

Press Release

12 FEBRUARY 2015

Land Securities Group PLC (“Land Securities”)

Land Securities announces the purchase of a development site in the City

Land Securities today announces that it has unconditionally agreed to purchase the leasehold interest in a 1.9 acre site at 21 Moorfields, EC2 for £16.5 million excluding vendor’s overage.

The site, comprising vacated 1970s offices and a TfL worksite, is located at the western entrance to Liverpool Street Crossrail station.

Land Securities entered into a conditional agreement to acquire the site in December 2012 and has since acted as asset manager for EY, in their capacity as Administrators of Souzel Properties Limited (in Administration), the current leasehold owners.

In order to finalise the purchase, Land Securities needed to agree a new development head lease with TfL and conclude compulsory purchase compensation arrangements on behalf of the Administrator for land required by Crossrail for its development. Following completion of both agreements, Land Securities has unconditionally agreed to purchase the site and has submitted a planning application for two new buildings totalling approximately 500,000 sq ft of predominantly office space with some retail at ground level as well as public realm.

Land Securities will own the site on two separate 250 year leases at ground rents of 5% of the net rents received. At the point of committing to construction, TfL will have the option of participating in the development with a financial interest of 15-25%. If TfL takes up the option it will share all costs *pari passu*.

An overage agreement exists with the vendor for a proportion of returns after a priority return to the developer has been achieved.

Commenting on the purchase, Colette O’Shea, Managing Director, London Portfolio at Land Securities, said: “This is a site with fantastic potential and superb connectivity, located in the heart of the City, adjacent to Moorgate station and the western entrance to Liverpool Street Crossrail station.”

Graeme Craig, Director of Commercial Development at TfL, said: “This deal with Land Securities is a fantastic example of the work we’re doing to make the most of our assets whilst generating long-term revenue for us to reinvest back into our network. Our partnership will enable the development of office space in the heart of London as well as retail space.”

Land Securities were advised by Savills, Capital Real Estate Partners, and Freshfields Bruckhaus Deringer. The Administrators were advised by EY Real Estate Corporate Finance and Berwin Leighton Paisner. TfL were advised by DTZ and Ashurst.

-Ends-

Notes to editors:

Land Securities is the UK’s largest listed commercial property company and a member of the FTSE 100. The company owns and manages more than 25 million sq ft of property, from shopping centres to offices, valued in excess of £13 billion.

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