

PORTFOLIO HIGHLIGHTS

IN-TOWN RETAIL: £2.1 BILLION

British Land's share

£2.1 billion

Total value £2.8 billion

7 shopping centres

3.7 million sq ft

38 department stores

5.6 million sq ft

53 high street shops

11 supermarkets

Major tenants:

Argos

ASDA

Debenhams

House of Fraser

Marks & Spencer

Miss Selfridge

New Look

Next

Primark

River Island

Sainsbury's

Somerfield

TK Maxx

Top Shop

Woolworths

Predominantly freehold

Total rent passing £133m pa,

British Land's share £101m pa

Weighted average lease term

including breaks 18.6 years, to

expiry 20.2 years



Eastgate Shopping Centre, Basildon

This portfolio includes shopping centres, department stores and high street shops in selected locations in major towns and cities.

Eastgate Shopping Centre, Basildon

The Eastgate Centre provides the prime retail offer for Basildon town centre. The covered centre was developed in two phases in 1980 and 1985 with the second phase providing two trading levels and a 2,000 space multi storey car park. In addition to 700,000 sq ft of retail space there are three blocks of offices totalling 127,000 sq ft.

The centre is anchored by ASDA and Debenhams. Construction work is under way to create a new 17,000 sq ft store, pre-let to H&M.

A comprehensive refurbishment of the centre has commenced which will provide a contemporary shopping environment including new and expanded customer facilities.

The Peacocks, Woking

A long leasehold covered shopping mall of 417,890 sq ft on three trading levels built around a central atrium. Completed in 1992, the scheme is the prime retail destination in the town. There is a direct link to the Rhoda McGaw Theatre and 6-screen cinema complex, and parking for 2,500 cars. A 137,000 sq ft Debenhams anchors the scheme; there are a further 77 units, plus a 540 seat food court.

Bon Accord and St Nicholas Centres, Aberdeen

The Scottish Retail Property Limited Partnership (a joint venture with Land Securities) owns these shopping malls in the principal retail centre for north-east Scotland. Combined, they provide more than 80 retail units with leisure and office facilities. The Bon Accord is anchored by a John Lewis department store (not owned by the Partnership). A new 54,000 sq ft further anchor store pre let to Next Plc is being developed to enhance the Centre.

St Stephen's, Hull

We have forward purchased the freehold of St Stephen's Shopping Centre, which is scheduled for practical completion mid 2007.

The scheme will include a Tesco superstore of 108,500 sq ft, a covered mall providing approximately 325,000 sq ft of retail accommodation in 35 retail units and mall kiosks, plus leisure uses totalling 85,000 sq ft. In addition there will be a 128 bedroom, 3-star hotel above the main entrance to the shopping centre, and car parking for around 1,500 cars. Lettings have already been exchanged with H&M, Next, New Look, Oasis, Sportsworld, Orange, Gala and Tesco.

Department stores

We are investors in 38 department stores, 26 owned directly and 12 owned within the BL Fraser joint venture.

Of those owned directly, 24 are subject to leaseback to Debenhams for a minimum of 27 years unexpired. In total these comprise 3.4 million sq ft in locations including the flagship store in London's Oxford Street (366,700 sq ft); Market Street, Manchester (466,000 sq ft) and St Davids, Cardiff (140,000 sq ft). The total gross annual rent passing is £30.6m. The leases provide for minimum 2.5% per annum rental increases and five yearly open market reviews from 2019 onwards.

The 12 stores within the BL Fraser joint venture comprise a total of approximately 1,640,000 sq ft in locations including Cardiff, Guildford and Leeds. All are let on leases to House of Fraser with approximately 32 years unexpired. The aggregate rent passing of approximately £14m per annum is subject to open market review in 2009, when a minimum increase based on 3% per annum applies, and five-yearly thereafter.

Separately but on similar lease terms, we own the 500,000 sq ft House of Fraser store in Corporation Street, Birmingham. We also own the Primark store in Kingston upon Hull.

High street shops and in-town supermarkets

The 53 high street shops are located in prime high street positions throughout the UK. The 11 supermarkets are mainly located in smaller, market towns and all except one are let to Somerfield.