

# Press Release

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2 January 2007

**Land Securities Group PLC (“Land Securities” / “Group”)  
LAND SECURITIES CONFIRMS CONVERSION TO BECOME ONE OF THE  
WORLD’S LARGEST REAL ESTATE INVESTMENT TRUSTS**

Land Securities confirms that as at 1 January 2007 it has now elected Real Estate Investment Trust (“REIT”) status. This follows acceptance by HM Customs and Revenue of its notification letter in late December 2006.

The Group will now be carrying out the required valuation of its qualifying property assets to establish the precise amount of the 2% conversion charge, expected to be around £300m and due to be paid in full in July 2007. The December valuation is a one-off exercise and will include an external valuation of both the investment portfolio and also the qualifying properties held by Land Securities Trillium, representing the first valuation of these assets since Trillium was acquired in 2000. It is anticipated that the results of this valuation exercise will be announced to shareholders in February 2007.

Commenting on the conversion, Francis Salway, Land Securities’ Group Chief Executive, said:

“From today, we have become one of the three largest REITs in the world and the UK’s largest REIT by market capitalisation. REIT investors can benefit from our market leading positions in London offices, retail and property partnerships as well as our long-term track record of generating strong returns for our shareholders. The tax efficiencies afforded by this change in status will result in an enhanced future dividend and we are confident that Land Securities will be one of the UK real estate investment vehicles of choice for both UK and international investors.

“We concluded 2006 with one of our largest ever transactions in the acquisition of the Secondary Market Infrastructure Fund. Backed by our new REIT status, a newly appointed chairman, Paul Myners, and an evolving business model, we look forward to 2007.”

**-Ends-**

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## **Notes to Editors**

### **Land Securities Group PLC**

Land Securities is the UK's leading real estate investment trust. Our national portfolio of commercial property, worth many billions of pounds, includes some of Britain's best-known shopping centres, such as the Birmingham Bullring and Gunwharf Quays in Portsmouth, as well as London landmarks such as the Piccadilly Lights and Westminster City Hall. We are leading urban renaissance through our billion pound development programme, transforming Exeter, Bristol and Cardiff city centres as well as key sites in Central London. We are also one of the leading names in property partnerships and through urban community development are involved in long-term, large-scale regeneration projects in the south-east. [www.landsecurities.com](http://www.landsecurities.com)