BLND XLON British Land Co PLC

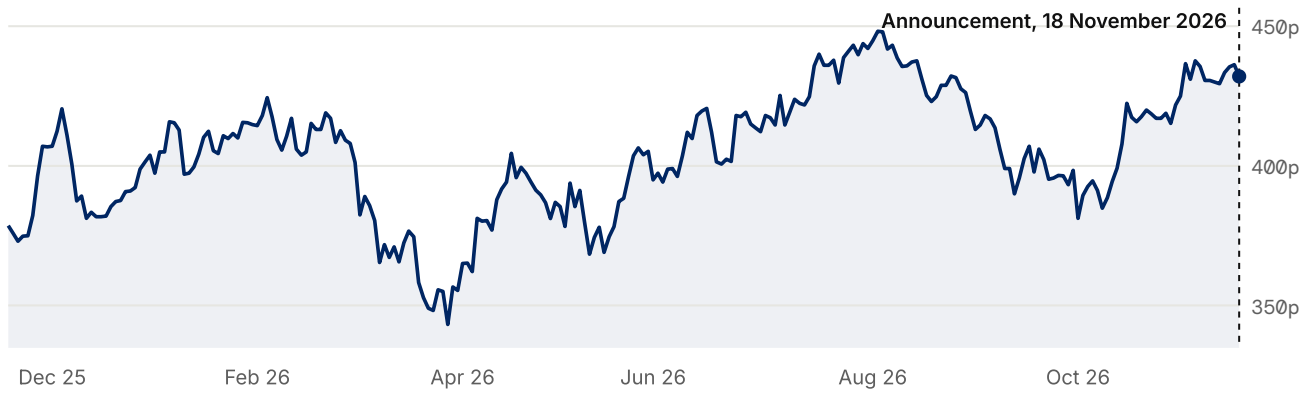
Half-year Financial Report · RNS 5771D · 18 November 2026

British Land raises FY27 earnings guidance to 31.0p after 12% rental growth

Share price	432p
Market cap	£4.43bn
52-week range	335.6p - 451.4p
Shares in issue	1025.3m
12-month change	+14.1%

Ticker Data API, as at 17 Nov 2026, 16:29

SHARE PRICE, 12 MONTHS



SUMMARY

British Land's half-year results today showed underlying earnings per share up 5% to 16.1p, like-for-like net rental growth of 12% and FY27 underlying EPS guidance raised to 31.0p from at least 30.5p. Campuses supplied most of the growth at 25%, against 2% in Retail & London Urban Logistics, and the interim dividend rises 5% to 12.88p. The 15 October trading statement had already given the 16.1p, the 12% and the 1.5% valuation rise, so the new information is the extra 0.5p of guidance, which needs a second half roughly 10% ahead of last year's. Funding access is strong, with £2.0bn of cash and undrawn facilities and no refinancing requirement until 2030, but its future cost is undisclosed. At 432p, the last price in Ticker's data before the results, the shares sit about 28% below 599p NTA, with the 10-year gilt at 5.54%.

KEY FIGURES

FIGURE	VALUE	PERIOD	CHANGE
Underlying EPS	16.1p	Six months to 30 September 2026	up 5% (HY26: 15.4p)
Underlying Profit	£166m	Six months to 30 September 2026	up 7% (HY26: £155m)
FY27 Underlying EPS guidance	31.0p	FY27	raised from at least 30.5p (21 Apr 2026)
Like-for-like net rental growth	+12%	Six months to 30 September 2026	Campuses +25%, Retail & London Urban Logistics +2%
Interim dividend per share	12.88p	Six months to 30 September 2026	up 5% (HY26: 12.32p)
EPRA Net Tangible Assets per share	599p	30 September 2026	up 2% (31 March 2026: 590p)
Loan to value (proportionally consolidated)	39.6%	30 September 2026	FY26: 39.2%
Group Net Debt to EBITDA	7.0x	30 September 2026	FY26: 7.7x
Undrawn facilities and cash	£2.0bn	30 September 2026	no requirement to refinance until 2030
10-year gilt yield	5.54%	12 November 2026	+0.01 points over three months

Sources: Half-year Financial Report RNS, 18 Nov 2026; UK economy and markets data

THE ANNOUNCEMENT

- FY27 underlying EPS guidance raised to 31.0p, 7% above FY26, from at least 30.5p in April. Medium-term guidance of 3-6% a year underlying EPS growth is unchanged.
- Underlying EPS rose 5% to 16.1p and underlying profit 7% to £166m in the six months to 30 September 2026. The EPRA cost ratio fell to 12.5% from 17.4%.
- Like-for-like net rental growth was 12%: Campuses 25% (26% including the Storey flexible-workspace brand) and Retail & London Urban Logistics 2%. 1.4m sq ft was let at 10.4% above estimated rental value (ERV, the valuer's view of market rent), with 1.1m sq ft under offer at 11.6% above ERV.
- Portfolio values rose 1.5% and EPRA net tangible assets per share 2% to 599p. Loan to value edged up to 39.6% from 39.2%, while group net debt to EBITDA improved to 7.0x from 7.7x.
- £247m of assets were sold at a 4.7% net initial yield, broadly in line with book value, with a further £328m exchanged or under offer. Telford Bridge Retail Park was bought for £30m at a topped-up net initial yield of 8.3%.
- An interim dividend of 12.88p, 80% of first-half underlying EPS, is payable on 15 January 2027 to shareholders on the register on 4 December 2026.

AGAINST GUIDANCE

The FY27 underlying EPS figure was first guided at 30.2p in January 2026 and raised to at least 30.5p in April, so today adds 0.5p to reach 31.0p. The first-half numbers matched the 15 October trading statement, which had already given 16.1p EPS, 12% like-for-like net rental growth and a 1.5% valuation rise. Reaching 31.0p needs 14.9p in the second half against 13.5p a year earlier (FY26's 28.9p less the prior first half's 15.4p), growth of a little over 10% compared with 5% in the first half. The company has a recent record of delivery: it guided to at least 28.5p for FY26 in January and reported 28.9p. Medium-term guidance of 3-6% a year EPS growth was reiterated. Ticker's earnings surprise model had leaned slightly towards an in-line outcome, and that is an estimate, not a reported figure.

BULL CASE

- The growth comes from existing buildings: like-for-like net rental growth of 12% and lettings 10.4% above ERV, with 1.1m sq ft under offer at 11.6% above ERV. ERV growth of 3.0% kept values rising 1.5% even as the net equivalent yield moved out 3 basis points.
- Selling £247m of assets at broadly book value is transaction evidence behind the 599p NTA, and a further £328m is exchanged or under offer.
- Group net debt to EBITDA has fallen to 7.0x from 7.7x.
- Guidance has been met and then raised several times, so continued leasing above ERV could take earnings beyond 31.0p and grow NTA without help from interest rates.

BEAR CASE

- The 6.1% net equivalent yield sits less than 60 basis points above a 5.54% 10-year gilt, after Bank Rate rose to 4.00% and the 2-year gilt climbed 0.40 points in three months. Holding income and debt constant, a 100-basis-point outward move would take about 14% off values and lift LTV to about 46%.
- The cost of debt was already 3.9% in March 2026, up from 3.2%, and the half-year gives no updated blended rate, hedge profile, interest cover or covenant limits.
- Campus growth of 25% is unlikely to recur each year while Retail & London Urban Logistics managed 2%, and the 80% payout policy means any second-half shortfall against 14.9p feeds straight into the dividend.
- The Times reported on 23 October that Canada Water phase 2 will not proceed as planned, and the October trading statement had already released most of today's figures.

WHAT TO WATCH

- The full interim accounts: the updated blended cost of debt, hedge maturities, interest cover, covenant limits and cash flow after development spending, none of which appear in the announcement.
- The third-quarter trading update, expected around 2 February 2027, for whether earnings are tracking the second-half growth of a little over 10% that 31.0p requires and whether the 1.1m sq ft under offer has been signed.
- Completion of the £328m of disposals at or near book value, and the March 2027 valuation, which will show whether ERV growth is still outpacing any widening of property yields.
- The 10-year gilt from 5.54% and the share price against support near 418p and resistance near 449p, levels taken from trading up to the session before the results.

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