

Press Release

10 November 2015

Half-yearly results for the six months ended 30 September 2015

“Land Securities continues to deliver the right space at the right time, and it’s paying off. Our Retail Portfolio is performing well and leasing levels in our London developments remain strong,” said Chief Executive Robert Noel.

“In Retail, our portfolio is focused around our core themes of dominance, experience and convenience. Since the start of the financial year, we have sold selectively, recycling capital into the redevelopment of Westgate, Oxford, and other development opportunities. Operationally we are strong, with retailer sales and footfall up in our shopping centres and voids down.

“In London, we continue to benefit from our well-timed development programme delivering schemes into today’s supply constrained market. So far this financial year, a further 500,000 sq ft has been let or is in solicitors’ hands. We’re focused on completing and letting up the remainder of our committed projects while progressing a future pipeline.

“Our strategy is working and we are well positioned for the future. We have better assets, with higher quality income, and our balance sheet is stronger than ever. We are delivering for our customers, our communities and our shareholders and look forward to the second half of the year with confidence.”

Results summary

	30 September 2015	31 March 2015	Change
Valuation surplus⁽¹⁾	£519.3m	n/a	Up 3.8% ⁽²⁾
Basic NAV per share	1,416p	1,343p	Up 5.4%
Adjusted diluted NAV per share⁽³⁾	1,367p	1,293p	Up 5.7%
Group LTV ratio⁽¹⁾	26.5%	28.5%	
	6 months ended 30 September 2015	6 months ended 30 September 2014	Change
Profit before tax	£707.9m	£1,031.1m	
Revenue profit⁽¹⁾	£184.2m	£170.0m	Up 8.4%
Basic EPS	89.7p	130.6p	
Adjusted diluted EPS⁽¹⁾	23.2p	21.4p	Up 8.4%
Dividend	16.3p	15.8p	Up 3.2%

1. Including our proportionate share of subsidiaries and joint ventures, as explained in the notes to the financial statements included within the half-yearly results.
2. The % change for the valuation surplus represents the increase in value of the Combined Portfolio over the six month period, adjusted for net investment.
3. Our key valuation measure.

Activity

- £17.2m of development lettings
- £17.0m of investment lettings
- Acquisitions, development and refurbishment expenditure (including trading properties) of £317.3m
- Disposals (including trading properties) of £406.5m
- Supported 85 disadvantaged people into sustainable jobs in the communities where we operate through our Community Employment Programme

Results

- Ungeared total property return 5.9%, underperforming the IPD Quarterly Universe at 6.8%
- Total business return (dividends and adjusted diluted NAV growth) of 7.0%
- Combined Portfolio valued at £14.6bn, with a valuation surplus of 3.8%
- Valuation surplus of properties in the development programme of 6.8%
- Revenue profit £184.2m, up 8.4%
- Voids in the like-for-like portfolio remain low at 2.8% (31 March 2015: 3.2%)

Financials

- Group LTV ratio at 26.5%, based on adjusted net debt of £4.0bn
- Weighted average maturity of debt at 8.3 years
- Weighted average cost of debt at 4.6%
- Cash and available facilities of £1.4bn
- First half dividend of 16.3p, up 3.2%

Development

- 1.4m sq ft being delivered in London over the next 12 months
- 0.8m sq ft Westgate, Oxford, due to open in October 2017
- 1.4m sq ft of retail development and extension opportunities including Ealing Filmworks, Selly Oak, Birmingham, Buchanan Galleries, Glasgow, and White Rose, Leeds
- 1.2m sq ft future London pipeline including 21 Moorfields, EC2, Nova East, SW1, 1 Sherwood Street, W1 and Portland House, SW1

Recognition

- Winner of the Business in the Community Work Inclusion Award
- Maintained EPRA gold status for sustainability reporting and membership of FTSE4Good and the Dow Jones Sustainability Index
- Achieved ISO 50001 certification for energy management
- Re-certification of ISO 14001 for environmental management

All measures above are presented on a proportionate basis, as explained in the notes to the financial statements included within the half-yearly results.

-Ends-

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Notes:

A live video webcast of the presentation will be available on www.landsecurities.com/interims2015 at 09:00am GMT. Please also note that there will be an interactive Q&A facility on the webcast. A downloadable copy of the webcast will then be available at the same address from 3pm.

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

Dial-in number: +44 (0) 1452 581401
Call title: Land Securities' half-yearly results
Passcode: 88231026

There will be a replay facility available for 7 days following the results:

Replay dial-in number: +44 (0)1452 550000
Call ID number: 58947359

A short video of Robert Noel, Chief Executive, Martin Greenslade, Chief Financial Officer, Scott Parsons, Managing Director, Retail, and Colette O'Shea, Managing Director, London discussing the results is available at <http://www.landsecurities.com/investors/results>