



Appendix

	Page
Top 10 assets by value	A2
Combined Portfolio valuation movements – 6 months	A3
Combined Portfolio valuation movements – 12 months	A4
Combined Portfolio valuation movements	A5
Yield changes	A6
Gilt yield spread	A7
Rental value performance	A8
Rental and capital value trends – LFL portfolio	A9
Rental and capital value trends – Retail LFL portfolio	A10
Rental and capital value trends - London LFL Portfolio	A11
Portfolio performance relative to IPD Quarterly Index	A12
Analysis of performance relative to IPD	A13
Development programme returns	A14
Development completions	A15
Development expenditure	A16
London Portfolio – letting performance	A17
Future development opportunities	A18
Retailer affordability – shopping centres	A19
Prospective rental income	A20
Central London supply – March 2016	A21
Central London supply – March 15 and March 16 forecasts	A22

	Page
Central London supply – proposed office schemes	A23
Central London office market	A24
London office market – take-up	A25
London construction costs	A26
Voids and units in administration	A27
Retail Portfolio vacancy	A28
Reversionary potential	A29
Lease expiry profile – Combined Portfolio	A30
Rent reviews, lease expiries and breaks – Retail Portfolio	A31
Rent reviews, lease expiries and breaks – London Portfolio	A32
Reconciliation of cash rents to ERV	A33
Net rental income analysis	A34
REIT balance of business	A35
Adjusted net debt	A36
Expected debt maturities	A37
Financing	A38
Financial history	A39
The Security Group	A40
Cost analysis	A41
Strategic land	A42



Top 10 assets by value as at 31 March 2016

Name	Principal occupiers	Ownership interest	Floor area	Annualised net rent ⁽¹⁾	Let by income	Weighted average unexpired lease term
		%	Sq ft (000)	£m	%	years
Cardinal Place, SW1	EDF, AT&T, Experian, 3i, Ruffer, Cambridge Associates, M&S, Capital Economics	100	Office: 555 Retail: 107	33.4	91	6.7
New Street Square, EC4	Deloitte, Taylor Wessing, Alix Partners, NetSuite, Stewarts Law	100	Office: 671 Retail: 23	32.2	100	8.5
Bluewater, Kent	John Lewis, M&S, House of Fraser, Boots, Next	30	Retail: 1,805	29.5	96	7.0
One New Change, EC4	K&L Gates, CME, Dealogic, CBRE, Madisons, Topshop, Panmure Gordon & Co	100	Office: 345 Retail: 217	29.2	99	7.5
Trinity Leeds	H&M, Topshop, Next, Primark, Boots	100	Retail: 778	27.9	100	7.8
1 Sherwood Street / Piccadilly Lights, W1	Hyundai, Barclays, Boots, McDonalds, Coca-Cola, Clear Channel	100	Office: 28 Retail: 76	19.6	91	3.8
20 Fenchurch Street, EC3	Liberty Mutual, Markel, RSA, Tokio Marine Kiln, DWF, CNA Services, Allied World, Ascot Underwriting	50	Office: 674 Retail: 14	2.9	100	14.8
Gunwharf Quays, Portsmouth	Polo Ralph Lauren, Reiss, Nike, Ted Baker, Michael Kors, Hackett, Paul Smith, Under Armour	100	Retail: 597	26.4	99	6.9
Queen Anne's Gate, SW1	Central Government	100	Office: 354	30.9	100	10.6
1 & 2 New Ludgate, EC4	Mizuho, Ropes & Gray, Mizuho, Commonwealth Bank of Australia, Petronas, Burger & Lobster, Jamies Italian	100	Office: 355 Retail: 27	1.0	94	14.7

Aggregate value of top 10 assets: £6.3bn (43% of Combined Portfolio)

(1) Land Securities' share

Combined Portfolio valuation movements

Six months ended 31 March 2016

	Value	Valuation surplus – Combined Portfolio excl. development programme	Valuation surplus – development programme	Valuation surplus – Combined Portfolio	Net initial yield	Equivalent yield	Movement in equivalent yield
	£m	%	%	%	%	%	bps
Shopping centres and shops	3,790.3	2.0	6.7	2.2	4.2	4.7	(7)
Retail parks	889.9	(0.9)	-	(0.9)	5.0	5.4	(13)
Leisure and hotels	1,541.5	3.2	-	3.2	5.3	5.5	(27)
Central London shops	1,461.4	2.6	(0.9)	2.1	3.2	4.0	(10)
London offices	6,721.2	2.1	12.2	4.3	2.5	4.3	(17)
Other	66.2	(0.9)	-	(0.9)	1.3	1.6	(15)
Total portfolio	14,470.5	2.0	10.3	3.0	3.5	4.5	(16)

Combined Portfolio valuation movements

12 months ended 31 March 2016

	Value	Valuation surplus – Combined Portfolio excl. development programme	Valuation surplus – development programme	Valuation surplus – Combined Portfolio	Net initial yield	Equivalent yield	Movement in equivalent yield
	£m	%	%	%	%	%	bps
Shopping centres and shops	3,790.3	3.7	12.3	3.9	4.2	4.7	(9)
Retail parks	889.9	(1.1)	-	(1.1)	5.0	5.4	(14)
Leisure and hotels	1,541.5	6.0	-	6.0	5.3	5.5	(39)
Central London shops	1,461.4	9.0	8.1	8.9	3.2	4.0	(40)
London offices	6,721.2	7.7	18.2	10.0	2.5	4.3	(15)
Other	66.2	(0.7)	-	(0.7)	1.3	1.6	(169)
Total portfolio	14,470.5	5.7	16.6	7.0	3.5	4.5	(22)

Combined Portfolio valuation movements

	Market value 31.03.16	Valuation surplus H1	Valuation surplus H2	Valuation surplus 12 months	Movement in equivalent yield
	£m	%	%	%	bps
Shopping centres and shops	3,790.3	1.8	2.2	3.9	(9)
Retail parks	889.9	(0.1)	(0.9)	(1.1)	(14)
Leisure and hotels	1,541.5	2.8	3.2	6.0	(39)
Central London shops	1,461.4	6.4	2.1	8.9	(40)
London offices	6,721.2	5.4	4.3	10.0	(15)
Other	66.2	0.2	(0.9)	(0.7)	(169)
Total portfolio	14,470.5	3.8	3.0	7.0	(22)

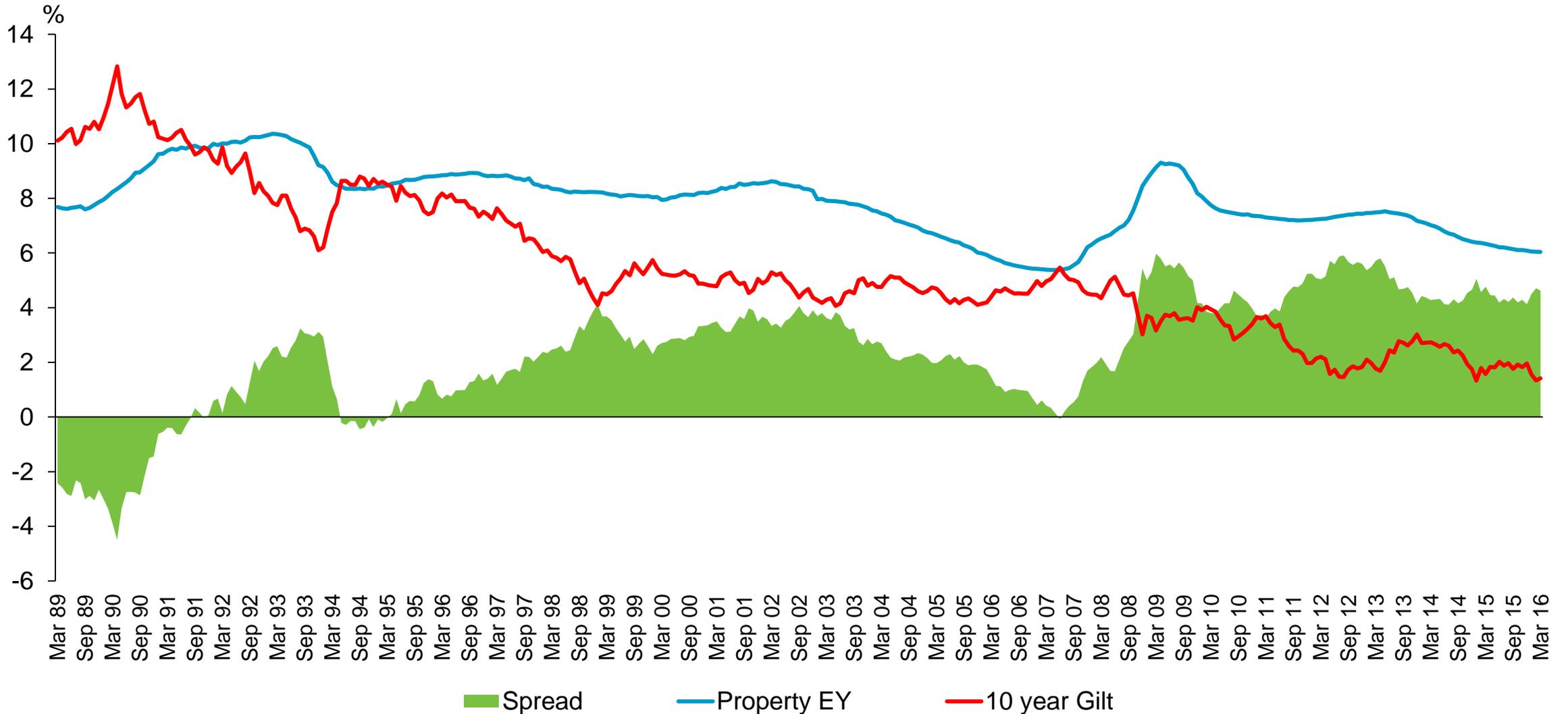
Yield changes

Like-for-like portfolio

	31 March 2015		31 March 2016		
	Net initial yield	Equivalent yield	Net initial yield	Topped-up net initial yield ⁽¹⁾	Equivalent yield
	%	%	%	%	%
Shopping centres and shops	4.5	4.8	4.5	4.6	4.7
Retail parks	5.3	5.4	5.2	5.6	5.4
Leisure and hotels	5.6	5.8	5.4	5.4	5.5
Central London shops	3.5	4.4	3.5	3.6	4.0
London offices	4.1	4.4	3.7	4.0	4.5
Other	1.6	3.5	2.7	2.7	3.5
Total like-for-like portfolio	4.4	4.8	4.2	4.4	4.7

(1) Net initial yield adjusted to reflect the annualised cash rent that will apply at the expiry of current lease incentives

Property – gilt yield spread

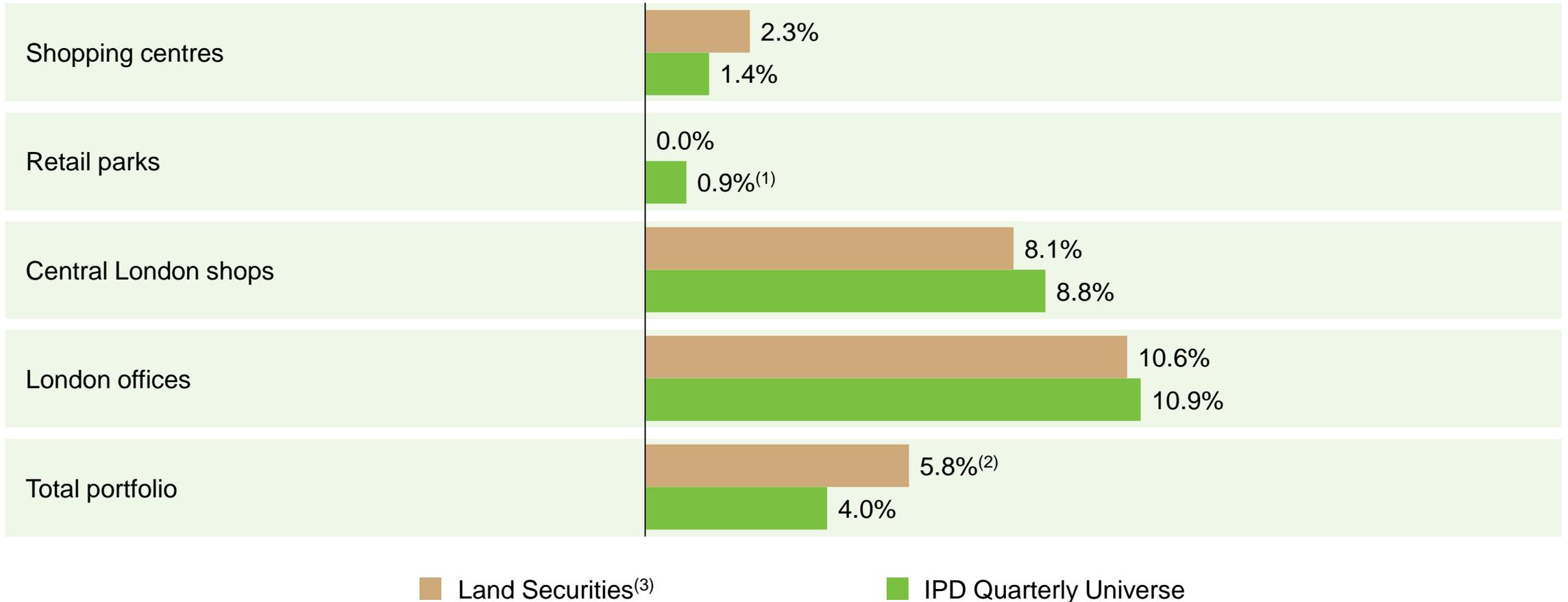


(1) Source: Bloomberg, IPD Monthly Index All Property



Rental value performance

Like-for-like properties vs IPD Quarterly Universe (12 months ended 31 March 2016)



(1) IPD Retail Warehouses Quarterly Universe

(2) Includes leisure, hotel portfolio and other

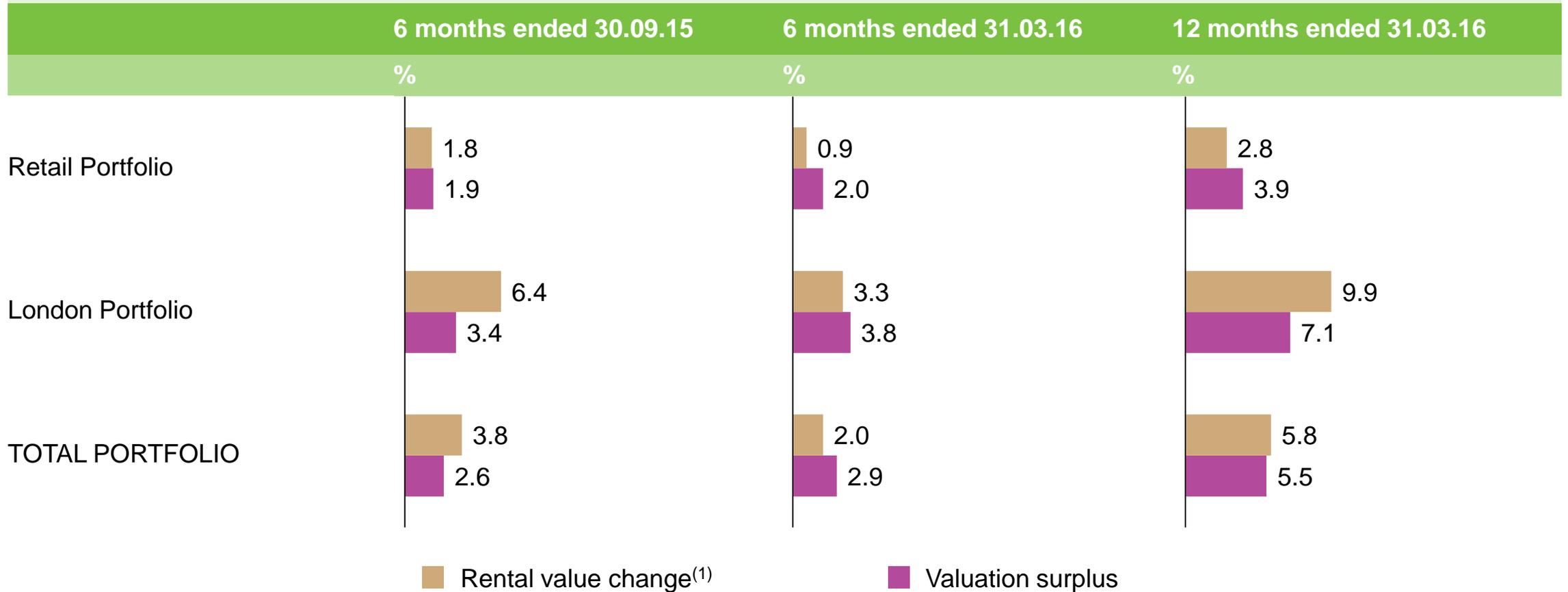
(3) Rental value growth figures exclude units materially altered during the year and also Queen Anne's Gate, SW1



Rental and capital value trends

Like-for-like portfolio

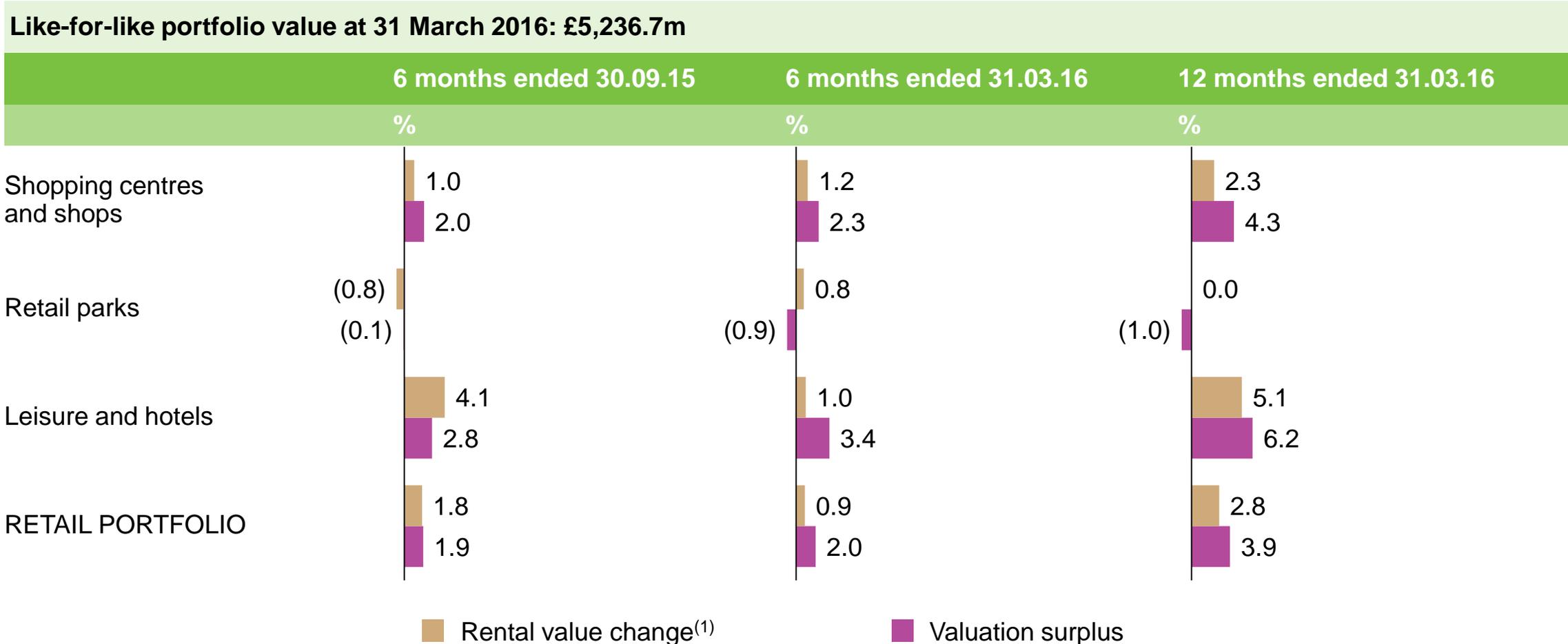
Like-for-like portfolio value at 31 March 2016: £10,663.1m



(1) Rental value growth figures exclude units materially altered during the year and also Queen Anne's Gate, SW1

Rental and capital value trends

Retail like-for-like portfolio

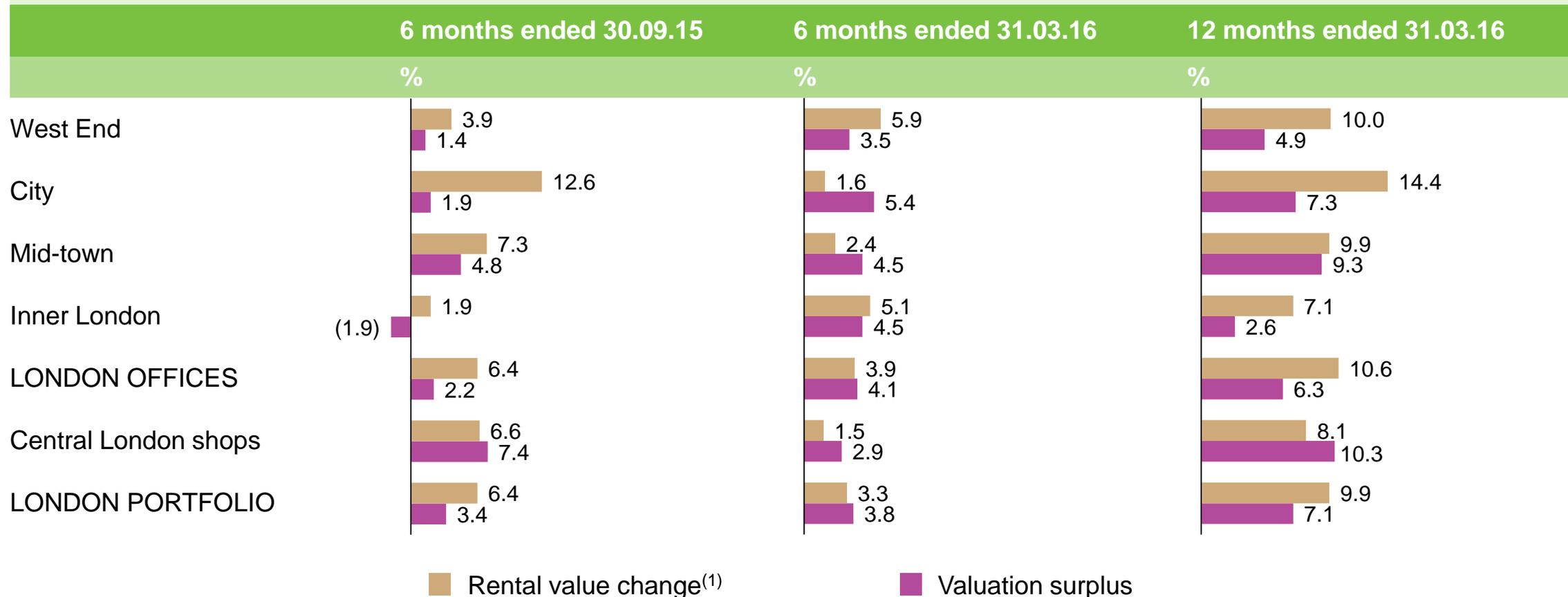


(1) Rental value growth figures exclude units materially altered during the year

Rental and capital value trends

London like-for-like portfolio

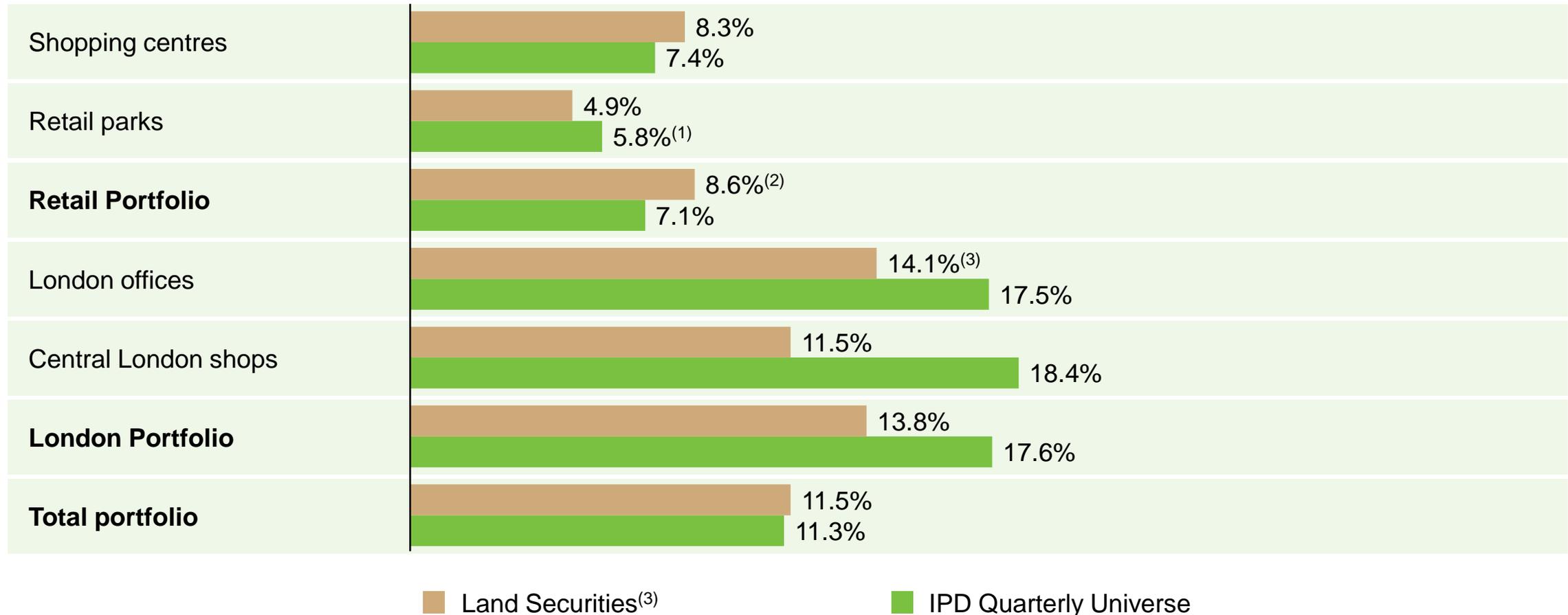
Like-for-like portfolio value at 31 March 2016: £5,426.4m



(1) Rental value growth figures exclude units materially altered during the year and also Queen Anne's Gate, SW1

Portfolio performance relative to IPD Quarterly Universe

Ungearred total return (year ended 31 March 2016)



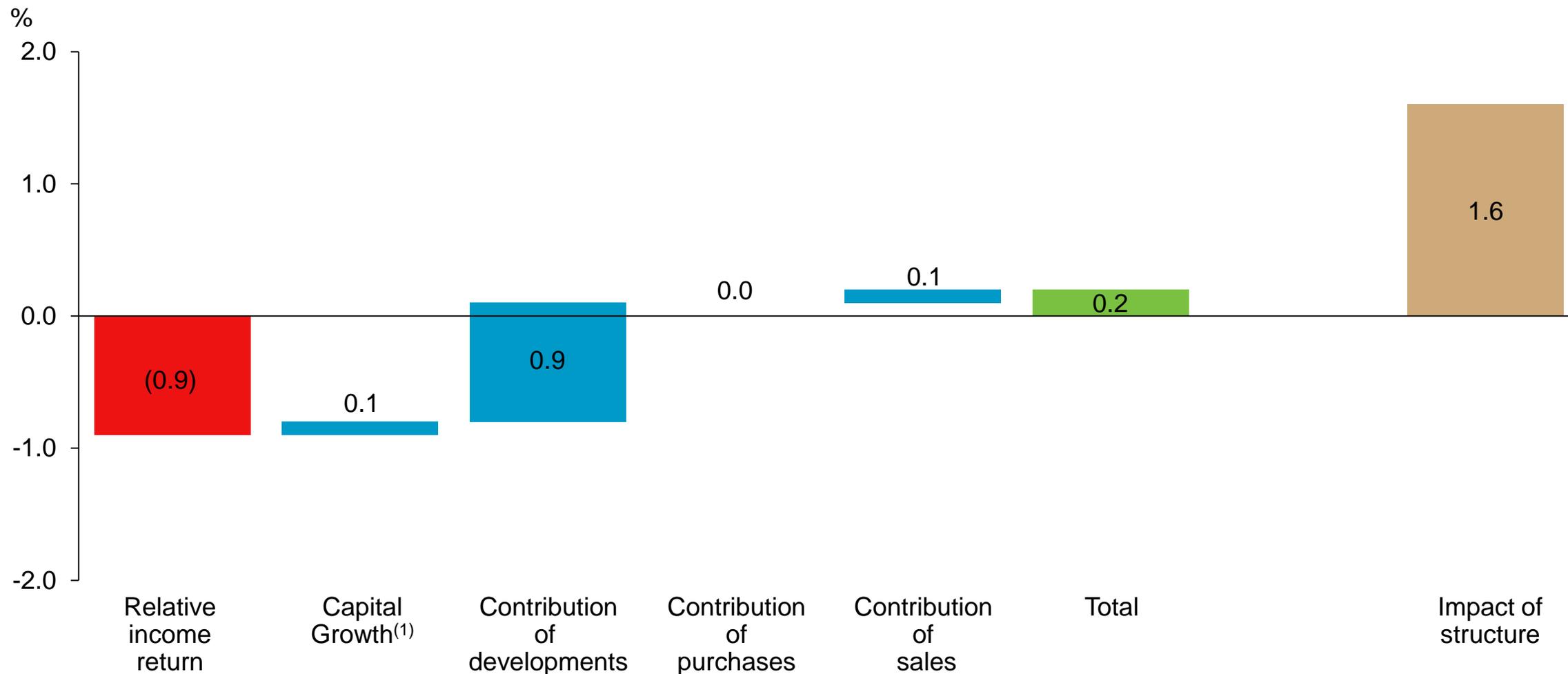
(1) IPD Retail Warehouses Quarterly Universe

(2) Includes leisure, hotel portfolio and other

(3) Land Securities total return higher by 1% for London offices and 0.4% for total portfolio if adjusted for capital and value extracted from Queen Anne's Gate, SW1 through the bond issue in 2009

Analysis of performance relative to IPD

Attribution analysis, ungeared total return, 12 months ended 31 March 2016, relative to IPD Quarterly Universe



(1) The attribution of relative outperformance to changes in yields and rental values of standing investments has been distorted by the change in valuer and is not shown here

Source: IPD

Development programme returns

Property	Floor space (net internal area)	Letting status at 31 March	TDC ⁽¹⁾	Net income / ERV ⁽²⁾	Gross yield on cost	Valuation surplus to date	Market value at 31 March + outstanding TDC ⁽¹⁾	Gross yield on: TDC ⁽¹⁾ + valuation surplus to date
	Sq ft (000)	%	£m	£m	%	£m	£m	%
The Zig Zag Building, SW1 ⁽³⁾	234	88	178	17.3	9.7	203	388	4.5
1 & 2 New Ludgate, EC4	382	94	248	24.2	9.8	248	513	4.9
Nova, Victoria, SW1- Phase I ⁽⁴⁾	561	17	248	21.0	8.5	109	365	5.9
Oriana, W1- Phase II ⁽⁴⁾	73	100	36	3.3	9.2	50	85	3.8
20 Eastbourne Terrace, W2	93	62	66	6.4	9.7	57	124	5.2
1 New Street Square, EC4	275	100	176	15.5	8.8	144	321	4.8
Westgate Oxford ⁽⁴⁾⁽⁵⁾	804	43	209	13.9	6.7	22	234	6.0
Total	2,422		1,161	101.6	8.8	833	2,030	5.1

(1) Excludes allowances for letting voids and rent free periods, but includes estimated tenant capital contributions

(2) Represents net headline annual rent on let units plus net ERV at 31 March 2016 on unlet units

(3) Includes retail element of Kings Gate, SW1

(4) Land Securities' share, except floor space

(5) All figures exclude residential properties

Development programme - yield on TDC

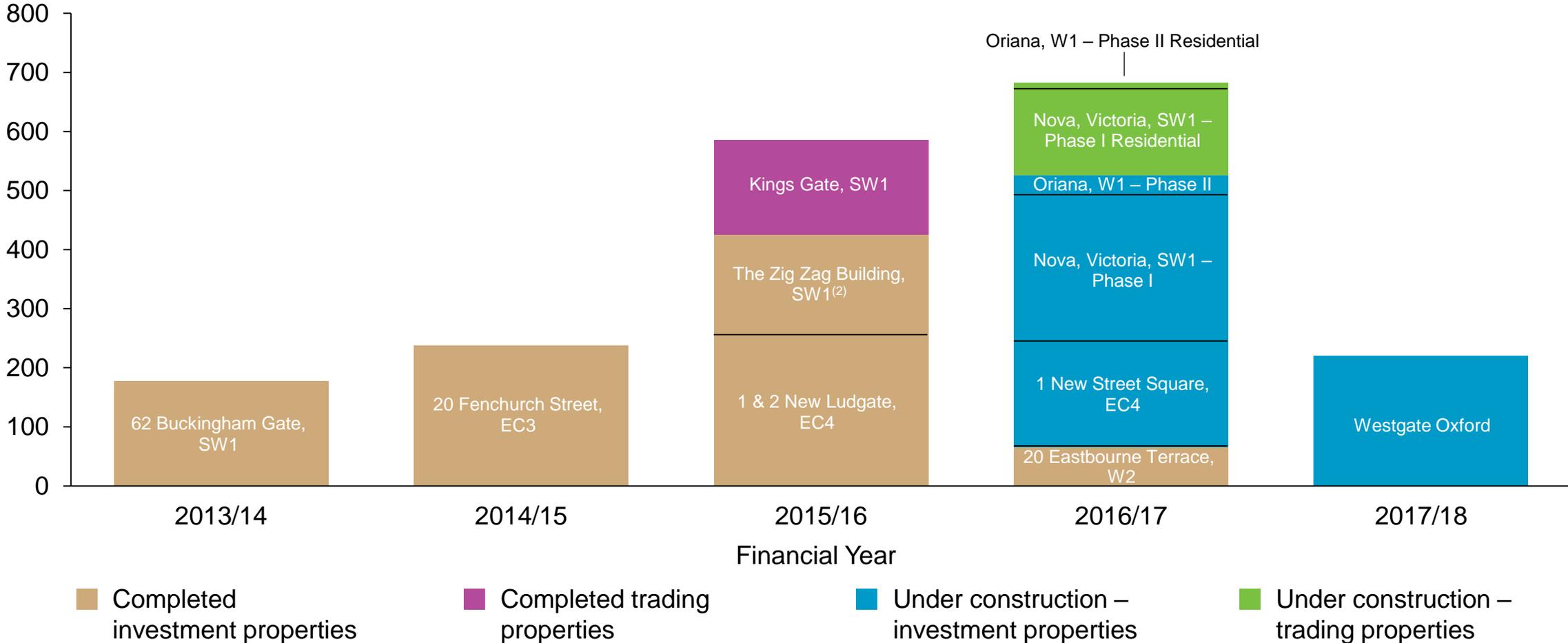
London Portfolio: 9.2% (headline rents) 7.9% (P&L rents)

Retail Portfolio: 6.7% (headline rents) 6.3% (P&L rents)



Development completions

Total development cost (TDC) at completion £m⁽¹⁾

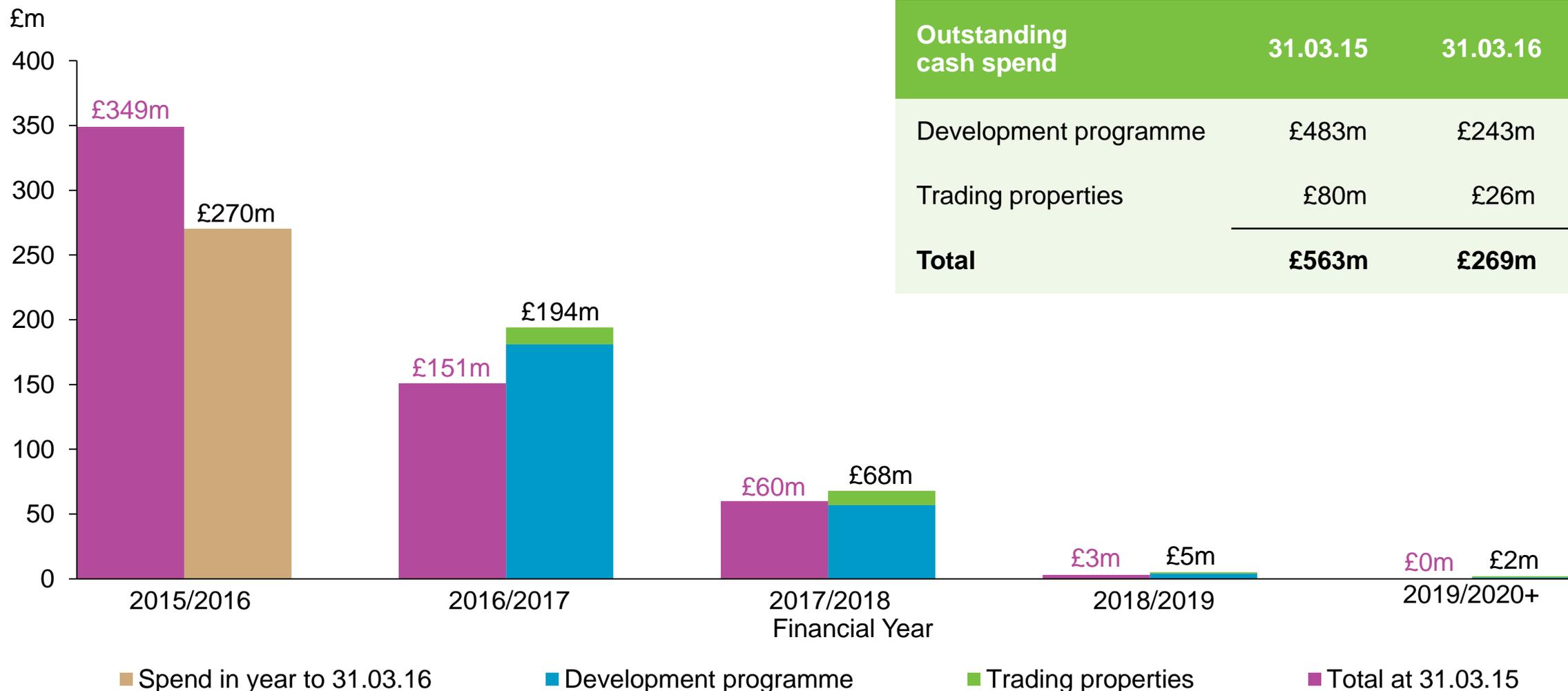


(1) Land Securities' share
 (2) Includes retail within Kings Gate, SW1



Development expenditure

Estimated future spend



Outstanding cash spend	31.03.15	31.03.16
Development programme	£483m	£243m
Trading properties	£80m	£26m
Total	£563m	£269m

Estimated future spend includes the cost of residential space but excludes interest

London Portfolio – strong letting performance

62 Buckingham Gate, SW1

- 275,300 sq ft offices and retail
- 100% let
- 11 years average office lease term
- Average office rent £70 psf

20 Fenchurch Street, EC3

- 687,900 sq ft offices and retail
- 100% let
- 17 years average office lease term
- Average office rent £78 psf

1 & 2 New Ludgate, EC4

- 381,600 sq ft offices and retail
- 94% let, 2% ISH
- 18 years average office lease term
- Average office rent £60 psf

The Zig Zag Building, SW1*

- 234,200 sq ft offices and retail
- 88% let
- 16 years average office lease term
- Average office rent £79 psf

20 Eastbourne Terrace, W2

- 92,800 sq ft offices and retail
- 62% pre-let, 15% ISH
- 11 years average office lease term
- Average office rent £66 psf

1 New Street Square, EC4

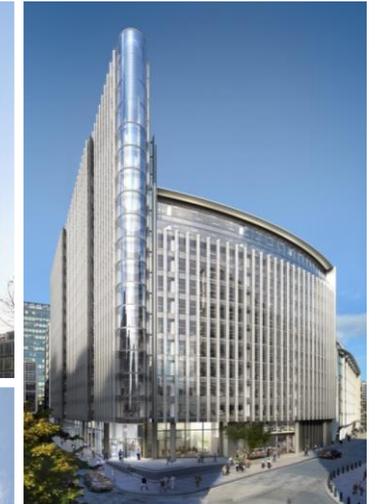
- 274,800 sq ft offices and retail
- 100% pre-let
- 20 years average office lease term
- Average office rent £64 psf

Nova, Victoria, SW1 – Phase I

- 560,600 sq ft offices and retail
- 22% pre-let, 16% ISH
- 15 years average office lease term
- Average office rent £86 psf

Oriana, W1 – Phase II

- 72,500 sq ft retail
- 100% pre-let



As at 16 May 2016

*Includes Kings Gate retail

Future development opportunities

Property	Annualised net rent 31.03.16	Current area	Proposed area	Earliest start / possession date	Comment
	£m	Sq ft (000)	Sq ft (000)		
Worcester Woods	-	-	240	March 2017	Subject to planning permission and completion of acquisition.
21 Moorfields, EC2	-	120	515	December 2015	Planning consent secured in November 2015. Demolition began in January 2016.
Selly Oak, Birmingham	-	-	289	September 2016	Planning received. Site remediation ongoing.
Nova East, SW1	-	-	196	August 2016	Land will be returned to Land Securities in 2016 once LUL has completed upgrade works.
1 Sherwood Street, W1	1.8	69	142	January 2018	Site behind Piccadilly Lights, W1. Subject to securing vacant possession.
Ealing Filmworks	-	-	219	September 2016	Detailed planning consent granted. Compulsory purchase order confirmed.
Southwark Street, SE1 ⁽¹⁾	2.9	227	339	October 2019	In feasibility/preparing planning application.
Total	4.7	416	1,940		

(1) Southwark Street, SE1 includes: Red Lion Court, 105 Sumner Street and 133 Park Street

Retailer affordability – shopping centres

Footfall and sales (52 weeks to 03.04.16 vs 52 weeks to 05.04.15)		Benchmarks			
Footfall	3.4% ↑	UK Footfall ⁽¹⁾	-1.3% ↓		
Same store retail sales ⁽²⁾	1.5% ↑	BRC Physical store sales ⁽³⁾	-0.2% ↓	BRC All retail sales ⁽⁴⁾	2.1% ↑
Same centre retail sales ⁽⁵⁾	3.3% ↑				
Same store catering sales ⁽²⁾	3.8% ↑	Coffer Peach Business Tracker ⁽⁶⁾	1.2% ↑		
Same centre catering sales ⁽⁵⁾	6.6% ↑				

Occupancy cost trends	Rent to physical store sales ratio ⁽⁷⁾	Occupancy cost to physical store sales ⁽⁸⁾	Rent/sq ft
	%	%	£
Overall	10.2	17.8	36
Excluding anchor stores	11.7	20.2	47
Excluding anchor stores and MSUs	12.0	20.4	56
Catering only	9.4	16.2	41

Key observations:

- Our same centre retail sales were up 3.3%, driven by replacing weaker retailers and reducing voids
- Rent to physical store sales ratios indicate rents are affordable
- Our measured same store like-for-like retail sales were up 1.5% against the British Retail Consortium non-food physical store sales benchmark, which was down 0.2%

Source: Land Securities, unless specified below; data is exclusive of VAT and, for the 12 month figures above, based on c. 1,350 retailers that provide Land Securities with turnover data

- (1) UK Footfall Benchmark provided by TYCO Footfall (formally Experian Footfall)
- (2) Land Securities' shopping centres same store / same tenant like-for-like sales
- (3) BRC – KPMG Retail Sales Monitor (RSM). Based on an average of four quarters non-food retail sales growth for physical i.e. bricks and mortar, stores only (does not include online sales)
- (4) BRC – KPMG Retail Sales Monitor (RSM). Based on an average of four quarters non-food retail sales growth including online sales
- (5) Land Securities' shopping centres same centre total sales. Based on all store sales in centres and takes into account new stores and new space
- (6) Coffer Peach Business Tracker – compiled from average monthly sales growth figures, based on data collected from 32 leading food & beverage operators
- (7) Rent as a percentage of total annual physical store sales
- (8) Total Occupancy Cost (rent, rates, insurance and service charge) as a percentage of total annual physical store sales

Prospective rental income⁽¹⁾

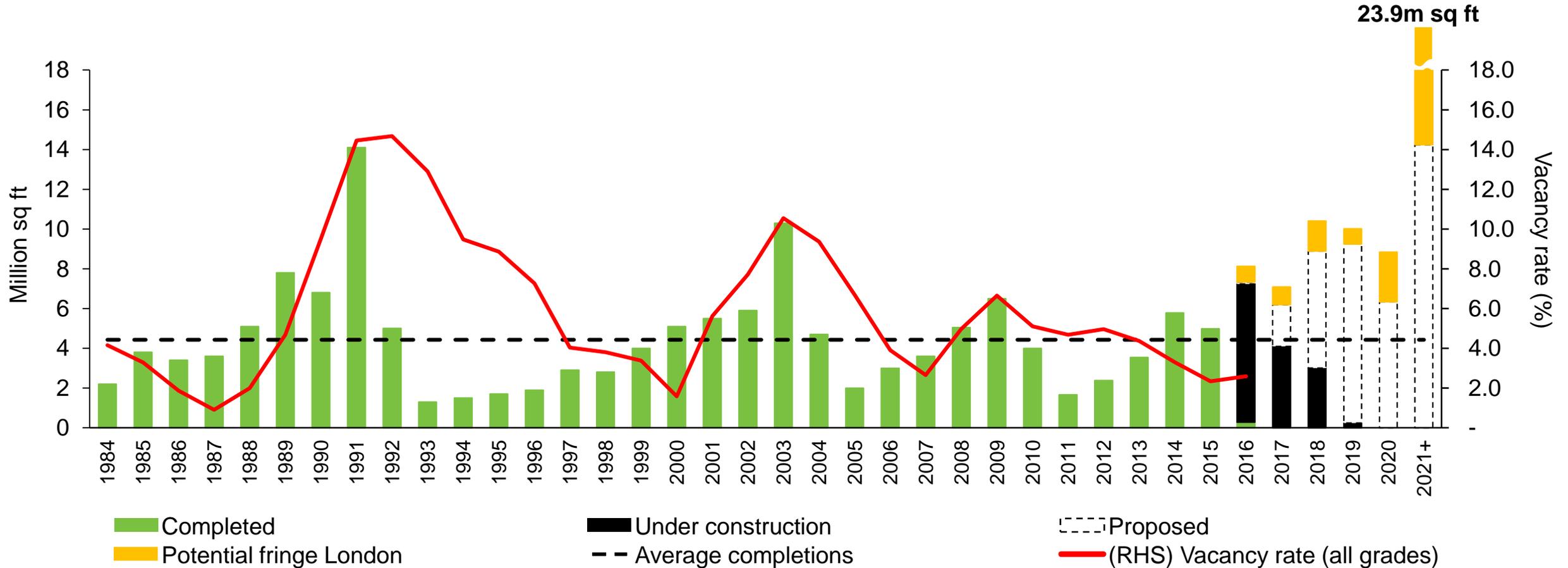
From the development programme

	London Portfolio £m	Retail Portfolio £m	Total Portfolio £m
31 March 2017			
Contracted	57.6	-	57.6
Non-contracted	11.9	-	11.9
Total prospective rental income	69.5	-	69.5
31 March 2018			
Contracted	63.1	2.5	65.6
Non-contracted	21.3	3.3	24.6
Total prospective rental income	84.4	5.8	90.2
31 March 2019			
Contracted	63.1	6.1	69.2
Non-contracted	21.3	7.8	29.1
Total prospective rental income	84.4	13.9	98.3
31 March 2020			
Contracted	63.1	6.1	69.2
Non-contracted	21.3	7.8	29.1
Total prospective rental income	84.4	13.9	98.3
31 March 2021			
Contracted	63.1	6.1	69.2
Non-contracted	21.3	7.8	29.1
Total prospective rental income	84.4	13.9	98.3

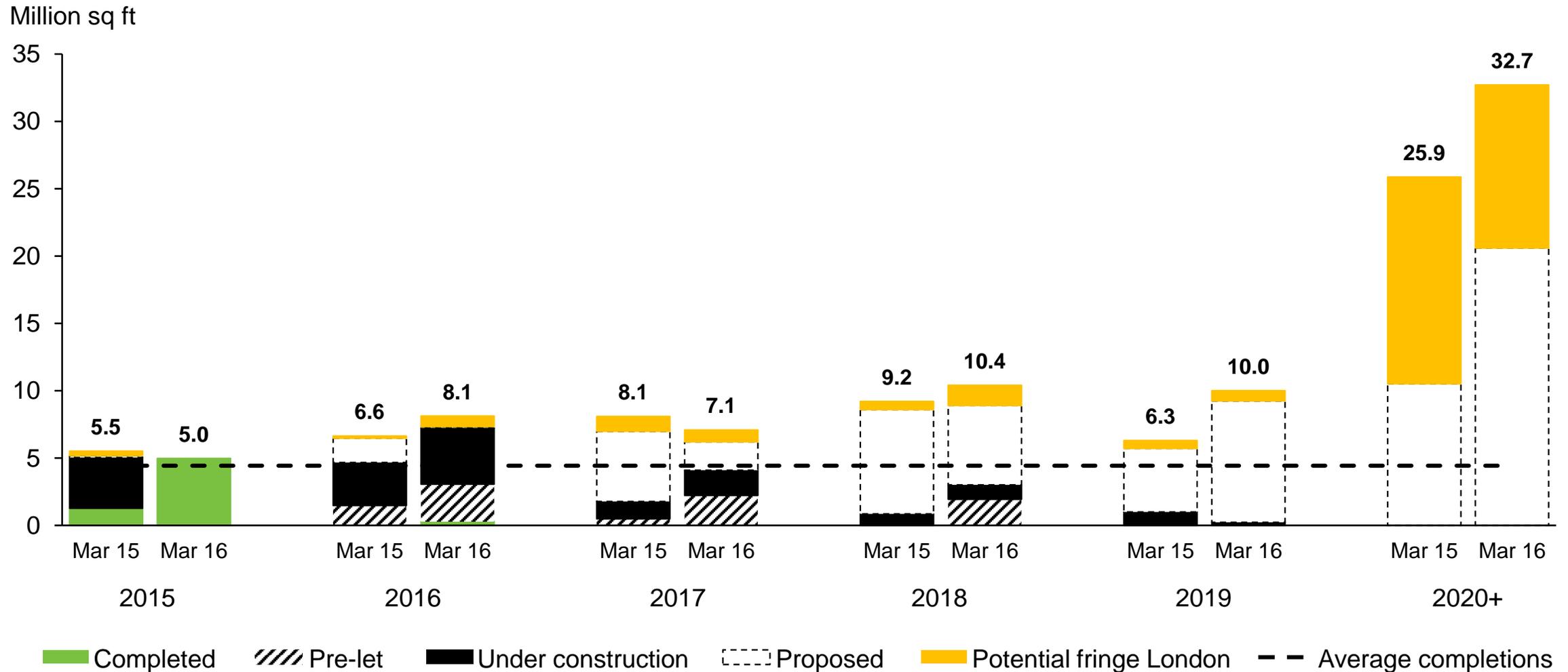
(1) Prospective rental income represents contracted headline rent plus appraisal ERV, from the date of practical completion of a development

Central London supply – March 2016

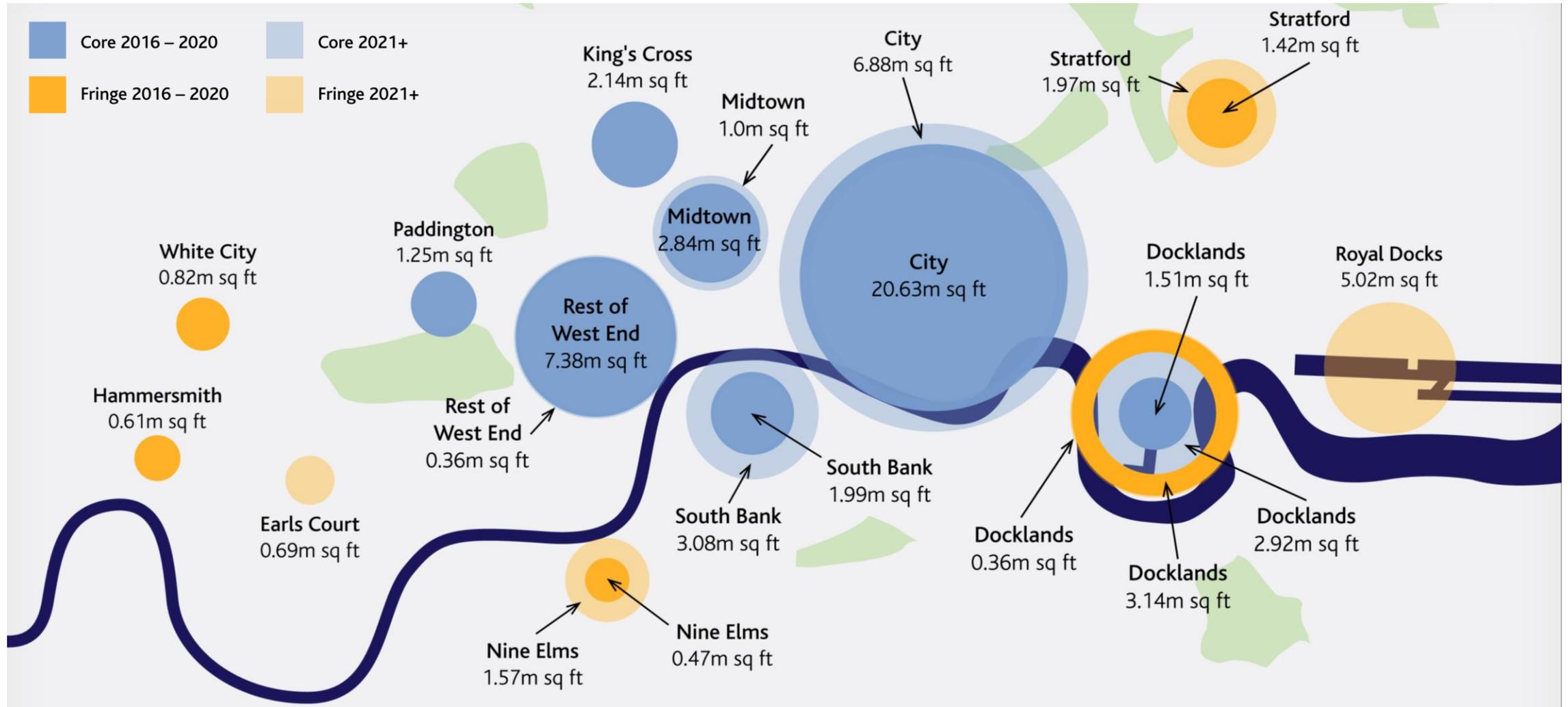
Development completions and vacancy



Central London supply – March 15 and March 16 forecasts

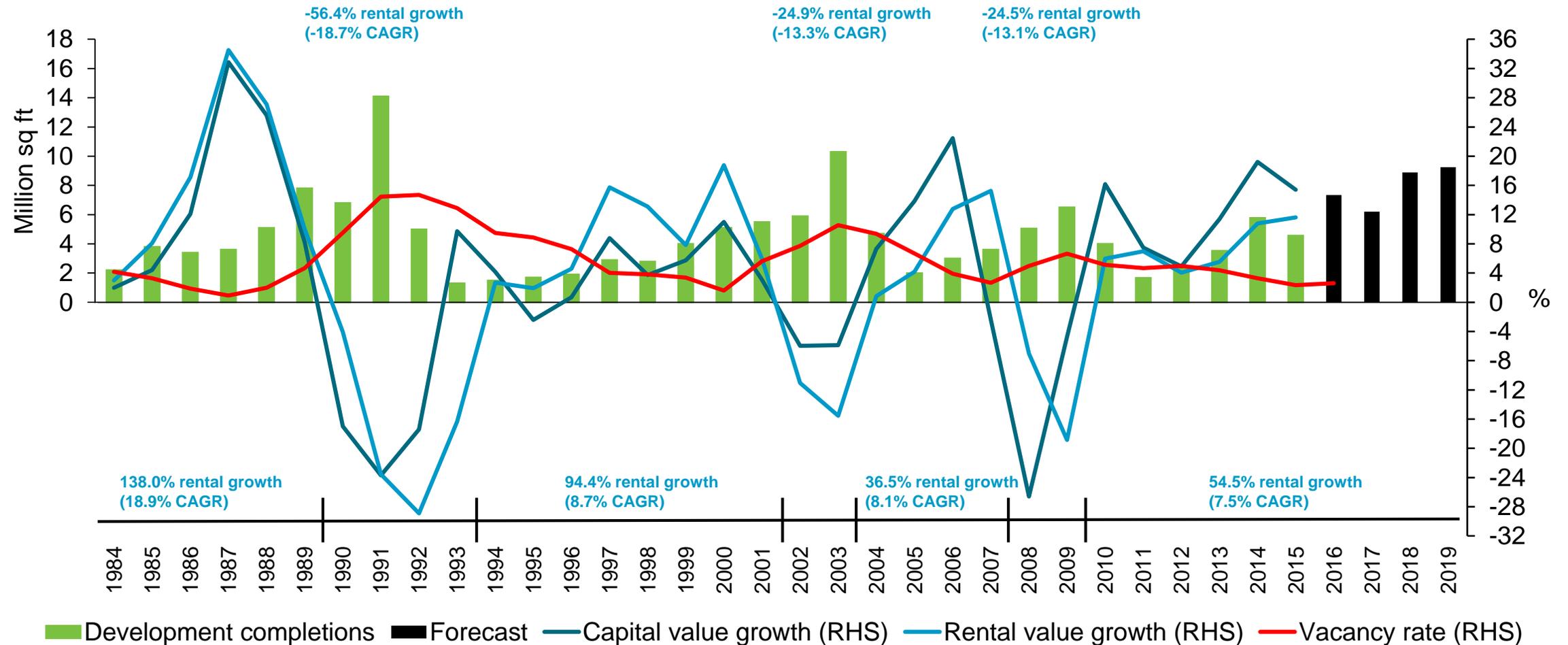


Central London supply – proposed office schemes

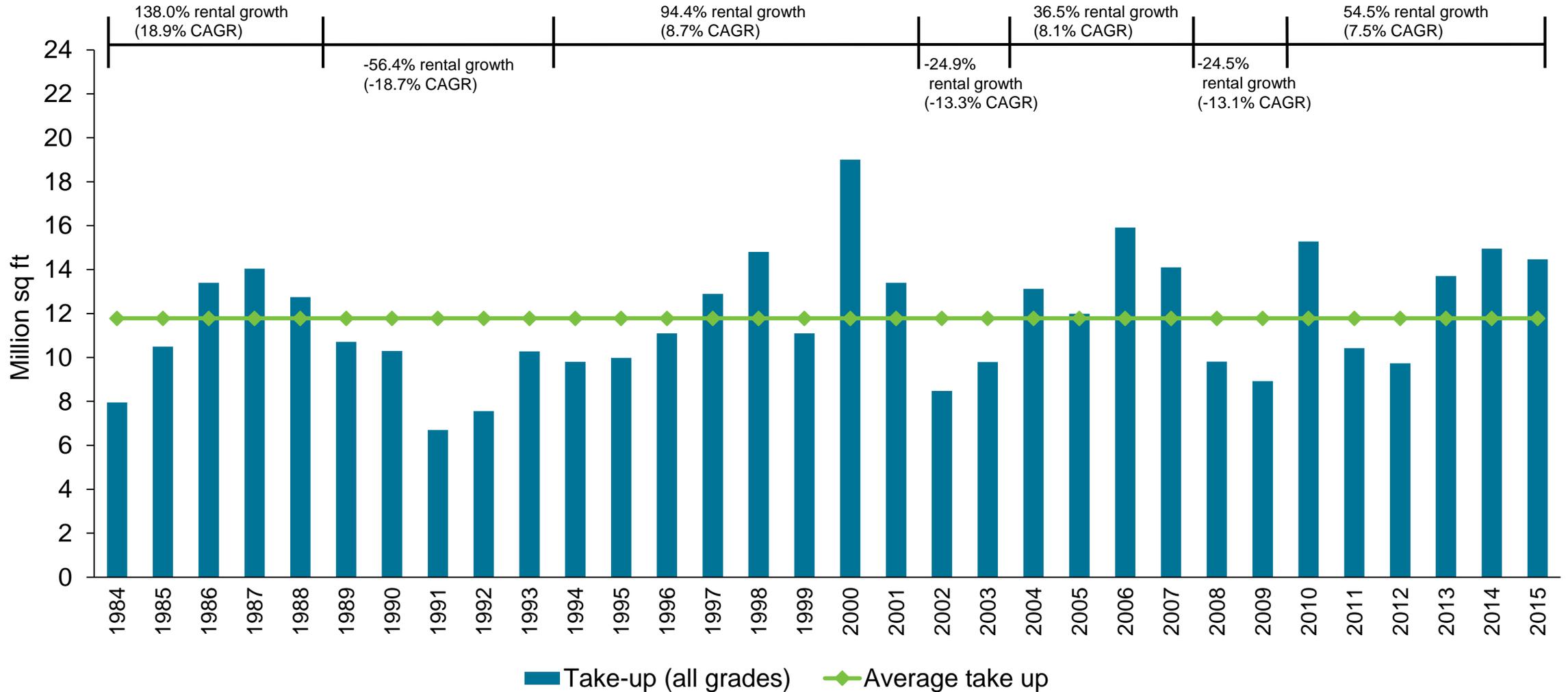


Central London office market

Development completions, vacancy and IPD rental and capital growth



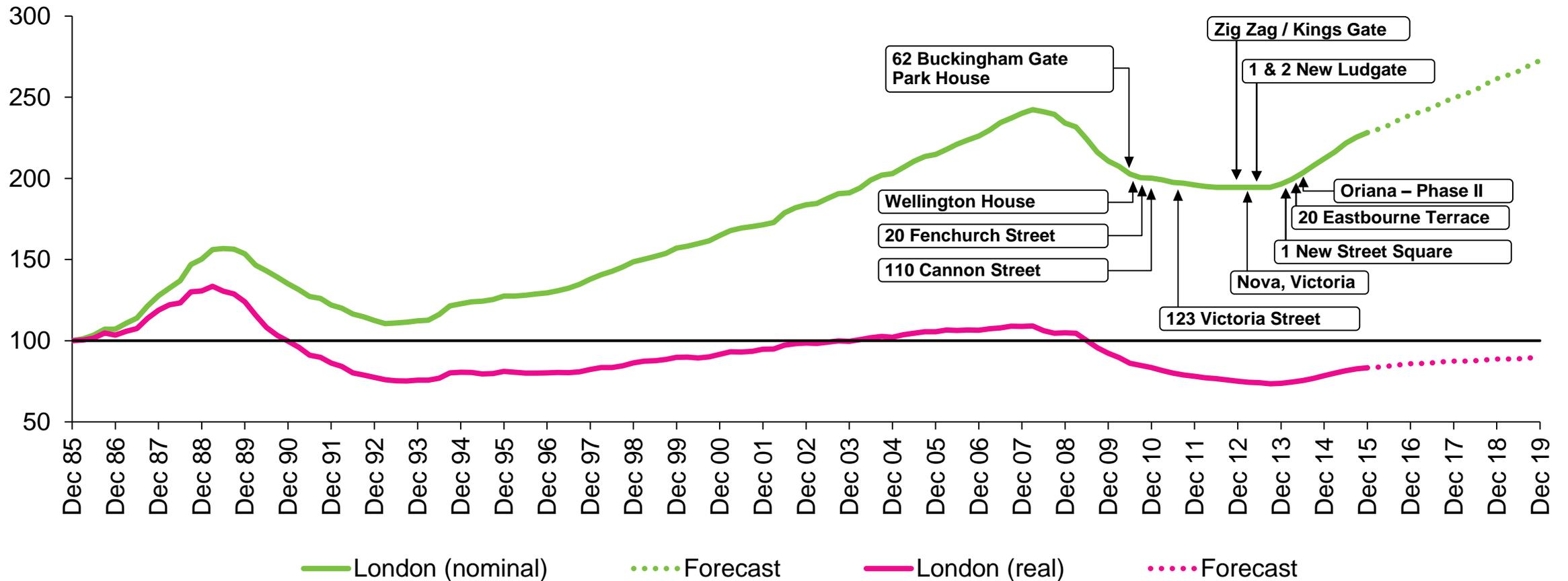
London office market – take-up



Land Securities' London developments

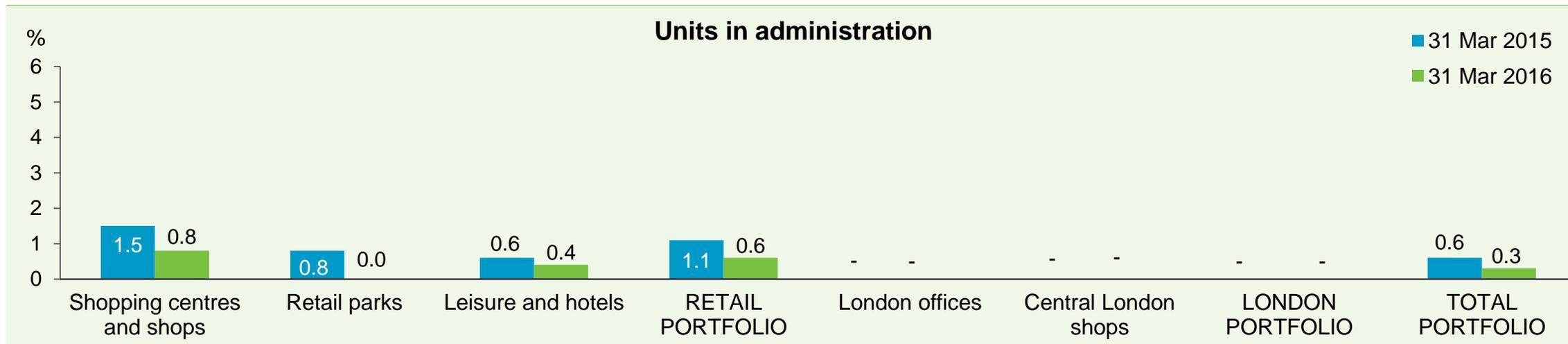
Construction contracts negotiated

Tender prices Dec 1985 = 100



Voids and units in administration

Like-for-like portfolio





Retail Portfolio vacancy as at 31 March 2016

Like-for-like Retail Portfolio

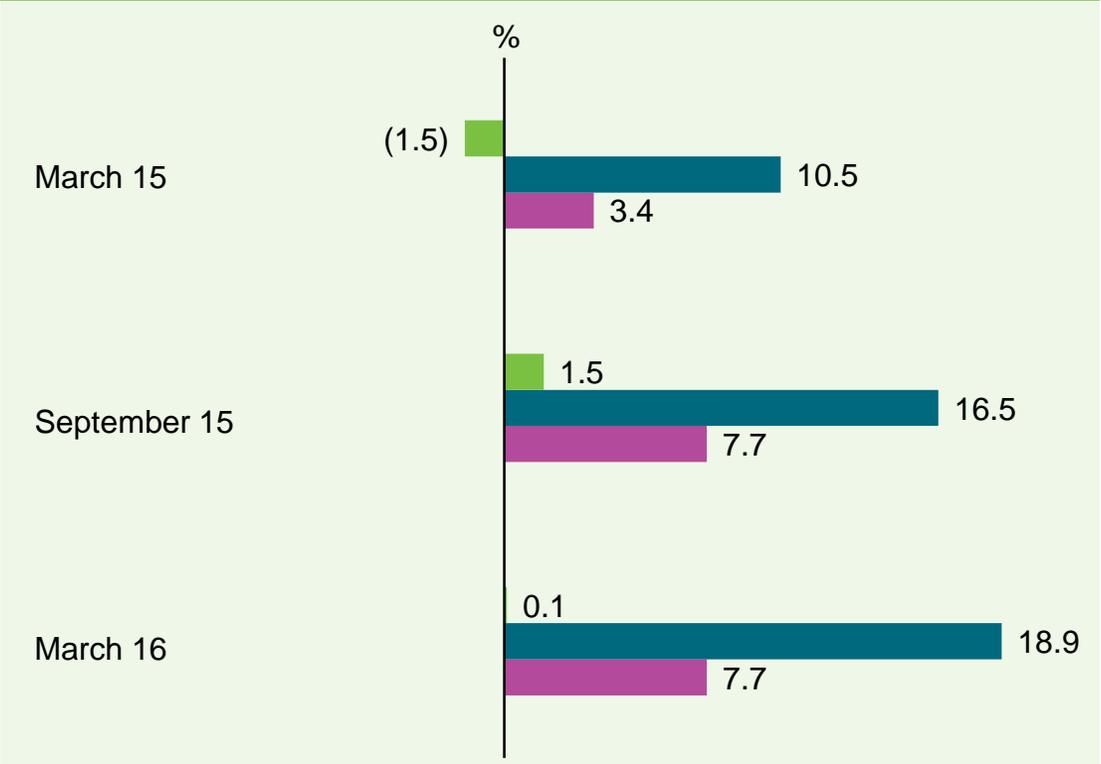




Reversionary potential

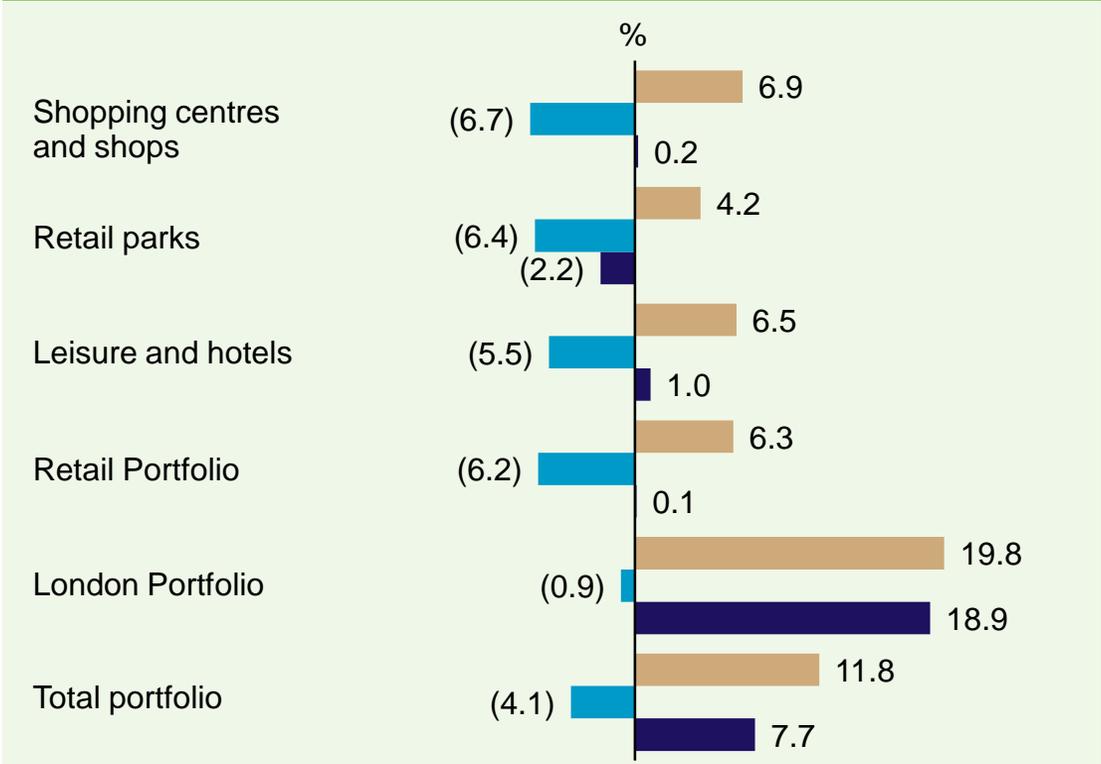
Like-for-like portfolio⁽¹⁾

Net reversionary potential⁽²⁾



■ Retail Portfolio
 ■ London Portfolio
 ■ Total portfolio

Reversionary potential⁽²⁾ at 31 March 2016



■ Gross reversionary potential
 ■ Over-renting
 ■ Net reversionary potential

(1) Excludes Queen Anne's Gate, SW1

(2) Excludes voids and rent free periods





Combined Portfolio

Lease maturities (expiries and break clauses)

% of portfolio rental income



Rent reviews and lease expiries and breaks⁽¹⁾

Retail Portfolio excluding developments

	Outstanding £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total to 2021 £m
Rents passing from leases subject to review	68.8	70.2	42.7	32.2	21.2	12.1	247.2
Adjusted ERV ⁽²⁾	68.4	71.3	41.6	31.0	20.2	13.0	245.5
Over-renting ⁽³⁾	(4.0)	(3.8)	(2.7)	(2.2)	(1.4)	-	(14.1)
Gross reversion under lease provisions	3.6	4.9	1.6	1.0	0.4	0.9	12.4
	Outstanding £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total to 2021 £m
Rents passing from leases subject to expiries or breaks	8.5	11.6	17.5	18.2	21.0	21.5	98.3
ERV	9.5	12.9	17.3	17.5	20.0	21.6	98.8
Potential rent change	1.0	1.3	(0.2)	(0.7)	(1.0)	0.1	0.5

(1) This is not a forecast and takes no account of increases or decreases in rental values before the relevant review dates.

(2) Adjusted ERV reflects ERV when reversion is expected at next rent review, or passing rent where the reversion to ERV is expected after 2021

(3) Not crystallised at rent review because of upward only rent review provisions.

Rent reviews and lease expiries and breaks⁽¹⁾

London Portfolio excluding developments

	Outstanding £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total to 2021 £m
Rents passing from leases subject to review	38.2	15.6	42.3	49.5	23.7	22.4	191.7
Adjusted ERV ⁽²⁾	42.5	18.1	46.9	52.6	25.8	22.7	208.6
Over-renting ⁽³⁾	(0.4)	-	-	-	(0.1)	(0.5)	(1.0)
Gross reversion under lease provisions	4.7	2.5	4.6	3.1	2.2	0.8	17.9
	Outstanding £m	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total to 2021 £m
Rents passing from leases subject to expiries or breaks	1.3	22.9	10.6	11.5	11.6	23.3	81.2
ERV	1.6	32.3	14.9	14.0	14.7	25.7	103.2
Potential rent change	0.3	9.4	4.3	2.5	3.1	2.4	22.0

(1) This is not a forecast and takes no account of increases or decreases in rental values before the relevant review dates

(2) Adjusted ERV reflects ERV when reversion is expected at next rent review, or passing rent where the reversion to ERV is expected after 2021

(3) Not crystallised at rent review because of upward only rent review provisions

Reconciliation of cash rents and P&L rents to ERV

	Rents and ERVs at 31.03.16		
	Retail Portfolio	London Portfolio	Total
	£m	£m	£m
Annualised rental income	331.6	279.3	610.9
SIC15 adjustments and ground rent	(8.2)	(46.7)	(54.9)
Annualised net rent	323.4	232.6	556.0
Add back ground rents payable	9.7	3.1	12.8
Additional cash rent from unexpired rent free periods	8.2	33.2	41.4
Contracted additional income (from development programme and reconfigured units)	7.0	65.4	72.4
Net reversion on rent review or break / expiry	(0.8)	27.5	26.7
Other	(1.6)	1.2	(0.4)
Gross ERV from portfolio currently let (or agreed to be let)	345.9	363.0	708.9
Voids including development programme	14.6	31.5	46.1
Gross ERV	360.5	394.5	755.0

Net rental income analysis

	Year ended 31 March					
	Retail Portfolio		London Portfolio		Combined Portfolio variance	
	2016	2015	2016	2015		
	£m	£m	£m	£m	£m	%
Like-for-like investment properties	263.7	252.3	199.6	198.0	13.0	2.9
Proposed developments	-	(0.2)	-	-	0.2	
Development programme	0.5	1.5	20.3	(2.2)	21.5	
Completed developments	2.7	1.7	29.2	23.7	6.5	
Acquisitions since 1 April 2014	35.4	25.4	1.2	-	11.2	
Disposals since 1 April 2014	15.7	50.4	20.7	37.1	(51.1)	
Non-property related income	10.5	8.5	4.2	3.3	2.9	
Total net rental income	328.5	339.6	275.2	259.9	4.2	0.7

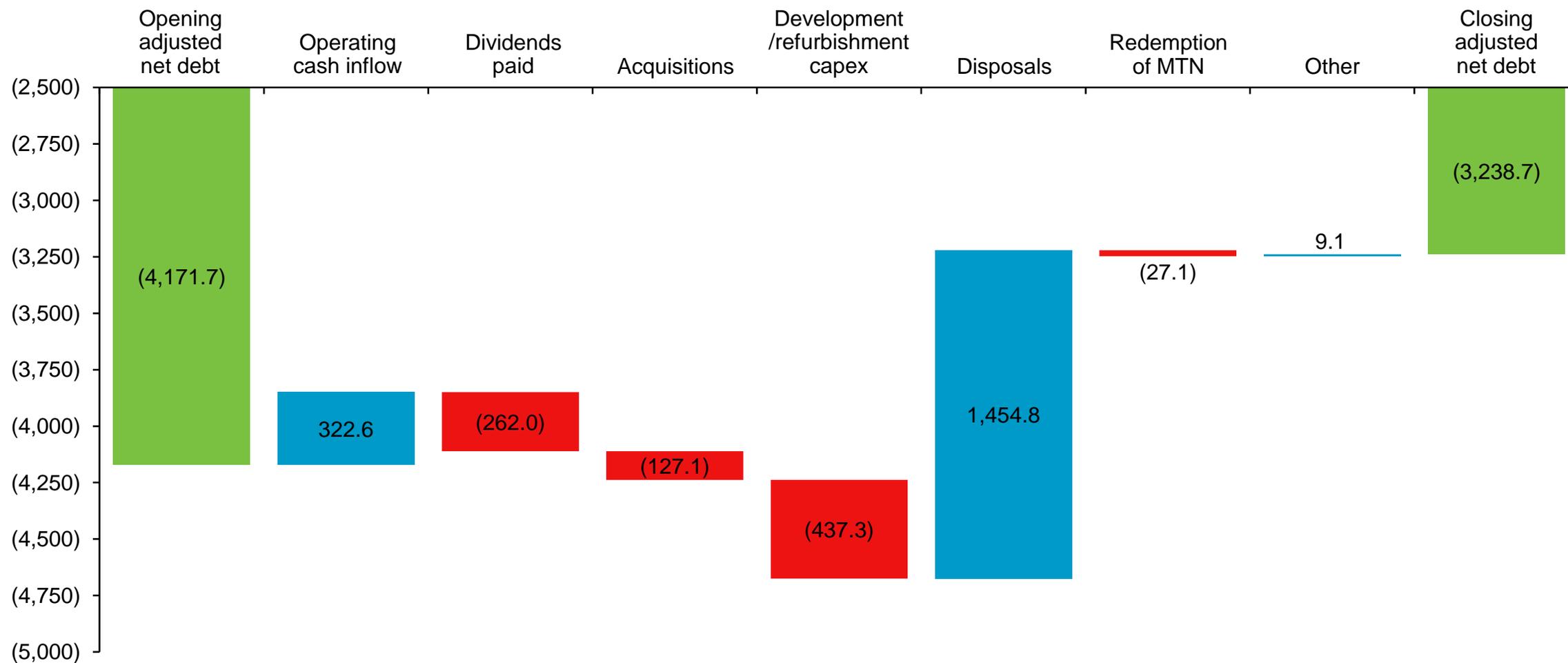
REIT balance of business

	Year ended 31.03.16			Year ended 31.03.15		
	Exempt £m	Residual £m	Adjusted results £m	Exempt £m	Residual £m	Adjusted results £m
Income						
Group revenue	804.1	210.8	1,014.9	793.4	57.7	851.1
Cost	(278.7)	(159.7)	(438.4)	(283.5)	(35.9)	(319.4)
Operating profit	525.4	51.1	576.5	509.9	21.8	531.7
Interest expense	(215.4)	-	(215.4)	(204.4)	-	(204.4)
Interest income	-	1.4	1.4	-	3.0	3.0
Profit before tax	310.0	52.5	362.5	305.5	24.8	330.3
Balance of business – 75% income test	85.5%	14.5%		92.5%	7.5%	
Assets						
Adjusted total assets	14,255.6	939.0	15,194.6	14,081.2	960.6	15,041.8
Balance of business – 75% assets test	93.8%	6.2%		93.6%	6.4%	

Includes subsidiaries and joint ventures on a proportionate basis

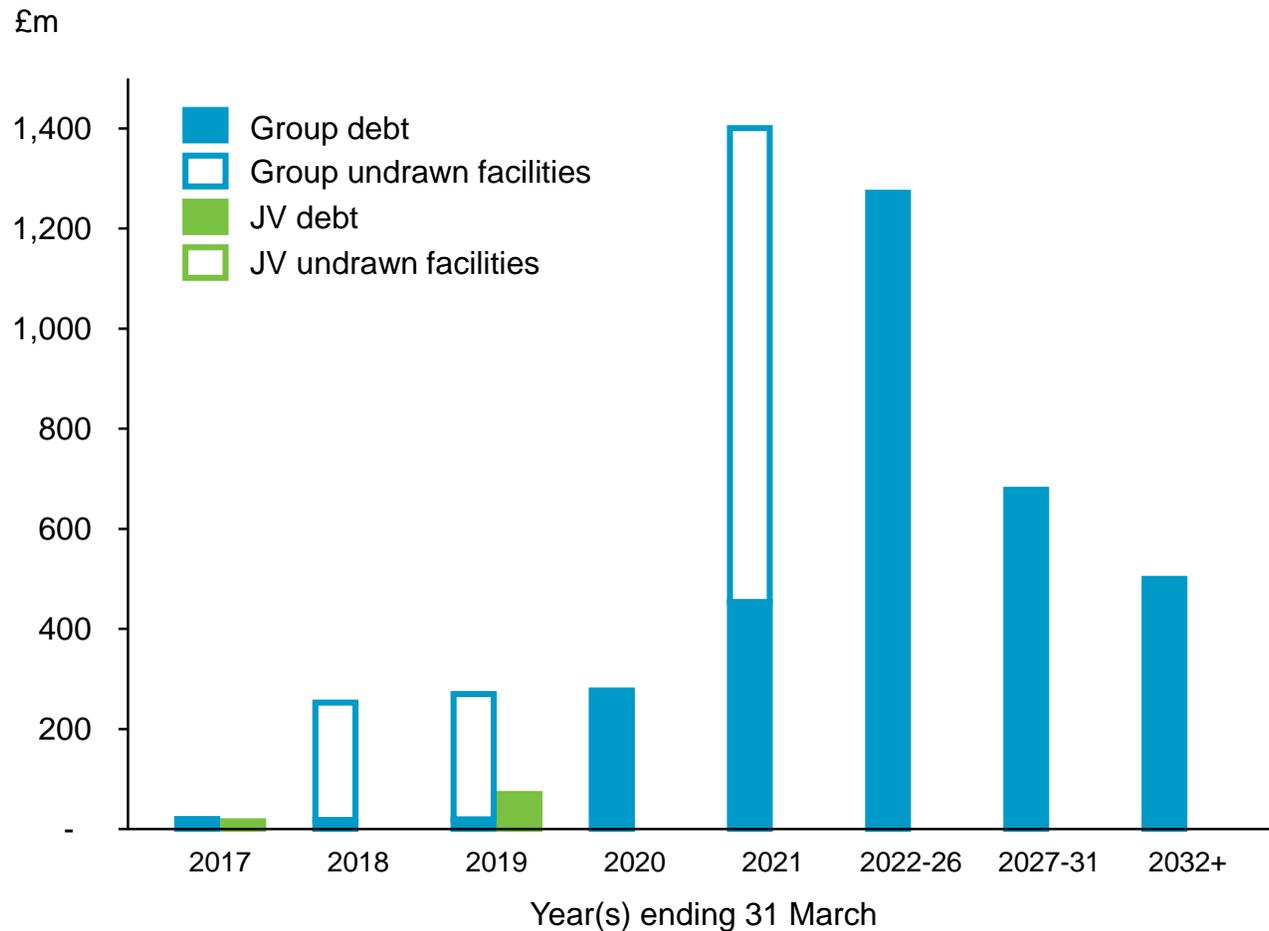
Cash flow and adjusted net debt⁽¹⁾

£m



(1) On a proportionate basis

Expected debt maturities (nominal)⁽¹⁾



Year(s) ending 31 March	Expected debt maturities £m			
	Drawn debt		Undrawn debt	
	Group debt	JV debt	Group debt	JV debt
2017	20	16	-	-
2018	18	-	235	-
2019	20	70	250	-
2020	277	-	-	-
2021	454	-	948	-
2022-26	1,272	-	-	-
2027-31	678	-	-	-
2032+	500	-	-	-

(1) Land Securities' proportionate share

Financing

- Group LTV⁽¹⁾ at 22.0% down from 28.5% at March 2015
- Weighted average maturity of debt: 9.6 years
- Weighted average cost of debt: 4.9%
- £1.5bn cash and available facilities
- £125m new commitment added to syndicated facility taking total size to £1.4bn

	31.03.16	31.03.15
Bond debt	£2,803.8m	£3,218.5m
Total bank facilities and cash ⁽¹⁾	£2,017.9m	£2,391.9m
Drawn facilities ^{(1) (2)}	(£517.5m)	(£1,030.5m)
Available facilities and cash ⁽¹⁾	£1,500.4m	£1,361.4m
Adjusted net debt	£3,238.7m	£4,171.7m
Proportion of debt at fixed interest rates	94.9%	90.9%
Security Group LTV	23.4%	31.5%
Group LTV ⁽¹⁾	22.0%	28.5%
Interest cover ratio		
Group (excl. joint ventures)	3.14	2.52
REIT (finance cost ratio)	2.10	2.25

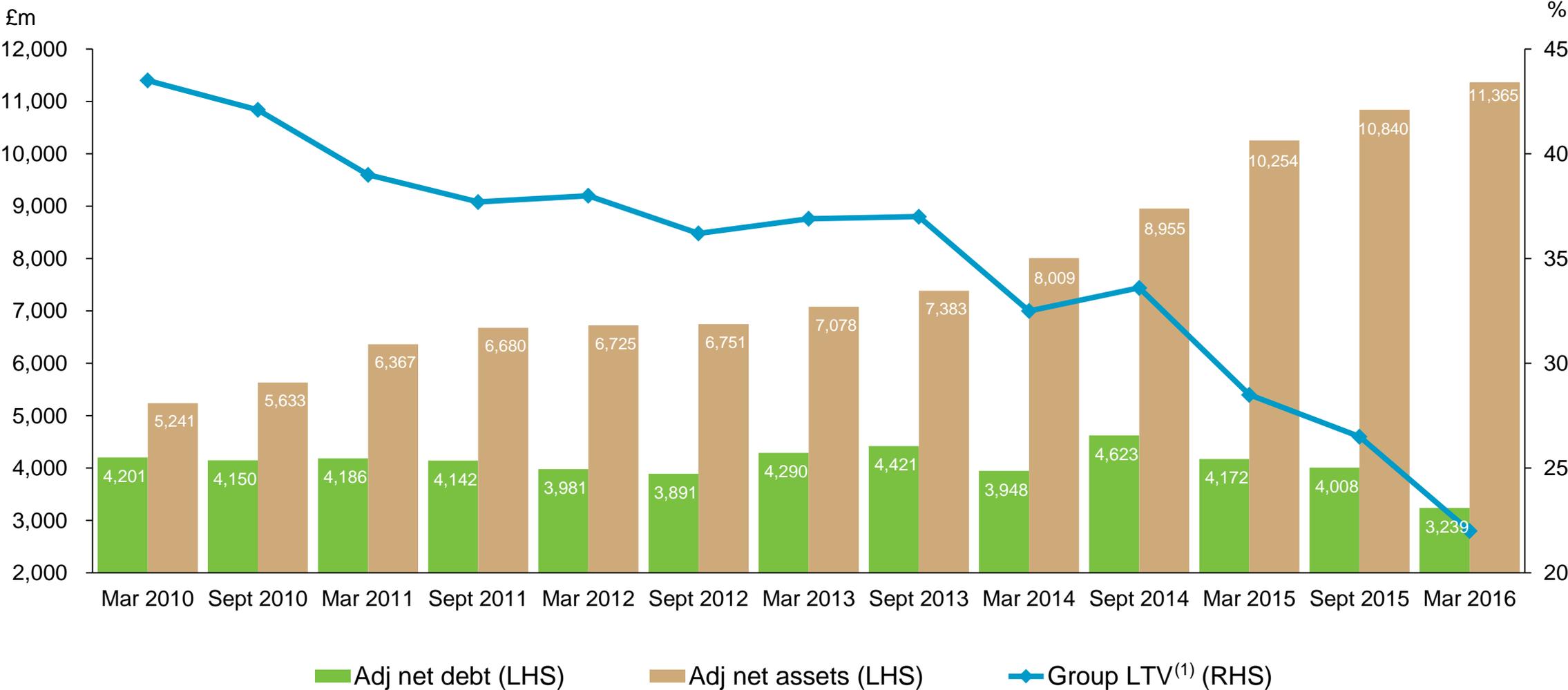
(1) On a proportionate basis

(2) Includes commercial paper in issue and any debt reserving



Financial history

Adjusted net debt, adjusted net assets and Group LTV⁽¹⁾



(1) On a proportionate basis



The Security Group

Our Security Group funding arrangements provide flexibility to buy and sell assets, develop a significant pipeline and raise debt via a wide range of sources, subject to the following key parameters.

Covenant Tiering				
Operating Tier	LTV ⁽¹⁾	Key restrictions	Valuation tolerance from current Tier	Incremental debt from current Tier £bn
Tier 1	<55%	• Minimal restrictions	Current	Current
Tier 2	55%-65%	• Additional liquidity facilities	(58%)	+4.0
Initial Tier 3	65%-80%	• Payment restrictions • Debt amortisation	(64%)	+5.2
Final Tier 3	>80%	• Disposals pay down debt • Potential appointment of property manager	(71%)	+7.1

(1) Tiering can also be determined with reference to Interest Cover, although this is deemed a less likely limitation

(2) There is also a 5% allocation to "Non-UK" region, not shown or used

Portfolio concentration limits				
Sector concentration (% of collateral value)	Current £bn	Current %	Maximum permitted %	Acquisition headroom £bn
Office	5.7	45.5	85.0	33.1
Shopping centres and shops	4.9	39.1	60.0	6.6
Retail warehouses	0.9	7.0	55.0	13.4
Industrial	0.2	0.0	20.0	3.1
Residential	0.3	1.8	20.0	2.9
Leisure and hotels	0.8	6.6	20.0	2.1
Other	0.0	0.0	15.0	2.2

Regional concentration (% of collateral value) ⁽²⁾	Current £bn	Current %	Maximum permitted %	Acquisition headroom £bn
London	8.1	64.6	100.0	Unlimited
Rest of South East and Eastern	2.0	15.9	40.0	5.0
Midlands	0.2	1.7	40.0	8.0
North	1.3	10.7	40.0	6.1
Wales and South West	0.4	3.3	40.0	7.7
Scotland and Northern Ireland	0.5	3.8	40.0	7.6

Cost analysis

Year ended 31 March 2016

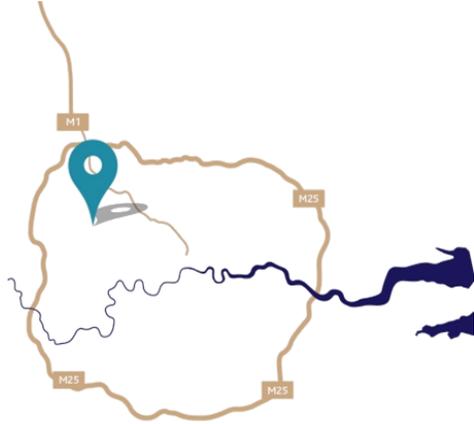
		Year ended 31 March 2016		Year ended 31 March 2015	
	£m	Total £m	Cost ratio %(¹)	Total £m	Cost ratio %(¹)
Gross rental income (after rents payable)	648.7				
Net service charge expense	(3.7)				
Direct property expenditure (net)	(41.3)				
Net rental income	603.7				
Indirect costs	(44.3)				
Segment profit before interest	559.4				
Unallocated expenses (net)	(34.0)				
Net interest - Group	(143.2)				
Net interest - joint ventures	(20.1)				
Revenue profit	362.1				
		Total			
		£123.3m			
		Total cost ratio⁽¹⁾	18.7%		
				Total	
				123.3	18.7
				132.0	20.2

		Year ended 31 March 2016		Year ended 31 March 2015	
	£m	Total £m	Cost ratio %(¹)	Total £m	Cost ratio %(¹)
Managed operations		7.7	1.2	8.6	1.3
Tenant default		9.4	1.4	7.2	1.1
Void related costs		15.2	2.3	11.1	1.7
Other direct property costs		11.6	1.8	7.8	1.2
Development expenditure		20.1	3.0	30.9	4.7
Asset management, administration and compliance		59.3	9.0	66.4	10.2
		Total			
		123.3	18.7	132.0	20.2

(1) All percentages represent costs divided by gross rental income including finance lease interest, before rents payable

Strategic land – delivering plots to house builders

– unlocking value



Harrow

- 57 acres masterplan
- Phase I (sold)
 - 20 acres
 - Sold March 2015
- Phase II (contracted sale)
 - 10 acres
 - Revised consent for 650 homes, community and commercial uses
 - Sale due to complete August 2016
- Remainder (option)
 - 27 acres



Stansted

- 1,700 acres adjacent to second runway
- Planning appeal for 700 homes on 348 acres awaiting determination
- Current use agricultural and mineral extraction



Ebbsfleet

- 1,100 acres (gross) owned or controlled
- Outline planning permission for 9,650 homes
- Land sales for 1,500 homes at Castle Hill exchanged or committed
- Conditionally exchanged contracts to sell the remainder of Eastern Quarry (4,700 homes)
- 40 acres to be retained close to Bluewater
- Completed the sale of land for a further 500 homes and our JV stake in Springhead Park
- LS retains a 50% share in c. 300 acres around Ebbsfleet International railway station



Important notice

This presentation may contain certain ‘forward-looking’ statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements.

Any forward-looking statements made by or on behalf of Land Securities speak only as of the date they are made and no representation or warranty is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. Land Securities does not undertake to update forward-looking statements to reflect any changes in Land Securities’ expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

Information contained in this presentation relating to the Company or its share price, or the yield on its shares, should not be relied upon as an indicator of future performance.

