Preliminary results presentation

14 May 2008

LandSecurities

Measures of success for a property company

1. Good asset level performance on investment properties

2. Manage timing and execution on development properties

3. Manage gearing through the cycle

Measures of success for a property company

1. Good asset level performance on investment properties

+6.5% relative outperformance of LS vs IPD Quarterly Universe (All Property)

2. Manage timing and execution on development properties

£58.5m p.a. of development lettings

3. Manage gearing through the cycle

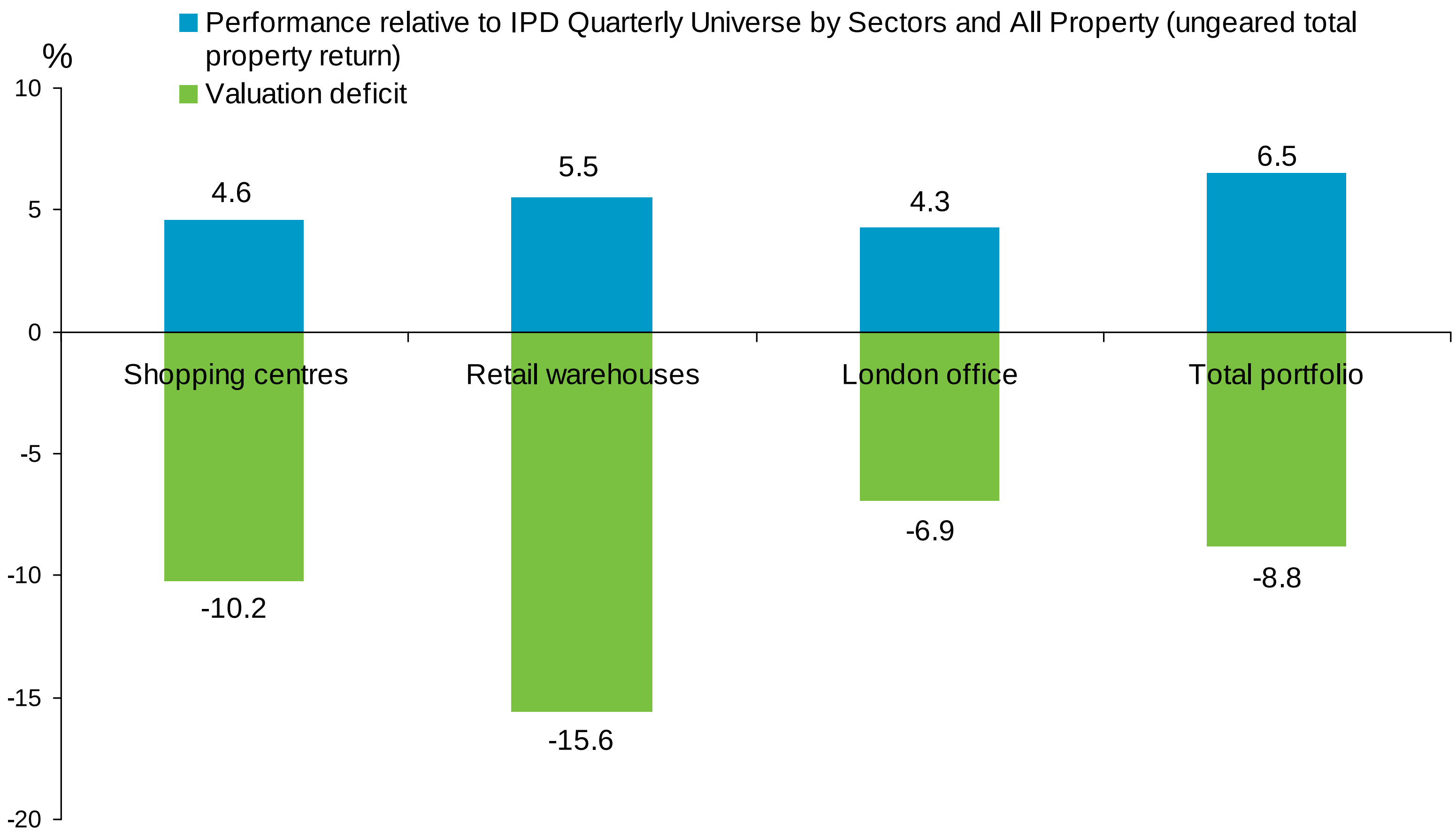
£1.56bn of investment property sales

£0.81bn of capital released from TIP fund

… and positive return on capital for Trillium of 9.5 %

Investment portfolio valuation results

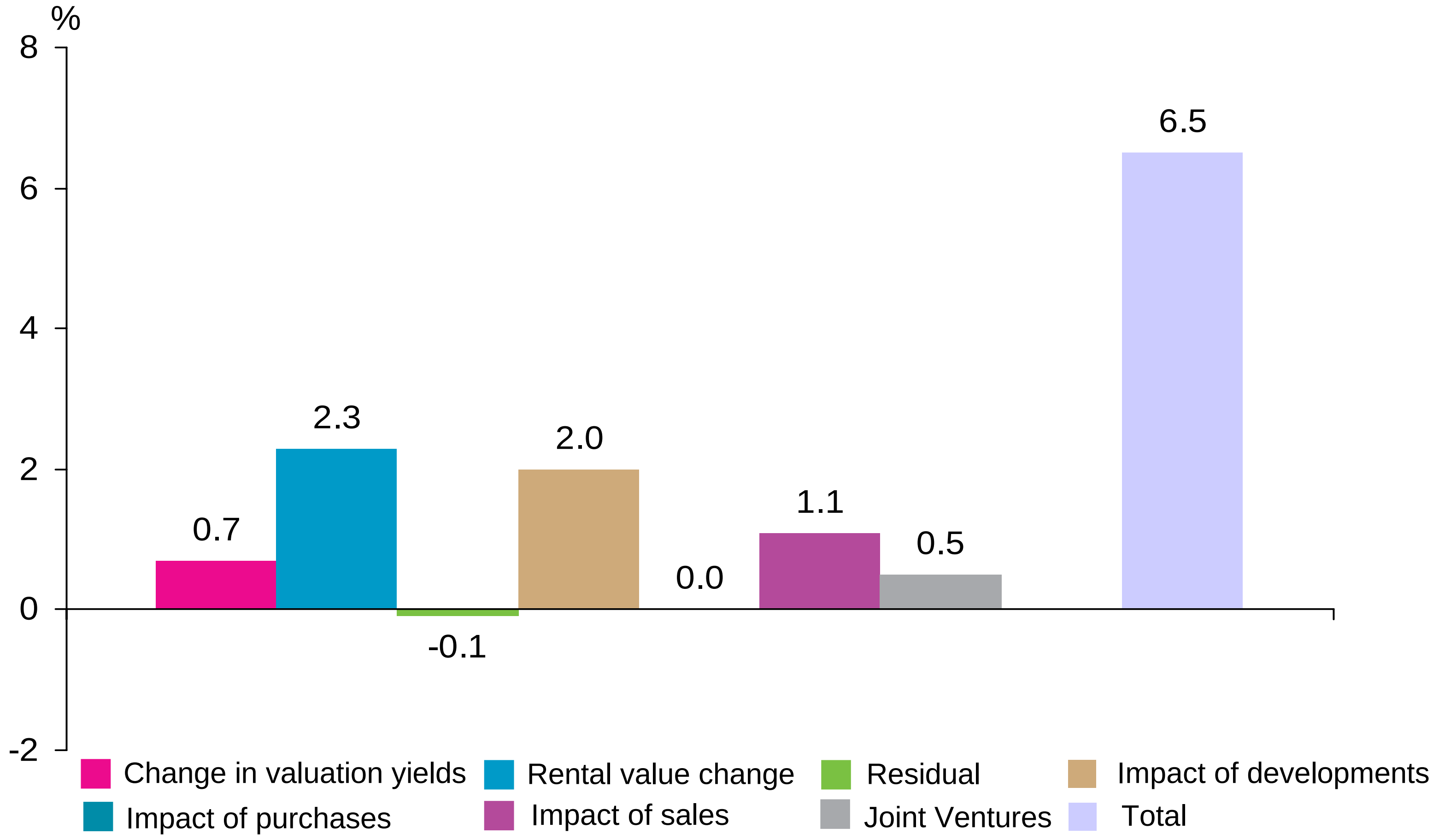
Combined portfolio (12 months ended 31 March 2008)



Significant outperformance across all business sectors

Components of outperformance

Attribution analysis, ungeared total return, 12 months to 31 March 2008, relative to IPD Quarterly Universe



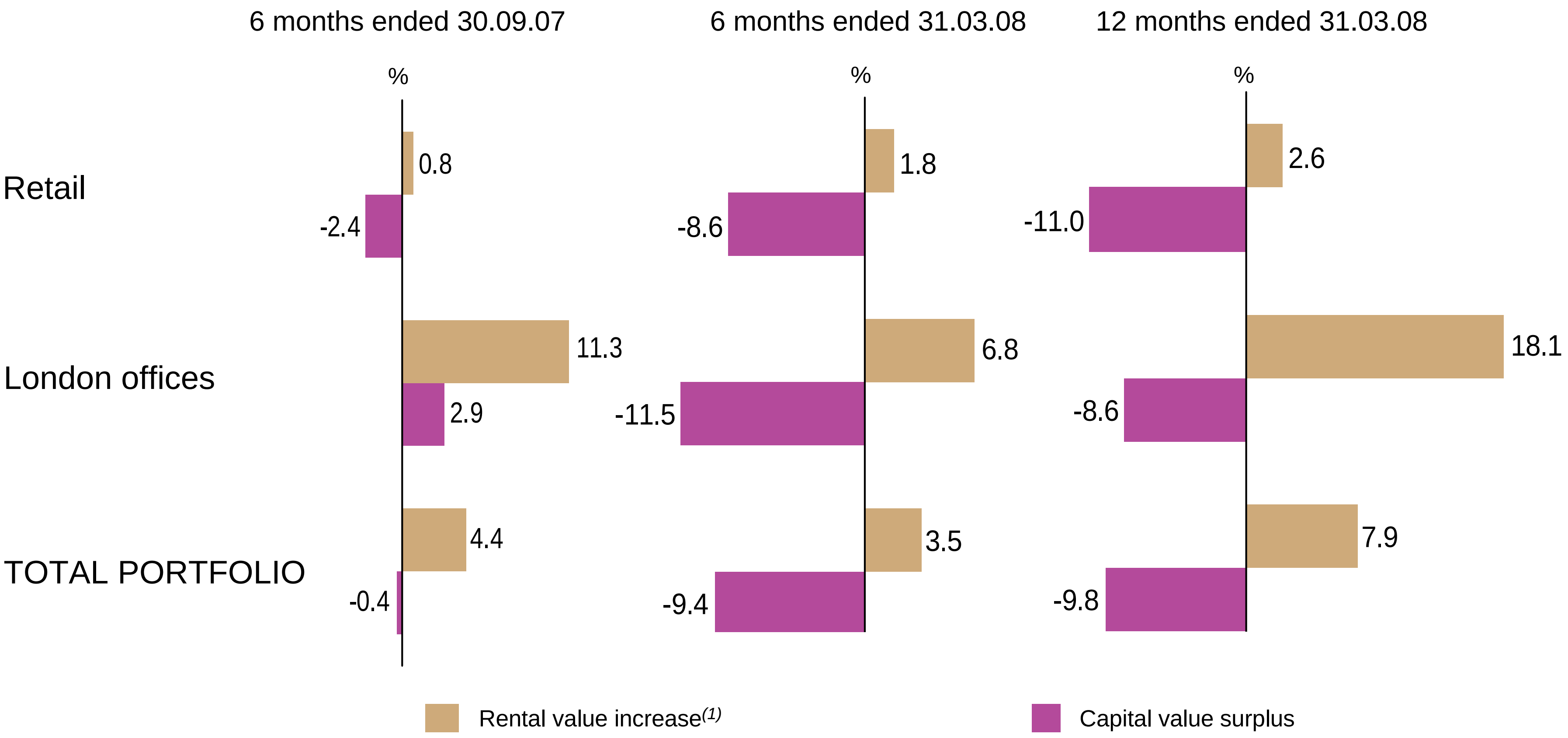
Source: IPD

Strong rental value growth and contribution from development and sales

Like-for-like portfolio

Rental and capital value trends

Like-for-like portfolio value at 31.03.08: £9,049.2m



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

Adverse yield shift of 20 bps in H1 and 60 bps in H2

Investment portfolio activity

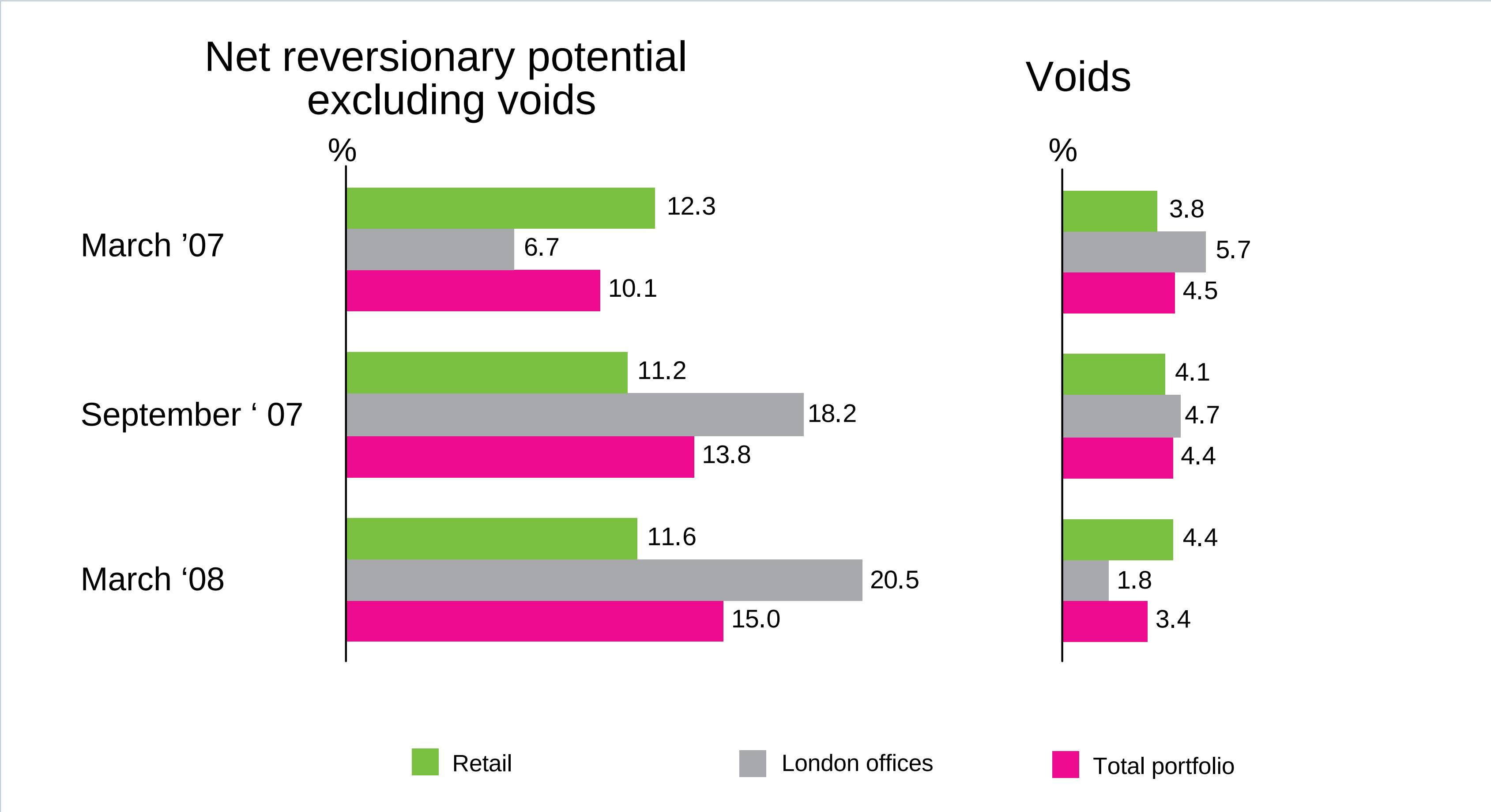
	Retail Portfolio £m	London Portfolio £m	Other £m	Total £m
Investment acquisitions	211.7*	577.6*	-	789.3
Investment sales	(834.8)*	(716.2)*	(6.3)	(1,557.3)
Net acquisitions/(sales)	(623.1)	(138.6)	(6.3)	(768.0)
Development and other expenditure	354.0	366.3	-	720.3
Total net (divestment)	(269.1)	227.7	(6.3)	(47.7)

* Based on the net effect of asset transfers into Joint Ventures

Sales at 5.3% above March 2007 valuation (before disposal costs)

Reversionary potential

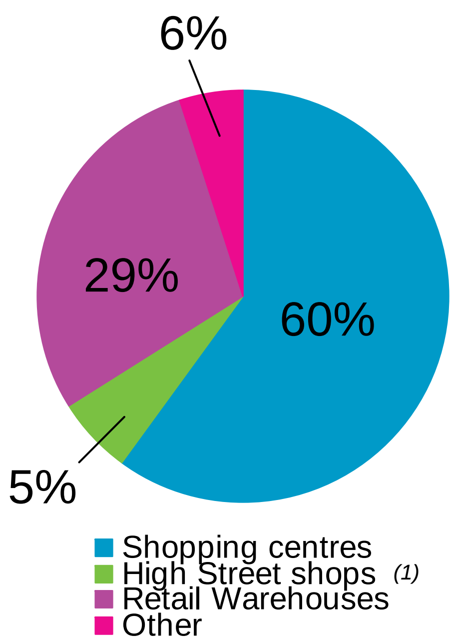
Like-for-like portfolio



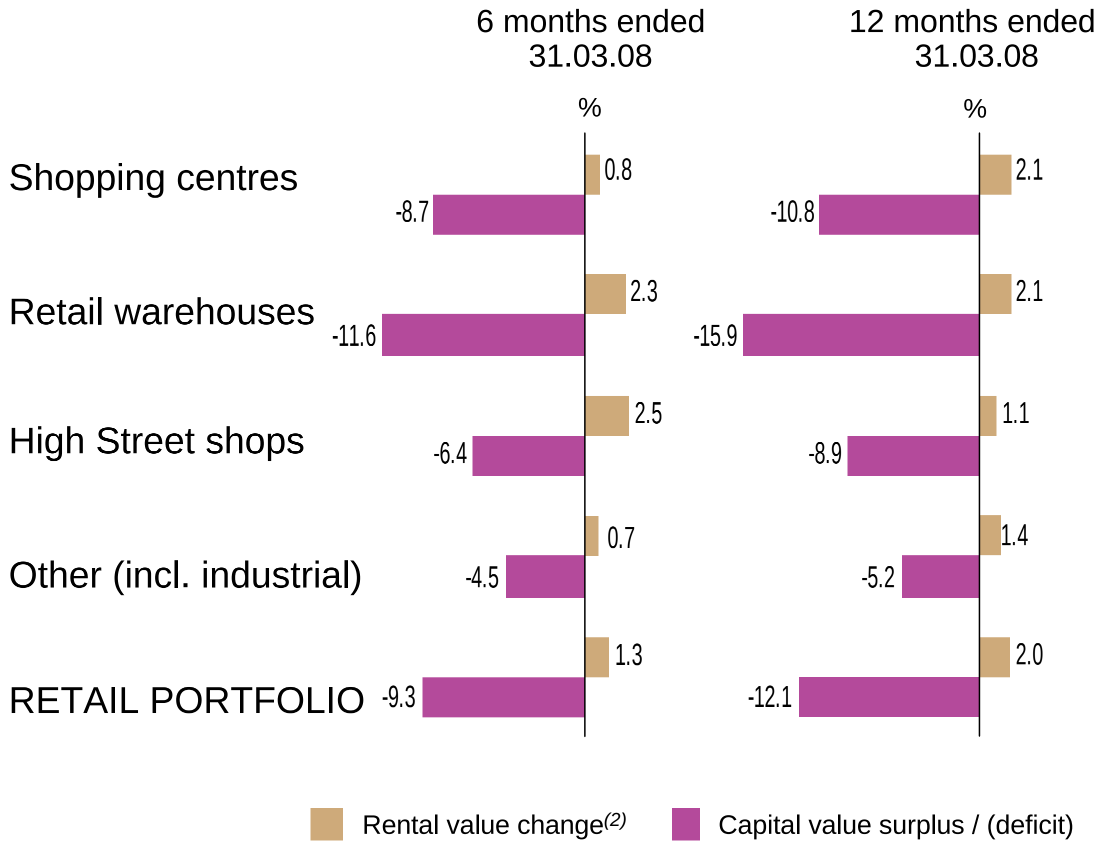
Increased reversions and reduced voids

Retail Portfolio

By capital value - £6.19bn



Like-for-like portfolio - £4.97bn



(1) Includes supermarkets

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

Stronger ERV growth in H2 than H1

Retail Portfolio

2007 development completions

Exeter

- Opened September 2007
- 95% let by income
- 62% retailers new to Exeter
- Award winning scheme
- ERV £12.8m

Cambridge

- Opened November 2007
- 100% let
- ERV £2.4m

Corby

- Opened October 2007
- 75% let by income
- 85% let by floor area
- Secured Primark
- ERV £2.1m

2007 openings now 95% let overall

Retail Portfolio

2008 development completions

Bristol

- Opening September 2008
- 85% let or in solicitors' hands by income
- 75% retailers new to Bristol city centre
- ERV £17.9m (LS share)

Livingston

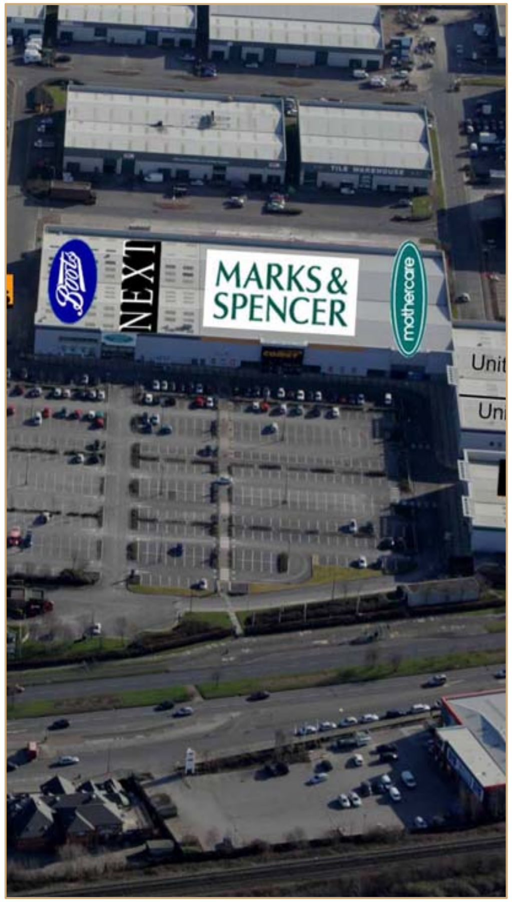
- Opening October 2008
- 70% let or in solicitors' hands by income
- ERV £8.4m

Bristol showing a lead on letting progress

Retail Portfolio

Asset management highlights

White Rose, Leeds



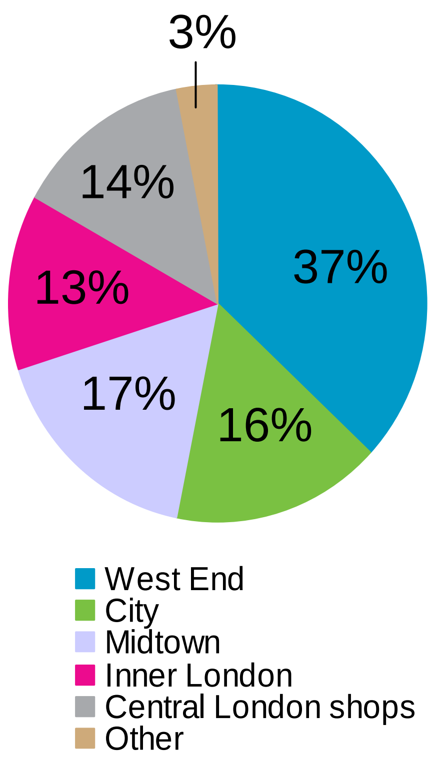
Aintree, Liverpool

Harvest JV

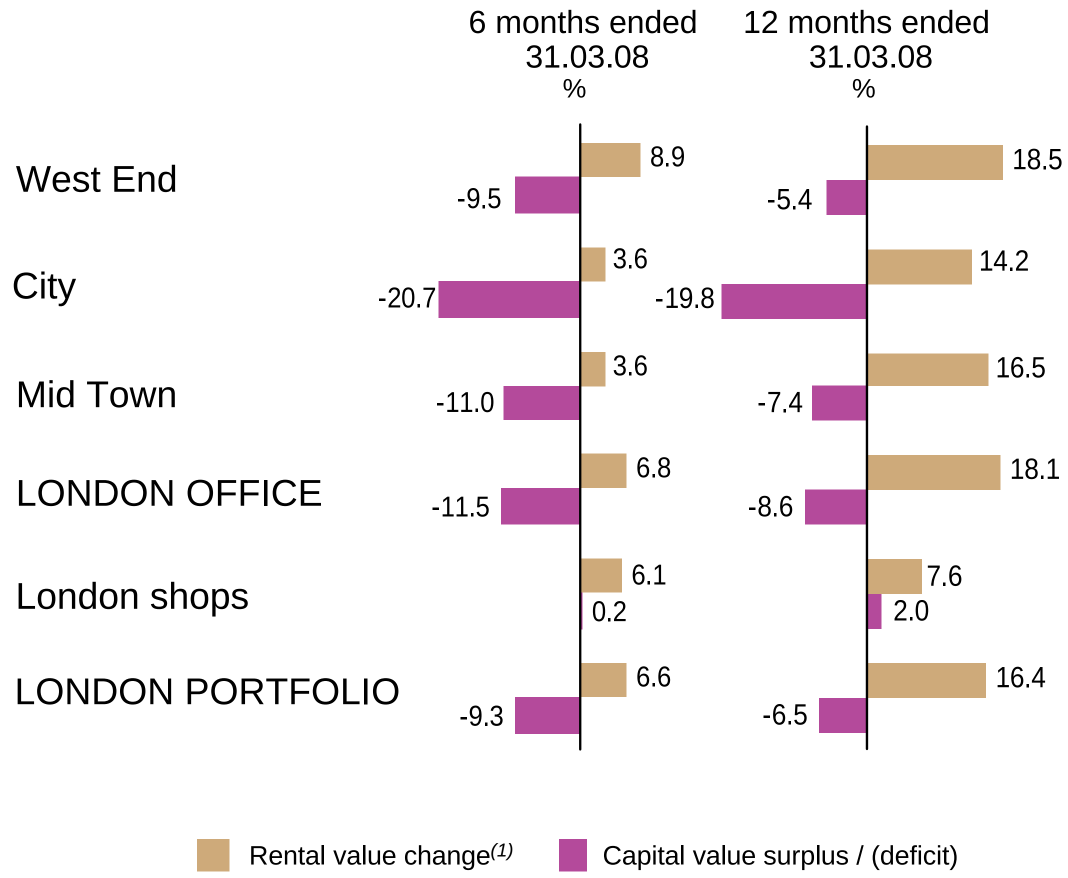
Creating income growth and income growth potential

London Portfolio

By capital value - £7.35bn



Like-for-like portfolio - £4.03bn



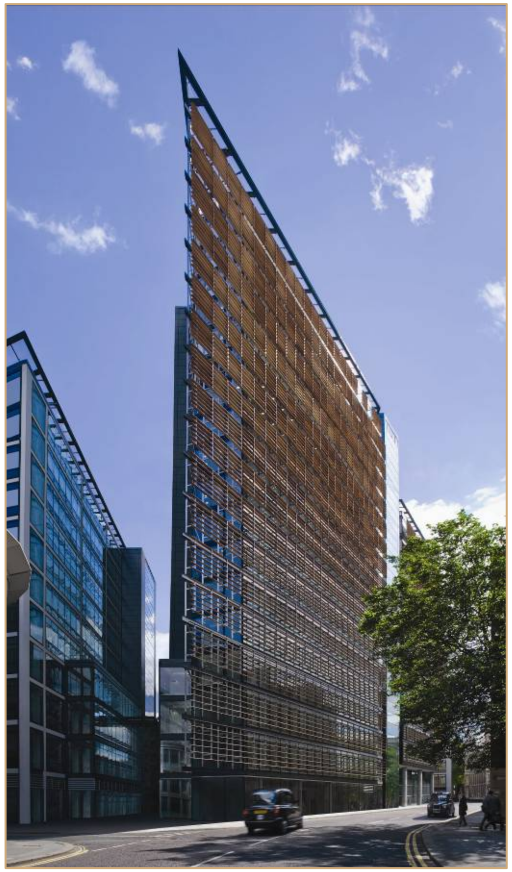
(1) Rental value growth figures exclude units materially altered during the year

Strong rental value growth – continuing in H2 in West End

London Portfolio

2007/08 development successes

Bankside 2&3 – 100% let



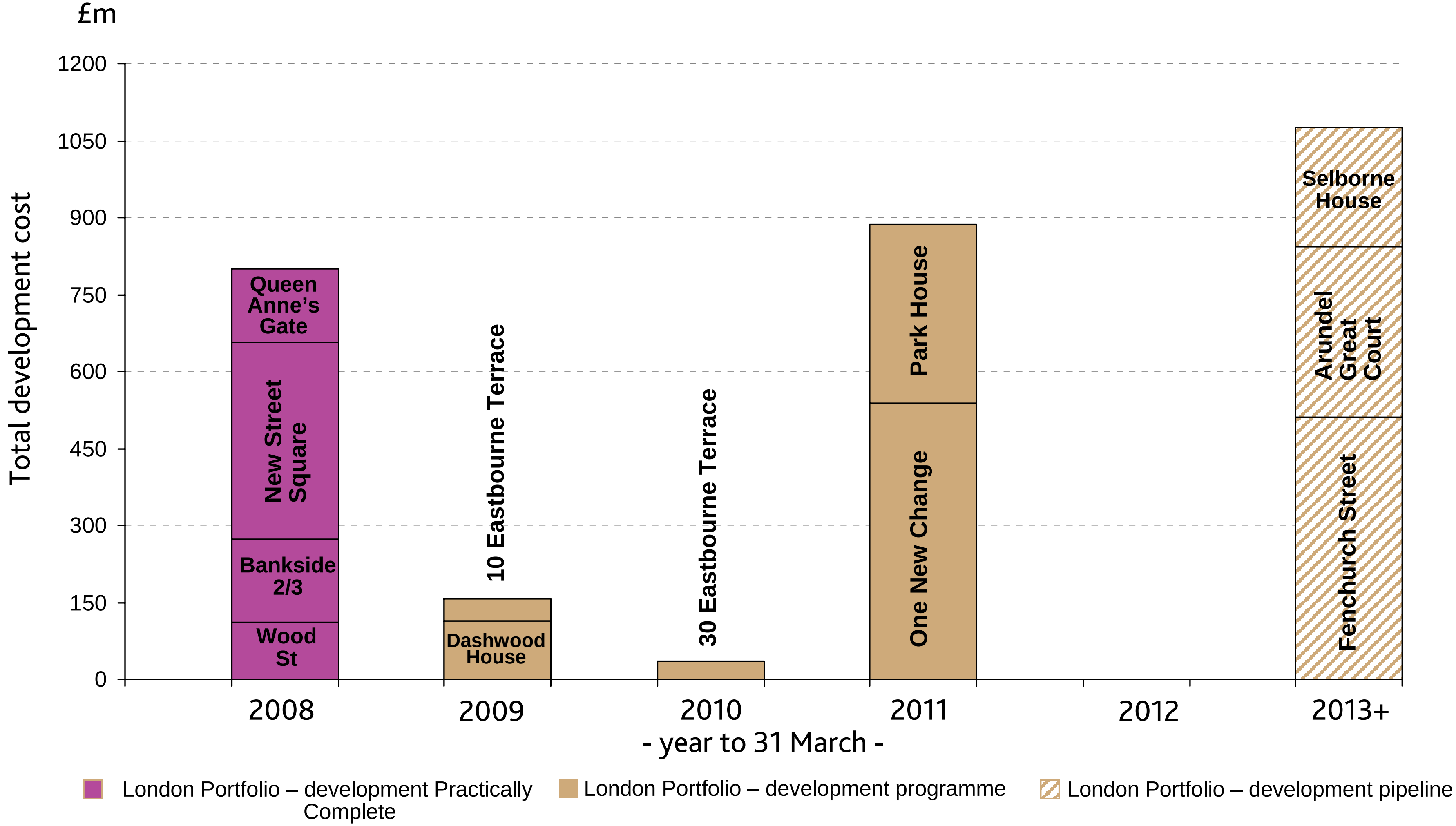
New Street Square – 87% let

One Wood Street – 100% let

No 1 for London office development lettings (12 months to March 2008)

Looking ahead – London Portfolio

Timing of development completions



Managing development timing in a cyclical market

The impact of our development activity in London

Completed projects - £2.2bn currently

Cardinal Place,
SW1

New Street Square,
EC4

Bankside 2&3,
SE1

Wood Street,
EC2

Queen Anne's Gate,
SW1

Future projects - £0.6bn currently

Park House,
W1

20 Fenchurch Street,
EC3

Arundel Great Court,
WC2

Selborne House,
SW1

Creating high quality investments

Land Securities Trillium

Trillium Investment Partners

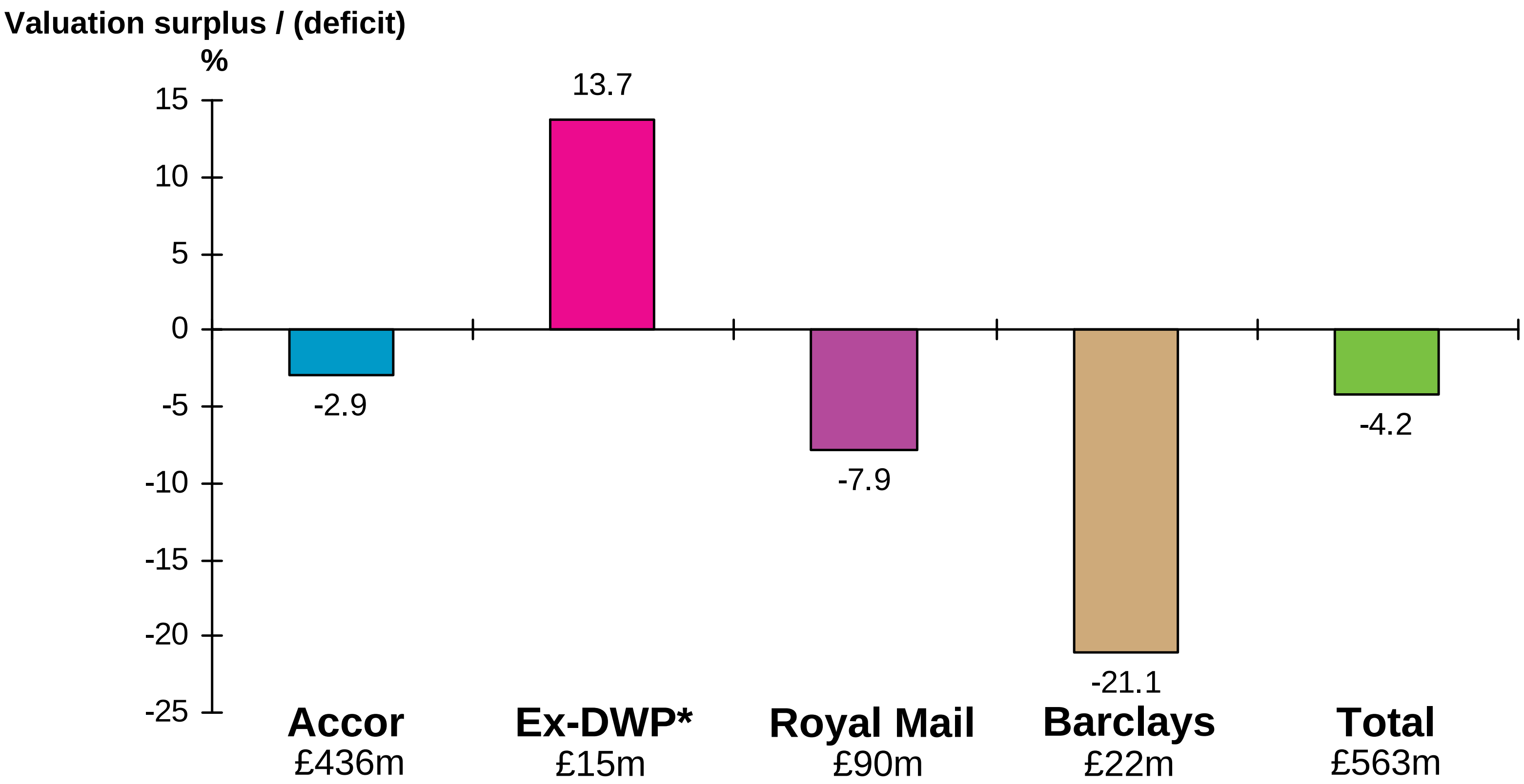
The County Hospital, Hereford

£1.136bn fund (incl. undrawn commitments of £0.2bn) – Trillium 10% stake

Land Securities Trillium

Revaluation of investment properties

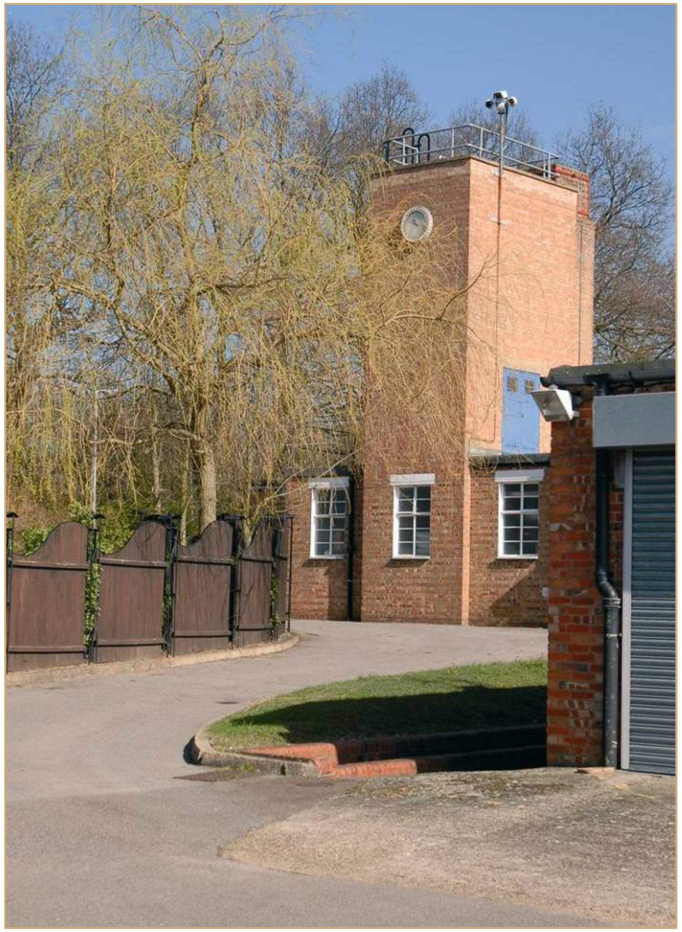
12 months to 31 March 2008



* Relates only to former DWP assets now classified as 'investment properties' under 'Other' – vacated by DWP, sublet and still owned by LST

Resilient performance – supported by rental income growth

DWP contract



Hinchley Wood site, Kingston

2007/08	Freehold (million sq ft)	Leasehold (million sq ft)	Total (million sq ft)
Disposals/ lettings	0.52	1.33	1.85
Vacations	0.51	1.15	1.66
Currently vacant 31.03.08	0.86	1.59	2.45*
Outstanding vacation notices	0.23	0.62	0.85

* 2.63 million sq ft at 31 March 2007

1.85 million sq ft of surplus space exited in 2007/08

Land Securities Trillium

New business opportunities

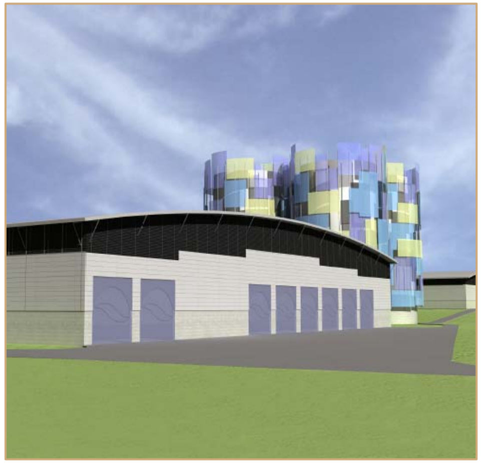
Northern Ireland Civil Service

MoD's Defence Training Review

Secondary market opportunities

Europe

Kent 'Building Schools for the Future'



Norfolk Waste contract

Vibrant and more broadly based new business pipeline

Financial results

Martin Greenslade

Group Finance Director

Financial highlights

	Year ended 31.03.08	change %
Pre-tax loss(1)	£(888.8)m	n/a
Valuation deficit(2)	£(1,279.6)m	-8.8
Revenue profit	£379.1m	-3.3
Adjusted diluted earnings per share	81.71p	+16.4
Adjusted diluted NAV per share	1956p	-10.3
Dividend per share	64.0p	+20.8

(1) Continuing operations
(2) Excludes investment properties in Land Securities Trillium

Consolidated income statement

Year ended 31.03.07 £m		Year ended 31.03.08 £m	change %
1,641.1	Group revenue	1,561.2	
(1,046.2)	Costs	(948.8)	
594.9	**Underlying operating profit**	**612.4**	
-	Demerger costs	(9.8)	
1,307.6	Valuation surplus / (deficit)	(1,170.3)	
118.2	Profit on disposals	75.4	
(220.9)	Net interest payable	(295.0)	
179.3	Share of profits / (losses) of joint ventures and associates	(101.5)	
1,979.1	**Pre-tax profit / (loss)**	**(888.8)**	
1,549.2	Income tax credit	10.5	
3,528.3	**Profit / (loss) for the financial year from continuing operations**	**(878.3)**	
-	Discontinued operations	47.5	
3,528.3	**Profit / (loss) for the financial year**	**(830.8)**	
392.2	Revenue profit	379.1	-3.3
70.20p	Adjusted diluted earnings per share	81.71p	+16.4

Underlying operating profit by segment

Year ended 31.03.07 £m		Year ended 31.03.08 £m	Change %
	Property investment excluding joint ventures		
217.4	Retail Portfolio	210.9	-3.0
263.3	London Portfolio	275.8	+4.7
2.3	Other investment portfolio	4.8	
98.8	Property Partnerships excluding joint venture	129.1	+30.7
26.7[1]	Long-term contracts and trading property profits	4.8	
608.5	**Segment operating profit**	**625.4**	
(13.6)	Less: unallocated expenses	(13.0)	
594.9	**Underlying operating profit**	**612.4**	**+2.9**
	Joint venture underlying operating profit / (loss)		
55.7	Retail Portfolio	54.9	-1.4
-	London Portfolio	1.2	
-	Other investment portfolio	8.2	
(3.0)	Property Partnerships (IIC)	0.1	
52.7		**64.4**	

(1) Excluding £1.2m of trading property profits in Land Securities Trillium

Rental income analysis

Year ended 31.03.07		Year ended 31 March					
		Retail Portfolio		London Portfolio		Other	Total
Total		2007	2008	2007	2008	2008	2008
£m		£m	£m	£m	£m	£m	£m
491.5	**Like-for-like properties[1]**	**276.9**	**292.0**	**211.2**	**213.4**	**3.5**	**508.9**
29.8	Completed developments	4.4	14.7	25.4	46.8	0.0	61.5
19.1	Purchases since 1 April 2006	4.0	10.3	15.1	40.8	0.0	51.1
112.7	Sales since 1 April 2006	65.0	21.9	47.2	22.2	0.0	44.1
26.6	Ongoing developments	0.8	0.4	21.0	15.4	6.1	21.9
679.7	**Gross rental income**	**351.1**	**339.3**	**319.9**	**338.6**	**9.6**	**687.5**

(1) Properties owned and outside the development programme throughout the current and prior year

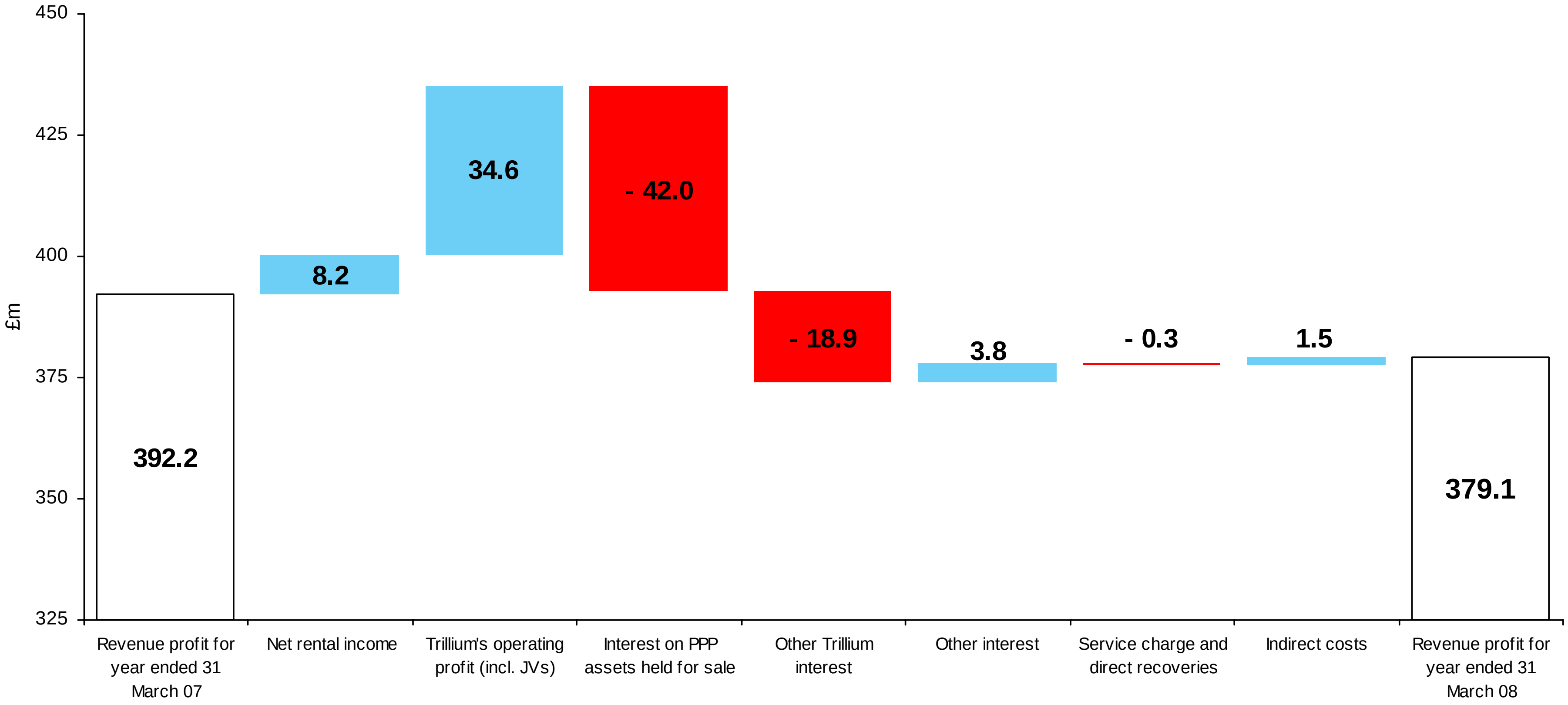
Trillium

Year ended 31.03.07 £m		Year ended 31.03.08 £m	change %
	Contract level operating profit:		
81.0	DWP	94.3	+16.5%
9.2	Norwich Union	11.1	
1.7	DVLA	3.7	
3.3	Barclays	1.9	
16.1	Telereal II	15.5	
-	Royal Mail	4.1	
1.5	Accor	27.1	
2.8	BBC	9.2	
(2.8)	Bid costs	(11.9)	
(14.0)	Central and other costs	(25.9)	
98.8	**Underlying operating profit**	129.1	+30.7%
(13.6)	Net deficit on revaluation of investment properties	(24.9)	
-	Profit on sale of PPP assets	47.5	

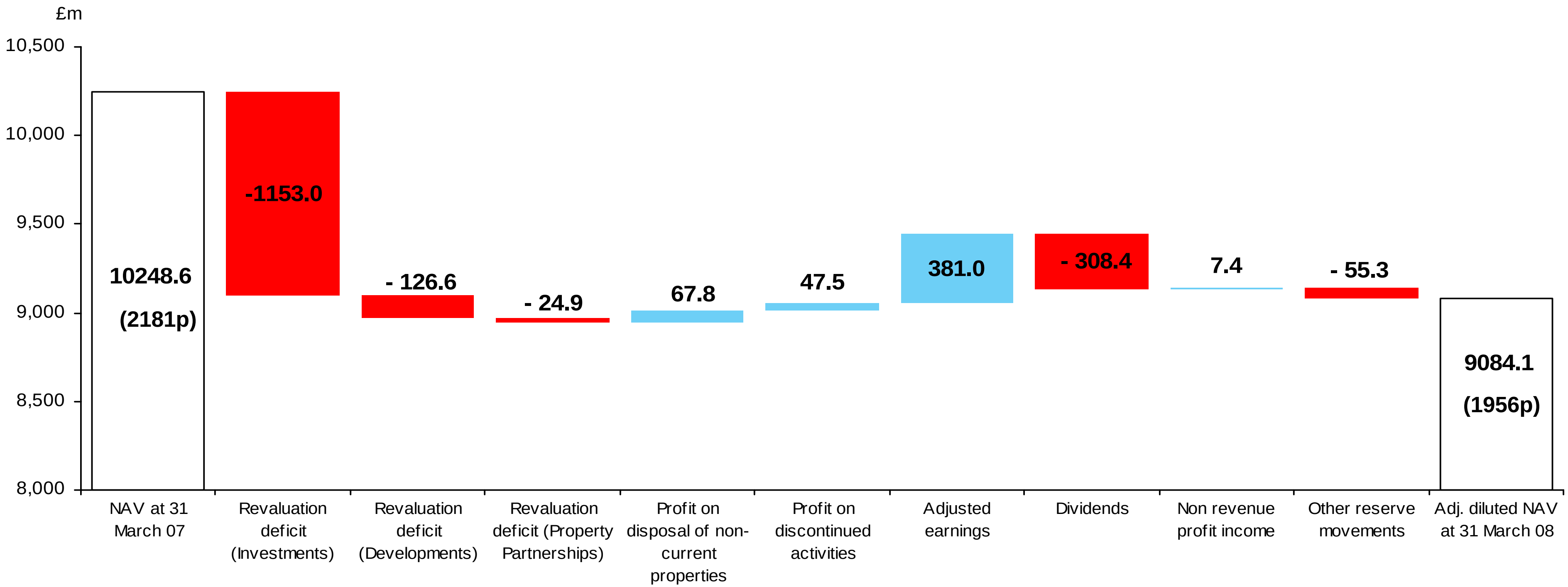
Trillium Investment Partners fund

- Successful closing of £1.136bn joint venture
- Value enhancements
- £568m debt facility signed, including £100m for new additions
- Trillium retains 10% stake
- Accounting treatment

Movement in revenue profit



Movement in adjusted diluted NAV



Adjusted diluted net asset value per share -10.3%

Cash flow and debt

Year ended 31.03.07 £m		Year ended 31.03.08 £m
(3,685.9)	Opening net debt	(5,087.9)
361.5	Operating cash inflow after interest and tax	315.4
(223.0)	Dividends paid	(308.4)
(523.7)	Investment property acquisitions	(722.6)
(434.8)	Trillium property acquisitions and capital expenditure	(240.4)
(919.0)	Acquisition of PPP investments from AMEC and others (2007: SMIF and IIC)	(311.2)
(532.6)	Development / refurbishment capital expenditure	(530.3)
(18.8)	Other capital expenditure	(15.4)
(2,428.9)	Total capital expenditure	(1,819.9)
869.8	Disposals (including Trillium Investment Partners)	1,946.6
50.0	Joint ventures	(0.2)
-	REIT conversion charge	(316.2)
(31.4)	Other cash and non-cash movements	(113.9)
(5,087.9)	Closing net debt	(5,384.5)

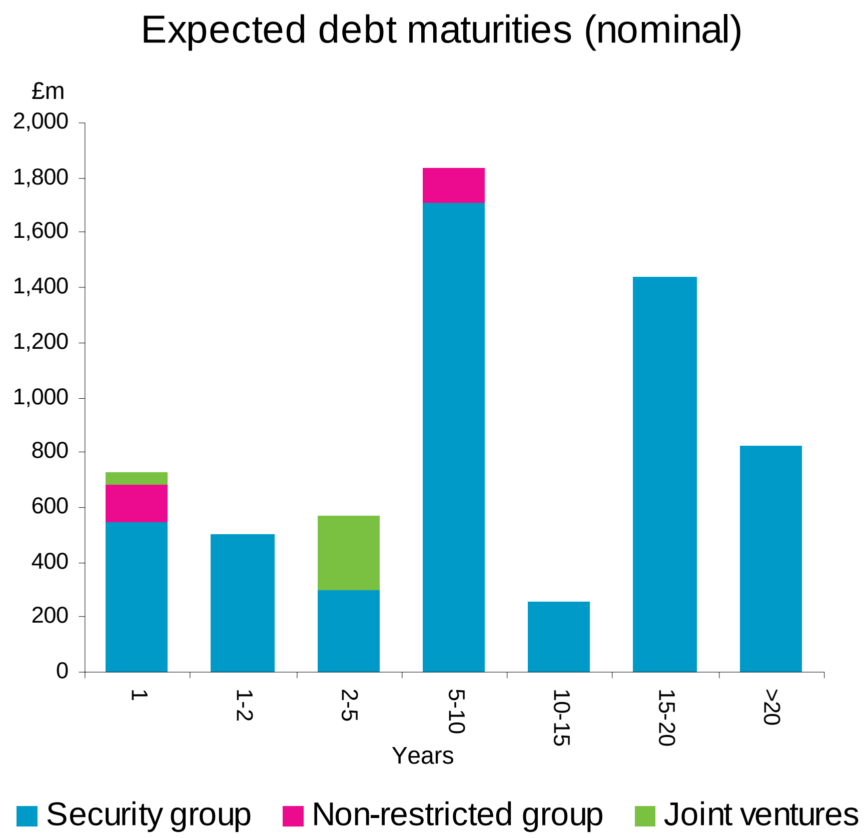
Gearing

Year ended 31.03.07 £m			Year ended 31.03.08 £m
5,087.9	Closing net debt		5,384.5
47.1%	Gearing – on book value of balance sheet debt		56.2%
54.7%	Adjusted gearing(1)		64.9%
58.8%	Adjusted gearing(1) - including notional share of joint ventures		67.6%
	Interest cover ratio		
2.43x	Group (excl. joint ventures)	- including disposal group interest	1.93x
		- excluding disposal group interest	2.23x
2.25x	REIT		2.08x

(1) book value of balance sheet debt increased to recognise nominal value of debt on refinancing in 2004 divided by adjusted net asset value

Financing

- New Bank facilities signed in the year:
  - £1,025.0m for Group
  - £633.8m for joint ventures
- Bank facilities which mature before 31 March 2009: £500.0m
- 80% of borrowings hedged or fixed at 31 March 2008
- Weighted average maturity of debt 10.72 years
- Weighted average cost of debt 5.4%
- Cash and undrawn facilities of £631.6m

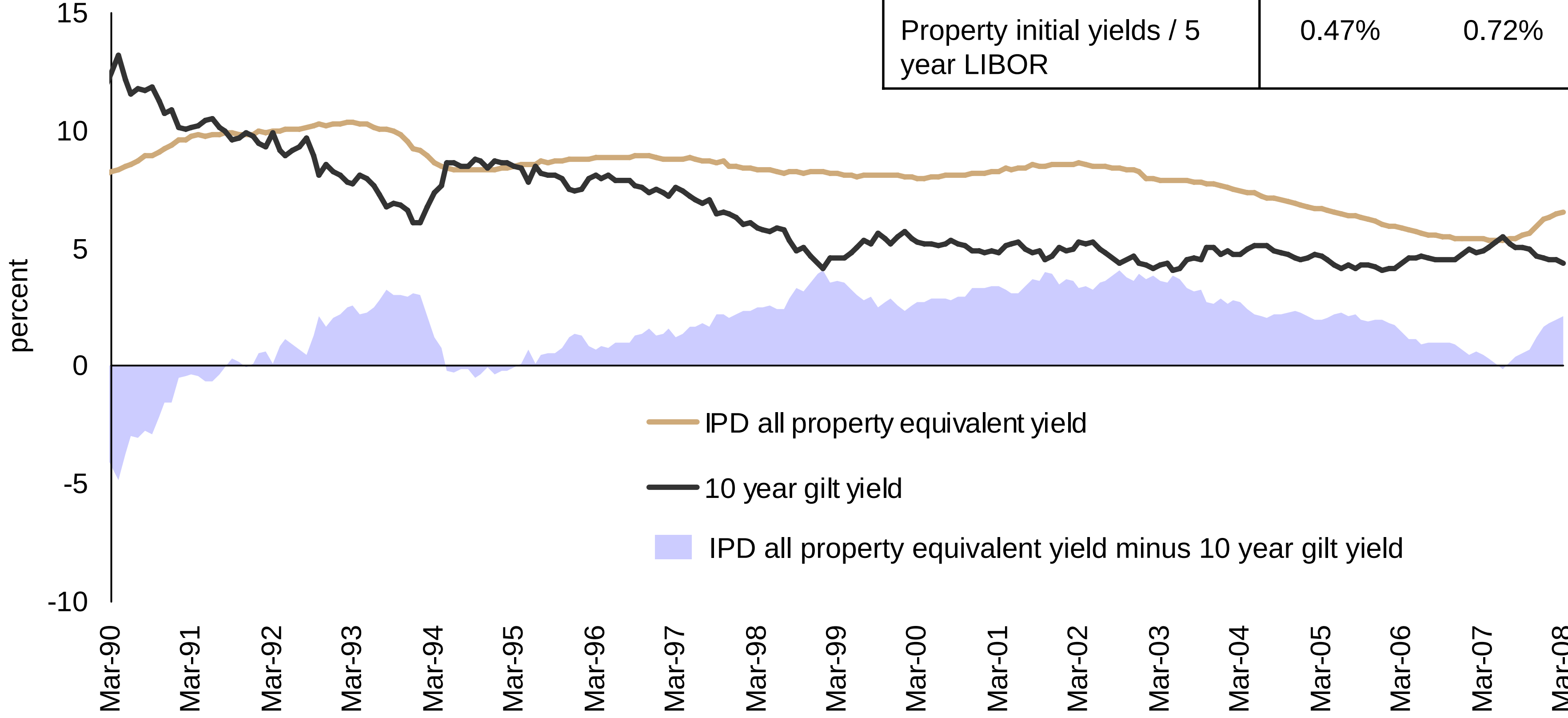


Outlook

Current market - yield movements

Property and gilt yields

Yield gap	March 2008	15 year average
Property equivalent yields / 10 year gilts	2.16%	2.12%
Property initial yields / 5 year LIBOR	0.47%	0.72%

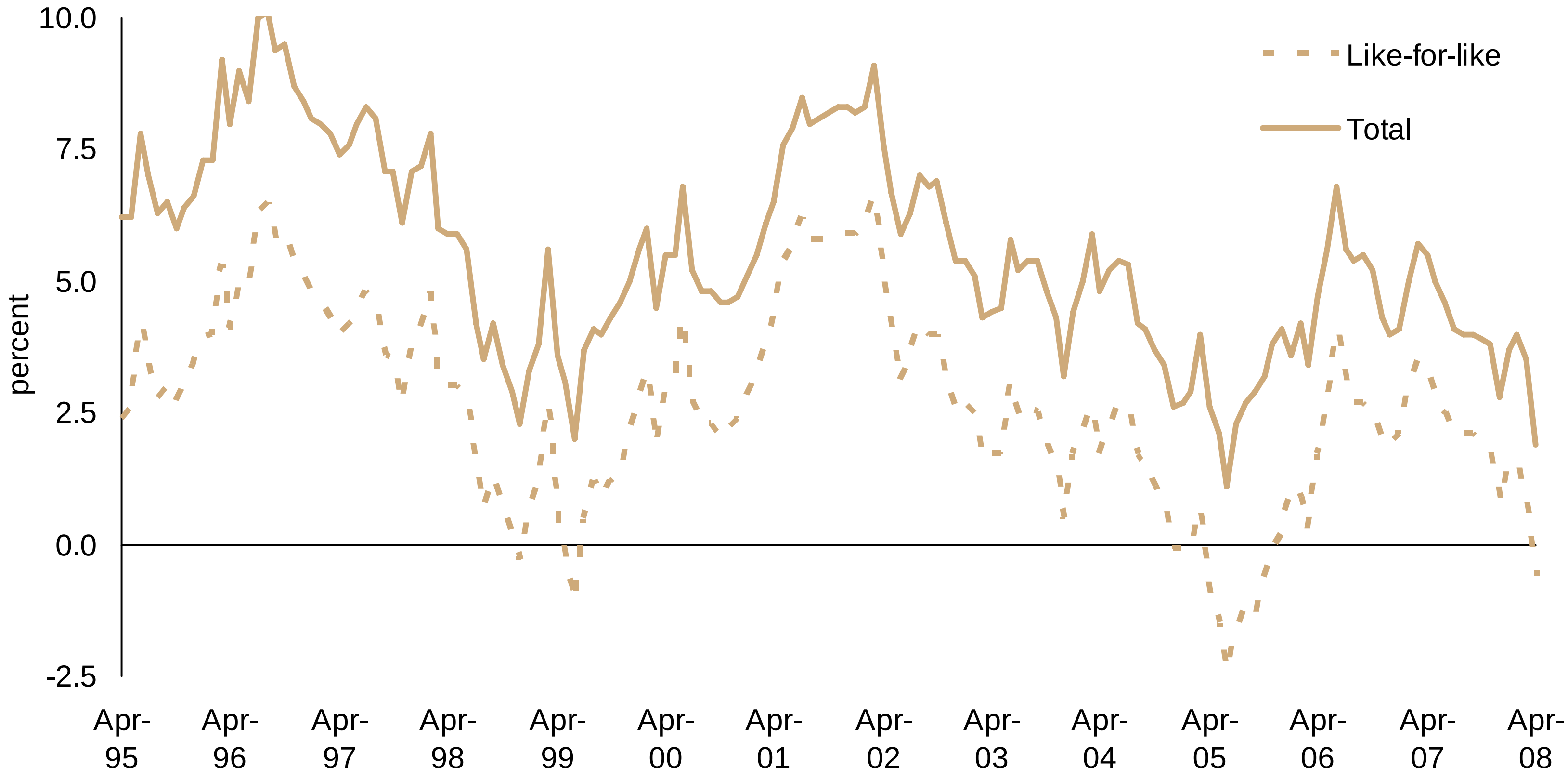


Source: IPD Monthly Index, Reuters

Reverting to the long-term average yield gap between property and gilts

Retail Sales

UK retail sales growth, 3 month average year-on-year, %

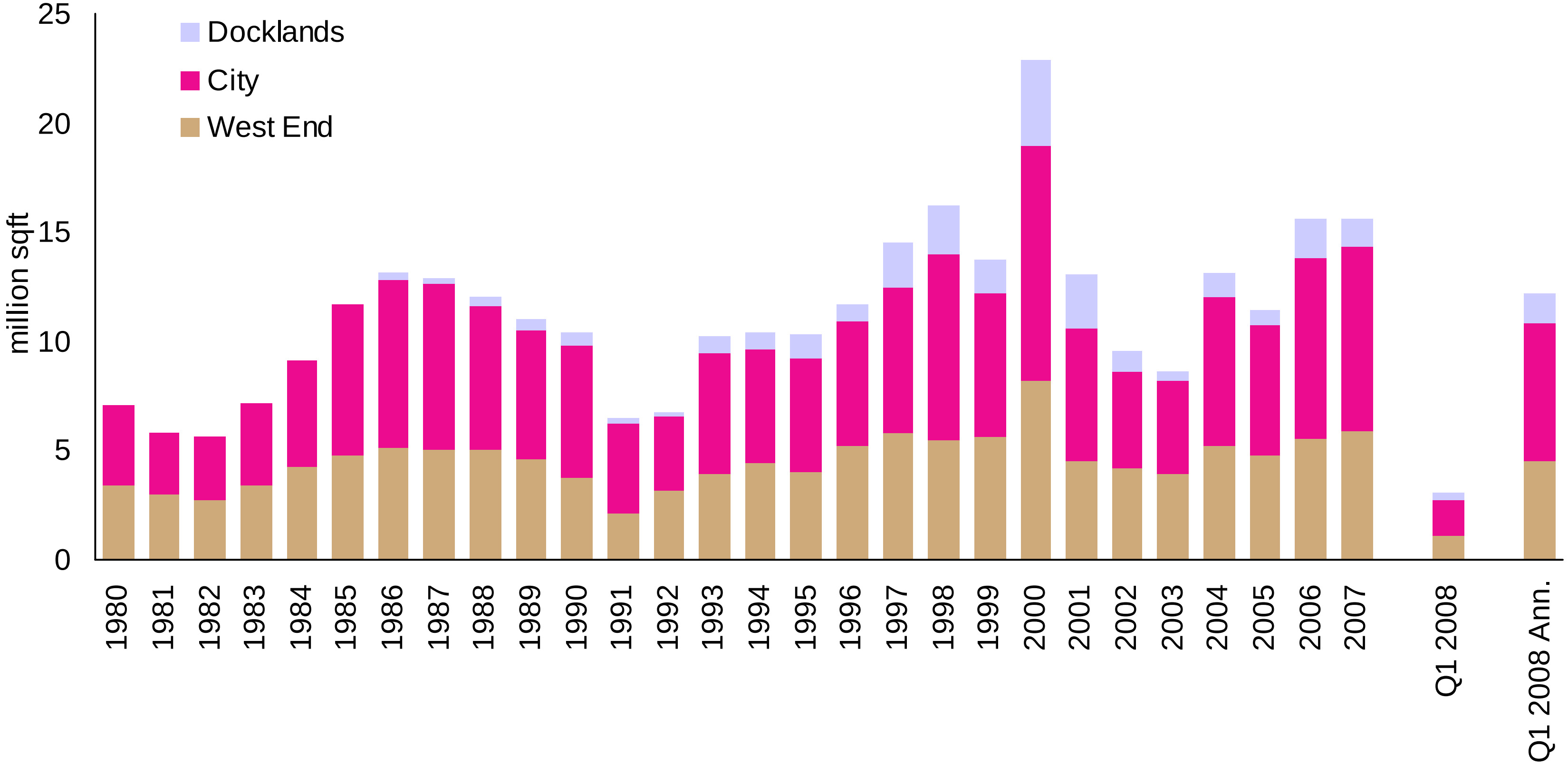


Source: BRC / KPMG

…and retail vacancy rates rising for secondary properties

Central London Office Take Up

Annual take up, million sq ft



Source: Knight Frank

No statistical evidence of collapse in take-up in Q1 2008

Demerger

Demerger - progress

- People – new chairmen identified for each business
- People – roles identified for people in central support teams across the new businesses
- Trillium – added a parallel process of exploring bids for a demerged Trillium
- Debt – preliminary discussions with credit rating agencies indicate likelihood of same credit ratings for London and Retail as for our existing debt security pool at AA



Demerger – next steps

- Allocation of debt across the three businesses – to be finalised at a late stage in the process
- Transitioning our bonds and bank debt to London and Retail businesses
- Seeking approval of equity shareholders to demerger proposals



Demerger – timing

- Position on timing remains exactly as stated in November 2007
- Demerger is unlikely to take less than 12 months from first announcement
- Timing may be adjusted if in the interests of shareholders
- Trillium is not linked to the current security pool structure – option exists to demerge Trillium first and then demerge London and Retail at a slightly later date



In Summary

- Significantly outperformed property market in 2007/08 – over £800m of value preservation
- Well positioned for more challenging market conditions
  - Moderate gearing
  - Well timed sales programme – £1.56bn at 5.3% above valuation
  - Well timed development programme – 2.6 million sq ft completed in 2007/08 and 94% let
- Plan for long-term, sustained value creation through demerger

Track record of performance on execution and timing