

SUPPLEMENT DATED 23 JANUARY 2017 TO THE BASE PROSPECTUS DATED 15 JULY 2016

LAND SECURITIES CAPITAL MARKETS PLC

(incorporated in England and Wales with limited liability under registered number 5193511)

£6,000,000,000

Multicurrency Programme for the issuance of Notes

This Supplement (the “**Supplement**”) supplements the Base Prospectus dated 15 July 2016 (the “**Base Prospectus**”) relating to the £6,000,000,000 Multicurrency Programme (the “**Programme**”) for the issuance of Notes established by Land Securities Capital Markets PLC (the “**Issuer**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under Directive 2003/71/EC, as amended including by Directive 2010/73/EU (the “**Prospectus Directive**”). The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. This Supplement constitutes a supplement for the purposes of the Prospectus Directive. This Supplement constitutes neither an offer nor a solicitation of an offer to buy any Notes by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of Land Securities Group PLC and Land Securities PLC accepts responsibility for the Land Securities Information. To the best of the knowledge of Land Securities Group PLC and Land Securities PLC (having taken all reasonable care to ensure that such is the case), the Land Securities Information is in accordance with the facts and does not omit anything likely to affect the accuracy of such information.

CBRE Limited accepts responsibility for the information contained in the CBRE Valuation Report September 2016 (defined below). To the best of the knowledge of CBRE Limited (having taken all reasonable care to ensure that such is the case), the CBRE Valuation Report September 2016 is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of the Supplement

The purpose of this Supplement is (a) to incorporate by reference Land Securities Group PLC’s Half-yearly Report for the six months ended 30 September 2016 (which contains the financial statements of the Land Securities Group) (the “**Half-yearly Report 2016**”), (b) to incorporate by reference the audited results of the Issuer in respect of the financial year ending 31 March 2016 (the **Issuer’s 2016 Results**), (c) to incorporate by reference the audited results of LS Property Finance Company Limited (**FinCo**) in respect of the financial year ending 31 March 2016 (**FinCo’s 2016 Results**), (d) to update the CBRE Valuation Report as at 31 March 2016 contained in Chapter 11 (Valuation of the Estate) of the Base Prospectus with the CBRE Valuation Report as at 30 September 2016 (the “**CBRE Valuation Report September 2016**”), (e) to reflect the appointment of Nicholas Cadbury as a director of Land Securities Group PLC and (f) to update the registered office of each of Land Securities Group PLC, the Issuer, FinCo and certain other Land Securities Group entities as well as the business addresses of certain directors of certain Land Securities Group entities.

Half-yearly Report 2016

On 15 November 2016 Land Securities Group PLC published the Half-yearly Report 2016. A copy of the Half-yearly Report 2016 has been filed with the Irish Stock Exchange and the Central Bank of Ireland and, by virtue of this Supplement, the Half-yearly Report 2016 is incorporated in, and forms part of, the Base Prospectus.

The Half-yearly Report 2016 is available for viewing on the following website:

[http://www.landsecurities.com/documentlibrary/Half-yearly_results_2016_-_Announcement\(1\).pdf](http://www.landsecurities.com/documentlibrary/Half-yearly_results_2016_-_Announcement(1).pdf)

Issuer's 2016 Results

A copy of the Issuer's 2016 Results has been filed with the Irish Stock Exchange and the Central Bank of Ireland and, by virtue of this Supplement, the Issuer's 2016 Results are incorporated in, and form part of, the Base Prospectus.

The Issuer's 2016 Results are available for viewing on the following website:

<http://www.landsecurities.com/investors/debt-investors/security-group>

FinCo's 2016 Results

A copy of FinCo's 2016 Results has been filed with the Irish Stock Exchange and the Central Bank of Ireland and, by virtue of this Supplement, FinCo's 2016 Results are incorporated in, and form part of, the Base Prospectus.

FinCo's 2016 Results are available for viewing on the following website:

<http://www.landsecurities.com/investors/debt-investors/security-group>

CBRE Valuation Report September 2016

Chapter 11 consists of the CBRE Valuation Information for the entire Security Group Estate.

The valuation information for the properties which are included as Further Credit Assets is given on a 50% basis, regardless of the contribution to the Total Collateral Value agreed with the Rating Agencies (85% to 90% of Land Securities' share).

The valuation information presented in the rest of the Base Prospectus has been adjusted to include the FCAs at both Land Securities' share of ownership and the agreed level of contribution to the Total Collateral Value.

VALUATION REPORT

THE SECURITY GROUP ESTATE REPORT

Valuation Date: 30 September 2016

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The contents of this Report may only be relied upon by:

- (i) Addressees of the Report; or
- (ii) Parties who have received prior written consent from CBRE in the form of a reliance letter.

This Report is to be read and construed in its entirety and reliance on this Report is strictly subject to the disclaimers and limitations on liability on page 13. Please review this information prior to acting in reliance on the contents of this Report. If you do not understand this information, we recommend you seek independent legal counsel.

Valuation Report

Report Date

6th January 2017

Addressee

The Directors
Land Securities PLC
5 Strand
London
WC2N 5AF

Deutsche Trustee Company Limited (in its capacity as Obligor
Security Trustee and Note Trustee)
Winchester House
1 Great Winchester Street
London EC2N 2DB

Lloyds Bank Plc (in its capacity as Representative of the ACF
Providers and Dealer)
1st Floor
20 Gresham Street
London EC2V 7HN

Land Securities Capital Markets PLC ("Issuer")
5 Strand
London WC2N 5AF

Banco Santander SA (as Dealer) Ciudad Grupo Santander
Edificio Encinar
Avenida de Cantabria
28660, Boadilla del Monte
Madrid

BNP Paribas (as Dealer)
10 Harewood Avenue
London NW1 6AA

Citigroup Global Markets Limited
(as Arranger and Dealer)
33 Canada Square, Canary Wharf
London E14 5LB

HSBC Bank PLC (as Dealer)
8 Canada Square
Canary Wharf London E14 5HQ

The Royal Bank of Scotland PLC (as Dealer)
135 Bishopsgate
London EC2M 3UR

LS Property Finance Company Limited ("FinCo")
5 Strand
London WC2N 5AF

Terms

We refer to the Common Terms Agreement dated 3 November 2004, as amended from time to time, between, among others, Land Securities Capital Markets PLC, Land Securities PLC and Deutsche Trustee Company Limited ("the CTA")

We are instructed by Land Securities PLC to report to you our opinion as to the value of those properties (the "Mortgaged Properties") comprised in the Estate owned by the Company and its subsidiaries in the Security Group as at 30 September 2016 (the "Measurement Date").

We are also instructed by Land Securities PLC to report to you our opinion as to the value of those properties held in partnerships, interests of which have been included in the Security Group as Further Credit Assets ("FCA") (the "FCA Properties"), as defined in the CTA.

We understand that our valuation is required for inclusion in a Base Prospectus to be published in connection with the issuance of further notes.

The Properties

The Security Group Estate comprising 107 Mortgaged Properties and 5 FCA Properties as detailed below.

Instruction

To value on the basis of Fair Value the Properties as at the valuation date in accordance with the terms of engagement entered into between CBRE and the addressee dated 15 September 2015.

Valuation Date

30 September 2016.

Capacity of Valuer

External Valuer, as defined in the RICS Valuation - Professional Standards January 2014 and RICS UK Valuation Standards, Appendices and Guidance Notes December 2014 (The Red Book).

Purpose of Valuation

Loan.

Fair Value of the Mortgaged Properties in accordance with IFRS 13

Having regard to the foregoing we are of the opinion that the aggregate of the Fair Values of The Mortgaged Properties as at 31 March 2016 (the measurement date) totalled £11,535,373,400 (ELEVEN BILLION FIVE HUNDRED AND THIRTY FIVE MILLION THREE HUNDRED AND SEVENTY THREE THOUSAND FOUR HUNDRED POUNDS) exclusive of VAT, as shown in the Schedule of Capital Values set out below.

Fair Value of the FCA Properties

Having regard to the foregoing we are of the opinion that the aggregate of the Fair Values of The FCA Properties as at 30 September 2016 (the measurement date) totalled £1,621,675,000 (ONE BILLION SIX HUNDRED AND TWENTY ONE MILLION SIX HUNDRED AND SEVENTY FIVE THOUSAND POUNDS). This reflects the company and its subsidiaries shared ownership.

We confirm that the "Fair Value" reported above, for the purpose of financial reporting under International Financial Reporting Standards (IFRS), is effectively the same as "Market Value".

Further analysis of the valuations of the Mortgaged Properties is provided, in the tables appended to this report, giving a breakdown of the portfolio by tenure, property types and regional distribution.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

Where a property is owned by way of a joint tenancy in a trust for sale, or through an indirect investment structure, our valuation represents the relevant apportioned percentage of ownership of the value of the whole property, assuming full management control. Our valuation does not necessarily represent the 'Fair Value' (as defined by IFRS 13) of the interests in the indirect investment structure through which the property is held.

Our opinion of Fair Value is based upon the Scope of Work and Valuation Assumptions attached, and has been primarily derived using comparable recent market transactions on arm's length terms.

Net Rental Income and Gross Rental Value of the Mortgaged Properties

The Net Rental Income for The Mortgaged Properties as at 30 September 2016 was estimated at £474,154,478 per annum. The Gross Rental Value for The Mortgaged Properties as at 30 September 2016 was estimated at £630,285,517 per annum.

Net Rental Income and Gross Rental Value of the FCA Properties

The Net Rental Income for The FCA Properties as at 30 September 2016 was estimated at £21,072,476 per annum. The Gross Rental Value for The FCA Properties as at 30 September 2016 was estimated at £90,630,785.5 per annum. This reflects the company and its subsidiaries shared ownership.

Tenure, Category, Region and Sector Analysis

The Mortgaged Properties comprise 107 holdings as recognised by the Company. The valuation of the Mortgaged Properties by tenure and use is shown in Appendix 1. Short leasehold properties are defined as those leasehold properties having an unexpired term of less than 50 years at the Valuation Date. In accordance with the Company's accounting policy, those leasehold properties having an unexpired term in excess of 900 years at the Valuation Date are included within the total for freehold properties.

The Mortgaged Properties are categorised by the company as Investment Properties, Developments and Properties Held for Development as shown in Appendix 2. Those classed as Developments comprise part of the Company's Development Programme which includes projects which are completed but less than 95% let; developments on site; committed developments (being projects which are approved and the building contract let) and authorised developments (those projects approved by the board for which the building contract has not yet been let).

The Mortgaged Properties are also categorised by Region and Sector (as defined in the CTA).

Market Conditions

Following the Referendum held on 23 June 2016 concerning the UK's membership of the EU, a decision was taken to exit. Since that date we have monitored market transactions and market sentiment in arriving at our opinion of Market Value /Fair Value. After an initial period of uncertainty and an absence of activity, transactional volumes and available evidence has risen in most sectors of the market and liquidity is returning to more normal levels. This has led to a generally more stable outlook for the market. However, there remains a paucity of comparable transactions in central London offices, development land and buildings, retail parks and large shopping centres and therefore valuations in these sectors reflect a greater degree of judgement.

Compliance with Valuation Standards

The valuations have been prepared in accordance with the Global RICS Valuation – Professional Standards January 2014 and the RICS UK valuation standards, appendices and guidance notes December 2014 ("Red Book").

We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuations competently.

Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE Ltd, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject property. Other valuers may reach different conclusions as to the value of the subject property. This Valuation is for the sole purpose of providing the intended user with the Valuer's independent professional opinion of the value of the subject property as at the valuation date.

Assumptions

The property details on which each valuation is based are as set out in this report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

Variation from standard Assumptions

None.

Verification

We recommend that before any financial transaction is entered into based upon these valuations, you obtain verification of the information contained within our report and the validity of the assumptions we have adopted.

We would advise you that whilst we have valued the Properties reflecting current market conditions, there are certain risks which may be, or may become, uninsurable. Before undertaking any financial transaction based upon this valuation, you should satisfy yourselves as to the current insurance cover and the risks that may be involved should an uninsured loss occur.

Valuer

The Properties have been valued by a valuer who is qualified for the purpose of the valuation in accordance with the Red Book.

Independence

The total fees, including the fee for this assignment, earned by CBRE Ltd (or other companies forming part of the same group of companies within the UK) from the Addressee (or other companies forming part of the same group of companies) is less than 5.0% of the total UK revenues.

Disclosure

CBRE and the principal signatory have been undertaking valuations on behalf of the addressee since September 2015.

Conflicts of Interest

CBRE provides agency and other professional services to Land Securities in respect of a number of assets. We do not consider this to be a barrier to valuing on your behalf. Where CBRE advises you on an acquisition, we recommend that you seek an alternative firm to value the asset at least once, in accordance with RICS guidelines.

We confirm copies of our conflict of interest checks have been retained within the working papers.

Reliance

This report is for the use only of the party to whom it is addressed for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.

We would draw your attention to the fact that where our appointment is from an entity to which the European Parliament and Council Directive 2011/61/EU ('the Directive'), concerning Alternative Investment Fund Managers ('AIFM'), applies, our role is limited to providing valuations of individual property assets or liabilities (based on the assumptions as set out within our valuation report) – not the net asset value ('NAV') of either the Fund or the individual properties within the Fund. Furthermore, and for the avoidance of doubt, we are acting in the capacity of a 'valuation adviser' to the AIFM and not as an 'external valuer' as defined in the Directive. Details of any limitations to our liability in respect of the valuations we carry out are

as set out within this report and our terms of engagement

Our maximum liability (in contract, tort, negligence or otherwise) to you and any third party entitled to rely on this report, howsoever arising in relation to this instruction, shall in no circumstances exceed £100 million (One Hundred Million Pounds).

Publication

Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

Yours faithfully



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Scope of Work & Sources of Information

Sources of Information	We have carried out our work based upon information supplied to us by Land Securities Group PLC, as set out within this report, which we have assumed to be correct and comprehensive.
Inspections	We have inspected all properties during July and August 2016.
Areas	<p>On the 1 January 2016 the 6th edition of the RICS Code of Measuring Practice was replaced by the RICS Property Measurement, 1st Edition, which incorporates the International Property Measurement Standards ('IPMS'). It is mandatory for any office property measured after this date to be measured on the basis of the IPMS Standard for offices. However, it is not mandatory for all buildings to be re-measured on the basis of IPMS, unless a new measurement exercise is being undertaken. When we are provided with existing floor areas which have been measured in accordance with the RICS Code of Measuring Practice (6th Edition), where instructed to do so we will adopt and rely upon these areas.</p> <p>As instructed, we have not measured the properties but have relied upon the floor areas provided by Land Securities Group PLC, which we have assumed to be correct and comprehensive, and which we understand have been calculated using the Net Internal Area (NIA) measurement methodology as set out in the RICS Code of measuring practice (6th edition).</p>
Environmental Matters	<p>We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.</p> <p>We have not carried out any investigations into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.</p>
Repair and Condition	We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect.
Town Planning	We have not undertaken planning enquiries.
Titles, Tenures and Lettings	Details of title/tenure under which the Properties are held and of lettings to which they are subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases

or other documents is recorded in this report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

Valuation Assumptions

Capital Values

Each valuation has been prepared on the basis of Fair Value, which is defined as:

"The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."

"Fair Value", for the purpose of financial reporting under International Financial Reporting Standards, is effectively the same as "Market Value", which is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion."

The valuation represents the figure that would appear in a hypothetical contract of sale at the valuation date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

Rental Values

Rental values indicated in our report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes, nor do they necessarily accord with the definition of Market Rent.

The estimated Net Rental Income is based on the passing rent less ground rent, estimated non-recoverable outgoings and void costs including service charges, insurance costs and void rates. The passing rent is the estimated annual rent receivable as at the reporting date which includes estimates of turnover rent and excludes annual rent receivable from units in administration save to the extent that rents are expected to be received. Void units and units that are in a rent-free period at the reporting date are deemed to have no passing rent.

The estimated Gross Rental Value is the estimated market rental value of lettable space prior to any deductions. For properties in the course of development, which have not reached practical completion, the Gross Rental Value is included. However it is noted that the Fair Value reported is net of outstanding development costs as at the reporting date.

The Property

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

All measurements, areas and ages quoted in our report are approximate.

Environmental Matters

In the absence of any information to the contrary, we have assumed that:

- (a) the Properties are not contaminated and are not adversely affected by any existing or proposed environmental law;
- (b) any processes which are carried out on the Properties which are regulated by environmental legislation are properly licensed by the appropriate authorities.
- (c) the properties possess current Energy Performance Certificates (EPCs) as required under the Government's Energy Performance of Buildings Directive, and that they have an energy efficient standard of 'E', or better. We would draw your attention to the fact that the Energy Act 2011 is due to come into force in England and Wales no later than 1 April 2018 (although it may be earlier), and in Scotland, no earlier than April 2015 (although it may be later). From such date, it will be unlawful for landlords to rent out a residential or business premise unless they have reached a minimum energy efficient standard – most likely, 'E' – or carried out the maximum package of measures funded under the 'Green Deal' or the Energy Company Obligation (ECO).
- (d) the properties are either not subject to flooding risk or, if they are, that sufficient flood defences are in place and that appropriate building insurance could be obtained at a cost that would not materially affect the capital value.

High voltage electrical supply equipment may exist within, or in close proximity of, the Properties. The National Radiological Protection Board (NRPB) has advised that there may be a risk, in specified circumstances, to the health of certain categories of people. Public perception may, therefore, affect marketability and future value of the property. Our valuation reflects our current understanding of the market and we have not made a discount to reflect the presence of this equipment.

Repair and Condition

In the absence of any information to the contrary, we have assumed that:

- (a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the Properties;
- (b) the Properties are free from rot, infestation, structural or latent defect;
- (c) no currently known deleterious or hazardous materials or suspect techniques have been used in the construction of, or subsequent alterations or additions to, the Properties; and
- (d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in the property details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

Title, Tenure, Lettings, Planning, Taxation and Statutory & Local Authority requirements

Unless stated otherwise within this report, and in the absence of any information to the contrary, we have assumed that:

- (a) the Properties possess a good and marketable title free from any onerous or hampering restrictions or conditions;
- (b) all buildings have been erected either prior to planning control, or in accordance with planning permissions, and have the benefit of permanent planning consents or existing use rights for their current use;
- (c) the Properties are not adversely affected by town planning or road proposals;
- (d) all buildings comply with all statutory and local authority requirements including building, fire and health and safety regulations;
- (e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of each Property to comply with the provisions of the Disability Discrimination Act 1995 (in Northern Ireland) or the Equality Act 2010 (in the rest of the UK);
- (f) all rent reviews are upward only and are to be assessed by reference to full current market rents;
- (g) there are no tenant's improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;

- (h) tenants will meet their obligations under their leases, and are responsible for insurance, payment of business rates, and all repairs, whether directly or by means of a service charge;
- (i) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
- (j) where more than 50% of the floorspace of a property is in residential use, the Landlord and Tenant Act 1987 (the "Act") gives certain rights to defined residential tenants to acquire the freehold/head leasehold interest in the property. Where this is applicable, we have assumed that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold/head leasehold interest. Disposal on the open market is therefore unrestricted;
- (k) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required; and
- (l) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy.
- (m) Stamp Duty Land Tax (SDLT) – or, in Scotland, Land and Buildings Transaction Tax (LABTT) – will apply at the rate currently applicable.

LEGAL NOTICE

This valuation report (the "**Report**") has been prepared by CBRE Limited ("**CBRE**") exclusively for Land Securities PLC; Deutsche Trustee Company Limited ; Lloyds Bank Plc; Land Securities Capital Markets PLC; Banco Santander SA; BNP Paribas; Citigroup Global Markets Limited; HSBC Bank PLC; The Royal Bank of Scotland PLC; LS Property Finance Company Limited (the "**Client**") in accordance with the terms of engagement entered into between CBRE and the addressee dated 15 September 2015 ("the **Instruction**"). The Report is confidential and it must not be disclosed to any person other than the Client without CBRE's prior written consent. CBRE has provided this report on the understanding that it will only be seen and used by the Client and no other person is entitled to rely upon it, unless CBRE has expressly agreed in writing. Where CBRE has expressly agreed that a person other than the Client can rely upon the report then CBRE shall have no greater liability to any party relying on this report than it would have had if such party had been named as a joint client under the Instruction.

CBRE's maximum aggregate liability to all parties, howsoever arising under, in connection with or pursuant to reliance upon this Report, and whether in contract, tort, negligence or otherwise shall not exceed £100 million (one hundred million pounds); and

CBRE shall not be liable for any indirect, special or consequential loss or damage howsoever caused, whether in contract, tort, negligence or otherwise, arising from or in connection with this Report. Nothing in this Report shall exclude liability which cannot be excluded by law.

Tenure, Category, Region and Sector Appendices

Appendix 1

Land Securities PLC The Mortgaged Properties - Valuation by Tenure and Sector

30 September 2016

Property Type	Freehold	Leasehold		Total	% of Total
		> 50 yrs. to run	< 50 yrs. to run		
Offices					
London	£3,590,450,000	£1,794,350,000	£0	£5,384,800,000	46.7%
Elsewhere in the UK	£0	£18,825,000	£0	£18,825,000	0.2%
Shops and Shopping Centres					
London	£1,037,970,000	£283,550,000	£0	£1,321,520,000	11.5%
Elsewhere in the UK	£1,978,760,000	£1,077,275,000	£0	£3,056,035,000	26.5%
Retail Warehouse and Food Superstores	£765,250,000	£75,000,000	£0	£840,250,000	7.3%
Residential	£76,645,400	£0	£0	£76,645,400	0.7%
Leisure and Hotels	£233,350,000	£592,600,000	£11,348,000	£837,298,000	7.3%
Total	£7,682,425,400	£3,841,600,000	£11,348,000	£11,535,373,400	100.0%
Percentage by Tenure	66.6%	33.3%	0.1%	100.0%	

Notes:

1) The Freehold totals include values of leaseholds with unexpired terms in excess of 900 years.

Appendix 2

Land Securities PLC The Mortgaged Properties - Valuation by Category and Tenure

30 September 2016

Category	Freehold	Leasehold		Total	% of Total
		> 50 yrs. to run	< 50 yrs. to run		
Investment	£7,013,700,400	£3,525,800,000	£11,348,000	£10,550,848,400	91.5%
Development	£668,725,000	£315,800,000	£0	£984,525,000	8.5%
Held for Development	£0	£0	£0	£0	0.0%
Total	£7,682,425,400	£3,841,600,000	£11,348,000	£11,535,373,400	100.0%
Percentage by Tenure	66.6%	33.3%	0.1%	100.0%	

Appendix 3

Land Securities PLC The Mortgaged Properties - Valuation by Region and Sector

30 September 2016

Property Location	Offices	Shopping Centres & Shops	Retail Warehouses	Residential	Leisure & Hotels	Location Total
London	£5,384,800,000	£1,690,030,000	£22,800,000	£76,645,400	£409,098,000	£7,583,373,400
South East & Eastern	-	£1,287,250,000	£500,900,000	-	£95,900,000	£1,884,050,000
Wales & South West	-	£13,075,000	£68,600,000	-	£5,600,000	£87,275,000
Midlands	-	-	£82,500,000	-	£125,500,000	£208,000,000
North	£18,825,000	£996,900,000	£126,950,000	-	£169,400,000	£1,312,075,000
Scotland	-	£390,300,000	£38,500,000	-	£31,800,000	£460,600,000
Total	£5,403,625,000	£4,377,555,000	£840,250,000	£76,645,400	£837,298,000	£11,535,373,400

Land Securities PLC The Mortgaged Properties - Valuation by Region and Sector - % as at 30 September 2016

Property Location	Offices	Shopping Centres & Shops	Retail Warehouses	Residential	Leisure & Hotels	Location Total
London	46.7%	14.7%	0.2%	0.7%	3.5%	65.7%
South East & Eastern	-	11.2%	4.3%	-	0.8%	16.3%
Wales & South West	-	0.1%	0.6%	-	0.0%	0.8%
Midlands	-	-	0.7%	-	1.1%	1.8%
North	0.2%	8.6%	1.1%	-	1.5%	11.4%
Scotland	-	3.4%	0.3%	-	0.3%	4.0%
Total	46.8%	37.9%	7.3%	0.7%	7.3%	100.0%

Appendix 4

Land Securities PLC The Mortgaged Properties - by Value

30 September 2016

Property Value Bracket	Total Value	Value %	Number of Properties
<£10m	£131,573,400	1.1%	23
>£10m - <£25m	£379,300,000	3.3%	23
>£25m - <£50m	£314,200,000	2.7%	9
>£50m - <£100m	£1,702,450,000	14.8%	23
>£100m	£9,007,850,000	78.1%	29
Total	£11,535,373,400	100.0%	107

Appendix 5

Land Securities PLC The Mortgaged Properties - Top 10 Holdings by Value by Share

30 September 2016

Rank	Property	Location	Reference	Comment
1	New Street Square	London EC4	6788	Completed in 2008 the property provides 28,121 sq m (270,400 sq ft), modern office accommodation together with ground floor retail and restaurant uses. Tenants include Deloitte, Taylor Wessing and Speechly Bircham.
2	Cardinal Place	London SW1	9516	A major West End holding completed in 2005/6. The 62,325 sq m (670,868 sq ft) scheme comprises modern offices in three buildings with ground floor retail and ancillary uses including a major Marks and Spencer store and a number of restaurants.
3	Bluewater	Greenhithe	4447	Bluewater shopping centre opened in 1999 is located in Greenhithe, Kent. This 1,750,000 sq ft centre offers over 300 retail units is anchored by John Lewis, House of Fraser and Marks and Spencer and includes cafes, bars, restaurants and a Showcase cinema. Other retailers include H&M, Ted Baker, Top Shop, Next and Reiss.
4	One New Change	London EC4	6797	A prominent island site overlooking St Paul's Cathedral. One New Change comprises circa 20,903 sq m (225,000 Sq ft) of retail and 30,658 Sq m (330,000 sq ft) of offices. Office tenants include K&L Gates, AXA and CME Operations Ltd.
5	Leeds Trinity	Leeds	5737	Trinity Centre is a redevelopment of the former Trinity and Burtons Arcade and the remodelling/development of Leeds Shopping Plaza, to provide an integrated shopping centre of c.62,700 sq m (675,000 Sq ft) net internal (lettable) space. The scheme provides some 120 units anchored by Marks and Spencer's, BHS, Next, boots, H&M and Primark, and includes restaurant and leisure facilities.
6	Gunwharf	Portsmouth	7577	A major waterfront retail and leisure property built in 2001 providing a total of 41,290 sq m (444,445 Sq ft) with 87 shops, restaurants, bars and nightclub/leisure uses. The retail unites are let to major high street and designer brands for discount retailing.
7	Piccadilly Lights	London W1	8558/8559 /8560	Located on the north side of Piccadilly Circus, the property comprises retail, restaurants, offices, residential and advertising signage. The principal retail units are let to Barclays Bank, Boots and Gap. The advertising signs are let to tenants including McDonalds, Cheil Communications, TDK and Aegis Media. The majority of the site (excluding these three main retail units, has planning consent for redevelopment to provide new Grade A offices, with ancillary retail.
8	1/2 New Ludgate	London EC4	4907/4908	An island site located opposite the entrance to the City Thameslink station at the junction of Ludgate Hill & Old Bailey. Completed in 2015, the development provides Grade A office accommodation and ancillary retail over 9 floors totalling c.37,910 sq m. (408,000 sq ft). The Building 2 offices are 100% let, and the last floor (7th) at Building 1 is currently under offer. There is ancillary retail on the ground floor.
9	62 Buckingham Gate	London SW1	9493	Situated on the north-side of Victoria Street, just east of Westminster City Hall, this completed development provides 1,446 sq m (15,573 sq ft) of retail and 24,123 sq (259,659 sq ft) of offices. The retail is let to Leon Restaurant, Benugo and Mitchells & Butler. The offices are let to tenants that include Rolls Royce, Schlumberger, World Fuel and the Gates Foundation.
10	White Rose Centre	Leeds	5715	The shopping centre, opened in 1997, is located on the edge of Leeds anchored by a Debenhams department store. The 60,390 sq m (650,000 sq ft) scheme also includes 11 major space units and a further 73 shops and food court.

Notes:

- 1) Total value of the Top 10 assets by share is £5,772,350,000 (50.0% of the total value of properties by share)
- 2) Individual holdings at £418,900,000 or above

Appendix 6

Land Securities PLC The Mortgaged Properties - Valuation by Sector

30 September 2016

Property Type	Fair Value £	Net Rental Income £p.a	Gross Rental Value £p.a
Offices			
London	£5,384,800,000	£181,834,691	£287,071,725
Elsewhere in the UK	£18,825,000	£759,268	£2,276,651
Shops and Shopping Centres			
London	£1,321,520,000	£49,096,085	£62,438,744
Elsewhere in the UK	£3,056,035,000	£145,155,392	£176,597,159
Retail Warehouse and Food Superstores			
	£840,250,000	£49,106,165	£51,420,879
Residential			
	£76,645,400	£308,119	£526,596
Leisure and Hotels			
	£837,298,000	£47,894,758	£49,953,763
Total	£11,535,373,400	£474,154,478	£630,285,517
Percentage	100.0%	100.0%	100.0%

Nicholas Cadbury

The list of directors of Land Securities Group PLC on page 196 of the Base Prospectus (Chapter 8 “*Land Securities Group PLC*”) is amended to include Nicholas Theodore Cadbury (business address: 100 Victoria Street, London SW1E 5JL) as a Non-executive Director. There is no potential conflict of interest between any of his duties to Land Securities Group PLC and his private interests and/or other duties.

Change of Address

As of 11 January 2017, 100 Victoria Street, London SW1E 5JL is the registered office of each of the following entities:

- (a) the Issuer;
- (b) FinCo;
- (c) Land Securities PLC;
- (d) LS London Holdings One Limited;
- (e) Land Securities Intermediate Limited;
- (f) Land Securities (Finance) Limited;
- (g) Land Securities Group PLC;
- (h) Land Securities Properties Limited;
- (i) LS One New Change Limited;
- (j) Blueco Limited;
- (k) Land Securities (Hotels) Limited;
- (l) The City of London Real Property Company Limited;
- (m) LS Cardinal Limited; and
- (n) LS Victoria Properties Limited.

As of 11 January 2017, 100 Victoria Street, London SW1E 5JL is the business address of each of the following directors:

- (a) Michael Arnaouti;
- (b) Martin Greenslade;
- (c) Martin Wood;
- (d) Marc Cadwaladr;
- (e) Martin Worthington;
- (f) James Gillard;
- (g) Christopher Bartram;
- (h) Edward Bonham Carter;
- (i) Alison Carnwath;
- (j) Cressida Hogg;
- (k) Robert Noel;
- (l) Kevin O'Byrne;

- (m) Simon Palley;
- (n) Stacey Rauch;
- (o) Land Securities Management Services Limited;
- (p) LS Director Limited; and
- (q) Despina Don-Wauchope.

General Information

There has been no significant change in the trading or financial position of the Issuer or FinCo since 31 March 2016, the end of the last financial period for which the audited financial statements of Issuer and FinCo have been published. There has been no material adverse change in the prospects of the Issuer or FinCo since 31 March 2016, the last published audited financial statements of the Issuer and FinCo.

There has been no significant change in the trading or financial position of the Land Securities Group since 30 September 2016.

At the request of the Issuer, CBRE Limited has given and not withdrawn its written consent to the inclusion herein of its report or review or references to it, as applicable, in the form and context in which it appears. CBRE Limited has no material interest in the Issuer or FinCo.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

For so long as the Programme remains in effect or any Notes are outstanding, copies of this Supplement, the Half-yearly Report 2016, the Issuer's 2016 Results, Finco's 2016 Results and the CBRE Valuation Report September 2016 can be inspected in physical form during usual business hours at the registered office of the Issuer.