

Appendix



Top 10 assets by value

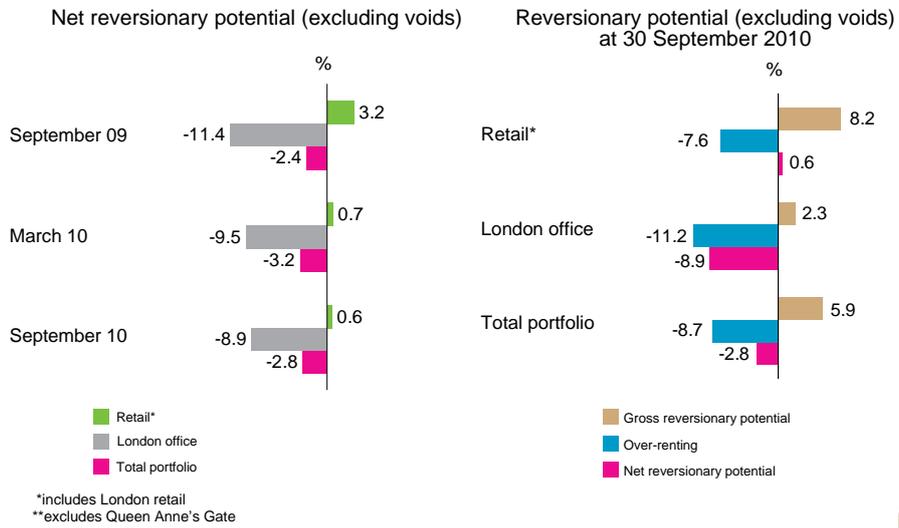
Name	Principal occupiers	Ownership interest (%)	Floor area (000 sq ft)	Passing rent* (£m)	Let by income (%)	Weighted average unexpired lease term (yrs)
Cardinal Place, SW1	Microsoft Wellington	100	Retail: 83 Offices: 563	31	100	7.5
New Street Square, EC4	Deloitte Taylor Wessing	100	Retail: 19 Offices: 674	24	100	12.8
Queen Anne's Gate, SW1	Government	100	Offices: 354	27	100	16.1
One New Change, EC4	n/a	100	Retail: 214 Office: 331	n/a	n/a	n/a
White Rose, Leeds	Sainsbury's Debenhams M&S, Primark	100	Retail: 680	27	98	8.6
Cabot Circus, Bristol	House of Fraser Harvey Nichols H&M	50	Retail/ leisure: 1,200	20	97	10.5
Gunwharf Quays, Portsmouth	Vue Cinema M&S, Nike Gap	100	Retail leisure: 444	19	99	7.4
Bankside 2&3, SE1	RBS	100	Retail: 38 Offices: 378	17	100	16.7
Piccadilly Lights, W1	Boots, Barclays	100	Retail: 53 Offices: 16	12	95	4.1
St David's, Cardiff	John Lewis New Look H&M	50	Retail: 1,400	14	80	8.4

Aggregate value of top 10 assets: £3.6bn

* Land Securities' share

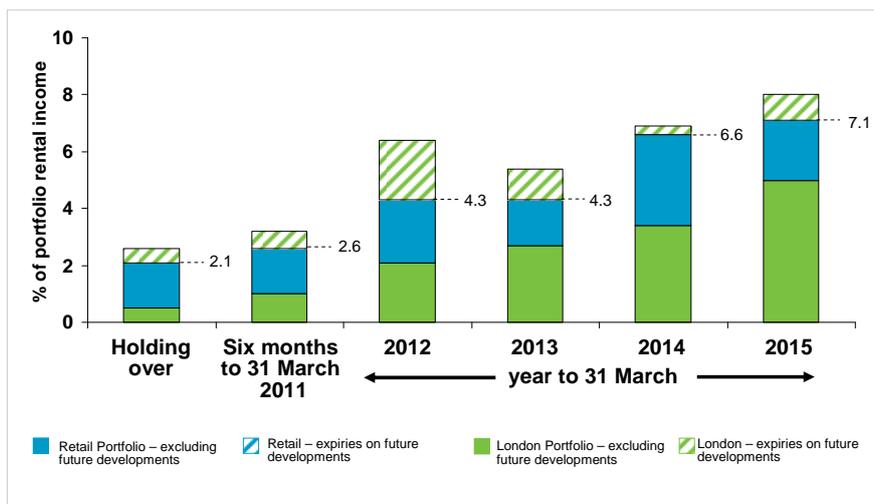
Reversionary potential

Like-for-like portfolio**



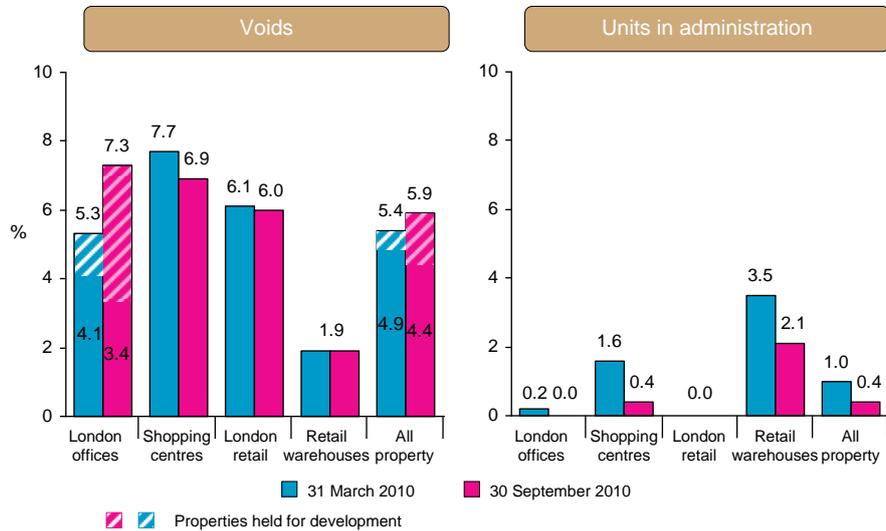
Investment portfolio

Lease maturities (expiries and break clauses)



Voids and units in administration

Like-for-like portfolio



Unexpired lease term

Investment portfolio

	Like for like portfolio		Like for like portfolio + acquisitions + completed developments ⁽¹⁾	
	Median years	Mean years	Median years	Mean years
Retail				
Shopping centres and shops	6.3	7.6	6.9	8.2
Central London shops	4.2	6.3	4.3	6.4
Retail warehouses and foodstores	9.3	10.4	9.3	10.4
Offices				
West End	6.0	9.1	6.0	9.1
City	4.1	6.1	4.1	6.1
Mid-town	2.8	8.1	12.1	11.1
Inner London	8.6	9.3	8.6	9.3
Rest of UK	2.4	3.2	2.4	3.2
Other	8.1	10.7	8.1	10.7
TOTAL	6.8	8.6	7.5	9.0

(1) Excluding development programme

Analysis of voids

	Gross ERV of voids £m	Cumulative total portfolio ERV £m	Void as proportion of cumulative total gross ERV %
Like-for-like:			
Available to let	15.8	511.1	3.1%
Subject to temporary lettings	5.2	516.3	1.0%
Unavailable to let (includes properties held for redevelopment)	9.9	526.2	1.9%
Total like-for-like	30.9		5.9%
Non like-for-like items:			
Pre-development voids	6.2	540.3	1.1%
Acquisitions	0.4	552.0	0.1%
Completed and 95% let developments	1.0	604.0	0.2%
Completed developments not yet 95% let	5.1	637.4	0.8%
Developments to complete in 2010/11	11.4	668.3	1.7%
Developments to complete in 2011/12 or later	33.1	713.6	4.7%
Total portfolio	88.1		12.3%

Yield changes Like-for-like portfolio

	31 March 2010		30 September 2010		
	Net initial yield (%)	Equivalent yield (%)	Net initial yield (%)	Topped-up net initial yield ⁽¹⁾ (%)	Equivalent yield (%)
Shopping centres and shops	6.3	6.8	6.2	6.6	6.6
Retail warehouses and food stores	5.8	6.3	5.8	6.0	6.1
London retail	4.9	5.5	4.6	4.6	5.3
London office	6.5	6.3	6.2	6.4	6.3
Total portfolio	6.2	6.4	6.0	6.2	6.3

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

Retail like-for-like portfolio

Rental and capital value trends

Like-for-like portfolio value at 30 September 2010: £ 3,634.4m

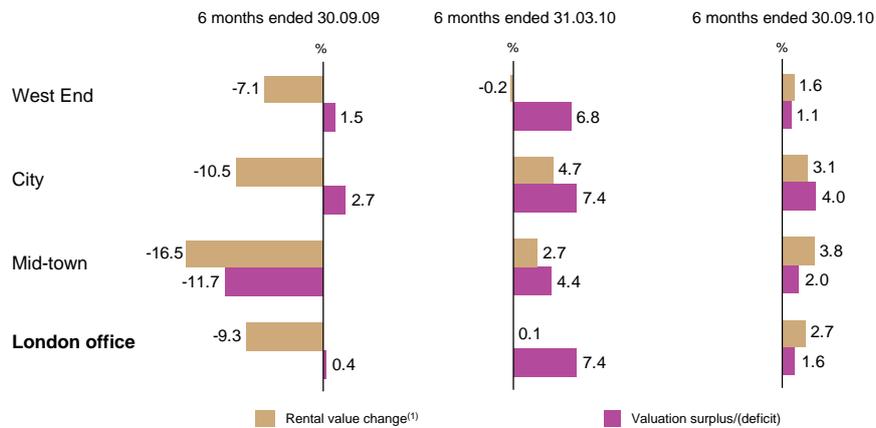


(1) Rental value figures exclude units materially altered during the year

London office like-for-like portfolio

Rental and capital value trends

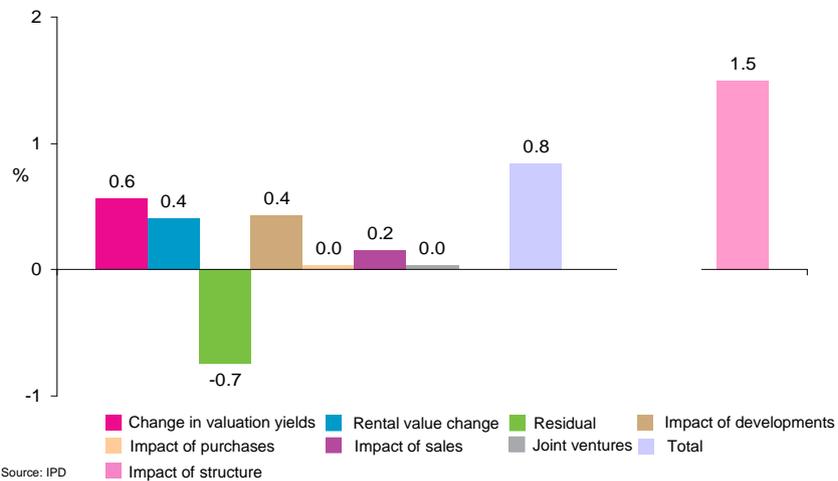
Like-for-like portfolio value at 30 September 2010: £3,056.8m



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

Analysis of performance relative to IPD

Attribution analysis, ungeared total return, 6 months to 30 September 2010, relative to IPD Quarterly Universe



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Investment portfolio activity

6 months to 30 September 2010

	Retail Portfolio £m	London Portfolio £m	Total £m
Investment acquisitions	174.0	-	174.0
Investment sales	(210.6)	(249.2)	(459.8)
Net (sales) / acquisitions	(36.6)	(249.2)	(285.8)
Development programme	2.1	71.3	73.4
Other capital expenditure	39.1	14.5	53.6
Total net investment	4.6	(163.4)	(158.8)

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Reconciliation of cash rents and P&L rents to ERV

	Rents and ERVs at 30.09.10		
	Retail Portfolio £m	London Portfolio £m	Total £m
Annualised rental income	310.2	278.5	588.7
SIC15 adjustments and ground rent	(11.4)	2.9	(8.5)
Annualised net rent	298.8	281.4	580.2
Add back ground rents payable	13.6	5.0	18.6
Additional cash rent from unexpired rent free periods	10.2	12.9	23.1
Contracted additional income (from development programme)	13.0	22.3	35.3
Net reversion on rent review or break / expiry	(14.1)	(25.7)	(39.8)
ERV from portfolio currently let (or agreed to be let)	321.5	295.9	617.4
Voids including developments	35.6	60.6	96.2
Annual gross ERV	357.1	356.5	713.6

Profile of cash rents / ERV

	Cash Rents and ERVs at 30.09.10		
	Retail Portfolio £m	London Portfolio £m	Total £m
Net rental income subject to market reviews ¹ (excluding development programme)	214.0	245.1	459.1
Net rental income subject to market reviews ¹ – (development programme only)	19.2	0.2	19.4
Net rental income subject to fixed or RPI increases ² 4	3.1	35.8	38.9
Net commercialisation income and managed car park income profit	14.0	0.0	14.0
Turnover rents ³	48.5	0.3	48.8
Rent in payment (net of ground rent)	298.8	281.4	580.2
Add back ground rents payable	13.6	5.0	18.6
Other	(5.3)	(0.9)	(6.2)
Additional cash rent from unexpired rent free periods (non-development)	9.9	7.4	17.3
Additional cash rent from unexpired rent free periods (completed developments)	0.3	5.5	5.8
Contracted additional income (from development programme)	13.0	22.3	35.3
Reversions on rent review – positive reversion	12.4	7.1	19.5
Reversions on rent review – over-rented	(21.3)	(16.4)	(37.7)
Reversions on lease break / expiry	1.4	(3.7)	(2.3)
Turnover adjustment	(1.2)	0.3	(0.9)
Theoretical over renting on RPI indexed leases ⁴	(0.1)	(12.1)	(12.2)
ERV from portfolio currently let (or agreed to be let)	321.5	295.9	617.4
Voids including developments	35.6	60.6	96.2
Annual Gross ERV	357.1	356.5	713.6

1 Includes tenants in administration
2 Fixed and RPI increases over next 5 years, assuming future RPI at 2% pa, total £4.0m (£3.7m London Portfolio and £0.3m Retail Portfolio)
3 Includes Accor hotel portfolio
4 Includes Queen Anne's Gate: £27.1m of current income and within this there is £12.2m of over-renting

Prospective rental income

From the development programme

Cash income

	London Portfolio £m	Retail Portfolio £m	Total Portfolio £m
2011			
Contracted	1.0	21.0	22.0
Balance	0.4	1.0	1.4
Total prospective rental income	1.4	22.0	23.4
2012			
Contracted	7.3	24.4	31.7
Balance	3.5	1.9	5.4
Total prospective rental income	10.8	26.3	37.1
2013			
Contracted	15.3	25.9	41.2
Balance	8.0	1.9	9.9
Total prospective rental income	23.3	27.8	51.1
2014			
Contracted	20.5	29.1	49.6
Balance	10.6	19.2	29.8
Total prospective rental income	31.1	48.3	79.4
2015			
Contracted	23.1	29.3	52.4
Balance	16.0	25.2	41.2
Total prospective rental income	39.1	54.5	93.6

SIC15 income

	London Portfolio £m	Retail Portfolio £m	Total Portfolio £m
2011			
Contracted	8.6	26.9	35.5
Balance	3.8	1.6	5.4
Total prospective rental income	12.4	28.5	40.9
2012			
Contracted	18.7	26.8	45.5
Balance	10.6	1.3	11.9
Total prospective rental income	29.3	28.1	57.4
2013			
Contracted	18.9	27.5	46.4
Balance	10.6	16.1	26.7
Total prospective rental income	29.5	43.6	73.1
2014			
Contracted	19.0	27.6	46.6
Balance	16.8	20.9	37.7
Total prospective rental income	35.8	48.5	84.3
2015			
Contracted	19.8	27.2	47.0
Balance	25.9	21.3	47.2
Total prospective rental income	45.7	48.5	94.2

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Rent reviews and lease expiries and breaks ⁽¹⁾

Retail Portfolio

	Outstanding £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	Total 2010-14 £m
Rents passing from leases subject to review	45.8	46.2	33.5	28.6	40.7	194.8
Current ERV	47.1	45.4	31.8	26.3	38.6	189.2
Over-renting*	(2.8)	(2.5)	(2.3)	(2.9)	(3.2)	(13.7)
Gross reversion under lease provisions	4.1	1.7	0.6	0.6	1.1	8.1

* Not crystallised at rent review because of upward only rent review provisions

	Outstanding £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	Total 2010-14 £m
Rents passing from leases subject to expiries or breaks	9.1	8.9	12.2	8.8	18.0	57.0
Current ERV	12.4	10.0	12.9	8.4	16.1	59.8
Potential rent change	3.3	1.1	0.7	(0.4)	(1.9)	2.8

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

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Rent reviews and lease expiries and breaks ⁽¹⁾

London Portfolio

	Outstanding £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	Total 2010-14 £m
Rents passing from leases subject to review	22.5	44.4	21.1	54.0	35.7	177.7
Current ERV	22.8	39.0	18.2	48.7	34.0	162.7
Over-renting*	(1.2)	(5.6)	(3.0)	(6.3)	(2.0)	(18.1)
Gross reversion under lease provisions	1.5	0.2	0.1	1.0	0.3	3.1

* Not crystallised at rent review because of upward only rent review provisions

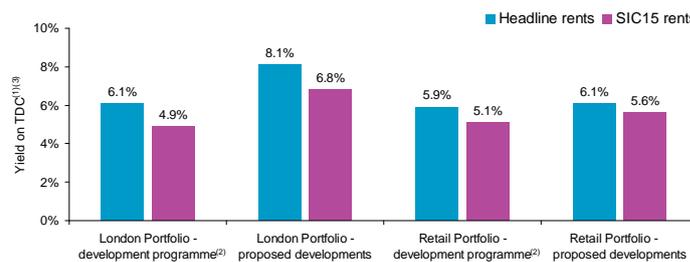
	Outstanding £m	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m	Total 2010-14 £m
Rents passing from leases subject to expiries or breaks ⁽²⁾	6.0	9.0	23.3	21.0	20.7	80.0
Current ERV	6.4	9.5	19.3	19.2	19.6	74.0
Potential rent change	0.4	0.5	(4.0)	(1.8)	(1.1)	(6.0)

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

(2): Includes lease expiries/breaks on properties subject to planning proposals for development or refurbishment totalling £2.9m passing rent outstanding; £3.2m in 2010/11; £11.6m in 2011/12; £6.1m in 2012/13; £1.6m in 2013/14

Development contribution

Income growth and valuation surplus – development pipeline



	London Portfolio – development programme	London Portfolio – proposed developments	Retail Portfolio – development programme	Retail Portfolio – proposed developments
TDC ⁽¹⁾	£871m	£712m	£907m	£92m
Valuation surplus / (deficit) crystallised to date	£(129)m	n/a	£(182)m	n/a

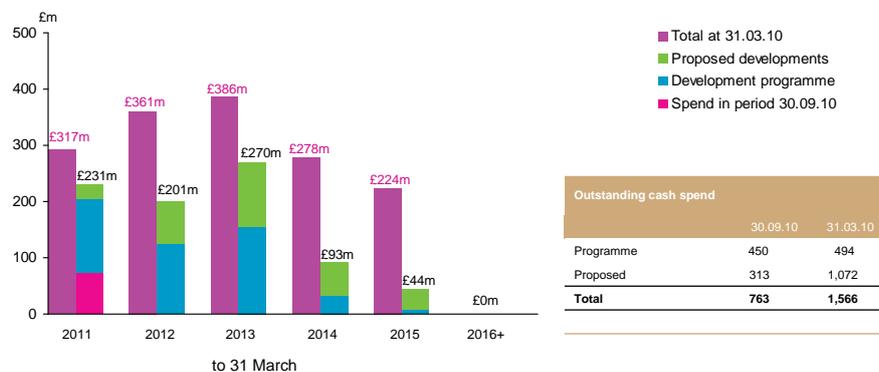
(1) Total development cost (TDC) – includes land and capitalised interest

(2) Ongoing development programme only

(3) For the purposes of calculating yields the total cost of residential has been excluded. This amounts to £nil for London Portfolio and £[20]m for Retail Portfolio

Development

Estimated future spend



Estimated future spend includes the cost of residential space but excludes interest
20 Fenchurch Street included in Proposed Developments at 50% of total expenditure

Adjusted diluted EPS reconciliation

	6 months ended 30 September 2010			
	Pre-tax profit measure £m	Taxation £m	Earnings measure £m	Adjusted diluted earnings per share (pence)
Reported results excluding minority interests	453.8	-	453.8	59.50
Revaluation surplus - Group	(281.2)	-	(281.2)	(36.87)
- Joint ventures	(32.9)	-	(32.9)	(4.31)
Profit on disposal of investment properties	(16.4)	-	(16.4)	(2.15)
Fair value movement on interest-rate swaps	7.5	-	7.5	0.99
Eliminate effect of bond exchange de-recognition	8.1	-	8.1	1.06
Impairment of trading properties	(0.2)	-	(0.2)	(0.03)
Joint venture tax adjustment	0.3	(0.3)	-	-
Joint venture net liabilities adjustments	2.0	-	2.0	0.26
Eliminate effect of debt restructuring charges	0.3	-	0.3	0.04
	141.3	(0.3)	141.0	18.49
Profit on disposal of trading properties	(2.9)			
Profit on long-term development contract	(4.0)			
Non-controlling interest	1.5			
Revenue profit	135.9			

Cashflow and debt

	Period ended:	
	31.09.10 £m	31.03.10 £m
Opening net debt	(3,263.4)	(3,923.6)
Operating cash inflow after interest and tax	81.0	179.3
Dividends paid	(73.7)	(217.9)
Property acquisitions	(145.2)	(46.8)
Development/refurbishment capital expenditure	(112.5)	(217.1)
Other capital expenditure	(1.6)	(2.5)
Total capital expenditure	(259.3)	(266.4)
Disposals – Trillium	-	25.0
Disposals – other	331.0	847.8
Disposals – joint ventures	-	209.8
Joint ventures	(21.0)	(65.2)
Tax paid	(59.9)	(11.3)
Other cash movements and non-cash movements	(10.5)	(40.9)
Closing net debt	(3,275.8)	(3,263.4)
Gearing – on book value of balance sheet debt	53.9%	57.4%
Adjusted gearing ⁽¹⁾	67.0%	72.1%
Adjusted gearing ⁽¹⁾ – including notional share of joint ventures	73.7%	80.2%
Interest cover (excluding joint ventures)	2.09x	1.92x

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

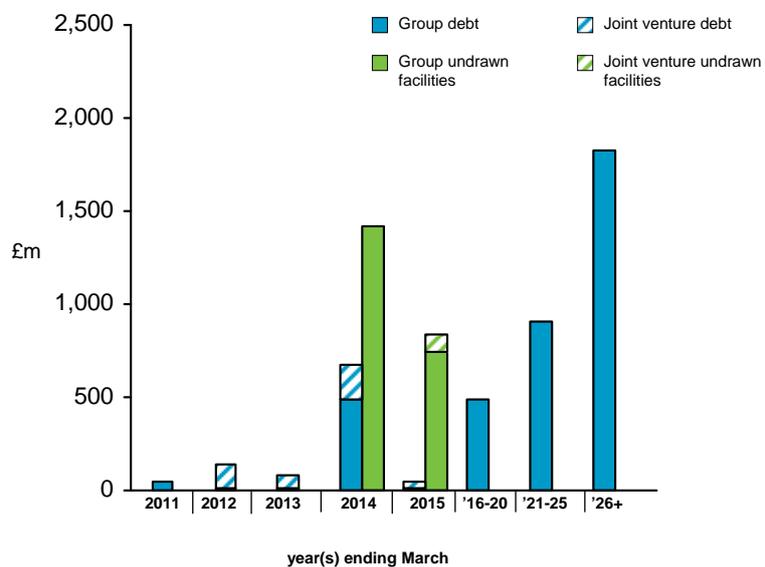
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Group LTV and ICR

31.03.10 £m		30.09.10 £m
3,263.4	Closing net debt	3,275.8
45.3%	Security Group LTV	41.4%
43.5%	Group LTV - including notional share of joint ventures	42.1%
	Interest cover ratio	
1.92x	Group (excl. joint ventures)	2.09x
1.73x	REIT (Finance: Cost ratio)	1.95x

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Expected debt maturities (nominal)



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REIT balance of business

	Six months ended 30.09.10			Six months ended 30.09.09		
	exempt £m	residual £m	adjusted results £m	exempt £m	residual £m	adjusted results £m
Income						
Group revenue	368.2	49.3	417.5	387.5	87.2	474.7
Cost	(128.0)	(40.8)	(168.8)	(137.6)	(96.1)	(233.7)
Operating profit	240.2	8.5	248.7	249.9	(8.9)	241.0
Interest expense	(127.3)	-	(127.3)	(127.2)	-	(127.2)
Interest income	-	5.5	5.5	-	9.4	9.4
Profit before tax	112.9	14.0	126.9	122.7	0.5	123.2
Balance of business	89.0% ⁽¹⁾	11.0%		99.6%	0.4%	
Assets						
Adjusted total assets	9,476.3	931.8	10,408.2	9,057.2	1,033.0	10,090.2
Balance of business – 75% assets test	91.1%	8.9%		89.8%	10.2%	

(1) 89.1% if impairment of trading properties is ignored

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Security Group



- Provides shareholders with:-
 - Attractive cost of debt
 - Access to a diverse range of debt
 - Flexibility to accommodate different gearing levels
 - No financial default above 1.0 x ICR or below 100% LTV
- Provides debtholders with strong covenants:-
 - Security over a pool of assets
 - Persuasive regime of financial and operational covenants
 - Bespoke and regular reporting
- The business retains operational and financial flexibility:-
 - Asset management initiatives
 - Undertaking development projects
 - To rebalance the portfolio
 - Raising suitable forms of finance in either part of the Group

Flexible and efficient debt funding structure