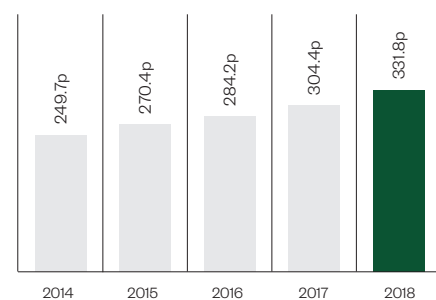


## MEASURING OUR PROGRESS

EPRA NAV per share

**331.8p****Definition**

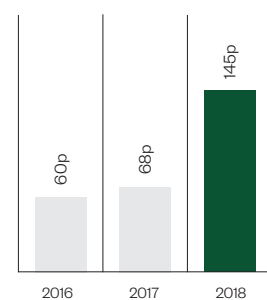
EPRA NAV measures (which set out the net asset value attributable to equity shareholders adjusted for the revaluation surpluses on trading properties, with (EPRA triple net NAV) or without (EPRA NAV) associated tax provisioning) continue to be a significant descriptor of value growth for the Group ahead of significant residential plot sales.

**Performance**

EPRA NAV per share increased 9.0 per cent over the last year with EPRA triple net NAV per share increasing 8.1 per cent – since Listing the annual growth rates in both measures equate to 8.7 per cent and 7.7 per cent respectively.

**Link to strategy****1 2**

Wholesale discount

**145p****Definition**

In order to provide guidance on the embedded value at our most advanced strategic land sites, where the Group believes placemaking has been achieved or has commenced, a self-defined wholesale discount figure is published. This is calculated as the difference between the unserviced land values imputed by CBRE valuations (which take into account site scale and build-out duration among other matters) and the current retail prices being achieved on smaller parcel sales.

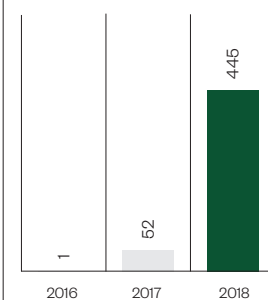
The Group expects this wholesale discount to unwind over the life of each project, although it cannot be certain on timings and considers that movements in EPRA NAV measures combined with movements in the wholesale discount is perhaps a more useful indicator of progress during a period.

**Performance**

The wholesale discount has widened to 145p per share in the year to 30 September 2018 (30 September 2017: 68p per share), reflecting, in part, CBRE's valuation of Priors Hall for the first time. Of the 145p, 48p is attributable to Alconbury, 45p to Priors Hall with a further 40p and 12p being accounted for by the Group's joint venture interests at Rugby and Wintringham.

**Link to strategy****1**

Plot completions

**445****Definition**

Plot completions to the ultimate homebuyer are important for a number of reasons. Firstly our serviced land receipts under licence arrangements (including contractual minimums due from the housebuilders) are typically linked to plot completions and secondly, together with reservations and exchanges, they provide the Group, its independent valuers and stakeholders with market information.

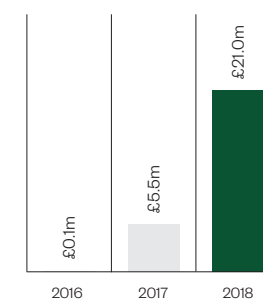
**Performance**

The Group's first plot sale was made on 30 September 2016 by Hopkins Homes at Alconbury, with a further 52 being sold in the year to 30 September 2017.

In the current financial year, the Group saw completions in relation to 445 plots on 14 separate land parcels with 12 different housebuilders.

**Link to strategy****1 2 3**

Cash flow generation from plot completions

**£21.0m****Definition**

Strategic land sites now account for 85 per cent of the Group's property portfolio value and therefore cash generated from these sites will become more evident and important in respect of overhead coverage, dividend payments and future growth strategies.

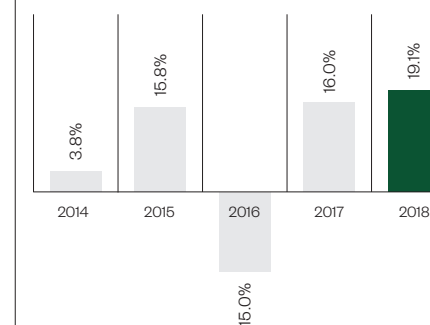
This measure is usually combined with plot completions to enable the Group to assess profitability on a per plot basis, which is also used to consider how current economics might impact property valuations.

**Performance**

Cash generation on residential completions has exponentially increased along with plot completions. In 2016 the first plot sale realised gross proceeds of £121,000, with a further 52 completions generating £5.5 million in the year to 30 September 2017. This financial year £21.0 million was generated by 445 completions.

**Link to strategy****1 2 3**

Total shareholder return

**19.1%****Definition**

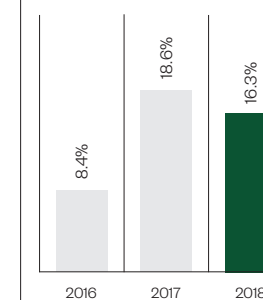
The return our shareholders make is a clear priority, which we monitor through calculating the growth in value of a shareholding, assuming reinvestment of any dividends into shares over a period. This is usually benchmarked against our peers or the FTSE 350 Real Estate and All Share Indices.

**Performance**

Urban&Civic's share price has risen 35.1 per cent over the last 24 months (from 225.0p at 30 September 2016 to 304.0p at 30 September 2018) and 17.8 per cent over the last 12 months – a period that included the placing of 40.4 million of GIP U&C S.À.R.L shares (representing 27.9 per cent of issued share capital). Combined with two dividends paid during the year totalling 3.3p, the share price movement has resulted in a total shareholder return of 19.1 per cent for the year. This compares to a 1.0 per cent rise in the FTSE 350 Real Estate Index and a 2.7 per cent increase in the FTSE All Share Index (excluding dividends).

**Link to strategy****1 2****Link to strategy key****1** Growth **2** Returns **3** Resilience

Gearing – EPRA NAV

**16.3%****Definition**

The Group has publicly stated that it does not intend to borrow to acquire land or fund the cost of constructing infrastructure at its strategic land sites, except where those borrowings are derived from Government sources such as Homes England. Urban&Civic has also imposed on itself a gearing limit of 30 per cent (current third party loan covenants are above this threshold). These parameters ensure the Group does not take on more borrowing than it can afford to service, whilst at the same time providing some borrowing capacity should the need arise.

**Performance**

The Group's net debt position at 30 September 2018 totalled £78.3 million (30 September 2017: £81.7 million), comprising external borrowings of £94.9 million and cash reserves of £16.6 million, producing a net gearing ratio of 20.1 per cent (30 September 2017: 22.0 per cent) on an IFRS NAV basis and 16.3 per cent (30 September 2017: 18.6 per cent) on an EPRA NAV basis.

On a full look-through basis, which additionally includes the Group's share of joint ventures' net debt, gearing on an EPRA basis increases to 20.6 per cent, (30 September 2017: 21.3 per cent) still well within our self-imposed limit of 30 per cent.

**Link to strategy****3**

Property portfolio valued at

**£609.1m**

Discount equivalent to

**£210.0m**

Further exchanges and reservations in 2018

**240**

Portfolio in strategic land

**85%**

Full year dividend

**3.5p**

Look-through gearing

**20.6%**