

Title	Landsec Acquires 100% Stake in Metrocentre, Gateshead
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LANDSEC ACQUIRES 100% STAKE IN METROCENTRE, GATESHEAD

Landsec announces that it has exchanged contracts to acquire a 100% stake in Metrocentre, Gateshead, circa two miles from Newcastle city centre, from Tynehawk Holdings (Jersey) Limited for a net cash consideration of £516 million (the "Acquisition").*

Based on in-place net rental income of £41 million, the net cash consideration of £516 million implies an in-place net rental income yield of 7.9%. At this price, Metrocentre offers an attractive combination of a high day-one income return, strong future rental growth prospects and an expected low double-digit unlevered IRR.

The Acquisition is expected to be funded through an equity issue (the "Equity Issue") and existing debt facilities. Further details of the proposed Equity Issue are detailed in a separate announcement.

Metrocentre is a top-10 shopping centre destination in the UK based on sales and attracts over 16 million visitors per annum. It is a high-quality, well-invested retail & leisure destination, generating retail sales of c. £650 million, with 282 stores across 1.86 million sq. ft. of lettable floorspace. The Acquisition includes an adjacent retail park, which covers 0.2 million sq. ft. of space across 15 units. Overall occupancy is 95%, with a 4.5-year average lease term and a very strong line-up of key international brands, including Apple, Sephora, Zara, M&S, Bershka, Stradivarius, Next, Lego, Primark, JD Sports and Lefties.

The Acquisition is in-line with Landsec's strategy to invest a further £1bn in major retail assets and further expands Landsec's market-leading platform. Following completion of the Acquisition, Landsec will own 3 of the top 10 and 8 of the UK's top 30 shopping centres, with major retail destinations making up c. 46% of the Company's annualised rental income.

Completion of the Acquisition is conditional upon the dissolution of a legacy entity from the Intu Properties group which is expected to occur on 9th October 2026, and bondholder consent to the restructuring of the outstanding bonds of Metrocentre Finance PLC and to the Acquisition, each of which requires support from 75% of the bondholders. Tynehawk Holdings (Jersey) Limited has received confirmations from bondholders representing more than 80% of the bonds that they intend to support this restructuring and the Acquisition in the required bondholder solicitation process. Following this process, completion of the acquisition is expected to take place by the end of October.

Update on current trading

Building on its strong operational performance over the last financial year, since the start of this year, Landsec has continued to see strong customer demand for its best-in-class assets. As a result, lettings over the five months to 31 August 2026 have been comfortably ahead of ERV, with relettings and renewals well ahead of previous passing rent. Based on this continued positive momentum, Landsec continues to expect to deliver c. 3-5% growth in like for like net rental income for the year ending 31 March 2027.

This strong occupational demand is driving continued growth in ERVs, in line with Landsec's expectations for the year. This continued growth in rents mitigates the impact of the rise in interest rates since the end of March, so Landsec's overall portfolio valuation is expected to be broadly stable over the first half of the year.

In line with its focus on delivering sustainable income and EPS growth, year to date Landsec has sold or exchanged contracts to sell £290m of assets which produced no income or limited income growth, principally comprising a London office development site and an older London office block.

All of the above means Landsec is well placed to deliver an acceleration in EPS growth in both the near and medium term, with the potential to deliver approximately 5% compound annual growth in EPRA EPS through to FY30, the vast majority of which is derived from our existing portfolio and operating platform.

Mark Allan, Chief Executive Officer of Landsec, commented: "Growing our investment in major retail destinations remains our highest conviction call, given the high income yields and attractive income growth on offer for the right assets.

Our acquisition of Metrocentre represents a rare opportunity to obtain 100% control of a top-10 UK shopping centre. Metrocentre offers the scale, relevance and quality of catchment where demand from brands is highest, as they focus on fewer, bigger, better stores in the strongest locations. This established trend remains clear, with retail sales across our existing major retail platform up 26% since March 2022 vs 1% for the average UK market, and footfall continuing to gain market share.

In this context, Metrocentre is exactly the type of destination where our market-leading platform can unlock further income and value growth. Our track-record in this is proven, with occupancy across our existing major retail portfolio up to a two-decade high, rental uplifts on relettings and renewals having doubled to 15%, and like for like income growth of 5.5% over the full year to March 2026."

ENDS

NOTES

*Headline price of £530 million before agreed price reductions.

ABOUT LANDSEC

We identify and shape places that create opportunity, enhance quality of life, and bring joy to the people connected to them.

This is how we've created the UK's leading portfolio of urban places and one of the largest real estate companies in Europe.

Our £10 billion portfolio is built around premium workplaces, the country's pre-eminent retail platform, and a residential pipeline that will redefine urban life.

We've honed this ability over 80 years. Spotting the opportunities, building the partnerships, and continually adapting to shape the places that meet the needs of a changing world.

Places where life happens. Where businesses grow. And where cities are defined.

Find out more at [Landsec.com](https://landsec.com)

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