical completion. In accordance with IAS 40 Investment Properties, no depreciation is provided in respect of investment properties.

Investment property is recognised as an asset when:

- It is probable that the future economic benefits that are associated with the investment property will flow to the Group; and
- The cost of the investment property can be measured reliably.

All costs directly associated with the purchase and construction of a development property are capitalised. Capital expenditure that is directly attributable to the redevelopment or refurbishment of investment property, up to the point of it being completed for its intended use, is included in the carrying value of the property.

ii) Assets held for sale

An asset is classified as held for sale if its carrying amount is expected to be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, the asset is available for sale in its present condition and management are committed to the sale and expect it to complete within one year from the date of classification. Assets classified as held for sale are measured at the lower of carrying amount and the fair value less costs to sell.

iii) Tenant leases

Leases – the Group as a lessor

Rent receivable is recognised in the income statement on a straight line basis over the term of the lease. When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. All leases where the Group is a lessor are classified as operating leases.

Leases – the Group as lessee
Where the Group is a lessee, a right of use asset and lease liability are recognised at the outset of the lease. The lease liability is initially measured at the present value of the lease payments based on the Group's expectations of the likelihood of the lease term. The lease liability is subsequently adjusted to reflect an imputed finance charge, payments made to the lessor and any lease modifications.

The right of use asset is initially measured at cost, which comprises the amount of the lease liability, direct costs incurred, less any lease incentives received by the Group. The Group has two categories of right of use assets: those in respect of head leases related to a number of leasehold properties and an occupational lease for its head office. All right of use assets are classified as investment properties and added to the carrying value of leasehold investment properties. The right of use asset in respect of the Group's head office lease is subsequently depreciated over the length of the lease.

iv) Net rental income
Rental income from investment property leased out under an operating lease is recognised in the profit or loss on a straight line basis over the lease term. Contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the periods in which they are earned. The uplift from rent reviews is recognised when such reviews have been agreed with tenants.

Surrender premiums receivable are recognised on completion of the surrender. Where a rent free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of lease commencement to the earlier of the first break option or the lease termination date.

Lease incentives and costs associated with entering into tenant leases are amortised over the period from the date of lease commencement to the earlier of the first break option or the lease termination date. For leases which contain fixed or minimum uplifts, the rental income arising from such uplifts is recognised on a straight line basis to the earlier of the first break option or the lease termination date.

Property operating expenses are expensed as incurred and any property operating expenditure not recovered from tenants through service charges is charged to the income statement.

v) Profit and loss on sale of investment properties
Profits and losses on sales of investment properties are recognised at the date of legal completion rather than exchange of contracts and calculated by reference to the carrying value at the previous year end valuation date, adjusted for subsequent capital expenditure.

g) Financial assets and financial liabilities
Financial assets and financial liabilities are recognised in the balance sheet when the Group becomes a party to the contractual terms of the instrument.

Financial instruments under IFRS 9

i) Trade and other receivables
Trade receivables are initially recognised at their transaction price and subsequently measured at amortised cost as the Group's business model is to collect the contractual cash flows due from tenants. An impairment provision is created based on lifetime expected credit losses, which reflect the Group's historical credit loss experience and an assessment of current and forecast economic conditions at the reporting date.

ii) Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less, measured at amortised cost. When the Group is the principal in an underlying transaction and has the right to the cash inflows and/or the obligation to settle a liability and directs another entity, acting as its agent, to receive and make payments on its behalf, the Group accounts for the transaction in the cash flow statement by reporting the underlying cash flows as operating, investing or financing according to their nature.

iii) Trade and other payables
Trade payables and other payables are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method.

iv) Borrowings
Borrowings are recognised initially at fair value less attributable transaction costs. Subsequently, borrowings are measured at amortised cost with any difference between the proceeds and redemption value being recognised in the income statement over the term of the borrowing using the effective interest method.

v) Derivative financial instruments
The Group uses derivative financial instruments to hedge its exposure to interest rate risks. Derivative financial instruments are recognised initially at fair value and subsequently remeasured at each period end, with changes in fair value being recognised in the income statement. The Group does not apply hedge accounting under IFRS 9.

vi) Income strip
As part of the merger with LXi, the Group acquired a financial liability associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022. The structure comprised selling the freehold of the properties to a UK institutional investor, with 999 year leases granted back to LXi pursuant to which was the obligation to pay rental income equivalent to 30% of the annual rental income received from the tenant. LXi has the ability to acquire the freehold back in 2087 for £1. The financial obligations in relation to this transaction were fair valued on acquisition using the prevailing market interest rate. Thereafter, the liability is measured at amortised cost.

h) Finance costs and income
Net finance costs include interest payable on borrowings, net of interest capitalised and finance costs amortised.

Interest is capitalised if it is directly attributable to the acquisition, construction or redevelopment of development properties from the start of the development work until practical completion of the property. Capitalised interest is calculated with reference to the actual interest rate payable on specific borrowings for the purposes of development or, for that part of the borrowings financed out of general funds, with reference to the Group's cost of borrowings.

Finance income includes interest receivable on funds invested at the effective rate and notional interest receivable on forward funded developments at the contractual rate. Finance costs and income are presented in the cash flow statement within financing and investing activities, respectively.

i) Tax
Tax is included in profit or loss except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, together with any adjustment in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

As the Group is a UK REIT there is no provision for deferred tax arising on the revaluation of UK properties or other temporary differences. The Group must comply with the UK REIT regulation to benefit from the favourable tax regime.

As a result of the merger with LXi, the Group acquired one German property and is now subject to German corporate income tax on those operations. A deferred tax liability was recognised on acquisition and has been restated for the revaluation and currency movement in the period.

j) Share based payments
The fair value of equity-settled share based payments to employees is determined at the date of grant and is expensed on a straight line basis over the vesting period based on the Group's estimate of shares that will eventually vest.

k) Shares held in Trust
The cost of the Company's shares held by the Employee Benefit Trust is deducted from equity in the Group balance sheet. Any shares held by the Trust are not included in the calculation of earnings or net tangible assets per share.

l) Dividends
Dividends on equity shares are recognised when they become legally payable. In the case of interim dividends, this is when paid. In the case of final dividends, this is when approved by the shareholders at the Annual General Meeting.

2 Segmental information

As at 31 March

Property value	2025 £m	2024 £m
Logistics	**2,837.9**	2,563.1
Long income	**3,159.7**	3,199.4
Other[1]	**125.9**	210.2
	6,123.5	5,972.7
Income strip gross up	**231.0**	221.5
Head lease assets	**40.9**	47.6
	6,395.4	6,241.8

1 Includes trading property of £1.1 million (2024: £1.1 million) and assets held for sale of £10.4 million (2024: £8.5 million)

For the year to 31 March

Gross rental income	2025 £m	2024 £m
Logistics	**143.3**	115.2
Long income	**241.4**	53.6
Other	**10.8**	8.2
	395.5	177.0

For the year to 31 March

Net rental income	2025 £m	2024 £m
Logistics	**141.3**	**114.1**
Long income	**239.1**	**53.6**
Other	**10.2**	**7.6**
	390.6	**175.3**

An operating segment is a distinguishable component of the Group that engages in business activities, earns revenue and incurs expenses, whose results are reviewed by the Group's Chief Operating Decision Makers ('CODMs') and for which discrete financial information is available. Gross rental income represents the Group's revenues from its tenants and net rental income is the principal profit measure used to determine the performance of each sector. Total assets and liabilities are not monitored by segment. However, property assets are reviewed on an ongoing basis. The Group operates predominantly in the United Kingdom and no geographical split is provided in information reported to the Board.

Included within the logistics operating segment are the sub-categories of urban logistics, regional distribution and mega distribution and within the long income operating segment are the sub-categories of convenience, entertainment and leisure and healthcare. However the sub-category results are not separately reviewed by the CODMs as they are not considered separate operating segments. Instead the CODMs review the logistics and long income sectors as a whole as their own operating segments.

The income strip gross up and head lease assets are not considered separate operating segments and are included in this note for reconciliation purposes only. This year, we have reflected development assets within each operating segment instead of as a separate category, for both the current and prior year.

3 Revenue

For the year to 31 March	**2025 £m**	2024 £m
Gross rental income	**395.5**	177.0
Property management fees and other income	**1.2**	1.1
Revenue	**396.7**	178.1

For the year to 31 March	**2025 £m**	2024 £m
Gross rental income	**395.5**	177.0
Cost of sales – property operating expenses	**(4.9)**	(1.7)
Net rental income	**390.6**	175.3

Two tenants each individually contributed more than 10% of gross rental income in the current year. The net contracted rental income of the Group's top ten occupiers, which is reflected net of income strip and head lease payments, is shown in Supplementary note xvii.

4 Administrative costs

a) Total administrative costs

For the year to 31 March	**2025 £m**	2024 £m
Staff costs	**20.7**	14.9
Auditor's remuneration	**0.7**	0.7
Depreciation	**0.6**	0.7
Other administrative costs	**5.1**	3.4
	27.1	19.7

b) Staff costs

For the year to 31 March	**2025 £m**	2024 £m
Employee costs, including those of Directors, comprise the following:		
Wages and salaries	**15.7**	11.7
Less staff costs capitalised in respect of development projects	**(1.9)**	(1.5)
	13.8	10.2
Social security costs	**1.2**	0.9
Pension costs	**0.4**	0.3
Share based payment	**5.3**	3.5
	20.7	14.9

The long term share incentive plan ('LTIP') allows Executive Directors and eligible employees to receive an award of shares, held in trust, dependent on performance conditions based on the earnings per share, total shareholder return and total accounting return of the Group over a three year vesting period. The Group expenses the estimated number of shares likely to vest over the three year period based on the market price at the date of grant. In the current year the charge was £5.3 million (2024: £3.5 million). The cost of acquiring the shares expected to vest under the LTIP of £18.2 million has been charged to reserves this year (2024: £2.5 million).

Directors' emoluments are reflected in the table below. Directors received a salary supplement in lieu of pension contributions for the current and previous year. Details of the Directors' remuneration awards under the LTIP are given in the Remuneration Committee report.

For the year to 31 March	**2025 £m**	2024 £m
Remuneration for management services	**4.0**	3.3
Entitlement to pension scheme contributions	**0.1**	0.1
	4.1	3.4

The emoluments and benefits of the key management personnel of the Company, which comprise the Directors and certain members of the Senior Leadership Team, are set out in aggregate in the table below.

For the year to 31 March	**2025 £m**	2024 £m
Short term employee benefits	**11.6**	9.5
Share based payments	**4.1**	3.1
	15.7	12.6

No disclosures have been made in accordance with IFRS 2 for share based payments to employees other than those in the Remuneration Committee report on the basis of materiality.

c) Staff numbers

The average number of employees including Executive Directors during the year was:

	2025 Number	2024 Number
Property and administration	**47**	35

d) Auditor's remuneration

For the year to 31 March	**2025 £000**	2024 £000
Audit services:		
Audit of the Group and Company financial statements	**572.0**	580.0
Audit of the Company's subsidiaries	**48.0**	46.0
Other fees:		
Audit related assurance services	**95.0**	50.0
Total fees for audit and other services	**715.0**	676.0

In addition to the above audit fees, £24,700 (2024: £23,500) was due to the Group's auditor in respect of the audit of its joint venture.

5 Finance income and costs

a) Finance income

For the year to 31 March	**2025 £m**	2024 £m
Interest received on bank deposits	**1.9**	1.0
Interest receivable from interest rate derivatives	**20.6**	6.7
Interest receivable from forward funded developments	**1.2**	0.8
Total finance income	**23.7**	8.5

b) Finance costs

For the year to 31 March	**2025 £m**	2024 £m
Interest payable on bank loans	**98.5**	41.5
Unwinding of discount on fixed rate debt acquired	**4.6**	0.7
Amortisation of loan issue costs	**4.3**	2.0
Interest on lease and other liabilities	**15.2**	1.0
Commitment fees and other finance costs	**5.3**	2.9
Total borrowing costs	**127.9**	48.1
Less amounts capitalised on developments	**(3.4)**	(2.2)
Net borrowing costs	**124.5**	45.9
Fair value loss on derivative financial instruments	**11.1**	3.9
Total finance costs	**135.6**	49.8

Net finance costs deducted from EPRA earnings as disclosed in Supplementary note ii exclude the fair value loss on derivatives of £11.1 million (2024: £3.9 million) and the impact of the inflation volatility relating to the income strip in the current year of £3.7 million.

6 Taxation

For the year to 31 March	**2025 £m**	2024 £m
Current tax		
UK corporation tax	**0.9**	(0.1)
German corporate income tax	**0.6**	0.1
Deferred tax		
Deferred tax on German asset	**0.7**	0.1
Total tax charge	**2.2**	0.1

As the Group is a UK REIT, any profits and gains arising from its property rental business are exempt from UK corporation tax and there is no provision for deferred tax arising on the revaluation of properties.

The UK corporation tax charge relates to tax arising on income attributable to the Group's non-controlling interest and other residual tax. Following the merger with LXi, the Group has one German property and is subject to German corporate income tax at an effective rate of 15.825%, which resulted in a tax charge of £0.6 million in the year (2024: £0.1 million). An associated deferred tax liability was recognised on acquisition and the revaluation movement of £0.7 million has been reflected in the year along with a favourable currency movement of £0.2 million, resulting in a deferred tax liability of £10.1 million at the year end (2024: £9.6 million).

The reconciliation of the total tax charge in the year to the tax assessed on profits at the standard rate of corporation tax in the UK is set out below.

For the year to 31 March	**2025 £m**	2024 £m
Profit before tax	**352.8**	120.0
Tax charge at the standard rate of corporation tax in the UK of 25% (2024: 25%)	**88.2**	30.0
Effects of:		
Items not taxable	**(20.7)**	(0.2)
Share of post tax profits of joint ventures	**(1.5)**	–
REIT exemption on income and gains	**(63.5)**	(29.4)
Other	**(0.3)**	(0.3)
Tax charge on profit	**2.2**	0.1

7 Dividends

For the year to 31 March			**2025 £m**	2024 £m
Ordinary dividends paid				
2023	Third quarterly interim dividend	2.3p per share	**–**	22.5
2023	Fourth quarterly interim dividend	2.6p per share	**–**	25.5
2024	First quarterly interim dividend	2.4p per share	**–**	26.1
2024	Second quarterly interim dividend	2.4p per share	**–**	26.1
2024	Third quarterly interim dividend	2.4p per share	**26.2**	–
2024	Fourth quarterly interim dividend	3.0p per share	**61.1**	–
2025	First quarterly interim dividend	2.85p per share	**58.1**	–
2025	Second quarterly interim dividend	2.85p per share	**58.3**	–
			203.7	100.2
Ordinary dividend payable				
2025	Third quarterly interim dividend	3.0p per share	**61.2**	
2025	Fourth quarterly interim dividend	3.3p per share	**67.5**	

The Company paid its third quarterly interim dividend in respect of the financial year to 31 March 2025 of 3.0p per share, wholly as a Property Income Distribution (‘PID’), on 11 April 2025 to ordinary shareholders on the register at the close of business on 7 March 2025. The fourth quarterly interim dividend for 2025 of 3.3p per share, of which 1.5p is payable as a PID, will be payable on 9 July 2025 to shareholders on the register at the close of business on 30 May 2025. A scrip dividend alternative will be offered to shareholders as it was for the first three quarterly dividend payments. Neither dividend has been included as a liability in these accounts. Both dividends will be recognised as an appropriation of retained earnings in the year to 31 March 2026. During the year, the Company issued 11.6 million ordinary shares under the terms of the Scrip Dividend Scheme, which reduced the cash dividend payment by £22.3 million to £181.4 million.

8 Earnings and net assets per share

Adjusted earnings and net assets per share are calculated in accordance with the Best Practice Recommendations (‘BPR’) of the European Public Real Estate Association (‘EPRA’). The EPRA earnings measure highlights the underlying performance of the property rental business.

The basic earnings per share calculation uses the weighted average number of ordinary shares during the year and excludes the average number of shares held by the Employee Benefit Trust for the year. The IFRS basic net asset value per share calculation uses the number of shares in issue at the year end and excludes the actual number of shares held by the Employee Benefit Trust at the year end. The fully diluted calculations assume that new shares are issued in connection with the expected vesting of the Group’s long term incentive plan. Further EPRA performance measures are reflected in the Supplementary notes.

a) EPRA earnings

EPRA earnings for the Group and its share of joint ventures is summarised in the Financial review and on a proportionally consolidated basis in Supplementary note ii. The reconciliation of EPRA earnings to IFRS reported profit is set out in the table below and in supplementary note ii on a proportionally consolidated basis.

For the year to 31 March	**2025 £m**	2024 £m
EPRA earnings	**268.0**	121.6
Revaluation of property and investments	**106.9**	(7.5)
Fair value of derivatives	**(11.1)**	(3.9)
Loss on disposal	**(13.0)**	(7.4)
Impact of inflation volatility relating to the income strip	**(3.7)**	–
Gain on acquisition	**–**	49.4
Acquisition costs	**–**	(29.8)
Deferred tax	**(0.7)**	(0.1)
JV and NCI share of revaluation of property	**1.5**	(3.6)
IFRS reported profit	**347.9**	118.7

b) Earnings per ordinary share attributable to equity shareholders

For the year to 31 March	**2025 £m**	2024 £m
Basic and diluted earnings	**347.9**	118.7
EPRA adjustments above	**(79.9)**	2.9
EPRA earnings	**268.0**	121.6

For the year to 31 March	**2025 Number of shares (millions)**	2024 Number of shares (millions)
Weighted ordinary share capital	**2,044.2**	1,119.5
Shares held in the Employee Benefit Trust	**(4.5)**	(2.5)
Weighted average number of ordinary shares – basic	**2,039.7**	1,117.0
Employee share schemes	**6.2**	4.7
Weighted average number of ordinary shares – fully diluted	**2,045.9**	1,121.7
Earnings per share		
Basic	**17.1p**	10.6p
Diluted	**17.0p**	10.6p
EPRA earnings per share		
Basic	**13.1p**	10.9p
Diluted	**13.1p**	10.8p

c) Net assets per share attributable to equity shareholders

The EPRA best practice recommendations for financial disclosures by public real estate companies include three measures of net asset value: EPRA net tangible assets ('NTA'), EPRA net reinstatement value ('NRV') and EPRA net disposal value ('NDV').

EPRA NTA is considered to be the most relevant measure for the Group. All three measures are calculated on a diluted basis, which assumes that new shares are issued in connection with the expected vesting of the Group's long term incentive plan.

As at 31 March 2025	**EPRA net tangible assets £m**	**EPRA net disposal value £m**	**EPRA net reinstatement value £m**
Equity shareholders' funds	**4,094.2**	**4,094.2**	**4,094.2**
Deferred tax on fair value gains of investment property	**0.5**	**–**	**10.1**
Fair value of Group derivatives	**(23.7)**	**–**	**(23.7)**
Mark to market of fixed rate debt	**–**	**87.6**	**–**
Purchasers' costs[1]	**–**	**–**	**418.6**
EPRA net asset value	**4,071.0**	**4,181.8**	**4,499.2**

1 Estimated from the portfolio's external valuation which is stated net of purchasers' costs of 6.8%

As at 31 March 2024	EPRA net tangible assets £m	EPRA net disposal value £m	EPRA net reinstatement value £m
Equity shareholders' funds	3,941.5	3,941.5	3,941.5
Deferred tax on fair value gains of investment property	9.6	–	9.6
Fair value of Group derivatives	(32.6)	–	(32.6)
Gain on business combinations as a result of deferred tax	(9.6)	–	(9.6)
Mark to market of fixed rate debt	–	86.0	–
Purchasers' costs	–	–	408.2
EPRA net asset value	3,908.9	4,027.5	4,317.1

As at 31 March	**2025 Number of shares (millions)**	2024 Number of shares (millions)
Ordinary share capital	**2,048.1**	2,036.5
Shares held in Employee Benefit Trust	**(10.5)**	(2.6)
Number of ordinary shares – basic	**2,037.6**	2,033.9
Employee share schemes	**6.4**	4.8
Number of ordinary shares – fully diluted	**2,044.0**	2,038.7

IFRS net asset value per share	**202.4p**	195.2p
EPRA net tangible assets per share	**199.2p**	191.7p
EPRA net disposal value per share	**204.6p**	197.5p
EPRA net reinstatement value per share	**220.1p**	211.8p

9 Investment properties

a) Investment properties

As at 31 March	**Completed £m**	**Under development £m**	**2025 Total £m**	Completed £m	Under development £m	2024 Total £m
Opening balance	**6,146.4**	**38.2**	**6,184.6**	2,905.2	32.6	2,937.8
Acquisitions	**284.7**	**10.8**	**295.5**	3,379.4	39.8	3,419.2
Capital expenditure	**24.7**	**11.9**	**36.6**	5.9	4.1	10.0
Disposals	**(293.8)**	**(21.4)**	**(315.2)**	(183.8)	–	(183.8)
Property transfers[1]	**17.0**	**(27.4)**	**(10.4)**	28.7	(37.2)	(8.5)
Revaluation movement	**97.8**	**3.2**	**101.0**	(6.4)	(1.1)	(7.5)
Foreign currency	**(2.9)**	**–**	**(2.9)**	0.8	–	0.8
Movement in income strip gross up	**9.5**	**–**	**9.5**	–	–	–
Movement in tenant incentives and rent free uplifts	**44.2**	**0.1**	**44.3**	16.6	–	16.6
Property portfolio	**6,327.6**	**15.4**	**6,343.0**	6,146.4	38.2	6,184.6
Head lease assets	**40.9**	**–**	**40.9**	47.6	–	47.6
	6,368.5	**15.4**	**6,383.9**	6,194.0	38.2	6,232.2

1 Properties totalling £10.4 million (2024: £8.5 million) have been transferred to current assets and separately disclosed as assets held for sale as reflected in note 9b

Investment properties are stated at fair value as at 31 March 2025 based on external valuations performed by professionally qualified and independent valuers CBRE Limited ('CBRE'), Savills (UK) Limited ('Savills') and Knight Frank LLP ('Knight Frank'). The valuations have been prepared in accordance with the RICS Valuation – Global Standards 2025 on the basis of fair value as set out in note 1. There has been no change in the valuation technique in the year. The total fees earned by each valuer from the Company represent less than 5% of their total UK revenues. CBRE, Savills and Knight Frank have continuously been the signatory of valuations for the Company since October 2007, September 2010 and March 2024 respectively.

A reconciliation of the total portfolio valuation to the valuers' reports is provided below:

As at 31 March	Note	**2025 £m**	2024 £m
Property portfolio valuation	9a	**6,343.0**	6,184.6
Assets held for sale	9b	**10.4**	8.5
Less income strip gross up		**(231.0)**	(221.5)
Portfolio valuation from external valuation reports		**6,122.4**	5,971.6

As part of the LXi merger, the Group acquired a financial liability associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022 as set out in note 14a(ii). The income strip balance included within investment properties represents the gross up of the asset values as the external valuation is based on net cash flows after deducting income strip payments.

The movement in the year of £9.5 million comprises an adjustment of £4.5 million to the liability and corresponding asset to incorporate an inflation assumption into future cash flows and a gross up of £5.0 million which is included in the income statement within the movement in revaluation of investment properties.

Completed properties include buildings that are occupied or are available for occupation. Properties under development include land under development and investment property under construction. Internal staff costs of the development team of £1.9 million (2024: £1.5 million) have been capitalised in the year, being directly attributable to the development projects in progress.

Long term leasehold values included within investment properties amount to £1,169.8 million (2024: £1,144.5 million). Over half relates to theme park assets which are let on 999 year leases. All other properties are freehold. The historical cost of all of the Group's investment properties at 31 March 2025 was £5,484.0 million (2024: £5,469.3 million).

Included within the investment property valuation is £156.9 million (2024: £112.6 million) in respect of unamortised lease incentives and rent free periods. The movement in the year reflects lease incentives paid of £8.2 million (2024: £1.7 million) and rent free and amortisation movements of £47.9 million (2024: £17.4 million), offset by incentives written off on disposal of £11.8 million (2024: £2.5 million). Capital commitments have been entered into amounting to £107.2 million (2024: £27.5 million) which have not been provided for in the financial statements.

b) Assets held for sale

As at 31 March	**2025 £m**	2024 £m
Opening balance	**8.5**	19.8
Disposals	**(8.5)**	(19.8)
Property transfers	**10.4**	8.5
Closing balance	**10.4**	8.5

The valuation of freehold and leasehold property held for sale at 31 March 2025 was £10.4 million (2024: £8.5 million), representing logistics and long income assets which are expected to complete within the next six months.

c) Valuation technique and quantitative information

						ERV		Net initial yield		Reversionary yield	
Asset type	Segmental split (note 2) £m	Under development £m	Trading assets £m	Fair value 2025[1] £m	Valuation technique	Weighted average (£ per sq ft)	Range (£ per sq ft)	Weighted average %	Range %	Weighted average %	Range %
Logistics	**2,837.9**	**(6.2)**	**–**	**2,831.7**	**Yield capitalisation**	**9.82**	**2.50-37.10**	**4.7**	**2.0-12.4**	**5.7**	**4.0-11.6**
Long income	**3,159.7**	**(9.2)**	**–**	**3,150.5**	**Yield capitalisation**	**20.97**	**3.50-191.60**	**5.5**	**1.3-13.4**	**4.2**	**3.0-30.1**
Other	**125.9**	**–**	**(1.1)**	**124.8**	**Yield capitalisation**	**16.84**	**5.70-60.80**	**4.8**	**4.1-11.5**	**7.0**	**4.6-11.5**
Development	**–**	**15.4**	**–**	**15.4**	**Residual**	**26.40**	**22.50-55.60**	**5.7**	**5.5-5.7**	**5.8**	**5.7-6.7**

Asset type	Segmental split (note 2) £m	Under development £m	Trading assets £m	Fair value 2024[1] £m	Valuation technique	ERV		Net initial yield		Reversionary yield	
						Weighted average (£ per sq ft)	Range (£ per sq ft)	Weighted average %	Range %	Weighted average %	Range %
Logistics	2,563.1	(6.0)	–	2,557.1	Yield capitalisation	9.54	2.50-35.70	4.6	2.0-11.1	5.7	4.0-11.9
Long income	3,199.4	(16.9)	–	3,182.5	Yield capitalisation	22.97	3.50-191.60	5.8	3.3-51.9	5.6	3.0-45.2
Other	210.2	(15.3)	(1.1)	193.8	Yield capitalisation	12.15	5.70-60.80	5.9	3.8-19.1	7.5	4.7-24.6
Development	–	38.2	–	38.2	Residual	21.62	17.80-47.60	5.2	5.2-7.5	7.1	5.3-9.1

1 As reflected in notes 2 and 9 and including assets held for sale of £10.4 million (2024: £8.5 million) but excluding trading properties classified as development of £1.1 million (2024: £1.1 million)

All of the Group's properties are categorised as Level 3 in the fair value hierarchy as defined by IFRS 13 fair value measurement. There have been no transfers of properties between Levels 1, 2 and 3 during the year ended 31 March 2025. The fair value at 31 March 2025 represents the highest and best use of the properties. When considering the highest and best use, the valuers will look at existing and potential uses which are viable.

i) Technique

The valuation techniques described below are consistent with IFRS 13 and use significant 'unobservable' inputs such as Expected Rental Value ('ERV') and yield. There have been no changes in valuation techniques since the prior year.

Yield capitalisation – for commercial investment properties, market rental values are capitalised with a market capitalisation rate. The resulting valuations are cross-checked against the net initial yields and the fair market values per square foot derived from recent market transactions.

Residual – for certain investment properties under development, the fair value of the property is calculated by estimating the fair value of the completed property using the yield capitalisation technique less estimated costs to completion and a risk premium which includes but is not limited to construction and letting risk.

ii) Sensitivity

A 5% increase or decrease in ERV would increase or decrease the fair value of the Group's investment properties by £115.4 million or £114.3 million respectively.

An increase or decrease of 25bps to the equivalent yield would decrease or increase the fair value of the Group's investment properties by £264.4 million or £289.9 million respectively. An increase or decrease of 50bps to the equivalent yield would decrease or increase the fair value of the Group's investment properties by £507.6 million or £607.3 million respectively.

There are interrelationships between the valuation inputs and they are primarily determined by market conditions. The effect of an increase in more than one input could be to magnify the impact on the valuation. However, the impact on the valuation could be offset by the interrelationship of two inputs moving in opposite directions, for example an increase in rent may be offset by a decrease in occupancy, resulting in no net impact on the valuation.

iii) Process

The valuation reports produced by CBRE, Savills and Knight Frank are based on:

- Information provided by the Group, such as current rents, lease terms, capital expenditure and comparable sales information, which is derived from the Group's financial and property management systems and is subject to the Group's overall control environment
- Assumptions applied by the valuers such as ERVs and yields which are based on market observation and their professional judgement

10 Investment in joint ventures

At 31 March 2025, the following principal property interest, being a jointly controlled entity, has been equity accounted for in these financial statements:

	Country of incorporation or registration[1]	Property sectors	Group share
Metric Income Plus Partnership ('MIPP')	England	Long income	50.0%

1 The registered address is One Curzon Street, London, W1J 5HB

The principal activity is property investment into long income assets in the UK, which complements the Group's operations and contributes to the achievement of its strategy.

At 31 March 2025, the freehold and leasehold investment properties were externally valued by CBRE. The movement in the carrying value of joint venture interests in the year is summarised as follows:

As at 31 March	**2025 £m**	2024 £m
Opening balance	**69.2**	61.5
Investment in the year	**–**	10.5
Share of profit/(loss) for the year	**6.1**	(0.1)
Distributions received	**(3.4)**	(2.7)
	71.9	69.2

The Group's share of the profit/(loss) after tax and net assets of its joint ventures is as follows:

Summarised income statement	**Total 2025 £m**	**Group share 2025 £m**	Total 2024 £m	Group share 2024 £m
Gross rental income	**7.8**	**3.9**	8.5	4.3
Property costs	**(0.4)**	**(0.2)**	(0.1)	(0.1)
Net rental income	**7.4**	**3.7**	8.4	4.2
Administrative costs	**–**	**–**	(0.1)	–
Management fees	**(1.1)**	**(0.6)**	(1.1)	(0.6)
Revaluation gain/(loss)	**5.8**	**2.9**	(7.5)	(3.7)
Net finance income	**0.1**	**0.1**	–	–
Profit/(loss) after tax	**12.2**	**6.1**	(0.3)	(0.1)
Group share of profit/(loss) after tax	**6.1**		(0.1)	
EPRA adjustments:				
Revaluation (gain)/loss	**(5.8)**	**(2.9)**	7.5	3.7
EPRA earnings	**6.4**	**3.2**	7.2	3.6
Group share of EPRA earnings	**3.2**		3.6	
Summarised balance sheet				
Investment properties	**139.8**	**69.9**	134.1	67.1
Other current assets	**0.5**	**0.2**	0.2	0.1
Cash	**5.5**	**2.8**	6.1	3.0
Current liabilities	**(2.1)**	**(1.0)**	(2.0)	(1.0)
Net assets	**143.7**	**71.9**	138.4	69.2
Group share of net assets	**71.9**		69.2	

11 Trade and other receivables

As at 31 March	**2025 £m**	2024 £m
Trade receivables	**3.6**	10.9
Prepayments and accrued income	**4.6**	3.9
Other receivables	**5.5**	6.6
	13.7	21.4

All amounts fall due for payment in less than one year. Trade receivables comprise rental income which is due on contractual payment days with no credit period.

At 31 March 2025, trade receivables of £1.4 million were overdue and considered at risk and have been provided for in full (2024: £0.4 million). In addition, an impairment provision based on the IFRS expected credit loss model of £4.9 million (2024: £1.4 million) and a provision against tenant incentives of £1.4 million (2024: £0.1 million) have been recognised.

12 Cash and cash equivalents

Cash and cash equivalents include £39.4 million (2024: £59.5 million) retained in restricted accounts which are not readily available to the Group for day-to-day commercial purposes.

13 Trade and other payables

As at 31 March	**2025 £m**	2024 £m
Trade payables	**3.7**	5.7
Amounts payable on property acquisitions and disposals	**1.8**	13.5
Rent received in advance	**63.1**	72.5
Accrued interest	**4.7**	4.9
Tax liabilities	**16.9**	19.0
Other payables	**31.5**	21.9
Other accruals and deferred income	**20.8**	18.3
	142.5	155.8

The Group has financial risk management policies in place to ensure that all payables are settled within the required credit timeframe.

14 Borrowings and financial instruments

a) Borrowings

i) Secured and unsecured loans

As at 31 March	**2025 £m**	2024 £m
Secured bank loans	**799.3**	798.2
Unsecured bank loans	**1,273.9**	1,289.2
	2,073.2	2,087.4
Unamortised finance costs	**(14.6)**	(13.3)
	2,058.6	2,074.1

Of the total borrowings of £2,058.6 million, £347.7 million are repayable within one year (2024: £43.5 million) and are reflected separately in the balance sheet.

As at 31 March 2025	Total debt facility £m	Floating rate debt drawn £m	Fixed rate debt drawn £m	Unamortised fair value adjustments £m	Total debt £m	Weighted average maturity (years)
Secured bank loans:						
Scottish Widows fixed rate debt (Mucklow)	**60.0**	–	60.0	1.5	**61.5**	**6.7**
Canada Life fixed rate debt (CTPT)	**90.0**	–	90.0	(1.7)	**88.3**	**1.6**
L & G fixed rate debt (LXi)	**62.5**	–	62.5	(0.2)	**62.3**	**0.4**
AIG fixed rate debt (LXi)	**286.2**	–	286.2	(0.8)	**285.4**	**0.5**
Scottish Widows fixed rate debt (LXi)	**170.0**	–	170.0	(14.9)	**155.1**	**8.7**
Canada Life fixed rate debt (LXi)	**148.0**	–	148.0	(1.3)	**146.7**	**14.1**
Unsecured bank loans:						
Revolving credit facility 2021	**225.0**	145.0	–	–	**145.0**	**1.1**
Wells Fargo revolving credit facility	**175.0**	55.0	–	–	**55.0**	**1.1**
Revolving credit facility 2022	**275.0**	135.0	–	–	**135.0**	**2.6**
Revolving credit facility 2024	**560.0**	152.1	–	–	**152.1**	**3.8**
SMBC revolving credit facility 2025	**175.0**	91.8	–	–	**91.8**	**4.7**
Term loan 2024	**140.0**	140.0	–	–	**140.0**	**1.8**
Private placement 2016 (syndicate)	**25.0**	–	25.0	–	**25.0**	**3.5**
Private placement 2018 (syndicate)	**150.0**	–	150.0	–	**150.0**	**5.8**
Private placement 2021 (syndicate)	**380.0**	–	380.0	–	**380.0**	**7.2**
	2,921.7	**718.9**	**1,371.7**	**(17.4)**	**2,073.2**	**4.7**

As at 31 March 2024	Total debt facility £m	Floating rate debt drawn £m	Fixed rate debt drawn £m	Unamortised fair value adjustments £m	Total debt £m	Weighted average maturity (years)
Secured bank loans:						
Scottish Widows fixed rate debt (Mucklow)	60.0	–	60.0	1.8	61.8	7.7
Canada Life fixed rate debt (CTPT)	90.0	–	90.0	(2.7)	87.3	2.6
L & G fixed rate debt (LXi)	62.8	–	62.8	(0.6)	62.2	1.4
AIG fixed rate debt (LXi)	289.3	–	289.3	(2.3)	287.0	1.5
Scottish Widows fixed rate debt (LXi)	170.0	–	170.0	(16.7)	153.3	9.7
Canada Life fixed rate debt (LXi)	148.0	–	148.0	(1.4)	146.6	15.1
Unsecured bank loans:						
Revolving credit facility 2021 (syndicate)	225.0	90.0	–	–	90.0	2.1
Wells Fargo revolving credit facility	175.0	55.0	–	–	55.0	2.1
Revolving credit facility 2022 (syndicate)	275.0	100.0	–	–	100.0	2.6
Revolving credit facility 2024 (syndicate)	560.0	309.2	–	–	309.2	3.8
Term loan 2024 (syndicate)	140.0	140.0	–	–	140.0	1.8
Private placement 2016 (syndicate)	65.0	–	65.0	–	65.0	2.0
Private placement 2018 (syndicate)	150.0	–	150.0	–	150.0	6.8
Private placement 2021 (syndicate)	380.0	–	380.0	–	380.0	8.2
	2,790.1	694.2	1,415.1	(21.9)	2,087.4	5.4

Certain bank loans at 31 March 2025 are secured by fixed charges over Group investment properties with a carrying value of £2,191.9 million (2024: £1,953.9 million). During the year, the Group repaid borrowings of £40.0 million relating to the 2016 Private Placement.

ii) Other financial liability

As part of the merger with LXi, the Group acquired a financial liability associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022. The structure comprised selling the freehold of the properties to a UK institutional investor, with 999 year leases granted back to LXi pursuant to which was the obligation to pay rental income equivalent to 30% of the annual rental income received from the tenant. LXi has the ability to acquire the freehold back in 2087 for £1. The financial obligations in relation to this transaction were fair valued on acquisition using the prevailing market interest rate at £221.4 million. At 31 March 2025 the total liability was £231.0 million based on amortised cost, with £9.0 million being due in less than one year. For disclosure purposes, the fair value of the liability at 31 March 2025 was assessed by independent experts Chatham Financial to be £211.9 million. The corresponding gross up is reflected within investment properties in the balance sheet as the external valuation of the assets is based on net cash flows after deducting income strip payments.

The gross rental income receivable from the tenant is reflected in the income statement within revenue and the 30% pay away is reflected within finance costs.

b) Financial risk management

Financial risk factors

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's financial risk management objectives are to minimise the effect of risks it is exposed to through its operations and the use of debt financing. The principal financial risks to the Group and the policies it has in place to manage these risks are summarised below.

i) Credit risk

Credit risk is the risk of financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's principal financial assets are cash balances and deposits and trade and other receivables. The Group's credit risk is primarily attributable to its cash deposits and trade receivables.

The Group mitigates financial loss from tenant defaults by dealing with only creditworthy tenants. Trade receivables are presented at amortised cost less a provision for specific overdue debts. A loss allowance for expected credit losses is also provided for in the accounts and is low relative to the scale of the balance sheet at £4.9 million (2024: £1.4 million) as reflected in note 11, and therefore the credit risk of trade receivables is considered to be low. Cash is held in a diverse mix of institutions with investment grade credit ratings. The credit ratings of the banks are monitored and changes are made where necessary to manage risk.

The credit risk on liquid funds and derivative financial instruments is limited due to the Group's policy of monitoring counterparty exposures with a maximum exposure equal to the carrying amount of these instruments. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

ii) Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group actively maintains a mixture of long term and short term committed facilities that are designed to ensure that the Group has sufficient available funds for operations. The Group's funding sources are diversified across a range of banks and institutions. Weekly cash flow forecasts are prepared for the Senior Leadership Team to ensure sufficient resources of cash and undrawn debt facilities are in place to meet liabilities as they fall due.

At 31 March 2025, the Group had cash reserves of £81.2 million (2024: £111.9 million), of which £39.4 million was retained in restricted accounts, and available and undrawn bank loan facilities of £831.1 million (2024: £680.8 million).

The following table shows the contractual maturity profile of the Group's bank loans, interest payments on bank loans, other financial liabilities and derivative financial instruments on an undiscounted cash flow basis and assuming settlement on the earliest repayment date. Other liabilities as disclosed in note 14c(i) include trade payables and accrued interest and are repayable within one year. The contractual maturity profile of lease liabilities disclosed in the balance sheet is reflected in note 16.

As at 31 March 2025	**Less than one month £m**	**One to three months £m**	**Three months to one year £m**	**One to two years £m**	**Two to five years £m**	**More than five years £m**	**Total £m**
Bank loans	**8.9**	**16.2**	**411.7**	**494.0**	**758.8**	**804.4**	**2,494.0**
Other financial liabilities	**0.7**	**1.5**	**6.8**	**9.2**	**29.0**	**1,324.6**	**1,371.8**
Derivative financial instruments	**(1.4)**	**(2.8)**	**(12.6)**	**(9.6)**	**(4.9)**	**(5.5)**	**(36.8)**
	8.2	**14.9**	**405.9**	**493.6**	**782.9**	**2,123.5**	**3,829.0**

As at 31 March 2024	Less than one month £m	One to three months £m	Three months to one year £m	One to two years £m	Two to five years £m	More than five years £m	Total £m
Bank loans	9.3	17.1	118.6	578.4	987.7	879.2	2,590.3
Other financial liabilities	0.7	1.4	6.5	8.7	26.8	719.5	763.6
Derivative financial instruments	(1.8)	(3.7)	(16.4)	(20.7)	(7.0)	–	(49.6)
	8.2	14.8	108.7	566.4	1,007.5	1,598.7	3,304.3

iii) Market risk – interest rate risk

The Group is exposed to interest rate risk from the use of debt financing at a variable rate. It is the risk that future cash flows of a financial instrument will fluctuate because of changes in interest rates.

The Group uses interest rate derivatives and fixed rates to manage its interest rate exposure and hedge future interest rate risk for the term of the loan. Although the Board accepts that this policy neither protects the Group entirely from the risk of paying rates in excess of current market rates nor eliminates fully the cash flow risk associated with interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

At 31 March 2025, all of the Group's debt drawn was hedged, through fixed coupon debt arrangements and interest rate swaps, swaptions and caps. The average interest rate payable by the Group on all bank borrowings at 31 March 2025 including the cost of amortising finance arrangement fees, was 4.0% (2024: 3.9%). A 1% increase or decrease in interest rates during the year would have increased or decreased the Group's annual profit before tax by £1.3 million.

iv) Capital risk management

The Group's objectives when maintaining capital are to safeguard the entity's ability to continue as a going concern so that it can provide returns to shareholders and as such it seeks to maintain an appropriate mix of debt and equity. The capital structure of the Group consists of debt, which includes long term borrowings and undrawn debt facilities, and equity comprising issued capital, reserves and retained earnings. The Group balances its overall capital structure through the payment of dividends and new share issues as well as the issue of new debt or the redemption of existing debt.

The Group seeks to maintain an efficient capital structure with a balance of debt and equity as shown in the table below.

As at 31 March	**2025 £m**	2024 £m
Net debt	**2,230.9**	2,204.1
Shareholders' equity	**4,094.2**	3,941.5
	6,325.1	6,145.6

v) Foreign currency exchange risk

The Group prepares its financial statements in sterling. However, the Group is subject to foreign currency exchange risk as it has assets and liabilities denominated in euros. A 10% increase or decrease in closing sterling rates against the euro would decrease or increase net assets by £1.5 million (2024: increase or decrease by £3.9 million).

c) Financial instruments

i) Categories of financial instruments

As at 31 March	Measured at amortised cost 2025 £m	Measured at amortised cost 2024 £m	Measured at fair value 2025 £m	Measured at fair value 2024 £m
Non current assets				
Derivative financial instruments (see 14c (iii))	**–**	–	**23.7**	32.6
Current assets				
Cash and cash equivalents (note 12)	**81.2**	111.9	**–**	–
Trade receivables (note 11)	**3.6**	10.9	**–**	–
Other receivables (note 11)	**5.5**	6.6	**–**	–
	90.3	129.4	**23.7**	32.6
Non current liabilities				
Borrowings (note 14a (i))	**1,710.9**	2,030.6	**–**	–
Other financial liabilities (note 14a (ii))	**222.0**	212.9	**–**	–
Lease liabilities (note 16)	**40.8**	47.0	**–**	–
Current liabilities				
Borrowings (note 14a (i))	**347.7**	43.5	**–**	–
Other financial liabilities (note 14a (ii))	**9.0**	8.6	**–**	–
Lease liabilities (note 16)	**0.7**	1.1	**–**	–
Contingent consideration (note 15b)	**–**	–	**1.4**	1.5
Trade payables (note 13)	**3.7**	5.7	**–**	–
Accrued interest (note 13)	**4.7**	4.9	**–**	–
	2,339.5	2,354.3	**1.4**	1.5

ii) Fair values

To the extent financial assets and liabilities are not carried at fair value in the consolidated balance sheet, the Directors are of the opinion that book value approximates to fair value at 31 March 2025 with the exception of the Group's fixed rate debt. The adjustment required to measure the fixed rate debt at fair value is provided in note 8c. This is measured by Chatham Financial using the equity method which discounts the difference between the remaining contractual and market debt service payments at an equity discount rate and represents Level 2 in the hierarchy table.

iii) Derivative financial instruments

Details of the fair value of the Company and Group's derivative financial instruments that were in place at 31 March 2025 are provided below:

As at 31 March	Average rate		Notional amount		Fair value	
Interest rate swaps – expiry	**2025 %**	2024 %	**2025 £m**	2024 £m	**2025 £m**	2024 £m
One to two years	**2.4**	–	**97.1**	–	**(0.5)**	–
Two to five years	**3.1**	3.1	**725.0**	375.0	**15.5**	10.8
	3.0	3.1	**822.1**	375.0	**15.0**	10.8

As at 31 March	Average rate		Notional amount		Fair value	
Interest rate caps– expiry	**2025 %**	2024 %	**2025 £m**	2024 £m	**2025 £m**	2024 £m
Less than one year	**–**	2.5	**–**	60.0	**–**	1.1
One to two years	**2.0**	–	**441.8**	–	**8.7**	–
Two to five years	**–**	2.5	**–**	550.0	**–**	20.7
	2.0	2.5	**441.8**	610.0	**8.7**	21.8
Total fair value					**23.7**	32.6

All derivative financial instruments are interest rate derivatives and are carried at fair value following a valuation by Chatham Financial. In accordance with accounting standards, fair value is estimated by calculating the present value of future cash flows, using appropriate market discount rates. For all derivative financial instruments this equates to a Level 2 fair value measurement as defined by IFRS 13 Fair Value Measurement. The valuation therefore does not reflect the cost or gain to the Group of cancelling its interest rate protection at the balance sheet date, which is generally a marginally higher cost (or smaller gain) than a market valuation.

15 Business combinations

a) Acquisition of LXi Limited (formerly LXi REIT plc)

On 5 March 2024, the Company acquired the entire issued share capital of LXi Limited (formerly LXi REIT plc), a closed-ended investment company listed on the premium listing segment of the Official List. The acquisition was implemented by way of a Scheme of Arrangement under Part 26 of the Companies Act which became effective on 5 March 2024 and constituted a reverse takeover pursuant to the Listing Rules due to its size. LXi shares were delisted and trading ceased the following morning. The merger brought together two real estate companies, with assets aligned to structurally supported sectors with high barriers to entry and income security, creating the UK's leading Triple Net Lease REIT.

The all share acquisition was effected through the issue of 943 million new ordinary shares at 185.8p per share, representing the closing share price on 5 March 2024 and totalling £1,752.0 million as consideration paid. The exchange ratio of 0.55 LondonMetric shares for every LXi ordinary share held, was based on an adjusted net tangible assets ('NTA') to adjusted NTA approach, taking into account the fair value of debt and derivatives, potential liabilities in respect of German taxation and the acquisition of LXi's investments advisor as reflected in note 15b.

The fair value of the identifiable net assets acquired was £1,828.9 million as reflected in the table below. The difference between the consideration paid and the fair value of net assets acquired represents a price discount of £76.9 million, which was recognised in the Group income statement last year as a gain on business combination.

The price discount was largely a result of the fair value adjustments incorporated into the exchange ratio, as well as the Company's share price on acquisition of 185.8p trading at a discount to its 30 September 2023 net asset value upon which the deal was based of 199.6p per share. Acquisition related costs of £28.5 million were recognised separately in the income statement.

Acquisition of LXi Limited (formerly LXi REIT plc)

	Book value as at 5 March 2024 £m	Fair value of fixed rate debt £m	Fair value of financial instruments £m	Fair value of tax liabilities £m	Fair value of prepaid finance costs £m	Other fair value adjustments £m	Fair value as at 5 March 2024 £m
Investment properties	3,135.5	–	(33.5)	–	–	–	3,102.0
Right of use assets	39.0	–	–	–	–	2.2	41.2
Property, plant and equipment	0.1	–	–	–	–	–	0.1
Derivative financial instruments	25.4	–	–	–	–	–	25.4
Trade and other receivables	10.3	–	–	–	–	(0.7)	9.6
Cash and cash equivalents	73.2	–	–	–	–	–	73.2
Total assets	3,283.5	–	(33.5)	–	–	1.5	3,251.5
Trade and other payables	(48.1)	–	–	–	–	–	(48.1)
Borrowings	(1,104.3)	21.2	–	–	–	–	(1,083.1)
Prepaid finance costs	22.9	–	–	–	(22.9)	–	–
Other financial liabilities	(254.9)	–	33.5	–	–	–	(221.4)
Lease liabilities	(39.0)	–	–	–	–	(2.2)	(41.2)
Current tax liabilities	(23.5)	–	–	4.3	–	–	(19.2)
Deferred tax liabilities	–	–	–	(9.6)	–	–	(9.6)
Total liabilities	(1,446.9)	21.2	33.5	(5.3)	(22.9)	(2.2)	(1,422.6)
Fair value of net assets acquired	1,836.6	21.2	–	(5.3)	(22.9)	(0.7)	1,828.9
Fair value of consideration paid							1,752.0
Gain on business combination							76.9

b) Acquisition of LXi REIT Advisors Limited

On 6 March 2024, alongside the acquisition noted in 15a above, we completed the acquisition of the LXi group's investment advisor for a total consideration of £26.8 million which included £1.5 million of contingent consideration at fair value. The contingent consideration is payable over four years and is based on growth in the LondonMetric share price, capped at £1 million per annum or £4 million in aggregate.

The fair value of net liabilities acquired was £0.7 million and the resulting goodwill generated on acquisition of £27.5 million was fully impaired to the income statement and offset against the gain on business combination noted in 15a above. Additional transaction costs of £1.3 million were recognised separately within the income statement last year.

c) Summary of LXi acquisition disclosures

	LXi Limited (formerly LXi REIT plc) £m	LXi REIT Advisors Ltd £m	Total £m
Fair value of net assets/(liabilities) acquired	1,828.9	(0.7)	1,828.2
Fair value of consideration paid:			
Shares	1,752.0	–	1,752.0
Cash	–	26.8	26.8
Total consideration paid	1,752.0	26.8	1,778.8
Gain/(loss) on business combination	76.9	(27.5)	49.4
Acquisition costs	28.5	1.3	29.8

The cost of the LXi acquisition reflected in the Group cash flow statement last year of £47.3 million reflected the cash acquired of £73.2 million (as reflected in note 15a) less cash consideration paid of £25.9 million. This reflected the total cash consideration noted above of £26.8 million less contingent consideration payable of £1.5 million and included acquisition costs of £0.6 million charged to reserves.

There has been no change in the overall fair value of LXi Limited assets or LXi REIT Advisors Limited liabilities acquired in the year to 31 March 2025 and therefore no change in the resulting gain or loss on the business combinations.

16 Leases

The Group's minimum lease rentals receivable under non cancellable leases, excluding joint ventures, are as follows:

As at 31 March	**2025 £m**	2024 £m
Less than one year	**346.1**	332.3
Between one and five years	**1,354.3**	1,287.7
Between six and ten years	**1,562.8**	1,529.2
Between 11 and 15 years	**1,184.6**	1,287.9
Between 16 and 20 years	**790.0**	877.7
Over 20 years	**2,155.2**	2,270.3
	7,393.0	7,585.1

In accordance with IFRS 16, the Group has recognised a right of use asset for its head office lease and other head lease obligations. The Group's minimum lease payments are due as follows:

As at 31 March	**Undiscounted minimum lease payments £m**	**Interest £m**	**Present value of minimum lease payments 2025 £m**	Present value of minimum lease payments 2024 £m
Less than one year	**2.4**	**(1.7)**	**0.7**	1.1
Between one and two years	**2.4**	**(1.7)**	**0.7**	0.8
Between two and five years	**6.2**	**(4.9)**	**1.3**	2.3
Over five years	**168.3**	**(129.5)**	**38.8**	43.9
	179.3	**(137.8)**	**41.5**	48.1

17 Share capital

As at 31 March	**2025 Number**	**2025 £m**	2024 Number	2024 £m
Issued, called up and fully paid				
Ordinary shares of 10p each	**2,048,108,416**	**204.8**	2,036,519,647	203.7

The movement in the share capital and share premium of the Company during the current and previous year is summarised below.

Share capital issued, called up and fully paid	**Ordinary shares Number**	**Ordinary shares £m**	**Share premium £m**
At 31 March 2023	982,646,261	98.3	395.5
Issued on acquisition	1,048,579,674	104.9	–
Issued under scrip share scheme	5,293,712	0.5	9.2
At 31 March 2024	2,036,519,647	203.7	404.7
Issued under scrip share scheme	11,588,769	1.1	21.2
At 31 March 2025	**2,048,108,416**	**204.8**	**425.9**

The Company issued 11.6 million ordinary shares under the terms of its Scrip Dividend Scheme during the year. Post year end in April, the Company issued a further 7.1 million ordinary shares under the terms of its Scrip Dividend Scheme.

The movement in the shares held by the Employee Benefit Trust in the current and previous year is summarised in the table below.

Shares held by the Employee Benefit Trust	**Ordinary shares Number**	**Ordinary shares £m**
At 31 March 2023	2,942,592	0.3
Shares issued under employee share schemes	(1,791,027)	(0.2)
Shares acquired by the Employee Benefit Trust	1,437,642	0.2
At 31 March 2024	2,589,207	0.3
Shares issued under employee share schemes	(1,968,850)	(0.2)
Shares acquired by the Employee Benefit Trust	9,852,125	0.9
At 31 March 2025	**10,472,482**	**1.0**

In June 2024, 1,968,850 ordinary shares in the Company that were granted to certain Directors and employees under the Company's Long Term Incentive Plan in 2021 vested. The average share price on vesting was 194.7p. As at 31 March 2025, the Company's Employee Benefit Trust held 10,472,482 shares in the Company to satisfy awards under the Company's Long Term Incentive Plan.

18 Reserves

The nature and purpose of each reserve within equity is described below.

Share capital	The nominal value of shares issued.
Share premium	The premium paid for new ordinary shares issued above the nominal value.
Capital redemption reserve	Amounts transferred from share capital on redemption of issued ordinary shares.
Other reserve	A reserve relating to the application of merger relief in the acquisition of LondonMetric Management Limited, Metric Property Investments Plc, A&J Mucklow Group Plc, CT Property Trust Limited and LXi REIT plc by the Company, the cost of shares held in trust to provide for the Company's future obligations under share award schemes and a foreign currency exchange reserve. A breakdown of other reserves is provided for the Group below.
Retained earnings	The cumulative profits and losses after the payment of dividends.

Other reserves

As at 31 March	**Merger relief reserve £m**	**Employee Benefit Trust shares £m**	**Foreign currency exchange reserve £m**	**2025 Total other reserves £m**	Merger relief reserve £m	Employee Benefit Trust shares £m	Foreign currency exchange reserve £m	2024 Total other reserves £m
Opening balance	**2,337.5**	**(5.6)**	**0.5**	**2,332.4**	497.4	(7.1)	–	490.3
Share issue on acquisitions	**–**	**–**	**–**	**–**	1,840.1	–	–	1,840.1
Foreign currency exchange	**–**	**–**	**(0.4)**	**(0.4)**	–	–	0.5	0.5
Employee share schemes:								
Purchase of shares	**–**	**(18.2)**	**–**	**(18.2)**	–	(2.5)	–	(2.5)
Vesting of shares	**–**	**3.9**	**–**	**3.9**	–	4.0	–	4.0
Closing balance	**2,337.5**	**(19.9)**	**0.1**	**2,317.7**	2,337.5	(5.6)	0.5	2,332.4

19 Analysis of movement in net debt

				Non cash movements			
	1 April 2024 £m	**Financing cash flows £m**	**Other cash flows £m**	**Debt issue costs and foreign exchange £m**	**Fair value movements £m**	**Interest charge and unwinding of discount £m**	**31 March 2025 £m**
Bank loans	**2,087.4**	**(16.7)**	**–**	**(2.1)**	**–**	**4.6**	**2,073.2**
Derivative financial instruments	**(32.6)**	**(2.2)**	**–**	**–**	**11.1**	**–**	**(23.7)**
Unamortised finance costs	**(13.3)**	**(5.6)**	**–**	**4.3**	**–**	**–**	**(14.6)**
Other finance costs	**–**	**(5.3)**	**–**	**5.3**	**–**	**–**	**–**
Interest payable	**4.9**	**(98.7)**	**–**	**–**	**–**	**98.5**	**4.7**
Other financial liabilities	**221.5**	**(8.5)**	**–**	**–**	**4.5**	**13.5**	**231.0**
Lease liabilities	**48.1**	**(1.6)**	**–**	**–**	**(6.7)**	**1.7**	**41.5**
Total liabilities from financing activities	**2,316.0**	**(138.6)**	**–**	**7.5**	**8.9**	**118.3**	**2,312.1**
Cash and cash equivalents	**(111.9)**	**–**	**30.7**	**–**	**–**	**–**	**(81.2)**
Net debt	**2,204.1**	**(138.6)**	**30.7**	**7.5**	**8.9**	**118.3**	**2,230.9**

				Non cash movements				
	1 April 2023 £m	Financing cash flows £m	Other cash flows £m	Acquisition of subsidiaries £m	Debt issue costs and foreign exchange £m	Fair value movements £m	Interest charge and unwinding of discount £m	31 March 2024 £m
Bank loans	1,017.0	(100.0)	–	1,169.7	–	–	0.7	2,087.4
Derivative financial instruments	(11.1)	–	–	(25.4)	–	3.9	–	(32.6)
Unamortised finance costs	(7.2)	(7.7)	–	(0.4)	2.0	–	–	(13.3)
Other finance costs	–	(2.9)	–	–	2.9	–	–	–
Interest payable	1.5	(43.6)	–	5.2	0.3	–	41.5	4.9
Other financial liabilities	–	(0.6)	–	221.4	–	–	0.7	221.5
Lease liabilities	7.1	(0.5)	–	41.2	–	–	0.3	48.1
Total liabilities from financing activities	1,007.3	(155.3)	–	1,411.7	5.2	3.9	43.2	2,316.0
Cash and cash equivalents	(32.6)	–	(79.3)	–	–	–	–	(111.9)
Net debt	974.7	(155.3)	(79.3)	1,411.7	5.2	3.9	43.2	2,204.1

20 Related party transactions

a) Joint arrangements
Management fees and distributions receivable from the Group's joint arrangements during the year were as follows:

		Management fees		**Distributions**	
For the year to 31 March	Group interest	**2025 £m**	2024 £m	**2025 £m**	2024 £m
Metric Income Plus Partnership	50%	**1.1**	1.1	**3.4**	2.7

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

b) Non-controlling interest
The Group's non-controlling interest ('NCI') represents a 31% shareholding in LMP Retail Warehouse JV Holdings Limited, which owns a portfolio of retail assets.

The Group's interest in LMP Retail Warehouse JV Holdings Limited is 69%, requiring it to consolidate the results and net assets of its subsidiary in these financial statements and reflect the non-controlling share as a deduction in the consolidated income statement and consolidated balance sheet. At the year end, LMP Retail Warehouse JV Holdings Limited owed £28.8 million to the Company, which has been eliminated on consolidation.

As at the year end, the NCI's share of profits and net assets was £2.7 million (2024: £1.2 million) and £29.7 million (2024: £28 million) respectively. Distributions to the NCI in the year totalled £1.0 million (2024: £1.1 million).

21 Post balance sheet events

Post period end we have exchanged or completed asset acquisitions and sales for £14.7 million and £65.0 million respectively, of which £2.0 million sales had exchanged in the year.

On 27 March 2025, we announced that we had reached agreement with Highcroft Investments Plc on the terms of an all share offer to acquire the entire issued share capital for approximately £43.8 million, by way of a court sanctioned scheme of arrangement. The acquisition was approved by c.97% of shareholders who voted on 15 May 2025.

On 9 May 2025, we were pleased to announce that we had reached agreement with the board of Urban Logistics REIT on the terms of a recommended cash and share offer pursuant to which we will acquire the entire issued share capital of the company for approximately £698.9 million. Urban Logistics REIT has a highly complementary logistics platform, and we believe the combined Group will benefit from further increased scale, granularity of income and synergies to drive superior earnings growth which underpins our progressive dividend policy.

Post period end, we completed two debt facilities for £350 million.

Supplementary information

(not audited)

i EPRA summary table

	2025	2024
EPRA earnings per share	**13.1p**	10.9p
EPRA net tangible assets per share	**199.2p**	191.7p
EPRA net disposal value per share	**204.6p**	197.5p
EPRA net reinstatement value per share	**220.1p**	211.8p
EPRA vacancy rate	**1.9%**	0.6%
EPRA cost ratio (including vacant property costs)	**7.8%**	11.6%
EPRA cost ratio (excluding vacant property costs)	**7.5%**	11.1%
EPRA loan to value	**34.7%**	35.4%
EPRA net initial yield	**5.0%**	5.2%
EPRA 'topped up' net initial yield	**5.1%**	5.3%

The definition of these measures can be found in the Glossary.

ii EPRA proportionally consolidated income statement

For the year to 31 March	**100% owned £m**	**JV £m**	**NCI £m**	**Total 2025 £m**	100% owned £m	JV £m	NCI £m	Total 2024 £m
Gross rental income	**395.5**	**3.9**	**(2.4)**	**397.0**	177.0	4.3	(2.4)	178.9
Property costs	**(4.9)**	**(0.2)**	**0.1**	**(5.0)**	(1.7)	(0.1)	–	(1.8)
Net rental income	**390.6**	**3.7**	**(2.3)**	**392.0**	175.3	4.2	(2.4)	177.1
Management fees and other income	**1.2**	**(0.6)**	**0.1**	**0.7**	1.1	(0.6)	0.1	0.6
Administrative costs	**(27.1)**	**–**	**–**	**(27.1)**	(19.7)	–	–	(19.7)
Net finance (costs)/income[1]	**(97.1)**	**0.1**	**0.5**	**(96.5)**	(37.4)	–	0.6	(36.8)
Tax	**(1.5)**	**–**	**0.4**	**(1.1)**	–	–	0.4	0.4
EPRA earnings	**266.1**	**3.2**	**(1.3)**	**268.0**	119.3	3.6	(1.3)	121.6

1 Group net finance costs reflect net borrowing costs of £124.5 million (2024: £45.9 million) (note 5b) and finance income of £23.7 million (2024: £8.5 million) (note 5a) less the impact of inflation volatility relating to the income strip of £3.7 million in the current year

The reconciliation of EPRA earnings to IFRS profit is set out below.

For the year to 31 March	**100% owned £m**	**JV £m**	**NCI £m**	**Total 2025 £m**	100% owned £m	JV £m	NCI £m	Total 2024 £m
EPRA earnings	**266.1**	**3.2**	**(1.3)**	**268.0**	119.3	3.6	(1.3)	121.6
Revaluation of property	**106.0**	**2.9**	**(1.4)**	**107.5**	(7.5)	(3.7)	0.1	(11.1)
Revaluation of investments	**0.9**	**–**	**–**	**0.9**	–	–	–	–
Fair value of derivatives	**(11.1)**	**–**	**–**	**(11.1)**	(3.9)	–	–	(3.9)
Loss on disposal	**(13.0)**	**–**	**–**	**(13.0)**	(7.4)	–	–	(7.4)
Impact of inflation volatility relating to the income strip	**(3.7)**	**–**	**–**	**(3.7)**	–	–	–	–
Gain on acquisition	**–**	**–**	**–**	**–**	49.4	–	–	49.4
Acquisition costs	**–**	**–**	**–**	**–**	(29.8)	–	–	(29.8)
Deferred tax	**(0.7)**	**–**	**–**	**(0.7)**	(0.1)	–	–	(0.1)
IFRS reported profit/(loss)	**344.5**	**6.1**	**(2.7)**	**347.9**	120.0	(0.1)	(1.2)	118.7

iii EPRA proportionally consolidated balance sheet

As at 31 March	**100% owned £m**	**JV £m**	**NCI £m**	**Total 2025 £m**	100% owned £m	JV £m	NCI £m	Total 2024 £m
Investment property	**6,383.9**	**69.9**	**(38.1)**	**6,415.7**	6,232.2	67.1	(36.4)	6,262.9
Assets held for sale	**10.4**	**–**	**–**	**10.4**	8.5	–	–	8.5
Trading property	**1.1**	**–**	**–**	**1.1**	1.1	–	–	1.1
	6,395.4	**69.9**	**(38.1)**	**6,427.2**	6,241.8	67.1	(36.4)	6,272.5
Gross debt	**(2,073.2)**	**–**	**–**	**(2,073.2)**	(2,087.4)	–	–	(2,087.4)
Cash	**81.2**	**2.8**	**(0.8)**	**83.2**	111.9	3.0	(0.8)	114.1
Other net liabilities	**(374.6)**	**(0.8)**	**9.2**	**(366.2)**	(398.6)	(0.9)	9.2	(390.3)
EPRA net tangible assets	**4,028.8**	**71.9**	**(29.7)**	**4,071.0**	3,867.7	69.2	(28.0)	3,908.9
Derivatives	**23.7**	**–**	**–**	**23.7**	32.6	–	–	32.6
Deferred tax movement	**(0.5)**	**–**	**–**	**(0.5)**	–	–	–	–
IFRS equity shareholders' funds	**4,052.0**	**71.9**	**(29.7)**	**4,094.2**	3,900.3	69.2	(28.0)	3,941.5
IFRS net assets	**4,052.0**	**71.9**	**–**	**4,123.9**	3,900.3	69.2	–	3,969.5
Loan to value	**32.7%**	**–**	**–**	**32.7%**	33.2%	–	–	33.2%
Cost of debt	**4.0%**	**–**	**–**	**4.0%**	3.9%	–	–	3.9%
Undrawn facilities	**831.1**	**–**	**–**	**831.1**	680.8	–	–	680.8

iv EPRA cost ratio

For the year to 31 March	**2025 £m**	2024 £m
Property operating expenses	**4.9**	1.7
Administrative costs	**27.1**	19.7
Share of joint venture and NCI property costs, administrative costs and management fees	**0.6**	0.6
Less:		
Property management fees and other income	**(1.2)**	(1.1)
Ground rents	**(1.3)**	(0.1)
Total costs including vacant property costs (A)	**30.1**	20.8
Group vacant property costs	**(1.1)**	(1.0)
Total costs excluding vacant property costs (B)	**29.0**	19.8
Gross rental income	**395.5**	177.0
Share of joint venture gross rental income	**3.9**	4.3
Share of NCI gross rental income	**(2.4)**	(2.4)
	397.0	178.9
Less:		
Ground rents	**(11.7)**	(0.1)
Total gross rental income (C)	**385.3**	178.8
Total EPRA cost ratio (including vacant property costs) (A)/(C)	**7.8%**	11.6%
Total EPRA cost ratio (excluding vacant property costs) (B)/(C)	**7.5%**	11.1%

v EPRA net initial yield and ‘topped up’ net initial yield

As at 31 March	**2025 £m**	2024 £m
Investment property – wholly owned[1]	**6,122.4**	5,971.6
Investment property – share of joint ventures	**69.9**	67.1
Trading property	**1.1**	1.1
Less development properties	**(16.5)**	(39.3)
Less non-controlling interest	**(38.1)**	(36.4)
Completed property portfolio	**6,138.8**	5,964.1
Allowance for:		
Estimated purchasers’ costs	**417.4**	405.6
Estimated costs to complete	**25.3**	13.7
EPRA property portfolio valuation (A)	**6,581.5**	6,383.4
Annualised passing rental income	**326.8**	329.2
Share of joint ventures	**4.0**	4.3
Less development properties	**–**	(3.4)
Annualised net rents (B)	**330.8**	330.1
Contractual rental increase across the portfolio	**4.1**	9.0
‘Topped up’ net annualised rent (C)	**334.9**	339.1
EPRA net initial yield (B/A)	**5.0%**	5.2%
EPRA ‘topped up’ net initial yield (C/A)	**5.1%**	5.3%

1 Wholly owned investment property includes assets held for sale of £10.4 million (2024: £8.5 million)

vi EPRA vacancy rate

As at 31 March	**2025 £m**	2024 £m
Annualised estimated rental value of vacant premises	**7.1**	2.2
Portfolio estimated rental value[1]	**368.9**	362.7
EPRA vacancy rate	**1.9%**	0.6%

1 Excludes development properties

vii EPRA capital expenditure analysis

As at 31 March	**100% owned[5] £m**	**JV £m**	**NCI £m**	**Total 2025 £m**	100% owned[5] £m	JV £m	NCI £m	Total 2024 £m
Opening valuation	**6,241.8**	**67.1**	**(36.4)**	**6,272.5**	2,965.8	70.8	(35.7)	3,000.9
Acquisitions[1]	**284.7**	**–**	**–**	**284.7**	3,157.9	–	–	3,157.9
Developments[2,4]	**20.5**	**–**	**–**	**20.5**	41.7	–	–	41.7
Investment properties								
– incremental lettable space[3]	**13.6**	**–**	**–**	**13.6**	1.9	–	(0.2)	1.7
– no incremental lettable space[3]	**10.0**	**0.2**	**(0.2)**	**10.0**	4.0	–	(0.3)	3.7
– tenant incentives	**44.2**	**(0.3)**	**(0.1)**	**43.8**	16.6	–	(0.3)	16.3
Capitalised interest[4]	**3.4**	**–**	**–**	**3.4**	2.2	–	–	2.2
Total EPRA capex	**376.4**	**(0.1)**	**(0.3)**	**376.0**	3,224.3	–	(0.8)	3,223.5
Disposals[6]	**(323.7)**	**–**	**–**	**(323.7)**	(203.6)	–	–	(203.6)
Revaluation	**101.0**	**2.9**	**(1.4)**	**102.5**	(7.5)	(3.7)	0.1	(11.1)
Foreign currency	**(2.9)**	**–**	**–**	**(2.9)**	0.8	–	–	0.8
Income strip gross up	**9.5**	**–**	**–**	**9.5**	221.5	–	–	221.5
ROU asset	**(6.7)**	**–**	**–**	**(6.7)**	40.5	–	–	40.5
Closing valuation	**6,395.4**	**69.9**	**(38.1)**	**6,427.2**	6,241.8	67.1	(36.4)	6,272.5

1 Group acquisitions in the year include completed investment properties as reflected in note 9 to the financial statements

2 Group developments include acquisitions, capital expenditure and lease incentive movements on properties under development as reflected in note 9 after excluding capitalised interest noted in footnote 4 below

3 Group capital expenditure on completed properties, as reflected in note 9 to the financial statements after excluding capitalised interest noted in footnote 4 below

4 Capitalised interest on investment properties of £1.1 million (2024: £nil million) and development properties of £2.3 million (2024: £2.2 million)

5 Including trading property of £1.1 million (2024: £1.1 million) and assets held for sale of £10.4 million (2024: £8.5 million)

6 Group disposals include assets held for sale

viii Total accounting return

For the year to 31 March	**2025 pence per share**	2024 pence per share
EPRA net tangible assets per share		
– at end of year	**199.2**	191.7
– at start of year	**191.7**	198.9
Increase/(decrease) in the year	**7.5**	(7.2)
Dividend paid	**11.1**	9.7
Total increase	**18.6**	2.5
Total accounting return	**9.7%**	1.3%

ix Portfolio split and valuation

As at 31 March	100% owned £m	JV £m	NCI £m	2025 £m	2025 %	2024 £m	2024 %
Mega distribution	**315.1**	**–**	**–**	**315.1**	**5.1**	310.2	5.2
Regional distribution	**726.8**	**–**	**–**	**726.8**	**11.8**	689.7	11.5
Urban logistics	**1,796.0**	**–**	**–**	**1,796.0**	**29.2**	1,563.2	26.0
Logistics	**2,837.9**	**–**	**–**	**2,837.9**	**46.1**	2,563.1	42.7
Convenience	**930.8**	**69.9**	**(23.0)**	**977.7**	**15.9**	1,012.1	16.8
Entertainment & leisure	**1,297.8**	**–**	**–**	**1,297.8**	**21.1**	1,271.3	21.2
Healthcare	**931.1**	**–**	**–**	**931.1**	**15.1**	960.2	16.0
Long income	**3,159.7**	**69.9**	**(23.0)**	**3,206.6**	**52.1**	3,243.6	54.0
Other	**125.9**	**–**	**(15.1)**	**110.8**	**1.8**	196.7	3.3
Total portfolio	**6,123.5**	**69.9**	**(38.1)**	**6,155.3**	**100**	6,003.4	100.0
Income strip gross up[1]	**231.0**	**–**	**–**	**231.0**		221.5	
Head lease assets	**40.9**	**–**	**–**	**40.9**		47.6	
	6,395.4	**69.9**	**(38.1)**	**6,427.2**		6,272.5	

1 Represents the gross up of assets associated with the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022, as reflected in note 14a(ii)

x Investment portfolio yields

As at 31 March	EPRA NIY %	EPRA topped up NIY %	2025 Equivalent yield %	EPRA NIY %	EPRA topped up NIY %	2024 Equivalent yield %
Logistics	**4.6**	**4.6**	**5.8**	4.5	4.7	5.7
Long income	**5.5**	**5.5**	**6.7**	5.7	5.8	6.6
Other	**4.9**	**4.9**	**6.9**	5.8	6.0	7.3
Investment portfolio	**5.0**	**5.1**	**6.3**	5.2	5.3	6.3

xi Investment portfolio – Key statistics

As at 31 March 2025	Area ’000 sq ft	WAULT to expiry years	WAULT to first break years	Occupancy %	Average rent £ per sq ft
Logistics	**17,731**	**11.7**	**10.9**	**97.1**	**8.3**
Long income	**7,036**	**23.4**	**22.0**	**99.1**	**22.1**
Other	**538**	**18.2**	**17.9**	**96.9**	**11.3**
Investment portfolio	**25,305**	**18.5**	**17.4**	**98.1**	**12.3**

Due to having minimal internal areas, car parks and theme parks have been excluded.

xii Total property returns

For the year to 31 March	All property 2025 %	All property 2024 %
Capital return	**2.5**	(0.3)
Income return	**5.7**	5.0
Total return	**8.3**	4.7

xiii Net contracted rental income[1]

As at 31 March	**2025 £m**	2024 £m
Logistics	**142.7**	126.4
Long income	**189.5**	198.4
Other	**6.0**	11.5
Investment portfolio	**338.2**	336.3
Development	**2.2**	3.4
Total portfolio	**340.4**	339.7

1 Contracted rent net of income strip and head lease payments

xiv Rent subject to expiry

As at 31 March 2025	**Within 3 years %**	**Within 5 years %**	**Within 10 years %**	**Within 15 years %**	**Within 20 years %**	**Within 25 years %**
Logistics	**8.0**	**15.9**	**44.5**	**69.8**	**91.2**	**96.3**
Long income	**2.8**	**5.7**	**12.5**	**43.2**	**57.8**	**66.7**
Other	**4.8**	**4.8**	**21.1**	**44.4**	**44.4**	**92.1**
Investment portfolio	**5.0**	**9.3**	**25.8**	**54.2**	**71.3**	**79.3**

xv Contracted rent subject to inflationary or fixed uplifts

As at 31 March	**2025 £m**	**2025 %**	2024 £m	2024 %
Logistics	**85.4**	**59.6**	81.2	64.0
Long income	**179.4**	**90.1**	188.0	90.4
Other	**4.2**	**70.0**	5.5	47.8
Investment portfolio	**269.0**	**77.2**	274.7	79.3

xvi Top ten assets (by value)

As at 31 March 2025	**Area ’000 sq ft**	**Net contracted rent £m**	**Occupancy %**	**WAULT to expiry years**	**WAULT to first break years**
Ramsay Rivers Hospital	**193**	**9.9**	**100**	**12.1**	**12.1**
Alton Towers Park	**n/a**	**9.5**	**100**	**52.3**	**52.3**
Thorpe Park	**n/a**	**7.1**	**100**	**52.3**	**52.3**
Bedford Link, Bedford	**715**	**5.8**	**100**	**16.4**	**14.7**
Primark, Islip	**1,062**	**6.1**	**100**	**15.5**	**15.5**
Great Bear, Dagenham	**454**	**4.8**	**100**	**18.5**	**18.5**
Ramsay Springfield Hospital	**85**	**5.7**	**100**	**12.1**	**12.1**
Argos, Bedford	**658**	**4.8**	**100**	**9.0**	**9.0**
Heide Park	**n/a**	**5.6**	**100**	**52.4**	**52.4**
THG, Warrington	**686**	**4.7**	**100**	**19.7**	**19.7**

xvii Top ten occupiers

As at 31 March 2025	Net contracted rental income £m	Net contracted rental income %
Ramsay Health Care	**38.4**	**11.3**
Merlin Entertainments	**32.0**	**9.4**
Travelodge	**21.6**	**6.3**
Primark	**6.1**	**1.8**
Great Bear	**6.1**	**1.8**
Tesco	**6.1**	**1.8**
Amazon	**5.0**	**1.5**
Argos	**5.0**	**1.4**
Q-Park	**4.7**	**1.4**
THG	**4.7**	**1.4**
Total	**129.7**	**38.1**

xviii Loan to value

As at 31 March	100% owned £m	JV £m	NCI £m	2025 £m	2024 £m
Gross debt	2,073.2	–	–	**2,073.2**	2,087.4
Less: Fair value adjustments	17.4	–	–	**17.4**	21.9
Less: Cash balances	(81.2)	(2.8)	0.8	**(83.2)**	(114.1)
Net debt	2,009.4	(2.8)	0.8	**2,007.4**	1,995.2
Acquisitions exchanged in the year	14.7	–	–	**14.7**	2.3
Disposals exchanged in the year	(10.6)	–	–	**(10.6)**	(9.3)
Adjusted net debt (A)	2,013.5	(2.8)	0.8	**2,011.5**	1,988.2
Exclude:					
Acquisitions exchanged in the year	(14.7)	–	–	**(14.7)**	(2.3)
Disposals exchanged in the year	10.6	–	–	**10.6**	9.3
Include: Net payables	128.8	0.8	(0.3)	**129.3**	135.0
EPRA net debt (B)	2,138.2	(2.0)	0.5	**2,136.7**	2,130.2
Investment properties at fair value	6,112.0	69.9	(38.1)	**6,143.8**	5,993.8
Properties held for sale	10.4	–	–	**10.4**	8.5
Trading properties	1.1	–	–	**1.1**	1.1
Total property portfolio	6,123.5	69.9	(38.1)	**6,155.3**	6,003.4
Acquisitions exchanged in the year	14.7	–	–	**14.7**	2.3
Disposals exchanged in the year	(10.4)	–	–	**(10.4)**	(8.5)
Adjusted property portfolio (C)	6,127.8	69.9	(38.1)	**6,159.6**	5,997.2
Exclude:					
Acquisitions exchanged in the year	(14.7)	–	–	**(14.7)**	(2.3)
Disposals exchanged in the year	10.4	–	–	**10.4**	8.5
Include: Financial assets	8.9	–	–	**8.9**	8.9
EPRA property portfolio (D)	6,132.4	69.9	(38.1)	**6,164.2**	6,012.3
Loan to value (A)/(C)				**32.7%**	33.2%
EPRA Loan to value (B)/(D)				**34.7%**	35.4%

xix Acquisitions and disposals

As at 31 March	100% owned £m	JV £m	NCI £m	2025 £m	2024 £m
Acquisition costs					
Completed in the year	**284.7**	**–**	**–**	**284.7**	3,157.9
CTPT price discount on acquisition	**–**	**–**	**–**	**–**	23.3
Exchanged in the previous year	**(2.3)**	**–**	**–**	**(2.3)**	–
Exchanged but not completed in the year	**14.7**	**–**	**–**	**14.7**	–
Forward funded investments classified as developments	**58.6**	**–**	**–**	**58.6**	27.2
Transaction costs and other	**(12.6)**	**–**	**–**	**(12.6)**	(6.7)
Exchanged in the year	**343.1**	**–**	**–**	**343.1**	3,201.7
Disposal proceeds					
Completed in the year	**322.5**	**–**	**–**	**322.5**	198.7
Exchanged in the previous year	**(9.3)**	**–**	**–**	**(9.3)**	(19.6)
Exchanged but not completed in the year	**10.6**	**4.7**	**–**	**15.3**	9.3
Transaction costs and other	**13.4**	**–**	**–**	**13.4**	(3.5)
Exchanged in the year	**337.2**	**4.7**	**–**	**341.9**	184.9

xx Cash earnings cover

For the year to 31 March	Note	2025 £m
EPRA earnings	8	**268.0**
Rent free and amortisation adjustments	9	**(47.9)**
Capitalised costs[1]	4,5	**(5.3)**
Share based payment	4	**5.3**
Unwinding of discount on fixed rate debt acquired	5	**4.6**
Amortisation of loan issue costs	5	**4.3**
Movement rent provisions	11	**5.8**
Other		**0.4**
Cash earnings	A	**235.2**
Dividend charge for the year net of scrip saving	B	**220.7**
Cash earnings cover	A/B	**107%**

1 Capitalised interest of £3.4 million (note 5) and staff costs of £1.9 million (note 4) on developments

Glossary

Better Building Partnership (BBP)
The BBP is a collaboration of leading property owners who are working together to improve the sustainability of commercial buildings. It aims to enable market transformation through sustainability leadership and collaboration, improve professional understanding through knowledge sharing and develop a common approach with members, stimulating the property industry to deliver buildings that perform better.

Building Research Establishment Environmental Assessment Methodology ('BREEAM')
A set of assessment methods and tools designed to help construction professionals understand and mitigate the environmental impacts of the developments they design and build.

Carbon Neutral
Companies, processes, and buildings become carbon neutral when they calculate their carbon emissions and compensate for what they have produced via carbon offsetting projects.

Capital Return
The valuation movement on the property portfolio adjusted for capital expenditure and expressed as a percentage of the capital employed over the period.

Chief Operating Decision Makers ('CODMs')
The Executive Directors, Senior Leadership Team members and other senior managers.

CO_2e
The universal unit of measurement to indicate the global warming potential ('GWP') of each of the six greenhouse gases, expressed in terms of the GWP of one unit of carbon dioxide. It is used to evaluate releasing (or avoiding releasing) different greenhouse gases on a common basis. This quantity is quoted in units of kilogram or tonnes of carbon dioxide equivalent (kgCO2e and tCO2e).

Code
The UK Corporate Governance Code published by the Financial Reporting Council in July 2018, publicly available at www.frc.org.uk which sets out principles of good corporate governance for listed companies. In January 2024, the Financial Reporting Council published a revised UK Corporate Governance Code (the '2024 Code'). The 2024 Code will apply to financial years beginning on or after 1 January 2025, other than provision 29 which will apply to financial years beginning on or after 1 January 2026.

Contracted Rent
The annualised rent excluding rent free periods.

Cost of Debt
Weighted average interest rate payable.

CRREM Modelling
The Carbon Risk Real Estate Monitor ('CRREM') tool models an asset performance to determine the year it will become 'stranded'. Stranding is the point in time when the asset will not meet future energy efficiency standards and whose energy upgrade will not be financially viable.

CT Property Trust Limited ('CTPT')
CT Property Trust Limited (now LMP Bude Limited). Incorporated in Guernsey with registration number 41870.

Debt Maturity
Weighted average period to expiry of debt drawn.

Distribution
The term is used synonymously with 'Logistics' and means the organisation and implementation of operations to manage the flow of physical items from origin to the point of consumption by the end user.

Embodied Carbon
Embodied carbon refers to the emissions associated with materials and construction processes throughout the whole life cycle of a building or infrastructure. It is typically associated with any processes, materials, or products used to construct, maintain, repair, refurbish, and repurpose a building. LondonMetric's Development-related emissions account only for upfront embodied carbon, which refers to the emissions up to practical completion before the building begins to be used by an occupier.

Energy Performance Certificate ('EPC')
Required certificate whenever a property is built, sold or rented. An EPC gives a property an energy efficiency rating from A (most efficient) to G (least efficient) and is valid for ten years. An EPC contains information about a property's energy use and typical energy costs, and recommendations about how to reduce energy use and save money.

EPRA Cost Ratio
Administrative and operating costs (including and excluding costs of direct vacancy) as a percentage of gross rental income.

EPRA Earnings per share ('EPS')
Underlying earnings from the Group's property rental business divided by the weighted average number of shares in issue over the period.

EPRA Loan to Value ('LTV')
Net debt and net current payables if applicable, divided by the total property portfolio value including net current receivables if applicable and financial assets due from the NCI.

EPRA NAV per share
Balance sheet net assets excluding fair value of derivatives, divided by the number of shares in issue at the balance sheet date.

EPRA Net Disposal Value per share
Represents the shareholders' value under a disposal scenario, where assets are sold and/or liabilities are not held to maturity. Therefore, this measure includes an adjustment to mark to market the Group's fixed rate debt.

EPRA Net Reinstatement Value per share
This reflects the value of net assets required to rebuild the entity, assuming that entities never sell assets. Assets and liabilities, such as fair value movements on financial derivatives that are not expected to crystallise in normal circumstances, are excluded. Investment property purchasers' costs are included.

EPRA Net Tangible Asset Value per share
This reflects the value of net assets on a long term, ongoing basis assuming entities buy and sell assets. Assets and liabilities, such as fair value movements on financial derivatives that are not expected to crystallise in normal circumstances, are excluded.

EPRA Net Initial Yield
Annualised rental income based on cash rents passing at the balance sheet date, less non recoverable property operating expenses, expressed as a percentage of the market value of the property, after inclusion of estimated purchaser's costs.

EPRA Topped Up Net Initial Yield
EPRA net initial yield adjusted for expiration of rent free periods or other lease incentives such as discounted rent periods and stepped rents.

EPRA Vacancy
The Estimated Rental Value ('ERV') of immediately available vacant space as a percentage of the total ERV of the Investment Portfolio.

Equivalent Yield
The weighted average income return expressed as a percentage of the market value of the property, after inclusion of estimated purchaser's costs.

Estimated Rental Value ('ERV')
The external valuers' opinion of the open market rent which, on the date of valuation, could reasonably be expected to be obtained on a new letting or rent review of a property.

European Public Real Estate Association ('EPRA')
EPRA is the industry body for European Real Estate Investment Trusts ('REITs').

European Single Electronic Format ('ESEF')
ESEF is the electronic reporting format required from 1 January 2021 to facilitate access, analysis and comparison of annual financial reports.

Financial Conduct Authority ('FCA')
The Financial Conduct Authority is a regulatory body, operating independently of the UK Government, which regulates financial firms providing services to consumers and maintains the integrity of the financial markets in the UK.

GHG
Greenhouse gases ('GHG') are gases that contribute directly to climate change by trapping heat in the earth's atmosphere.

Green Lease
A green lease is a standard form lease with additional clauses that provide for the management and improvement of a building's environmental performance by both owner and occupier(s). For LondonMetric, this includes clauses around data sharing, EPC rating preservation, smart metering, and yielding up.

GRESB
Global Real Estate Sustainability Benchmark.

Gross Rental Income
Rental income for the period from let properties reported under IFRS, after accounting for lease incentives and rent free periods. Gross rental income will include, where relevant, turnover based rent, surrender premiums and car parking income.

Group
LondonMetric Property Plc and its subsidiaries.

IFRS
The International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the UK.

IFRS Net Assets
The Group's equity shareholders' funds at the period end including the net assets attributable to the non-controlling interest.

IFRS Net Assets per share
IFRS net assets divided by the number of shares in issue at the balance sheet date.

IFRS Reported Profit
The Group's equity shareholders' profit for the period excluding the profit for the period attributable to the non-controlling interest.

Income Return
Net rental income expressed as a percentage of capital employed over the period.

Income Strip
Through the sale of a 65 year income strip of Alton Towers and Thorpe Park in 2022, the Group has an obligation to pay rental income equivalent to 30% of the annual rental income received from the tenant and the ability to acquire the freehold back in 2087 for £1.

Investment Portfolio
The Group's property portfolio excluding development, land holdings and residential properties.

Investment Property Databank ('IPD')
IPD is a wholly owned subsidiary of MSCI producing an independent benchmark of property returns and the Group's portfolio returns.

IPCC
The Intergovernmental Panel on Climate Change ('IPCC') is the United Nations body for assessing the science related to climate change. They developed the Representative Concentration Pathways ('RCPs'), which describe four different 21st-century pathways of greenhouse gas ('GHG') emissions and atmospheric concentrations, air pollutant emissions and land use.

Like for Like Income Growth ('LFL')
The movement in contracted rental income on properties owned through the period under review, excluding properties held for development and residential.

Listing Rules
The listing rules of the FCA made under the Financial Services and Markets Act 2000 as amended from time to time.

Loan to Value ('LTV')
Net debt expressed as a percentage of the total property portfolio value at the period end, adjusted for deferred completions on sales and acquisitions that exchanged in the period.

Logistics
The term is used synonymously with 'Distribution' and means the organisation and implementation of operations to manage the flow of physical items from origin to the point of consumption by the end user.

Low carbon heating
Low carbon heating refers to systems that reduce the reliance on fossil fuels and their associated carbon emissions to heat properties. These include but are not limited to heat pumps, electric boilers, biomass boilers, micro-CHP systems, solar water heating, and other hybrid systems.

LXi Acquisition/Merger
The acquisition of the entire issued share capital of LXi REIT plc implemented by way of a Scheme of Arrangement under Part 26 of the Companies Act 2006 and deemed a reverse takeover and Class 1 transaction pursuant to the Listing Rules.

LXi REIT plc ('LXi')
LXi REIT plc (now LXi Limited). Incorporated in the UK with company number 10535081.

MEES
The Minimum Energy Efficiency Standards ('MEES') Regulations establish a minimum level of energy efficiency for rented property in England and Wales. From April 2023, they require private rented properties to have a minimum Energy Performance Certificate ('EPC') rating of E unless they have registered a valid exemption. This is set to rise to EPC 'B' by 2030.

Net Debt
The Group's secured and unsecured loans net of cash balances at the period end.

Net Rental Income
Gross rental income receivable after deduction for ground rents and other net property outgoings including void costs and net service charge expenses.

Net Zero
Companies, processes, and buildings become Net Zero Carbon when they reduce their absolute emissions to a minimum, with only a small amount, if any, being offset.

NNN
NNN, or Triple Net Lease, is a type of lease agreement commonly used in commercial real estate. In a NNN lease, the tenant is responsible for paying key expenses in addition to the base rent.

NNN REIT
Also known as Triple Net Lease Real Estate Investment Trust, is a type of real estate investment trust ('REIT') that specialises in properties leased to tenants under triple net leases. In a triple net lease, the tenant agrees to pay all ongoing operating expenses associated with the property, in addition to rent and utilities.

Occupancy Rate
The ERV of the let units as a percentage of the total ERV of the Investment Portfolio.

Operational Control Consolidated Approach
Under the operational control approach, a company accounts for 100% of emissions from operations over which it or one of its subsidiaries has operational control. It does not account for GHG emissions from operations in which it owns an interest but has no control.

Operational Emissions
Also known as corporate emissions, are emissions associated with operations owned or controlled by a company or that are a consequence of its operations. For LondonMetric, this currently includes Scope 1 and 2 emissions.

Passing Rent
The gross rent payable by tenants under operating leases, less any ground rent payable under head leases and the income strip.

Property Income Distribution ('PID')
Dividends from profits of the Group's tax-exempt property rental business under the REIT regulations. The PID dividend is paid after deducting withholding tax at the basic rate.

Real Estate Investment Trust ('REIT')
A listed property company which qualifies for and has elected into a tax regime which is exempt from corporation tax on profits from property rental income and UK capital gains on the sale of investment properties.

REGOs
Renewable Energy Guarantees of Origin Certificates ('REGOs') demonstrate that electricity has been generated from renewable sources.

Scope 1
Direct GHG emissions from the combustion of fuel in equipment that is owned or controlled by the Company, largely resulting from the use of natural gas, refrigerants, and vehicle fuel. For LondonMetric, this includes landlord-procured gas usage at our operational assets, including void units.

Scope 2
Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the Company. For LondonMetric, this includes electricity usage at our head office and landlord-procured energy at our operational assets, including void units.

Scope 3
Scope 3 emissions are all indirect emissions (not included in Scope 2) that occur in the value chain of a company's activities, including both upstream and downstream emissions. For LondonMetric, this relates to emissions from our occupiers' operations and our developments.

Task Force on Climate-Related Financial Disclosures ('TCFD')
Created in 2015 to develop a framework for consistent climate-related financial risk disclosure.

Total Accounting Return ('TAR')
The movement in EPRA Net Tangible Assets per share plus the dividend paid during the period expressed as a percentage of the EPRA net tangible assets per share at the beginning of the period.

Total Property Return ('TPR')
Unlevered weighted capital and income return of the property portfolio as calculated by MSCI.

Total Shareholder Return ('TSR')
The movement in the ordinary share price as quoted on the London Stock Exchange plus dividends per share assuming that dividends are reinvested at the time of being paid.

Triple Net Lease
Triple Net Lease, or NNN, is a type of lease agreement commonly used in commercial real estate. In a NNN lease, the tenant is responsible for paying key expenses in addition to the base rent.

Triple Net Lease REIT
Also known as NNN REIT, is a type of real estate investment trust ('REIT') that specialises in properties leased to tenants under triple net leases. In a triple net lease, the tenant agrees to pay all ongoing operating expenses associated with the property, in addition to rent and utilities.

Weighted Average Interest Rate
The total loan interest and derivative costs per annum (including the amortisation of finance costs) divided by the total debt in issue at the period end.

Weighted Average Unexpired Lease Term ('WAULT')
Average unexpired lease term across the Investment Portfolio weighted by Contracted Rent.