

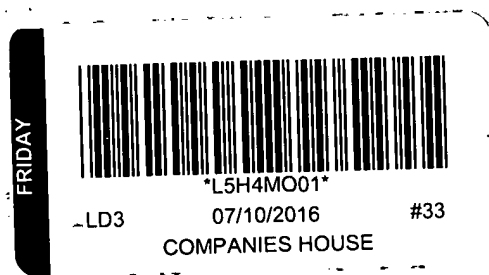
---

# BL Intermediate Holding Company Limited

## Annual Report and Accounts

Year ended 31 March 2016

---



Company number: 05995026

---

**BL Intermediate Holding Company Limited**

**CONTENTS**  
**for the year ended 31 March 2016**

**Page:**

|    |   |
|----|---|
| 1  | Strategic Report  |
| 3  | Directors' Report   |
| 5  | Independent Auditors' Report to the Members of BL Intermediate Holding Company Limited' |
| 7  | Profit and Loss Account   |
| 8  | Statement of Comprehensive Income   |
| 9  | Balance Sheet   |
| 10 | Statement of Changes in Equity  |
| 11 | Notes to the Accounts.  |

**BL Intermediate Holding Company Limited**

**STRATEGIC REPORT  
for the year ended 31 March 2016**

The directors present their Strategic Report for the year ended 31 March 2016.

**Principal activities**

BL Intermediate Holding Company Limited ("the company") is a wholly owned subsidiary of The British Land Company PLC and operates as a constituent of The British Land Company PLC group of companies ("the group").

The company's principal activity is that of an investment holding company in the United Kingdom (UK).

**Business review**

As shown in the company's Profit and Loss Account on page 7, the company's turnover is £nil compared to a turnover of £nil in the prior year and profit on ordinary activities before taxation is £468.5m compared to profit on ordinary activities before taxation of £488.1m in the prior year due to the writeback of historic provisions on investments in subsidiaries.

Dividends of £nil (2015: £nil) were paid in the year.

The Balance Sheet on page 9 shows that the company's financial position at the year end is, in net asset terms, has increased due to the write up of investments in subsidiaries.

The value of investments held at 31 March 2016 increased by 2.5% due to underlying net asset value adjustments made during the year then ended as shown in note 6 to the company's Balance Sheet.

The Board uses total return, to monitor the performance of the company. This is a measure of growth in total equity per share, adding back any current year dividend.

The company is a subsidiary of The British Land Company PLC. The company's strategy is the same as the group's strategy – to deliver an above average annualised total return to shareholders, which is achieved by creating attractive environments in the right places focused around the people who work, shop and live in them.

The expected future developments of the company are determined by the strategy of the group. There are no future developments outside of the company's current operations planned.

For more information also see the The British Land Company PLC group annual report.

The performance of the group, which includes the company, is discussed in the group's annual report which does not form part of this report.

**Principal risks and uncertainties**

This company is part of a large property investment group. As such, the fundamental underlying risks for this company are those of the property group as discussed below.

The group generates returns to shareholders through long-term investment decisions requiring the evaluation of opportunities arising in the following areas:

- demand for space from occupiers against available supply;
- identification and execution of investment and development strategies which are value enhancing;
- availability of financing or refinancing at an acceptable cost;
- economic cycles, including their impact on tenant covenant quality, interest rates, inflation and property values;
- legislative changes, including planning consents and taxation;
- engagement of development contractors with strong covenants;
- key staff changes;
- environmental and health and safety policies; and
- the period of uncertainty for the UK economy and real estate markets resulting from the decision on 23 June 2016 of the UK electorate to vote to leave the European Union.

These opportunities also represent risks, the most significant being change to the value of the property portfolio. This risk has high visibility to directors and is considered and managed on a continuous basis. Directors use their knowledge and experience to knowingly accept a measured degree of market risk.

The group's preference for prime assets and their secure long term contracted rental income, primarily with upward only rent review clauses, presents lower risks than many other property portfolios.

BL Intermediate Holding Company Limited

**STRATEGIC REPORT (CONTINUED)**  
**for the year ended 31 March 2016**

**Principal risks and uncertainties (continued)**

The financial risks for the company are managed in accordance with the group financial risk management policy, as disclosed in the consolidated group accounts.

The company has no third party debt. It therefore has no interest rate exposure.

This report was approved by the Board on <sup>3</sup> October 2016 and signed by the order of the board by:



Director

C. MIDDLETON

**BL Intermediate Holding Company Limited**

**DIRECTORS' REPORT  
for the year ended 31 March 2016**

The directors present their Annual Report on the affairs of the company, together with the audited financial statements and independent auditors' report for the year ended 31 March 2016.

**Environment**

Across the group, The British Land Company PLC recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies. The group's full sustainability report is available online at [www.britishland.com/sustainability/reports-and-publications/2016](http://www.britishland.com/sustainability/reports-and-publications/2016).

**Directors**

The directors who were in office during the year and up to the date of signing the financial statements were:

J McNuff (appointed 22 February 2016)  
S M Barzycki  
C Middleton (appointed 22 February 2016)  
C M J Forshaw  
P Macey (appointed 22 February 2016)  
L M Bell  
T A Roberts  
J Vandevivere (resigned 31 January 2016)  
N M Webb  
V M Penrice (resigned 29 April 2015)

**Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 Reduced Disclosure Framework has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The company has indemnified its current directors. The indemnity arrangements are qualifying indemnity provisions under the Companies Act 2006 and are currently in force at the date of this Annual Report.

**Payments policy**

In the absence of dispute, amounts due to trade and other suppliers are settled as expeditiously as possible within their terms of payment. Payments are administered on a consistent basis throughout the group by The British Land Company PLC whose suppliers' days outstanding at 31 March 2016 were 34 (2015: 36).

**Subsequent events**

Details of significant events since the Balance Sheet date, if any, are contained in note 12.

**Going concern**

The directors consider the company to be a going concern and the accounts are prepared on this basis. When assessing the company's going concern status the Directors have taken into account the UK electorate's decision on 23 June 2016 to vote to leave the European Union, and the resulting period of uncertainty for the UK economy and real estate markets. Details of this are shown in note 1 of the financial statements.

**BL Intermediate Holding Company Limited**

**DIRECTORS' REPORT (CONTINUED)  
for the year ended 31 March 2016**

**Disclosure of information to auditors**

Each of the persons who is a director at the date of approval of this report confirms that:

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next Board Meeting.

This report was approved by the Board on <sup>30</sup>October<sub>2016</sub> and signed by the order of the board by:



Director

C. MIDDLETON

**BL Intermediate Holding Company Limited**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
BL INTERMEDIATE HOLDING COMPANY LIMITED  
for the year ended 31 March 2016**

**Report on the financial statements**

**Our opinion**

In our opinion, BL Intermediate Holding Company Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**What we have audited**

The financial statements, included within the Annual Report and Accounts (the "Annual Report"), comprise:

- the Balance Sheet as at 31 March 2016;
- the Profit and Loss Account and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Other matters on which we are required to report by exception**

**Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

**Responsibilities for the financial statements and the audit**

**Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

BL Intermediate Holding Company Limited

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
BL INTERMEDIATE HOLDING COMPANY LIMITED (CONTINUED)  
for the year ended 31 March 2016**

**What an audit of financial statements involves**

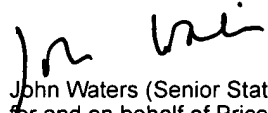
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

  
John Waters (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

4 June 2016



**BL Intermediate Holding Company Limited**

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 March 2016**

|   | Note | 2016<br>£          | Restated<br>2015<br>£ |
|---|------|--------------------|-----------------------|
| Administrative expenses   |      | -                  | (814)                 |
| Write up of investments in subsidiaries                           | 6    | 5,298              | -                     |
| Income from shares in group undertakings                          |      | 78,515,125         | -                     |
| <b>Operating profit/(loss)</b>                                    |      | <b>78,520,423</b>  | <b>(814)</b>          |
| Profit on sale of subsidiaries                                    |      | -                  | 878,406               |
| Provision write back  | 6    | 390,005,682        | 487,208,315           |
| <b>Profit on ordinary activities before interest and taxation</b> |      | <b>468,526,105</b> | <b>488,085,907</b>    |
| Interest payable and similar charges                              | 4    | 700                | -                     |
| <b>Profit on ordinary activities before taxation</b>              | 2    | <b>468,526,805</b> | <b>488,085,907</b>    |
| Tax on profit on ordinary activities                              | 5    | -                  | -                     |
| <b>Profit for the financial year</b>                              |      | <b>468,526,805</b> | <b>488,085,907</b>    |

Turnover and results are derived from continuing operations within the United Kingdom.

BL Intermediate Holding Company Limited

**STATEMENT OF COMPREHENSIVE INCOME**  
**for the year ended 31 March 2016**

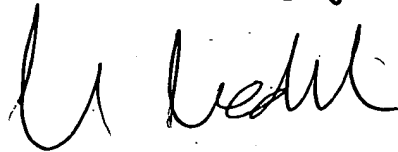
|  | 2016<br>£                 | Restated<br>2015<br>£     |
|--|---------------------------|---------------------------|
| <b>Profit for the financial year</b>           | <b>468,526,805</b>        | <b>488,085,907</b>        |
| <b>Total comprehensive income for the year</b> | <b><u>468,526,805</u></b> | <b><u>488,085,907</u></b> |

**BL Intermediate Holding Company Limited**

**BALANCE SHEET  
as at 31 March 2016**

|   | Note | 2016<br>£             | Restated<br>2015<br>£ |
|---|------|-----------------------|-----------------------|
| <b>Fixed assets</b>                     |      |                       |                       |
| Investments                             | 6    | 14,974,033,369        | 14,614,091,667        |
|   |      | <u>14,974,033,369</u> | <u>14,614,091,667</u> |
| <b>Current assets</b>                   |      |                       |                       |
| Debtors                                 | 7    | 104,126,742           | 1,436,022             |
|   |      | <u>104,126,742</u>    | <u>1,436,022</u>      |
| <b>Creditors due within one year</b>    | 8    | (31,973,341)          | (37,867,724)          |
| <b>Net current assets/(liabilities)</b> |      | <u>72,153,401</u>     | <u>(36,431,702)</u>   |
| <b>Net assets</b>                       |      | <u>15,046,186,770</u> | <u>14,577,659,965</u> |
| <b>Capital and reserves</b>             |      |                       |                       |
| Called up share capital                 | 9    | 15,410,232,155        | 15,410,232,155        |
| Capital redemption reserve              |      | 60,018,639            | 60,018,639            |
| Profit and loss account                 |      | (424,064,024)         | (892,590,829)         |
| <b>Total equity</b>                     |      | <u>15,046,186,770</u> | <u>14,577,659,965</u> |

The financial statements of BL Intermediate Holding Company Limited, company number 05995026, on pages 7 to 23, were approved by the Board of Directors and authorised for issue on 3 October 2016 and signed on its behalf by:



Director

C. MIDDLETON

**BL Intermediate Holding Company Limited**

**STATEMENT OF CHANGES IN EQUITY  
for the year ended 31 March 2016**

|   | <b>Called up<br/>share capital<br/>£</b> | <b>Capital<br/>redemption<br/>reserve<br/>£</b> | <b>Profit<br/>and loss<br/>account<br/>£</b> | <b>Total<br/>equity<br/>£</b> |
|---|--|---|--|-------------------------------|
| <b>Balance at 1 April 2014</b>                            | 15,410,232,155                           | 60,018,639                                      | (1,380,676,736)                              | 14,089,574,058                |
| Profit for the financial year (restated)                  | -  | -   | 488,085,907                                  | 488,085,907                   |
| <b>Total comprehensive income for the year (restated)</b> | -  | -   | 488,085,907                                  | 488,085,907                   |
| <b>Balance at 31 March 2015 (restated)</b>                | 15,410,232,155                           | 60,018,639                                      | (892,590,829)                                | 14,577,659,965                |
| Profit for the financial year                             | -  | -   | 468,526,805                                  | 468,526,805                   |
| <b>Total comprehensive income for the year</b>            | -  | -   | 468,526,805                                  | 468,526,805                   |
| <b>Balance at 31 March 2016</b>                           | <u>15,410,232,155</u>                    | <u>60,018,639</u>                               | <u>(424,064,024)</u>                         | <u>15,046,186,770</u>         |

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS  
for the year ended 31 March 2016**

**1. Accounting policies**

The principal accounting policies adopted by the directors are summarised below. They have all been applied consistently throughout the current year and previous year.

**Basis of preparation**

The company is incorporated and domiciled in the United Kingdom under the Companies Act. The address of the registered office is York House, 45 Seymour Street, London, W1H 7LX.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2013/14 Cycle) issued in July 2014 and effective immediately have been applied.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of The British Land Company PLC. Details of the parent in whose consolidated financial statements the company is included in are shown in note 13 to the financial statements.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of IAS 1 to provide a Balance Sheet at the beginning of the year in the event of a prior year adjustment;
- (b) The requirements of IAS 1 to provide a Statement of Cash flows for the year;
- (c) The requirements of IAS 1 to provide a statement of compliance with IFRS;
- (d) The requirements of IAS 1 to disclose information on the management of capital;
- (e) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose new IFRS's that have been issued but are not yet effective;
- (f) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (g) The requirements of paragraph 17 of IAS 24 Related Party Disclosures to disclose key management personnel compensation;
- (h) The requirements of IFRS 7 to disclose financial instruments; and
- (i) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement to disclose information of fair value valuation techniques and inputs.

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. Where required, equivalent disclosures are given in the group accounts of The British Land Company PLC. The group accounts of The British Land Company PLC are available to the public and can be obtained as set out in note 13.

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**1. Accounting policies (continued)**

**Going concern**

Having reviewed the company's forecast working capital and cash flow requirements, in addition to making enquiries and examining areas which could give risk to financial exposure, the directors have a reasonable expectation that the company has adequate resources to continue its operations for the foreseeable future. As a result they continue to adopt the going concern basis in preparing the accounts.

**Significant judgements and sources of estimation uncertainty**

The key source of estimation uncertainty relates to the valuation of the property portfolio and investments, where an external valuation is obtained. In accounting for net rental income, the group is required to judge the recoverability of any income accrued and provides against the credit risk on these amounts. The potential for management to make judgements or estimates relating to those items which would have a significant impact on the financial statements is considered, by the nature of the group's business, to be limited.

**Investments**

Fixed asset investments are stated at the lower of cost and the underlying net asset value of the investments.

**Taxation**

Current tax is based on taxable profit for the year and is calculated using tax rates that have been enacted or substantively enacted. Taxable profit differs from net profit as reported in the Profit and Loss Account because it excludes items of income or expense that are not taxable (or tax deductible).

Deferred tax is provided on items that may become taxable at a later date, on the difference between the Balance Sheet value and tax base value, on an undiscounted basis.

**Shares in group undertakings**

Shares in group undertakings, including dividends received from groups subsidiaries, are recognised in the profit and loss account in the period to which they relate.

**Restatement for the year ended 31 March 2015**

For the year ended 31 March 2015, the following balance, which were omitted in error have been restated to account for an amount owed from the group company on the disposal of a subsidiary.

The restatement has resulted in the following changes:

Sale of subsidiaries has increased by £878,406 and Debtors have increased by £878,406.

**2. Profit on ordinary activities before taxation**

**Auditors' remuneration**

A notional charge of £1,000 (2015: £1,000) is deemed payable to PricewaterhouseCoopers LLP in respect of the audit of the financial statements. Actual amounts payable to PricewaterhouseCoopers LLP are paid at group level by The British Land Company PLC.

No non-audit fees (2015: £nil) were paid to PricewaterhouseCoopers LLP.

**3. Staff numbers and costs**

No director received any remuneration for services to the company in either year. The remuneration of the directors were borne by another company within the group, for which no apportionment recharges were made.

Average number of employees, excluding directors, of the company during the year was nil (2015: nil).

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**4. Interest payable and similar charges**

|                           | 2016<br>£  | 2015<br>£ |
|---------------------------|------------|-----------|
| Bank overdrafts and loans | 700        | -         |
| Total interest payable    | <u>700</u> | <u>-</u>  |

**5. Tax on profit on ordinary activities**

|  | 2016<br>£    | Restated<br>2015<br>£ |
|--|--------------|-----------------------|
| <b>Current tax</b>   |              |                       |
| UK corporation tax   | -            | -                     |
| Total current taxation charge  | -            | -                     |
| <b>Deferred tax</b>  |              |                       |
| Origination and reversal of timing differences                                     | -            | -                     |
| Total deferred tax charge  | -            | -                     |
| <b>Total taxation charge</b>   | -            | -                     |
| <b>Tax reconciliation</b>  |              |                       |
| Profit on ordinary activities before taxation                                      | 468,526,805  | 488,085,907           |
| Tax on profit on ordinary activities at UK corporation tax rate of 20% (2015: 21%) | 93,705,361   | 102,498,040           |
| Effects of:  |              |                       |
| Income not taxable for tax purposes  | (93,705,221) | (102,498,040)         |
| Group relief claimed for nil consideration   | (140)        | -                     |
| <b>Total tax charge</b>  | <u>-</u>     | <u>-</u>              |

Reductions to the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. These rate reductions have been reflected in the calculation of deferred tax at the Balance Sheet date.

In the Budget on 16 March 2016, the Chancellor announced additional planned reductions to 17% effective from 1 April 2020. This will reduce the company's future current tax charge accordingly.

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**6. Investments**

|   | Shares in<br>subsidiaries | Total                 |
|---|---------------------------|-----------------------|
|   | £                         | £                     |
| At cost or underlying net asset value of investment |                           |                       |
| 1 April 2015  | 14,614,091,667            | 14,614,091,667        |
| Additions   | 51,713                    | 51,713                |
| Disposals   | (30,115,693)              | (30,115,693)          |
| Provision written back                              | 390,005,682               | 390,005,682           |
| <b>31 March 2016</b>                                | <b>14,974,033,369</b>     | <b>14,974,033,369</b> |
| <br>  |                           |                       |
| 1 April 2014  | 14,125,470,252            | 14,125,470,252        |
| Additions   | 1,413,100                 | 1,413,100             |
| Provision written back                              | 487,208,315               | 487,208,315           |
| <b>31 March 2015</b>                                | <b>14,614,091,667</b>     | <b>14,614,091,667</b> |
| <br>  |                           |                       |
| Provisions for underlying net asset change          |                           |                       |
| 1 April 2015  | (833,448,881)             | (833,448,881)         |
| Provision written back                              | 390,005,682               | 390,005,682           |
| <b>31 March 2016</b>                                | <b>(443,443,199)</b>      | <b>(443,443,199)</b>  |
| <br>  |                           |                       |
| 1 April 2014  | (1,320,657,196)           | (1,320,657,196)       |
| Provision written back                              | 487,208,315               | 487,208,315           |
| <b>31 March 2015</b>                                | <b>(833,448,881)</b>      | <b>(833,448,881)</b>  |
| <br>  |                           |                       |
| At cost   |                           |                       |
| <b>31 March 2016</b>                                | <b>15,417,476,568</b>     | <b>15,417,476,568</b> |
| <br>  |                           |                       |
| <b>31 March 2015</b>                                | <b>15,350,788,934</b>     | <b>15,350,788,934</b> |

The company has investments in the following direct and indirect subsidiaries:

| <b>Subsidiary</b>                         | <b>Principal activity</b> | <b>Interest</b> | <b>Country</b>  |
|---|---------------------------|-----------------|-----------------|
| 10 Triton Street Limited                  | Investment holding        | 100%            | England & Wales |
| 1 & 4 & 7 Triton Limited                  | Investment holding        | 100%            | England & Wales |
| 17-19 Bedford Street Limited              | Investment holding        | 100%            | England & Wales |
| 18-20 Craven Hill Gardens Limited         | Property investment       | 100%            | England & Wales |
| 20 Triton Street Limited                  | Investment holding        | 100%            | England & Wales |
| British Land Aqua Partnership Limited     | Investment holding        | 100%            | England & Wales |
| British Land Aqua Partnership (2) Limited | Investment holding        | 100%            | England & Wales |
| 39 Victoria Street Limited                | Investment holding        | 100%            | England & Wales |
| Adamant Investment Corporation Limited    | Investment holding        | 100%            | England & Wales |
| Aldgate Land One Limited                  | Property investment       | 50%             | England & Wales |
| Aldgate Land Two Limited                  | Investment holding        | 50%             | England & Wales |
| Aldgate Place (GP) Limited                | Investment holding        | 50%             | England & Wales |
| Ludgate West Limited                      | Non-trading               | 100%            | England & Wales |
| Giltbrook Retail Park Nottingham Limited  | Property investment       | 100%            | England & Wales |
| British Land Acquisitions Limited         | Property investment       | 100%            | England & Wales |



6. Investments (continued)

| Subsidiary  | Principal activity  | Interest | Country         |
|---|---------------------|----------|-----------------|
| Tallres Limited   | Investment holding  | 100%     | England & Wales |
| Apartmentpower Limited                                      | Investment holding  | 100%     | England & Wales |
| TPP Investments Limited                                     | Property investment | 100%     | England & Wales |
| BLD (Ebury Gate) Limited                                    | Property investment | 100%     | England & Wales |
| Ashband Limited   | Investment holding  | 100%     | England & Wales |
| Auchinlea Limited   | Property investment | 100%     | England & Wales |
| The Auchinlea Partnership                                   | Investment holding  | 100%     | Jersey          |
| Balsania Limited  | Investment holding  | 100%     | England & Wales |
| Barnclass Limited   | Property investment | 100%     | England & Wales |
| Barnhill Limited  | Property investment | 100%     | England & Wales |
| Barnstaple No.1 (Jersey) Limited                            | Property investment | 100%     | Jersey          |
| Barnstaple No.2 (Jersey) Limited                            | Property investment | 100%     | Jersey          |
| Bayeast Property Co Limited                                 | Property investment | 100%     | England & Wales |
| Bexlie Limited  | Property investment | 100%     | England & Wales |
| BF Propco (No 1) Limited                                    | Property investment | 100%     | England & Wales |
| BF Propco (No 10) Limited                                   | Property investment | 100%     | England & Wales |
| BF Propco (No 12) Limited                                   | Property investment | 100%     | England & Wales |
| BF Propco (No 13) Limited                                   | Property investment | 100%     | England & Wales |
| BF Propco (No 19) Limited                                   | Property investment | 100%     | England & Wales |
| BF Propco (No 3) Limited                                    | Property investment | 100%     | England & Wales |
| BF Properties (No 4) Limited                                | Investment holding  | 100%     | England & Wales |
| BF Propco (No 4) Limited                                    | Property investment | 100%     | England & Wales |
| BF Properties (No 5) Limited                                | Investment holding  | 100%     | England & Wales |
| BF Propco (No 5) Limited                                    | Property investment | 100%     | England & Wales |
| Blackwall (1)   | Property investment | 100%     | England & Wales |
| Blackglen Limited   | Property investment | 100%     | England & Wales |
| Blaxmill (Thirty) Limited                                   | Property investment | 74%      | England & Wales |
| Blaxmill (Twenty-nine) Limited                              | Investment holding  | 100%     | England & Wales |
| BL Chess Adviser Limited                                    | Investment holding  | 100%     | Jersey          |
| BL Baker Holding Co 2012 Limited                            | Investment holding  | 100%     | Jersey          |
| BL Baker Co 2012 Limited                                    | Property investment | 100%     | Jersey          |
| BL Bradford Forster Limited                                 | Property investment | 100%     | Jersey          |
| BL Chess Limited  | Property investment | 100%     | England & Wales |
| BL Chess No. 1 Limited Partnership                          | Investment holding  | 100%     | England & Wales |
| BL Clifton Moor Limited                                     | Property investment | 100%     | England & Wales |
| British Land Construction Limited                           | Property investment | 100%     | England & Wales |
| BL Fixed Uplift Fund Nominee No.1 Limited                   | Property investment | 100%     | Jersey          |
| BL Fixed Uplift Fund Nominee No.2 Limited                   | Investment holding  | 100%     | Jersey          |
| BL Cwmbran Limited  | Property investment | 100%     | England & Wales |
| BL Department Stores Holding Company Limited                | Property investment | 100%     | England & Wales |
| British Land Developments Limited                           | Investment holding  | 100%     | England & Wales |
| BL Eden Walk J2012 Limited                                  | Investment holding  | 100%     | Jersey          |
| BL European Holdings Limited                                | Investment holding  | 100%     | England & Wales |
| BL Fixed Uplift Fund Limited Partnership                    | Investment holding  | 100%     | Jersey          |
| British Land Fund Management Limited                        | Property investment | 100%     | England & Wales |
| BL Fund Limited   | Property investment | 100%     | England & Wales |
| BL GP Chess No. 1 Limited                                   | Investment holding  | 100%     | England & Wales |
| B.L. Holdings Limited                                       | Property investment | 100%     | England & Wales |
| British Land Hercules Limited                               | Property investment | 100%     | England & Wales |
| British Land Hercules No.1 Limited                          | General Partner     | 100%     | England & Wales |
| British Land Hercules No.3 Limited                          | Property investment | 100%     | England & Wales |
| British Land Hercules No.4 Limited                          | Property investment | 100%     | England & Wales |
| British Land HIF Limited                                    | Property investment | 100%     | England & Wales |
| BL High Street and Shopping Centres Holding Company Limited | Property investment | 59%      | England & Wales |
| Glenway Limited   | Property investment | 59%      | England & Wales |
| British Land Investments N V                                | Investment holding  | 100%     | Netherlands     |

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**6. Investments (continued)**

| <b>Subsidiary</b>   | <b>Principal activity</b> | <b>Interest</b> | <b>Country</b>  |
|---|---------------------------|-----------------|-----------------|
| BL (SP) Investment (1) Limited                              | Property investment       | 100%            | England & Wales |
| BL (SP) Investment (2) Limited                              | Property investment       | 100%            | England & Wales |
| BL (SP) Investment (3) Limited                              | Property investment       | 100%            | England & Wales |
| BL (SP) Investment (4) Limited                              | Property investment       | 100%            | England & Wales |
| British Land Investment Management Limited                  | Property investment       | 100%            | England & Wales |
| BL Lancaster Limited Partnership                            | Property investment       | 100%            | England & Wales |
| BL Leadenhall (Jersey) Ltd                                  | Property investment       | 100%            | Jersey          |
| BL Leadenhall (Cap Loss) Co Limited                         | Property investment       | 100%            | Jersey          |
| BL Leadenhall Holding Co (Jersey) Ltd                       | Property investment       | 100%            | Jersey          |
| BL Leisure and Industrial Holding Company Limited           | Property investment       | 100%            | England & Wales |
| BL (Maidenhead) Company Limited                             | Investment holding        | 100%            | England & Wales |
| BL Mayfair Offices Limited                                  | Property investment       | 100%            | England & Wales |
| BL Meadowhall No 4 Limited                                  | Property investment       | 100%            | England & Wales |
| BL & N Acquisition Limited                                  | Property investment       | 100%            | England & Wales |
| British Land Regeneration Limited                           | Property investment       | 100%            | England & Wales |
| BL City Offices Holding Company Limited                     | Property investment       | 100%            | England & Wales |
| British Land Offices Limited                                | Property investment       | 100%            | England & Wales |
| BL Office Holding Company Limited                           | Property investment       | 100%            | England & Wales |
| British Land Offices No.1 Limited                           | Property investment       | 100%            | England & Wales |
| BL Office (Non-City) Holding Company Limited                | Property investment       | 100%            | England & Wales |
| Osnaburgh Street Limited                                    | Property investment       | 100%            | England & Wales |
| BL Osnaburgh St Residential Ltd                             | Property investment       | 100%            | England & Wales |
| BL Piccadilly Residential Limited                           | Property investment       | 100%            | England & Wales |
| BL Piccadilly Residential Management Co Limited             | Property investment       | 100%            | England & Wales |
| BL Piccadilly Residential Retail Limited                    | Property investment       | 100%            | England & Wales |
| British Land Property Management Limited                    | Property investment       | 100%            | England & Wales |
| British Land Property Advisers Limited                      | Property investment       | 100%            | England & Wales |
| BL Residential Nominees No. 1 Limited                       | Property investment       | 50%             | England & Wales |
| BL Residential Nominees No. 2 Limited                       | Property investment       | 50%             | England & Wales |
| 20 Brock Street Limited                                     | Property investment       | 100%            | England & Wales |
| 10 Brock Street Limited                                     | Property investment       | 100%            | England & Wales |
| BL Residual Holding Company Limited                         | Property investment       | 100%            | England & Wales |
| BL Retail Holding Company Limited                           | Property investment       | 100%            | England & Wales |
| BL Retail Warehousing Holding Company Limited               | Property investment       | 100%            | England & Wales |
| BL Goodman (General Partner) Limited                        | Property investment       | 100%            | England & Wales |
| BL Goodman (LP) Limited                                     | Property investment       | 100%            | England & Wales |
| BL Goodman Nominee 1 Limited                                | Property investment       | 100%            | England & Wales |
| BL Goodman Nominee 2 Limited                                | Property investment       | 100%            | England & Wales |
| BL Goodman Limited Partnership                              | Property investment       | 100%            | England & Wales |
| BL Shoreditch General Partner Limited                       | Property investment       | 100%            | England & Wales |
| BL Shoreditch No. 1 Limited                                 | Investment holding        | 100%            | England & Wales |
| BL Shoreditch No. 2 Limited                                 | Investment holding        | 100%            | England & Wales |
| BL Shoreditch Limited Partnership                           | Property investment       | 99.99%          | England & Wales |
| British Land Superstores (Non Securitised) Number 2 Limited | Property investment       | 100%            | England & Wales |
| BL Superstores Holding Company Limited                      | Property investment       | 100%            | England & Wales |
| BLT Barnstaple Limited                                      | Property investment       | 50%             | England & Wales |
| BLT Finance Limited   | Property investment       | 50%             | England & Wales |
| BLT Holdings 2010 Ltd                                       | Property investment       | 50%             | England & Wales |
| BLT Newport Limited   | Property investment       | 50%             | England & Wales |
| BLT Nottingham Limited                                      | Property investment       | 50%             | England & Wales |
| BLT Pontypridd Limited                                      | Property investment       | 50%             | England & Wales |
| BLT Properties Limited                                      | Property investment       | 50%             | England & Wales |
| BL Triton Building Residential Limited                      | Property investment       | 100%            | England & Wales |
| B.L.U. (11193) Limited                                      | Property investment       | 99.99%          | Jersey          |
| BLU Estates Limited   | Property investment       | 100%            | England & Wales |
| B L Unit Trust  | Property investment       | 100%            | Jersey          |

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**6. Investments (continued)**

| <b>Subsidiary</b>                                | <b>Principal activity</b>                  | <b>Interest</b> | <b>Country</b>  |
|--|--|-----------------|-----------------|
| BL Universal Limited                             | Property investment                        | 99.99%          | England & Wales |
| BLU Property Management Limited                  | Property investment                        | 100%            | England & Wales |
| British Land In Town Retail Limited              | Property investment                        | 100%            | England & Wales |
| BLU Securities Limited                           | Property investment                        | 100%            | England & Wales |
| BL Wardrobe Court Holdings Limited               | Investment holdings                        | 100%            | England & Wales |
| BL West 100 Limited                              | Property investment                        | 100%            | Jersey          |
| BL West (Watling House) Limited                  | Property investment                        | 100%            | England & Wales |
| Blythe Valley Innovation Centre Limited          | Property investment                        | 100%            | England & Wales |
| British Land Offices (Non-City) No. 2 Limited    | Property investment                        | 100%            | England & Wales |
| British Land (Joint Ventures) Limited            | Property investment                        | 100%            | England & Wales |
| The British Land Residential Limited Partnership | Property investment                        | 50%             | England & Wales |
| Broadgate Adjoining Properties Limited           | Property investment                        | 100%            | England & Wales |
| Broadgate Business Centre Limited                | Property investment                        | 100%            | England & Wales |
| Broadgate Court Investments Limited              | Property investment                        | 100%            | England & Wales |
| Broadgate City Limited                           | Property investment                        | 100%            | England & Wales |
| Broadgate Estates Limited                        | Property investment                        | 100%            | England & Wales |
| Broadgate Properties Limited                     | Property investment                        | 100%            | England & Wales |
| Broadgate Square Limited                         | Property investment                        | 100%            | England & Wales |
| Broadgate Estates People Management Limited      | Property investment                        | 100%            | England & Wales |
| Broadgate Exchange Square                        | Property investment                        | 100%            | England & Wales |
| Broadgate Investment Holdings Limited            | Property investment                        | 100%            | England & Wales |
| Broadgate (PHC 8) Limited                        | Property investment                        | 100%            | England & Wales |
| Broadgate Plaza (Jersey) Limited                 | Property investment                        | 100%            | Jersey          |
| Broughton Unit Trust                             | Property investment                        | 69%             | Jersey          |
| Brunswick Park Limited                           | Property investment                        | 100%            | England & Wales |
| BVP Developments Limited                         | Property investment                        | 100%            | England & Wales |
| BVP (J) Plot A1 Limited                          | Property investment                        | 100%            | Jersey          |
| BVP (J) Plot A2 Limited                          | Property investment                        | 100%            | Jersey          |
| BVP (J) Plot A3 Limited                          | Property investment                        | 100%            | Jersey          |
| BVP (J) Plot F1 Limited                          | Property investment                        | 100%            | Jersey          |
| BVP (J) Plot F2 Limited                          | Property investment                        | 100%            | Jersey          |
| BVP (J) Plot F3 Limited                          | Property investment                        | 100%            | Jersey          |
| BL (SP) Cannon Street Limited                    | Property investment                        | 100%            | England & Wales |
| Casegood Enterprises                             | Property investment                        | 100%            | England & Wales |
| Cheshire Properties Limited                      | Property investment                        | 100%            | England & Wales |
| Caymall Limited                                  | Property investment                        | 100%            | England & Wales |
| Chantway Limited                                 | Property investment                        | 100%            | England & Wales |
| Chrisilu Nominees Limited                        | Property investment                        | 100%            | England & Wales |
| City of London Office Unit Trust                 | Property investment                        | 100%            | Jersey          |
| Clarges Estate Property Management Co Limited    | Property investment                        | 100%            | England & Wales |
| British Land Retail Warehouses Limited           | Property investment and investment holding | 100%            | England & Wales |
| Deepdale Co-Ownership Trust                      | Property investment                        | 100%            | Jersey          |
| Clifton Moor Limited                             | Property investment                        | 50%             | England & Wales |
| Comgenic Limited                                 | Property investment                        | 100%            | England & Wales |
| Cornish Residential Property Investments Limited | Property investment                        | 100%            | England & Wales |
| Cornish Residential Properties Trading Limited   | Property investment                        | 100%            | England & Wales |
| BL Residential General Partner Limited           | General Partner                            | 50%             | England & Wales |
| BL Residential No. 1 Limited                     | Property investment                        | 100%            | England & Wales |
| Derby Investment Holdings Limited                | Property investment                        | 100%            | England & Wales |
| 350 Euston Road Limited                          | Property investment                        | 100%            | England & Wales |
| Dinwell Limited                                  | Property investment                        | 100%            | England & Wales |
| Diomedes Property No.1 Limited                   | Property investment                        | 100%            | England & Wales |
| Diomedes Property No.2 Limited                   | Property investment                        | 100%            | England & Wales |
| Diomedes Property No.3 Limited                   | Property investment                        | 100%            | England & Wales |
| Diomedes Property No.4 Limited                   | Property investment                        | 100%            | England & Wales |

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**6. Investments (continued)**

| <b>Subsidiary</b>                                 | <b>Principal activity</b> | <b>Interest</b> | <b>Country</b>   |
|---|---------------------------|-----------------|------------------|
| Diomedes Property No.5 Limited                    | Property investment       | 100%            | England & Wales  |
| Diomedes Property No.6 Limited                    | Property investment       | 100%            | England & Wales  |
| Diomedes Property No.7 Limited                    | Property investment       | 100%            | England & Wales  |
| Diomedes Property No.8 Limited                    | Property investment       | 100%            | England & Wales  |
| BL HC Dollview Limited                            | Property investment       | 100%            | England & Wales  |
| Drake Circus Leisure Limited                      | Property investment       | 100%            | England & Wales  |
| Drake Circus Limited Partnership                  | Property investment       | 100%            | United States    |
| Drake Circus Unit Trust                           | Property investment       | 100%            | Jersey           |
| Drake Circus GP, L.L.C.                           | Property investment       | 100%            | United States    |
| Drake Property Nominee (No. 1) Limited            | Property investment       | 100%            | England & Wales  |
| Drake Property Nominee (No. 2) Limited            | Property investment       | 100%            | England & Wales  |
| Drake Property Holdings Limited                   | Property investment       | 100%            | England & Wales  |
| Eden Walk Shopping Centre Limited Partnership     | Property investment       | 100%            | England & Wales  |
| Eden Walk Shopping Centre General Partner Limited | General Partner           | 100%            | England & Wales  |
| Eden Walk Shopping Centre Unit Trust              | Property investment       | 100%            | Jersey           |
| Edinburgh Fort Unit Trust                         | Property investment       | 69%             | Jersey           |
| Elementvirtue Limited                             | Property investment       | 100%            | England & Wales  |
| BL Health Clubs PH No 1 Limited                   | Property investment       | 100%            | England & Wales  |
| BL Health Clubs PH No 2 Limited                   | Property investment       | 100%            | England & Wales  |
| BL HC Hampshire PH LLP                            | Property investment       | 100%            | England & Wales  |
| BL HC PH CRG LLP                                  | Property investment       | 100%            | England & Wales  |
| BL HC PH LLP                                      | Property investment       | 100%            | England & Wales  |
| BL HC PH No 1 LLP                                 | Property investment       | 100%            | England & Wales  |
| BL HC PH No 2 LLP                                 | Property investment       | 100%            | England & Wales  |
| BL HC PH No 3 LLP                                 | Property investment       | 100%            | England & Wales  |
| BL HC Property Holdings Limited                   | Property investment       | 100%            | England & Wales  |
| BL HC (DSCH) Limited                              | Property investment       | 100%            | England & Wales  |
| BL HC (DSCLI) Limited                             | Property investment       | 100%            | England & Wales  |
| Euston Tower Limited                              | Property investment       | 100%            | England & Wales  |
| Exchange House Holdings Limited                   | Property investment       | 100%            | England & Wales  |
| Finsbury Avenue Estates Limited                   | Property investment       | 100%            | England & Wales  |
| British Land Firmount Limited                     | Property investment       | 100%            | Ireland          |
| Four Broadgate Limited                            | Property investment       | 100%            | England & Wales  |
| 122 Leadenhall Street Limited                     | Property investment       | 100%            | England & Wales  |
| FRP Group Limited                                 | Property investment       | 100%            | England & Wales  |
| Gardenray Limited                                 | Property investment       | 100%            | England & Wales  |
| Gibraltar Nominees Limited                        | Property investment       | 100%            | England & Wales  |
| Gibraltar General Partner Limited                 | Property investment       | 100%            | England & Wales  |
| The Gibraltar Limited Partnership                 | Property investment       | 100%            | England & Wales  |
| St. Stephens Shopping Centre Limited              | Property investment       | 100%            | England & Wales  |
| BL HC Health And Fitness Holdings Limited         | Property investment       | 100%            | England & Wales  |
| Hempel Holdings Limited                           | Property investment       | 100%            | England & Wales  |
| Hempel Hotels Limited                             | Property investment       | 100%            | England & Wales  |
| Hercules Property UK Holdings Limited             | Property investment       | 100%            | England & Wales  |
| Hercules Property UK Limited                      | Property investment       | 100%            | England & Wales  |
| Hercules Property Limited Partnership             | Property investment       | 100%            | England & Wales  |
| Hercules Unit Trust                               | Property investment       | 69%             | Jersey           |
| Hereford Shopping Centre GP Limited               | Property investment       | 100%            | England & Wales  |
| Hereford Shopping Centre Limited Partnership      | Property investment       | 100%            | England & Wales  |
| Hereford Shopping Centre Unit Trust               | Property investment       | 100%            | Jersey           |
| Hilden Properties Limited                         | Property investment       | 100%            | Northern Ireland |
| BL Unitholder No. 1 (J) Limited                   | Property investment       | 100%            | Jersey           |
| PCourt Unit Trust                                 | Property investment       | 100%            | Jersey           |

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**6. Investments (continued)**

| <b>Subsidiary</b>                             | <b>Principal activity</b> | <b>Interest</b> | <b>Country</b>         |
|---|---------------------------|-----------------|------------------------|
| Horndrift Limited                             | Investment holding        | 100%            | England & Wales        |
| HUT Investments 2 Limited                     | Property investment       | 69%             | Jersey                 |
| HUT Investments Limited                       | Property investment       | 69%             | Jersey                 |
| Insistmetal 2 Limited                         | Property investment       | 100%            | England & Wales        |
| BL HC Invic Leisure Limited                   | Property investment       | 100%            | England & Wales        |
| Industrial Real Estate Limited                | Property investment       | 100%            | England & Wales        |
| Ivorydell Limited                             | Property investment       | 100%            | England & Wales        |
| Ivoryhill Limited                             | Property investment       | 100%            | England & Wales        |
| Ivorydell Subsidiary Limited                  | Property investment       | 100%            | England & Wales        |
| Jetbloom Limited                              | Property investment       | 100%            | England & Wales        |
| Lancaster General Partner Limited             | Property investment       | 100%            | England & Wales        |
| Lancaster Unit Trust                          | Property investment       | 100%            | Jersey                 |
| The Leadenhall Development Company Limited    | Property investment       | 100%            | England & Wales        |
| Leadenhall Holding Co (Jersey) Limited        | Property investment       | 100%            | Jersey                 |
| Leadenhall Property Co (Jersey) Limited       | Property investment       | 100%            | Jersey                 |
| Liverpool One Management Company Limited      | Property investment       | 50%             | England & Wales        |
| Liverpool One Management Services Limited     | Property investment       | 100%            | England & Wales        |
| Lonebridge UK Limited                         | Property investment       | 100%            | England & Wales        |
| Longford Street Residential Limited           | Property investment       | 100%            | England & Wales        |
| Ludgate Investment Holdings Limited           | Property investment       | 100%            | England & Wales        |
| Macclesfield Holdings Limited                 | Property investment       | 100%            | British Virgin Islands |
| Marble Arch 1 Limited                         | Property investment       | 100%            | Jersey                 |
| Marble Arch 2 Limited                         | Property investment       | 100%            | Jersey                 |
| Marble Arch House Unit Trust                  | Property investment       | 100%            | Jersey                 |
| Mayflower Retail Park Basildon Limited        | Property investment       | 100%            | England & Wales        |
| Westgate Retail Park Wakefield Limited        | Property investment       | 100%            | England & Wales        |
| Moorage (Property Developments) Limited       | Property investment       | 90%             | England & Wales        |
| 338 Euston Road Limited                       | Property investment       | 100%            | England & Wales        |
| Nugent Shopping Park Limited                  | Property investment       | 100%            | England & Wales        |
| Number 80 Cheapside Limited                   | Property investment       | 100%            | England & Wales        |
| One Hundred Ludgate Hill                      | Property investment       | 100%            | England & Wales        |
| One Sheldon Square Limited                    | Property investment       | 100%            | Jersey                 |
| Paddington Block A (GP) Ltd                   | Property investment       | 100%            | England & Wales        |
| Paddington Block A LP                         | Property investment       | 100%            | England & Wales        |
| Paddington Block B (GP) Ltd                   | Property investment       | 100%            | England & Wales        |
| Paddington Block B LP                         | Property investment       | 100%            | England & Wales        |
| Paddington Central I (GP) Limited             | Dormant                   | 100%            | England & Wales        |
| Paddington Central II (GP) Limited            | Property investment       | 100%            | England & Wales        |
| Paddington Central II LP                      | Property investment       | 100%            | England & Wales        |
| Paddington Central II Unit Trust              | Property investment       | 100%            | Jersey                 |
| Paddington Central I LP                       | Property investment       | 100%            | England & Wales        |
| Paddington Central I Nominee Limited          | Property investment       | 100%            | England & Wales        |
| Paddington Central I Unit Trust               | Property investment       | 100%            | Jersey                 |
| Paddington Central IV Unit Trust              | Property investment       | 100%            | Jersey                 |
| Paddington Central Management Company Limited | Property investment       | 50%             | England & Wales        |
| Paddington Kiosk (GP) Ltd                     | Property investment       | 100%            | England & Wales        |
| Paddington Kiosk LP                           | Investment holding        | 100%            | England & Wales        |
| Pardev (Broadway) Limited                     | Property investment       | 100%            | England & Wales        |
| Parwick Holdings Limited                      | Property investment       | 100%            | England & Wales        |
| Pardev (Luton) Limited                        | Property investment       | 100%            | England & Wales        |
| Pardev (Weston Favell) Limited                | Property investment       | 100%            | England & Wales        |
| Parwick Investments Limited                   | Property investment       | 100%            | England & Wales        |
| Parinv Northern Limited                       | Property investment       | 100%            | England & Wales        |
| Parwick Properties Limited                    | Property investment       | 100%            | Jersey                 |

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**6. Investments (continued)**

| <b>Subsidiary</b>                        | <b>Principal activity</b> | <b>Interest</b> | <b>Country</b>  |
|--|---------------------------|-----------------|-----------------|
| PC Lease Nominee Ltd                     | Property investment       | 100%            | England & Wales |
| PC Partnership Nominee Ltd               | Dormant                   | 100%            | England & Wales |
| Pillar Farnborough Limited               | Property investment       | 100%            | England & Wales |
| Pillar Auchinlea Limited                 | Property investment       | 100%            | England & Wales |
| British Land Department Stores Limited   | Property investment       | 100%            | England & Wales |
| Pillar (Beckton) Limited                 | Property investment       | 100%            | England & Wales |
| Pillar (Birstall) Limited                | Property investment       | 100%            | England & Wales |
| Pillar Broadway Limited                  | Property investment       | 100%            | England & Wales |
| Pillar (Cricklewood) Limited             | Property investment       | 100%            | England & Wales |
| Pillar (Dartford) Limited                | Property investment       | 100%            | England & Wales |
| Pillar Denton Limited                    | Property investment       | 100%            | England & Wales |
| Pillar Developments Limited              | Property investment       | 100%            | England & Wales |
| Pillar Estates Limited                   | Property investment       | 100%            | England & Wales |
| Pillar Fort Limited                      | Property investment       | 100%            | England & Wales |
| Pillar (Fulham) Limited                  | Property investment       | 100%            | England & Wales |
| Pillar Kinnaid Limited                   | Property investment       | 100%            | England & Wales |
| Pillar (Kirkcaldy) Limited               | Property investment       | 100%            | England & Wales |
| Power Court Luton Limited Partnership    | Property investment       | 100%            | England & Wales |
| PillarCaisse Management Limited          | Property investment       | 50%             | England & Wales |
| Power Court Nominee Limited              | Property investment       | 100%            | England & Wales |
| Pillar Nugent Limited                    | Property investment       | 100%            | England & Wales |
| Power Court Nominees No. 2 Limited       | Property investment       | 100%            | England & Wales |
| Power Court GP Limited                   | General Partner           | 100%            | England & Wales |
| Pillar Projects Limited                  | Property investment       | 100%            | England & Wales |
| Pillarman Limited                        | Property investment       | 100%            | England & Wales |
| PillarStore Limited                      | Property investment       | 100%            | England & Wales |
| Pillar Speke Limited                     | Property investment       | 100%            | England & Wales |
| Pillar Auchinlea (Jersey) Limited        | Property investment       | 100%            | Jersey          |
| Project Sunrise Limited                  | Property investment       | 100%            | England & Wales |
| Project Sunrise Investments Limited      | Property investment       | 100%            | England & Wales |
| Project Sunrise Properties Limited       | Property investment       | 100%            | England & Wales |
| Pillar Cheetham Hill Limited             | Property investment       | 100%            | England & Wales |
| Pillar City Plc                          | Property investment       | 100%            | England & Wales |
| Pillar Dartford No.1 Limited             | Property investment       | 100%            | England & Wales |
| Pillar Estates No.2 Limited              | Property investment       | 100%            | England & Wales |
| Pillar Europe Management Limited         | Property investment       | 100%            | England & Wales |
| Pillar Fulham No.2 Limited               | Dormant                   | 100%            | England & Wales |
| Pillar Gallions Reach Limited            | Property investment       | 100%            | England & Wales |
| Pillar Glasgow 1 Limited                 | Property investment       | 100%            | England & Wales |
| Pillar Glasgow 2 Limited                 | Property investment       | 100%            | England & Wales |
| Pillar Glasgow 3 Limited                 | Property investment       | 100%            | England & Wales |
| Pillar Hercules No.2 Limited             | Property investment       | 100%            | England & Wales |
| PillarStore No.3 Limited                 | Property investment       | 100%            | England & Wales |
| Reboline Limited                         | Property investment       | 100%            | England & Wales |
| BL Residential No. 2 Limited             | Property investment       | 100%            | England & Wales |
| Pillar Property Group Limited            | Property investment       | 100%            | England & Wales |
| Regents Place Management Company Limited | Dormant                   | 100%            | England & Wales |
| Meadowbank Retail Park Edinburgh Limited | Non-trading               | 100%            | England & Wales |
| Pillar Retail Parks Limited              | Property investment       | 100%            | England & Wales |
| Renash                                   | Property investment       | 100%            | England & Wales |
| Ritesol                                  | Property investment       | 100%            | England & Wales |
| Rotherham Unit Trust                     | Property investment       | 69%             | Jersey          |
| Six Broadgate Limited                    | Property investment       | 100%            | England & Wales |

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**6. Investments (continued)**

| <b>Subsidiary</b>                        | <b>Principal activity</b> | <b>Interest</b> | <b>Country</b>  |
|--|---------------------------|-----------------|-----------------|
| Rigphone Limited                         | Property investment       | 100%            | England & Wales |
| British Land City Offices Limited        | Property investment       | 100%            | England & Wales |
| Shopping Centres Limited                 | Property investment       | 50%             | England & Wales |
| The Southgate Limited Partnership        | Property investment       | 50%             | England & Wales |
| Southgate LP (Nominee 1) Limited         | Property investment       | 50%             | England & Wales |
| Southgate LP (Nominee 2) Limited         | Property investment       | 50%             | England & Wales |
| Southgate Property Unit Trust            | Property investment       | 50%             | Jersey          |
| St James Retail Park Northampton Limited | Property investment       | 100%            | England & Wales |
| Speke Unit Trust                         | Property investment       | 61%             | Jersey          |
| British Land Leisure Limited             | Property investment       | 100%            | England & Wales |
| Sprint 1118 Limited                      | Property investment       | 100%            | England & Wales |
| BL (SP) Properties PLC                   | Property investment       | 100%            | England & Wales |
| St James Parade (43) Limited             | Property investment       | 100%            | England & Wales |
| Surrey Quays Limited                     | Property investment       | 100%            | England & Wales |
| Sydale                                   | Property investment       | 100%            | England & Wales |
| TBL (Bromley) Limited                    | Property investment       | 50%             | England & Wales |
| TBL (Brent Park) Limited                 | Property investment       | 50%             | England & Wales |
| TBL (Bursledon) Limited                  | Property investment       | 50%             | England & Wales |
| TBL (Bury) Limited                       | Property investment       | 50%             | England & Wales |
| TBL (Ferndown) Limited                   | Property investment       | 50%             | England & Wales |
| TBL (Lisnagelvin) Limited                | Property investment       | 50%             | England & Wales |
| TBL (Maidstone) Limited                  | Property investment       | 50%             | England & Wales |
| TBL (Milton Keynes) Limited              | Property investment       | 50%             | England & Wales |
| TBL (Peterborough) Limited               | Property investment       | 50%             | England & Wales |
| Teesside Leisure Park Limited            | Property investment       | 100%            | England & Wales |
| TBL Holdings Limited                     | Property investment       | 50%             | England & Wales |
| TBL Properties Limited                   | Property investment       | 50%             | England & Wales |
| TBL Property Partnership                 | Property investment       | 50%             | England & Wales |
| The Liverpool Exchange Company Limited   | Investment holding        | 99%             | England & Wales |
| T (Partnership) Limited                  | Property investment       | 100%            | England & Wales |
| Retirement Plus Limited                  | Property investment       | 100%            | England & Wales |
| Tweed Premier 1 Limited                  | Property investment       | 100%            | England & Wales |
| Tweed Premier 2 Limited                  | Property investment       | 100%            | England & Wales |
| Union Property Corporation Limited       | Property investment       | 100%            | England & Wales |
| Tweed Premier 4 Limited                  | Property investment       | 100%            | England & Wales |
| British Land Industrial Limited          | Property investment       | 100%            | England & Wales |
| Union Property Holdings (London) Limited | Property investment       | 100%            | England & Wales |
| Urban Estates Management Limited         | Property investment       | 100%            | England & Wales |
| Valentine Unit Trust                     | Property investment       | 69%             | Jersey          |
| Vicinitee Limited                        | Property investment       | 100%            | England & Wales |
| Wardrobe Court Limited                   | Property investment       | 100%            | England & Wales |
| Vintners' Place Limited                  | Property investment       | 100%            | England & Wales |
| Wardrobe Holdings Limited                | Investment holding        | 100%            | England & Wales |
| Wardrobe Place Limited                   | Property investment       | 100%            | England & Wales |
| Westbourne Terrace Partnership           | Dormant                   | 100%            | England & Wales |
| Wates City of London Properties Limited  | Property investment       | 100%            | England & Wales |
| Wates City Property Management Limited   | Property investment       | 100%            | England & Wales |
| Wates City Point Limited                 | Property investment       | 100%            | England & Wales |
| WK Holdings Limited                      | Property investment       | 100%            | England & Wales |
| York House W1 Limited                    | Property investment       | 100%            | England & Wales |
| BL Residential No. 3 Limited             | Property investment       | 100%            | England & Wales |

**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**7. Debtors**

|  | 2016<br>£          | Restated<br>2015<br>£ |
|--|--------------------|-----------------------|
| <b>Current debtors</b>                             |                    |                       |
| Amounts owed by group companies - current accounts | 104,126,742        | 1,436,022             |
|  | <u>104,126,742</u> | <u>1,436,022</u>      |

Amounts owed by the group companies on disposal of a subsidiary was omitted from the accounts in the prior year. Therefore, the prior year has been restated, see note 1.

**8. Creditors due within one year**

|  | 2016<br>£         | 2015<br>£         |
|--|-------------------|-------------------|
| Amounts owed to group companies - current accounts | 31,951,456        | 37,847,979        |
| Other taxation and social security                 | 21,885            | 19,745            |
|  | <u>31,973,341</u> | <u>37,867,724</u> |

Amounts owed to group companies are repayable on demand. There is no interest charged on these balances.

**9. Called up share capital**

|  | 2016<br>£             | 2015<br>£             |
|--|-----------------------|-----------------------|
| <b>Issued share capital - allotted, called up and fully paid</b> |                       |                       |
| <b>Ordinary Shares of £1.00 each</b>                             |                       |                       |
| Balance as at 1 April and 31 March: 15,410,232,155 shares        | <u>15,410,232,155</u> | <u>15,410,232,155</u> |



**BL Intermediate Holding Company Limited**

**NOTES TO THE ACCOUNTS (CONTINUED)  
for the year ended 31 March 2016**

**10. Capital commitments**

The company had capital commitments contracted as at 31 March 2016 of £nil (2015: £nil).

**11. Contingent liabilities**

The company is jointly and severally liable with the ultimate holding company and fellow subsidiaries for all monies falling due under the group VAT registration.

**12. Subsequent events**

On 23 June 2016 the UK electorate voted to leave the European Union. This decision commences a process that is likely to take a minimum of two years to complete, and during this time the UK remains a member of the European Union. There will be a resulting period of uncertainty for the UK economy and real estate markets, with increased volatility expected in financial markets. This does not impact the fair value of assets and liabilities, including investment properties where relevant, reported at the balance sheet date of 31 March 2016.

**13. Immediate parent and ultimate holding company**

The immediate parent company is The British Land Company PLC.

The British Land Company PLC is the smallest and largest group for which group accounts are available and which include the company. The ultimate holding company and controlling party is The British Land Company PLC. Group accounts for this company are available on request from York House, 45 Seymour Street, London, W1H 7LX.