

LONDONMETRIC PROPERTY PLC
 (“LondonMetric” or the “Group” or the “Company”)
FULL YEAR RESULTS FOR THE YEAR ENDED 31 MARCH 2026

Delivering reliable and growing income from the UK’s leading Triple Net Lease REIT

LondonMetric today announces its full year results for the year ended 31 March 2026.

Income Statement	FY 2026	FY 2025
Net rental income (£m)	455.3	390.6
EPRA earnings ¹ (£m)	305.3	268.0
IFRS reported profit (£m)	295.7	347.9
EPRA earnings per share ¹ (p)	13.5	13.1
IFRS earnings per share (p)	13.0	17.1
Dividend per share (p)	12.45	12.00
Balance Sheet	FY 2026	FY 2025
EPRA net tangible assets ¹ (NTA) (£m)	4,698.1	4,071.0
EPRA NTA per share ¹ (p)	200.6	199.2
IFRS net asset value (£m)	4,732.9	4,123.9
IFRS net asset value per share (p)	202.7	202.4

1. Further details on alternative performance measures can be found in the Financial Review and definitions can be found in the Glossary
2. Like for like growth in contracted rental income

Focus on best assets in winning sectors drives rents, earnings and eleventh year of dividend progression

- Net rental income increased 16.6% to £455.3m, 9 months contribution from Urban Logistics REIT (‘ULR’) takeover
- Sector leading EPRA cost ratio down a further 10bps to 7.7%
- EPRA earnings up 13.9% to £305.3m, +2.4% on a per share basis to 13.5p (+24% over two years)
- Dividend up 3.8% to 12.45p, 108% covered by earnings and including Q4 dividend declared today of 3.3p.

Delivering reliable, repetitive and growing income

- Total property return of 7.1%, outperforming MSCI All Property UK Index by 170bps
- Like for like income growth² of 4.2%, contributing to a valuation uplift of £68m
- Valuation yields unchanged and ERV growth was 3.3%, EPRA topped up NIY of 5.3% (equivalent yield of 6.4%)
- EPRA NTA per share up 0.7% to 200.6p
- IFRS reported profit of £295.7m
- Total accounting return of 6.9%

£7.6bn portfolio aligned to strongest thematics and mission critical assets

- Logistics weighting increased from 46% to 53%, urban logistics 38% of the portfolio (2025: 29%)
- £1,549m acquired in year (80% logistics) primarily through the takeover of ULR
- £318m disposed in year (54% former M&A assets) through 57 disposals
- Post year end: Acquired four convenience food pre-let developments anchored by M&S for £40m and sold £49m of further assets

Activity enhancing portfolio quality and strength of income, capturing reversion

- Rent reviews in year +19% on five yearly equivalent basis, with urban logistics market reviews +38%
- Asset management added £17m pa of net contracted rent
- Contractual uplifts on 69% of rental income (2025: 77%), expect £38m of rent uplift over next two years
- WAULT of 17 years, gross to net income ratio of 99% and occupancy at 98%
- Top three occupiers represent 22% of rent, down from 27%
- 92% of portfolio EPC A-C rated (A-B: 60%) with 4MWp of solar PV added

Scale is allowing us to benefit from greater debt optionality and has enhanced our debt structure

- £2.7bn of new/ refinanced debt in year with £1.1bn repaid, diversifying our lending pool and reducing finance costs
- Debt maturity of 4.4 years (5.2 years including extension options) with no material refinancing until FY30
- Low cost of debt maintained at 4.0%, 99.8% hedged and LTV at 36.7%

Andrew Jones, Chief Executive of LondonMetric, commented:

"Our results today reflect the progress that we have made over the last few years to create the UK's largest and most efficient NNN REIT. Despite macro uncertainty, our relentless focus on income and ongoing rental growth, has again delivered.

"Our investment activity through further M&A and direct transactions has maintained our strategy of owning high quality assets in winning sectors. This has helped to propel our rental income to a new record which has allowed us to progress our dividend for the eleventh consecutive year and put us a step closer to dividend aristocracy. We are grounded in the belief that income compounding is one of the true wonders of investing – the essential ingredient and rocket fuel of long term wealth creation.

"As owners of the business, our interests are fully aligned with our investors and we remain focused on our mission to operate, execute and allocate capital with discipline, experience and ruthless efficiency. We believe this represents the right way to invest. In today's environment, scale and efficiency are essential, and our relentless expansion has put us in a strong position with every reason to be optimistic. After all market uncertainty will undoubtedly throw up new opportunities."

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
Andrew Davis

Meeting and audio webcast

An analysts meeting will be held at 8.30 am 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_FY26

Notes to editors

LondonMetric Property Plc is the UK's leading triple net lease REIT with an £8 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.

Neither the content of LondonMetric's website nor any other website accessible by hyperlinks from its website are incorporated in, or form part of this announcement nor, unless previously published by means of a recognised information service, should any such content be relied upon in reaching a decision to acquire, continue to hold, or dispose of shares in LondonMetric. This announcement may contain certain forward-looking statements with respect to LondonMetric's expectations and plans, strategy, management objectives, future developments and performance, costs, revenues and other trend information. These statements and forecasts involve risk and uncertainty because they relate to future events and circumstances. There are a number of factors which could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Certain statements have been made with reference to forecast price changes, economic conditions and the current regulatory environment. Any forward-looking statements made by or on behalf of LondonMetric speak only as of the date they are made. LondonMetric does not undertake to update forward-looking statements to reflect any changes in LondonMetric's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. Nothing in this announcement should be construed as a profit forecast. Past share price performance cannot be relied on as a guide to future performance.

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 very busy year for LondonMetric with £1.2 billion of assets added from M&A activity, 92 investment transactions, 327 occupier initiatives and £3.8 billion of debt activity.

This activity has continued to consolidate our position as the UK's leading Triple Net ('NNN') Lease REIT by further aligning the portfolio to mission critical and structurally supported real estate. We have maintained our sector leading income metrics, once again increased our rental income, improved the portfolio's growth prospects and extracted efficiencies from our scalable platform.

Our results for the year built on the strong performance delivered in the previous year, during which EPRA earnings per share ('EPRA EPS') and dividend per share increased by 21% and 18% respectively. In the year to 31 March 2026, net rental income was up 16.6% to £455.3 million, whilst our EPRA EPS increased by 2.4% to 13.5p, a 246% increase from 3.9p at the time of our formation in 2013 (a 10% compounded annual growth rate). This has allowed us to increase our dividend per share for the eleventh year running, up 3.8% to 12.45p and 108% covered by EPRA EPS. We expect dividend growth to continue and are guiding to a 3.3% increase in our first quarterly dividend for FY27 to 3.15p.

Our strong income performance helped deliver another year of attractive returns, with a total property return of 7.1% (a 170bps outperformance of MSCI All UK Property) and a total accounting return of 6.9% (7.7% excluding M&A related and exceptional costs).

We have proactively strengthened and diversified our debt over the year by refinancing £1.5 billion of debt facilities, raising new debt of £1.2 billion and repaying £1.1 billion. This activity included a £500 million debut senior unsecured bond issue, which extended debt maturity at attractive rates and broadened access to the public debt markets. We remain in a very strong financing position with a blended cost of debt of 4.0%, average debt maturity of 4.4 years, an LTV of 36.7% and £0.5 billion of undrawn facilities.

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. Our enlarged scale and highly efficient business model will continue to offer up a wide variety of further opportunities for growth.

On behalf of the Board and on his retirement from LondonMetric may I offer my sincere thanks to Valentine Beresford for all he has contributed to the business over the years. Whilst our overlap has been a relatively short one, it is clear that his impact has been significant, not least overseeing several hundred million pounds of successful transactions during recent challenging market conditions. Crucially, he leaves the business with a strong team to continue to build momentum.

Finally, having seen 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 and what is distinctive about its NNN lease model?

A

LondonMetric is a high conviction Triple Net Lease REIT focused on generating secure, growing income from mission critical real estate. Our business is simple and highly efficient, designed to convert rental income into sustainable earnings and deliver a well covered, progressive dividend to shareholders.

Our NNN lease structure ensures the occupier bears the vast majority of property operating costs, allowing 99% of rent collected to flow through to earnings. This delivers exceptionally strong margins and limits volatility. Importantly, we are not just collecting rent – we compound income over the long term by avoiding vacancy risk, occupier fragility and speculative development.

We have fully embraced the attractiveness of the NNN model, and this combination of income continuity and growth is the foundation of our strategy.

Q

What is LondonMetric's investment strategy?

A

We invest in mission critical real estate within sectors supported by long term structural trends, with one primary financial objective: to deliver reliable income with guaranteed future income growth.

Our portfolio is aligned to macro trends of digitalisation, convenience and experiences through our main focus on logistics, convenience retail, entertainment and hospitality. We acquire high quality assets at reasonable prices, partner with strong occupiers with high occupier contentment, and apply conservative leverage to amplify returns.

Our assets are held for the long term to drive compounding returns. In short, LondonMetric is where income compounds.

Q

How has M&A supported the delivery of this strategy?

A

Our four recent M&A transactions have been an important enabler of earnings growth and operational efficiency through economies of scale, and scale has delivered a competitive advantage.

These public takeovers have increased our portfolio from £3.0 billion in 2023 to £7.6 billion today, materially strengthening exposure to our highest conviction sectors. The takeover of Urban Logistics REIT Plc ('ULR') in June 2025 significantly increased our weighting to urban logistics – a sector we regard as central to future income growth.

M&A has also enhanced our income granularity, diversification and reversionary potential. Less than a year into our ownership of ULR, we are already unlocking material rental growth through our occupier relationships and best in class team.

Q

How are you managing the portfolio in a difficult real estate market?

A

We manage the portfolio with a clear focus on resilience and relevance. By concentrating on structurally supported sectors and mission critical assets, we avoid assets where income growth is uncertain or capital expenditure risk is rising.

We look to avoid the losers by actively disposing of weaker assets and sectors where we lack occupier leverage or long term tailwinds. During the year, we sold £318 million of properties, including £173 million previously inherited through recent M&A.

Our philosophy is straightforward: run the winners and sell the losers. This disciplined approach underpins our all weather portfolio and reinforces our long term income compounding strategy.

Q

How does market uncertainty create opportunities and why is scale a competitive advantage?

A

Periods of uncertainty favour well capitalised, disciplined investors. We remain thoughtful, deliberate and disciplined when it comes to capital allocation, and our size, patience and diversification make us a safe proposition.

Whilst scale can make life a little harder for our activity to move the needle, it does broaden our access to opportunities and improve execution certainty. Today, we are seeing exciting opportunities emerge from pension fund rebalancing, constrained development finance and occupiers seeking sale and leaseback solutions to release capital back into their businesses.

Scale also delivers meaningful cost efficiency, as evidenced by our recent refinancings and sector leading EPRA cost ratio of 7.7%. Our operating leverage is clear: in the year, our dividend payments were nine times total overheads.

Scale, efficiency, liquidity and hard work position LondonMetric to continue creating long term value.

Chief Executive's review

We appreciate the benefit of long term income compounding

We continue to believe - now more than ever – that income and income growth are the defining characteristics of long term returns.

The true power of investment lies in the compounding of income, with a relentless focus on the quantity, quality and timing of cash returned to shareholders. Compounding is often misunderstood and rarely appreciated, yet it is one of the most powerful forces in investing.

Our approach to compounding is simple. It is not flashy, and it is frequently overlooked, but we apply it with conviction. It is a 'slow cook' strategy that rewards patience and consistency – an approach suited to those prepared to get rich slowly. In the early years it can appear unexciting, which is why many abandon it in favour of short term or speculative strategies. Over time, however, growth builds upon growth, and the outcomes become increasingly compelling.

Informed by the success of NNN REITs in the US, we have fully embraced the REIT structure, recognising its exceptional strengths. In the UK, this is reinforced by the full repairing and insuring ('FRI') lease structure, under which tenants are responsible for repairs, maintenance and insurance - in many respects mirroring the NNN model.

However, we think about NNN differently. For us, NNN means:

- No income leakage from repairs, maintenance, operating costs, insurance or taxes;
- No vacancy risk, instead long WAULTs secured against strong occupiers; and
- No deployment of capital into direct developments that promise future returns while quietly absorbing years of opportunity cost from uncertainty over planning, letting and/or project delivery. For us, that is not investing – it is gambling, where hope substitutes for rationality.

We believe that reliable, predictable and growing income from the strongest property sectors remains one of the most under recognised attractions of real estate investing – and a critical driver of sustained compounding. For us, the principle is as simple as ABC: always be compounding.

Our portfolio income metrics are sector leading and we are highly efficient

Our portfolio's income metrics are best in class. Our annual net contracted rent of £432 million benefits from a long WAULT of 17 years, high occupancy of 98% and an exceptional gross to net income ratio of 99%. With 69% of income subject to contractual rental uplifts and strong reversionary potential across our logistics assets, the portfolio offers high visibility and certainty of income growth. This is evidenced by its like for like income growth of 4.2% over the year and an equivalent yield of 6.4%, some 110bps higher than the topped up NIY.

We remain laser focused on cost control with our sector leading EPRA cost ratio – an area that continues to be underestimated across the listed REIT sector, as reflected in the elevated cost ratios still borne by many peers. Tight management of property costs and overheads, using AI to further improve our NNN efficiencies, delivers the operating margins required to compound long term earnings and drive dividend growth. Our scale has also allowed us to benefit from improved financial costs as demonstrated in the year by the attractive 4.7% all-in rate on our bond issue and the 49bps margin saving on our refinancing activity. Cost discipline and reduced debt costs serve the bottom line just as effectively as rental growth serves the top line.

We believe that NNN income compounding represents the most effective way to invest: low cost, high quality income, delivered reliably and efficiently, without the distractions of excessive activity, large organisations or binary risk taking. In that context, we remain equally focused on avoiding the other ABC: arrogance, bureaucracy and complacency.

Our strategy is to own quality assets in winning sectors

Our investment thesis is rooted in allocating capital where it is best treated - sectors supported by enduring structural trends rather than short term cycles. This requires constant awareness, intellectual honesty and a willingness to pivot when facts change. As a high conviction NNN investor, we distinguish between what is structural from what is cyclical when deploying capital.

Our thematic approach has aligned the portfolio with powerful macro trends, including digitalisation, the increasing value of time, and the growing importance of experiences. As a result, we have concentrated our investments in the winning sectors of logistics, convenience retail, entertainment and hospitality.

Within these sectors, we prioritise mission critical assets which are relevant in an increasingly AI driven world, and where occupiers stay longer, invest more and pay higher rents. With 64% of the portfolio in London, the South East and the Midlands, our assets benefit from strong underlying land values, persistent demand and constrained supply. When the wind is at your back, you are more likely to be a price setter than a price taker.

We seek to acquire quality assets, apply conservative leverage and hold them for extended periods to generate sustainable returns. Time is the ally of a great portfolio. We describe this discipline as the three Cs: collect income, allow it to compound, and watch yields on cost compress.

Our focus on compounding – rather than simply growing assets under management – ensures discipline: spending is easy whilst investing is difficult. Buying low quality assets cheaply is not our strategy; such assets often over distribute, dilute equity value and introduce unnecessary risk and complexity. Accordingly, we will exit weaker investments with shorter leases and capital expenditure requirements that are likely to grow faster than rental income. We would rather pay a fair price for a wonderful asset than a wonderful price for a fair one.

This philosophy explains why we have avoided office investments. Offices fail our NNN test: they suffer from accelerating obsolescence, technological disruption, changing occupier preferences, rising sustainability costs and shortening leases. It is difficult to maintain a long term relationship with offices – their appeal fades, they require continual capital to remain relevant, demand weakens as newer alternatives emerge and values can erode quickly.

Our compounding model simply requires discipline and the avoidance of unforced errors. In short, we succeed by staying the course and following the money – mindful always that it is management's capital alongside shareholders'.

The economic outlook remains highly uncertain and macro uncertainty is impacting liquidity for UK real estate

The global economic outlook remains highly uncertain, with elevated geopolitical risk continuing to influence markets. The escalation of conflict in the Middle East has renewed volatility in energy markets and reintroduced inflationary pressures, pushing bond yields and swap rates materially higher once again.

In the UK, the outlook remains uncertain. Weak economic growth, political uncertainty, a softening labour market and declining consumer confidence all point to interest rates remaining higher for longer. That said, we continue to believe the consumer is in reasonably good shape: employment remains high, wage growth continues to outpace inflation and household balance sheets are relatively robust.

This latest macro uncertainty is prolonging the sharp reduction in liquidity already seen across the property investment market. The impact has been most pronounced for larger lot sizes above £20 million, where the buyer universe has narrowed significantly, with limited engagement from long only UK institutions and US private equity investors.

New acquisition opportunities arise daily from pension fund reallocations, balance sheet management and strategic repositioning. We dismiss most of these at first sight as they fail to meet our strict investment criteria. After all, whilst many people are rewarded for activity, our approach can deliver attractive returns generated through inactivity.

Our activity has focused on further M&A, non core disposals and reinvestment

Our M&A activity added £1.2 billion of quality assets through the acquisitions of ULR and Highcroft Investments plc ('Highcroft'). We successfully acquired businesses that were no longer well suited to the listed market and out of favour with investors, who are increasingly focused on scale, relevance and liquidity.

Whilst we continue to assess further M&A opportunities, these have become fewer. In conjunction with Schroder Real Estate Investment Trust Limited ('SREIT'), we continue to progress our recently proposed offer for Picton Property Income Limited. Alongside M&A, we have acquired strategic positions in two listed property companies through our 11% holding in SREIT and 15% holding in Value and Indexed Property Income Trust PLC.

Limited competition in the direct market allowed us to progress £333 million of other investment opportunities in the year including sale and leasebacks, development fundings and acquisitions arising from fund expiries and pension fund liquidations. These acquisitions were largely funded through £318 million of non core and mature asset disposals, primarily former ULR and LXi assets at prices in line with our underwritten values. Despite constrained market liquidity, our low average disposal lot size of £6 million has been a clear advantage and allowed us to transact efficiently by accessing a broader and deeper pool of buyers, including private investors, family offices, local authority pension funds and owner occupiers.

Our investment activity has increased our logistics exposure, focusing on urban logistics

The logistics sector remains attractive, underpinned by strong structural tailwinds including continued growth in online sales, ongoing investment in more efficient and resilient supply chains and increased warehouse automation.

We continue to believe that urban logistics is the most compelling sub-sector, offering the strongest demand/supply imbalance and the greatest potential for income growth. New supply remains constrained by elevated development costs and the ongoing loss of urban warehousing to higher value alternative land uses. At the same time, occupier demand remains granular and resilient, driven by businesses seeking to operate closer to customers, reduce delivery times, improve fulfilment accuracy and to meet consumer expectations for speed and convenience. These dynamics continue to support robust rental growth in urban locations.

The acquisition of ULR materially accelerated our ambition to grow further exposure to urban logistics, adding £1.1 billion of warehousing. Together with other acquisitions, including those completed through the Highcroft takeover, logistics exposure increased from 46% to 53% of the portfolio over the year.

Take up of UK logistics warehousing increased during 2025 and this higher level of leasing activity continued into the first quarter of 2026. However, elevated levels of activity have not materially reduced vacancy, which remains at c.6-7% nationally. Vacancy remains pronounced in the mid box segment (100,000–400,000 sq ft), where speculative development has added to supply. By contrast, our vacancy in this size bracket remains significantly lower at c.3%, largely relating to former ULR warehouses.

During the year, we disposed of £137 million of logistics assets, focusing on poorer geographies and on lower quality buildings with weaker rental growth prospects, higher vacancy risk and increasing capital expenditure requirements. £55 million of disposals related to former ULR assets, and we also took the opportunity to reduce multi-let exposure, reflecting strong investor demand for this product.

Over the year, the logistics portfolio delivered a strong total property return of 7.0% and recorded ERV growth of 2.6%, with urban logistics again delivering strong open market rent review settlements at 38% ahead of previous levels. The logistics portfolio remains highly reversionary, providing clear visibility of future income growth. With construction costs up nearly 40% since Covid, rents will need to rise materially to make new development viable, reinforcing the attractive outlook for well located assets.

Our long income assets are benefitting from structural tailwinds

Our long income portfolio represents 46% of total assets and is aligned with structurally supported sectors of convenience retail, entertainment and leisure, and healthcare. These sectors benefit from long term shifts in consumer behaviour and demographics, as spending increasingly pivots towards convenience, experiences and improved healthcare provision. Supportive demand/supply dynamics, together with high replacement metrics, ensure these assets are mission critical locations for our occupiers.

The portfolio is let to strong operators and benefits from inflation protection and compelling income compounding characteristics. It delivered a total property return of 7.2% over the year, with occupancy of 99%, a long dated WAULT of 23 years, a topped up net initial yield of 5.6% and an equivalent yield of 6.7%.

Across long income markets, investor demand for high quality assets has remained strong. While we were outbid on several opportunities, we successfully added £306 million of high quality long income investments in the year, predominantly within the hotel sector. Acquisitions included 18 Premier Inn hotels – largely through sale and leaseback transactions with Whitbread PLC – alongside a further 18 convenience investments. We have also continued to sell non core and mature long income assets where pricing exceeded our assessment of fair value. Total long income disposals amounted to £146 million and comprised primarily former LXi assets, including larger food stores, smaller hotels, car parks, pubs and care homes.

Convenience is a sector that is benefitting from consumers increasingly seeing their time as a more valuable commodity. In the best locations, we are seeing good rental growth for convenience assets that is comparable to rental growth on urban logistics. 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. Our convenience 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 omnichannel optionality in a convenient format. We have consciously avoided experiential retail assets where rents are elevated, credits can be weak and operational capex is high. Roadside has been an area of focus for us, particularly drive-thrus, with customers requiring EV charging. We own a substantial number of drive-thrus, let to occupiers such as Costa, McDonald's and Starbucks.

Entertainment and leisure continues to benefit from the trend towards experiences and growing preference for staycations. We have continued to improve our hotel portfolio and, since the LXi takeover, we have sold 17 Travelodge hotels and reinvested in larger, better located and stronger performing Premier Inn hotels. UK budget hotels are well placed, supported by resilient demand and highly affordable price points. Cost conscious consumers and businesses continue to drive demand, sustaining high occupancy rates. With limited new supply, strong brands and efficient operating models, the sector can offer reliable income with growth prospects. Our theme park investments are proving to be non-cyclical performers as consumers prioritise experiences over things and are showing 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.

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 well placed as a result of long NHS waiting lists and increased demand from patients treated through private medical insurance as well as self-pay as they seek better and faster care. Development activity in the UK healthcare market remains constrained, primarily due to elevated construction costs and planning restrictions.

Our activity is growing our income and improving asset quality

Our strong occupier relationships enable us to maintain continuous insight into occupier contentment and future demand. During the year, 327 occupier initiatives generated an additional £16.6 million of annualised rent, delivering like for like income growth of 4.2%. Lettings and lease regears were completed with an average WAULT of ten years, adding £5.7 million of rent, while rent reviews contributed a further £10.9 million, representing a 19% rental uplift on a five yearly equivalent basis.

We have continued to work closely with our partners. In particular, we recently completed three pre-let M&S store developments in Weymouth, Luton and Largs and we expect to shortly complete the development of a 390,000 sq ft M&S distribution facility in Avonmouth alongside another M&S food store in Ludlow. We have a number of further M&S food stores under development or planned.

Looking ahead, we are well positioned to benefit from income growth through the capture of reversion across logistics and contracted uplifts within long income. We expect an additional £38 million of rental uplift from the portfolio over the next two years, supplemented by a further £11 million of uplift potential from the letting of current vacancies. With our assumption that the Company's finance costs can remain broadly stable over the next few years, this rental growth is expected to translate directly into earnings.

Embedding sustainability remains a core focus. We see ourselves as responsible stewards of under invested or lower quality assets, where capital investment can materially improve buildings. Over the year, the proportion of assets rated EPC A–B rose from 58% to 60%, while solar capacity rose from 8MWp to 12MWp, with a number of further PV schemes expected in the near term. We have also updated our Net Zero pathway following significant changes to our portfolio in the year.

We continue to diversify our income and align to strong operators

Our activity during the year has improved both the diversification and granularity of our portfolio income, reducing the proportion of rent accounted for by our three largest occupiers - Ramsay Health Care, Merlin Entertainments and Travelodge - from 27% to 22%. Through investment and asset management, we have meaningfully increased exposure to the next tier of high quality occupiers. Tesco and Booker combined now represent 3.7% of rent (2025: 2.5%), Premier Inn represents 3.3% (2025: 1.1%) and M&S represents 1.9% (2025: 0.9%).

Actively managing occupier concentration remains a core priority and we continue to engage proactively to further reduce rental exposure to our largest occupiers. Merlin remains a key occupier and, notwithstanding headwinds experienced globally last year, it continues to invest heavily in its UK estate, with major new attractions underway at Alton Towers and Thorpe Park. We also take significant comfort from Merlin's distinctive ownership structure and the strength of its shareholder base, comprising KIRKBI (the LEGO family office and a 47.5% shareholder), CPPIB, Blackstone and the Wellcome Trust - a group of long term, well capitalised investors that provides strong alignment and financial backing.

We continue to benefit from our strong team and its relationships

We work closely with all stakeholders to deliver long term benefits for our investors, occupiers, people, local communities, contractors, suppliers and advisors. Strong occupier relationships are central to LondonMetric's success and our March 2026 annual occupier survey again demonstrated high levels of satisfaction. Occupiers rated us an average of 8.8 out of 10 for their willingness to recommend LondonMetric as a landlord (2025: 8.7).

Employee engagement also remains consistently high. In our 2026 employee survey, 94% of colleagues said they enjoy working for the Company (2025: 96%). Strong economic alignment between our people and the Company's performance underpins a genuine ownership culture and reinforces disciplined property and financial decision making. With increased scale and activity, LondonMetric continues to be an exciting and dynamic place to work, creating new opportunities for development and progression. As a growing business, we remain focused on investing in our people and planning thoughtfully for succession.

Valentine Beresford's retirement at the end of the year marked a poignant moment for the Company. However, the promotion of Will Evers to sole Head of Investment was a natural and long planned transition. Alongside Will, Darren Richards (Chief Investment Officer), Mark Stirling (Asset Director) and Andrew Smith (Strategy Director) form an exceptionally experienced property leadership team, supported by a deep and talented wider organisation.

Outlook

Our NNN income model is delivering strong income and above average rental growth through a low cost, highly efficient platform. We believe this represents the right way to invest. In today's environment, scale and efficiency are essential, and our relentless expansion gives us every reason to be optimistic. Our M&A activity has enhanced liquidity in our shares, broadened our access to high quality investment opportunities and delivered meaningful economies of scale. As the most active consolidator in the sector over recent years, this discipline has helped propel the Company into the FTSE 100. While further opportunities may arise, we will not pursue growth for its own sake; we will deploy equity only where it adds high quality and accretive assets to our all weather portfolio.

Our position as one of the largest and most efficient REITs is no accident. It reflects years of building the right portfolio, exercising financial prudence, making difficult decisions when easier alternatives existed, and assembling a high calibre team. As the world has changed, we have consistently pivoted, informed by macroeconomic forces, evolving consumer behaviour and demand/supply dynamics. Technological innovation continues to disrupt behaviour, including our own. We therefore remain agile, adapting as real estate demand patterns shift, and are careful to avoid legacy sectors. After all, no matter the quality of insight or how hard the work, the macro forces always outrun the micro.

To ensure the portfolio remains fit for the future - supported by best in class occupier relationships - we will continue to refine its quality and income. This includes selectively reducing exposure to certain sub-sectors, ex-growth assets and individual credits. Logistics and convenience remain our strongest convictions for income growth, while evolving consumer behaviour continues to offer opportunities for rental progression across other structurally supported sectors.

As owners of the business, our interests are fully aligned with those of our shareholders. We remain focused on our mission: to operate, execute and allocate capital with discipline and ruthless efficiency. We are on a clear path towards dividend aristocracy, grounded in the belief that income compounding is one of the true wonders of investing – the essential ingredient and rocket fuel of long term wealth creation.

Property review

Our assets are structurally supported

Over the year we added £1.2 billion of assets through M&A and £0.3 billion of further acquisitions in the direct market, which increased the portfolio value from £6.2 billion to £7.6 billion. The portfolio now totals 680 assets, which reflects an average value per asset of £11 million, across 36.6 million sq ft and let at an average rent of £11 per sq ft.

Our activity focused predominantly on urban logistics investments and consequently our logistics weighting increased from 46% to 53% over the year, with urban logistics now representing 38% of the portfolio (2025: 29%). Whilst our long income assets (comprising convenience, entertainment & leisure and healthcare sectors) grew in absolute size, their weighting fell from 52% to 46%.

Portfolio weighting (by value)

Logistics	52.8%
Entertainment & leisure	20.2%
Convenience	13.8%
Healthcare (including education)	12.1%
Other (four offices and a life science asset)	1.1%

Our portfolio's income metrics remain very strong

The income security of the portfolio remains very strong with a WAULT of 16.9 years which is down from 18.5 years in 2025 due to the addition of shorter let assets from the Urban Logistics REIT Plc ('ULR') takeover. The WAULT to first break is 15.5 years and only 8% of income expires within the next three years. Occupancy remains 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 significantly over the year from £340.4 million to £432.1 million and, in line with our preference for greater market rental growth exposure in urban logistics, the proportion of total rent linked to open market rent reviews increased from 23% to 31%.

At 69%, we continue to have a high proportion of income with guaranteed contractual reviews:

- 49% of rent is index linked: with 24% RPI linked, 13% CPI+ linked and 12% CPI or CPIH linked; and
- 20% of rent is subject to fixed uplifts, with a weighted average uplift of 2.6% per annum.

Index linked reviews have a range of collars and caps typically 1% and 4% over a five year period such that:

- For RPI reviews, at 22% inflation over a five year period (4% per annum), 93% of inflation is captured; and
- For CPI reviews, at 16% inflation over a five year period (3% per annum), 99% of inflation is captured.

Annual reviews apply to 33% of our rent, which is down from 40% in 2025.

The portfolio delivered a strong TPR of 7.1%

The portfolio's EPRA topped up net initial yield is 5.3% (2025: 5.1%) and, reflecting the embedded income growth in the portfolio, the equivalent yield is 6.4% (2025: 6.3%). Like for like ERV growth for the year was 3.3% and the portfolio saw a 0.8% property valuation increase with yields largely unchanged. The Company again delivered an attractive total property return for the year of 7.1%. This represented a 170bps outperformance of the MSCI All Property UK Index. Over the last six years, LondonMetric has delivered a total property return of 55%, which is a compound annual growth rate of 7.6%.

Our assets are well located

We invest in strong geographies with high intrinsic value from the land. 64.2% of the portfolio by value is located in London, the South East and the Midlands. London and the South East represents 40.5% and the Midlands represents 23.7%. The rest of England accounts for 30.2% comprising the North West (10.4%), the North East and Yorkshire (8.6%), the South West (6.6%) and the East of England (4.6%). Scotland, Wales and Northern Ireland account for 3.8% and the remaining 1.8% relates to our theme park in Germany.

Logistics portfolio review

Our logistics portfolio is spread across the urban, regional and mega sub-sectors and is valued at £4,024 million, up from £2,838 million in 2025 and representing 53% of the total portfolio. The 308 logistics assets have a WAULT of ten years and an occupancy rate of 97%.

The urban logistics sub-sector has been our strongest conviction call for a number of years, and this part of the portfolio grew significantly over the year from £1,796 million to £2,904 million following the ULR takeover. Our urban assets are spread across

279 locations and account for almost three quarters of our logistics assets. 63% of our urban logistics rent has market linked rent reviews, which is up from 53% in 2025. Demonstrating our focus on strong geographies, 47% is located in London and the South East and 25% is in the Midlands.

**Logistics portfolio by sub-sector
As at 31 March 2026**

	Urban	Regional	Mega
Value ¹	£2,904m	£803m	£317m
Net contracted rent	£156m	£39m	£16m
WAULT	9 years	16 years	14 years
Average rent (psf)	£8.80	£6.50	£6.50
ERV (psf)	£9.90	£8.70	£8.60
Topped up NIY	5.1%	4.8%	4.6%
Contractual uplifts on rent	37%	75%	100%
Total property return	6.9%	8.4%	5.5%

¹ Including developments

Logistics continues to deliver attractive market rental growth which, together with material embedded reversion, is delivering strong income growth. Over the year, we added £8.4 million of additional rent from asset management on our logistics assets, with urban logistics open market rent reviews delivering an uplift of 38%.

Reflecting the reversion still embedded in the portfolio, average ERVs on our logistics portfolio are 18% higher than average passing rents (urban logistics: 12%, regional and mega: 32%). The higher reversion for regional and mega reflects greater exposure to contractual reviews (index linked and fixed) and the fact that these reviews have to date lagged stronger open market settlements.

Our logistics assets are valued at a topped up NIY of 5.0% and an equivalent yield of 6.2%. Over the year, they delivered a total property return of 7.0% and saw a valuation uplift of 1.5%. On a like for like basis, yields remained flat across our three sub-sectors and ERVs grew by 2.6% (urban logistics: 2.8%, regional and mega: 2.3%).

Long income portfolio review

Our long income assets are aligned to the changes in the way people live and shop, and are spread across the convenience, entertainment & leisure and healthcare sectors. They are let on long leases to best in class operators and have very low operational requirements. As at the year end, our long income portfolio had grown by £309 million to £3,516 million, representing 46% of the portfolio. The 365 assets are 99% occupied, let with a WAULT of 23 years and 89% of rent is subject to contractual uplifts which provides certainty of income growth.

**Long income portfolio by sub-sector
As at 31 March 2026**

	Entertainment & leisure	Convenience	Healthcare & education
Value ¹	£1,540m	£1,055m	£921m
Net contracted rent	£94m	£64m	£51m
WAULT	36 years	11 years	13 years
Topped up NIY	5.7%	5.7%	5.2%
Equivalent yield	7.5%	6.1%	5.7%
Contractual uplifts	98%	64%	100%
Total property return	7.4%	8.3%	5.8%

¹ Including developments

Entertainment and leisure, which mainly comprises our theme parks and hotel investments, is our largest sub-sector weighting at £1,540 million (2025: £1,298 million). The increase in our long income portfolio's value over the year was largely due to our £214 million of hotel investment activity. Our convenience exposure also increased to £1,055 million (2025: £978 million) helped by the addition of M&S and Booker assets in the year. Our healthcare exposure remained broadly unchanged.

Our long income assets are valued at a topped up NIY of 5.6% and an equivalent yield which is 110bps higher at 6.7%. Over the year, our long income assets delivered a total property return of 7.2% with valuations flat and ERV growth of 4.1%. Our long income asset management delivered an £8.0 million per annum uplift in rent, mostly from rent reviews which added £6.5 million and reflected an 18% increase on a five yearly equivalent basis.

Entertainment & leisure represents 20% of the portfolio and comprises:

- Theme parks – 41% of sub-sector - Four assets at Thorpe Park (490 acres), Alton Towers (550 acres), Warwick Castle (100 acres) and Heide Park (in Germany, 210 acres). These assets are let with a WAULT of 51 years to Merlin Entertainments, with annual CPI+0.5% rent reviews on the UK assets and annual fixed rent reviews of 3.3% per annum on Heide Park. All of our Merlin assets are guaranteed by Merlin's top operating company. C.20% of our rent is derived from Merlin's hotels with accommodation bookings an important source of revenue for Merlin. In total, the sites have c.6.5 million visitors per year and are valued at an average of c.£0.5 million per acre;
- Hotels – 40% of sub-sector - 93 budget hotels, with a WAULT of 28 years, including 63 let to Travelodge (53 following post year end activity) with a WAULT of 24 years, mainly on five yearly CPI+0.5%/RPI linked reviews, and 26 let to Premier Inn with a WAULT of 24 years. Our hotels are nationwide and focused on roadside locations; and
- Other – 19% of sub-sector - Consists mainly of 16 pubs, five cinemas, five garden centres and the AO Manchester Arena, which is mostly let to SMG Europe for a further 19 years.

Convenience represents 14% of the portfolio and comprises:

- Food stores – 38% of sub-sector - 44 assets let at an average rent of £19.40 psf with key occupiers including M&S, Waitrose, Sainsbury's, Co-op, Costco, Tesco and Aldi. These are predominantly smaller format stores averaging c.30,000 sq ft;
- NNN retail – 37% of sub-sector - 50 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 £14.50 psf. These assets typically benefit from high alternative use values;
- Roadside – 14% of sub-sector - 70 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 – 11% of sub-sector - 20 trade/DIY stores and autocentres (key occupiers include Halfords, Kwik Fit, Topps Tiles and Wickes) and eight car parks let to Q-Park with a WAULT of 26 years.

Healthcare and education represents 12% of the portfolio and comprises:

- Hospitals – 86% of sub-sector - 12 private hospitals, of which 11 are let to Ramsay Health Care with a WAULT of 11 years and annual fixed rent reviews of 2.75%. All of our Ramsay hospitals have a parent company guarantee. The two largest hospitals are in Sawbridgeworth and Chelmsford with over half the hospitals located in the South East;
- Care homes – 8% of sub-sector - Six assets mainly let to Bupa and Priory with a WAULT of 19 years; and
- Education – 6% of sub-sector - 24 children's nurseries and adventure centres and one student asset.

Acquisitions in the year

Acquisitions in the year, including £1.2 billion of properties added through the takeover of ULR and Highcroft, totalled £1,549 million across 187 assets. The acquisitions had a WAULT of 12.9 years and a NIY of 5.4% which is expected to grow to 6.1% over five years from contractual rent reviews and capturing reversion through asset management.

Logistics investments made up 80% of the acquisitions, mostly in the urban logistics sector and acquired through the takeover of ULR. A further 15% of acquisitions consisted of entertainment & leisure investments, predominantly Premier Inn hotels, with the remainder mainly comprising convenience purchases and two office investments, the latter acquired through the Highcroft takeover for £4.4 million.

Logistics acquisitions – £1,238 million

142 logistics assets were acquired for £1,238.4 million with a WAULT of 9.1 years comprising:

- 130 urban warehouses, acquired for £1,134.5 million through the ULR takeover. The 10.1 million sq ft portfolio generated a rent of £64.7 million per annum, 82% of which was subject to open market rent reviews. The assets had a WAULT of eight years and 63% were located in London, the South East and the Midlands. 3PL and parcel operators represented a significant amount of this income;
- Four urban warehouses, acquired individually for a total of £48.1 million with a WAULT of 12.2 years, comprising a recently developed 106,000 sq ft two unit scheme in Irlam, an 80,000 sq ft pre-let development funding in Malton, a recently developed and let 68,000 sq ft warehouse in the West Midlands, and a 159,000 sq ft Booker warehouse in Doncaster with potential for a large extension;
- Seven warehouses, acquired for £33.5 million through the Highcroft takeover. The 507,000 sq ft of predominantly urban assets generated a rent of £2.5 million per annum with a WAULT of six years, and 42% was located in London, the South East and the Midlands; and

- A 450,000 sq ft regional warehouse let to UPS and located at East Midlands Airport, acquired for £22.3 million. The state-of-the-art airside facility was built in 2020 at a cost of £140 million and is let until 2117 with five yearly rent reviews linked to CPI.

Long income acquisitions – £306 million

43 long income assets were acquired in the year for £305.8 million with a WAULT of 33.1 years.

Entertainment and leisure acquisitions totalled £230.4 million, comprising:

- 18 Premier Inn hotels, acquired for £181.1 million, 17 of which were sale and leasebacks with Whitbread PLC. The modern and refurbished hotels have a WAULT of 28 years, CPI linked rent reviews and strong rent cover. 66% are located in the South East;
- Three further hotel acquisitions for £32.6 million, including two at Manchester Airport comprising the Clayton hotel (365 beds) and the Crown Plaza hotel (299 beds);
- Two garden centres, acquired for £9.5 million let to BGC and another small property for £0.2 million; and
- Two gyms, acquired for £7.0 million through the Highcroft takeover.

Convenience acquisitions totalled £75.4 million, comprising:

- 11 NNN retail/roadside assets, acquired for £36.1 million through the Highcroft takeover, most of which are located in London, the South East and Midlands and include units let to Booker, Wickes and Pets at Home;
- Five Booker units in Tunbridge Wells, Lincoln, Southend-on-Sea, Worcester and Merthyr Tydfil, acquired for £26.9 million; and
- Two development fundings in Ludlow and Eastbourne let to M&S, Greggs and Starbucks, acquired for £12.4 million.

Post year end, we have exchanged on the acquisition of convenience pre-let development fundings for up to £39.8 million, reflecting a yield on cost of 6.1%. The developments are anchored by M&S food stores with an anticipated WAULT of 19.3 years and index linked rent reviews.

Disposals in the year

Over the year, we sold 57 assets for £318.1 million (at LondonMetric share), reflecting an average transaction size of £6 million and a blended NIY of 5.8%. The WAULT was 12.5 years and sales were in line with prevailing book values. Logistics assets accounted for 43% of disposals, most of which were in the urban logistics sector and a significant proportion of which were former ULR assets. Convenience sales accounted for a further 33% of disposals, most of which were the sale of former LXi assets.

In total, we sold 43 assets acquired through recent M&A activity, netting £173 million. Including post year end sales, which generated total proceeds of £49 million, we have now sold 79 former LXi assets for £327 million, (12% of the original portfolio) and 21 ULR assets for £72 million (7% of the original portfolio).

Logistics disposals – £137 million

25 logistics assets were sold for £137.3 million with a WAULT of just four years, reflecting our strategy of selling down shorter-let income where income growth prospects were less certain. The sales comprised:

- 17 former ULR assets, sold for £54.9 million and with a WAULT of just 3.7 years. Nearly half of the assets were located in the North of England or Scotland and approximately half were let to 3PLs or parcel delivery operators including DX and XPO;
- A vacant 290,000 sq ft regional logistics warehouse in Sheffield, sold to an owner occupier for £26.0 million;
- A 98,000 sq ft multi-let urban logistics asset in Crawley, sold for £21.4 million and with just two years term certain;
- A 32,000 sq ft urban logistics asset together with a car park in Walthamstow London, both let to Ocado for a further three years, sold for £15.6 million; and
- Four further sales for £19.4 million with a WAULT of five years and mostly former LXi or Mucklow assets.

Post year end, we sold five logistics warehouses for total proceeds of £27.9 million, four of which were former ULR assets.

Long income disposals – £146 million

Long income assets sold in the year totalled £146.1 million across 30 properties and with a WAULT of 17.5 years.

Convenience disposals represented the majority of these sales, with 12 assets sold for £105.7 million, comprising:

- A 125,000 sq ft LXi Sainsbury's supermarket in Middlesbrough, sold for £41.0 million;
- Two LXi car parks let to Q-Park sold for £24.5 million;
- Three Wickes stores in Wigston, Carlisle and Newmarket, sold for £11.6 million;

- A new M&S store in Weymouth, sold for £15.9 million;
- Two LXi food stores, in Scotland and Liverpool, sold for £8.5 million;
- Two roadside assets let to Starbucks and Burger King in Rushden and Peterborough, sold for £3.4 million; and
- A Highcroft asset in Leamington Spa, sold for £0.8 million.

Entertainment and leisure sales totalled £31.8 million across 15 assets. They comprised seven Travelodge hotels sold for £18.7 million, and eight pubs sold for £13.1 million, five of which were Stonegate pubs with just 16 pubs remaining from the initial 34 acquired from the LXi takeover.

Healthcare and education assets sales totalled £8.6 million and comprised one care home and two children's nurseries.

Post year end, we have sold seven long income assets for £21.3 million, six of which were Travelodge hotels.

Other disposals – £35 million

Other sales outside logistics and long income totalled £49.7 million (LondonMetric share: £34.7 million), comprising:

- A 70,000 sq ft retail park in London, sold for a total consideration of £48.5 million (LondonMetric share: £33.5 million). The asset was acquired for £38 million in 2022. Our asset management has increased the annual rent from £1.4 million to £2.5 million through regears with B&Q and Pets at Home, and new leases with Tapi, Starbucks, Burger King and InstaVolt; and
- A vacant Highcroft office in Cardiff, sold for £1.2 million.

Occupier activity

Asset management continues to lengthen our income profile and generate attractive income growth as we work in partnership with our occupiers. During the year, we undertook 327 occupier initiatives adding £16.6 million per annum of rent, which delivered like for like income growth of 4.2%. Asset management on assets acquired through the ULR takeover delivered £2.6 million of this additional rent. Over the next two years, with the benefit of contractual uplifts, open market uplifts on our logistics portfolio and other active asset management initiatives, we expect to add £38 million per annum of additional income. Full letting of vacant space would add a further £11 million of rent.

Lettings and regears

69 lettings and regears were signed in the year with a WAULT of ten years, adding £5.7 million of rent per annum and with average occupier incentives equivalent to just six months rent free.

Logistics lettings and regears were all on urban logistics assets and with a WAULT of eight years adding £4.0 million. They comprised:

- 19 regears adding £2.3 million of rent at 24% above previous passing rent and extending the WAULT by six years, with ten of the regears on former ULR assets with occupiers including Ceva Logistics, Culina Logistics, XPO and Volvo; and
- 11 new lettings adding £1.7 million of rent, the largest of which was a 71,000 sq ft vacant warehouse in Luton relet at 72% above rent previously paid. Six of the lettings were on former ULR assets, adding £0.6 million.

Long income lettings and regears totalled 37 and were signed with a WAULT of 14 years, adding £1.4 million per annum of rent. Convenience lettings and regears accounted for £1.1 million of the uplift and comprised:

- 18 new lettings, adding £0.6 million, including seven new lettings with EV operator InstaVolt; and
- 11 regears, adding £0.5 million with an average rent increase of 20%, including a 24,000 sq ft food store in Luton where we let a former Homebase to M&S on a new 15 year lease at a rent 53% higher than previously passing. Four deals were signed with Wickes, whilst other deals were signed with occupiers including Halfords, Dunelm, BP and Tapi.

Outside of our logistics and long income sectors, a further £0.3 million was added through two office lettings.

At the year end, 1.2 million sq ft of the portfolio was vacant, of which 0.9 million sq ft related to former ULR assets. The largest vacancy is 0.5 million sq ft of warehousing in Melton Mowbray where we are engaged with a number of potential occupiers who are attracted by very low rents at the asset.

We continue to work closely with M&S and recently completed development of three pre-let stores in Weymouth (41,000 sq ft, BREEAM Excellent), Luton (24,000 sq ft refurbishment) and Largs (13,000 sq ft). In addition, we expect to complete developments in the summer of our new 390,000 sq ft M&S distribution facility in Avonmouth (BREEAM Excellent) and a 21,000 sq ft store in Ludlow. We have also commenced construction of a 21,000 sq ft M&S food store in Blackpool.

Rent reviews

258 rent reviews were settled in the year, adding £10.9 million per annum of rent at an average of 19% above previous passing on a five yearly equivalent basis, with open market reviews 33% higher.

Logistics rent reviews totalled 69 and added £4.4 million of rent at 21% above previous passing rent on a five yearly equivalent basis. These reviews comprised:

- 52 urban reviews, which added £3.5 million and were settled at 25% above passing rent on a five yearly equivalent basis, with open market urban reviews adding £2.2 million which represented a 38% uplift (a 6.6% CAGR);
- 16 regional reviews, which added £0.8 million and were settled at 19% above previous passing on a five yearly equivalent basis. All but one of these reviews were RPI linked; and
- One mega fixed review, settled at 8% above previous passing rent on a five yearly equivalent basis.

Long income rent reviews were settled across 186 properties, adding £6.5 million of rent at 18% above previous passing rent, on a five yearly equivalent basis. All but 11 of the reviews were contractual (RPI, CPI or fixed) rent reviews and the deals comprised:

- 42 entertainment & leisure reviews, adding £2.5 million, of which £1.6 million related to theme parks;
- 100 convenience reviews, adding £2.5 million; and
- 44 healthcare and education reviews, adding £1.5 million, most of which related to annual reviews on our Ramsay Hospitals.

Occupier income diversification and satisfaction levels

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, whilst the ULR takeover added greater income granularity in our key conviction sector.

Over the year, we reduced the income concentration from our top ten occupiers from 38% to 35%, with exposure to our three largest occupiers (Ramsay Health Care, Merlin Entertainments and Travelodge) also falling from 27% to 22%.

Our latest occupier survey in March 2026, again demonstrated strong contentment and we scored an average of 8.8 out of 10.0 for whether occupiers would recommend us as a landlord (2025: 8.7). In terms of satisfaction with our properties, we scored 8.6 (2025: 8.6). 201 occupiers were contacted representing 86% of our rent, and we received 70 responses representing 55% of our rent. The survey included occupiers inherited through the ULR takeover.

Top ten occupiers (% of income)

Ramsay Health Care ¹	9.1%
Merlin Entertainments ²	7.8%
Travelodge	4.9%
Premier Inn	3.3%
Booker	2.2%
M&S	1.9%
Great Bear	1.6%
Tesco	1.5%
Primark	1.4%
Amazon	1.3%
Total	35.0%

1 Ramsay Health Care provides quality healthcare globally with over 14 million patient admissions per annum across over 550 locations. Ramsay is listed on the Australian Stock Exchange valued at £5 billion. In the UK, Ramsay is one of the leading independent healthcare providers with 34 acute hospitals caring for over 200,000 patients per annum and employing c.8,000 people. UK revenues in the last financial year were 13% higher at £1.3 billion.

2 Merlin Entertainments is a global leader in branded entertainment destinations with c.61 million visitors per annum. It operates c.130 attractions in over 20 countries, including Alton Towers, Thorpe Park and Warwick Castle in the UK which are owned by LondonMetric. Merlin recorded global revenues of £2.0 billion in 2025 and is owned by the LEGO family, Blackstone, Wellcome Trust and CPPIB.

ESG activity

We have a comprehensive ESG strategy to minimise the environmental impact of our assets, maximise energy efficiency and improve climate resilience. We continue to invest in high quality buildings and focus on working with our occupiers on energy efficiency and clean energy initiatives, primarily solar PV, LED lighting, roof improvements and degasification. We also see ourselves as strong stewards of poorer quality assets, with the necessary expertise and appetite to improve existing buildings.

Our NNN approach ensures that our Scope 1 and 2 emissions remain very low. Our Scope 3 emissions are significantly higher but predominantly relate to occupier energy usage and have a far lower energy intensity level than many other real estate sectors. Relatively inexpensive initiatives can materially improve energy ratings and consumption, with occupiers typically undertaking these improvements themselves given the quick payback and their long leases with us. Where we fund improvements, this supports higher rents or are incorporated within normal lease incentives, helping to minimise defensive capex.

We continue to improve our external ESG benchmark scoring, notably improving our CDP score from C- to A-. Our GRESB score remained above the peer average at 73, resulting in a two-star rating. Our MSCI rating was A, and our FTSE4Good score remained above average at 3.6. Key progress in the year included:

- EPCs – Despite our M&A, our EPC A-B ratings increased from 58% to 60% of the portfolio, and our EPC A-C ratings were unchanged at 92% of the portfolio. Our EPC ratings benefitted from asset management initiatives, new EPC assessments on over 50 units covering 2.2 million sq ft, and our investment activity where we sold lower-rated assets and acquired mainly EPC A-B rated assets;
- Asset management and improvements – We continue to build sustainability improvements into all of our new leases and regears. We also undertook a number of refurbishments during the year, which materially improved the EPC ratings and environmental credentials of those assets;
- Net Zero – Our Net Zero Pathway has been updated to reflect changes in the portfolio in the year, including M&A. Our portfolio carbon intensity has decreased from 39kgCO₂e/sq m (2024 baseline) to 33kgCO₂e/sq m;
- Occupier energy data – We continue to measure our occupiers' energy usage. Despite industry changes which limited automated data access this year, we reached 72% portfolio coverage compared to 80% in the previous year;
- Climate Resilience – We continue to monitor our portfolio's current and future vulnerability to extreme climate hazards, with a focus on flood risk. Our updated flooding analysis showed that the ULR portfolio has a similarly low risk profile compared to the LondonMetric portfolio. We continue to undertake further analysis on higher risk assets; and
- Solar PV – We continue to collaborate with occupiers to install solar across our properties, adding 3.9MWp in the year, bringing the total capacity to 11.9MWp (2025: 8.1MWp). This comprised 1.9MWp installed across seven existing properties, as well as 2.0MWp from the ULR takeover and other acquisitions. Our pipeline of future solar projects totals 4.9MWp.

Financial review

Our continued focus on income and portfolio growth this year, through significant M&A activity and asset recycling, has enabled us to deliver another strong set of results, despite the liquidity challenges that have persisted in the real estate sector and the ongoing economic and geopolitical uncertainty. The corporate acquisitions of Highcroft Investments plc ('Highcroft') and Urban Logistics REIT Plc ('ULR') in the first half of the year added £1.2 billion of assets to our portfolio and underpinned the 16.6% increase in our net rental income and 13.9% increase in EPRA earnings, to £305.3 million or 13.5p per share. Our dividend for the year of 12.45p per share is 108% covered by EPRA earnings and fully covered on a cash basis. We have benefitted from operational synergies and cost savings following these corporate acquisitions and continue to maintain a disciplined approach to cost control, allowing us to report a sector leading EPRA cost ratio of 7.7%.

We have strengthened our balance sheet and grown IFRS net assets by £609.0 million in the year or by 14.8% to £4.7 billion, primarily as a result of our M&A activity and valuation gain of £68.2 million. Through targeted asset recycling and sales of weaker and non core assets, we have reinvested into better quality assets in stronger sectors and geographies and have increased our logistics weighting to 52.8% from 46.1% last year. EPRA net tangible assets ('NTA') per share increased from 199.2p last year to 200.6p.

This year, we have taken proactive measures to strengthen and diversify our financial position through comprehensive refinancing of secured, near term and high cost debt facilities acquired through M&A. We have raised new debt of £1.2 billion, repaid £1.1 billion and most recently refinanced £1.5 billion of unsecured bank facilities. The new debt arrangements included our inaugural £500 million public bond with a weighted average maturity of 5.5 years and fixed rate coupon of 4.69%, rated A- by Fitch and a £150 million US private placement, priced at the tightest credit spread of any REIT globally in the US private placement market over the last three years reflecting strong demand. The new arrangements allowed us to repay £1,143.9 million of existing debt, of which £743.9 million was secured and more expensive former ULR and LXi facilities. These refinancings have lowered our finance costs, increased our maturity and diversified our lending pool both through new bank lenders and greater access to the debt capital markets building on the success and strength of our credit rating.

In March 2026, we refinanced £1.5 billion of unsecured revolving credit facilities and term loans, reducing the average margin by 49bps to 1.05% and average commitment fees by 19bps, further diversifying our lender base with two new lenders and improving our weighted average debt maturity.

Our refinancing activity has enabled us to maintain a low average cost of debt of 4.0% (2025: 4.0%), despite acquiring higher priced debt through M&A and persistently high base rates. Our other debt metrics remain robust, with debt maturity at the year end of 4.4 years (2025: 4.7 years), only £0.2 billion of debt expiring over the next two years and a loan to value of 36.7% (2025: 32.7%). We have available undrawn debt facilities of £0.5 billion, which together with our disposals programme, provides significant headroom and removes material refinancing risk until FY30.

We continue to be very well protected against adverse movements in interest rates through a combination of fixed rate loans and interest rate derivatives in the form of swaps and caps. We acquired £140 million of interest rate swaps through the ULR acquisition at an average rate of 3.2% and post year end we completed £350 million of new interest rate swaps at a fixed rate of 3.75%. Our drawn debt at the year end was 99.8% hedged by current fixed rate debt and interest rate derivatives.

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 in 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 performance of the Group's property rental business and aid the 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, goodwill, acquisition costs and deferred tax, 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.

M&A activity

We acquired the entire issued share capital of Highcroft on 21 May 2025 for £47.6 million through the issue of 24.2 million new ordinary shares. The fair value of net assets acquired was £52.9 million, the portfolio of 22 assets being valued on acquisition at £81.1 million. The acquisition has been accounted for as a property acquisition and the difference between the consideration paid and the net assets acquired represents a price discount of £5.3 million, reducing the cost of the property assets acquired. The price discount was largely due to the exchange ratio being based on the Company's adjusted net tangible assets ('NTA') which was higher than the Company's share price on completion used to determine the consideration paid of 196.5p.

		Highcroft Investments plc £m
Fair value of consideration paid	Shares	47.6
Fair value of net assets acquired	Investment property	81.1
	Bank debt	(26.1)
	Other	(2.1)
		52.9
Price discount on acquisition		(5.3)
Acquisition costs		1.7

We acquired the entire issued share capital of ULR on 23 June 2025 for £726.8 million through the issue of 257.9 million new ordinary shares at 202.2p per share, a cash consideration of £196.7 million and the fair value of the Company's existing shareholding in ULR of £8.7 million. The exchange ratio was based on an adjusted NTA to adjusted NTA approach, taking into account the fair value of property and debt and the acquisition of the investment advisory contract and team of four employees which completed the following day for a cash consideration of £8.1 million.

These two acquisitions have been accounted for as business combinations in accordance with IFRS 3. The difference between the total consideration paid of £734.9 million and the total fair value of net assets acquired of £726.8 million, totalling £8.1 million, has been recognised in the income statement as goodwill fully impaired in the year. The goodwill arising was largely due to the consideration paid being based on the Company's share price at completion of 202.2p, which was higher than the adjusted NTA used to determine the exchange ratio.

Transaction costs of £16.3 million have been recognised separately in the income statement. Further details are set out in note 15 to the financial statements.

	Urban Logistics REIT Plc £m	Logistics Asset Management Newco Limited £m	Total £m
Fair value of consideration paid:			
Shares	521.4	–	521.4
Cash	196.7	8.1	204.8
Shares held in Urban Logistics REIT Plc	8.7	–	8.7
	726.8	8.1	734.9
Fair value of net assets acquired (note 15)	726.7	0.1	726.8
Goodwill recognised on acquisition and subsequently impaired	0.1	8.0	8.1
Acquisition costs recognised in the income statement	16.0	0.3	16.3

Through our M&A activity we acquired secured debt facilities with new lenders of £484.4 million, of which £464.4 million had been drawn at an average rate of 4.26%.

Income statement

Group EPRA earnings are summarised in the table below.

For the year to 31 March	2026 £m	2025 £m
Gross rental income	461.7	395.5
Property costs	(6.4)	(4.9)
Net rental income	455.3	390.6
Management fees and other income	2.9	1.2
Net income	458.2	391.8
Administrative costs	(30.2)	(27.1)
Net finance costs ¹	(123.9)	(97.1)
Share of joint venture and non-controlling interest ²	2.2	1.9
Tax ³	(1.0)	(1.5)
EPRA earnings	305.3	268.0

1 Reflect borrowing costs of £163.6 million (2025: £124.5 million) (note 5b) and finance income of £18.0 million (2025: £23.7 million) (note 5a) less the impact of inflation volatility relating to the income strip of £4.8 million (2025: £3.7 million) and debt early repayment costs of £16.9 million in the current year

2 Reflects EPRA earnings for MIPP of £3.4 million (2025: £3.2 million) reduced by the NCI share of EPRA earnings of £1.2 million (2025: £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 (2025: £0.7 million) is also included in IFRS reported profit

Net rental income

As the UK's leading NNN lease REIT, we strive to deliver reliable, repetitive and progressive income and dividends for our shareholders over the long term and are therefore delighted to report a 16.6% increase in net rental income in the year. 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 2025		390.6
Additional rent from existing properties and developments		9.8
Movement in surrender premium income		2.5
Additional rent from acquisitions ¹	72.2	
Rent lost through disposals	(23.0)	
Additional rent from net acquisitions		49.2
Movement in rent provisions		4.7
Movement in property costs		(1.5)
Net rental income in the year to 31 March 2026		455.3

1 Includes additional rent from ULR of £54.6 million, from Highcroft of £4.8 million and from other acquisitions of £12.8 million

Our property costs have increased primarily as a result of increased vacancy costs inherited through our acquisition of ULR. However, our cost leakage ratio remains low at 1.4% (2025: 1.2%) which is a reduction since the half year as we have started to mitigate the impact of the ULR inherited vacancies.

Rent collection

Our rent collection rates continue to be very strong, reflecting our focus on credit control and the quality of our covenants. We have collected 99.7% of rent due in the year and trade receivables of £2.2 million that were overdue and considered at risk have been provided for in full.

Administrative costs and EPRA cost ratio

Administrative costs increased 11.4% to £30.2 million, reflecting higher remuneration costs from increased headcount and role changes following corporate acquisitions, increased advisory fees for the enlarged group and inflation.

Our sector leading EPRA cost ratio of 7.7% demonstrates operational synergies, cost discipline and rental growth. The full calculation is set out in supplementary note iv.

For the year to 31 March	2026 %	2025 %
EPRA cost ratio including direct vacancy costs	7.7	7.8
EPRA cost ratio excluding direct vacancy costs	7.1	7.5

Net finance costs

Our net finance costs have increased by £26.8 million or 27.6% to £123.9 million this year. We have held higher debt balances during the year due to debt of £464.4 million acquired through corporate transactions and additional debt required to fund the cash consideration of £204.8 million for ULR.

Our average drawn debt balance was £0.5 billion higher than last year and our net debt has increased from £2.0 billion last year to £2.8 billion at 31 March 2026.

Therefore, whilst our average debt cost is unchanged at 4.0% our net finance costs have increased by £26.8 million. This increase reflects interest charges on new debt acquired through our M&A in the year of £11.1 million, increased interest on other debt facilities net of derivative receipts of £14.4 million, higher commitment and amortisation costs associated primarily with new facilities of £1.9 million and increased interest charged on lease and other financial liabilities following CPI increases of £1.2 million. This was offset by increased bank, coupon and capitalised interest receivable of £1.8 million.

Further details on finance income and costs are 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 are 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.

Our German asset, acquired through LXi, is subject to German corporate income tax and deferred tax is provided on revaluation gains on that property.

The tax charge of £1.7 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 resolving any 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 2026.

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	2026 £m	2025 £m
EPRA earnings	305.3	268.0
Revaluation of property	68.2	106.0
Fair value of derivatives	(9.7)	(11.1)
Loss on disposals	(19.0)	(13.0)
Goodwill impairment ¹	(9.6)	–
Acquisition costs ²	(16.3)	–
Debt and hedging early repayment costs	(16.9)	–
Other movements ³	(6.3)	(2.0)
IFRS reported profit	295.7	347.9

1 Goodwill recognised on acquisition and subsequently impaired. Full details are set out in note 15 to the financial statements

2 Reflects acquisition costs recognised in the income statement for the corporate acquisition of ULR

3 Includes JV and NCI share of adjustments (£2.8 million), impact of inflation volatility relating to the income strip (-£4.8 million), revaluation of investments (-£3.6 million) and deferred tax (-£0.7 million) in the year to 31 March 2026

The Group's reported profit for the year was £295.7 million (2025: £347.9 million), representing a 15.0% decrease. The movement reflects costs associated with corporate acquisitions and debt repayment in the current year of £42.8 million and adverse movements compared to last year in property revaluations, sales and other movements of £48.1 million, offset by positive movements in earnings and derivatives of £38.7 million.

Balance sheet

EPRA net tangible assets ('NTA') is a key performance measure that includes both income and capital returns but excludes the fair valuation of derivative instruments that are reported in IFRS net assets. A reconciliation between IFRS net assets 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	2026 £m	2025 £m
Investment properties	7,819.0	6,383.9
Assets held for sale	47.8	10.4
Trading properties	1.1	1.1
Group investment property	7,867.9	6,395.4
Gross debt	(2,952.3)	(2,073.2)
Cash	143.4	81.2
Share of joint venture and non-controlling interest ¹	48.9	42.2
Other net liabilities	(409.8)	(374.6)
EPRA net tangible assets	4,698.1	4,071.0
Derivatives	16.2	23.7
Deferred tax	–	(0.5)
IFRS equity shareholders' funds	4,714.3	4,094.2
Share of non-controlling interest	18.6	29.7
IFRS net assets	4,732.9	4,123.9

¹ Reflects share of net assets of MIPP of £67.5 million (2025: £71.9 million) reduced by the NCI share of net assets of £18.6 million (2025: £29.7 million) as shown in supplementary note iii

IFRS net assets

IFRS reported net assets increased by £609.0 million or 14.8% in the year to £4.7 billion, largely due to our M&A activity. EPRA NTA has increased accordingly by £627.1 million or 0.7% on a per share basis to 200.6p. The movement is detailed in the table below.

		£m	EPRA NTA £m
At 1 April 2025			4,071.0
EPRA earnings			305.3
Dividend paid ¹			(245.3)
Property revaluation			68.2
Corporate acquisitions	Highcroft	Share issue	47.6
	ULR	Share issue	521.4
	ULR	Goodwill and derivatives ²	(9.3)
	ULR	Acquisition costs ³	(16.8)
			542.9
Other movements ⁴			(44.0)
EPRA NTA at 31 March 2026			4,698.1

¹ Dividend charge of £271.8 million less scrip saving of £26.5 million

² Goodwill of £8.1 million recognised on acquisition and subsequently impaired and the fair value of derivatives acquired of £1.2 million

³ Acquisition costs of £16.3 million reflected in the income statement and £0.5 million charged to equity

⁴ Other movements include debt early repayment costs (-£16.9 million), loss on sales (-£19.0 million), the impact of inflation volatility relating to the income strip (-£4.8 million), revaluation of investments (-£3.6 million) and other movements (£0.3 million)

The movement in EPRA NTA per share, together with the dividend paid in the year, results in a total accounting return of 6.9% (7.7% after adjusting for M&A costs). The full calculation can be found in supplementary note viii.

Dividend

Our policy of paying a sustainable and progressive dividend remains unchanged and the dividend for the year is 108% covered by EPRA earnings and fully 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.

The Company paid the third and fourth quarterly dividends for the year to 31 March 2025 and the first two quarterly dividends for the year to 31 March 2026 totalling £271.8 million or 12.4p per share as reflected in note 7 to the financial statements. The Company issued 14.2 million ordinary shares under the terms of the Scrip Dividend Scheme, which reduced the cash dividend payment by £26.5 million to £245.3 million.

The first two quarterly payments for the current year of 6.1p per share were paid as Property Income Distributions ('PIDs') in the year. The third quarterly dividend of 3.05p per share was paid as a PID in April 2026 and the Company has approved a fourth quarterly payment of 3.3p per share to be paid in July 2026, of which 1.5p will be a PID. The total dividend payable for 2026 of 12.45p represents an increase of 3.8% 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 2026; and
- The outlook for 2027.

At the year end, the Company had distributable reserves of £1.7 billion (2025: £1.1 billion), 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 £7.6 billion as set out in the table below.

The Group property portfolio valuation includes the value of assets held for sale and trading properties that are reflected separately in the balance sheet.

As at 31 March	2026 £m	2025 £m
Investment properties	7,819.0	6,383.9
Assets held for sale	47.8	10.4
Trading properties	1.1	1.1
Group investment property	7,867.9	6,395.4
Income strip gross up ¹	(237.1)	(231.0)
Head lease assets	(54.4)	(40.9)
Group property portfolio valuation²	7,576.4	6,123.5
Share of joint venture	65.5	69.9
Share of non-controlling interest	(21.3)	(38.1)
Total property portfolio valuation	7,620.6	6,155.3

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)

2 Portfolio valuation from external valuation reports set out in note 9a of £7,575.3 million (2025: £6,122.4 million) plus trading property of £1.1 million (2025: £1.1 million)

During the year and as reflected in the table below, we acquired property assets for £1,526.6 million, of which £1,225.7 million related to the corporate acquisitions of Highcroft and ULR.

We spent £161.8 million on development and other capital expenditure and generated net sales proceeds of £288.4 million which reduced the book value of property by £307.4 million (including the cost of lease incentives written off of £4.0 million).

At 31 March 2026, we had exchanged to sell ten assets for £48.4 million (book value £47.8 million). These transactions will be accounted for on completion next year. A full reconciliation between transactions exchanged and completed in the year is set out in supplementary note xix.

Portfolio valuation movement

The portfolio movement in the year is reflected in the table below.

For the year to 31 March	2026 £m	2025 £m
Group opening valuation	6,123.5	5,972.7
Acquisitions ¹	1,526.6	284.7
Developments ²	98.4	22.8
Capital expenditure ³	63.4	68.9
Disposals ⁴	(303.4)	(323.7)
Revaluation ⁵	62.1	101.0
Foreign currency	5.8	(2.9)
Group closing property portfolio valuation	7,576.4	6,123.5
Income strip gross up	237.1	231.0
Head lease assets	54.4	40.9
Group investment property⁶	7,867.9	6,395.4

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 Profit on revaluation of investment properties in the income statement also includes the movement in the income strip gross up of £6.1 million (2025: £5.0 million)

6 Includes the value of assets held for sale of £47.8 million (2025: £10.4 million) and trading properties of £1.1 million (2025: £1.1 million)

Portfolio valuation split

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

As at 31 March	2026 £m	2026 %	2025 £m	2025 %
Mega distribution	316.5	4.2	315.1	5.1
Regional distribution	802.8	10.5	726.8	11.8
Urban logistics	2,904.4	38.1	1,796.0	29.2
Logistics	4,023.7	52.8	2,837.9	46.1
Convenience	1,054.8	13.8	977.7	15.9
Entertainment & leisure	1,539.6	20.2	1,297.8	21.1
Healthcare & education	921.5	12.1	931.1	15.1
Long income	3,515.9	46.1	3,206.6	52.1
Other	81.0	1.1	110.8	1.8
Total property portfolio value	7,620.6	100.0	6,155.3	100.0
Income strip gross up ¹	237.1		231.0	
Head lease assets	54.4		40.9	
Total portfolio value	7,912.1		6,427.2	
Share of joint venture	(65.5)		(69.9)	
Share of non-controlling interest	21.3		38.1	
Group investment property²	7,867.9		6,395.4	

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)

2 Includes investment properties of £7,819.0 million (2025: £6,383.9 million), assets held for sale of £47.8 million (2025: £10.4 million) and trading properties of £1.1 million (2025: £1.1 million) which are reflected separately in the Group balance sheet

Financing

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

As at 31 March	2026 £m	2025 £m
Total debt drawn ¹	2,977.2	2,090.6
Cash	143.4	81.2
Net debt	2,833.8	2,009.4
Net debt/EBITDA ²	7.5	6.4
Loan to value ³	36.7%	32.7%
Cost of debt ^{4,6}	4.0%	4.0%
Interest cover ⁵ (times)	3.8	4.2
Undrawn facilities	515.0	831.1
Average debt maturity	4.4 years	4.7 years
Hedging ⁶	99.8%	100.0%

1 Excludes unamortised fair value adjustments that reduce gross debt to £2,952.3 million (2025: £2,073.2 million) as set out in note 14a(i)

2 Based on net debt and annualised funds from operations, which includes Highcroft and ULR pre-acquisition earnings

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

4 Cost of debt is based on total debt drawn and includes amortised costs but excludes commitment fees and adjustments to fair value

5 Net income divided by net interest payable as defined by the Group's unsecured funding arrangements

6 Includes the impact of post period end hedging arrangements

Financing activity in the year

Net debt has increased by £0.8 billion this year, primarily as a result of our M&A activity, through which we acquired £484.4 million secured facilities with new lenders and funded the cash consideration for ULR of £204.8 million.

In total, we have completed £1,230.0 million of new unsecured debt arrangements which comprised the following:

- Inaugural £500 million public bond, rated A- by Fitch, with a weighted maturity of 5.5 years and attractive coupon of 4.69%;
- £150 million US private placement with a weighted maturity of 5.5 years and blended fixed rate of 5.3%; and
- Four unsecured bank facilities totalling £580 million with eight new lenders, a weighted maturity of 4.2 years and blended margin of 1.4% which was lower than comparable existing facilities.

These new arrangements have allowed us to repay £1,143.9 million of existing debt facilities, comprising:

- £743.9 million secured facilities acquired through LXI and ULR;
 - Four fixed rate facilities totalling £553.9 million with a blended rate of 5.4%;
 - £190 million term loan and revolving credit facility with a margin of 1.75% and less than two years remaining; and
- Two unsecured revolving credit facilities totalling £400 million with a blended margin of 1.6% and four months remaining.

These financings have reduced our finance costs, increased our maturity and diversified our lending pool both through new bank lenders and greater access to the debt capital markets, building on the success and strength of our credit rating.

Finally, in March 2026, we refinanced £1.5 billion of unsecured revolving credit facilities and term loans, reducing the average margin by 49bps to 1.05% and average commitment fees by 19bps, further diversifying our lender base with two new lenders and improving our weighted average debt maturity.

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 £140 million of interest rate swaps through the ULR acquisition at an average rate of 3.2% and post year end have completed on £350 million of new interest rate swaps at a fixed rate of 3.75%. We continue to be very well protected against adverse movements in interest rates and our year end drawn debt was 99.8% hedged by fixed rate loans and interest rate swaps and caps that we currently have in place. We received £13.2 million (2025: £20.6 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, private placement loan notes and public bond, which together account for 81% of debt drawn at the year end, contain gearing and interest cover financial covenants. At 31 March 2026, the Group's gearing ratio as defined within these funding arrangements was 67% which is significantly lower than the maximum limit of 125%, and its interest cover ratio was 3.8 times, comfortably higher than the minimum level of 1.5 times. Property values would have to fall by 27% to reach the banking gearing threshold, which would equate to an LTV ratio of 54%, and rents would have to fall by 57% or interest costs rise by 152% before the banking interest covenant is breached.

Financial position at 31 March 2026

This year, we have proactively strengthened and diversified our financial position through extensive refinancing of secured, near term and expensive debt facilities. At 31 March 2026, we had total debt facilities of £3.5 billion, undrawn debt facilities of £0.5 billion and ample room under banking covenants. We are in a strong financial position, with diversified sources of funding and flexibility to execute transactions as opportunities arise and repay near term debt expiries.

Our refinancing activity has enabled us to maintain a low average cost of debt of 4.0% (2025: 4.0%), despite acquiring higher priced debt through M&A and persistently high base rates. Other debt metrics remain robust, with debt maturity at the year end of 4.4 years (2025: 4.7 years), with only £0.2 billion of debt expiring over the next two years, and loan to value of 36.7% (2025: 32.7%).

Cash flow

During the year, the Group's cash balances increased by £62.2 million as reflected in the table below. Further detail is provided in the consolidated cash flow statement.

For the year to 31 March	2026 £m	2025 £m
Net cash from operations before changes in working capital	366.2	322.1
Working capital movements and tax paid	(4.0)	(5.2)
Net cash from operating activities	362.2	316.9
Net cash used in investing activities	(303.8)	(7.9)
Net cash from/(used in) financing activities	3.8	(339.7)
Net increase/(decrease) in cash and cash equivalents	62.2	(30.7)

The net cash inflow from operations has increased by £45.3 million to £362.2 million. The Group spent £163.9 million acquiring Highcroft and ULR (net of cash received) and a further £447.2 million acquiring other property and investment assets and developing property. It received £282.6 million from property disposals, £9.1 million from joint ventures investments and £15.6 million in interest. Cash inflows from financing activities reflect net loans drawn of £415.9 million offset by dividend payments and distributions of £256.1 million, financing costs of £152.1 million and share purchases and awards of £3.9 million.

Risk management and internal controls

Managing risk

Our risk management framework ensures that risks are managed in line with the Board's risk appetite.

The Board

The Board determines the level of risk it is prepared to accept in pursuing the Group's strategic objectives and retains ultimate responsibility for the risk management and internal controls framework.

Risk considerations are embedded within Board decision making and form a standing component of Board agendas throughout the year. The Chief Executive initiates discussion through a market and operating overview covering relevant macroeconomic themes, external developments, evolving trends within UK real estate and the wider risk environment. Input is provided by the Chief Financial Officer as appropriate, including in relation to capital structure, liquidity, financing and other Company specific risks. A high level risk dashboard is used to monitor material issues, track movements in principal and emerging risks and promote regular, structured risk debate.

Detailed Board papers highlight specific risk considerations relevant to matters reserved for the Board. Where such papers are circulated outside of scheduled meetings, Directors are able to engage with senior management prior to approval and subsequent Board ratification. Relevant discussions between Directors outside formal meetings are also reported back to the Board.

During the year, the external environment continued to be a key driver of Board level risk discussions. The Board considered the implications of ongoing geopolitical instability, including the escalation of conflict in the Middle East, rapidly evolving US policy and domestic political and fiscal developments, as well as the renewed volatility in global trade, energy markets and supply chains. These developments have increased uncertainty around inflation, interest rates, debt costs and market sentiment, with potential second order impacts for occupiers, investment markets and financing conditions.

Alongside the macro backdrop, the Board also considered a range of business specific risks, including labour and skills retention, sustained higher debt costs, market liquidity, execution risk associated with corporate activity, the timing and pricing of non core asset disposals, debt strategy, tenant covenants, vacancies and asset management initiatives.

This year, the Board approved a number of acquisitions, including the takeovers of Urban Logistics REIT Plc ('ULR') and Highcroft Investments plc ('Highcroft'). In each case, the transactions were assessed through the Group's established investment appraisal and approval processes, supported by detailed due diligence and external advice where appropriate. The Board was satisfied that the acquisitions were consistent with the Group's strategy and risk appetite and did not give rise to any new principal risks.

Determining appropriate risk appetite levels

The Group's risk management framework provides the Board with assurance that inherent business risks are identified and mitigated appropriately, reducing the likelihood of adverse outcomes and helping to ensure that controllable risks remain within acceptable limits.

Risk appetite represents the nature and extent of risk the Board is willing to accept in pursuit of its strategic objectives. In determining risk appetite, the Board considers a wide range of factors, including prevailing market conditions, emerging risks and the Group's financial strength. While the Board maintains a generally low risk appetite, it balances this with the need to remain commercially responsive and able to pursue value accretive opportunities.

Preparing for the Provision 29 controls declaration

The UK Corporate Governance Code 2024 places increased emphasis on the Board's responsibility for establishing and maintaining an effective risk management and internal control framework, including an annual evidence based review of the effectiveness of material controls and a formal declaration in the Annual Report from next year.

During the year, the Group continued to progress a structured programme of work to strengthen, document and evidence its internal control framework in preparation for this future declaration. This programme has been overseen by management with regular updates provided to the Audit Committee and Board.

Key elements of the programme include:

- Scoping the Group's key business cycles and processes to establish a consistent and repeatable basis for identifying material control areas
- Documenting end-to-end processes and controls, supported by process maps and risk and control matrices to identify key risks, material controls and any gaps
- Enhancing the documentation and consistency of controls across financial, operational, reporting and compliance areas and identifying and tracking remediation actions

- Developing an assurance and monitoring approach to support the Board's ongoing assessment of control effectiveness
- Completing an initial assessment of the design of material controls across key business cycles with effectiveness testing planned ahead of 31 March 2027

This work is being phased and prioritised reflecting both the scale and complexity of the Group's activities and the evolving regulatory timetable. While the Board has not yet made a declaration under Provision 29, the programme is designed to ensure that it is well prepared to do so when required and that internal controls continue to evolve in line with the Group's growth and risk profile.

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

Looking ahead

Looking ahead, the Board and Audit Committee will continue to monitor the evolving economic, market, climate and geopolitical environment and its potential implications for the Group's risk profile. Focus will remain on maintaining strong capital discipline and liquidity, overseeing the continued embedding and monitoring of the Group's internal control framework in preparation for the future declaration under Provision 29 of the Code and ensuring that established processes continue to support effective execution of the Group's strategy. The Board will also remain alert to emerging risks, including those relating to tenant performance, operational resilience and corporate activity, and will respond as appropriate should conditions change.

A review of our principal risks

Corporate risks

1. Strategy and its execution

Risk

Our asset selection or targeted 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 investment approach focuses on income growth by directing resources into sectors supported by broad economic trends, evolving consumer preferences and demographics, with an emphasis on assets that are essential to occupiers.
- By leveraging a wide ranging network, thorough research and strong connections with tenants, we gather essential market insights to aid effective strategic decisions.
- The Senior Leadership Team has extensive experience to manage the essential operational and financial elements that drive the business forward and with a streamlined organisational structure we can quickly identify market changes, evaluate developing risks and efficiently manage operational activities.
- The Board regularly reviews strategy and objectives to ensure continued alignment with evolving market conditions, structural trends and technological developments.
- The portfolio is continually analysed to take into consideration sector weightings, tenant and geographical concentrations, perceived threats and market changes, asset management opportunities and other factors.
- Robust transactional controls are maintained and the Board is kept regularly updated on significant activity.

Commentary

The Group's income-led strategy and focus on structurally supported sectors continue to guide capital allocation during a challenging investment market.

Activity levels during this year and last were exceptionally high, reflecting the execution of strategy through accretive corporate activity alongside disciplined portfolio optimisation, despite constrained market liquidity. Against a subdued and uncertain transactional backdrop, the Group has continued to refine sector exposure, tenant mix and asset quality in line with strategic objectives.

This year total acquisitions amounted to £333 million on a stand-alone basis and £1.5 billion including M&A activity, while disposals totalled £318 million. Income lost on disposals broadly matched income acquired on a like for like basis, even though higher yielding assets were generally sold.

Since the acquisition of LXI two years ago, to March 2026, £327 million or 12% of the original portfolio has been sold, representing significant progress in reducing non core exposure, alongside £72 million of ULR assets since June sold at prices in line with underwritten values. Sales of poorer quality and vacant assets have reduced reletting risk and ongoing void costs.

Year ahead

The Group will remain disciplined as it continues to optimise the enlarged portfolio, recycling capital from non core assets where appropriate and deploying selectively into opportunities that meet return and risk requirements. While direct market liquidity remains uneven, the Group's scale, income characteristics and proven execution capability provide flexibility to remain patient and opportunistic.

Appetite

Low. The Board has a low appetite for misalignment between strategy and execution. Capital is allocated selectively to assets and sectors that support long term income growth, with disciplined execution, portfolio alignment and sustainable compounding rather than simply growing assets under management.

Change in the year

Increased risk. The level of risk has increased due to the scale and pace of activity undertaken in a more challenging and illiquid investment environment. This reflects greater external complexity rather than any diminution in execution capability or strategic clarity.

2. Major event

Risk

Unexpected events on a national, regional or global scale – including financial crises, pandemics, conflicts, terrorism, or political and economic developments – may cause market downturns, sector instability or significant business disruption.

Impact

Our competitive advantage could be diminished, potentially impacting our financial performance.

Mitigation

- The Board assesses the external operating environment and its implications on capital markets, occupier demand and portfolio resilience, using this analysis to inform capital allocation and investment decisions.
- We focus on the controllable aspects of the business through disciplined portfolio management, maintaining a broad mix of tenants to diversify risk, keeping vacancies low and investing in well located UK properties across structurally supported sectors.
- Building strong relationships with occupiers helps us to understand tenant needs and stay informed about market trends and emerging risks. This allows us to offer assets that consistently attract occupiers, supporting steady income and lasting value.
- Our capital and funding strategy is kept under regular review and we maintain flexible funding arrangements from a diverse lender pool, with significant covenant headroom, low leverage and an investment grade credit profile.
- Development exposure remains limited in the current economic environment with no speculative development activity.
- The property portfolio is protected by appropriate insurance cover.

Commentary

The external environment has become increasingly uncertain, shaped by heightened geopolitical tension, ongoing conflict in Ukraine and the Middle East, persistent inflationary pressures and the risk of further disruption to capital markets and global trade. Such events can have rapid and unpredictable effects on sentiment, liquidity and occupier behaviour, even where underlying property fundamentals remain sound.

In response, the Group has continued to focus on strengthening the resilience of the elements of the business that are within its control. Capital allocation decisions during the year reflected a cautious and disciplined approach to market risk, prioritising income durability, asset quality and flexibility over short term growth. Significant progress in reducing non core exposure and vacancy risk has improved portfolio robustness, while the focus on mission critical assets that are integral to occupiers' core operations continues to support stable cash flows during periods of disruption.

The Group's scale, diversification and measured approach to execution provide a degree of insulation against major external shocks. These characteristics, alongside active oversight by the Board of the evolving risk environment, position the business to remain operationally and financially resilient as conditions continue to change.

Year ahead

The external environment is expected to remain volatile, with the potential for further geopolitical, economic and market driven disruption. The Group will continue to focus on the areas it can control, maintaining portfolio and income resilience, preserving balance sheet flexibility and retaining the ability to adjust capital allocation and management actions promptly as conditions evolve. The Board will keep the potential implications of major external events under close review as part of ongoing strategic and capital allocation decisions.

Appetite

Low. Events of this nature are inherently outside the Board's control. The Board's appetite is therefore focused on maintaining a resilient portfolio and financing structure that can absorb shocks and limit potential adverse impacts. The evolving risk environment is monitored closely, with adjustments made where necessary.

Change in the year

Increased risk. The risk has increased due to escalating geopolitical conflict, continued instability in Ukraine and the Middle East, heightened global trade and capital market tensions, UK political instability and the increasing prevalence of disinformation, all of which elevate uncertainty and the potential for sudden external shocks.

3. People

Risk

The Group relies on a relatively small team of highly motivated individuals whose skills and experience are critical to the effective leadership of the business, capital allocation discipline and the execution of strategy. The ability to attract, motivate and retain high calibre individuals, particularly in senior roles, is essential to the Group's continued success.

Impact

Our financial performance and ability to deliver long term value for shareholders may be adversely affected if we are unable to retain key skills, leadership capability and organisational momentum.

Mitigation

- Competitive remuneration structures are in place, with employees participating in long term incentive arrangements that support retention, encourage long term performance and foster an ownership culture. Staff turnover remains low.
- Employee engagement and culture are monitored through annual staff satisfaction surveys, with results reviewed and actions considered as appropriate by senior management and the Board.
- The designated workforce Non Executive Director holds annual round table discussions with a cross section of employees to gather feedback and insights, with key themes reported to the Board.
- Performance management and development are supported through annual appraisals, providing a structured forum to discuss objectives, performance, and development needs, supplemented by ongoing dialogue with line managers.
- The Senior Leadership Team actively promotes talent development below Board level, supporting succession planning and organisational resilience.
- External specialist support is engaged where appropriate to complement internal capability.

Commentary

We value a culture of empowerment, inclusion, openness and teamwork, which has supported strong engagement and retention during a period of sustained business change. Over the last three years the Group has completed four public company takeovers, growing assets from £3.0 billion to £7.6 billion and increasing contracted rent from £145 million to £432 million, placing increased demands on leadership, organisational capability and culture.

This year we welcomed four colleagues following the acquisition of ULR, all of whom have transitioned successfully and are fully embedded in the business. Continued growth and scale create further opportunities for professional development, supporting LondonMetric's position as an attractive place to work.

Staff survey results remain highly positive, with 94% of employees saying that they enjoy working at LondonMetric. This independent evidence is consistent with feedback reported to the Board by the workforce Non Executive Director following informal employee engagement.

Succession planning remains a key focus for the Board and the Senior Leadership Team. Following Valentine Beresford's decision to retire at the year end, Will Evers was appointed sole Head of Investment. The investment and property leadership team continues to operate collaboratively, ensuring continuity of expertise, clear accountability and disciplined capital allocation, underpinned by strong economic alignment with long term shareholder interests.

Year ahead

Resourcing will be kept under review, alongside continued system enhancements to streamline processes and further improve operational efficiency.

Appetite

Low. The Board has a low appetite for risks that could undermine effective leadership, specialist expertise, succession planning or organisational culture, recognising these as critical to the delivery of strategy and long term value.

Change in the year

No significant change. While organisational scale and demands increased during the year, strong retention, engagement and succession planning have mitigated any increase in people-related risk.

4. Systems, processes and financial management

Risk

The effectiveness of the Group's cyber security, the integrity of its property and financial systems and the accuracy and timeliness of financial information supporting decision making and strategy may be compromised.

Impact

Decisions may be made on inaccurate or incomplete information and external reporting may be misstated or delayed. Cyber threats may give rise to significant financial losses, reputational harm and disruption to business continuity.

Mitigation

- A strong controls culture is maintained across the business, supported by appropriate segregation of duties and controls over financial systems. Robust data capture and validation processes underpin the integrity and accuracy of the Group's property database and financial records.
- Management information and financial performance are monitored through regular reporting with management accounts reviewed by senior management and the Board. Variances to forecast are analysed and reported supporting effective oversight and informed decision making.
- Cost management and expenditure controls ensure spending is appropriate, authorised and subject to ongoing monitoring.
- Corporate acquisitions are subject to comprehensive due diligence to identify differences in accounting policies, processes, systems and controls. Following completion, enhanced controls and oversight are implemented where required prior to full integration.
- IT resilience and cyber security are supported through a business continuity framework, independent third party testing and ongoing staff training, with cyber risk and control effectiveness kept under regular review.

Commentary

During the year, the Group successfully integrated the ULR and Highcroft acquisitions from a systems, financial reporting and controls perspective. Financial data and key processes were migrated onto LondonMetric's established systems, with enhanced oversight and controls implemented where required to support consistency, accuracy and timely reporting across the enlarged Group.

As part of this, management continued the migration of rent billing activity in-house, improving control over billing processes, data quality and the timeliness of financial information. These changes have increased resilience and reduced reliance on third party providers while supporting more effective portfolio and cash flow management.

The Group also made progress in strengthening the documentation and consistency of key financial and operational controls in preparation for the future material controls declaration under Provision 29. The Audit Committee reviewed management's assessment of the design and implementation of key internal controls across financial, operational, reporting and compliance areas and no significant weaknesses were identified.

Cyber and IT risks continue to receive focused management and Board oversight. System resilience and cyber security are supported through a business continuity framework, independent testing and ongoing staff training with the Audit Committee receiving regular updates on control effectiveness in this area.

Year ahead

The programme of work to strengthen, document and evidence the Group's systems and internal controls will continue with a focus on completing process mapping, refining control documentation, progressing the testing of material controls and embedding consistency across the enlarged Group. Progress, including the development of appropriate assurance and monitoring approaches, will continue to be overseen by management and reviewed by the Audit Committee.

Appetite

Low. The Board has a low appetite for risks that could compromise the integrity, accuracy or timeliness of financial and property information, the effectiveness of internal controls, or the resilience of the Group's IT and cyber environment.

Change in the year

No significant change. While system integration and control documentation activity increased following corporate acquisitions, no material weaknesses were identified and overall risk levels remain unchanged.

5. Responsible business and sustainability

Risk

Failure to adhere to responsible business practices or to effectively identify and manage climate-related risks.

Impact

Non-compliance could result in reputational damage, reduced asset desirability, increased costs, lower income resilience or restricted access to capital.

Mitigation

- Supported by external specialists, we monitor developments in regulation, stakeholder expectations and best practice relating to sustainability, environmental matters and social impact to inform strategy and decision making.
- Clear accountability for responsible business obligations sits with members of the Senior Leadership Team, supported by a Responsible Business Working Group that meets regularly and reports to the Audit Committee with material issues escalated to the Board as appropriate.
- Sustainability objectives and performance targets are set, monitored and reported. Energy performance across the portfolio is managed to comply with current and future Minimum Energy Efficiency Standards ('MEES'), supporting asset quality, lettable and long term liquidity.
- Environmental and climate-related risks are assessed across the portfolio, supported by targeted studies, data analysis and appropriate training.
- Regular engagement with occupiers and other stakeholders informs priorities and expectations and supports a collaborative approach to responsible business outcomes.
- We work with tenants to enhance the resilience of assets and occupier business models in response to climate-related risks while also considering the Group's impact on local communities.
- Contractors and suppliers are required to comply with the Group's responsible development and sustainability requirements.

Commentary

During the year, the Group made further progress in strengthening its approach to responsible business and the management of climate-related risks across the enlarged portfolio. Detailed analysis was undertaken and our Net Zero Pathway refreshed to encompass assets acquired. The update and relevance of our ESG KPIs were presented to the Audit Committee to ensure our targets remain appropriate, credible and aligned with the Group's strategy and risk appetite.

The Group continues to monitor the environmental impact of its activities, having 72% coverage of occupier emissions and it remains carbon neutral for Scope 1 and 2 landlord emissions. Energy performance has continued to improve, with EPC A-C rated assets maintained at 92% of the portfolio and A-B increasing to 60%, supporting asset quality, tenant demand and long term liquidity.

Flood risk analysis was progressed across the portfolio during the year to review assets acquired enabling targeted mitigation on higher risk properties.

Engagement with occupiers remains strong and continues to translate into tangible outcomes, including implementation of sustainability improvements at lease events and the routine adoption of green clauses on new leases and regears. The annual occupier survey again reported a high landlord recommendation score of 8.8/10, demonstrating alignment between responsible business outcomes and tenant satisfaction. This alignment also resulted in an additional 1.9MWp of solar capacity added to the portfolio from asset management.

Year ahead

The Group will continue to embed its responsible business priorities into regular asset management reviews and asset by asset action plans, with a focus on implementing and monitoring the revised Net Zero Pathway KPIs across the enlarged portfolio. Portfolio level flood risk will continue to be monitored to support resilience planning, alongside continued improvement in EPC performance and collaboration with occupiers on energy efficiency and sustainability initiatives.

Appetite

Low. The Board has a low tolerance for responsible business and sustainability-related risks that could adversely impact the Group's reputation, stakeholder confidence, asset liquidity or access to capital.

Change in the year

No significant change. Although regulatory expectations and climate-related risks are expected to continue to evolve, the

Group's overall responsible business risk profile remains stable, supported by improved data, governance and portfolio analysis.

6. Regulatory framework

Risk

Failure to comply with applicable legal and regulatory requirements.

Impact

Failure could result in financial penalties, reputational damage, operational disruption or restrictions on the Group's ability to execute its strategy.

Mitigation

- Regulatory developments affecting the Group are monitored on an ongoing basis, supported by external specialist advisors where appropriate.
- The implications of legislative and regulatory change are assessed and factored into strategic and operational planning.
- Clear accountability for compliance with specific legal and regulatory obligations is assigned to individual members of the Senior Leadership Team, with oversight provided by the Board and Audit Committee through regular reporting and review.
- Employees receive regular training on relevant compliance matters, including health and safety, cyber awareness, anti-money laundering, market abuse, whistleblowing, conduct and ethics.
- Health and safety policies and procedures are kept under regular review, with audits undertaken on developments and activities to monitor compliance and support continuous improvement.
- The Group's procurement and supply chain policies set clear standards relating to labour practices, human rights, environmental matters, pollution risk and community impact, supporting responsible business practices across the value chain.

Commentary

While the regulatory environment continues to evolve, including increased expectations around governance, reporting and sustainability, no significant regulatory breaches or compliance failures were identified this year.

The Group continued to strengthen its regulatory compliance framework, supported by clear accountability within the Senior Leadership Team and regular oversight by the Board and Audit Committee. Experience from prior acquisitions has been embedded into the Group's existing controls, reinforcing a consistent approach to regulatory compliance across the enlarged business.

Year ahead

Regulatory expectations relating to governance, reporting and internal controls are expected to continue to evolve. The Board and Audit Committee will maintain oversight of management's ongoing programme to strengthen, document and evidence compliance and control frameworks in preparation for future regulatory requirements, including the Board declaration on the effectiveness of material controls required under the UK Corporate Governance Code 2024.

Any future independent assurance activities in this area, and the evaluation of outputs arising from them, will be considered by the Audit Committee in the context of the Group's overall assurance framework and reported to the Board as appropriate.

Appetite

Low. The Board has a low appetite for regulatory non-compliance that could result in harm to stakeholders, damage to assets or reputation, or restrictions on the execution of strategy.

Change in the year

No significant change. While regulatory requirements continue to evolve, no material compliance failures were identified and the overall level of regulatory risk remains unchanged.

Property risks

7. Investment risk

Risk

We may be unable to source and execute investment opportunities at pricing levels that meet the Group's return requirements.

Impact

The Group's ability to deploy capital in a disciplined manner and deliver value and earnings accretive growth in line with its strategy may be constrained.

Mitigation

- The investment team draw on deep sector experience, market insight and established relationships to identify and assess investment opportunities across the market.
- Investment decisions are subject to rigorous governance through a Senior Leadership Team led Investment Committee, supported by short reporting lines and active management involvement, enabling timely and well informed decision making.
- All transactions are assessed against strict pricing, return and risk criteria with a disciplined approach to underwriting maintained and investment deferred where pricing does not meet required thresholds.
- The Group's scale and position as a leading consolidator in the UK listed real estate market provide access to a broad range of corporate and asset level opportunities, supported by experience in executing and integrating transactions, while also enabling selectivity and pricing discipline in assessing potential investments.
- A resilient capital structure, significant undrawn facilities and access to diversified funding sources support flexibility and optionality, allowing the Group to remain patient and disciplined until pricing is attractive.
- High levels of contracted and index linked rental income provide income visibility and allow the Group to remain patient and selective, maintaining pricing discipline.

Commentary

The investment market has remained challenging during the year, with elevated and volatile debt costs and cautious market sentiment continuing to weigh on transaction activity particularly for acquisitions of scale requiring leverage.

Against this backdrop, the Group has remained highly active, across both acquisitions and disposals, maintaining a broadly balanced approach to capital deployment and recycling at a direct asset level. Investment activity has reflected disciplined capital allocation with decisions focused on opportunities that met the Group's pricing, income durability and asset quality requirements.

The Group's scale, sector focus and established relationships have continued to provide access to opportunities that are less competitive such as sale and leaseback opportunities, or require execution capability, structuring expertise or certainty of delivery beyond that of many market participants.

Year ahead

Investment activity is expected to remain selective, with transaction liquidity and pricing varying significantly by asset type and lot size. The Group will continue to deploy capital in a disciplined manner.

Appetite

Low. Capital deployment is deliberately paced in response to market conditions. The Board has a low appetite for deploying capital at pricing that does not meet the Group's return and risk thresholds and is prepared to remain patient where market conditions do not support disciplined investment.

Change in the year

Increased risk. Investment risk has increased due to continued volatility in debt markets, constrained transaction liquidity and persistent misalignment between asset pricing and returns that meet the Group's underwriting criteria, particularly in structurally supported sectors.

8. Valuation risk

Risk

The value of the Group's investments may decline.

Impact

A sustained fall in asset values could place pressure on net asset value and, in very adverse scenarios, on loan to value covenant headroom.

Mitigation

- The Group prioritises sustainable income, through lettings to high quality tenants across a diversified portfolio of well located assets. Modern, fit for purpose properties, low vacancy and strong covenants support income resilience and help moderate valuation volatility in weaker market conditions.
- The portfolio is predominantly aligned to structurally supported sectors, with negligible exposure to legacy sectors supporting long term asset relevance and liquidity.
- Active asset management enhances the quality, functionality and desirability of assets over time. Close engagement with occupiers supports longer dated income visibility and greater certainty of cash flows.
- Market conditions and property cycle dynamics are continually monitored, with capital allocation and asset management decisions taken in anticipation of changing conditions and adjusted where appropriate.
- Asset performance is reviewed regularly on an asset by asset basis, supported by benchmarking and portfolio analytics.
- Tenant covenant strength and trading performance are monitored to identify emerging pressures and inform asset level decision making.
- Capital is actively recycled through disposals of weaker sub-sectors and assets with reinvestment into higher quality opportunities with better income growth prospects in strong sectors, enabling the portfolio to adapt to changing market conditions and occupier needs.

Commentary

During the year, management continued to focus on actively reducing valuation risk through the disposal of non core and lower quality assets, particularly those with short income profiles, weaker tenant credits or elevated obsolescence risk. In total, 57 assets were sold for £318 million despite the challenging market backdrop and uncertainty around liquidity for certain asset types.

Most of these disposals related to assets acquired through recent corporate activity that did not align with the Group's long term strategy. While overall market liquidity remained constrained, the Group continued to see more consistent buyer depth for smaller lot sizes, particularly where leverage was not required. This supported execution at or around book values, albeit with pricing still sensitive to asset quality and sector.

Sales proceeds have been recycled into higher quality properties with stronger income durability and growth prospects, supporting valuation stability over the medium term. By focusing on asset quality, income visibility and lot size liquidity rather than near term yield optimisation, the Group has taken a measured approach to managing valuation risk in an environment where pricing remains highly sensitive to interest rates and sentiment.

Year ahead

Valuation conditions are expected to remain uncertain, with pricing discovery constrained by elevated funding costs and intermittent market liquidity. The Group will continue to manage valuation risk through a further reduction of residual non core exposure where appropriate and disciplined capital allocation with continued focus on income quality and asset relevance rather than short term yield movements.

Appetite

Low. The Board seeks to minimise valuation risk through disciplined asset selection and active portfolio management, recognising that property valuations are inherently subjective and sensitive to changes in interest rates, sentiment and market liquidity.

Change in the year

Increased risk. Although prime yields in structurally supported sectors have shown some stability, valuation risk has increased due to continued uncertainty around pricing discovery, limited liquidity for larger assets and the heightened sensitivity of values to interest rate movements and market sentiment.

9. Transaction and tenant risk

Risk

Acquisitions and asset management initiatives may be inconsistent with strategy, due diligence may be inadequate, or tenants may default or fail.

Impact

This could adversely affect financial performance, constrain the delivery of growth objectives and place pressure on debt covenant headroom in extreme circumstances.

Mitigation

- Acquisitions and asset management initiatives are subject to comprehensive due diligence, supported by input from experienced internal teams and external advisors where appropriate.
- New initiatives are assessed through structured cost benefit and risk analysis prior to approval and implementation.
- Tenant concentration, covenant strength and trading performance are considered for all investment and leasing decisions and are monitored on an ongoing basis thereafter.
- Close engagement with tenants supports early identification of potential issues, with rent collection and arrears monitored closely to inform proactive management.
- The Group has a diversified tenant base, with the majority of income generated from a broad range of occupiers, reducing reliance on individual tenants. Exposure to bespoke assets is concentrated in a small number of high quality tenants with strong covenants and long dated income.
- An experienced asset management team works collaboratively with occupiers to deliver solutions that support tenant performance and help mitigate vacancy and income risk.

Commentary

During the year, the Group continued to manage transaction and tenant risk through a combination of income granularity, long dated lease structures and active, engagement led asset management. Rental income growth was delivered across lettings, regears and reviews, reflecting the underlying strength of occupier demand for the Group's assets and the effectiveness of its asset management approach.

The portfolio benefits from a diversified tenant base and a high proportion of long dated, contracted income, which limits exposure to individual tenants or transactions. Where risks do arise, close engagement with occupiers enables early identification of potential issues and proactive interventions to protect income continuity and reduce vacancy risk.

While operating conditions are more challenging for some tenants, the Group's focus on business critical assets, strong covenants and flexible asset management solutions continues to mitigate the potential impact of tenant distress on overall performance.

Year ahead

While the external economic environment remains uncertain and cost pressures may increase stress for some tenants in certain sectors, these factors are not expected to materially increase overall transaction and tenant risk. This reflects the diversification of the income base and the Group's proactive management approach. The focus will remain on tenant engagement, disciplined transaction execution and early intervention where pressures emerge.

Appetite

Low. The Board has no appetite for risk arising from inadequate due diligence or poor execution of acquisitions or asset management initiatives. A measured level of tenant covenant risk and shorter lease lengths may be accepted only where supported by strong occupational demand, asset flexibility or credible alternative use.

Change in the year

Increased risk. While portfolio composition and operating performance remain robust, tenant and transaction risk has increased due to a more challenging economic backdrop, rising cost pressures on occupiers and increased uncertainty affecting business confidence.

Financing risks

10. Capital and finance risk

Risk

The Group may have insufficient liquidity or access to available credit, or may be exposed to rising interest rates.

Impact

This could constrain the implementation of the Group's strategy and adversely affect financial performance.

Mitigation

- Capital allocation is managed on a disciplined basis, with competition for capital across the portfolio. Assets are considered for disposal where future growth prospects are assessed to be limited, supporting liquidity and balance sheet flexibility.
- The availability, cost and terms of debt are considered as part of long term capital planning, with relationships maintained across a diversified group of lenders and funding sources.
- Cash flow and liquidity forecasts are monitored regularly by members of the Senior Leadership Team, supporting early identification of funding requirements and pressures.
- The Group operates with a prudent level of gearing and monitors LTV and covenant headroom on an ongoing basis.
- Financing arrangements incorporate appropriate covenant headroom and cure rights, and the predominantly unsecured nature of the Group's facilities provides flexibility.
- Where secured debt inherited through corporate activity is backed by multiple assets, the implications of asset disposals are assessed and lenders engaged to facilitate substitutions where appropriate.
- Interest rate exposure is actively managed, with derivatives used selectively to fix or cap rates in line with the Group's risk appetite.
- Debt maturity profiles are actively managed to avoid concentration risk and support flexibility over the medium and long term.

Commentary

In December, the Group successfully accessed the public debt capital markets issuing a debut £500 million unsecured bond. This issuance improved access to longer term funding, diversified the Group's sources of capital and supported a return to a predominantly unsecured debt structure.

Building on this, in March the Group completed the refinancing of £1.5 billion of unsecured term loans and revolving credit facilities. The new £1.3 billion syndicated facility and £200 million bilateral facility replaced nearly all unsecured facilities due to mature over the next four years and delivered a material enhancement to the Group's debt profile, including expected savings from lower margins and commitment fees, improved lender diversification and an extended weighted average debt maturity.

Following the refinancing, only £186 million of debt will mature over the next two years, which can be met from planned disposals and available undrawn facilities as the Group retains significant liquidity headroom.

Interest rate risk continues to be managed in line with the Board's risk appetite. The refinancing was undertaken alongside the Group's existing hedging strategy, with all drawn debt either fixed or fully hedged, providing protection against interest rate volatility and supporting the predictability of finance costs.

Following the year end, a further £350 million of swaps expiring April 2029 were executed at 3.75%.

Year ahead

The Group will continue to actively manage its capital structure to maintain strong liquidity and covenant headroom while monitoring market conditions for opportunities to further optimise the cost, maturity and mix of funding. Focus will remain on preserving flexibility, supporting disciplined capital allocation and aligning future financing decisions with the Group's strategy and risk appetite.

Appetite

Low. The Board has no appetite for imprudently low levels of liquidity or covenant headroom and has very limited appetite for unhedged floating rate debt, particularly in a volatile interest rate environment.

Change in the year

Decreased risk. During the year, the Group executed a significant refinancing programme that materially strengthened its capital structure, improved funding flexibility and reduced refinancing risk.

Going concern and viability

The Directors have evaluated the Group's prospects and principal risks to assess both 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 2029 and will be able to continue in operation. The assessment of viability is split into short term and longer term time horizons.

Time period of assessment

Consistent with previous years and in accordance with the UK Corporate Governance Code 2024, 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 2029 as required by the 'Viability Statement' provision.

Short term assessment

The Directors' short term going concern assessment considered the key models and metrics used by the Senior Leadership Team to measure and monitor the Group's liquidity.

These are reviewed at least monthly by the Senior Leadership Team and include the following key metrics and information:

- The Group's current financial position;
- The short term cash flow forecast;
- The availability of undrawn debt facilities;
- The repayment profile of the Group's debt facilities;
- Potential sources of alternative financing;
- The hedging profile and forecast interest and swap rates;
- Rent collection rates; and
- The lease expiry profile.

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

As at 31 March	2026
Loan to value	36.7%
Cost of debt	4.0%
Interest cover (times)	3.8
Undrawn facilities (£m)	515.0
Cash (£m)	143.4
Average debt maturity	4.4 years
Hedging	99.8%
Rent collection in the year	99.7%
Occupancy	97.7%

During the year, the Group raised £1,230.0 million of funding through a £500.0 million public bond, £150.0 million US private placement and £580.0 million new revolving credit facilities and term loans. The new arrangements diversified lending sources and were at attractive prices and lower than for existing comparable facilities. The public bond was rated A- by Fitch and broadened our access to the public debt market.

The new arrangements allowed the Directors to consider the repayment of more expensive secured facilities acquired through our acquisitions of LXi and ULR and also unsecured facilities that were nearing maturity. In total, the Group was able to repay £1,143.9 million existing debt facilities that were on less favourable terms or had shorter maturities.

In March 2026, we completed an extensive refinancing exercise of £1.5 billion revolving credit facilities and term loans. The Group entered into two new arrangements on similar terms with Lloyds and a syndicate of ten lenders, at lower margins and extended maturities.

At 31 March 2026, the Group's gearing ratio as defined within its unsecured facilities, private placement loan notes and public bond, which together account for 81% of debt drawn, was 67% (maximum 125%) and interest cover was 3.8 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 2026.

Longer term assessment

The Board has reviewed the viability assessment period and, as in previous years, considers the three year period to 31 March 2029 suitable for evaluating the Group's viability 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.

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 in the domestic and global markets and changes impacting rental income, property values and finance costs;
- The occupier market and changes impacting occupancy levels;
- The availability of additional funding and interest rate projections; and
- The real estate market conditions impacting investment, divestment and development opportunities.

Our strategy, which the Board reviews at each of its meetings, focuses on investing in mission-critical assets and delivering reliable, repetitive and growing income and dividends over the long term.

This strategy forms the foundation of our business plan and three year financial forecasting model, incorporating transactions under offer, committed developments and reinvestment plans. The integrated model forecasts future earnings, cash flows and net assets, taking into account 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 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 facilities, private placement debt and public bond, that together account for 81% of the Group's borrowing, the reverse stress testing indicated the following:

- Property values would need to fall by 27% before the banking gearing threshold was reached and this would equate to a loan to value ratio of 54%; and
- Rental income would need to fall by 57% or interest payable rise by 152% 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 69% of the Group's rental income benefitting from contractual uplifts;
- Income diversity, with only 35% of rent due from our top ten occupiers and lower than in the previous year;
- Strong rent collection, with 99.7% of rent due in the year collected;
- Strong relationships with debt providers, evidenced by the new £1.2 billion debt arrangements and £1.5 billion refinancing which also diversified the pool of lenders and debt offering;
- Substantial liquidity, with undrawn debt facilities of £515.0 million at the year end;
- Significant hedging following post period end transactions which increased the percentage of debt drawn at the year end hedged to 99.8%, mitigating future interest rate risk and volatility;
- 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 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 2029.

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

21 May 2026

Martin McGann

Chief Financial Officer

21 May 2026

Group income statement

For the year ended 31 March

	Note	2026 £m	2025 £m
Revenue	3	464.6	396.7
Cost of sales		(6.4)	(4.9)
Net income		458.2	391.8
Administrative costs	4a	(30.2)	(27.1)
Goodwill impairment	15c	(9.6)	–
Acquisition costs	15c	(16.3)	–
Profit on revaluation of investment properties		68.2	106.0
(Loss)/profit on revaluation of investments		(3.6)	0.9
Loss on sale of investment properties		(19.0)	(13.0)
Share of profits of joint ventures	10	4.7	6.1
Operating profit		452.4	464.7
Finance income	5a	18.0	23.7
Finance costs	5b	(173.3)	(135.6)
Profit before tax		297.1	352.8
Taxation	6	(1.7)	(2.2)
Profit for the year		295.4	350.6
Attributable to:			
Equity shareholders		295.7	347.9
Non-controlling interest	20b	(0.3)	2.7
Earnings per share			
Basic	8b	13.0p	17.1p
Diluted	8b	13.0p	17.0p

Group statement of comprehensive income

For the year ended 31 March

	Note	2026 £m	2025 £m
Profit for the year		295.4	350.6
Foreign exchange translation loss		(0.6)	(0.4)
Other comprehensive expense for the year		(0.6)	(0.4)
Total comprehensive income for the year		294.8	350.2
Attributable to:			
Equity shareholders		295.1	347.5
Non-controlling interest		(0.3)	2.7

All amounts relate to continuing activities. There are no items in other comprehensive income that will not be reclassified to profit and loss.

Group balance sheet

As at 31 March

	Note	2026 £m	2025 £m
Non current assets			
Investment properties	9a	7,819.0	6,383.9
Investment in equity accounted joint ventures	10	67.5	71.9
Other investments and tangible assets		33.2	21.7
Derivative financial instruments	14c	16.2	23.7
		7,935.9	6,501.2
Current assets			
Assets held for sale	9b	47.8	10.4
Trading properties		1.1	1.1
Trade and other receivables	11	27.9	13.7
Cash and cash equivalents	12	143.4	81.2
		220.2	106.4
Total assets		8,156.1	6,607.6
Current liabilities			
Trade and other payables	13	181.6	142.5
Bank borrowings	14a(i)	92.8	347.7
Other financial liabilities	14a(ii)	9.4	9.0
Lease liabilities	16	0.8	0.7
		284.6	499.9
Non current liabilities			
Bank borrowings	14a(i)	2,844.8	1,710.9
Other financial liabilities	14a(ii)	227.7	222.0
Lease liabilities	16	54.8	40.8
Deferred tax	6	11.3	10.1
		3,138.6	1,983.8
Total liabilities		3,423.2	2,483.7
Net assets		4,732.9	4,123.9
Equity			
Called up share capital	17,18	234.4	204.8
Share premium	17,18	451.0	425.9
Capital redemption reserve	18	9.6	9.6
Other reserve	18	2,858.3	2,317.7
Retained earnings	18	1,161.0	1,136.2
Equity shareholders' funds		4,714.3	4,094.2
Non-controlling interest	20b	18.6	29.7
Total equity		4,732.9	4,123.9
IFRS net asset value per share	8c	202.7p	202.4p

The financial statements were approved and authorised for issue by the Board of Directors on 21 May 2026 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 2025		204.8	425.9	9.6	2,317.7	1,136.2	4,094.2	29.7	4,123.9
Profit/(loss) for the year		-	-	-	-	295.7	295.7	(0.3)	295.4
Other comprehensive expense in the year		-	-	-	(0.6)	-	(0.6)	-	(0.6)
Total comprehensive (expense)/income for the year		-	-	-	(0.6)	295.7	295.1	(0.3)	294.8
Share issue on acquisition		28.2	-	-	540.3	-	568.5	-	568.5
Purchase of shares held in Employee Benefit Trust		-	-	-	(3.1)	-	(3.1)	-	(3.1)
Vesting of shares held in Employee Benefit Trust		-	-	-	4.0	(4.8)	(0.8)	-	(0.8)
Distribution to non-controlling interest	20b	-	-	-	-	-	-	(10.8)	(10.8)
Share based awards		-	-	-	-	5.7	5.7	-	5.7
Dividends	7	1.4	25.1	-	-	(271.8)	(245.3)	-	(245.3)
At 31 March 2026		234.4	451.0	9.6	2,858.3	1,161.0	4,714.3	18.6	4,732.9

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 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 for 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

Group cash flow statement

For the year ended 31 March

	Note	2026 £m	2025 £m
Cash flows from operating activities			
Profit before tax		297.1	352.8
Adjustments for non cash items:			
Profit on revaluation of investment properties		(68.2)	(106.0)
Loss/(profit) on revaluation of investments		3.6	(0.9)
Loss on sale of investment properties		19.0	13.0
Share of post tax profit of joint ventures		(4.7)	(6.1)
Movement in lease incentives		(51.2)	(47.9)
Share based payment		5.7	5.3
Goodwill		9.6	–
Net finance costs		155.3	111.9
Cash flows from operations before changes in working capital		366.2	322.1
Change in trade and other receivables		6.1	7.9
Change in trade and other payables		(1.3)	(12.5)
Cash flows from operations		371.0	317.5
Tax paid		(8.8)	(0.6)
Cash flows from operating activities		362.2	316.9
Investing activities			
Net cash paid for the acquisition of Highcroft		(1.7)	–
Net cash paid for the acquisition of ULR	15c	(162.2)	–
Purchase of investment and development properties		(396.6)	(296.1)
Capital expenditure on investment properties		(25.2)	(32.9)
Purchase of investments and tangible assets		(24.0)	(19.3)
Lease incentives paid		(1.4)	(8.2)
Sale of investment properties		282.6	322.7
Distributions from joint ventures	10	9.1	3.4
Interest received		15.6	22.5
Net cash used in investing activities		(303.8)	(7.9)
Financing activities			
Dividends paid	7	(245.3)	(181.4)
Distribution to non-controlling interest	20b	(10.8)	(1.0)
Purchase of shares held in Employee Benefit Trust		(3.1)	(18.2)
Settlement of shares held in Employee Benefit Trust		(0.8)	(0.5)
New borrowings and amounts drawn down	19	3,149.9	406.8
Repayment of loan facilities	19	(2,734.0)	(423.5)
Purchase of derivative financial instruments		(1.0)	(2.2)
Financial arrangement fees and break costs		(11.8)	(10.9)
Lease liabilities and other financial liabilities paid		(12.7)	(10.1)
Interest paid		(126.6)	(98.7)
Net cash from/(used in) financing activities		3.8	(339.7)
Net increase/(decrease) in cash and cash equivalents	19	62.2	(30.7)
Opening cash and cash equivalents		81.2	111.9
Closing cash and cash equivalents		143.4	81.2

Notes forming part of the Group financial statements

1 Material accounting policy information

The financial information set out herein does not constitute the Company's statutory accounts for the years ended 31 March 2026 or 31 March 2025 but is derived from those accounts. Statutory accounts for the years ended 31 March 2026 and 31 March 2025 have been reported on by the independent auditor. The independent auditor's reports on the Annual Report and financial statements for 2026 and 2025 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 2025 have been filed with the Registrar of Companies. The statutory accounts for the year ended 31 March 2026 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 2026, which are the same as those used in the financial statements for the year ended 31 March 2025.

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 Chief Executive's review and 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 in the Going Concern and Viability review.

Having performed a detailed assessment, the Directors consider the going concern assumption for the 12 month period from signing these financial statements 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 and accumulated in the foreign currency translated reserve. Exchange differences recognised in this reserve are reclassified to profit or loss on disposal of the relevant foreign operation. 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 year end and the net income for the year was £1= €1.14.

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. Whilst there are other inputs into the valuation of the property portfolio, these are not considered to be significant areas.

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.

Management applied judgement to three corporate acquisitions made during the year and determined the following:

- The acquisition of Highcroft Investments plc ('Highcroft') was an asset acquisition rather than a business combination, as no processes or workforce were acquired and substantially all of the fair value of the net assets acquired was represented by investment properties; and
- The acquisitions of Urban Logistics REIT Plc ('ULR') and Logistics Asset Management Newco Limited, which held the investment advisory contract for ULR, were both considered to be business combinations in accordance with IFRS 3 as in addition to the property portfolio and debt facilities acquired, a team of four employees, an investment advisory contract and all of its operating processes were transferred.

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 IAS 21	Lack of exchangeability

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 IFRS 9 and IFRS 7	Amendments to the classification and measurement of financial instruments
Annual Improvements to IFRS Accounting Standards	Volume 11
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 Group is assessing the impact of IFRS 18 and expect it will significantly impact presentation and disclosure in the financial statements including, but not limited to, profit or loss categorisation, aggregation and disaggregation and management defined performance measures.

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 judgements 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. Climate risk forms part of the annual risk assessment undertaken by the Audit Committee on behalf of the Board.

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 performance of the Group's property rental business and aid the 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 or 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, pursuant to which was the obligation to pay rental income equivalent to 30% of the annual rental income received from the tenant. The Group 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.

Our German asset, acquired through LXI, is 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 year.

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

a) Property value

As at 31 March	2026 £m	2025 £m
Logistics	4,023.7	2,837.9
Long income	3,471.7	3,159.7
Other ¹	81.0	125.9
Total portfolio ²	7,576.4	6,123.5
Income strip gross up	237.1	231.0
Head lease assets	54.4	40.9
	7,867.9	6,395.4

1 Other property assets include a retail park, four offices, a life science asset and trading property

2 Total portfolio includes trading assets of £1.1 million (2025: £1.1 million) and assets held for sale of £47.8 million (2025: £10.4 million)

b) Gross rental income

For the year to 31 March	2026 £m	2025 £m
Logistics	209.0	143.3
Long income	246.2	241.4
Other	6.5	10.8
	461.7	395.5

c) Net rental income

For the year to 31 March	2026 £m	2025 £m
Logistics	204.8	141.3
Long income	244.0	239.1
Other	6.5	10.2
	455.3	390.6

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.

3 Revenue

For the year to 31 March	2026 £m	2025 £m
Gross rental income	461.7	395.5
Property management fees	0.9	1.0
Other income	2.0	0.2
Revenue	464.6	396.7

For the year to 31 March	2026 £m	2025 £m
Gross rental income	461.7	395.5
Cost of sales – property operating expenses	(6.4)	(4.9)
Net rental income	455.3	390.6

One tenant contributed more than 10% of gross rental income in the current year (2025: two tenants). 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	2026 £m	2025 £m
Staff costs	22.7	20.7
Auditor's remuneration	1.0	0.7
Depreciation	1.0	0.6
Other administrative costs	5.5	5.1
	30.2	27.1

b) Staff costs

For the year to 31 March	2026 £m	2025 £m
Employee costs, including those of Directors, comprise the following:		
Wages and salaries	17.1	15.7
Less staff costs capitalised in respect of development projects	(2.0)	(1.9)
	15.1	13.8
Social security costs	1.4	1.2
Pension costs	0.5	0.4
Share based payment	5.7	5.3
	22.7	20.7

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 £5.7 million (2025: £5.3 million). The cost of acquiring the shares expected to vest under the LTIP of £3.1 million has been charged to reserves this year (2025: £18.2 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	2026 £m	2025 £m
Remuneration for management services	4.2	4.0
Entitlement to pension scheme contributions	0.1	0.1
	4.3	4.1

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	2026 £m	2025 £m
Short term employee benefits	12.9	11.6
Share based payments	4.6	4.1
	17.5	15.7

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:

	2026 Number	2025 Number
Property and administration	53	47

d) Auditor's remuneration

	2026 £'000	2025 £'000
For the year to 31 March		
Audit services:		
Audit of the Group and Company financial statements	733.0	572.0
Audit of the Company's subsidiaries	50.1	48.0
Other fees:		
Issuance of comfort letter for the EMTN programme	80.0	–
Audit related assurance services - Interim Review	103.8	95.0
Total fees for audit and other services	966.9	715.0

In addition, £25,800 (2025: £24,700) was due to the Group's auditor in respect of the audit of its joint venture.

5 Finance income and costs

a) Finance income

	2026 £m	2025 £m
For the year to 31 March		
Interest received on bank deposits	2.4	1.9
Interest receivable from interest rate derivatives	13.2	20.6
Interest receivable from forward funded developments	2.4	1.2
Total finance income	18.0	23.7

b) Finance costs

	2026 £m	2025 £m
For the year to 31 March		
Interest payable on bank loans	115.1	98.5
Unwinding of discount on fixed rate debt acquired	5.9	4.6
Debt and hedging early close out costs	16.9	–
Amortisation of loan issue costs	5.2	4.3
Interest on lease and other financial liabilities	17.5	15.2
Commitment fees and other finance costs	6.5	5.3
Total borrowing costs	167.1	127.9
Less amounts capitalised on developments	(3.5)	(3.4)
Net borrowing costs	163.6	124.5
Fair value loss on derivative financial instruments	9.7	11.1
Total finance costs	173.3	135.6

Net finance costs deducted from EPRA earnings as disclosed in Supplementary note ii exclude the fair value loss on derivatives of £9.7 million (2025: £11.1 million), debt and hedging early close out costs of £16.9 million (2025: £nil) and the impact of the inflation volatility relating to the income strip of £4.8 million (2025: £3.7 million).

6 Taxation

For the year to 31 March	2026 £m	2025 £m
Current tax		
UK corporation tax	0.5	0.9
German corporate income tax	0.5	0.6
Deferred tax		
Deferred tax on German asset	0.7	0.7
Total tax charge	1.7	2.2

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. 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 £0.5 million in the year (2025: £0.6 million).

An associated deferred tax liability is recognised and the revaluation movement of £0.7 million has been reflected in the year along with an adverse currency movement of £0.5 million, resulting in a deferred tax liability of £11.3 million at the year end (2025: £10.1 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	2026 £m	2025 £m
Profit before tax	297.1	352.8
Tax charge at the standard rate of corporation tax in the UK of 25% (2025: 25%)	74.3	88.2
Effects of:		
Items not taxable	(2.4)	(20.7)
Share of post tax profits of joint ventures	(1.2)	(1.5)
REIT exemption on income and gains	(68.3)	(63.5)
Other	(0.7)	(0.3)
Tax charge on profit	1.7	2.2

7 Dividends

For the year to 31 March			2026 £m	2025 £m
Ordinary dividends paid				
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
2025	Third quarterly interim dividend	3.0p per share	61.2	–
2025	Fourth quarterly interim dividend	3.3p per share	68.2	–
2026	First quarterly interim dividend	3.05p per share	71.2	–
2026	Second quarterly interim dividend	3.05p per share	71.2	–
			271.8	203.7
Ordinary dividend payable				
2026	Third quarterly interim dividend	3.05p per share	71.2	
2026	Fourth quarterly interim dividend	3.3p per share	77.0	

The Company paid its third quarterly interim dividend in respect of the financial year to 31 March 2026 of 3.05p per share, wholly as a Property Income Distribution ('PID'), on 17 April 2026 to ordinary shareholders on the register at the close of business on 13 March 2026.

The fourth quarterly interim dividend for 2026 of 3.3p per share, of which 1.5p is payable as a PID, will be payable on 9 July 2026 to shareholders on the register at the close of business on 5 June 2026. 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 2027.

During the year, the Company issued 14.2 million ordinary shares under the terms of the Scrip Dividend Scheme, which reduced the cash dividend payment by £26.5 million to £245.3 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 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 venture 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.

	2026 £m	2025 £m
For the year to 31 March		
EPRA earnings	305.3	268.0
Revaluation of property and investments	64.6	106.9
Fair value of derivatives	(9.7)	(11.1)
Loss on disposal	(19.0)	(13.0)
Impact of inflation volatility relating to the income strip	(4.8)	(3.7)
Debt and hedging early repayment costs	(16.9)	–
Goodwill impairment	(9.6)	–
Acquisition costs	(16.3)	–
Deferred tax	(0.7)	(0.7)
JV and NCI share of adjustments	2.8	1.5
IFRS reported profit	295.7	347.9

b) Earnings per ordinary share attributable to equity shareholders

	2026 £m	2025 £m
For the year to 31 March		
Basic and diluted earnings	295.7	347.9
EPRA adjustments above	9.6	(79.9)
EPRA earnings	305.3	268.0

	2026 Number of shares (millions)	2025 Number of shares (millions)
For the year to 31 March		
Weighted ordinary share capital	2,278.9	2,044.2
Shares held in the Employee Benefit Trust	(9.6)	(4.5)
Weighted average number of ordinary shares – basic	2,269.3	2,039.7
Employee share schemes	7.9	6.2
Weighted average number of ordinary shares – fully diluted	2,277.2	2,045.9

Earnings per share

Basic	13.0p	17.1p
Diluted	13.0p	17.0p

EPRA earnings per share

Basic	13.5p	13.1p
Diluted	13.4p	13.1p

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.

	EPRA net tangible assets £m	EPRA net disposal value £m	EPRA net reinstatement value £m
As at 31 March 2026			
Equity shareholders' funds	4,714.3	4,714.3	4,714.3
Deferred tax on fair value gains of investment property	–	–	11.3
Fair value of Group derivatives	(16.2)	–	(16.2)
Mark to market of fixed rate debt	–	86.0	–
Mark to market of public bond	–	16.7	–
Purchasers' costs ¹	–	–	518.2
EPRA net asset value	4,698.1	4,817.0	5,227.6

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

	EPRA net tangible assets £m	EPRA net disposal value £m	EPRA net reinstatement value £m
As at 31 March 2025			
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%

	2026 Number of shares (millions)	2025 Number of shares (millions)
As at 31 March		
Ordinary share capital	2,344.4	2,048.1
Shares held in Employee Benefit Trust	(10.0)	(10.5)
Number of ordinary shares – basic	2,334.4	2,037.6
Employee share schemes	8.1	6.4
Number of ordinary shares – fully diluted	2,342.5	2,044.0
IFRS net asset value per share	202.7p	202.4p
EPRA net tangible assets per share	200.6p	199.2p
EPRA net disposal value per share	205.6p	204.6p
EPRA net reinstatement value per share	223.2p	220.1p

9 Investment properties

a) Investment properties

As at 31 March	Completed £m	Under development £m	2026 Total £m	Completed £m	Under development £m	2025 Total £m
Opening balance	6,327.6	15.4	6,343.0	6,146.4	38.2	6,184.6
Acquisitions	1,526.6	82.1	1,608.7	284.7	10.8	295.5
Capital expenditure	14.9	16.2	31.1	24.7	11.9	36.6
Disposals	(293.0)	–	(293.0)	(293.8)	(21.4)	(315.2)
Property transfers ¹	(26.5)	(21.3)	(47.8)	17.0	(27.4)	(10.4)
Revaluation movement ²	54.5	7.6	62.1	97.8	3.2	101.0
Foreign currency	5.8	–	5.8	(2.9)	–	(2.9)
Movement in income strip gross up ^{2,3}	6.1	–	6.1	9.5	–	9.5
Movement in tenant incentives and rent free uplifts	48.5	0.1	48.6	44.2	0.1	44.3
Property portfolio	7,664.5	100.1	7,764.6	6,327.6	15.4	6,343.0
Head lease assets	54.4	–	54.4	40.9	–	40.9
	7,718.9	100.1	7,819.0	6,368.5	15.4	6,383.9

1 Properties totalling £47.8 million (2025: £10.4 million) have been transferred to current assets and separately disclosed as assets held for sale as reflected in note 9b

2 Revaluation and income strip movements are reflected together as profit on revaluation of investment properties in the income statement of £68.2 million (2025: £106.0 million)

3 Prior year movement of £9.5 million comprises an adjustment of £4.5 million to incorporate an inflation adjustment and a gross up of £5.0 million which is included in the income statement

Investment properties are stated at fair value as at 31 March 2026 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. 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.

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

As at 31 March	Note	2026 £m	2025 £m
Property portfolio valuation	9a	7,764.6	6,343.0
Assets held for sale	9b	47.8	10.4
Less income strip gross up		(237.1)	(231.0)
Portfolio valuation from external valuation reports		7,575.3	6,122.4

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 £6.1 million comprises a gross up 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 £2.0 million (2025: £1.9 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 £1,332.3 million (2025: £1,169.8 million). Almost 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 2026 was £6,850.4 million (2025: £5,484.0 million).

Included within the investment property valuation is £205.5 million (2025: £156.9 million) in respect of unamortised lease incentives and rent free periods. The movement in the year reflects lease incentives paid of £1.4 million (2025: £8.2 million) and rent free and amortisation movements of £51.2 million (2025: £47.9 million), offset by incentives written off on disposal of £4.0 million (2025: £11.8 million). Capital commitments have been entered into amounting to £49.6 million (2025: £107.2 million) which have not been provided for in the financial statements.

b) Assets held for sale

	2026 £m	2025 £m
As at 31 March		
Opening balance	10.4	8.5
Disposals	(10.4)	(8.5)
Property transfers	47.8	10.4
Closing balance	47.8	10.4

The valuation of freehold and leasehold property held for sale at 31 March 2026 was £47.8 million (2025: £10.4 million), representing £18.6 million logistics and £29.2 million long income assets which are expected to complete within the next six months.

c) Valuation technique and quantitative information

Asset type	Segmental split (note 2) £m	Under development £m	Trading assets £m	Fair value 2026 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	4,023.7	(80.8)	–	3,942.9	Yield capitalisation	9.52	1.80– 37.10	5.0	1.7– 10.1	6.2	3.1– 21.7
Long income	3,471.7	(19.3)	–	3,452.4	Yield capitalisation	19.43	1.10– 191.60	5.6	1.3– 13.3	5.6	3.2– 16.7
Other	81.0	–	(1.1)	79.9	Yield capitalisation	14.32	5.70– 70.10	5.6	4.6– 10.6	8.5	5.3– 11.2
Development	–	100.1	–	100.1	Residual	14.22	12.50– 55.60	4.9	3.8– 5.7	5.3	5.1– 6.3

Asset type	Segmental split (note 2) £m	Under development £m	Trading assets £m	Fair value 2025 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	2,837.9	(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

¹ As reflected in notes 2 and 9 and including assets held for sale of £47.8 million (2025: £10.4 million) but excluding trading properties classified as development of £1.1 million (2025: £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 2026. The fair value at 31 March 2026 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 £160.8 million or £164.9 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 £311.8 million or £334.1 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 £613.3 million or £739.5 million respectively. The Directors consider these thresholds to be appropriate in order to demonstrate a reasonable movement in the underlying significant estimates and their impact on the valuation of the property portfolio based on historical movements and consider their presentation to be in line with market practice.

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; and
- 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 2026, 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 2026, 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	2026 £m	2025 £m
Opening balance	71.9	69.2
Share of profit for the year	4.7	6.1
Distributions received ¹	(9.1)	(3.4)
	67.5	71.9

1 Comprises profit distributions of £6.3 million (2025: £3.4 million) and repayment of partner loans of £2.8 million (2025: £nil)

The Group's share of the profit after tax and net assets of MIPP is as follows:

Summarised income statement	Total 2026 £m	Group share 2026 £m	Total 2025 £m	Group share 2025 £m
Gross rental income	8.2	4.1	7.8	3.9
Property costs	(0.5)	(0.3)	(0.4)	(0.2)
Net rental income	7.7	3.8	7.4	3.7
Management fees	(1.1)	(0.5)	(1.1)	(0.6)
Revaluation gain	2.6	1.3	5.8	2.9
Profit on disposal	0.1	–	–	–
Net finance income	0.1	0.1	0.1	0.1
Profit after tax	9.4	4.7	12.2	6.1
Group share of profit after tax	4.7		6.1	
EPRA adjustments:				
Revaluation gain	(2.6)	(1.3)	(5.8)	(2.9)
Profit on disposal	(0.1)	–	–	–
EPRA earnings	6.7	3.4	6.4	3.2
Group share of EPRA earnings	3.4		3.2	
Summarised balance sheet				
Investment properties	131.2	65.5	139.8	69.9
Other current assets	0.4	0.2	0.5	0.2
Cash	6.0	3.0	5.5	2.8
Current liabilities	(2.5)	(1.2)	(2.1)	(1.0)
Net assets	135.1	67.5	143.7	71.9
Group share of net assets	67.5		71.9	

11 Trade and other receivables

As at 31 March	2026 £m	2025 £m
Trade receivables	10.1	3.6
Prepayments and accrued income	4.3	4.6
Other receivables	13.5	5.5
	27.9	13.7

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 2026, trade receivables of £2.2 million were overdue and considered at risk and have been provided for in full (2025: £1.4 million). In addition, an impairment provision based on the IFRS expected credit loss model of £6.0 million (2025: £4.9 million) and a provision against tenant incentives of £1.8 million (2025: £1.4 million) have been recognised. The impairment provision includes £1.8 million acquired through the corporate acquisition of ULR.

12 Cash and cash equivalents

Cash and cash equivalents include £55.8 million (2025: £39.4 million) retained in restricted accounts which are not readily available to the Group for day-to-day commercial purposes. Cash in rent accounts of £32.6 million was released following the next interest payment date.

13 Trade and other payables

As at 31 March	2026 £m	2025 £m
Trade payables	10.1	3.7
Amounts payable on property acquisitions and disposals	2.4	1.8
Rent received in advance	93.0	63.1
Accrued interest	14.5	4.7
Tax liabilities	10.8	16.9
Other payables	28.1	31.5
Other accruals and deferred income	22.7	20.8
	181.6	142.5

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	2026 £m	2025 £m
Secured bank loans	533.5	799.3
Unsecured bank loans	2,418.8	1,273.9
	2,952.3	2,073.2
Unamortised finance costs	(14.7)	(14.6)
	2,937.6	2,058.6

Of the total borrowings of £2,937.6 million, £92.8 million are repayable within one year (2025: £347.7 million).

As at 31 March 2026	Total debt facility £m	Floating rate debt drawn £m	Fixed rate debt drawn £m	Unamortised fair value adjustments £m	Total gross debt £m	Weighted average maturity (years)
Secured bank loans:						
Rothsay (Mucklow)	60.0	–	60.0	1.3	61.3	5.7
Canada Life (CTPT)	90.0	–	90.0	(0.6)	89.4	0.6
Scottish Widows (LXi)	170.0	–	170.0	(13.2)	156.8	7.7
Handelsbanken (Highcroft)	27.2	–	27.2	(0.9)	26.3	2.7
Aviva (ULR)	210.0	–	210.0	(10.3)	199.7	4.4
Unsecured bank loans:						
Public bond 2025	500.0	–	500.0	(1.2)	498.8	5.2
Revolving credit facilities 2026 (syndicate)	755.0	245.0	–	–	245.0	4.7
Revolving credit facilities 2026 (Lloyds)	150.0	145.0	–	–	145.0	4.6
Term loan 2025 (syndicate)	180.0	180.0	–	–	180.0	2.3
Term loan 2025 (CCB)	50.0	50.0	–	–	50.0	2.6
Term loans 2026 (syndicate)	545.0	545.0	–	–	545.0	2.5
Term loans 2026 (Lloyds)	50.0	50.0	–	–	50.0	2.5
Private placement 2016 (syndicate)	25.0	–	25.0	–	25.0	2.5
Private placement 2018 (syndicate)	150.0	–	150.0	–	150.0	4.8
Private placement 2021 (syndicate)	380.0	–	380.0	–	380.0	6.2
Private placement 2025 (syndicate)	150.0	–	150.0	–	150.0	5.1
	3,492.2	1,215.0	1,762.2	(24.9)	2,952.3	4.4
Total debt drawn			2,977.2			

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 gross debt £m	Weighted average maturity (years)
Secured bank loans:						
Scottish Widows (Mucklow)	60.0	–	60.0	1.5	61.5	6.7
Canada Life (CTPT)	90.0	–	90.0	(1.7)	88.3	1.6
L&G (LXi)	62.5	–	62.5	(0.2)	62.3	0.4
AIG (LXi)	286.2	–	286.2	(0.8)	285.4	0.5
Scottish Widows (LXi)	170.0	–	170.0	(14.9)	155.1	8.7
Canada Life (LXi)	148.0	–	148.0	(1.3)	146.7	14.1
Unsecured bank loans:						
Revolving credit facility 2021 (syndicate)	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 (syndicate)	275.0	135.0	–	–	135.0	2.6
Revolving credit facility 2024 (syndicate)	560.0	152.1	–	–	152.1	3.8
SMBC revolving credit facility 2025	175.0	91.8	–	–	91.8	4.7
Term loan 2024 (syndicate)	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
Total drawn debt			2,090.6			

The Group strengthened and diversified its financial position during the year through extensive refinancing of secured, near term and expensive debt facilities. In total, the Group completed £1.2 billion of new unsecured debt arrangements, repaid £1.1 billion existing facilities and refinanced £1.5 billion unsecured revolving credit facilities and term loans. Further details are set out in the Financial review.

Certain bank loans at 31 March 2026 are secured by fixed charges over Group investment properties with a carrying value of £1,660.7 million (2025: £2,191.9 million).

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, entered into in 2022. The proceeds LXI received prior to our merger were matched with a corresponding financial liability and a 30% pay away of rent.

The structure comprised selling the freehold of the properties to a UK institutional investor, with 999 year leases granted back, pursuant to which was the obligation to pay rental income equivalent to 30% of the annual rental income received from the tenant. The Group 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 2026, the total liability was £237.1 million based on amortised cost, with £9.4 million being due in less than one year. For disclosure purposes, the fair value of the liability at 31 March 2026 was assessed by independent experts Chatham Financial to be £212.8 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 as interest payable on other financial liabilities and included 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 £6.0 million (2025: £4.9 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. 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 2026, the Group had cash reserves of £143.4 million (2025: £81.2 million), of which £55.8 million was retained in restricted accounts, and available and undrawn bank loan facilities of £515.0 million (2025: £831.1 million). Cash and cash equivalents were placed with financial institutions with A or better credit ratings.

The following table shows the contractual maturity profile of the Group's loans, interest payments on 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 2026	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	10.1	20.5	184.2	509.4	1,746.0	1,027.3	3,497.5
Other financial liabilities	0.8	1.5	7.1	9.7	31.0	1,760.0	1,810.1
Derivative financial instruments	(0.6)	(0.9)	(4.0)	(2.5)	(2.4)	–	(10.4)
	10.3	21.1	187.3	516.6	1,774.6	2,787.3	5,297.2

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

iii) Market risk – interest rate risk

The Group is exposed to interest rate risk from the use of debt financing at a variable rate and currency risk relating to loans denominated in euros. There is a risk that future cash flows of a financial instrument will fluctuate because of changes in interest or currency 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 the year end, 99.8% of the Group's debt drawn was hedged, through fixed coupon debt arrangements and interest rate swaps and caps currently in place. The average interest rate payable by the Group on all bank borrowings at 31 March 2026, including the cost of amortising finance arrangement fees, was 4.0% (2025: 4.0%). A 1% increase or decrease in interest rates during the year would have decreased or increased the Group's annual profit before tax by £2.7 million or £3.2 million respectively.

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	2026 £m	2025 £m
Net debt	3,085.2	2,230.9
Shareholders' equity	4,714.3	4,094.2
	7,799.5	6,325.1

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 £1.6 million (2025: decrease or increase by £1.5 million).

c) Financial instruments

i) Categories of financial instruments

As at 31 March	Measured at amortised cost		Measured at fair value	
	2026 £m	2025 £m	2026 £m	2025 £m
Non current assets				
Derivative financial instruments (see 14c (iii))	–	–	16.2	23.7
Current assets				
Cash and cash equivalents (note 12)	143.4	81.2	–	–
Trade receivables (note 11)	10.1	3.6	–	–
Other receivables (note 11)	13.5	5.5	–	–
	167.0	90.3	16.2	23.7
Non current liabilities				
Borrowings (note 14a (i))	2,844.2	1,710.9	–	–
Other financial liabilities (note 14a (ii))	227.7	222.0	–	–
Lease liabilities (note 16)	54.8	40.8	–	–
Current liabilities				
Borrowings (note 14a (i))	93.4	347.7	–	–
Other financial liabilities (note 14a (ii))	9.4	9.0	–	–
Lease liabilities (note 16)	0.8	0.7	–	–
Contingent consideration	–	–	2.9	1.4
Trade payables (note 13)	10.1	3.7	–	–
Accrued interest (note 13)	14.5	4.7	–	–
	3,254.9	2,339.5	2.9	1.4

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 2026 with the exception of the Group's fixed rate debt and public bond.

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.

The adjustment required to measure the public bond at fair value is provided in note 8c. This is based on quoted market prices for the listed bond at the balance sheet date and represents a Level 1 fair value measurement in the hierarchy.

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 2026 are provided below:

As at 31 March	Average rate		Notional amount		Fair value	
	2026 %	2025 %	2026 £m	2025 £m	2026 £m	2025 £m
Interest rate swaps – expiry						
Less than one year	2.4	–	101.3	–	–	–
One to two years	2.8	2.4	365.0	97.1	5.6	(0.5)
Two to five years	3.1	3.1	350.0	725.0	10.3	15.5
	2.9	3.0	816.3	822.1	15.9	15.0

As at 31 March	Average rate		Notional amount		Fair value	
	2026 %	2025 %	2026 £m	2025 £m	2026 £m	2025 £m
Interest rate caps – expiry						
Less than one year	2.0	–	443.7	–	0.3	–
One to two years	–	2.0	–	441.8	–	8.7
	2.0	2.0	443.7	441.8	0.3	8.7
Total fair value					16.2	23.7

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 Urban Logistics REIT Plc

On 23 June 2025, the Company acquired the entire issued share capital of Urban Logistics REIT Plc ('ULR'). The acquisition was implemented by way of a Scheme of Arrangement under Part 26 of the Companies Act and was effected through the issue of 257.9 million new ordinary shares at 202.2p per share totalling £521.4 million, and cash consideration of 42.8p per share totalling £196.7 million. The Group's existing shareholding in ULR was valued at £8.7 million on acquisition and was included as part of the consideration paid, which in aggregate was £726.8 million. The exchange ratio was based on an adjusted net tangible assets ('NTA') to adjusted NTA approach, taking into account the fair value of property and debt and the acquisition of Logistics Asset Management Newco Limited as reflected in note 15b.

The fair value of the identifiable net assets acquired was £726.7 million as reflected in the table below. The difference between the consideration paid and the fair value of net assets acquired of £0.1 million has been recognised as goodwill in the year and has been fully impaired as the future cash flows arising in the form of rental income were fully incorporated into the fair value of the assets acquired. Acquisition-related costs of £16.0 million have been recognised separately in the income statement.

The fair value adjustments required under IFRS 3 are as follows:

- Borrowings – secured debt with a nominal value of £267.2 million was fair valued to £255.1 million, a £12.1 million reduction. The fair value adjustment is offset by £3.9 million of unamortised issue costs associated with debt which was derecognised on completion. The fair value adjustment will be amortised to other finance costs over the remaining term of the debt facility.

- Trade debtors and receivables – an impairment provision of £1.8 million was recognised on acquisition along with other provisions against lease incentives and dilapidation income receivable of £4.1 million. After these adjustments, the amortised cost of trade debtors and receivables approximates to their fair value.

Acquisition of Urban Logistics REIT Plc

	Book value as at 23 June 2025 £m	Fair value of fixed rate debt £m	Fair value of prepaid finance costs £m	Other fair value adjustments £m	Fair value as at 23 June 2025 £m
Investment properties ¹	1,144.6	–	–	–	1,144.6
Derivative financial instruments	1.2	–	–	–	1.2
Trade and other receivables	18.3	–	–	(5.9)	12.4
Cash and cash equivalents	41.9	–	–	–	41.9
Total assets	1,206.0	–	–	(5.9)	1,200.1
Trade and other payables	(22.3)	–	–	–	(22.3)
Rent received in advance	(15.6)	–	–	–	(15.6)
Borrowings	(437.2)	12.1	–	–	(425.1)
Prepaid finance costs	3.9	–	(3.9)	–	–
Lease liabilities	(10.4)	–	–	–	(10.4)
Total liabilities	(481.6)	12.1	(3.9)	–	(473.4)
Fair value of net assets acquired	724.4	12.1	(3.9)	(5.9)	726.7
Issue of 257.9 million ordinary shares					521.4
Cash consideration paid					196.7
Shares held in Urban Logistics REIT Plc					8.7
Fair value of consideration paid					726.8
Goodwill recognised on acquisition and subsequently impaired					0.1

1 Includes urban logistics warehouses of £1,134.5 million and head lease assets of £10.1 million

b) Acquisition of Logistics Asset Management Newco Limited

On 24 June 2025, alongside the acquisition noted in 15a above, we completed the acquisition of Logistics Asset Management Newco Limited, which held the investment advisory contract for ULR, for total consideration of £8.1 million which included £1.0 million of contingent consideration at fair value. The contingent consideration is payable over two years and is based on growth in the LondonMetric average share price and aggregated rent roll.

The fair value of net assets acquired was £0.1 million and the resulting goodwill generated on acquisition of £8.0 million has been fully impaired and recognised in the income statement. Additional transaction costs of £0.3 million have been recognised separately within the income statement.

c) Summary of ULR acquisition disclosures

	Urban Logistics REIT Plc £m	Logistics Asset Management Newco Limited £m	Total £m
Fair value of net assets acquired	726.7	0.1	726.8
Fair value of consideration paid:			
Shares	521.4	–	521.4
Cash	196.7	8.1	204.8
Shares held in Urban Logistics REIT Plc	8.7	–	8.7
Total consideration paid	726.8	8.1	734.9
Goodwill recognised on acquisition and subsequently impaired	0.1	8.0	8.1
Acquisition costs recognised in the income statement	16.0	0.3	16.3

The cost of the ULR acquisition reflected in the Group cash flow statement of £162.2 million reflects cash consideration paid of £204.8 million noted above less contingent consideration payable of £1.0 million and less cash acquired of £41.9 million (as reflected in note 15a) and includes costs relating to the issuance of share capital of £0.3 million charged to equity.

The goodwill charge in the income statement of £9.6 million reflects the goodwill recognised on acquisition of ULR of £8.1 million as noted in the table above and also additional contingent consideration of £1.5 million relating to the acquisition of LXI REIT Advisors Limited.

The acquisition of ULR has contributed £54.6 million to gross rental income, £42.9 million to EPRA earnings and £42.8 million to retained profit since acquisition. Had ULR been part of the Group since 1 April 2025, the combined Group's gross rental income, EPRA earnings and retained profits for the year to 31 March 2026 would have been £475.0 million, £311.8 million and £286.6 million respectively.

16 Leases

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

As at 31 March	2026 £m	2025 £m
Less than one year	434.1	346.1
Between one and five years	1,608.1	1,354.3
Between six and ten years	1,736.3	1,562.8
Between 11 and 15 years	1,198.1	1,184.6
Between 16 and 20 years	827.4	790.0
Over 20 years	2,851.6	2,155.2
	8,655.6	7,393.0

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 2026 £m	Present value of minimum lease payments 2025 £m
Less than one year	3.2	(2.4)	0.8	0.7
Between one and two years	3.2	(2.4)	0.8	0.7
Between two and five years	7.6	(6.9)	0.7	1.3
Over five years	230.1	(176.8)	53.3	38.8
	244.1	(188.5)	55.6	41.5

17 Share capital

As at 31 March	2026 Number	2026 £m	2025 Number	2025 £m
Issued, called up and fully paid				
Ordinary shares of 10p each	2,344,406,347	234.4	2,048,108,416	204.8

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 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
Issued on acquisition	282,075,415	28.2	–
Issued under scrip share scheme	14,222,516	1.4	25.1
At 31 March 2026	2,344,406,347	234.4	451.0

The Company issued 24,210,964 ordinary shares as consideration for the acquisition of Highcroft Investments plc on 21 May 2025 and 257,864,451 ordinary shares as consideration for the acquisition of Urban Logistics REIT Plc on 23 June 2025, as set out in note 15. The share issues qualified for merger relief and the premium arising of £540.3 million has been added to the merger relief reserve within other reserves.

The Company issued 14.2 million ordinary shares under the terms of its Scrip Dividend Scheme during the year. Post year end in April, the Company issued a further 0.4 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 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
Shares issued under employee share schemes	(2,189,496)	(0.2)
Shares acquired by the Employee Benefit Trust	1,676,429	0.2
At 31 March 2026	9,959,415	1.0

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, LXi REIT plc, Highcroft Investments plc and Urban Logistics 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	2026 Total other reserves £m	Merger relief reserve £m	Employee Benefit Trust shares £m	Foreign currency exchange reserve £m	2025 Total other reserves £m
Opening balance	2,337.5	(19.9)	0.1	2,317.7	2,337.5	(5.6)	0.5	2,332.4
Share issue on acquisitions	540.3	–	–	540.3	–	–	–	–
Foreign currency exchange	–	–	(0.6)	(0.6)	–	–	(0.4)	(0.4)
Employee share schemes:								
Purchase of shares	–	(3.1)	–	(3.1)	–	(18.2)	–	(18.2)
Vesting of shares	–	4.0	–	4.0	–	3.9	–	3.9
Closing balance	2,877.8	(19.0)	(0.5)	2,858.3	2,337.5	(19.9)	0.1	2,317.7

19 Analysis of movement in net debt

	1 April 2025 £m	Cash flows £m	Non cash movements				31 March 2026 £m
			Acquisition of subsidiaries £m	Debt issue and close out costs and foreign exchange £m	Fair value movements £m	Interest charge and unwinding of discount £m	
Secured and unsecured loans	2,073.2	415.9	451.2	6.1	–	5.9	2,952.3
Derivative financial instruments	(23.7)	(1.0)	(1.2)	–	9.7	–	(16.2)
Unamortised finance costs	(14.6)	(5.3)	–	5.2	–	–	(14.7)
Other finance costs	–	(6.5)	–	6.5	–	–	–
Interest payable	4.7	(126.6)	4.4	16.9	–	115.1	14.5
Other financial liabilities	231.0	(9.0)	–	–	–	15.1	237.1
Lease liabilities	41.5	(3.7)	10.4	–	5.0	2.4	55.6
Total liabilities from financing activities	2,312.1	263.8	464.8	34.7	14.7	138.5	3,228.6
Cash and cash equivalents	(81.2)	(62.2)	–	–	–	–	(143.4)
Net debt	2,230.9	201.6	464.8	34.7	14.7	138.5	3,085.2

	1 April 2024 £m	Cash flows £m	Non cash movements			31 March 2025 £m
			Debt issue costs and foreign exchange £m	Fair value movements £m	Interest charge and unwinding of discount £m	
Secured and unsecured 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	(107.9)	7.5	8.9	118.3	2,230.9

20 Related party transactions

a) Joint arrangement

Management fees and distributions receivable from the Group's joint arrangement during the year were as follows:

For the year to 31 March	Group interest	Management fees		Distributions	
		2026 £m	2025 £m	2026 £m	2025 £m
Metric Income Plus Partnership	50%	1.1	1.1	6.3	3.4

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 £17.2 million to the Company, which has been eliminated on consolidation.

As at the year end, the NCI's share of losses and net assets was £0.3 million (2025: profit of £2.7 million) and £18.6 million (2025: £29.7 million) respectively. Distributions to the NCI in the year totalled £10.8 million (2025: £1.0 million).

21 Post balance sheet events

Post year end we have exchanged or completed asset acquisitions and sales for £39.8 million and £65.5 million respectively, of which £22.8 million of sales had exchanged in the year.

On 12 May 2026, a joint announcement was made under Rule 2.4 of the City Code on Takeovers and Mergers regarding a proposed non-binding, indicative all-share offer by the Company and Schroder Real Estate Investment Trust Limited ('SREIT') for the entire issued and to be issued share capital of Picton Property Income Limited ('Picton').

Based on closing share prices on 11 May 2026, the proposed offer implied a value of approximately £403.4 million for Picton's share capital. Under the proposed terms, the Company would acquire approximately 46% of Picton's gross asset value, with the remaining approximately 54% to be acquired by SREIT. No firm offer has been made and there can be no certainty that a firm offer will be made.

Supplementary information

(not audited)

i EPRA summary table

	2026	2025
EPRA earnings per share	13.5p	13.1p
EPRA net tangible assets per share	200.6p	199.2p
EPRA net disposal value per share	205.6p	204.6p
EPRA net reinstatement value per share	223.2p	220.1p
EPRA vacancy rate	2.3%	1.9%
EPRA cost ratio (including vacant property costs)	7.7%	7.8%
EPRA cost ratio (excluding vacant property costs)	7.1%	7.5%
EPRA loan to value	39.2%	34.7%
EPRA net initial yield	5.1%	5.0%
EPRA 'topped up' net initial yield	5.3%	5.1%

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 2026 £m	100% owned £m	JV £m	NCI £m	Total 2025 £m
Gross rental income	461.7	4.1	(2.2)	463.6	395.5	3.9	(2.4)	397.0
Property costs	(6.4)	(0.3)	–	(6.7)	(4.9)	(0.2)	0.1	(5.0)
Net rental income	455.3	3.8	(2.2)	456.9	390.6	3.7	(2.3)	392.0
Management fees and other income	2.9	(0.5)	0.1	2.5	1.2	(0.6)	0.1	0.7
Administrative costs	(30.2)	–	–	(30.2)	(27.1)	–	–	(27.1)
Net finance (costs)/income ¹	(123.9)	0.1	0.5	(123.3)	(97.1)	0.1	0.5	(96.5)
Tax	(1.0)	–	0.4	(0.6)	(1.5)	–	0.4	(1.1)
EPRA earnings	303.1	3.4	(1.2)	305.3	266.1	3.2	(1.3)	268.0

¹ Group net finance costs reflect net borrowing costs of £163.6 million (2025: £124.5 million) (note 5b) and finance income of £18.0 million (2025: £23.7 million) (note 5a) less debt and hedging early close out costs of £16.9 million (2025: £nil) and the impact of inflation volatility relating to the income strip of £4.8 million (2025: £3.7 million)

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 2026 £m	100% owned £m	JV £m	NCI £m	Total 2025 £m
EPRA earnings	303.1	3.4	(1.2)	305.3	266.1	3.2	(1.3)	268.0
Revaluation of property	68.2	1.3	0.6	70.1	106.0	2.9	(1.4)	107.5
Revaluation of investments	(3.6)	–	–	(3.6)	0.9	–	–	0.9
Fair value of derivatives	(9.7)	–	–	(9.7)	(11.1)	–	–	(11.1)
(Loss)/profit on disposal	(19.0)	–	0.9	(18.1)	(13.0)	–	–	(13.0)
Impact of inflation volatility relating to the income strip	(4.8)	–	–	(4.8)	(3.7)	–	–	(3.7)
Debt and hedging early repayment costs	(16.9)	–	–	(16.9)	–	–	–	–
Goodwill impairment	(9.6)	–	–	(9.6)	–	–	–	–
Acquisition costs	(16.3)	–	–	(16.3)	–	–	–	–
Deferred tax	(0.7)	–	–	(0.7)	(0.7)	–	–	(0.7)
IFRS reported profit	290.7	4.7	0.3	295.7	344.5	6.1	(2.7)	347.9

iii EPRA proportionally consolidated balance sheet

As at 31 March	100% owned £m	JV £m	NCI £m	Total 2026 £m	100% owned £m	JV £m	NCI £m	Total 2025 £m
Investment property	7,819.0	65.5	(21.3)	7,863.2	6,383.9	69.9	(38.1)	6,415.7
Assets held for sale	47.8	–	–	47.8	10.4	–	–	10.4
Trading property	1.1	–	–	1.1	1.1	–	–	1.1
	7,867.9	65.5	(21.3)	7,912.1	6,395.4	69.9	(38.1)	6,427.2
Gross debt	(2,952.3)	–	–	(2,952.3)	(2,073.2)	–	–	(2,073.2)
Cash	143.4	3.0	(1.6)	144.8	81.2	2.8	(0.8)	83.2
Other net liabilities	(409.8)	(1.0)	4.3	(406.5)	(374.6)	(0.8)	9.2	(366.2)
EPRA net tangible assets	4,649.2	67.5	(18.6)	4,698.1	4,028.8	71.9	(29.7)	4,071.0
Derivatives	16.2	–	–	16.2	23.7	–	–	23.7
Deferred tax movement	–	–	–	–	(0.5)	–	–	(0.5)
IFRS equity shareholders' funds	4,665.4	67.5	(18.6)	4,714.3	4,052.0	71.9	(29.7)	4,094.2
IFRS net assets	4,665.4	67.5	–	4,732.9	4,052.0	71.9	–	4,123.9
Loan to value	36.7%	–	–	36.7%	32.7%	–	–	32.7%
Cost of debt	4.0%	–	–	4.0%	4.0%	–	–	4.0%
Undrawn facilities	515.0	–	–	515.0	831.1	–	–	831.1

iv EPRA cost ratio

For the year to 31 March	2026 £m	2025 £m
Property operating expenses	6.4	4.9
Administrative costs	30.2	27.1
Share of joint venture and NCI property costs, administrative costs and management fees	0.7	0.6
Less:		
Property management fees	(0.9)	(1.2)
Ground rents	(1.7)	(1.3)
Total costs including vacant property costs (A)	34.7	30.1
Vacant property costs	(2.5)	(1.1)
Total costs excluding vacant property costs (B)	32.2	29.0
Gross rental income	461.7	395.5
Other income	2.0	–
Share of joint venture gross rental income	4.1	3.9
Share of NCI gross rental income	(2.2)	(2.4)
	465.6	397.0
Less:		
Ground rents and income strip	(13.2)	(11.7)
Total gross rental income (C)	452.4	385.3
Total EPRA cost ratio (including vacant property costs) (A)/(C)	7.7%	7.8%
Total EPRA cost ratio (excluding vacant property costs) (B)/(C)	7.1%	7.5%

v EPRA net initial yield and 'topped up' net initial yield

As at 31 March	2026 £m	2025 £m
Investment property – wholly owned ¹	7,575.3	6,122.4
Investment property – share of joint ventures	65.5	69.9
Trading property	1.1	1.1
Less development properties	(101.2)	(16.5)
Less non-controlling interest	(21.3)	(38.1)
Completed property portfolio	7,519.4	6,138.8
Allowance for:		
Estimated purchasers' costs	511.3	417.4
Estimated costs to complete	42.4	25.3
EPRA property portfolio valuation (A)	8,073.1	6,581.5
Annualised passing rental income	412.6	326.8
Share of joint ventures	3.7	4.0
Less development properties	(1.4)	–
Annualised net rents (B)	414.9	330.8
Contractual rental increase across the portfolio	9.7	4.1
'Topped up' net annualised rent (C)	424.5	334.9
EPRA net initial yield (B/A)	5.1%	5.0%
EPRA 'topped up' net initial yield (C/A)	5.3%	5.1%

1 Wholly owned investment property includes assets held for sale of £47.8 million (2025: £10.4 million)

vi EPRA vacancy rate

As at 31 March	2026 £m	2025 £m
Annualised estimated rental value of vacant premises	11.1	7.1
Portfolio estimated rental value ¹	476.6	368.9
EPRA vacancy rate	2.3%	1.9%

1 Excludes development properties

vii EPRA capital expenditure analysis

As at 31 March	100% owned ⁵ £m	JV £m	NCI £m	Total 2026 £m	100% owned ⁵ £m	JV £m	NCI £m	Total 2025 £m
Opening valuation	6,395.4	69.9	(38.1)	6,427.2	6,241.8	67.1	(36.4)	6,272.5
Acquisitions ¹	1,526.6	–	–	1,526.6	284.7	–	–	284.7
Developments ^{2,4}	95.8	–	–	95.8	20.5	–	–	20.5
Investment properties								
– incremental lettable space ³	2.3	–	–	2.3	13.6	–	–	13.6
– no incremental lettable space ³	11.7	1.9	(0.7)	12.9	10.0	0.2	(0.2)	10.0
– tenant incentives ⁹	48.5	(0.1)	0.3	48.7	44.2	(0.3)	(0.1)	43.8
Capitalised interest ⁴	3.5	–	–	3.5	3.4	–	–	3.4
Total EPRA capex	1,688.4	1.8	(0.4)	1,689.8	376.4	(0.1)	(0.3)	376.0
Disposals ⁶	(303.4)	(7.5)	16.6	(294.3)	(323.7)	–	–	(323.7)
Revaluation ⁷	62.1	1.3	0.6	64.0	101.0	2.9	(1.4)	102.5
Foreign currency	5.8	–	–	5.8	(2.9)	–	–	(2.9)
Income strip gross up ^{7,8}	6.1	–	–	6.1	9.5	–	–	9.5
ROU asset	13.5	–	–	13.5	(6.7)	–	–	(6.7)
Closing valuation	7,867.9	65.5	(21.3)	7,912.1	6,395.4	69.9	(38.1)	6,427.2

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 £0.9 million (2025: £1.1 million) and development properties of £2.6 million (2025: £2.3 million)

5 Including trading property of £1.1 million (2025: £1.1 million) and assets held for sale of £47.8 million (2025: £10.4 million)

6 Group disposals include assets held for sale

7 Group revaluation and income strip movements are reflected together as profit on revaluation of investment properties in the income statement of £68.2 million (2025: £106.0 million)

8 Prior year movement of £9.5 million comprises an adjustment of £4.5 million to incorporate an inflation adjustment and a gross up of £5.0 million which is included in the income statement

9 Reflects rent free movements, rent smoothing of fixed and minimum uplifts and amortisation of incentives

viii Total accounting return

For the year to 31 March	2026 pence per share	2025 pence per share
EPRA net tangible assets per share		
– at end of year	200.6	199.2
– at start of year	199.2	191.7
Increase in the year	1.4	7.5
Dividend paid	12.4	11.1
Total increase	13.8	18.6
Total accounting return¹	6.9%	9.7%

1 Total accounting return after adjusting for M&A costs is 7.7%

ix Portfolio split and valuation

As at 31 March	100% owned £m	JV £m	NCI £m	2026 £m	2026 %	2025 £m	2025 %
Mega distribution	316.5	–	–	316.5	4.2	315.1	5.1
Regional distribution	802.8	–	–	802.8	10.5	726.8	11.8
Urban logistics	2,904.4	–	–	2,904.4	38.1	1,796.0	29.2
Logistics	4,023.7	–	–	4,023.7	52.8	2,837.9	46.1
Convenience	1,010.6	65.5	(21.3)	1,054.8	13.8	977.7	15.9
Entertainment & leisure	1,539.6	–	–	1,539.6	20.2	1,297.8	21.1
Healthcare & education	921.5	–	–	921.5	12.1	931.1	15.1
Long income	3,471.7	65.5	(21.3)	3,515.9	46.1	3,206.6	52.1
Other	81.0	–	–	81.0	1.1	110.8	1.8
Total property portfolio	7,576.4	65.5	(21.3)	7,620.6	100.0	6,155.3	100.0
Income strip gross up ¹	237.1	–	–	237.1		231.0	
Head lease assets	54.4	–	–	54.4		40.9	
	7,867.9	65.5	(21.3)	7,912.1		6,427.2	

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 %	2026 Equivalent yield %	EPRA NIY %	EPRA topped up NIY %	2025 Equivalent yield %
Logistics	4.8	5.0	6.2	4.6	4.6	5.8
Long income	5.5	5.6	6.7	5.5	5.5	6.7
Other	5.4	5.6	7.4	4.9	4.9	6.9
Investment portfolio	5.1	5.3	6.4	5.0	5.1	6.3

xi Investment portfolio – Key statistics

As at 31 March 2026	Area '000 sq ft	WAULT to expiry years	WAULT to first break years	Occupancy %	Average rent £ per sq ft
Logistics	27,326	10.3	8.7	96.7	8.1
Long income ¹	8,773	23.3	22.0	98.8	20.0
Other	502	18.5	18.2	100.0	9.4
Investment portfolio	36,601	16.9	15.5	97.7	11.0

1 Due to having minimal internal areas, car parks and theme parks have been excluded from the long income average rent per sq ft

xii Total property returns

For the year to 31 March	All property 2026 %	All property 2025 %
Capital return	1.4	2.5
Income return	5.6	5.7
Total return	7.1	8.3

xiii Net contracted rental income¹

As at 31 March	2026 £m	2025 £m
Logistics	210.7	142.7
Long income	209.0	189.5
Other	4.8	6.0
Investment portfolio	424.5	338.2
Development	7.6	2.2
Total portfolio	432.1	340.4

1 Contracted rent net of income strip and head lease payments

xiv Rent subject to expiry

As at 31 March 2026	Within 3 years %	Within 5 years %	Within 10 years %	Within 15 years %	Within 20 years %	Within 25 years %
Logistics	13.0	24.3	56.3	81.4	92.3	97.2
Long income	2.3	6.5	15.6	45.1	60.3	67.8
Other	6.0	14.8	26.1	30.8	30.8	90.7
Investment portfolio	7.5	15.3	35.5	62.6	75.5	82.3

xv Contracted rent subject to inflationary or fixed uplifts

As at 31 March	2026 £m	2026 %	2025 £m	2025 %
Logistics	103.1	48.7	85.4	59.6
Long income	194.2	88.7	179.4	90.1
Other	2.9	60.0	4.2	70.0
Investment portfolio	300.2	69.0	269.0	77.2

xvi Top ten assets (by value)

As at 31 March 2026	Area '000 sq ft	Net contracted rent £m	Occupancy %	WAULT to expiry years	WAULT to first break years
Alton Towers Park	n/a	9.9	100	51.3	51.3
Ramsay Rivers Hospital	193	10.2	100	11.1	11.1
Thorpe Park	n/a	7.4	100	51.3	51.3
Bedford Link, Bedford	715	6.0	100	15.2	13.4
Primark, Islip	1,062	6.2	100	14.5	14.5
Great Bear, Dagenham	454	4.8	100	17.5	17.5
Ramsay Springfield Hospital	85	5.9	100	11.1	11.1
Heide Park	n/a	6.0	100	51.4	51.4
Argos, Bedford	658	4.8	100	8.0	8.0
THG, Warrington	686	4.7	100	18.7	18.7

xvii Top ten occupiers

As at 31 March 2026	Net contracted rental income £m	Net contracted rental income %
Ramsay Health Care	39.4	9.1
Merlin Entertainments	33.6	7.8
Travelodge	21.1	4.9
Premier Inn	14.0	3.3
Booker	9.7	2.2
Marks & Spencer	8.1	1.9
Great Bear	7.0	1.6
Tesco	6.6	1.5
Primark	6.2	1.4
Amazon	5.7	1.3
Total	151.4	35.0

xviii Loan to value

As at 31 March	100% owned £m	JV £m	NCI £m	2026 £m	2025 £m
Gross debt	2,952.3	–	–	2,952.3	2,073.2
Less: Fair value adjustments	24.9	–	–	24.9	17.4
Less: Cash balances	(143.4)	(3.0)	1.6	(144.8)	(83.2)
Net debt	2,833.8	(3.0)	1.6	2,832.4	2,007.4
Acquisitions exchanged in the year	–	–	–	–	14.7
Disposals exchanged in the year ¹	(53.9)	–	–	(53.9)	(10.6)
Adjusted net debt (A)	2,779.9	(3.0)	1.6	2,778.5	2,011.5
Exclude:					
Acquisitions exchanged in the year	–	–	–	–	(14.7)
Disposals exchanged in the year ¹	53.9	–	–	53.9	10.6
Include:					
Net payables	153.7	1.0	1.0	155.7	129.3
EPRA net debt (B)	2,987.5	(2.0)	2.6	2,988.1	2,136.7
Investment properties at fair value	7,527.5	65.5	(21.3)	7,571.7	6,143.8
Properties held for sale	47.8	–	–	47.8	10.4
Trading properties	1.1	–	–	1.1	1.1
Total property portfolio	7,576.4	65.5	(21.3)	7,620.6	6,155.3
Acquisitions exchanged in the year	–	–	–	–	14.7
Disposals exchanged in the year ²	(47.8)	–	–	(47.8)	(10.4)
Adjusted property portfolio (C)	7,528.6	65.5	(21.3)	7,572.8	6,159.6
Exclude:					
Acquisitions exchanged in the year	–	–	–	–	(14.7)
Disposals exchanged in the year ²	47.8	–	–	47.8	10.4
Include:					
Financial assets	5.3	–	–	5.3	8.9
EPRA property portfolio (D)	7,581.7	65.5	(21.3)	7,625.9	6,164.2
Loan to value (A)/(C)				36.7%	32.7%
EPRA Loan to value (B)/(D)				39.2%	34.7%

1 Reflects disposal proceeds of assets held for sale of £48.4 million and other completed sales of £5.5 million

2 Reflects the book value of assets held for sale of £47.8 million as stated in note 9b

xix Acquisitions and disposals

As at 31 March	2026 £m	2025 £m
Acquisition costs		
Completed in the year	1,526.6	284.7
Exchanged in the previous year	(14.7)	(2.3)
Exchanged but not completed in the year	–	14.7
Forward funded investments classified as developments	49.9	58.6
Transaction costs and other	(13.2)	(12.6)
Exchanged in the year	1,548.6	343.1
Disposal proceeds		
Completed in the year – Group	288.4	322.5
Completed in the year – share of JV and NCI	(12.8)	–
Exchanged in the previous year	(15.3)	(9.3)
Exchanged but not completed/received in the year ¹	53.9	15.3
Transaction costs and other	3.9	13.4
Exchanged in the year	318.1	341.9

1 Reflects disposal proceeds of assets held for sale of £48.4 million and other completed sales of £5.5 million (2025: £15.3 million)

xx Cash earnings cover

For the year to 31 March	Note	2026 £m
EPRA earnings	8	305.3
Rent free and amortisation adjustments ¹	9	(51.2)
Capitalised costs ²	4,5	(5.5)
Share based payment	4	5.7
Unwinding of discount on fixed rate debt acquired	5	5.9
Amortisation of loan issue costs	5	5.2
Movement rent provisions	11	0.5
Other		10.5
Cash earnings	A	276.4
Dividend charge for the year net of scrip saving ³	B	275.9
Cash earnings cover	A/B	100%

1 Reflects the smoothing of rent free periods and fixed and minimum uplifts

2 Capitalised interest of £3.5 million (note 5) and staff costs of £2.0 million (note 4)

3 Based on the average scrip take up over the preceding 12 months of 5%

Glossary

Building Research Establishment Environmental Assessment Methodology ('BREEAM')

An assessment and certification method for buildings.

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.

CO₂e

Carbon dioxide equivalents (CO₂e) provide a unit for expressing greenhouse gas (GHG) emissions, converting gases such as methane and nitrous oxide into the equivalent amount of carbon dioxide (CO₂) based on their warming potential. Emissions are reported in kilograms or tonnes of CO₂ equivalent (kgCO₂e and tCO₂e).

Code

The UK Corporate Governance Code published by the Financial Reporting Council in January 2024, publicly available at www.frc.org.uk which sets out principles of good corporate governance for listed companies. The 2024 Code applies 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's 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.

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')

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 non-controlling interest.

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 and public bond.

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 Assets per share ('NTA')

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.

ESOS

Energy Savings Opportunity Scheme ('ESOS') is a mandatory energy assessment scheme designed to identify tailored, cost effective measures that enable participating organisations to save energy and reduce carbon emissions and 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. The most common of these gases is carbon.

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 ('GRESB') is an investor-driven global sustainability benchmark and reporting framework for property companies, funds, developers, and investors in real estate.

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.

Highcroft Investments plc ('Highcroft')

Incorporated in the UK with company number 00224271.

Highcroft Acquisition/Takeover

The acquisition of the entire issued share capital of Highcroft Investments plc implemented by way of a Scheme of Arrangement under Part 26 of the Companies Act 2006.

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 when they reduce their absolute carbon emissions to a minimum, with only the remaining hard-to-abate residual emissions 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 consolidated 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.

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.

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.

UK Sustainability Reporting Standards ('SRS')

UK SRS S1 and UK SRS S2 set out a framework for corporate disclosures. UK SRS S1 includes the general framework for applying UK SRS, as well as requirements on general sustainability-related risks and opportunities. UK SRS S2 sets out requirements on climate-related risks and opportunities.

Urban Logistics REIT Plc ('ULR' or 'Urban Logistics REIT')

Urban Logistics REIT Plc (now Urban Logistics REIT Limited). Incorporated in the UK with company number 09907096.

ULR Acquisition/Takeover

The acquisition of the entire issued share capital of Urban Logistics REIT Plc implemented by way of a Scheme of Arrangement under Part 26 of the Companies Act 2006.

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.