

Highlights

- Strong performance in growing net assets
 - Basic NAV at 2356p up 52p
 - Adjusted diluted NAV up 55p to 2236p, an increase of 2.5%
 - Out-performance vs IPD Quarterly Universe benchmark by 2.3%
- Valuation surplus of £130.8m or 0.9% on the investment portfolio
 - Valuation uplifts from London offices of 4.2%, and Central London shops of 0.7%, with valuation deficits of 1.5% for shopping centres and 3.9% for retail warehouses
- Excellent progress on the development programme
 - Valuation surplus on development of £174.2m
 - Development lettings totalling 78,900m²
- Investment portfolio property sales of £929m at 7.8% above March 2007 valuations (before disposal costs)
- Investment portfolio valuation of £15.0bn
- Pre-tax profit of £375.2m (2006: £1,178.2m), down as a result of smaller valuation surplus
- Revenue profit down 10.5% at £172.8m
- Earnings per share
 - Basic EPS at 78.57p down 57.1%
 - Adjusted diluted EPS up by 11.0% at 36.46p
- First two quarterly dividends for 2007/08 of 16.0p each, as announced

Retail Portfolio

- Princesshay shopping centre development in Exeter opened, now 92% let
- £0.6bn assets sold in H1, 4.1% above valuation (pre-disposal costs)
- Joint venture entered into with J Sainsbury on three supermarket assets since period end

London Portfolio

- 97,700m² of developments completed in H1 and now 95% let
- Record rents for Mid-town in the range of £71psf - £76psf achieved in the tower building at New Street Square
- The entire office element of 34,600m² at Bankside 2&3 let to Royal Bank of Scotland
- £0.3bn assets sold in H1, 15.3% above valuation (pre-disposal costs)

Property Partnerships

- Land Securities Trillium new business - £65m invested and £209m committed in acquiring PFI contracts
- Disposals of £83.0m generating a profit of £25.1m
- Good progress on establishing the PFI fund: £568m of debt raised since period end