19 November 2026

Grainger plc

Preliminary full year financial results
for the twelve months ended 30 September 2026

Strong performance, clear strategy, compounding value

- Earnings[1] up +12% (EPRA basis)
- Net Rental Income up +5.3%
- Like-for-like rental growth +3.2%
- High occupancy at 97%
- Customer NPS very high +48pts
- Dividend per share up +3%
- FY26 earnings target achieved
- +20% FY29 earnings target to 9.7p (£72m) on track

Grainger plc, the UK's largest residential REIT and leader in the build-to-rent (BTR) sector, today announces an excellent performance for the 12 months ended 30 September 2026.

Dame Helen Gordon, Chief Executive, said:

"I am pleased to announce that Grainger continues to deliver very strong results.

"We have grown earnings by 12% in the year, supported by high occupancy, strong lease up of our new schemes and strong like for like rental growth of 3.2%, delivering a 5.3% increase in net rental income.

"Reflecting this strong financial performance, we are recommending an increased final dividend, up 3%. This is the tenth year of consecutive dividend growth for Grainger shareholders.

"This year saw the biggest regulatory change affecting the rental market in 40 years, the Renters' Rights Act. I am pleased to say that we haven't missed a beat operationally, as a result of the dedication and effort by the Grainger team. We have seen no material impact on our key operational metrics, and our customers remain exceptionally happy with a sector-beating net promoter score of +48.

"We remain sharply focused on delivering value for shareholders. Whilst we are not immune to the macroeconomic factors affecting the whole UK real estate sector, we are focused on what is within our control and our clear strategy will drive value for shareholders.

"We continuously review our assets to maximise portfolio returns and have earmarked £825m of non-core, lower-returning assets for disposal. The capital released from this disposal programme will enable us to continue to target earnings growth materially by 20% to £72m by FY29, driven by our committed pipeline completions in the latter part of the period. We plan to deliver this growth despite absorbing higher interest costs, having secured low interest debt costs in the mid 3%s since 2021.

"We will achieve this earnings growth by completing the three remaining developments in our committed pipeline which require only a further £87m of capital expenditure, and by reducing net debt materially which will help offset our rising future interest cost.

"At the same time, we continue to maintain a strict focus on cost control within the business. We are driving 12% savings in our overheads, delivered across FY26 and FY27 which will keep overheads flat for the next two years. Further surplus capital released from our disposal programme will be allocated into whichever use is most accretive for shareholders, which may include share buybacks.

"The investment case for Grainger is compelling. As the leader in a structurally supported market, our platform's strong operational leverage enables us to generate sustainable organic earnings growth of c.5% each year, purely driven by 3% underlying rental growth.

"Looking ahead, our leadership and attractive market, alongside a clear plan and disciplined capital allocation, positions us to maximise returns and create sustainable value for shareholders."

Highlights

- +12.1% increase in EPRA Earnings to 8.1p per share or £60.2m (FY25: 7.3pps, £53.7m)
- +5.3% growth delivered in Net Rental Income[2] to £130.2m (FY25: £123.6m)
- Dividend increased +3% to 8.56p per share (FY25: 8.31p per share)
- IFRS Loss before tax[3] of £(41.8)m (FY25 Profit: £102.6m), driven by valuation movements
- Strong occupancy of 97% in our BTR portfolio (FY25: 98%)
- EBITDA margin expansion continues to 56.2% (FY25: 55.5%)
- +3.2% like-for-like rental growth[4] (FY25: +3.6%)
- Net asset value (EPRA NTA) of 281p per share (FY25: 298pps), reflecting c.30bps outward yield shift driven by macro sentiment
- Disposals generated £147m, with £40m disposals in solicitors' hands since the beginning of the new financial year

Income returns	**FY26**	**FY25**	**Change**
EPRA Earnings *(Note 2)*[5]	£60.2m	£53.7m	+12%
EPRA Earnings per share	8.1p	7.3p	+12%
Net rental income *(Note 5)*	£130.2m	£123.6m	+5%
IFRS (Loss)/Profit before tax *(Note 2)*	£(41.8)m	£102.6m	(141)%
Earnings per share (diluted, after tax) *(Note 10)* [6]	(4.9)p	27.3p	(118)%
Dividend per share *(Note 11)*[7]	8.56p	8.31p	+3%

Capital returns	**FY26**	**FY25**	**Change**
EPRA NTA per share *(Note 3)*	281p	298p	(6)%
Net debt	£1,494m	£1,463m	+2%
Group LTV	40.7%	38.4%	+235bps
Cost of debt (average)	3.2%	3.3%	(10)bps

ESG benchmark performance

FTSE4Good	since 2010
ISS ESG	Prime Rating
MSCI ESG	'AA'
Sustainalytics ESG Risk Rating	Low Risk
S&P Corporate Sustainability Assessment	92nd percentile
EthiFinance ESG Rating	84/100
Dow Jones Best-In-Class Indices	Europe constituent
EPRA Sustainability Best Practice Reporting	Gold Award
CDP (formerly the Carbon Disclosure Project)	'B' for Climate Change 'B-' for water 'A' for supply chain
Workforce Disclosure Initiative	96%
GRESB Public Disclosure	'A' Rating
National Equality Standard	Accredited in FY24
SBTi (Science Based Targets initiative)	Validated emissions reduction targets

Future reporting dates

2027	
AGM & Trading update	3 February
Half year results	13 May
Trading update	September / October
Full year results	24 November

[1] References to earnings on Page 1 are on an EPRA basis

[2] Refer to Note 5 for net rental income calculation.

[3] Refer to Note 2 for profit before tax and adjusted earnings reconciliation.

[4] Rental growth is the average increase in rent charged across our portfolio on a like-for-like basis.

[5] EPRA Earnings is a measure of recurring earnings from core operational activities which the Company uses in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). For more details please see page 174-177 of the Annual Report and Accounts

[6] £5.1m (1p per share) tax credit arising from REIT conversion (FY25: £123.6m; 17p per share). This does not impact the Net Tangible Asset (NTA) metric.

[7] Subject to approval at the AGM, the final dividend of 5.62p per share (gross) amounting to £41.6m will be paid on 19 February 2027 to Shareholders on the register at the close of business on the record date, 15 January 2027 (the shares will go ex-dividend on 14 January 2027). Shareholders will again be offered the option to participate in a dividend reinvestment plan and the last day for election is 29 January 2027. An interim dividend of 2.94p per share amounting to a total of £21.8m was paid to Shareholders on 3 July 2026 – refer also to Note 11.

Results presentation

Grainger will be holding a presentation of the results at 08.30am (UK time) today, 19 November 2026, which can be accessed via webcast and a telephone dial-in facility (details below), which will be followed by a live Q&A session for sell side analysts and shareholders.

Webcast details:

To view the webcast, please go to the following URL link. Registration is required.

https://brrmedia.news/GRI_FY26

The webcast will be available for six months from the date of the presentation.

Conference call details:

Call: **+44 (0)330 551 0200**

Confirmation Code: Quote **Grainger** when prompted by the operator

A copy of the presentation slides will also be available to download on Grainger's website (http://corporate.graingerplc.co.uk/) from 08:30am (UK time).

Annual Report & Accounts

We are today also publishing our 2026 Annual Report & Accounts on our website, including the ESEF (tagged) version, (https://corporate.graingerplc.co.uk/investors/investor-downloads) and we will also be submitting both versions to the National Storage Mechanism and they will shortly be available for inspection at: data.fca.org.uk/#/nsm/nationalstoragemechanism.

We will be publishing our Notice of Annual General Meeting in accordance with the requirements of the Companies Act, and we will also submit this to the National Storage Mechanism to make it available for inspection. A further announcement will be made at this time.

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Forward-looking statements disclaimer

This announcement may contain certain statements that are forward-looking statements. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of Grainger plc and its subsidiaries (together "Grainger") and those of its Officers, Directors and employees concerning, amongst other things, Grainger's results of operations, financial condition, performance and position, liquidity, prospects, growth, strategies and the business it operates. Forward-looking statements can be identified by the fact that they do not relate only to historical or current facts, and often use words such as 'may', 'could', 'will', 'expect', 'intend', 'estimate', 'anticipate', 'believe', 'plan', 'seek', 'continue', 'milestones', 'outlook', 'target', 'objectives' or other words of similar meaning. By their nature, these statements involve risks and uncertainty since future events and circumstances can cause results and developments to differ materially from those expressed or implied in the forward-looking statements. The forward-looking statements reflect knowledge and information available at the date of preparation of this announcement and, unless otherwise required by applicable law, Grainger undertakes no obligation to update or revise these forward-looking statements to reflect new information or future events, circumstances or developments after the date of this announcement. Nothing in this announcement should be construed as a profit forecast or as implying that the earnings of Grainger for the current year or future years will necessarily match or exceed the historical or published earnings of Grainger. Grainger and its Directors accept no liability to third parties in respect of this update announcement, save as would arise under English law.

Information about the management of the Principal Risks and Uncertainties facing Grainger is set out within the Report on pages 56 to 59.

Nature of announcement
This announcement is for information purposes only and no reliance may be placed upon it. No representative or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained in this announcement. Past performance of securities in Grainger plc cannot be relied upon as a guide to the future performance of such securities. This announcement does not constitute an offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any securities of Grainger plc.

CEO Statement

Dear shareholders,

I am pleased to report that your Company has delivered an excellent performance with compounding earnings growth, strong occupancy, high customer satisfaction and improved cost efficiency. This has come against the backdrop of the most significant changes in the regulation of the private rented sector for 40 years, the Renters' Rights Act. We have not missed a beat.

We have delivered another strong year of earnings growth with pre-tax EPRA earnings up 12%, achieving our earnings target. This is driven by 5.3% net rental income growth and 3.2% like-for-like rental growth, which partly offset valuation movements reflecting higher interest rates.

Occupancy, one of our key operational metrics, was 97% with strong customer retention of 61% and customer affordability at 28% of household income spent on rent.

Despite the headwinds of rising costs, our operational efficiency continues to be sector leading at 25% gross-to-net.

The right capital allocation strategy to deliver shareholder value

Like all real estate companies, we have been impacted by the macro headwinds of a higher interest rate environment. However, the action we took in 2021 to fix our debt for seven years has insulated us from this. We have a clear plan to operate in a higher interest rate environment by accelerating our sales programme of lower-returning, non-core assets. This capital will enable us to pay down debt and complete our on-site developments.

Deleveraging will enable us to continue to grow earnings, reduce financial risk and provides flexibility.

The remaining surplus capital released will be deployed into the most accretive use for shareholders, which may include share buybacks. Our uncommitted pipeline of £895m BTR investment opportunities provides us with significant optionality for the future and will be assessed on returns compared to other uses of shareholder capital.

We are recommending an increased final dividend, up 3%. This is the tenth year of consecutive dividend growth for Grainger shareholders.

Our plan to deliver value is clear and will result in the best outcome for shareholders in the near, medium and long term.

Our track record of delivery

Achieving our 2026 earnings target was just one of the many milestones on the strategy to reposition Grainger. We have transformed the business from a series of complex diversified residential assets to a sector-leading, efficient build-to-rent investor-operator and we are the UK's largest residential REIT.

Our track record on sales

This year we continued our sales programme. Since 2016, we have rotated the portfolio selling more than £2bn of non-core assets and investing nearly £3bn into modern build-to-rent assets in the best locations in England and Wales.

We continuously review our assets to maximise portfolio returns and we have around £825m of lower-returning, non-core assets earmarked for disposal. We will continue our accelerated sales programme, which will help support deleveraging, earnings growth and deliver shareholder value.

An efficient and sector-leading platform

We have an excellent track record of delivering cost efficiencies. Our overheads today are the same as they were 11 years ago, an effective 30% reduction in real terms. This is despite us delivering more than 300% growth in income. This year, we reduced our overheads by £2.4m. Our use of technology to serve our customers will enable us to reduce costs further and, as previously announced, we anticipate taking a further £2m out of our overheads in FY27. This represents a 12% saving in our overheads over two years.

I am extremely proud of the team at Grainger and their ability to innovate and search for cost efficiencies. This focus on continuous improvement has ensured we have a sector-leading platform and gross-to-net efficiency.

Our net margin per property remains at 75%, whereas the sector average is less than 70%. This, together with our focus on overheads, has delivered significant growth in our EBITDA margin.

Delivering value to our customers

Results from our annual customer survey show us that our customers are happy. This year, we achieved the highest customer satisfaction score to date, a net promoter score (NPS) of +48 putting us well ahead of the UK BTR sector at -4 and in line with some of the world's largest, most recognisable, and most loved brands.

This is a testament to the hard work and dedication of the whole business, focused on delivering what matters most to our customers, while driving customer retention, value and efficiency.

This year's strong performance

With the delivery of another strong year of performance and significant earnings growth, it is frustrating for shareholders, me, the whole Board and all Grainger colleagues, that this performance and the transformation to a strong underlying business is not reflected in the share price. External macroeconomic forces are undoubtedly affecting the whole real estate sector in the UK, but we have a clear plan to drive value for shareholders. Our plan of deleveraging from non-core disposals will keep Grainger on strong footing for the future, and position us for whatever comes our way, whether it be headwinds or tailwinds.

The Renters' Rights Act introduced

The Renters' Rights Act was passed into law in October 2025 and the first measures came into force in May of this year. Many of the new regulations are compatible with how Grainger has been operating prior to the Act with pet friendly policies and the abolition of 'no fault' evictions being examples of this.

As a team we moved swiftly to change our processes and technology to ensure we were compliant with the new legislation.

As a leader in the sector with deep experience and our CONNECT proprietary technology platform, we were able to adapt quickly. We know that others have found this more difficult with many small landlords selling up and exiting the sector. One clear benefit to Grainger of the Act is the requirement of tenants to give over two months' notice, this has enabled us to plan more efficiently and together with the introduction of new technology has generated more enquiries for our properties and enables us to reduce the time to re-let our properties.

The political backdrop has cleared

After the last few years of uncertainty, the Renters' Rights Act is now law and proving to be benign from an operational performance point of view, a result of the dedication and effort by the Grainger team and our investment in technology. Our new Prime Minister, Andy Burnham, who is familiar to Grainger from his time as Manchester Mayor, has set out a clear set of priorities for housing policy, and the return of Angela Rayner as his Secretary of State for Housing, Communities and Local Government is welcome. Angela Rayner, has again come out publicly in opposition to rent controls. We also retained our Housing Minister, Matt Pennycook. Importantly, our sector, BTR, benefits from widespread support across political parties as both a contributor to much needed new housing supply but also higher housing standards.

Board changes

This year, Mark Clare and Justin Read stepped down from the Board after nine years. Both contributed to the transformation of Grainger from the early days of our strategy and I want to thank them both. Mark Clare was a wonderful mentor on leading change and housing policy. I was very pleased that Simon Fraser stepped into the role of Chair. Simon has deep capital markets experience as well as strong Real Estate knowledge and has swiftly immersed himself in the business.

Fiona Muldoon also joined the Board with a background in insurance, financial services and capital markets, as well as a time as a regulator at the Central Bank of Ireland. Both Simon and Fiona are great additions to our Board and I know will represent shareholders well.

Our people

I am very fortunate to have a wonderful group of colleagues who care for our customers and each other. They have taken on a lot of additional work this year, from implementing the Renters' Rights Act to enhancing customer service, but have done this with enthusiasm and commitment. They are Grainger's competitive edge and I want to thank them for everything they have delivered this year. The Grainger team is very special!

The outlook for both Grainger and our market is strong

In the near term, with higher interest rates, our plan to allocate capital from our significant disposals programme to reduce net debt but also deliver our remaining committed development projects, both derisks the business in uncertain times but also enables us to continue to drive strong earnings growth over this period, with the majority of the earnings benefit coming through in late FY28 and FY29. We will allocate surplus capital beyond this in the most accretive way for shareholders. This plan is designed to position us strongly for the macroeconomic challenges we, and every real estate company, are facing with regard to higher interest rates and UK gilts.

Longer term, our ambition for Grainger remains unabated. Our platform is both efficient but also designed to enable growth and much greater scale. The market opportunity within the BTR sector remains strong and compelling. We are focused on ensuring Grainger remains at the forefront of this important sector and its growth.

Dame Helen Gordon DBE
Chief Executive
18 November 2026

Financial review

FY26 saw us deliver another year of strong earnings growth with pre-tax EPRA earnings up 12% to £60.2m, with good visibility of further growth to come. Strong occupational markets with occupancy at 97.1% and like-for-like rental growth of 3.2% combined with our pipeline deliveries saw total net rents grow by 5%. This, coupled with efficiencies we are driving in our cost base, resulted in strong earnings growth delivering on our FY26 EPRA earnings guidance of £60m, as we continue to target £72m by FY29 which will be back-end weighted.

It was also another good year for sales with £147m of sales delivered during the year, and a strong start to FY27, with £40m in solicitors' hands, demonstrating both the value and liquidity of our asset base. Due to the challenging macroeconomic backdrop, valuations were down in the year as outward yield shift of c.30bps more than offset ERV growth of 2.3%.

Our balance sheet remains in a healthy position with strong liquidity and a good hedging profile, with net debt broadly flat on the prior year in line with our planned deleveraging trajectory. With only c.£87m of committed capex left to spend we will start using our significant operating cash flows to lower leverage by c.£300-£350m from FY27 onwards.

IFRS loss before tax was £(41.8)m (FY25 profit: £102.6m) as a result of valuation movements. Our dividend per share continues its growth trajectory, increasing by 3.0% to 8.56p on a per share basis (FY25: 8.31p).

Financial highlights

Income return	**FY26**	**FY25**	**Change**
Rental growth (like-for-like)	3.2%	3.6%	(37)bps
- *BTR*	3.1%	3.4%	(27)bps
- *Regulated tenancies*	5.4%	6.6%	(124)bps
Net rental income *(Note 5)*	£130.2m	£123.6m	+5%
EPRA earnings *(Note 2)*	£60.2m	£53.7m	+12%
IFRS (loss)/profit before tax *(Note 2)*	£(41.8)m	£102.6m	(141)%
EPRA earnings per share	8.1p	7.3p	+12%
Earnings per share (diluted, after tax) *(Note 10)* [1]	(4.9)p	27.3p	(118)%
Dividend per share *(Note 11)*	8.56p	8.31p	+3%

Capital return	**FY26**	**FY25**	**Change**
Total Property Return	(0.1)%	3.9%	(400)bps
Total Accounting Return (NTA basis) *(Note 3)*	(3.1)%	2.6%	(563)bps
EPRA NTA per share *(Note 3)*	281p	298p	(6)%
Net debt	£1,494m	£1,463m	+2%
Group LTV	40.7%	38.4%	+235bps
Cost of debt (average)	3.2%	3.3%	(10)bps

1. £5.1m (1p per share) tax credit arising from REIT conversion (FY25: £123.6m; 17p per share). This does not impact the Net Tangible Asset (NTA) metric.

Income statement

The business continues to deliver very strong growth in EPRA earnings, up 12% to £60.2m (FY25: £53.7m) This was driven by continued strong growth in net rents of 5% combined with a continued focus on cost efficiency.

The lower sales profits reflected a smaller regulated tenancy portfolio from which sales profits are generated and mix.

Income statement (£m)	FY26	FY25	Change
Net rental income	130.2	123.6	+5%
Mortgage income *(CHARM, Note 16)*	3.5	4.3	(19)%
Management fees and other income[1]	6.7	6.1	+10%
Overheads	(36.7)	(36.7)	-
Pre-contract costs	(0.7)	(0.7)	-
Net finance costs	(42.4)	(42.7)	+1%
Joint ventures	(0.4)	(0.2)	(100)%
EPRA earnings[2]	**60.2**	**53.7**	**+12%**
EPRA EPS	8.1p	7.3p	+12%
Profit from sales	22.8	37.3	(39)%
Valuation movements	(116.0)	23.4	(596)%
Other adjustments[3]	(8.8)	(11.8)	+25%
IFRS (loss)/profit before tax	**(41.8)**	**102.6**	**(141)%**
Earnings per share (diluted, after tax)[4]	(4.9)p	27.3p	(118)%

1 Including LADs (liquidated and ascertained damages) of £2.5m (2025: £3.6m) which provide financial compensation for the loss of rental income caused by delays to the practical completion of our schemes.
2 EPRA earnings is a measure of recurring earnings from core operational activities. For more details please see page 35.
3 Other adjustments includes derivative valuation movements of £(11.7)m (FY25: £(8.5)m), restructuring costs of £(1.4)m (FY25: £nil), credit arising from loan refinancing on improved terms of £4.7m (FY25: £nil) and goodwill impairment of £(0.4)m (FY25: £nil). FY25 also included a £(1.9)m increase in fire safety provision, £(0.6)m REIT conversion costs and £(0.8)m aborted acquisition costs.
4 £5.1m (1p per share) tax credit arising from REIT conversion (FY25: £123.6m; 17p per share). This does not impact the Net Tangible Asset (NTA) metric.

Rental income

Net rental income increased by 5% to £130.2m (FY25: £123.6m), as we saw continued strength in occupational markets. The £6.6m increase was driven by a combination of strong delivery of pipeline scheme launches, which contributed £9.1m, along with another year of high occupancy and good rental growth reflecting excellent demand for our product. We expect similar levels of total net rental income growth in FY27.

Overall like-for-like rental growth was in line with our long-run average at +3.2% (FY25: +3.6%) with the BTR portfolio continuing to deliver at +3.1% (FY25: +3.4%), with rental growth on renewals of +3.4% (FY25: +4.5%) and +2.5% (FY25: +1.8%) on new lets. Our new lets rental growth strengthened, improving on FY25 levels. Our regulated tenancy portfolio also delivered strong rental growth at +5.4% (FY25: +6.6%). Looking forward, we maintain our guidance on LFL rental growth in the coming year to continue in line with the long-run average rate of 3.0 - 3.5%.

Gross to net for our stabilised portfolio was maintained at 25.0% (FY25: 25.0%) as we continue our focus on cost efficiencies.

	£m
FY25 Net rental income	**123.6**
Rental growth and occupancy	2.8
PRS Investment	9.1
Disposals	(5.3)
FY26 Net rental income	**130.2**

Sales

FY26 was another good year for sales as we continue our non-core asset recycling strategy in order to fund the required capital expenditure on our committed pipeline and the plan to lower leverage. Overall sales revenue was £147.0m (FY25: £168.9m), with £77.0m of sales revenue coming from regulated tenancy sales and £70.0m from PRS recycling. The continued delivery of sales saw pricing broadly in line with book values.

Sales profits were lower at £22.8m (FY25: £37.3m) as expected reflecting a smaller regulated tenancy portfolio from which sales profits are generated and mix. Profits from PRS recycling are based on valuation where we have sold broadly in line with book values.

Vacant property sales profits in the period were down (28)%, as expected, delivering £13.3m (FY25: £18.5m), with pricing achieved remaining robust with sales values within 2% of vacant possession values.

	FY26		FY25	
Sales (£m)	**Revenue**	**Profit**	**Revenue**	**Profit**
Residential sales on vacancy	39.9	13.3	47.6	18.5
Tenanted and other sales	107.1	9.5	121.2	18.7
Residential sales total	**147.0**	**22.8**	**168.8**	**37.2**
Development sales	-	-	0.1	0.1
Overall sales	**147.0**	**22.8**	**168.9**	**37.3**

Overheads

Overheads remained flat in the period at £36.7m (FY25: £36.7m) as a result of efficiencies we have delivered offsetting wage growth across our employee base and inflation. In FY26, we delivered £2.4m of efficiencies, and we have identified a further c.£2m of efficiencies for FY27. This will ensure that overheads will be at least flat for the next two years.

Balance sheet

Our BTR portfolio now represents 87% of our operational portfolio given the success of both our pipeline delivery and regulated tenancy recycling.

LTV was up on the prior year at 40.7% (FY25: 38.4%) reflecting valuations. Looking forward, we plan to lower net debt by c.£300-£350m by FY29 in order to mitigate the impact of rising finance costs as our low-rate hedging rolls off. This will be funded by our strong operating cash flows.

EPRA NTA was down at 281p per share (FY25: 298p per share) reflecting valuation movements against a backdrop of macroeconomic uncertainty.

Market value balance sheet (£m)	FY26	FY25
Residential – BTR	2,842	2,846
Residential – regulated tenancies	405	503
Residential – mortgages (CHARM)	41	49
Forward Funded – BTR work in progress	168	223
Development work in progress	115	93
Investment in JVs/associates	93	93
Total investments	**3,664**	**3,807**
Net debt	(1,494)	(1,463)
Other liabilities	(30)	(61)
EPRA NRV	**2,140**	**2,283**
Deferred and contingent tax – trading assets	(51)	(64)
Exclude: intangible assets	(3)	(2)
EPRA NTA	**2,086**	**2,217**
Add back: intangible assets	3	2
Deferred and contingent tax – investment assets	(1)	(1)
Fair value of fixed-rate debt and derivatives	60	60
EPRA NDV	**2,148**	**2,278**
EPRA NRV pence per share	288	307
EPRA NTA pence per share	**281**	**298**
EPRA NDV pence per share	289	307

	Pence per share
EPRA NTA at 30 September 2025	**298**
Net rents, fees & income	19
Overheads	(5)
Finance costs	(6)
EPRA earnings	***8***
Valuations (trading & investment property)	(19)
Dividends, tax & other	(6)
EPRA NTA at 30 September 2026	**281**

Property portfolio performance

Over the year, our portfolio valuation was down overall by (3.4)%. Our BTR portfolio declined (3.1)% over the year as strong ERV growth of +2.3% was more than offset by outward yield movement in the period. Valuations in the regulated portfolio moved (4.2)% in the year.

Portfolio	Region	Capital Value	Total Valuation movement	
		£m	£m	%
BTR	London & SE	1,312	(36)	(2.5)%
	Regions	1,530	(53)	(3.4)%
	BTR total	**2,842**	**(89)**	**(3.1)%**
Regulated tenancies	London & SE	380	(17)	(4.4%)
	Regions	25	-	(2.1)%
	Regulated tenancy total	**405**	**(17)**	**(4.2)%**
Operational portfolio				
	BTR development	284	(16)	(5.4)%
Total portfolio		**3,531**	**(122)**	**(3.4)%**

Financing and capital structure

Net debt was broadly flat during the year at £1,494m (FY25: £1,463m), however, it was down from the half-year position of £1,524m.

We have minimal refinancing risk with an average facility maturity of 4.2 years including extension options. We continue to benefit from a very strong hedging profile, which is in place until FY29 and with our average cost of debt remaining flat in FY26 at 3.2% (FY25: 3.3%). Looking forward, we plan to lower our net debt by £300-£350m over the next three years, which would equate to an c.8x net debt to EBITDA, which we see as the appropriate capital structure in the current interest rate environment.

	FY26	FY25
Net debt	£1,494m	£1,463m
Loan to value (LTV)	40.7%	38.4%
Cost of debt	3.2%	3.3%
Headroom	£274m	£532m
Weighted average facility maturity (years)	4.2	3.9
Hedging	94%	100%

Summary and outlook

FY26 was yet another year of strong growth in earnings as we continue to deliver compounding growth. We are confident of the outlook and retain our prior guidance of targeting pre-tax EPRA earnings of £72m by FY29 which will be back-end weighted, a period over which we will fully absorb the substantial headwind of higher interest rates. This continued growth despite the macroeconomic headwinds is a testament to the resilience of our asset class and the excellence of our operating platform.

Rob Hudson
Chief Financial Officer
18 November 2026

Consolidated income statement

For the year ended 30 September	Notes	**2026 £m**	2025 £m
Group revenue	4	**261.0**	262.7
Net rental income	5	**130.2**	123.6
Profit on disposal of trading property	6	**25.1**	38.9
Loss on disposal of investment property	7	**(2.3)**	(1.6)
Gain from financial interest in property assets	16	**2.0**	1.1
Fees and other income	8	**6.7**	6.1
Administrative expenses		**(36.7)**	(36.7)
Other expenses		**(2.5)**	(4.0)
(Impairment)/reversal of inventories to net realisable value	13	**(3.7)**	0.6
Operating profit		**118.8**	128.0
Net valuation (losses)/gains on investment property	12	**(105.6)**	29.5
Hedge ineffectiveness under IFRS 9		**(11.7)**	(8.5)
Finance costs	9	**(40.0)**	(45.4)
Finance income	9	**2.3**	2.7
Share of (loss)/profit of associates after tax	14	**(0.1)**	0.6
Share of loss of joint ventures after tax	15	**(5.5)**	(4.3)
(Loss)/profit before tax	2	**(41.8)**	102.6
Tax credit/(charge) for the period	21	**0.1**	(23.6)
Tax credit arising from REIT conversion	21	**5.1**	123.6
(Loss)/profit for the year attributable to the owners of the Company		**(36.6)**	202.6
Basic earnings per share	10	**(4.9)p**	27.4p
Diluted earnings per share	10	**(4.9)p**	27.3p

Consolidated statement of comprehensive income

For the year ended 30 September	Notes	**2026 £m**	2025 £m
(Loss)/profit for the year	2	**(36.6)**	202.6
Items that will not be transferred to the consolidated income statement:			
Remeasurement of BPT Limited defined benefit pension scheme	22	**(0.1)**	(0.3)
Items that may be or are reclassified to the consolidated income statement:			
Changes in fair value of cash flow hedges		**6.5**	(2.3)
Other comprehensive income/(expense) for the year before tax		**6.4**	(2.6)
Tax relating to components of other comprehensive income:			
Tax relating to items that will not be transferred to the consolidated income statement	21	**-**	0.1
Tax relating to items that may be or are reclassified to the consolidated income statement	21	**(0.6)**	0.6
Total tax relating to components of other comprehensive income		**(0.6)**	0.7
Other comprehensive income/(expense) for the period after tax		**5.8**	(1.9)
Total comprehensive (loss)/income for the year attributable to the Shareholders of the Company		**(30.8)**	200.7

Consolidated statement of financial position

As at 30 September	Notes	**2026 £m**	2025 £m
ASSETS			
Non-current assets			
Investment property	12	**2,851.9**	3,059.4
Property, plant and equipment		**7.6**	9.2
Investment in associates	14	**14.6**	15.2
Investment in joint ventures	15	**78.0**	77.5
Financial interest in property assets	16	**41.3**	48.6
Retirement benefits	22	**6.2**	6.2
Deferred tax assets	21	**4.3**	4.6
Intangible assets		**2.8**	2.9
		3,006.7	3,223.6
Current assets			
Inventories – trading property	13	**270.1**	298.6
Investment property – held for sale	12	**213.0**	64.9
Trade and other receivables	17	**29.8**	79.2
Derivative financial instruments	20	**18.9**	14.1
Current tax assets		**4.9**	5.6
Cash and cash equivalents		**77.7**	85.8
		614.4	548.2
Total assets		**3,621.1**	3,771.8
LIABILITIES			
Non-current liabilities			
Interest-bearing loans and borrowings	20	**1,556.9**	1,515.1
Trade and other payables	18	**5.3**	5.7
Provisions for other liabilities and charges	19	**1.9**	0.7
Deferred tax liabilities	21	**5.4**	8.2
		1,569.5	1,529.7
Current liabilities			
Interest-bearing loans and borrowings	20	**8.5**	75.0
Trade and other payables	18	**79.3**	115.3
Provisions for other liabilities and charges	19	**13.5**	12.0
		101.3	202.3
Total liabilities		**1,670.8**	1,732.0
NET ASSETS		**1,950.3**	2,039.8
EQUITY			
Issued share capital		**37.2**	37.2
Share premium account		**817.9**	817.9
Merger reserve		**20.1**	20.1
Capital redemption reserve		**0.3**	0.3
Cash flow hedge reserve		**8.6**	2.7
Retained earnings		**1,066.2**	1,161.6
Total EQUITY		**1,950.3**	2,039.8

Consolidated statement of changes in equity

	Notes	Issued share capital £m	Share premium account £m	Merger reserve £m	Capital redemption reserve £m	Cash flow hedge reserve £m	Retained earnings £m	Total equity £m
Balance as at 1 October 2024		37.2	817.9	20.1	0.3	4.4	1,013.8	1,893.7
Profit for the year	2	-	-	-	-	-	202.6	202.6
Other comprehensive expense for the year		-	-	-	-	(1.7)	(0.2)	(1.9)
Total comprehensive income		-	-	-	-	(1.7)	202.4	200.7
Purchase of own shares		-	-	-	-	-	(0.1)	(0.1)
Share-based payments charge	23	-	-	-	-	-	3.6	3.6
Dividends paid		-	-	-	-	-	(58.1)	(58.1)
Total transactions with Shareholders recorded directly in equity		-	-	-	-	-	(54.6)	(54.6)
Balance as at 30 September 2025		**37.2**	**817.9**	**20.1**	**0.3**	**2.7**	**1,161.6**	**2,039.8**
Loss for the year	2	-	-	-	-	-	**(36.6)**	**(36.6)**
Other comprehensive income for the year		-	-	-	-	**5.9**	**(0.1)**	**5.8**
Total comprehensive expense		-	-	-	-	**5.9**	**(36.7)**	**(30.8)**
Purchase of own shares		-	-	-	-	-	**(0.1)**	**(0.1)**
Share-based payments charge	23	-	-	-	-	-	**3.6**	**3.6**
Dividends paid		-	-	-	-	-	**(62.2)**	**(62.2)**
Total transactions with Shareholders recorded directly in equity		-	-	-	-	-	**(58.7)**	**(58.7)**
Balance as at 30 September 2026		**37.2**	**817.9**	**20.1**	**0.3**	**8.6**	**1,066.2**	**1,950.3**

Consolidated statement of cash flows

For the year ended 30 September	Notes	**2026 £m**	2025 £m
Cash flow from operating activities			
(Loss)/profit for the year	2	**(36.6)**	202.6
Depreciation and amortisation		**1.8**	1.7
Intangible asset impairment		**0.6**	-
Net valuation losses/(gains) on investment property	12	**105.6**	(29.5)
Hedge ineffectiveness under IFRS 9		**11.7**	8.5
Net finance costs	9	**37.7**	42.7
Share of loss of associates and joint ventures	14, 15	**5.6**	3.7
Loss on disposal of investment property	7	**2.3**	1.6
Share-based payments charge	23	**3.6**	3.6
Gains from financial interest in property assets	16	**(2.0)**	(1.1)
Provisions for liabilities and charges	19	**-**	1.6
Tax credit	21	**(5.2)**	(100.0)
Cash generated from operating activities before changes in working capital		**125.1**	135.4
Decrease in trade and other receivables		**6.8**	6.2
(Decrease)/increase in trade and other payables		**(17.4)**	12.9
Decrease in inventories	12	**28.5**	33.0
Cash generated from operating activities		**143.0**	187.5
Interest paid		**(49.2)**	(53.3)
Interest received		**2.3**	2.7
Cash outflow from fire safety remediation work		**(1.9)**	(3.1)
Tax received/(paid)		**2.7**	(11.4)
Net cash inflow from operating activities		**96.9**	122.4
Cash flow from investing activities			
Proceeds from sale of investment property		**112.2**	85.9
Proceeds from financial interest in property assets	16	**9.3**	9.9
Dividends received from associates	14	**0.5**	0.3
Investment in joint ventures	15	**(7.4)**	(3.7)
Loans repaid from/(advanced to) joint ventures	15	**1.4**	(1.7)
Acquisition of investment property	12	**(114.9)**	(148.4)
Acquisition of property, plant and equipment and intangible assets		**(0.8)**	(1.4)
Net cash inflow/(outflow) from investing activities		**0.3**	(59.1)
Cash flow from financing activities			
Purchase of own shares		**(0.1)**	(0.1)
Proceeds from new borrowings		**276.4**	186.0
Payment of loan costs		**(2.9)**	(2.3)
Cash flows relating to new derivatives/settlement of derivatives		**(10.1)**	(5.0)
Repayment of borrowings		**(306.4)**	(191.2)
Dividends paid		**(62.2)**	(58.1)
Net cash outflow from financing activities		**(105.3)**	(70.7)
Net decrease in cash and cash equivalents		**(8.1)**	(7.4)
Cash and cash equivalents at the beginning of the year		**85.8**	93.2
Cash and cash equivalents at the end of the year		**77.7**	85.8

Notes to the preliminary financial results

1. Accounting policies

1a Basis of preparation

The Board approved this preliminary announcement on 18 November 2026. The financial information included in this preliminary announcement does not constitute the Group's statutory accounts for the years ended 30 September 2025 or 30 September 2026. Statutory accounts for the year ended 30 September 2025 have been delivered to the Registrar of Companies. The statutory accounts for the year ended 30 September 2026 will be delivered to the Registrar of Companies following the Company's annual general meeting.

The auditors, KPMG LLP, have reported on the accounts for both years. The reports were unqualified, did not include reference to any matters by way of emphasis and did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

These financial statements for the year ended 30 September 2026 have been prepared under the historical cost convention except for the following assets and liabilities, and corresponding income statement accounts, which are stated at their fair value; investment property; derivative financial instruments; and financial interest in property assets.

The accounting policies used are consistent with those contained in the Group's full annual report and accounts for the year ended 30 September 2026. The financial information included in this preliminary announcement has been prepared in accordance with UK-adopted international accounting standards (IFRS) and applicable law. The Group elected to adopt REIT status from 8 September 2025. As a consequence of the Group's REIT status, UK corporation tax is not levied on the Group's qualifying property rental business profits, or gains from the sale of qualifying investment properties.

1b Adoption of new and revised International Financial Reporting Standards and interpretations

The following new standards and amendments to standards were issued and adopted in the year and have no material impact on the financial statements:

- Amendments to IAS 21 – Lack of exchangeability;
- Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments;
- Annual Improvements to IFRS Accounting Standards – Volume 11;
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity.

The following new standards and amendments to standards have been issued but are not yet effective for the Group and have not been early adopted:

- IFRS 18 – Presentation and Disclosure in Financial Statements;
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures;
- Amendments to IFRS 10 Consolidated Financial Statements;
- Amendments to IAS 28 Investments in Associates and Joint Ventures.

With the exception of IFRS 18, the application of these new standards and amendments is not expected to have a material impact on the Group's financial statements. The adoption of IFRS 18 is expected to affect the presentation of the Group's consolidated statement of profit or loss and the related disclosures, including the presentation of operating profit and the reconciliation of performance measures. The standard is not expected to affect the recognition or measurement of the Group's assets, liabilities, income or expenses.

1c Significant judgements and estimates

Estimates

i. Valuation of property assets

Residential trading property is carried in the statement of financial position at the lower of cost and net realisable value and investment property is carried at fair value. The Group does, however, in its principal non-GAAP net asset value measures, EPRA NRV, EPRA NTA and EPRA NDV, include trading property at market value.

The adjustment in the value of trading property is the difference between the statutory book value and its market value as set out in Note 3. For investment property, market value is the same as fair value. In respect of trading properties, market valuation is the key assumption in determining the net realisable value of those properties.

In all cases, forming these valuations inherently includes elements of judgement and subjectivity with regards to the selection of unobservable inputs. The valuation basis and key unobservable inputs are outlined in Note 2 in the 2026 Annual Report and Accounts.

The results and the basis of each valuation and their impact on both the financial statements and market value for the Group's non-GAAP net asset value measures are set out below:

	PRS £m	Reversionary £m	Other £m	Total £m	Valuer	% of properties for which external valuer provides valuation
Trading property	0.7	220.4	49.0	**270.1**		
Investment property[1]	3,052.9	12.0	-	**3,064.9**		
Financial asset (CHARM)	-	41.3	-	**41.3**		
Total statutory book value	**3,053.6**	**273.7**	**49.0**	**3,376.3**		
Trading property						
Residential	0.7	393.3	-	**394.0**	Allsop LLP/CBRE Limited	73%
Developments	-	-	71.8	**71.8**	Savills UK Limited	94%
Total trading property at market value	**0.7**	**393.3**	**71.8**	**465.8**		
Investment property						
Residential	524.1	12.0	-	**536.1**	Allsop LLP/ CBRE Limited	100%
Developments	43.7	-	-	**43.7**	CBRE Limited	99%
New build PRS	2,103.5	-	-	**2,103.5**	CBRE Limited	100%
Affordable housing	239.0	-	-	**239.0**	Allsop LLP/Savills UK Limited	100%
Tricomm Housing	142.6	-	-	**142.6**	Savills UK Limited	100%
Total investment property	**3,052.9**	**12.0**	**-**	**3,064.9**		
Financial asset (CHARM)[2]	-	41.3	-	41.3	Allsop LLP	100%
Total assets at market value	**3,053.6**	**446.6**	**71.8**	**3,572.0**		
Statutory book value	3,053.6	273.7	49.0			
Market value adjustment[3]	-	172.9	22.8			
Total assets at market value[4]	**3,053.6**	**446.6**	**71.8**			
Net revaluation loss recognised in the income statement for wholly-owned properties	(105.6)					
Net revaluation loss relating to joint ventures and associates[4]	(5.2)					
Net revaluation loss recognised in the year[5]	**(110.8)**					

[1] Includes investment property – held for sale
[2] Allsop LLP provide vacant possession values used by the Directors to value the financial asset.
[3] The market value adjustment is the difference between the statutory book value and the market value of the Group's properties. Refer to Note 3 for market value net asset measures.
[4] Excludes £92.6m (2025: £92.7m) of investments in JV's and associates
[5] Includes the Group's share of joint ventures and associates revaluation loss after tax.

Judgements

i. Distinction between investment and trading property

The Group considers the intention at the outset when each property is acquired in order to classify the property as either an investment or a trading property. Where the intention is either to trade the property or where the property is held for immediate sale upon receiving vacant possession within the ordinary course of business, the property is classified as trading property. Where the intention is to hold the property for its long-term rental yield and/or capital appreciation, the property is classified as an investment property. The classification of the Group's properties is a significant judgement which directly impacts the statutory net asset position, as trading properties are held at the lower of cost and net realisable value, whilst investment properties are held at fair value, with gains or losses taken through the consolidated income statement.

The Group continually reviews properties for changes in use that could subsequently change the classification of properties. A change of use occurs if property meets, or ceases to meet, the definition of investment property which is more than a change in management's intentions. The fact patterns associated with changes in the way in which properties are utilised are considered on a case by case basis and to the extent that a change in use is established, property reclassifications are reflected appropriately.

1d Group risk factors

The principal risks and uncertainties facing the Group are set out in the Risk Management report of the 2026 Annual Report and Accounts. A number of risks faced by the Group are not directly within our control such as the wider economic and political environment.

1e Going concern assessment

The Directors are required to make an assessment of the Group's ability to continue to trade as a going concern for the foreseeable future. Given the macroeconomic conditions in which the Group is operating, the Directors have placed a particular focus on the appropriateness of adopting the going concern basis in preparing the financial statements for the year ended 30 September 2026.

The financial position of the Group, including details of its financing and capital structure, is set out in the financial review on pages 31 to 34 in the 2026 Annual Report and Accounts. In making the going concern assessment, the Directors have considered the Group's principal risks and uncertainties (see pages 56 to 59 in the 2026 Annual Report and Accounts) and their impact on financial performance. The Directors have assessed the future funding commitments of the Group and compared these to the level of committed loan facilities and cash resources over the medium term. In making this assessment, consideration has been given to compliance with borrowing covenants along with the uncertainty inherent in future financial forecasts and, where applicable, severe but plausible sensitivities have been applied to the key factors affecting financial performance for the Group.

The going concern assessment covers at least twelve months from the date the financial statements are authorised for issue. It uses the same forecasts considered by the Group for the purposes of the Viability Statement. The assessment considers a severe but plausible downside scenario, reflecting the following key assumptions:

- Reducing PRS occupancy to 90%
- Rental growth reduced by 100bps to 2.0%
- Reducing property valuations by 10%, driven by rents yield, expansion or house price deflation
- Operating and development cost inflation of 10% p.a.
- An increase in SONIA of 2%.

The Group's forecasts incorporate the likely impact of climate change and sustainability requirements including costs to deliver our climate-related targets. This includes EPC upgrades and investing in energy efficient solutions for central heating systems.

Existing facilities are assumed to remain available throughout the assessment period. Even in this severe but plausible downside scenario, the Group remains compliant with its financial covenants, with loan-to-value peaking at 47.8% against a 70% covenant limit and interest cover falling no lower than 2.60x against a minimum covenant requirement of 1.35x.

Based on these considerations, together with available market information and the Directors' experience of the Group's property portfolio and markets, the Directors continue to adopt the going concern basis in preparing the accounts for the year ended 30 September 2026.

1f Forward-looking statement

Certain statements in this preliminary announcement are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. We undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise. See page 5 for the full forward-looking statements disclaimer.

2. Analysis of (loss)/profit before tax

The table below details EPRA earnings, which is one of Grainger's key performance indicators. The metric is utilised as a key measure to aid understanding of the performance of the continuing business and excludes profit on disposals, valuation movements and other adjustments which do not form part of the normal ongoing revenue or costs of the business. EPRA earnings are presented on page 35, and the reconciliation from statutory (loss)/profit to EPRA earnings is shown below.

For the 12 months ended 30 September 2026					
£m	**Statutory**	**Profit on disposals**	**Valuation**	**Other adjustments**	**EPRA earnings**
Group revenue	**261.0**	**-**	**-**	**-**	**261.0**
Net rental income	**130.2**	**-**	**-**	**-**	**130.2**
Profit on disposal of trading property	**25.1**	**(25.1)**	**-**	**-**	**-**
Loss on disposal of investment property	**(2.3)**	**2.3**	**-**	**-**	**-**
Income from financial interest in property assets	**2.0**	**-**	**1.5**	**-**	**3.5**
Fees and other income	**6.7**	**-**	**-**	**-**	**6.7**
Administrative expenses	**(36.7)**	**-**	**-**	**-**	**(36.7)**
Other expenses	**(2.5)**	**-**	**-**	**1.8**	**(0.7)**
Impairment of inventories to net realisable value	**(3.7)**	**-**	**3.7**	**-**	**-**
Operating profit	**118.8**	**(22.8)**	**5.2**	**1.8**	**103.0**
Net valuation losses on investment property	**(105.6)**	**-**	**105.6**	**-**	**-**
Hedge ineffectiveness under IFRS 9	**(11.7)**	**-**	**-**	**11.7**	**-**
Finance costs	**(40.0)**	**-**	**-**	**(4.7)**	**(44.7)**
Finance income	**2.3**	**-**	**-**	**-**	**2.3**
Share of loss of associates after tax	**(0.1)**	**-**	**0.5**	**-**	**0.4**
Share of loss of joint ventures after tax	**(5.5)**	**-**	**4.7**	**-**	**(0.8)**
(Loss)/profit before tax	**(41.8)**	**(22.8)**	**116.0**	**8.8**	**60.2**
Tax credit	**5.2**				
Loss for the year attributable to the owners of the Company	**(36.6)**				
Basic EPRA earnings per share after tax					**8.1p**
Diluted EPRA earnings per share after tax					**8.1p**

For the 12 months ended 30 September 2025					
£m	Statutory	Profit on disposals	Valuation	Other adjustments	EPRA earnings
Group revenue	262.7	-	-	-	262.7
Net rental income	123.6	-	-	-	123.6
Profit on disposal of trading property	38.9	(38.9)	-	-	-
Loss on disposal of investment property	(1.6)	1.6	-	-	-
Income from financial interest in property assets	1.1	-	3.2	-	4.3
Fees and other income	6.1	-	-	-	6.1
Administrative expenses	(36.7)	-	-	-	(36.7)
Other expenses	(4.0)	-	-	3.3	(0.7)
Reversal of impairment of inventories to net realisable value	0.6	-	(0.6)	-	-
Operating profit	128.0	(37.3)	2.6	3.3	96.6
Net valuation gain on investment property	29.5	-	(29.5)	-	-
Hedge ineffectiveness under IFRS 9	(8.5)	-	-	8.5	-
Finance costs	(45.4)	-	-	-	(45.4)
Finance income	2.7	-	-	-	2.7
Share of profit of associates after tax	0.6	-	(0.2)	-	0.4
Share of loss of joint ventures after tax	(4.3)	-	3.7	-	(0.6)
Profit before tax	102.6	(37.3)	(23.4)	11.8	53.7
Tax credit	100.0				
Profit for the year attributable to the owners of the Company	202.6				
Basic EPRA earnings per share after tax					5.5p
Diluted EPRA earnings per share after tax					5.4p

EPRA earnings of £60.2m (2025: £53.7m) are presented in the tables above. EPRA earnings per share assumes tax of £nil at an effective tax rate of nil% following the Group's conversion to REIT status (2025: £13.4m, in line with the Group's adjusted tax rate of 24.4%), divided by the weighted average number of shares as shown in Note 10. The Group’s IFRS statutory earnings per share is also detailed in Note 10.

The classification of amounts as other adjustments is a judgement made by management and is a matter referred to the Audit Committee for approval. Included in other adjustments are £nil for fire safety provisions (2025: £1.9m), £nil REIT conversion costs (2025: £0.6m), £nil aborted acquisition costs (2025: £0.8m), hedge ineffectiveness under IFRS 9 of £11.7m (2025: £8.5m), loan modification gain of £4.7m (2025: £nil), restructuring costs of £1.4m (2025: £nil) and goodwill impairment of £0.4m (2025: £nil).

Notes to the preliminary financial results continued

3. Segmental information

IFRS 8, Operating Segments requires operating segments to be identified based upon the Group's internal reporting to the Chief Operating Decision Maker ('CODM') so that the CODM can make decisions about resources to be allocated to segments and assess their performance. The Group's CODM are the Executive Directors.

The two significant segments for the Group are PRS and Reversionary. The PRS segment includes stabilised PRS assets as well as PRS under construction through direct development and forward funding arrangements, both for wholly-owned assets and the Group's interest in joint ventures and associates as relevant. The Reversionary segment includes regulated tenancies, as well as CHARM. The Other segment includes legacy strategic land and development arrangements, along with administrative expenses.

The key operating performance measure of profit or loss used by the CODM is EPRA earnings before tax, profit on disposals, valuation and other adjustments.

The principal net asset value (NAV) measure reviewed by the CODM is EPRA NTA which is considered to be the most relevant, and therefore the primary NAV measure for the Group. EPRA NTA reflects the tax that will crystallise in relation to the trading portfolio, whilst excluding the volatility of mark to market movements on fixed rate debt and derivatives which are unlikely to be realised. Other NAV measures include EPRA NRV and EPRA NDV which we report alongside EPRA NTA.

Information relating to the Group's operating segments is set out in the tables below. The tables distinguish between EPRA earnings, profit on disposals, valuation movements and other adjustments and should be read in conjunction with Note 2.

2026 Income statement

£m	PRS	Reversionary	Other	Total
Group revenue	**170.7**	**87.4**	**2.9**	**261.0**
Segment revenue – external				
Net rental income	**119.9**	**9.1**	**1.2**	**130.2**
Income from financial interest in property assets	**-**	**3.5**	**-**	**3.5**
Fees and other income	**5.3**	**-**	**1.4**	**6.7**
Administrative expenses	**-**	**-**	**(36.7)**	**(36.7)**
Other expenses	**(0.1)**	**-**	**(0.6)**	**(0.7)**
Net finance costs	**(36.2)**	**(5.2)**	**(1.0)**	**(42.4)**
Share of trading loss of joint ventures and associates after tax	**0.2**	**-**	**(0.6)**	**(0.4)**
EPRA earnings	**89.1**	**7.4**	**(36.3)**	**60.2**
Profit on disposal of trading property	**0.1**	**25.0**	**-**	**25.1**
Loss on disposal of investment property	**(2.3)**	**-**	**-**	**(2.3)**
Valuation movements	**(115.6)**	**(0.4)**	**-**	**(116.0)**
Other adjustments	**-**	**-**	**(8.8)**	**(8.8)**
Loss before tax	**(28.7)**	**32.0**	**(45.1)**	**(41.8)**

2025 Income statement

£m	PRS	Reversionary	Other	Total
Group revenue	162.0	98.7	2.0	262.7
Segment revenue – external				
Net rental income	111.6	10.9	1.1	123.6
Income from financial interest in property assets	-	4.3	-	4.3
Fees and other income	5.6	-	0.5	6.1
Administrative expenses	-	-	(36.7)	(36.7)
Other expenses	(0.1)	-	(0.6)	(0.7)
Net finance costs	(35.8)	(6.2)	(0.7)	(42.7)
Share of trading loss of joint ventures and associates after tax	0.2	-	(0.4)	(0.2)
EPRA earnings	81.5	9.0	(36.8)	53.7
Profit on disposal of trading property	0.2	38.7	-	38.9
Loss on disposal of investment property	(1.7)	0.1	-	(1.6)
Valuation movements	26.6	(3.2)	-	23.4
Other adjustments	(1.9)	-	(9.9)	(11.8)
Profit before tax	104.7	44.6	(46.7)	102.6

Segmental assets

The net asset value measures reviewed by the CODM are EPRA NRV, EPRA NTA and EPRA NDV. These measures reflect the current market value of trading property owned by the Group rather than the lower of historical cost and net realisable value. These measures are considered to be a more relevant reflection of the value of the assets owned by the Group.

EPRA NRV is the Group's statutory net assets plus the adjustment required to increase the value of trading stock from its statutory accounts value of the lower of cost and net realisable value to its market value. In addition, the statutory statement of financial position amounts for both deferred tax on property revaluations and derivative financial instruments net of deferred tax, including those in joint ventures and associates, are added back to statutory net assets. Finally, the market value of Grainger plc shares owned by the Group are added back to statutory net assets.

EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of deferred tax liabilities. For the Group, deferred tax in relation to revaluations of its trading portfolio is taken into account by applying the expected rate of tax to the adjustment that increases the value of trading stock from its statutory accounts value of the lower of cost and net realisable value, to its market value. The measure also excludes all intangible assets on the statutory balance sheet, including goodwill.

EPRA NDV reverses some of the adjustments made between statutory net assets, EPRA NRV and EPRA NTA. All of the adjustments for the value of derivative financial instruments net of deferred tax, including those in joint ventures and associates, are reversed. The adjustment for the deferred tax on investment property revaluations excluded from EPRA NRV and EPRA NTA are also reversed, as is the intangible adjustment in respect of EPRA NTA, except for goodwill which remains excluded. In addition, adjustments are made to net assets to reflect the fair value, net of deferred tax, of the Group's fixed rate debt.

Total Accounting Return (NTA basis) of (3.1)% is calculated from the closing EPRA NTA of 281p per share plus the dividend paid of 8.40p per share in the year, divided by the opening EPRA NTA of 298p per share.

These measures are set out below by segment along with a reconciliation to the summarised statutory statement of financial position:

2026 Segment net assets

£m	PRS	Reversionary	Other	Total	Pence per share
Total segment net assets (statutory)	**1,832.2**	**87.9**	**30.2**	**1,950.3**	**262**
Total segment net assets (EPRA NRV)	**1,834.4**	**261.2**	**43.9**	**2,139.5**	**288**
Total segment net assets (EPRA NTA)	**1,832.9**	**217.9**	**35.3**	**2,086.1**	**281**
Total segment net assets (EPRA NDV)	**1,831.9**	**217.9**	**97.7**	**2,147.5**	**289**

2026 Reconciliation of EPRA NAV measures

£m	Statutory balance sheet	Adjustments to market value, deferred tax and derivatives	EPRA NRV balance sheet	Adjustments to deferred and contingent tax and intangibles	EPRA NTA balance sheet	Adjustments to derivatives, fixed rate debt and intangibles	EPRA NDV balance sheet
Investment property[1]	**3,064.9**	**-**	**3,064.9**	**-**	**3,064.9**	**-**	**3,064.9**
Investment in joint ventures and associates	**92.6**	**-**	**92.6**	**-**	**92.6**	**-**	**92.6**
Financial interest in property assets	**41.3**	**-**	**41.3**	**-**	**41.3**	**-**	**41.3**
Inventories – trading property	**270.1**	**195.7**	**465.8**	**-**	**465.8**	**-**	**465.8**
Cash and cash equivalents	**77.7**	**-**	**77.7**	**-**	**77.7**	**-**	**77.7**
Other assets	**74.5**	**(9.1)**	**65.4**	**(2.8)**	**62.6**	**1.9**	**64.5**
Total assets	**3,621.1**	**186.6**	**3,807.7**	**(2.8)**	**3,804.9**	**1.9**	**3,806.8**
Interest-bearing loans and borrowings	**(1,565.4)**	**-**	**(1,565.4)**	**-**	**(1,565.4)**	**60.5**	**(1,504.9)**
Deferred and contingent tax liabilities	**(5.4)**	**2.6**	**(2.8)**	**(50.6)**	**(53.4)**	**(1.0)**	**(54.4)**
Other liabilities	**(100.0)**	**-**	**(100.0)**	**-**	**(100.0)**	**-**	**(100.0)**
Total liabilities	**(1,670.8)**	**2.6**	**(1,668.2)**	**(50.6)**	**(1,718.8)**	**59.5**	**(1,659.3)**
Net assets	**1,950.3**	**189.2**	**2,139.5**	**(53.4)**	**2,086.1**	**61.4**	**2,147.5**

[1] Includes investment property – held for sale

2025 Segment net assets

£m	PRS	Reversionary	Other	Total	Pence per share
Total segment net assets (statutory)	1,911.1	104.3	24.4	2,039.8	274
Total segment net assets (EPRA NRV)	1,915.1	327.5	40.5	2,283.1	307
Total segment net assets (EPRA NTA)	1,912.1	271.7	32.8	2,216.6	298
Total segment net assets (EPRA NDV)	1,911.1	271.7	95.2	2,278.0	307

2025 Reconciliation of EPRA NAV measures

£m	Statutory balance sheet	Adjustments to market value, deferred tax and derivatives	EPRA NRV balance sheet	Adjustments to deferred and contingent tax and intangibles	EPRA NTA balance sheet	Adjustments to derivatives, fixed rate debt and intangibles	EPRA NDV balance sheet
Investment property	3,124.3	-	3,124.3	-	3,124.3	-	3,124.3
Investment in joint ventures and associates	92.7	-	92.7	-	92.7	-	92.7
Financial interest in property assets	48.6	-	48.6	-	48.6	-	48.6
Inventories – trading property	298.6	242.4	541.0	-	541.0	-	541.0
Cash and cash equivalents	85.8	-	85.8	-	85.8	-	85.8
Other assets	121.8	(3.1)	118.7	(2.9)	115.8	(3.3)	112.5
Total assets	3,771.8	239.3	4,011.1	(2.9)	4,008.2	(3.3)	4,004.9
Interest-bearing loans and borrowings	(1,590.1)	-	(1,590.1)	-	(1,590.1)	65.7	(1,524.4)
Deferred and contingent tax liabilities	(8.2)	4.0	(4.2)	(63.6)	(67.8)	(1.0)	(68.8)
Other liabilities	(133.7)	-	(133.7)	-	(133.7)	-	(133.7)
Total liabilities	(1,732.0)	4.0	(1,728.0)	(63.6)	(1,791.6)	64.7	(1,726.9)
Net assets	2,039.8	243.3	2,283.1	(66.5)	2,216.6	61.4	2,278.0

4. Group revenue

	2026 £m	2025 £m
Gross rental income (Note 5)	**178.8**	170.2
Gross proceeds from disposal of trading property (Note 6)	**75.5**	86.4
Fees and other income (Note 8)	**6.7**	6.1
	261.0	262.7

5. Net rental income

	2026 £m	2025 £m
Gross rental income	**178.8**	**170.2**
Property operating expenses	**(48.6)**	**(46.6)**
	130.2	**123.6**

6. Profit on disposal of trading property

	2026 £m	2025 £m
Gross proceeds from disposal of trading property	**75.5**	86.4
Selling costs	**(1.8)**	(2.0)
Net proceeds from disposal of trading property	**73.7**	84.4
Carrying value of trading property sold (Note 13)	**(48.6)**	(45.5)
	25.1	38.9

7. Loss on disposal of investment property

	2026 £m	2025 £m
Gross proceeds from disposal of investment property	**71.5**	82.5
Selling costs	**(1.9)**	(2.2)
Net proceeds from disposal of investment property	**69.6**	80.3
Carrying value of investment property sold (Note 12)	**(71.9)**	(81.9)
	(2.3)	(1.6)

Notes to the preliminary financial results continued

8. Fees and other income

	2026 £m	2025 £m
Property and asset management fee income	**2.5**	2.3
Other sundry income	**4.2**	3.8
	6.7	6.1

Included within other sundry income in the current year is £2.5m (2025: £3.6m) liquidated and ascertained damages ('LADs') recorded to compensate the Group for lost rental income resulting from the delayed completion of construction contracts.

9. Finance costs and income

	2026 £m	2025 £m
Finance costs		
Bank loans and mortgages	**16.9**	20.3
Non-bank financial institution	**8.1**	8.4
Corporate bond	**22.8**	22.9
Interest capitalised under IAS 23	**(6.7)**	(10.4)
Other finance costs	**3.6**	4.2
IFRS 9 loan modification	**(4.7)**	-
	40.0	45.4
Finance income		
Interest receivable from joint ventures	**(0.7)**	(0.9)
Other interest receivable	**(1.6)**	(1.8)
	(2.3)	(2.7)
Net finance costs	**37.7**	42.7

10. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit or loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held both in Trust and as treasury shares to meet its obligations under which the dividends are being waived.

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of shares in issue by the dilutive effect of ordinary shares that the Company may potentially issue relating to its share option schemes and contingent share awards under the share based payment schemes, based upon the number of shares that would be issued if 30 September 2026 was the end of the contingency period. Where the effect of the above adjustments is antidilutive, they are excluded from the calculation of diluted earnings per share.

	30 September 2026			30 September 2025		
	Loss for the year £m	**Weighted average number of shares (millions)**	**Earnings per share (pence)**	Profit for the year £m	Weighted average number of shares (millions)	Earnings per share (pence)
Basic earnings per share						
(Loss)/profit attributable to equity holders	**(36.6)**	**739.9**	**(4.9)**	202.6	738.8	27.4
Effect of potentially dilutive securities						
Share options and contingent shares[1]	**-**	**3.8**	**-**	-	3.5	(0.1)
Diluted earnings per share						
(Loss)/profit attributable to equity holders	**(36.6)**	**743.7**	**(4.9)**	202.6	742.3	27.3

1 Share options were anti-dilutive due to the IFRS loss attributable to shareholders and have therefore been excluded from diluted earnings per share calculation.

11. Dividends

Subject to approval at the AGM, the final dividend of 5.62p per share (gross) amounting to £41.6m will be paid on 19 February 2027 to Shareholders on the register at the close of business on the record date, 15 January 2027 (the shares will go ex-dividend on 14 January 2027). Shareholders will again be offered the option to participate in a dividend reinvestment plan and the last day for election is 29 January 2027. An interim dividend of 2.94p per share amounting to a total of £21.8m was paid to Shareholders on 3 July 2026.

The dividend is proposed to be paid on the following basis:

	PID[1]	Non-PID[2]	**Total**
Interim dividend for the year ended 30 September 2026	2.94pps	0.00pps	**2.94pps**
Final dividend (proposed) for the year ended 30 September 2026	5.62pps	0.00pps	**5.62pps**
	8.56pps	0.00pps	**8.56pps**

[1.] Property Income Distribution (PID)

[2.] Non-property income distribution (non-PID) i.e. ordinary dividend

12. Investment property

	2026 £m	2025 £m
Opening balance	**3,124.3**	3,028.3
Acquisitions	**15.9**	20.0
Capital expenditure – completed assets	**12.1**	17.2
Capital expenditure – assets under construction	**90.1**	111.2
Total additions	**118.1**	148.4
Disposals (Note 7)	**(71.9)**	(81.9)
Net valuation (loss)/gains on investment properties[1]	**(105.6)**	29.5
	3,064.9	3,124.3
Reclassifications to investment property – held for sale	**(213.0)**	(64.9)
Closing balance	**2,851.9**	3,059.4

[1] Within the above are provisions for fire safety works. No potential recovery of these costs has been accounted for.

Within investment property are a number of assets held for sale at the reporting date, valued at £213.0m (2025: £64.9m). Held for sale properties are those that are for sale, where solicitors have been instructed, or where contracts have been exchanged. All investment properties which are held for sale are included within our PRS segment.

13. Inventories – trading property

	2026 £m	2025 £m
Opening balance	**298.6**	331.6
Additions	**23.8**	11.9
Disposals (Note 6)	**(48.6)**	(45.5)
(Impairment)/reversal of impairment of inventories to net realisable value	**(3.7)**	0.6
Closing balance	**270.1**	298.6

14. Investment in associates

	2026 £m	2025 £m
Opening balance	**15.2**	14.9
Share of (loss)/profit for the year	**(0.1)**	0.6
Dividends paid in the year	**(0.5)**	(0.3)
Closing balance	**14.6**	15.2

The closing balance comprises share of net assets of £0.1m (2025: £0.7m) and net loans due from associates of £14.5m (2025: £14.5m). At the balance sheet date, there is no expectation of any material credit losses on loans due.

As at 30 September 2026, the Group's interest in active associates was as follows:

	% of ordinary share capital held	**Country of incorporation**	**Accounting period end**
Vesta LP	20.0	UK	30 September

15. Investment in joint ventures

	2026 £m	2025 £m
Opening balance	**77.5**	76.4
Share of loss for the year	**(5.5)**	(4.3)
Further investment[1]	**7.4**	3.7
Loans (repaid)/advanced to joint ventures	**(1.4)**	1.7
Closing balance	**78.0**	77.5

[1] Grainger invested £7.4m into Connected Living London (BTR) Limited in the year (2025: £3.7m).

The closing balance comprises share of net assets of £48.0m (2025: £46.1m) and net loans due from joint ventures of £30.0m (2025: £31.4m). At the balance date, there is no expectation of credit losses on loans due.

At 30 September 2026, the Group's interest in active joint ventures was as follows:

	% of ordinary share capital held	**Country of incorporation**	**Accounting period end**
Connected Living London (BTR) Limited	51	UK	30 September
Curzon Park Limited	50	UK	31 March
Lewisham Grainger Holdings LLP	50	UK	30 September

16. Financial interest in property assets ('CHARM' portfolio)

	2026 £m	2025 £m
Opening balance	**48.6**	57.4
Cash received from the instrument	**(9.3)**	(9.9)
Amounts taken to income statement	**2.0**	1.1
Closing balance	**41.3**	48.6

The CHARM portfolio is a financial interest in equity mortgages held by the Church of England Pensions Board as mortgagee. It is accounted for under IFRS 9 and is measured at fair value through profit and loss.

It is considered to be a Level 3 financial asset as defined by IFRS 13. The financial asset is included in the fair value hierarchy within Note 20.

17. Trade and other receivables

	2026 £m	2025 £m
Rent and other tenant receivables	**5.6**	4.5
Deduct: Provision for impairment	**(1.9)**	(1.6)
Rent and other tenant receivables – net	**3.7**	2.9
Restricted deposits	**15.1**	57.7
Other receivables	**5.6**	12.7
Prepayments	**5.4**	5.9
Closing balance	**29.8**	79.2

The Group's assessment of expected credit losses involves estimation given its forward-looking nature. This is not considered to be an area of significant judgement or estimation due to the balance of gross rent and other tenant receivables of £5.6m (2025: £4.5m). Assumptions used in the forward-looking assessment are continually reviewed to take into account likely rent deferrals.

Restricted deposits arise from contracts with third parties that place restrictions on use of funds and cannot be accessed on demand. These deposits are held in connection with facility arrangements and are released by the lender on a quarterly basis once covenant compliance has been met.

The fair values of trade and other receivables are considered to be equal to their carrying amounts.

18. Trade and other payables

	2026 £m	2025 £m
Current liabilities		
Deposits received	**13.9**	13.9
Trade payables	**21.6**	22.7
Lease liabilities	**0.4**	0.6
Tax and social security costs	**0.7**	0.8
Accruals	**37.0**	66.0
Deferred income	**5.7**	11.3
	79.3	115.3
Non-current liabilities		
Lease liabilities	**5.3**	5.7
	5.3	5.7
Total trade and other payables	**84.6**	121.0

Within accruals, £24.8m comprises accrued expenditure in respect of ongoing construction activities (2025: £46.0m).

19. Provisions for other liabilities and charges

	2026 £m	2025 £m
Current provisions for other liabilities and charges		
Opening balance	**12.0**	13.2
Additions	**3.4**	1.9
Utilisation	**(1.9)**	(3.1)
	13.5	12.0
Non-current provisions for other liabilities and charges		
Opening balance	**0.7**	1.0
Additions	**1.2**	-
Reversal	**-**	(0.3)
	1.9	0.7
Total provisions for other liabilities and charges	**15.4**	12.7

Current provisions include £10.1m relating to potential fire safety remediation costs relating to a small number of legacy properties that Grainger historically had an involvement in developing and are expected to require fire safety related remediation works. These were first recognised in the year ended 30 September 2022 after an extensive assessment of the Group's legal and constructive obligations arising from the Building Safety Act 2022 and other associated fire regulations, and based on the results of relevant surveys which were commissioned. The provision is based on the latest estimation of costs to be incurred, offset by costs incurred to date. Where fire safety works are required and the Group owns the properties, the cost is considered as part of the valuation of those properties. Where appropriate, the Group is seeking recoveries from contractors and insurers.

20. Interest-bearing loans and borrowings and financial risk management

	2026 £m	2025 £m
Current liabilities		
Bank Loans	**0.6**	-
Non-bank financial institution	**0.2**	75.0
Corporate bonds	**7.7**	-
	8.5	75.0
Non-current liabilities		
Bank loans – Pounds sterling	**586.0**	544.1
Bank loans – Euros	**-**	0.7
Non-bank financial institution	**273.3**	273.5
Corporate bonds	**697.6**	696.8
	1,556.9	1,515.1
Total interest-bearing loans and borrowings	**1,565.4**	1,590.1

The above analyses of loans and borrowings are net of unamortised loan issue costs and the discount on issuance of the corporate bonds. As at 30 September 2026, unamortised costs totalled £10.4m (2025: £11.7m) and the outstanding discount was £1.0m (2025: £1.3m).

Categories of financial instrument

The Group holds financial instruments such as financial interest in property assets, trade and other receivables (excluding prepayments), derivatives, cash and cash equivalents. For all assets and liabilities excluding interest-bearing loans the book value was the same as the fair value as at 30 September 2026 and as at 30 September 2025.

As at 30 September 2026, the fair value of the non-bank loans is £257.6m (2025: £331.1m), but there is no requirement under IFRS 9 to adjust the carrying value of loans, all of which are stated at unamortised cost in the consolidated statement of financial position.

Market risk

The Group is exposed to market risk through interest rates, the availability of credit and house price movements relating to the Tricomm Housing portfolio and the CHARM portfolio. The Group is not significantly exposed to equity price risk or to commodity price risk.

Fair values

IFRS 13 sets out a three-tier hierarchy for financial assets and liabilities valued at fair value. These are as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – unobservable inputs for the asset or liability.

The following table presents the Group's assets and liabilities that are measured at fair value:

	2026		2025	
	Assets £m	**Liabilities £m**	Assets £m	Liabilities £m
Level 3				
CHARM	**41.3**	**-**	48.6	-
Investment property[1]	**3,064.9**	**-**	3,124.3	-
	3,106.2	**-**	3,172.9	-
Level 2				
Interest rate swaps – in cash flow hedge accounting relationships	**18.9**	**-**	14.1	-
	18.9	**-**	14.1	-

[1] Includes investment property – held for sale

The significant unobservable inputs affecting the carrying value of the CHARM portfolio are house price inflation and discount rates. A reconciliation of movements and amounts recognised in the consolidated income statement are detailed in Note 16.

The investment valuations provided by Allsop LLP, CBRE Limited and Savills UK Limited are based on RICS Professional Valuation Standards, but include a number of unobservable inputs and other valuation assumptions.

The fair value of swaps and caps were valued in-house by a specialised treasury management system, using a discounted cash flow model and market information. The fair value is derived from the present value of future cash flows discounted at rates obtained by means of the current yield curve appropriate for those instruments. As all significant inputs required to value the swaps and caps are observable, they fall within Level 2.

The reconciliation between opening and closing balances for Level 3 is detailed in the table below:

Assets – Level 3	**2026 £m**	2025 £m
Opening balance	**3,172.9**	3,085.7
Amounts taken to income statement	**(103.6)**	30.6
Other movements	**36.9**	56.6
Closing balance	**3,106.2**	3,172.9

21. Tax

The tax credit for the year of £5.2m (2025: £100.0m) recognised in the consolidated income statement comprises:

	2026 £m	2025 £m
Current tax		
Corporation tax on profit	**2.7**	12.9
Adjustments relating to prior years	**(4.8)**	(1.8)
	(2.1)	11.1
Deferred tax		
Origination and reversal of temporary differences	**(3.0)**	(111.7)
Adjustments relating to prior years	**(0.1)**	0.6
	(3.1)	(111.1)
Total tax credit for the year	**(5.2)**	(100.0)

The 2026 current tax adjustments relating to prior years reflect adjustments which have been included in submitted tax returns and primarily relate to financing costs and capital allowances.

The Group works in an open and transparent manner and maintains a regular dialogue with HM Revenue & Customs. This approach is consistent with the 'low risk' rating we have been awarded by HM Revenue & Customs and to which the Group is committed.

In addition to the above, a deferred tax charge of £0.6m (2025: £0.7m credit) was recognised within other comprehensive income comprising:

	2026 £m	2025 £m
Remeasurement of BPT Limited defined benefit pension scheme	**-**	(0.1)
Fair value movement in cash flow hedges	**0.6**	(0.6)
Amounts recognised in other comprehensive income	**0.6**	(0.7)

Deferred tax balances comprise temporary differences attributable to:

	2026 £m	2025 £m
Deferred tax assets		
Short-term temporary differences	**4.3**	4.6
	4.3	4.6
Deferred tax liabilities		
Trading property uplift to fair value on business combinations	**(1.6)**	(3.0)
Investment property revaluation	**(1.0)**	(1.0)
Short-term temporary differences	**(1.7)**	(2.4)
Fair value movement in financial interest in property assets	**(0.2)**	(0.7)
Actuarial gain on BPT Limited defined benefit pension scheme	**(0.2)**	(0.2)
Fair value movement in derivative financial instruments	**(0.7)**	(0.9)
	(5.4)	(8.2)
Total deferred tax	**(1.1)**	(3.6)

In addition to the tax amounts shown above, contingent tax based on EPRA market value measures, being tax on the difference between the carrying value of trading properties in the consolidated statement of financial position and their market value has not been recognised by the Group. This contingent tax amounts to £48.9m, calculated at 25.0% (2025: £60.6m, calculated at 25.0%) and will be realised as the properties are sold.

22. Retirement benefits

The Group retirement benefit asset remained at £6.2m for the year ended 30 September 2026. This movement has arisen from changes in assumptions of £0.9m and a loss on plan assets of £0.9m. The principal actuarial assumptions used to reflect market conditions as at 30 September 2026 are as follows:

	2026	2025
	%	%
Discount rate	**6.4**	5.8
Retail Price Index (RPI) inflation	**3.4**	3.0
Consumer Price Index (CPI) inflation	**2.7**	2.3
Rate of increase of pensions in payment	**5.0**	5.0

During the year ended 30 September 2025, the Trustees used scheme assets to purchase annuity policies matching the benefits payable to members. Under this buy-in arrangement, the annuity policies were held as scheme assets and the corresponding obligations continued to be recognised as defined benefit obligations.

During the year ended 30 September 2026, annuity policies covering £16.1m of scheme liabilities were transferred to individual members as part of a buy-out. The insurer is now directly responsible for paying the insured benefits and the related scheme assets and defined benefit obligations were therefore derecognised as a settlement. The wind-up was triggered on 22 April 2026.

At 30 September 2026, the scheme retained defined benefit obligations of £1.2m. These obligations are fully matched by annuity policies held as scheme assets under the remaining buy-in arrangement. The obligations and corresponding annuity policies will be derecognised on completion of the scheme wind-up process. The scheme held cash of £6.2m at the reporting date.

23. Share-based payments

The Group operates a number of equity-settled, share-based compensation plans comprising awards under a Long-Term Incentive Plan ('LTIP'), a Deferred Bonus Plan ('DBP'), a Deferred Bonus Share Plan ('DBSP'), a Share Incentive Plan ('SIP') and a Save As You Earn Scheme ('SAYE'). The share-based payments charge recognised in the consolidated income statement for the period is £3.6m (2025: £3.6m).

24. Related party transactions

During the year ended 30 September 2026, the Group transacted with its associates and joint ventures (details of which are set out in Notes 14 and 15). The Group provides a number of services to its associates and joint ventures. These include property and asset management services for which the Group receives fee income. The related party transactions recognised in the consolidated income statement and consolidated statement of financial position are as follows:

	2026		2025	
	Fees recognised £'000	**Year end balance £'000**	Fees recognised £'000	Year end balance £'000
Connected Living London (BTR) Limited	**756**	**484**	557	343
Lewisham Grainger Holdings LLP	**124**	**777**	140	653
Vesta LP	**832**	**218**	804	216
	1,712	**1,479**	1,501	1,212

	2026			2025		
	Interest recognised £'000	**Year end loan balance £m**	**Interest rate %**	Interest recognised £'000	Year end loan balance £m	Interest rate %
Curzon Park Limited	**-**	**17.7**	**Nil**	-	18.1	Nil
Lewisham Grainger Holdings LLP	**724**	**12.3**	**5.8**	921	13.2	5.8
Vesta LP	**-**	**14.5**	**Nil**	-	14.5	Nil
	724	**44.5**		921	45.8	

EPRA Performance Measures - Unaudited

The European Public Real Estate Association (EPRA) is the body that represents Europe's listed property companies. The association sets out guidelines and recommendations to facilitate consistency in listed real estate reporting, in turn allowing stakeholders to compare companies on a like-for-like basis. As a member of EPRA, the Group is supportive of EPRA's initiatives and discloses measures in relation to the EPRA Best Practices Recommendations ('EPRA BPR') guidelines. The most recent guidelines, updated in September 2024, have been adopted by the Group.

EPRA Earnings

	2026			2025		
	Earnings £m	**Shares millions**	**Pence per share**	Earnings £m	Shares millions	Pence per share
Earnings per IFRS income statement	**(41.8)**	**739.9**	**(5.7)**	102.6	738.8	13.9
Adjustments to calculate EPRA Earnings, exclude:						
i) Changes in value of investment properties, development properties held for investment and other interests	**107.1**	**-**	**14.5**	(26.3)	-	(3.6)
ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests	**2.3**	**-**	**0.3**	1.6	-	0.2
iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties	**(21.4)**	**-**	**(2.9)**	(39.5)	-	(5.3)
iv) Tax on profits or losses on disposals	**-**	**-**	**-**	-	-	-
v) Negative goodwill/goodwill impairment	**0.4**	**-**	**0.1**	-	-	-
vi) Changes in fair value of financial instruments and associated close-out costs	**11.7**	**-**	**1.5**	8.5	-	1.2
vii) Acquisition costs on share deals and non-controlling joint venture interests	**-**	**-**	**-**	-	-	-
viii) Adjustments related to funding structure	**-**	**-**	**-**	-	-	-
ix) Adjustments related to non-operating and exceptional items	**(3.3)**	**-**	**(0.4)**	3.3	-	0.4
x) Deferred tax in respect of EPRA adjustments	**-**	**-**	**-**	-	-	-
xi) Adjustments i) to viii) in respect of joint ventures	**5.2**	**-**	**0.7**	3.5	-	0.5
xii) Non-controlling interests in respect of the above	**-**	**-**	**-**	-	-	-
EPRA Earnings/Earnings per share	**60.2**	**739.9**	**8.1**	53.7	738.8	7.3
EPRA Earnings per share after tax			**8.1**			5.5

ix) Adjustments relate to IFRS 9 loan modification and restructuring costs as outlined within the Group's consolidated income statement.

EPRA Earnings have been divided by the average number of shares shown in Note 10. EPRA earnings per share after tax assumes tax of £nil at an effective tax rate of nil% following the Group's conversion to REIT status (2025: £13.4m, in line with the Group's adjusted tax rate of 24.4%).

EPRA Performance Measures - Unaudited (continued)

EPRA NRV, EPRA NTA and EPRA NDV

	2026			2025		
	EPRA NRV £m	**EPRA NTA £m**	**EPRA NDV £m**	EPRA NRV £m	EPRA NTA £m	EPRA NDV £m
IFRS Equity attributable to Shareholders	**1,950.3**	**1,950.3**	**1,950.3**	2,039.8	2,039.8	2,039.8
Include/Exclude:						
i) Hybrid Instruments	**-**	**-**	**-**	-	-	-
Diluted NAV	**1,950.3**	**1,950.3**	**1,950.3**	2,039.8	2,039.8	2,039.8
Include:						
ii.a) Revaluation of IP (if IAS 40 cost option is used)	**-**	**-**	**-**	-	-	-
ii.b) Revaluation of IPUC (if IAS 40 cost option is used)	**-**	**-**	**-**	-	-	-
ii.c) Revaluation of other non-current investments	**5.1**	**5.1**	**5.1**	7.5	7.5	7.5
iii) Revaluation of tenant leases held as finance leases	**-**	**-**	**-**	-	-	-
iv) Revaluation of trading properties	**197.3**	**146.7**	**146.7**	245.4	181.8	181.8
Diluted NAV at Fair Value	**2,152.7**	**2,102.1**	**2,102.1**	2,292.7	2,229.1	2,229.1
Exclude:						
v) Deferred tax in relation to fair value gains of IP	**1.0**	**1.0**	**-**	1.0	1.0	-
vi) Fair value of financial instruments	**(14.2)**	**(14.2)**	**-**	(10.6)	(10.6)	-
vii) Goodwill as a result of deferred tax	**-**	**-**	**-**	-	-	-
viii.a) Goodwill as per the IFRS balance sheet	**-**	**-**	**-**	-	(0.4)	(0.4)
viii.b) Intangible as per the IFRS balance sheet	**-**	**(2.8)**	**-**	-	(2.5)	-
Include:						
ix) Fair value of fixed interest rate debt	**-**	**-**	**45.4**	-	-	49.3
x) Revaluation of intangibles to fair value	**-**	**-**	**-**	-	-	-
xi) Real estate transfer tax	**-**	**-**	**-**	-	-	-
NAV	**2,139.5**	**2,086.1**	**2,147.5**	2,283.1	2,216.6	2,278.0
Fully diluted number of shares	**743.1**	**743.1**	**743.1**	743.1	743.1	743.1
NAV pence per share	**288**	**281**	**289**	307	298	307

EPRA Performance Measures - Unaudited (continued)

EPRA NIY

		2026	2025
		£m	£m
Investment property – wholly-owned		**3,064.9**	3,124.3
Investment property – share of JVs/Funds		**68.8**	67.6
Trading property (including share of JVs)		**465.8**	541.0
Less: developments		**(337.8)**	(369.1)
Completed property portfolio valuation		**3,261.7**	3,363.8
Allowance for estimated purchasers' costs		**186.1**	188.9
Gross up completed property portfolio valuation	B	**3,447.8**	3,552.7
Annualised cash passing rental income		**184.2**	177.6
Property outgoings		**(49.5)**	(48.8)
Annualised net rents	A	**134.7**	128.8
Add: rent incentives		**1.0**	0.7
'Topped up' net annualised rents	C	**135.7**	129.5
EPRA NIY	A/B	**3.9%**	3.6%
EPRA 'topped up' NIY	C/B	**3.9%**	3.6%
Gross up completed property portfolio valuation		**3,447.8**	3,552.7
Adjustments to completed property portfolio in respect of regulated tenancies		**(441.4)**	(545.2)
Adjusted gross up completed property portfolio valuation	b	**3,006.4**	3,007.5
Annualised net rents		**134.7**	128.8
Adjustments to annualised cash passing rental income in respect of newly completed developments and refurbishment activity		**2.9**	6.6
Adjustments to property outgoings in respect of newly completed developments and refurbishment activity		**(0.8)**	(1.9)
Adjustments to annualised cash passing rental income in respect of regulated tenancies		**(11.0)**	(13.3)
Adjustments to property outgoings in respect of regulated tenancies		**3.0**	3.4
Adjusted annualised net rents	a	**128.8**	123.6
Add: rent incentives		**1.0**	0.7
EPRA 'topped up' NIY	c	**129.8**	124.3
Adjusted EPRA NIY	a/b	**4.3%**	4.1%
Adjusted EPRA 'topped up' NIY	c/b	**4.3%**	4.1%

EPRA Vacancy Rate

		2026	2025
		£m	£m
Estimated rental value of vacant space	A	**4.4**	2.5
Estimated rental value of the whole portfolio	B	**152.4**	130.0
EPRA Vacancy Rate	A/B	**2.9%**	1.9%

The vacancy rate reflects estimated rental values of the Group's stabilised habitable PRS units as at the reporting date.

EPRA Performance Measures - Unaudited (continued)

EPRA Cost Ratio

		2026 £m	2025 £m
Administrative expenses		**36.7**	36.7
Property operating expenses		**48.6**	46.6
Share of joint ventures expenses		**0.6**	1.0
Management fees		**(2.6)**	(2.3)
Other operating income/recharges intended to cover overhead expenses		**(2.7)**	(3.8)
Exclude:			
Investment property depreciation		**-**	-
Ground rent costs		**(0.2)**	(0.2)
Costs (including direct vacancy costs)	**A**	**80.4**	78.0
Direct vacancy costs		**(3.2)**	(3.0)
Costs (excluding direct vacancy costs)	**B**	**77.2**	75.0
Gross rental income		**178.8**	170.2
Less: ground rent income		**(0.5)**	(0.6)
Add: share of joint ventures (gross rental income less ground rents)		**0.8**	0.8
Add: adjustment in respect of profits or losses on sales of properties		**22.8**	37.3
Gross Rental Income and Trading Profits	**C**	**201.9**	207.7
Adjusted EPRA Cost Ratio (including direct vacancy costs)	**A/C**	**39.8%**	37.6%
Adjusted EPRA Cost Ratio (excluding direct vacancy costs)	**B/C**	**38.2%**	36.1%

EPRA LTV

		2026			
£m		**Group**	**Share of Joint Ventures**	**Share of Associates**	**Combined**
Borrowings from Financial Institutions		**873.0**	**-**	**-**	**873.0**
Bond loans		**700.0**	**-**	**-**	**700.0**
Net payables		**54.8**	**8.6**	**14.9**	**78.3**
Exclude:					
Cash and cash equivalents		**(76.5)**	**(2.2)**	**(0.6)**	**(79.3)**
Net debt	**A**	**1,551.3**	**6.4**	**14.3**	**1,572.0**
Investment properties at fair value		**2,853.3**	**-**	**14.4**	**2,867.7**
Investment properties under development		**211.6**	**54.4**	**-**	**266.0**
Properties held for sale		**465.8**	**-**	**-**	**465.8**
Financial assets		**85.8**	**-**	**-**	**85.8**
Total property value	**B**	**3,616.5**	**54.4**	**14.4**	**3,685.3**
EPRA LTV %	**A/B**	**42.9%**	**11.8%**	**99.3%**	**42.7%**

EPRA Performance Measures - Unaudited (continued)

£m		2025 Group	Share of Joint Ventures	Share of Associates	Combined
Borrowings from Financial Institutions		903.0	-	-	903.0
Bond loans		700.0	-	-	700.0
Net payables		41.8	9.8	14.6	66.2
Exclude:					
Cash and cash equivalents		(126.6)	(3.3)	(0.3)	(130.2)
Net debt	A	1,518.2	6.5	14.3	1,539.0
Investment properties at fair value		2,858.1	-	14.9	2,873.0
Investment properties under development		266.2	52.7	-	318.9
Properties held for sale		541.0	-	-	541.0
Financial assets		94.4	-	-	94.4
Total property value	B	3,759.7	52.7	14.9	3,827.3
EPRA LTV %	A/B	40.4%	12.3%	96.0%	40.2%

EPRA Capital Expenditure

£m	**2026 Trading Properties**	**Investment Properties**	**Group (excl Joint Ventures)**	**Share of Joint Ventures**	**Combined**
Acquisitions	**0.0**	**15.9**	**15.9**	**-**	**15.9**
Development	**22.3**	**83.5**	**105.8**	**6.0**	**111.8**
Completed assets					
- Incremental letting space	**-**	**-**	**-**	**-**	**-**
- No incremental letting space	**1.5**	**12.1**	**13.6**	**-**	**13.6**
- Tenant incentives	**-**	**-**	**-**	**-**	**-**
- Other material non-allocated types of expenditure	**-**	**-**	**-**	**-**	**-**
Capitalised interest	**-**	**6.6**	**6.6**	**0.4**	**7.0**
Total capital expenditure	**23.8**	**118.1**	**141.9**	**6.4**	**148.3**

£m	2025 Trading Properties	Investment Properties	Group (excl Joint Ventures)	Share of Joint Ventures	Combined
Acquisitions	0.1	20.0	20.1	-	20.1
Development	9.5	100.8	110.3	3.9	114.2
Completed assets					
- Incremental letting space	-	-	-	-	-
- No incremental letting space	2.3	17.2	19.5	0.2	19.7
- Tenant incentives	-	-	-	-	-
- Other material non-allocated types of expenditure	-	-	-	-	-
Capitalised interest	-	10.4	10.4	0.5	10.9
Total capital expenditure	11.9	148.4	160.3	4.6	164.9