Investing in homes since 1912

grainger plc

Preliminary results for the year ended 30 September 2013

7 November 2013

Executive Directors

Andrew Cunningham, Chief Executive

Mark Greenwood, Finance Director

Nick Jopling, Executive Director, Property

Peter Couch, Chief Operating Officer and Director of Retirement Solutions

Agenda

1. Introduction	*Andrew Cunningham*
2. Market and future strategy	*Andrew Cunningham*
3. Financial highlights	*Mark Greenwood*
4. Operational highlights	*Nick Jopling*
5. Summary and outlook	*Andrew Cunningham*

Financial highlights

- Return on shareholder equity of **25%**
- EPRA NNNAV **up 24%**
- EPRA Gross NAV **up 9%**
- Debt reduction target achieved
- Total dividend for the year of 2.04p, an **increase of 6.25%**

↑ **Gross NAV** **242p** **(2012: 223p)**	↑ **NNNAV** **195p** **(2012: 157p)**
↑ **Recurring profit** **£37.0m** **(2012: £34.6m)**	↑ **Profit before tax** **£64.3m** **(2012: £(1.7)m)**
↓ **Net debt** **£959m** **(2012: £1,194m)**	↓ **Group LTV** **48%** **(2012: 55%)**

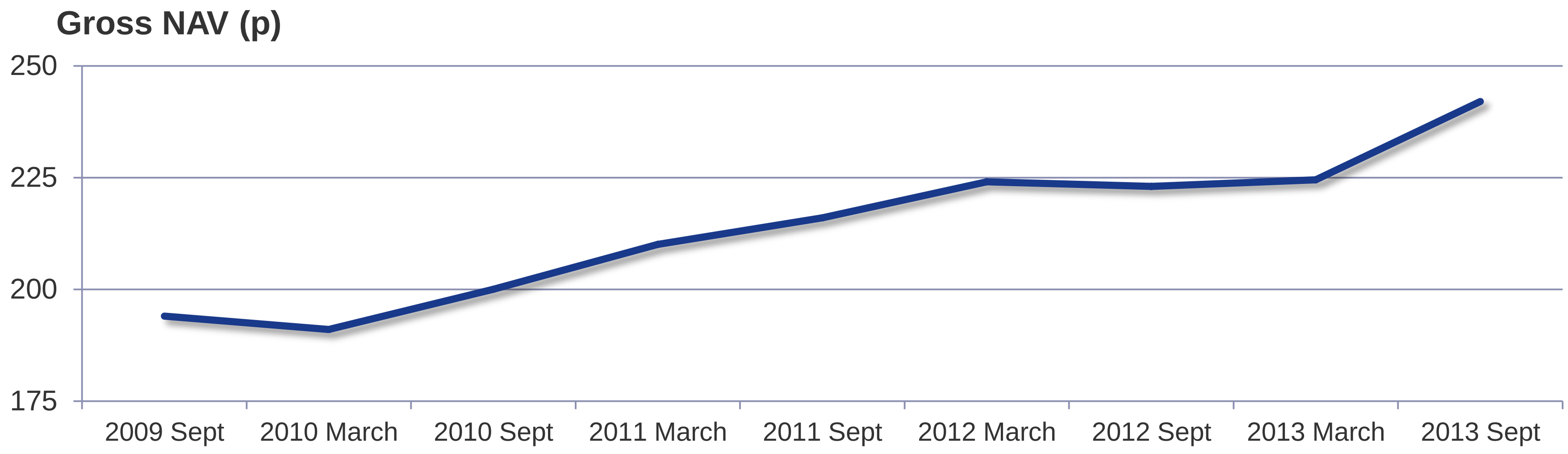
Operational highlights

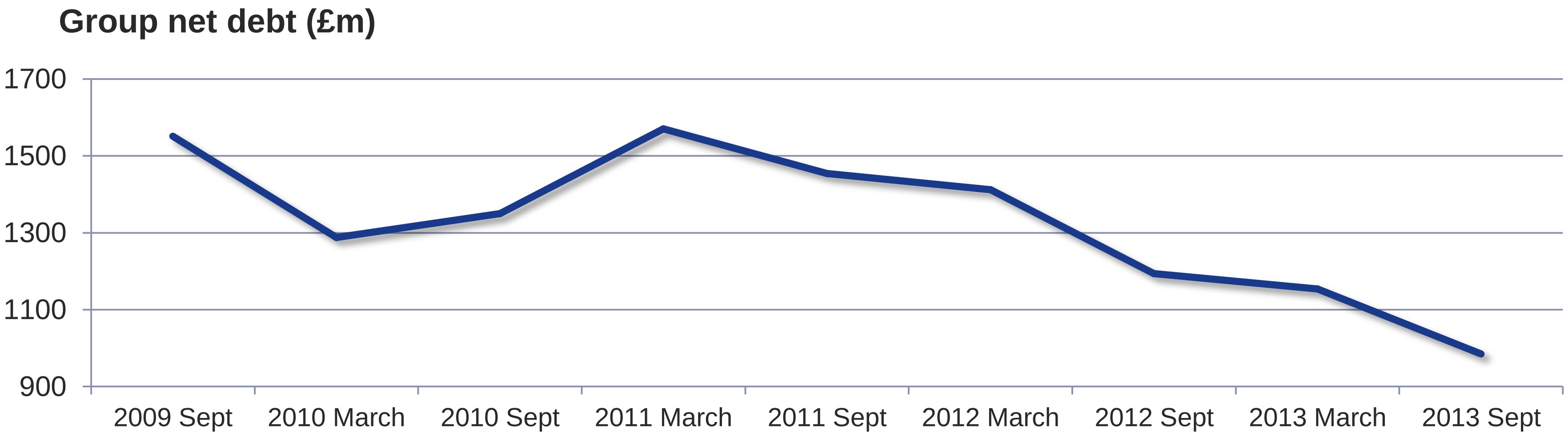
Continued valuation outperformance	Market value of our residential UK portfolios rose by 8.3% compared to Nationwide and Halifax indices of 5.6% (average)
Sales consistently above valuations	7.9% above 2012 values (2012: 6.1%)
Heitman co-investment vehicle created	Fees & equity stake
Created GRIP fund	Fees & equity stake
Secured planning at Wellesley, Aldershot	Fees, gain share and interest

Strategy – 2010 to 2013

Objective	Action	Outcome
Optimise asset locations	60% of UK portfolio in London and SE	Generate outperformance in valuation and sales
Focus on rental market	Structure innovative transactions to increase exposure to the rental market particularly build to rent	London Rd, Barking; Partnership with RBKC; HI Tricomm; G-Invest
Increase fees	Offer our operational expertise to new high quality partners to improve ROCE and returns	Fee income increased in 2012 (45% to £10m) and 2013 (24% to £12.5m) G:RAMP, GRIP; Heitman; Wellesley
Reduce gearing	Improve financial and operational efficiency to enhance returns and reflect greater recurring income streams	Net debt £959m and LTV 48% Reduction of £2.5m on property operating costs achieved

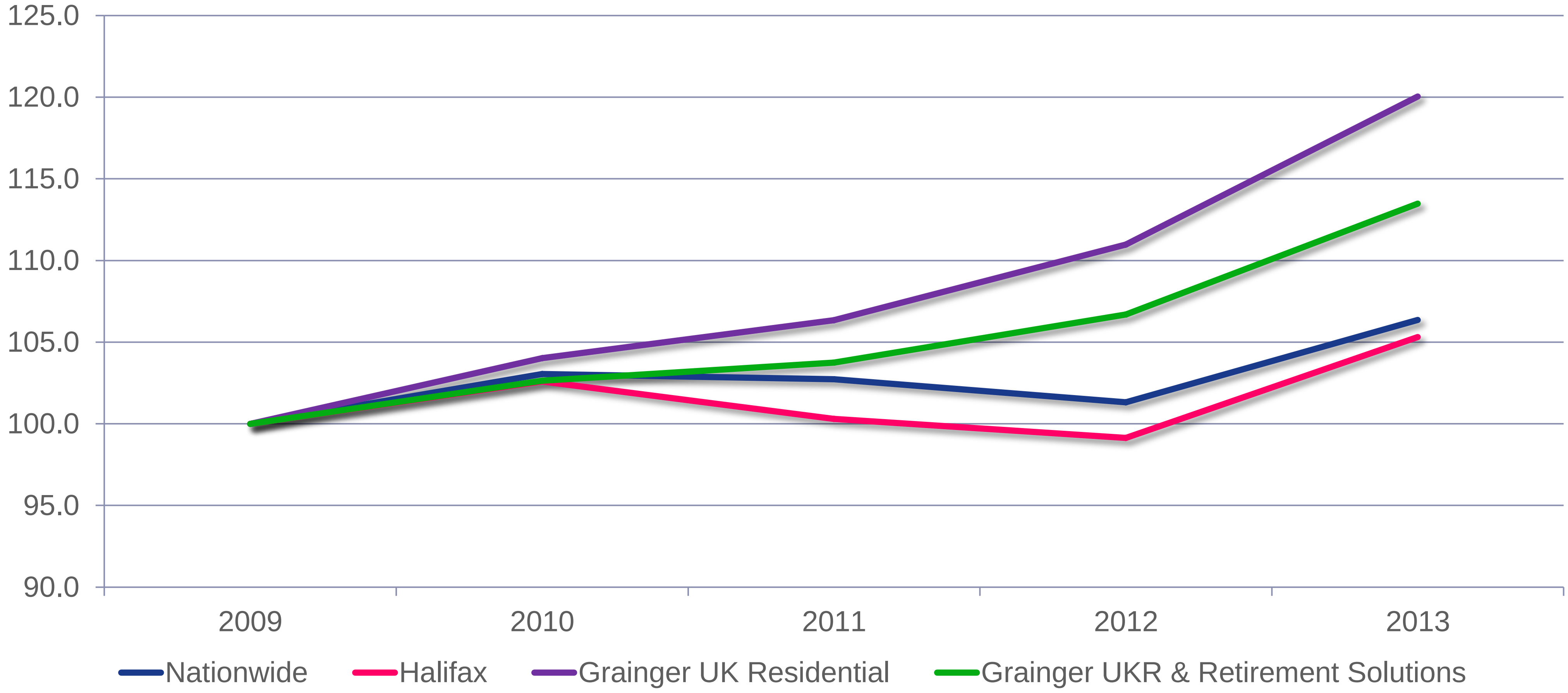
Results of our strategy





Continued outperformance against the market

Capital values – Grainger UK Portfolios vs Nationwide & Halifax



Agenda

1. Introduction	*Andrew Cunningham*
2. Market and future strategy	*Andrew Cunningham*
3. Financial highlights	*Mark Greenwood*
4. Operational highlights	*Nick Jopling*
5. Summary and outlook	*Andrew Cunningham*

Drivers of the UK housing market

- Improving economic prospects
- Increasing confidence in regions, not just London
- Supply / demand imbalance in housing
- Mortgage market improving

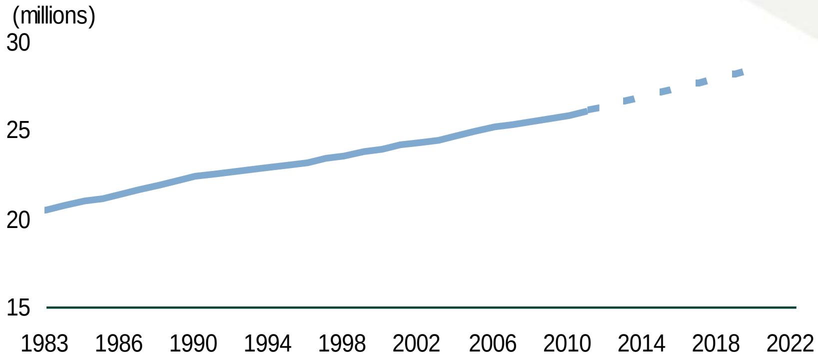
Capital values

- Historically low interest rates
- Government support, including Help to Buy and Funding for Lending

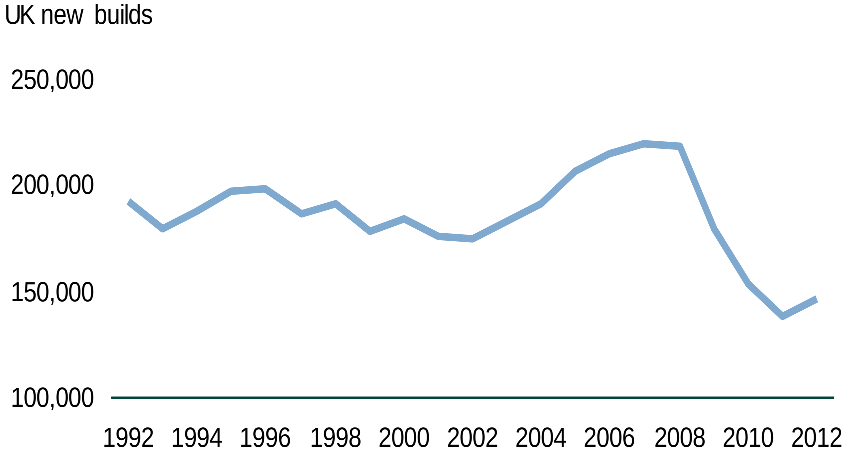
Private rented sector

- Private renting is the fastest growing tenure for the last decade
- Increased interest among institutional investors
- Strong Government support

Number of Households Great Britain

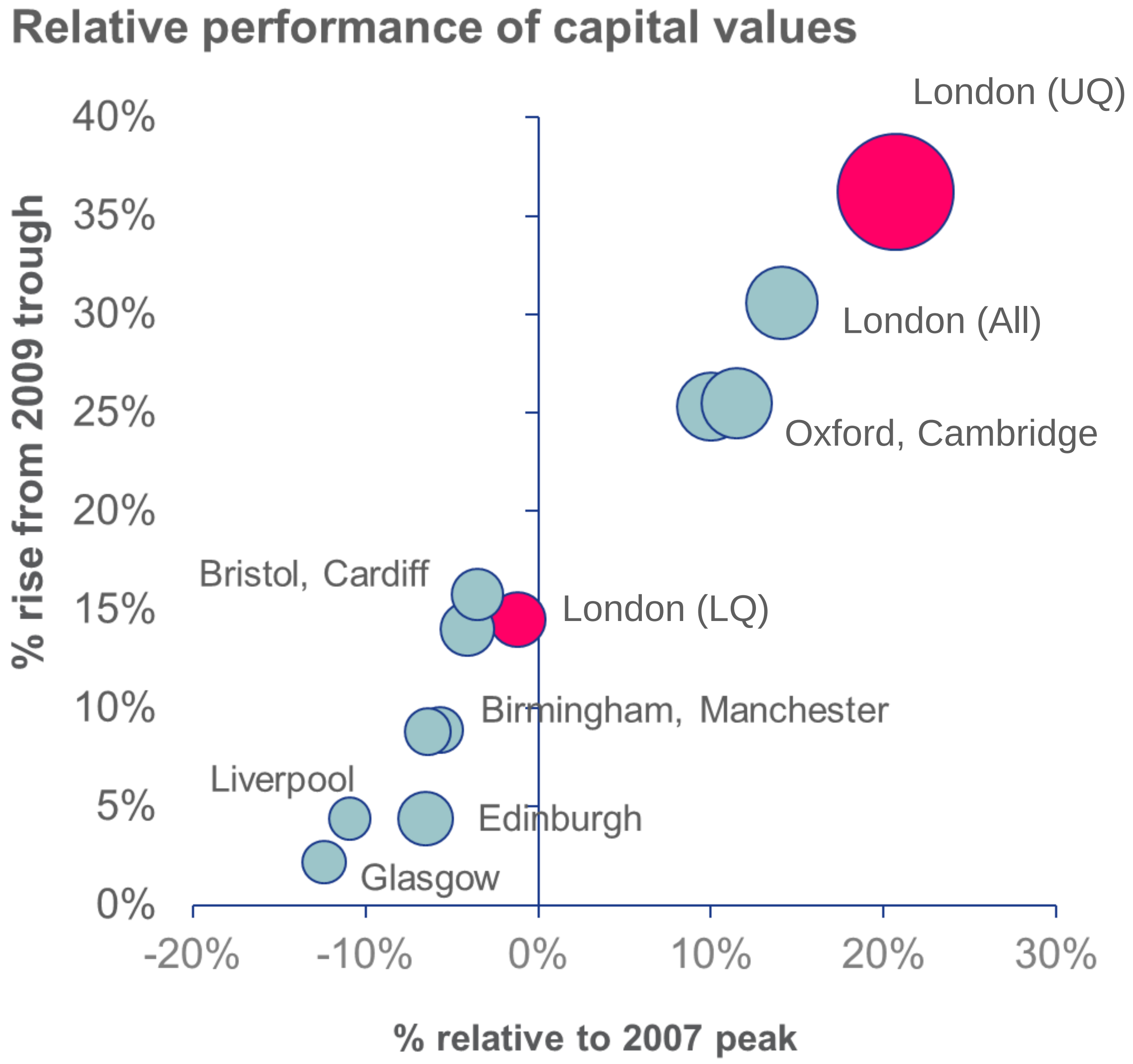


Difficulties in Providing New Stock



Source: UK Government Housing Statistics

UK housing market



Source: Hometrack (size of circle relates to average price)

Current strategy

grainger = residential

Evolution of strategy to reflect current point in market cycle

Leading the market

- Developing innovative products and leveraging owner-manager platform
- Creates business opportunities and attracts high quality partners

Maximising returns

- Active asset management and geographical focus
- Asset outperformance versus the market as a whole

Balancing incomes

- Increasing quality of recurring income to support our operational and finance costs
- Net rents and fees currently represent 54% of total income in 2013*
- Steadily moving toward 60% from net rents and fees, dependent on opportunities

Optimising our business

- Ensure we have the financial and operational strength and flexibility to take advantage of market opportunities
- Target range for LTV between 45% and 50% in the medium term, falling in the long term as the business increases the proportion of market rented properties held

** With trading profits adjusted for tenanted sales*

Investment focus

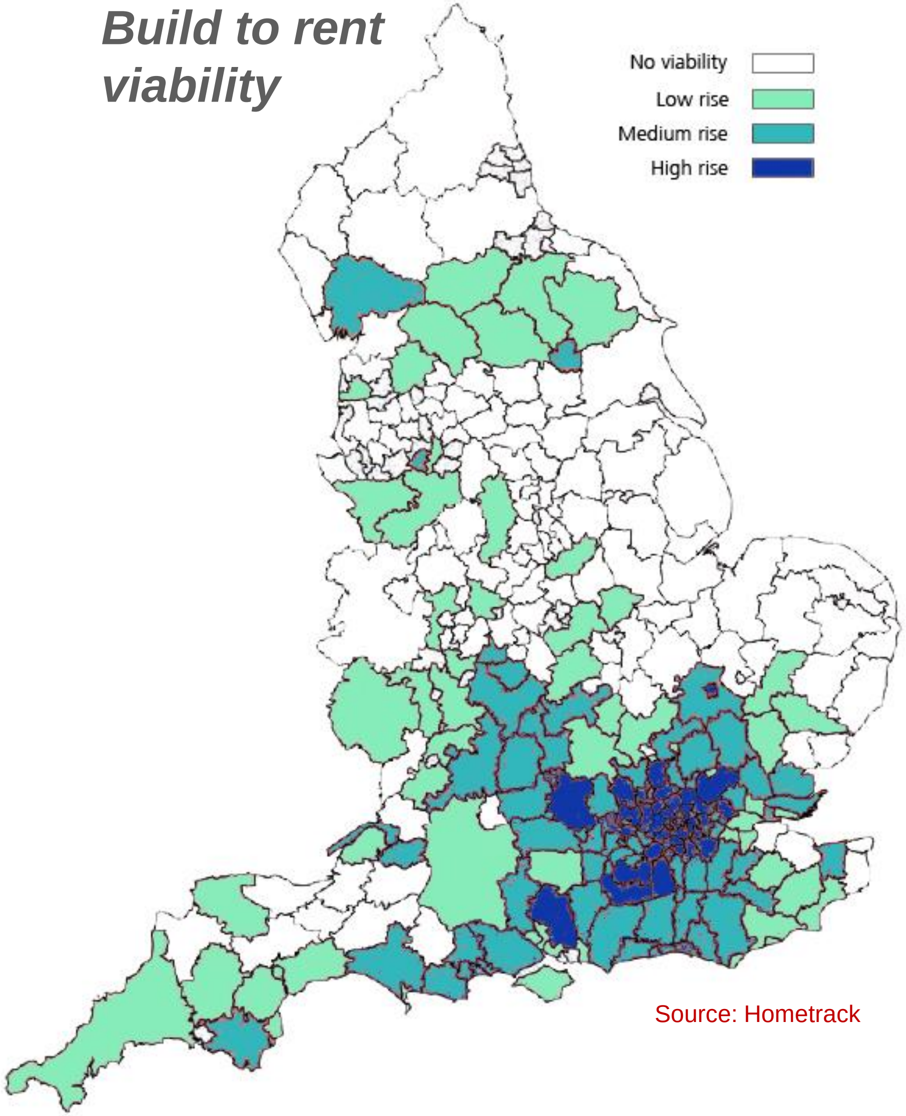
Main areas of focus

Reversionary assets	9.0 – 9.5% IRR on an ungeared basis	
Fund management and fee business	20.0% gross margin on costs	+ equity or promote
Market rent and **build-to-rent** activities	8.0 – 10.0% IRR on an ungeared basis	

Important considerations for build-to-rent

- Does not compete with owner-occupation market
- Demographics (25 to 35 year olds)
- Local economic performance
- Rental growth prospects and current demand
- Employment levels
- Land and build costs

Build to rent viability



Source: Hometrack

Agenda

1. Introduction	*Andrew Cunningham*
2. Market and future strategy	*Andrew Cunningham*
3. Financial highlights	*Mark Greenwood*
4. Operational highlights	*Nick Jopling*
5. Summary and outlook	*Andrew Cunningham*

2013 financial focus

- Objective: **To increase shareholder value by growing net asset values, while driving down our net debt and operational costs, and improving our overall capital structure**

- Rationale: **To reflect the changes in the market and in our business**

- Strategy: **Increased sales, innovative partnerships and internal improvement measures**

- Results: **24% NNNAV growth achieved, partnerships with three new parties, net debt reduced to less than £1bn, gearing to below 50% and property operating costs reduced by £2.5m on a run rate basis**

2013 financial highlights
Balance sheet

⬆ **Gross NAV** **242p** **(2012: 223p)**	⬆ **NNNAV** **195p** **(2012: 157p)**
⬇ **Net debt** **£959m** **(2012: £1,194m)**	⬇ **Group LTV** **48%** **(2012: 55%)**

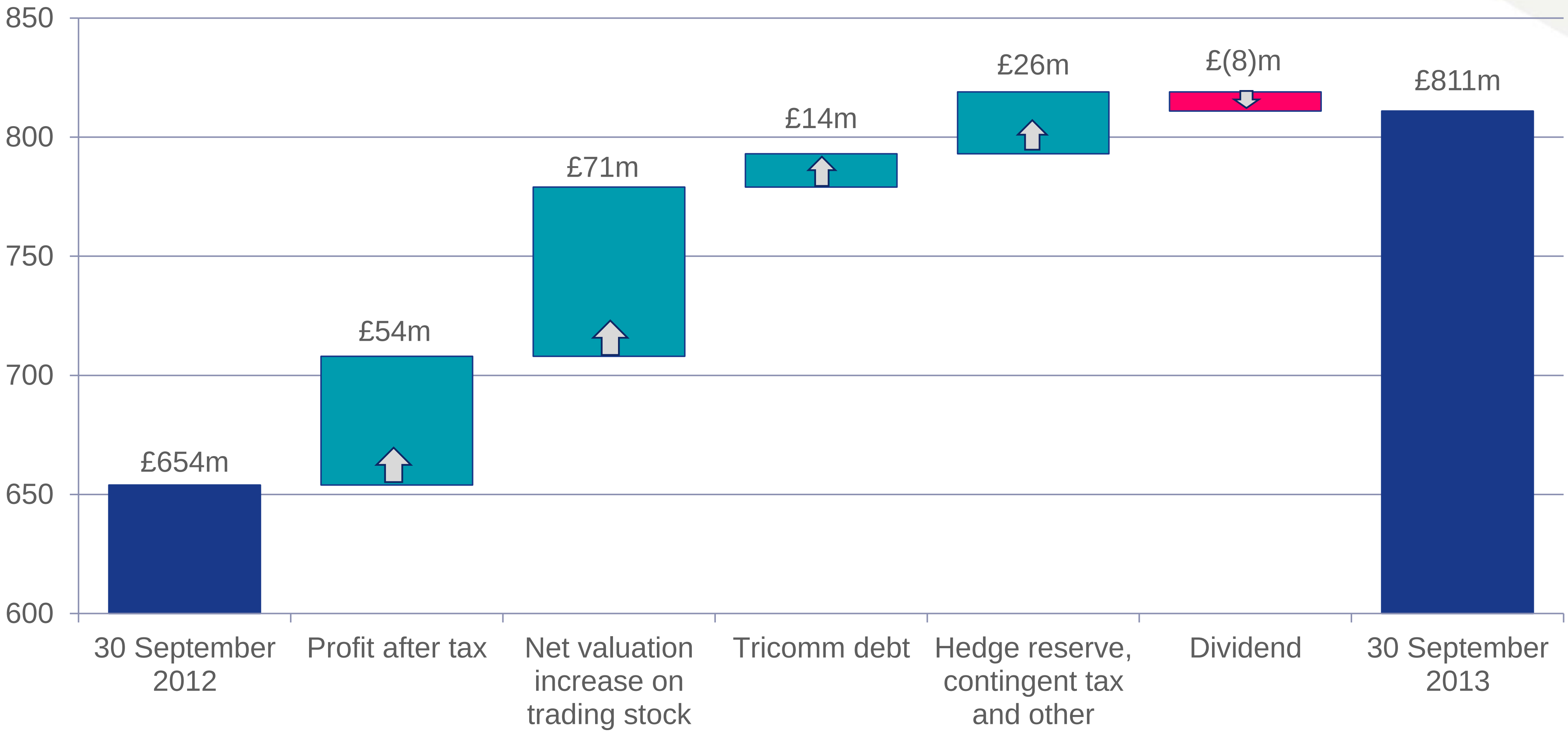
- NNNAV **up 24%**
- Gross NAV **up 9%**
- Reversionary surplus of **£527m (127p per share)***

Finlay Street, Fulham, London – Refurbished and sold for a profit of £1.5m

** Includes £44m within Joint Ventures/Associates*

Movement in NNNAV

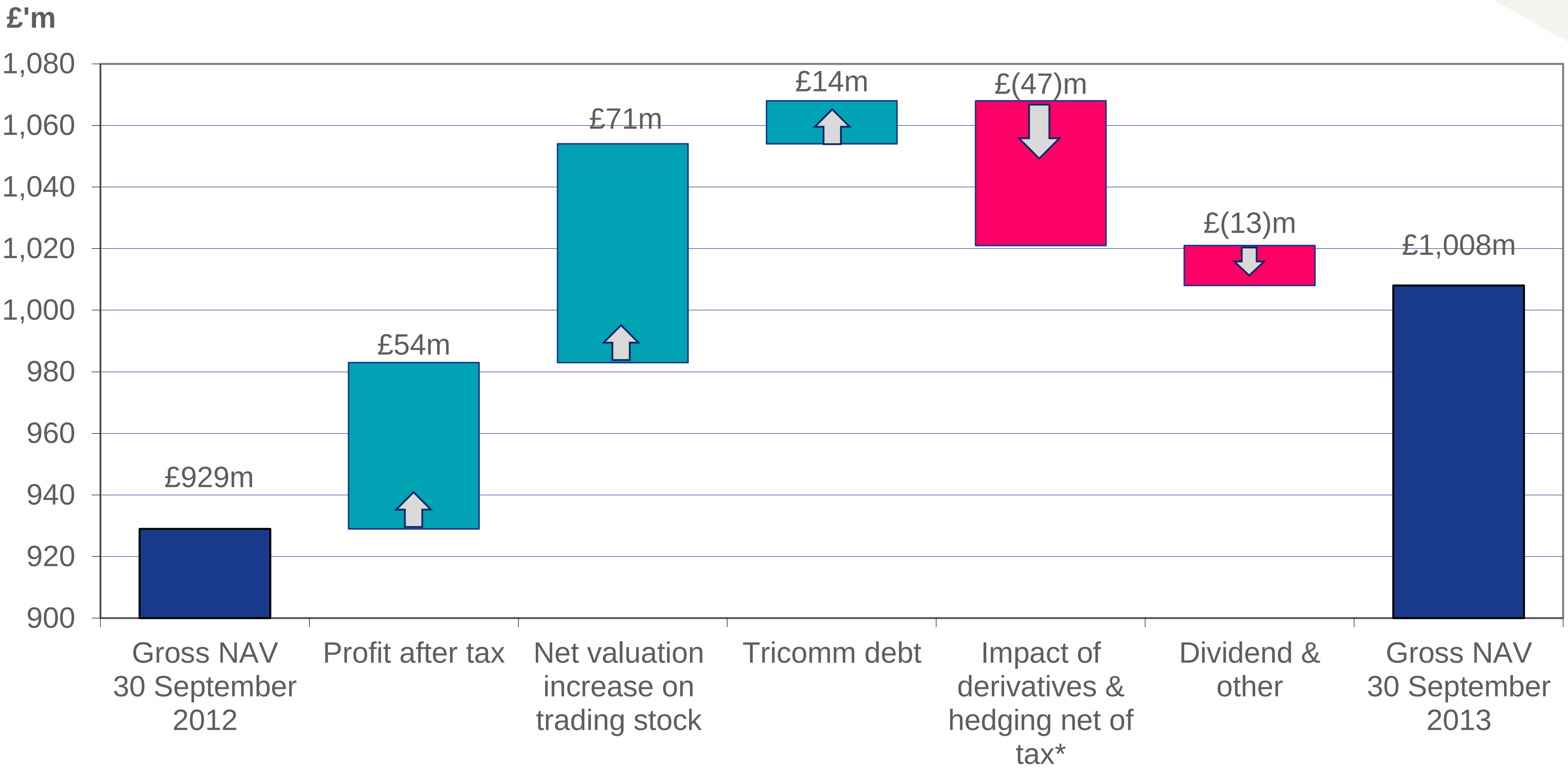
NNNAV up 24% since 30 Sept 2012



157p	**13p**	**17p**	**3p**	**7p**	**(2)p**	**195p**

Movement in NAV

NAV up 9% since 30 Sept 2012

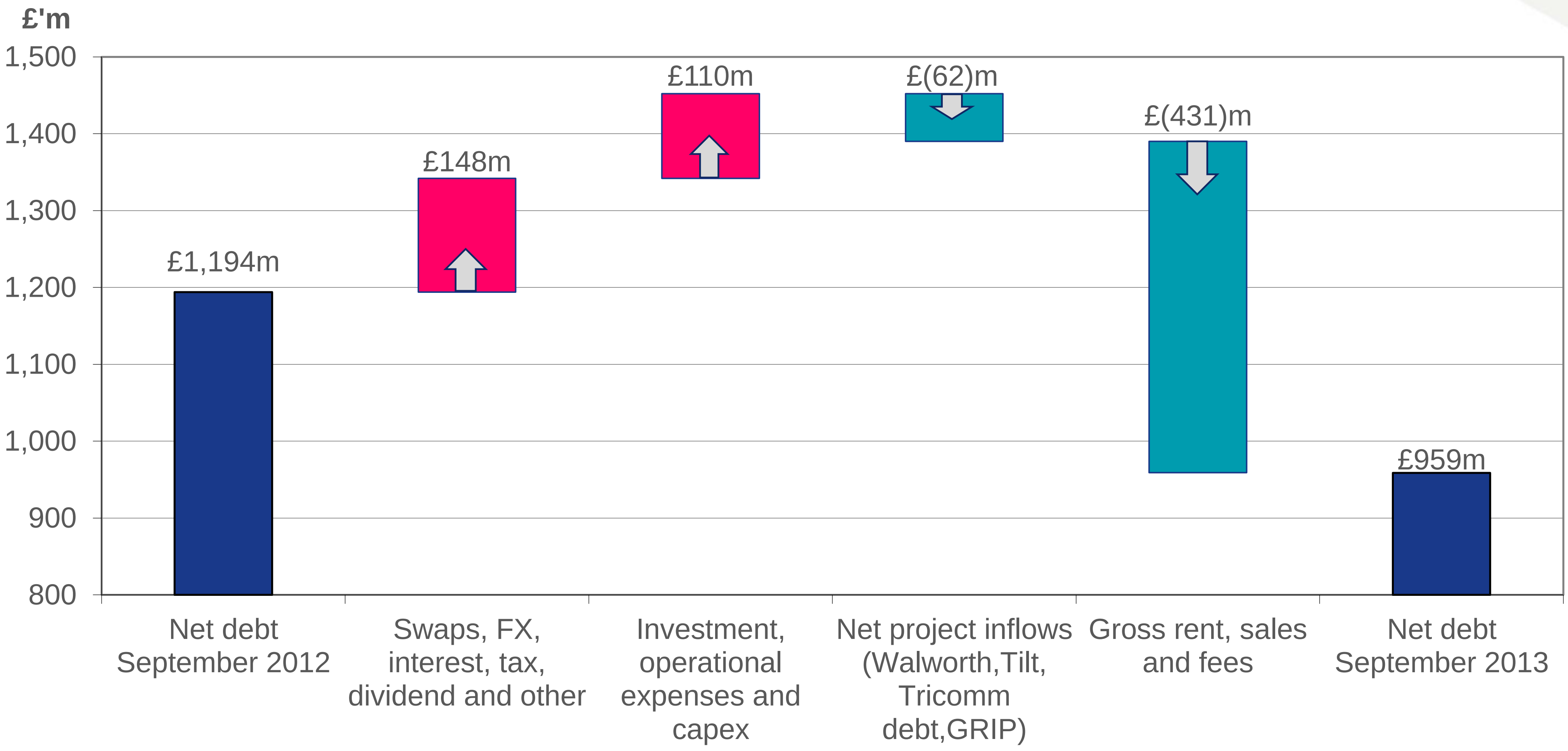


223p	**13p**	**17p**	**3p**	**(11)p**	**(3)p**	**242p**

* Fair value of swaps added back including JVs & associates, deferred tax on swaps added back, and movement in hedging & translation reserves

Movement in net debt

Net debt reduced by 20%



Capital structure and Group debt analysis

Capital structure

- LTV between 45% and 50%
- Manage our average cost of debt downwards towards 5.0%
- Hedging between 60% and 70%
- Minimum core headroom of £100m
- Consideration on broadening sources of our debt

	September 2013 £m		September 2012 £m
Balance sheet debt	1,049		1,267
Cash & Cash equivalents	90		73
Net Debt	**959**		**1,194**
Available cash and undrawn facilities	**292**		**148**
Average debt maturity (years)	4.6		5.5
Average swaps maturity (years)	7.3	(1)	5.7
Hedging level on gross debt	68%		84%
LTV - core facility	40%		48%
Interest cover - core facility	5.0:1	(2)	3.0:1
LTV on a group basis	48%		55%
Average cost of debt*	5.7%		6.1%
Average interest rate**	5.5%		6.0%

*For the period including costs
**As at balance sheet date excluding costs

(1) The increase during the year in Swap Maturity are a result of two forward starting swaps that came into effect in June-13.
(2) The increase in interest cover is as a result of the sale of investment properties

2013 financial highlights
Income statement

↓ **OPBVM**

£107.6m

(2012: £126.4m)

↑ **Recurring profit**

£37.0m

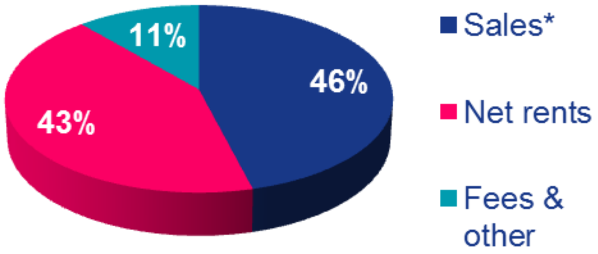
(2012: £34.6m)

↑ **Profit before tax**

£64.3m

(2012: £(1.7)m)

Income streams



→ **Profit from sales**

£77.7m

(2012: £77.6m)

↑ **Dividend per share**

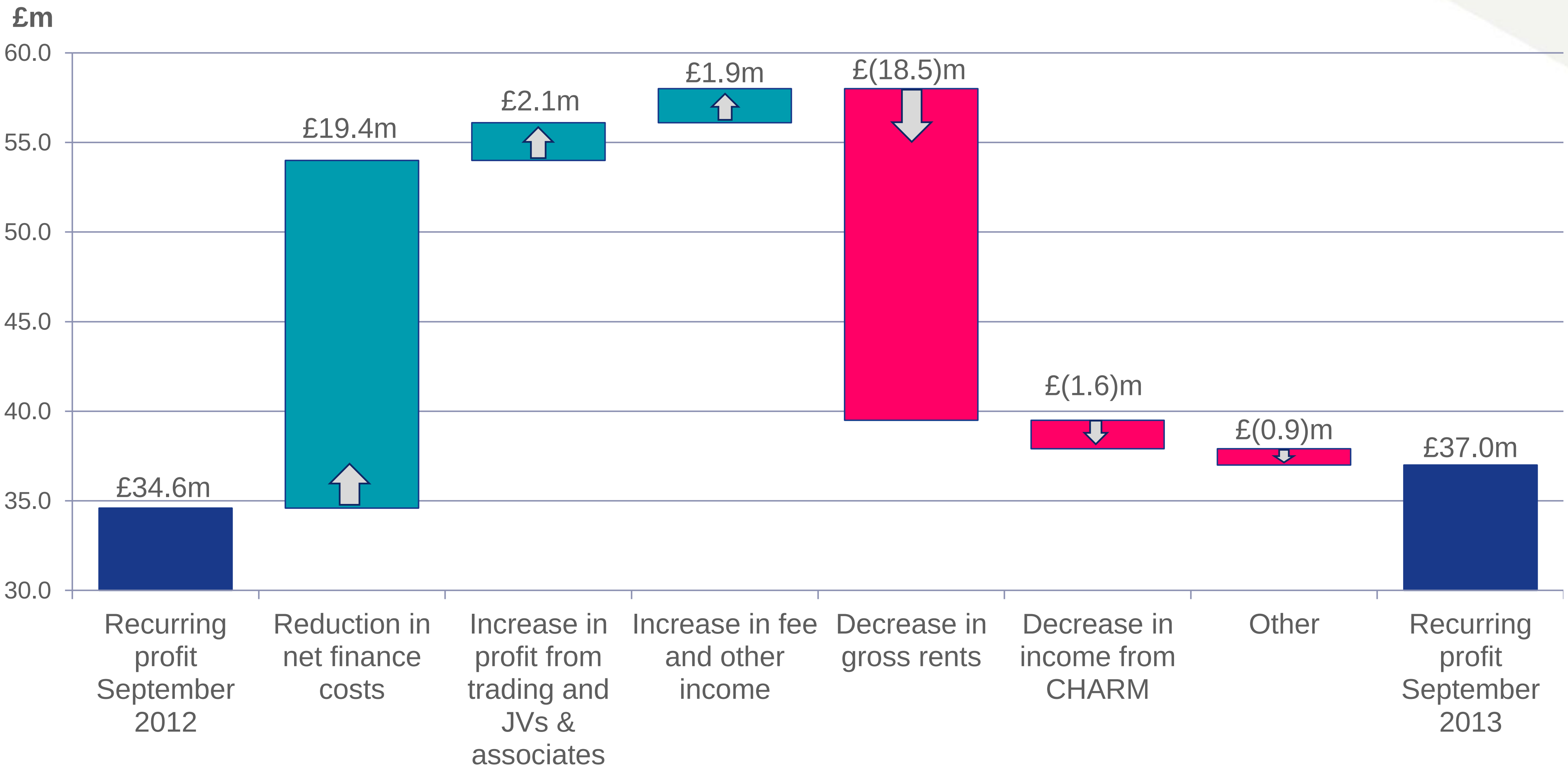
2.04p

(2012: 1.92p)

** Adjusted for tenanted sales*

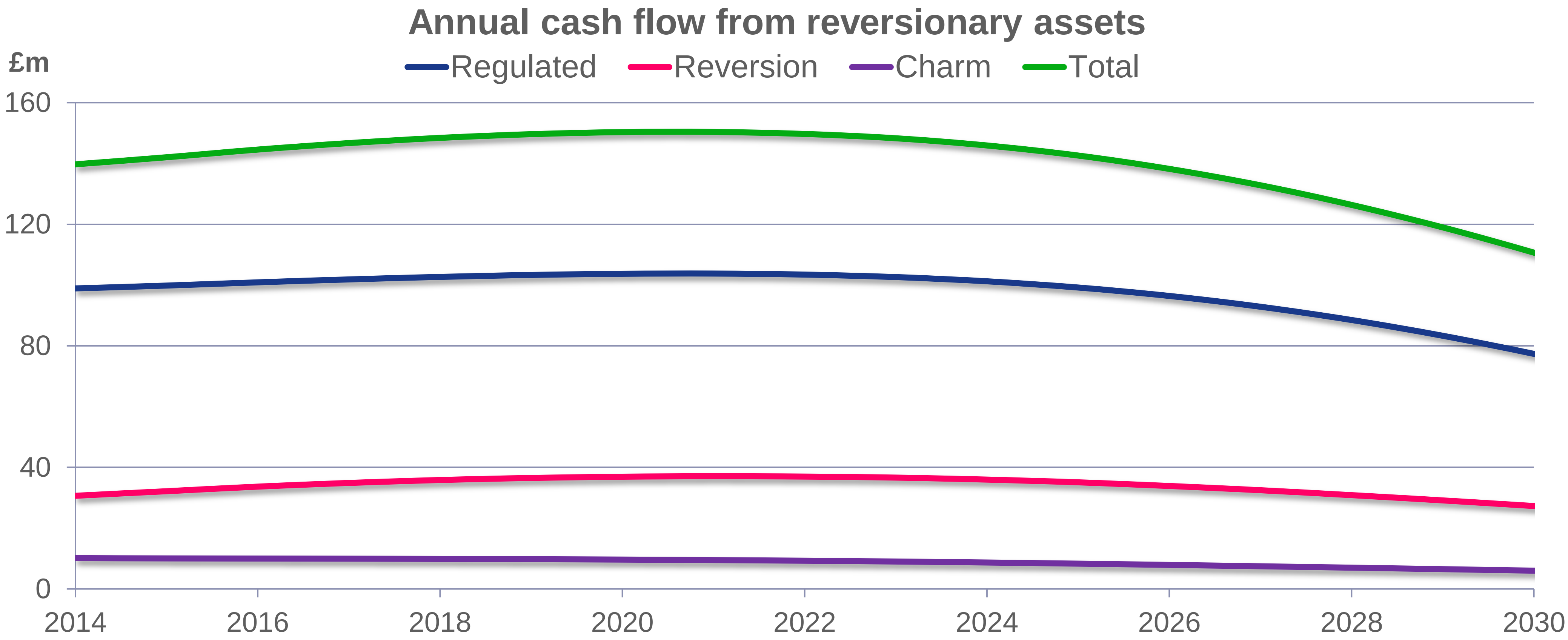
Movement in recurring profit

Recurring profit up 6%



Predictable long term future cash flows

- **Represents a pipeline of profits with no planning or development risk**
- **Supports our plan for re-investment**



** Assumes 4% pa long-term HPI and includes rents of c.£29.5m in 2014 on reversionary assets, growing c.3.5% pa*

Agenda

1. Introduction	*Andrew Cunningham*
2. Market and future strategy	*Andrew Cunningham*
3. Financial highlights	*Mark Greenwood*
4. Operational highlights	*Nick Jopling*
5. Summary and outlook	*Andrew Cunningham*

Operational achievements

Continued valuation outperformance	Market value of our residential UK portfolios rose by 8.3%
Sales consistently above valuations	7.9% above 2012 values (2012: 6.1%)
Heitman co-investment vehicle created	Fees & equity stake
Created GRIP fund	Fees & equity stake
Procured single repairs contract with Kier Services	Reducing property operating costs
Secured planning at Wellesley, Aldershot	Fees, gain share and interest

GRIP fund, Canonbury Heights, London

Grainger Kier repair vans

Operational pipeline

Macaulay Walk, Clapham, London

Generating sales through select developments

- A high quality development in a highly sought after area, Clapham Old Town
- 84 new homes
- Total GDV c.£58m
- Practical completion and sales to begin in early 2014
- A targeted marketing campaign began in summer 2013

Operational pipeline

Young St & Hortensia Rd developments with Royal Borough of Kensington and Chelsea

Development profit, future rental income and fee income with no requirement to purchase land

- Planning committee in December 2013
- Appointed by the Council to redevelop two Council-owned sites
- 84 new homes
- Total GDV c.£110m
- Grainger will develop, let and manage the properties under a 125 year agreement

Proposed development of Young Street, London

Proposed development of Young Street, London

Operational pipeline

King Street, Hammersmith

50:50 joint venture with Helical Bar

- Planning committee on 12 November 2013
- 196 new homes, new retail space, 40,000 sq.ft. of new council offices and a new Curzon cinema
- Total GDV of c.£150m
- Start on site – 2015

King Street Regeneration scheme, London

Operational pipeline

Berewood, Waterlooville

Land sales and build-to-rent

- 2,550 new homes
- Phase 1 under construction by Bloor Homes (194 homes)
- Phase 2 sold to Redrow (c.250 homes) – 15 acres for £14.75m an increase of 9% on Phase 1
- Phase 3 – first Grainger Build to Rent product (c.106 units)
- Approved loan in principle from Government's Build-to-Rent Fund

Value-enhancing opportunities

Reversionary assets	9.0 – 9.5% IRR on an ungeared basis	
Fund management and fee business	20.0% gross margin on costs	+ equity stake or promote
Build-to-rent	8.0 – 10.0% IRR on an ungeared basis	

Types of build-to-rent projects:

Forward purchase: *London Rd, Barking*	Local authority partnerships: *RBKC*
Part of larger scheme: *Berewood*	Public sector land: *Wellesley*

Agenda

1. Introduction	*Andrew Cunningham*
2. Market and future strategy	*Andrew Cunningham*
3. Financial highlights	*Mark Greenwood*
4. Operational highlights	*Nick Jopling*
5. Summary and outlook	*Andrew Cunningham*

Summary

Excellent progress on strategic objectives…

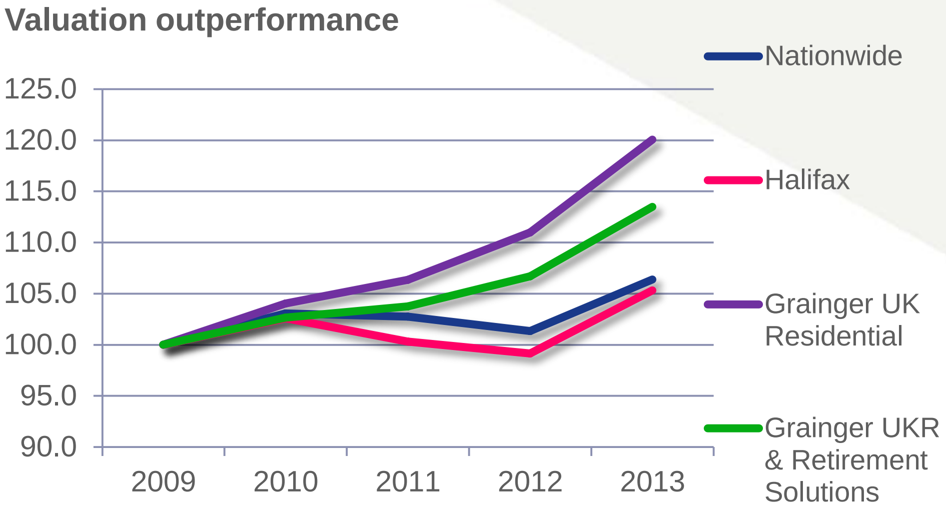
- Continued outperformance
- Growth in net asset values
- Strong cash generation
- Capturing opportunities in the market
- Reversionary value crystallised

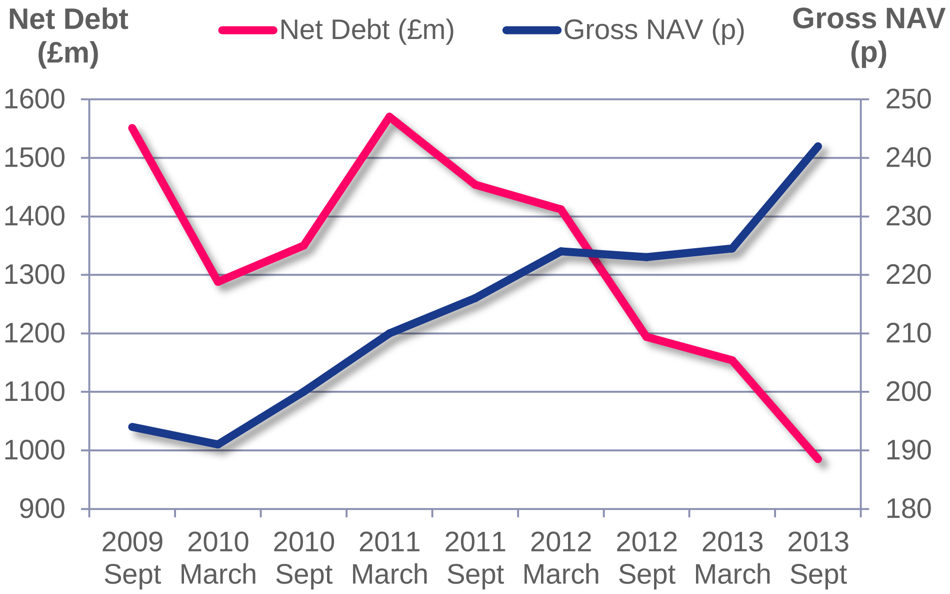
…with a renewed strategic focus…

- Maximising returns through active asset management
- Leading the market to attract opportunities and business
- Balancing incomes to enhance returns
- Optimising the business (financial and operational)

…and an increasingly positive outlook

- Positive upward pressure on prices
- Political recognition of need to increase housing supply
- Significant investor interest in the private rented sector





The investment case for Grainger

Three income streams: **sales, rents** and **fees**

- Offers a geared exposure to the residential investment market
- Continued valuation outperformance
- £527m of unrealised reversionary value (127p per share)*
- Highly cash generative
- Prudent valuations
- Resilient, defensive asset class
- Recurring rents and fees underpin finance and operational costs
- Market leading platform and innovation generates new business opportunities

---

** Includes £44m within Joint Ventures/Associates*

Disclaimer

This presentation contains certain forward-looking statements. Any statement in this presentation that is not a statement of historical fact including, without limitation, those regarding Grainger plc's future financial condition, business, operations, financial performance and other future expectations, is a forward-looking statement. By their nature, forward-looking statements involve risk and uncertainty as they relate to events which occur in the future. Actual outcomes or results may differ materially from the outcomes or results expressed or implied by these forward-looking statements. Factors which may give rise to such differences include (but are not limited to) changing economic, financial, business, regulatory, legal or other market conditions. These and other factors could adversely affect the outcome and financial effects of the events specified in this presentation. The forward-looking statements reflect knowledge and information available at the date they are made and Grainger plc does not intend to update the forward-looking statements contained in this presentation.

This presentation is for information purposes only and no reliance may be placed upon it. No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained in this presentation. Past performance of securities in Grainger plc cannot be relied upon as a guide to the future performance of such securities.

This presentation 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.

Thank you

www.graingerplc.co.uk

Appendices

Portfolio summary (wholly owned)

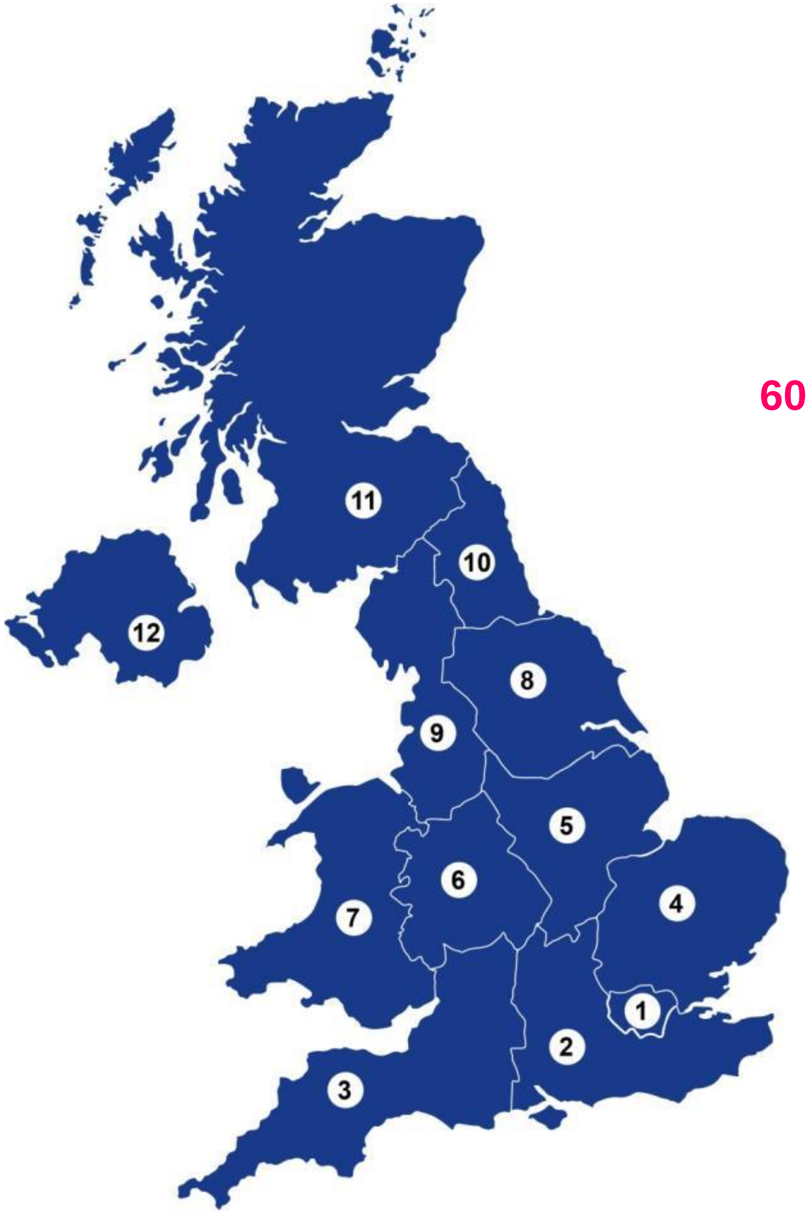
	No. of units	Market Value £m	VP Value £m	Reversionary surplus £m	IV/VP %	Gross rent £m	Gross sales proceeds £m	Profit on sale £m
Reversionary Assets								
Regulated	4,096	836	1,110	274	75%	30	87	17
Vacant	149	42	42	-	100%	-	80	40
RS Reversion	4,217	339	517	178	66%	3	50	12
CHARM	884	96	96	-	100%	-	6	1
	9,346	1,313	1,765	452	74%	33	223	70
Development*		84	84	-	100%	-	15	2
Total	**9,346**	**1,397**	**1,849**	**452**	**75%**	**33**	**238**	**72**
Market Rented Assets								
Germany	3,052	178	178	-	100%	16	18	-1
AST	588	122	136	14	90%	11	92	6
Tricomm (MOD)	317	106	106	-	100%	9	-	-
Other	50	40	57	17	69%	2	5	1
Market Rented Total	**4,007**	**446**	**477**	**31**	**93%**	**38**	**115**	**6**
Overall Total	**13,353**	**1,843**	**2,326**	**483**	**79%**	**71**	**353**	**78**
Total at 30 September 2012	18,960	2,230	2,774	544	80%	90	258	78

Assets under management including JV's and associates	
UK	15,436
Germany	6,133
Total AUM	21,569

Asset Performance

	2013	
	VPV	Market value
Year-on-year HPI (Nationwide and Halifax)	5.6%	
UK Residential portfolio VPV rise and market value rise	8.2%	9.3%
Retirement solutions portfolio VPV rise and market value rise	2.3%	5.9%
Combined UK Grainger VPV rise and market value rise	6.4%	8.3%
Reversionary surplus in combined UK portfolio		£483m
Pence per share before tax		116p
Reversionary surplus including share of joint ventures/ associates		£527m
Pence per share before tax		127p
UK Residential portfolio excess on sale to September 2012 value		10.4%
Retirement Solutions portfolio excess on sale to September 2012 value		2.8%
Average excess on sale to September 2012 value		7.9%

Grainger UK portfolio



	UK	No. of units	Vacant possession value, £m	Market value, £m	Market value, %
1	Central London	595	357	280	18%
	Inner London	1,163	436	345	22%
	Outer London	770	184	134	8%
2	South East	1,531	259	188	12%
3	South West	1,541	266	227	14%
4	East	1,050	140	102	6%
5	East Midlands	448	50	35	2%
6	West Midlands	872	129	95	6%
7	Wales	130	14	9	1%
8	Yorkshire	565	61	44	3%
9	North West	1,085	114	82	5%
10	North East	331	35	27	2%
11	Scotland	209	18	11	1%
12	N. Ireland	11	1	1	0%
	Total	**10,301**	**2,063**	**1,580**	**100%**

60%

Asset Overview – JV/ Associates

	Joint Ventures						Associates			
	Prague/ Zizkov	**Hammersmith**	**Curzon Park**	**Gebau**	**Sovereign**	**Walworth**	**Heitman**	**GRIP**	**G:Res**	**Total**
£m										
Property assets	27	6	37	-	55	133	198	412	-	868
Other assets	2	0	0	1	3	3	14	18	15	56
Total assets	29	6	37	1	58	136	212	430	15	924
External debt *	(12)	-	(11)	-	(25)	(60)	(125)	(161)	-	(394)
Loans to/(from) Grainger	-	(6)	(11)	-	-	(13)	(15)	(127)	-	(172)
Other liabilities	(14)	0	(21)	-	(4)	(4)	(12)	(5)	-	(60)
Total liabilities	(26)	(6)	(43)	-	(29)	(77)	(152)	(293)	-	(626)
Net assets	3	0	(6)	1	29	59	60	137	15	298
Grainger share	50%	50%	50%	50%	50%	50%	25.00%	24.9%	26.2%	
Grainger share £m	2	0	(3)	1	14	29	15	33	4	95
Loans net of provisions	0	3	5	-	-	7	4	32	-	51
Total Grainger investment	2	3	2	1	14	36	19	65	4	146
Vacant posession value					93	153	198	481	-	925
Reversionary surplus					34	21		69		124
Grainger share of reversionary surplus					17	10		17		44

* Net of unamortised finance costs

Profit summary

	Sept 13 £m	Sept 12 £m
Profit on sale of assets*	77.7	77.6
Net rents	48.5	63.5
Management fees	12.9	11.0
Charm	5.7	7.1
Overheads and other expenses	(37.2)	(32.8)
OPBVM**	**107.6**	**126.4**
Finance costs, net	(71.3)	(90.7)
JV's and associates	0.7	(1.1)
Recurring profit before tax	**37.0**	**34.6**
Valuation movements	11.3	6.6
Derivative movements	21.9	(31.2)
Non-recurring items	(5.9)	(11.7)
Profit before tax	**64.3**	**(1.7)**

* Includes tenanted sales
** OPBVM - Operating profit before valuation movements/non-recurring items

Property sales and profits

	Full Year 2013				Full Year 2012			
	Units	Gross proceeeds	Profit		Units	Gross proceeeds	Profit	
Trading sales on vacancy		£m	£m	Margins		£m	£m	Margins
UKR	337	79.5	40.2	50.6%	390	89.2	37.4	41.9%
RS	338	36.9	12.0	32.6%	323	38.7	13.3	34.4%
	675	116.4	52.2	44.9%	713	127.9	50.7	39.6%
Tenanted sales	1,684	200.0	23.4		489	58.2	9.9	
Other sales	17	3.6	1.4		8	29.0	12.5	
Residential Total	2,376	320.0	77.0		1,210	215.1	73.1	
Development		15.0	1.8			18.9	3.4	
UK Total	2,376	335.0	78.8		1,210	234.0	76.5	
Germany	245	18.0	(1.2)		294	24.4	1.1	
Overall Total	2,621	352.9	77.7		1,504	258.4	77.6	
Less CHARM	(59)	(5.8)	(0.4)		(68)	(7.9)	(0.6)	
Statutory Sales	2,562	347.1	77.3		1,436	250.5	77.0	

Regular, resilient cashflows

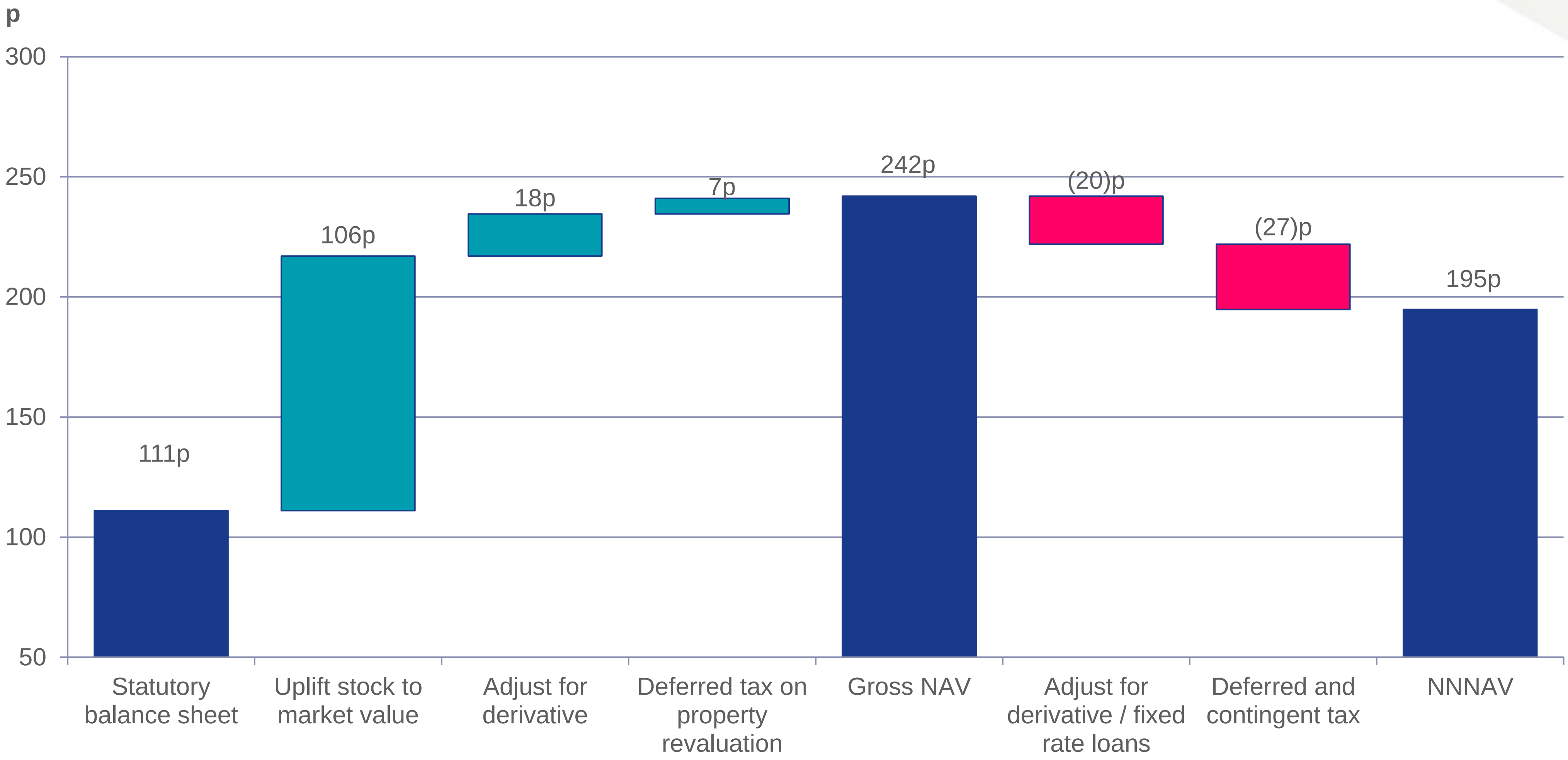
Average cashflow over the 8 year period to 2013 is £300m

£m	2013	2012	2011	2010	2009	2008	2007	2006
Gross rents								
UK Residential	51	58	51	39	41	42	39	47
Retirement Solutions	4	5	5	6	6	6	2	-
Development	-	-	-	1	1	1	2	1
Germany	16	27	30	30	30	22	10	5
Total	**71**	**90**	**86**	**76**	**78**	**71**	**53**	**53**
Property Sales net of sales fees								
UK Residential	260	172	148	118	139	137	125	124
Retirement Solutions	55	38	27	29	27	27	19	12
Development	15	18	22	19	46	10	39	56
Germany	17	24	21	4	3	2	2	1
Total	**347**	**252**	**218**	**170**	**215**	**176**	**185**	**193**
Fees/Other income	**13**	**11**	**8**	**7**	**7**	**9**	**6**	**3**
Overall Total	**431**	**353**	**312**	**253**	**300**	**256**	**244**	**249**
	Signs of recovery; economic fragility however remains.	Recessionary / Low growth; Euro crisis still destabilising financial markets		Recessionary / Low growth; massive cuts in public spending announced	Oct 2008, Govt rescues RBS/Lloyds April 2009, Govt announce record budget deficit	Mar 2008, Bear Stearns collapse Sep 2008, Lehmans bankrupt	Aug 2007, Credit markets freeze Sep 2007, Run on Northern Rock	Property market booming

NAV measures reconciliation

	Statutory Balance Sheet	Market Value Adjustments	Market value Balance Sheet	Add back Def Tax on property	Add back Fair value of derivative financial instruments	Gross NAV	Adj IAS 39 re fixed rate loan and derivative financial instruments	Deferred and Contingent Tax	NNNAV Balance Sheet	Adjustments	Grainger NNNAV
Investment Property	354.0		354.0			354.0			354.0		354.0
CHARM	96.3		96.3			96.3			96.3		96.3
Trading stock	949.6	433.0	1,382.6			1,382.6			1,382.6	243.2	1,625.8
JV/Associates	145.9	(2.6)	143.3	3.5	0.4	147.2	(0.4)	(3.5)	143.3		143.3
Cash	90.3		90.3			90.3			90.3		90.3
Deferred tax	20.1		20.1		(18.3)	1.8	20.9		22.7		22.7
Held-for-sale assets	9.9		9.9			9.9			9.9		9.9
Other assets	45.1	11.5	56.6			56.6			56.6		56.6
Total assets	1,711.3	441.9	2,153.2	3.5	(17.9)	2,138.9	20.5	(3.5)	2,155.9	243.2	2,399.0
External debt	(1,049.0)		(1,049.0)			(1,049.0)	(13.0)		(1,062.0)		(1,062.0)
Derivatives	(91.1)		(91.1)		91.1	-	(91.1)		(91.1)		(91.1)
Deferred tax	(25.7)		(25.7)	23.8		(1.9)		(109.8)	(111.8)	(48.6)	(160.4)
Liabilities relating to held-for-sale assets	-		-			-			-		-
Other liabilities	(80.0)		(80.0)			(80.0)			(80.0)		(80.0)
Total liabilities	(1,245.8)	-	(1,245.8)	23.8	91.1	(1,130.9)	(104.1)	(109.8)	(1,344.9)	(48.6)	(1,393.5)
Net assets	465.5	441.9	907.5	27.3	73.2	1,008.0	(83.6)	(113.4)	811.0	194.6	1,005.5
Net assets per share pence	111.8	106.1	217.9	6.5	17.6	242.0	(20.1)	(27.2)	194.7	46.7	241.4

NAV Reconciliation

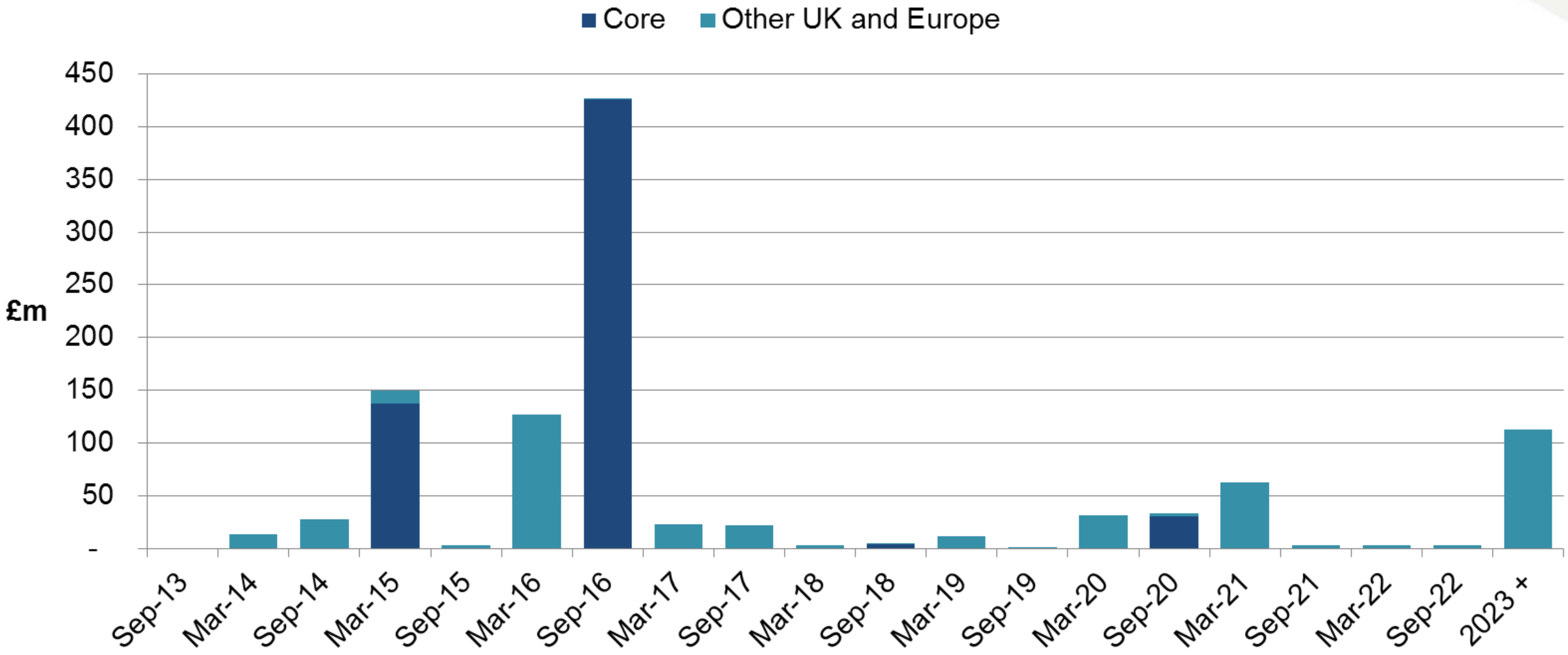


£466m	**£442m**	**£73m**	**£27m**	**£1,008m**	**£(84)m**	**£(113)m**	**£811m**

Look through debt

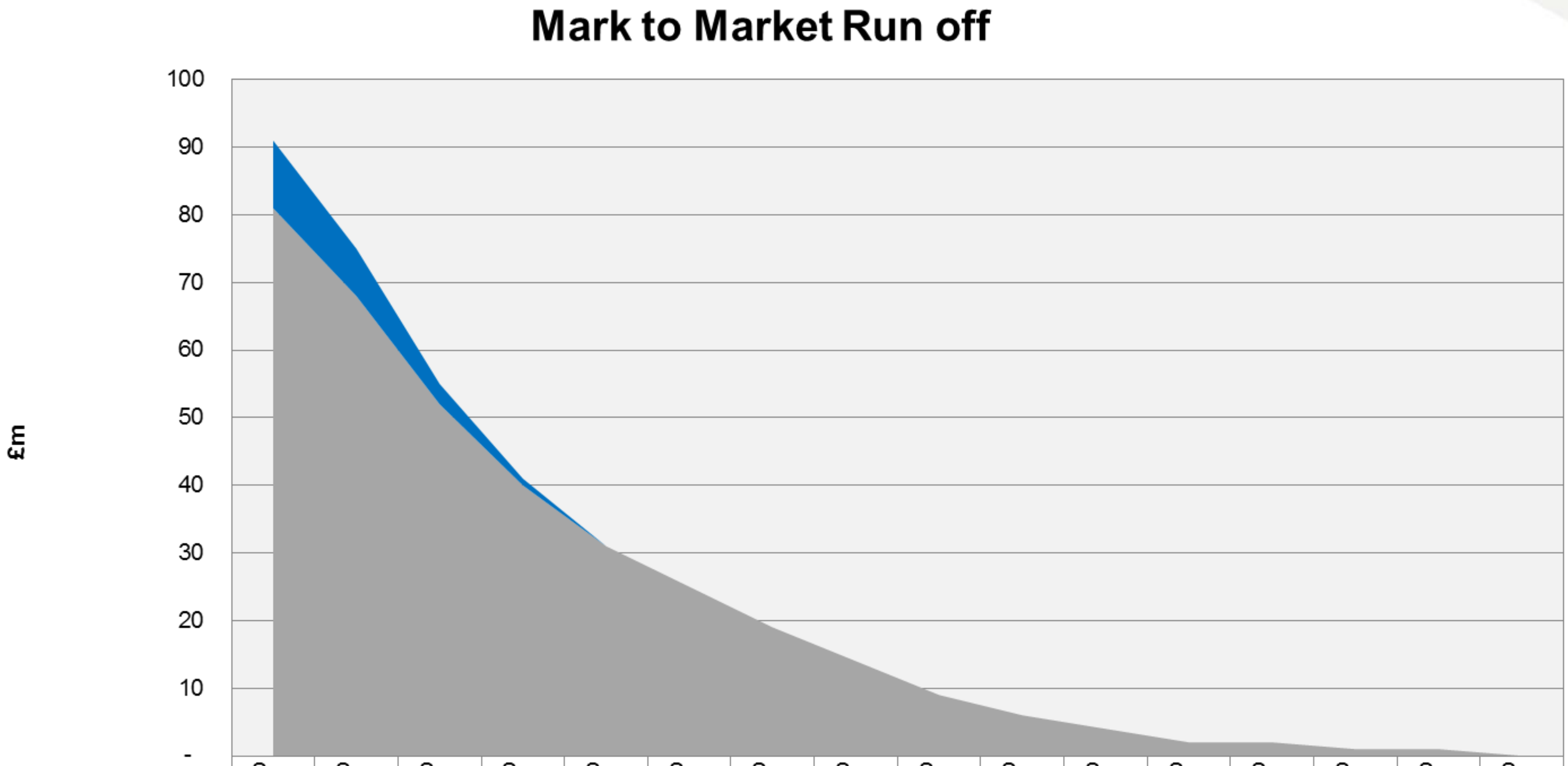
Counterparty	Group Debt	Heitman	Sovereign	GRIP	WIP	Other	Total Third Party Debt	Total Debt	Total Third Party Share	Group Share
-	*(£m)*	*25%*	*50%*	*25%*	*50%*	*50%*	*(£m)*	*(£m)*	*(£m)*	*(£m)*
Syndicate	597							597		597
M&G	100							100		100
Convertible	24							24		24
Core Total	**721**							**721**		**721**
Bilateral	159							159		159
Insurance Companies	83							83		83
Joint Ventures and Associates		126	26	163	60	23	399	399	(272)	127
Germany	99							99		99
Total Group Gross Debt	**1,062**	**126**	**26**	**163**	**60**	**23**	**399**	**1,460**	**(272)**	**1,189**
Cash	(90)							(90)		(90)
Finance Costs	(13)							(13)		(13)
Total Group Net Debt	**959**	**126**	**26**	**163**	**60**	**23**	**399**	**1,357**	**(272)**	**1,085**
Property and investment assets	**1,997**	**198**	**55**	**412**	**133**	**70**	**868**	**2,865**	**(587)**	**2,278**
LTV	**48.0%**						**45.9%**			**47.7%**

Debt repayment profile



Derivative liability run-off chart

Mark to Market Run off



	Sep 2013	Sep 2014	Sep 2015	Sep 2016	Sep 2017	Sep 2018	Sep 2019	Sep 2020	Sep 2021	Sep 2022	Sep 2023	Sep 2024	Sep 2025	Sep 2026	Sep 2027	Sep 2028
🟦 Reserves	10	7	3	1	-	-	-	-	-	-	-	-	-	-	-	-
■ Income Statement	81	68	52	40	31	25	19	14	9	6	4	2	2	1	1	-
Movements Reserves		3	4	2	1	-	-	-	-	-	-	-	-	-	-	-
Movements I/S		13	16	12	9	6	6	5	5	3	2	2	-	1	-	1

Tax

- The tax charge for the period ended 30 September 2013 is £10.7m
- Reduction of £4.4m, from expected tax charge of £15.1m, results primarily from a prior period credit of £7.5m related to agreement of tax positions with the UK and German tax authorities, reduced by non-deductible expenditure of £2.7m
- Corporation Tax paid in the period totals £16.4m (£15.6m UK, £0.8m overseas)
- Group remains graded as a ‘low risk taxpayer’ by HM Revenue & Customs
- The Group retains a policy of prudent tax provisioning. Any provision releases will impact tax rate in the year of release.

Principal development schedule

Key project name	Description, planning status and strategy	Progress	GDV (without planning)	GDV (with planning)	Market value at 30 Sept 2013	No. of units
Wholly owned			£M	£M	£M	
Aldershot	400 acre brownfield site in Hampshire; Development partner role with Defence Estates. The intention is to achieve outline planning consent and sell serviced land parcels to house-builders.	Resolution to grant issued at planning committee 4 July 13, S106 discussion underway and preparations for start of infrastructure work and land sales. Refurbishment work on Smith Dorrien building, and Cambridge Military Hospital have both commenced.		(Fees)	-	3,850
Macaulay Walk, Clapham	97 residential units, 30,000 sq. ft offices - detailed consent granted and demolition complete. Build Out development.	Started on site 6 August 12, Office completes Autumn 13, Residential completes January 14. PR/Marketing team now appointed, web site now live. Office marketing launched on 5th February 13. Residential launch planned early 204.	-	58	36	65
Berewood, Waterlooville (formerly Newlands)	217 hectares greenfield site held freehold with overage interest. Outline planning consent for 2550 homes and 100,000 sq.m commercial. Sell serviced land parcels.	Bloor selling first phase at over £300/ft. Second phase land sale completed September 13 to Redrow for land for 248 units for £14.75m. second phase entrance works commenced.	-	155	23	2,550
Seven Sisters	197 residential units with a range of retail units, including provision for the Seven Sisters market. The original planning consent was quashed by the Court of Appeal in 2010. Obtain planning consent.	Received consent at 25 July 12 committee, S106 agreed and decision issued. Final challenge defeated August 13, meaning we now have uncontestable planning consent.	-	86	3	197
RBKC Young/Hortensia	Development Partner of RBKC to develop two brownfield two sites Hortensia Road and Young St. Obtain planning consent and build out.	Planning application submitted and validated August 2013. Planning committee by end of 2014.	53	-	1	84
Hammersmith	Mixed use JV with LB Hamersmith & Fulham and Helical Bar including residential units, retail, new council offices and public realm. Acheive planning consent.	Planning application submitted and validated August 2013. Planning committee by end of 2014.	77		-	196
Other			30	15	21	
Total			160	314	84	5,942

** The above GDV's refer to Grainger's share of remaining GDV in each of the development projects*