

TEXT FOR AGM PRESENTATION – 17 JULY 2007

Slide 1

Paul Myners, Chairman

Good morning, ladies and gentlemen. On behalf of the board and the employees of the Group, I am delighted to welcome you to your Annual General Meeting. Before proceeding, may I remind you to switch off your mobile phones.

This meeting, your meeting, is one of the highlights of our year. I am very pleased to see you here today. I appreciate that many of you have travelled long distances to attend our AGM at the National Gallery. I am delighted to offer to shareholders present today the opportunity to extend your visit with a free entry ticket for the Dutch Portraits exhibition in the Sainsbury Wing of the Gallery. Your ticket is valid until mid-September; so you don't have to use it today.

Let me set out the format for the meeting.

After my introductory remarks, Francis Salway, your Group Chief Executive, will give a short presentation on the highlights of the year to 31 March 2007. In addition, as many of you will be aware, yesterday morning we also announced our first ever quarterly Interim Management Statement – a new regulatory requirement. Francis will provide a summary of this announcement.

After that, there will be time for you, as shareholders, to ask questions of Francis and my colleagues on the board.

This is a good point at which to introduce the Board to you. I will invite each of them to stand up as I introduce them. First, Francis Salway, Group Chief Executive. Next to Francis is David Rough – Senior Independent Director and Chairman of the Audit Committee. Then, on his right, is Martin Greenslade, Group Finance Director. Next to Martin is Sir Win Bischoff, who is Chairman of the Remuneration Committee. On his right is Ian Ellis, Chief Executive of Land Securities Trillium (our property partnerships division). Next to Ian is Stuart Rose, non-executive director; Mike Hussey, Managing Director of our London Portfolio; Bo Lerenius, non-executive director; Richard Akers, Managing Director of our Retail portfolio, and finally

Peter Dudgeon, the Group's Company Secretary. Alison Carnwath, our other non-executive director, is not present here today. Unfortunately Alison has to be in New York. She sends sincere apologies for her absence.

I would like to express our thanks to my predecessor, Peter Birch, who stepped down from the Board on 1 January 2007. During his 9 years with the Company, Peter oversaw a period of substantial change. The Board would like to thank Peter for his contribution and wise counsel.

I believe that Land Securities is a company of integrity and one that feels a sense of responsibility to a number of important groups of people. The first of these is you, our shareholders, on whose behalf we manage the business. In addition, we are deeply committed to our tenants and clients; everyone who works with the Group; all those who visit our properties across the UK and the communities in which our assets are located.

As part of our responsibility, we have also made a firm commitment to do what we can to protect the environment and to provide attractive buildings and spaces that enhance the quality of the built environment, for the benefit of both occupiers and the wider community. We were, for example, the first property company to participate voluntarily in the UK Emissions Trading Scheme and we have already reduced carbon emissions by three times the target set for us.

Land Securities' operations are distinctive by their scale. Our London and Retail investment portfolio consists of 219 properties. In addition, we manage over 50 million square feet of floor space through Land Securities Trillium. In London we have over 400 occupiers. We own approximately 4.5% of all office floorspace in this city. Nationwide, through Land Securities Trillium, we provide office accommodation for over 450,000 people. Over 300 million visits are made every year by customers to our retail destinations. We accordingly have an extraordinary breadth of understanding of market dynamics and the key drivers behind tenants' and visitors' requirements and aspirations. We use these insights to identify new value creating opportunities and use our scale to secure the best financing terms, for the benefit of our owners.

We invest in property to generate returns in excess of our weighted average cost of capital, thereby creating and enhancing shareholder value. For property investment, this means adding value by actively managing our assets and judging the right moment to buy or sell. For development, it means creating the right product and delivering it on time and on budget, at the right moment in the market cycle. For property outsourcing it means profitably accessing new markets and new income streams.

Now I would like to hand over to Francis to talk about the year to 31 March 2007 and to give you a brief summary of key developments in the first quarter of our current financial year.

Francis Salway, Group Chief Executive

Slide 2 - Achievements

Thank you Paul. Good Morning Ladies and Gentlemen and welcome.

It gives me great pleasure to be able to report, once again, on a strong performance across the Group.

We have delivered attractive underlying returns on our capital. Our total property return on the investment portfolio was 16.2% and our return on capital employed for Land Securities Trillium on assets held for the full year was 16.8%.

In April 2006 we had two key objectives - firstly, to lease up our development projects and, secondly, to win new business for Trillium. We have had considerable success with both.

During the year, we let almost 1.5m sq ft from our development programme. And lettings across our whole business totalled as much as 3.7m sq ft - with over half of that in the retail sector.

For Land Securities Trillium, we invested just under £1.4bn in our last financial year and we grew floorspace under management by 45%. This growth was driven both by winning new outsourcing contracts, such as Royal Mail, and also by our acquisitions - particularly Secondary Market Infrastructure Fund. At just over £900m, this is the Group's largest ever acquisition and gives us the sector leading position in the UK PFI market.

Slide 3 – Land Securities as a REIT

The other major event of our last financial year was becoming a Real Estate Investment Trust or REIT on 1 January 2007. This is a change in tax status. As a result, we have escaped the 'double taxation' environment of quoted property companies, under which we paid tax on our income profits and capital gains and you - our shareholders - also paid tax on your dividends and capital gains on the shares. As a REIT, no taxation is paid by the company on its qualifying activities - and you, our shareholders, simply pay tax once on dividends and capital gains. You are therefore put in a position which, in tax terms, is more like directly owning a property.

The specific tax consequences of becoming a REIT for Land Securities were:

- Firstly, our latent capital gains tax liability of as much as £1.3bn disappeared.
- Secondly, we will no longer pay corporation tax on our income profits from qualifying activities - which will save some £75m per annum.
- In return, we paid a one-off conversion tax for becoming a REIT of £315m.

There are certain rules about how REITs must run their business. However, one of the successes of the lobbying of Government by the UK quoted property company sector was that these rules are not restrictive in terms of how we have been running our business.

Slide 4 – Dividend payments

There have been a number of benefits of our becoming a REIT. We have become more attractive to overseas funds who invest in REITs across the world - and our proportion of international shareholders has increased. Daily turnover in our shares has also increased - approximately twofold. So, you have improved liquidity in your shares.

But the most significant change is that we have chosen to pay over to shareholders by way of increased dividend the tax we will no longer be paying on our income profits. This enabled us to raise the dividend by 13.5% last year, when we were a REIT for just 3 months. For this year, we have moved to quarterly dividends and the first three have been set at a level which gives a further increase of more than 20%.

You will see that over the last 4 years your dividend has increased by over 70% - or on an annualised basis - by over 14% per annum.

As a REIT, the major part of your dividend, called the Property Income Distribution, will be subject to a withholding tax at 22% (falling to 20% from spring 2008). This Property Income Distribution represented just under 20% of the dividend for 2006/7 when we were a REIT for just 3 months of the year. For a normal full year such as 2007/8, the Property Income Distribution is estimated to be around 80% of the total dividend. The balance is a normal corporate dividend. Our website explains the appropriate treatment of these two elements of the dividend when you prepare your tax returns.

Slide 5 – Land Securities’ shares vs. direct property

As you can see from the graph on this slide, the total return (share price increase and dividend) from Land Securities’ shares has exceeded the total return on direct property in the UK by a substantial margin over the last 4 years. And that is even after taking into account the recent dip in the share price since the start of the 2007.

Slide 6 – Development performance

Profits from developments have been a key driver of our performance - and we expect them to continue to do so.

As you can see here, our income producing investment properties delivered an attractive 9.3% increase in value last year, but our developments achieved an outstanding 21.9% increase. Indeed, our developments represented 17% of our assets by value, but delivered 33% of our total valuation surplus.

As I will describe in a moment, we have a substantial, forward development pipeline which will continue to be a source of value creation for the future.

Slide 7 – Princesshay, Exeter

I thought I should give you a flavour of some of our individual development projects.

In Exeter, we are close to completing our Princesshay development which opens in September this year. The project makes a quite outstanding civic contribution to Exeter and, for our shareholders, it is a commercial success with over 90% of the units already spoken for.

We have not just created an attractive shopping environment, but also residential flats of great appeal with views over the Cathedral. These flats are achieving the highest sales price per square foot ever seen in Exeter. We have also been alive to comments about ‘clone cities’ and we have reserved one street, Roman Walk, for independent retailers.

Slide 8 – New Street Square, London EC4

At New Street Square in Holborn in London, we are delivering just under 700,000 sq ft of offices in 5 buildings. By splitting the project into separate buildings, we have managed risk effectively. With bold foresight, we started the scheme at a time when vacancy rates were over 10%, but with the benefit of a pre-letting of one of the buildings to Deloitte. We are now delivering accommodation at a time when vacancy rates are some 5% - 6% and we have seen considerable growth in rental values over the construction period.

It is not only financial risk that we have managed with care, but also the scheme's impact on the environment. We have ensured that as much as 93% of the demolition waste material was either reused or recycled - and that includes giving carpet tiles to charity projects.

Slide 9 – Winning planning consents

I have given you examples of our current developments. It is also important to build a pipeline of future opportunities. I am therefore truly delighted that since 30 June we have had good news on the planning front on two major projects. At 20 Fenchurch Street in the City of London, a public inquiry was held on our proposed office tower, and the Minister has now accepted the Planning Inspector's recommendation and granted planning consent. The design for the scheme has always had the support of the Government's design watchdog, CABE, and the Minister's decision vindicates our appointment of an international, and internationally respected, architect – Rafael Viñoly.

In north Kent, we have now agreed the basis of our contributions towards highways improvements which will enable our Eastern Quarry development to proceed, It will provide over 6,000 homes and just under 2.5 million sq ft of commercial and community accommodation - that is homes and places of work for some 12,500 people. We now have a resolution to grant planning consent and the formal consent notice is expected this August. This is truly one of the most exciting development opportunities in the South East.

Slide 10 – Growth in Land Securities Trillium

Our property partnerships business enjoyed phenomenal growth last year - a 16m sq ft increase in floorspace under management to 51m sq ft. To put this in context, the floor area of our substantial London Office and Retail Portfolios is some 30m sq ft.

This business gives you, our shareholders, access to income flows from the strongest counterparties, such as Central Government, Local Government, Barclays Bank and Norwich Union - and under long term contracts.

As I said, our acquisition of Secondary Market Infrastructure Fund gave us the largest market share in the UK PFI sector. This is a £50bn sector, and it is appropriate for our business to target large markets which give us an opportunity for growth.

Slide 11 – Priorities for 2007/08

Our three key priorities for the current financial year are:

- Firstly, to continue with our success in leasing up our developments.

- Secondly, to continue selling assets which are considered to have lower growth prospects.
- And, thirdly, to win more new business for Trillium and, most importantly, to establish a fund to bring in third party co- investors in the PFI contracts which we acquired from Secondary Market Infrastructure Fund.

Slide 12 – Q1 performance update

Yesterday, we published our first quarterly Interim Management Statement, there now being a requirement under an EU directive to give quarterly updates on activity within the business.

I am delighted that this statement demonstrated our considerable success against the key objectives for the year which I have just described:

- In the first quarter we have let or agreed terms to let 700,000 sq ft from our development programme. The London developments make up 645,000 sq ft of that figure, which compares to the total of 650,000 sq ft we achieved in London in the whole of 2006/7 - and that was widely recognised as being a strong year for us.
- During the quarter, we have completed just under £500m of sales at prices which, on average, were 3.8% above the March 2007 valuation.
- Our newly acquired PFI business has continued its track record of success in securing new opportunities, making £65m of acquisitions in the quarter and exchanging contracts on more than £160m since 30 June.

This is a strong start to the financial year and shows us delivering on our priorities. I will now hand you back to Paul Myners for the formal business of the meeting.

Paul Myners, Chairman

Thank you, Francis.

Before we move on to the formal part of today's meeting, I would just like to touch upon some points that I anticipate you may wish to raise.

Firstly, the recent performance of our share price. Property investment has delivered extremely strong returns since around 2003, and property company shares have delivered

even better performance - even taking into account the set back in share prices since 1 January of this year. Both the price of our shares and the sector have outperformed the wider FTSE 100 index over this four year period. However, since the turn of the year, we have experienced increases in interest rates and an anticipation of further interest rate increases. This has had an impact on the pricing of a number of sectors of the UK stock market which are seen as being 'interest rate sensitive'. This of course includes the quoted property sector. Stock markets are forward looking and quickly price in the anticipated impact of future trends. They re-price to deliver attractive forward returns.

Interest rates are only one of a number of factors influencing the pricing of underlying property investments and, against the background of a strong UK economy, we expect growth in rental values across our portfolio to be above trend. Through investing in Land Securities shares, you also have the benefit of our ability to create value through our substantial development programme. We have also successfully moved into new growth markets through our property partnerships business, Land Securities Trillium.

I would also like to say a little about resolution - number 15 - on political donations. Land Securities has always been studiously apolitical, not least because, as a developer and owner of property across the UK, we deal with local authorities of all political persuasions. However, the definition of political donations used in the Companies Act is very broad; allowing an employee time off work to act as a school governor, for example, could be interpreted as a political donation. As a result, the definition could cover activities that form part of the relationships between the company and the political machinery which could be construed under the terms of the Act as constituting political donations. I emphasise that the Company has no intention of making any donations directly to any of the UK's political parties.

I hope that explanation helps to clarify our views on these two points.

In summary, this has been a memorable year:

- Our total return on capital employed for the 2006/7 year, at 16.6%, substantially exceeded our weighted average cost of capital of 6.75%.
- In light of our performance last year, our new REIT status and our confidence in the future, we announced a 13.5% increase in our dividend for 2006/7 together with a move to quarterly dividends this year which have been set in aggregate to increase by a further 20%.

It remains only for me to thank our colleagues, customers and suppliers for helping to deliver another year of strong growth for your company and for positioning us so well for the future.

Now – on to the formal business of the meeting:

Before we commence proceedings for the formal part of our 2007 Annual General Meeting, I would like to explain the way in which we will be conducting voting on the resolutions this year. All voting will be taken on a poll vote. On a poll, each shareholder has one vote for every share he or she holds. The Directors believe that this is fair and democratic since it allows all shareholders to have their votes counted whether or not they are able to attend the meeting and it is in line with best practice. A few moments after I have declared the vote on a resolution closed, a provisional summary of the poll vote will be displayed on the screen behind me showing the total number and percentages of shares voted (“for”, “against” and “vote withheld”) on the poll for that resolution. To enable the Registrars to make a final audit check at the end of the meeting, these numbers are necessarily provisional. However, it is likely that these numbers will be strongly indicative of the result of the shareholders’ voting. The final summary of the votes cast on each resolution will be calculated at the end of the meeting and will be posted on the Company’s website after the meeting and notified to the UK Listing Authority.

If you are a shareholder entitled to vote on the resolutions, you should have received, on entry to the meeting, a VoteNow handset similar to this one (Chairman to hold up VoteNow handset). The majority of you will probably be familiar with the use of these handsets. When inviting you to vote on each resolution, I will ask you to press button 1 to vote for the resolution, button 2 to vote against and button 3 for vote withheld. I will keep each vote open for a brief period to allow you time to vote. You will see a message on the screen of your handset to state that your vote has been received. If you press the wrong button you can change your vote – but only while the poll is still open. Your final vote will be recorded the moment the poll is closed.

Since this is the first occasion that we have used VoteNow handsets at a Land Securities AGM, we have decided to conduct a brief test to show how the VoteNow system operates. The question we would like you to answer is as follows:-

The 2007 Rugby World Cup will kick off in September and we would be interested to learn whether you think that England, as current holders of the World Cup, are the most likely team to win in September. If you think that England are the most likely team to win the World Cup, please press 1, if you think that England are unlikely to win the World Cup, please vote against this proposition by pressing 2 and if you do not have an opinion on this subject,

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perhaps because you are not interested in Rugby Union, please press 3 for vote withheld. I will now open the poll to determine your views on this most important matter.

I will now close the vote on this matter. Thank you for voting and we should very shortly see the results on the screen behind me.

As there is a quorum of shareholders of the Company present, I declare this meeting open.

Notice convening Meeting

The Statutory Notice convening the Meeting was incorporated in the letter to shareholders accompanying the Report and Financial Statements and has been duly served. With your permission, I will take the Notice as read. Does everybody agree? Thank you.

Report and Financial Statements

The first Resolution concerns the Annual Report and Financial Statements. With your permission, I should like to take the Auditors' Report as read. The full Auditors' Report appears on page 89 of the Annual Report.

If there are any questions relating to the Financial Statements or any other resolutions, please will you put them now before I put this Resolution to the Meeting. I would prefer that we take all questions in one go at the start of the formal business of the meeting. However, this will of course not preclude you from asking a further question or questions at a later stage in the proceedings if you so wish.

If you have a question, I should be grateful if you could raise your hand. Please could you wait until a member of Land Securities staff has supplied you with a microphone.

Before asking your question, please could you state your name.

Are there any other questions? If not, I will now put Resolution No.1 to the Meeting.

I now propose:-

That the Annual Report and Financial Statements for the year ended 31st March 2007, together with the Auditors' Report thereon should be received.

I will now put Resolution No. 1 to the Meeting.

Please use your VoteNow handset and press button 1 to vote for the resolution, button 2 to vote against and button 3 for vote withheld.

I now declare the vote on Resolution 1 closed.

Thank you, I now, subject to final confirmation by the company's Registrars, declare this Resolution to have been carried.

Dividend

The next item relates to the payment of dividends and I now propose:-

That the Interim Dividend of 19 pence per share paid on 6th January 2007 be confirmed, and that a Final Dividend at the rate of 34 pence per share for the year ended 31st March 2007 should be paid on 23rd July 2007 to the holders of Ordinary shares registered at the close of business on 22nd June 2007.

I now put Resolution No. 2 to the Meeting

I now declare the vote on this Resolution closed.

I now provisionally declare that Resolution No. 2 has been carried.

Directors' Remuneration Report

The next item is the Directors' Remuneration Report for the year ended 31 March 2007, which appeared on pages 79 to 86 of this year's Annual Report. (If you have any questions, either I or Sir Win Bischoff who is the Chairman of the Remuneration Committee, will be pleased to answer them).

I now put Resolution No.3 to the Meeting

I now declare the vote on this Resolution closed.

I now provisionally declare that Resolution No. 3 has been carried.

Re-appointment and re-election of Directors

We now come to the re-appointment and re-election of Directors.

I was appointed as a Director after the last Annual General Meeting. In accordance with the Company's Articles of Association I must retire at this Annual General Meeting and would like to offer myself for re-election. In addition the Directors to retire by rotation are Bo Lerenius, Francis Salway, Mike Hussey and Stuart Rose.

Since it would not be right for me to propose my own re-election as a Director, I will ask David Rough, the Senior Independent Director, to propose Resolution No.4.

David Rough, Senior Independent Director and Chairman of the Audit Committee

Thank you Paul. I propose that Paul Myners be re-elected a Director of the Company

I now put Resolution No.4 to the Meeting

I now declare the vote on this Resolution closed.

I now provisionally declare Resolution No. 4 to have been carried.

Paul Myners, Chairman

Thank you David and thank you ladies and gentlemen

I now propose:

That Bo Lerenius be re-elected a Director of the Company

I now put this Resolution, No. 5 to the Meeting

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 5 has been provisionally carried.

I now propose as Resolution No 6 that Francis Salway be re-elected a Director of the Company

I now put this Resolution, No. 6 to the Meeting

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 6 has been provisionally carried.

I now propose: That Mike Hussey be re-elected as a Director of the Company

I now put this Resolution, No. 7, to the Meeting

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 7 has been provisionally carried.

I now propose: That Stuart Rose be re-elected as a Director of the Company

I now put this Resolution, No. 8 to the Meeting

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 8 has been provisionally carried.

Auditors

The next two Resolutions deal with the re-appointment of the Auditors and the determination of the Auditors' fees. I now propose:- "That PricewaterhouseCoopers LLP be re-appointed as Auditors of the Company for the ensuing year"

I now put this Resolution, No. 9, to the Meeting.

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 9 has been provisionally carried.

I now put Resolution No.10, which authorises the Directors to determine the remuneration of the Auditors, to the Meeting.

I now put this Resolution, No. 10, to the Meeting

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 10 has been provisionally carried.

Special Business

I now turn to the special business to be dealt with at this Meeting.

There are five Resolutions, Nos. 11, 12, 13, 14 and 15. Resolutions Nos. 12 and 13 are proposed as Special Resolutions and therefore require the support of not less than 75% of shareholders who choose to vote.

The first item of special business is Resolution No. 11 under which authority is sought from shareholders for the Company to be allowed to allot unissued shares. You will probably be familiar with this type of Resolution if you have attended previous Land Securities AGMs or the AGMs of other companies. The authority covers the unissued share capital of the Company and will expire at the end of the 2008 AGM of the Company.

I now put Resolution No.11 as an Ordinary Resolution, to the Meeting

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 11 has been provisionally carried.

The second item of special business is a Resolution to renew until the 2008 AGM, the Directors' authority to allot unissued shares for cash without first offering such shares to existing shareholders pro-rata to their existing shareholdings. In compliance with the pre-emption guidelines of institutional investors, this authority is ordinarily limited to 5% of the Company's current issued share capital.

I now put this Resolution No.12 to the Meeting as a Special Resolution

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 12 has been provisionally carried.

Next I turn to Resolution No.13 which seeks authority from shareholders for the Company to purchase its own shares by way of market purchase. An authority to buy back shares expires at today's AGM and the directors wish to renew this authority until the next AGM of the Company to enable them to purchase up to 10% of the Issued Share Capital if they consider this to be advantageous for the Company and shareholders.

I now put Resolution No.13, as a Special Resolution, to the Meeting.

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 13 has been provisionally carried.

Resolution No. 14 seeks to allow the Company to take advantage of the new Companies Act 2006 rules for electronic communications between Companies and their shareholders that came into force in January 2007. We already communicate with a growing proportion of our

shareholders directly by email and the new provisions of the Companies Act will allow us to assume that shareholders have agreed to the Company publishing documents and information on its website, rather than posting such documents or information to you, provided certain conditions are met and procedures followed. This Resolution is an enabling Resolution which would permit the Company, at a future date to take advantage of the new provisions in the 2006 Companies Act.

We are fully aware that some shareholders either do not have access to email or the internet, or do not wish to communicate or be communicated with by email. I would like to stress that, should the Company decide to take advantage of the provisions of the new Act, all shareholders can request that they continue to receive documents in hard copy format. In addition even if they are deemed to have opted for electronic shareholder communication, they can opt back into receiving hard copies of documents from the Company at any time.

I would now like to put Resolution No. 14 to the Meeting.

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 14 has been provisionally carried.

Finally we come to Resolution No. 15 which seeks to authorise donations under the Political Parties Election and Referendums Act 2000.

I would now like to put Resolution No. 15 to the Meeting

I now declare the vote on this Resolution closed.

I now declare that Resolution No. 15 has been provisionally carried.

Ladies and Gentlemen this now concludes the business of the Annual General Meeting. Thank you very much for your attendance. Please could I remind you to return your VoteNow handsets to the staff from Lloyds TSB Registrars when you leave the auditorium. The Directors and I will remain to answer any individual questions you may have, so please feel free to come and discuss any relevant matters with us. I also hope that you will find time to use your complimentary ticket to enjoy the splendid exhibition of Dutch Portraits in the Sainsbury Wing Gallery. Thank you again for your attendance at this year's AGM.