

# Press Release

16 May 2012

Annual results for the year ended 31 March 2012

“Land Securities has made good progress in a year impacted by rising economic uncertainty. We have maintained focus on delivering against our plan and enter the new financial year on a strong financial footing.”

## Results summary

	31 March 2012	31 March 2011	Change
<b>Valuation surplus <sup>(1)</sup></b>	£190.9m	£908.8m	2.0%
<b>Basic NAV per share</b>	921p	885p	Up 4.1%
<b>Adjusted diluted NAV per share <sup>(2)</sup></b>	863p	826p	Up 4.5%
<b>Group LTV ratio <sup>(1)</sup></b>	38.0%	39.0%	
<b>Profit before tax</b>	£515.7m	£1,227.3m	Down 58.0%
<b>Revenue profit <sup>(1)</sup></b>	£299.4m	£274.7m	Up 9.0%
<b>Basic EPS</b>	67.5p	162.3p	Down 58.4%
<b>Adjusted diluted EPS <sup>(3)</sup></b>	38.5p	35.5p	Up 8.5%
<b>Dividend</b>	29.0p	28.2p	Up 2.8%

1. Including share of joint ventures

2. Our key valuation measure

3. Now excludes profits on disposal of trading properties and long-term development contracts. The comparative has been adjusted accordingly.

## Resilient performance in uncertain markets

- Total business return (dividends and adjusted NAV growth) of 7.9%
- Ungeared total property return 7.7%, outperforming IPD Quarterly Universe at 6.3%
- Combined portfolio valued at £10.3bn, with a valuation surplus of 2.0% in the year
- Valuation surplus on properties in the development programme of 8.2%
- Property disposals of £905.7m at an average of 4.3% above March 2011 valuation
- Rental values up 1.2% across total like-for-like portfolio since March 2011
- Revenue profit up 9.0% to £299.4m
- Recommended increase in final dividend to 7.4p (from 7.2p)

### **Asset management strengthening portfolio**

- £39.1m of investment lettings in the year, £1.2m of conditional lettings and £10.2m in solicitors' hands
- Voids in like-for-like portfolio reduced to 3.1% (4.1% at 31 March 2011)
- Since 2010, we have created 47,700 sq m of new space for Primark, the John Lewis Partnership and Sainsbury's
- Longer weighted average unexpired lease term across the like-for-like portfolio, completed developments and acquisitions of 9.2 years (31 March 2011: 8.9 years)

### **Well managed development pipeline**

- £12.8m of development lettings in the year and £3.9m in solicitors' hands
- 110 Cannon Street, EC4 and Arundel Great Court, WC2 sold
- Residential apartments at Wellington House, SW1 100% pre-sold
- Joint venture formed on Victoria Circle, SW1
- Trinity Leeds development 72.0% pre-let or in solicitors' hands and 185-221 Buchanan Street, Glasgow 91.8% pre-let
- On site at 102,200 sq m of development schemes in Retail, with a further 153,100 sq m of future developments with planning consents obtained or planning applications submitted
- On site at 111,180 sq m of development schemes in London, with a further 175,370 sq m of future developments with planning consents obtained or planning applications submitted

### **Strong financial structure**

- Group LTV ratio including share of joint ventures at 38.0%, which will reduce to 33.4% on receipt of proceeds from disposals already recognised
- Successful refinancing of £1.1bn revolving credit facility
- Interest cover of 2.5 times
- Dividend cover of 1.3 times
- Cash and undrawn facilities of £1.2bn

Commenting on the results, Land Securities Chief Executive Robert Noel, said:

"We have a clear strategy allied to a clear plan based on a realistic outlook. Despite economic uncertainty impacting the second half of the year, we have maintained our focus, building on our strength and our proposition.

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“We have a deep knowledge of our core markets and an expert, focused team. The outlook remains uncertain but we will continue to use the competitive advantage offered by our financial resources to deliver on our plans and exploit opportunities as they arise.”

**Ends-**

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**Notes to editors**

A live video webcast of the presentation will be available on <http://www.landsecurities.com/prelims2012> at 9.00am BST. Please also note that there will be an interactive Q&A facility on the webcast. A downloadable copy of the webcast will then be available at the same address from 3pm.

We will also be offering an audio conference call line. We recommend that you dial in to the call 10-15 minutes before the start of the presentation due to the large volume of callers expected, dial-in details are as follows:

Dial-in number: +44 (0) 1452 555 566

Call title: Land Securities' Preliminary results Call ID number: 73079796