

Press Release

Page 1 of 2
22 July 2009

Land Securities Group PLC (“Land Securities”)

LAND SECURITIES CLOSES £360 MILLION BOND

Land Securities has today closed a £360 million bond linked to the commercial lease between the UK Government and Land Securities over 50 Queen Anne’s Gate / 102 Petty France, London SW1 (Queen Anne’s Gate)

The Bond will derive cash flows solely from this lease and will fully amortise over the life of the transaction. It is rated Aaa by Moody’s and AAA by Fitch due to the direct link to the UK Government tenant.

The £360 million Bond has a final maturity in February 2027. The pricing is fixed at 145 bps above the current ten year gilt giving an all in cost of 5.25%. The weighted average length of the loan is 11.2 years. The freehold will be charged within the Group’s secured funding vehicle.

Commenting on the closing, Land Securities Group Finance Director Martin Greenslade said: “We are pleased to have completed this fund raising which once again demonstrates the variety of our assets and the flexibility we have in our debt structure to construct innovative funding solutions. Queen Anne’s Gate was held outside our normal secured debt arrangements as we were aware that the strength of the lease would enable us to raise stand alone financing in what is still a challenging debt market.

“To raise debt with a term of more than ten years at a cost of 5.25% is an excellent result. The cash raised increases our flexibility to take advantage of opportunities as the cycle turns and takes us closer to the time when we will pay down debt within our secured debt structure.”

Queen Anne’s Gate was built in 1977 by Land Securities and an extensive refurbishment was completed in 2008. It is located in a premier area of Central London overlooking St James’s Park and in close proximity to Buckingham Palace and the Houses of Parliament. The building is 56m high with 14 floors providing a net internal area of 32,858 sq m of office space and is let solely to the UK government at a passing rent of £26 million. The tenancy is currently assigned to the Department for Communities and Local Government.

Land Securities worked with HSBC on the structure and placing of the Bond issue.

Page 2 of 2

- Ends -

Contact details:

Press

Donal McCabe / Mel Winsor

Land Securities Group

Tel: 020 7413 9000

Analysts / Investors

Edward Thacker / Martin Greenslade

Land Securities Group

Tel: 020 7413 9000