

Our performance

An overview of our key financial performance figures from this financial year.

Pre-tax loss

£888.8m

The loss reflects the impact of this year's valuation deficit, but we have only moved back to a figure comparable to our cumulative surplus in 2006.

Total dividend

64.0p

We increased the dividend again this year and have now generated compound annual growth of 14.6% since 2004.

Revenue profit

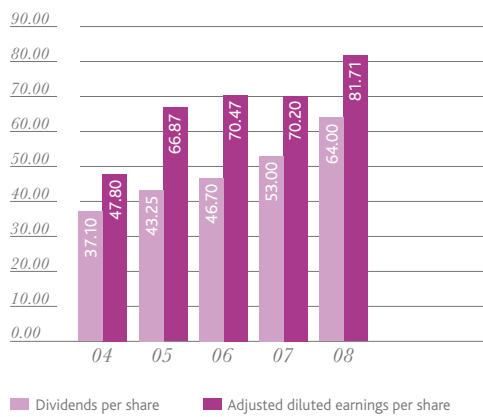
£379.1m

Increased revenue profit from London and Retail was offset by the impact of the accounting treatment for Trillium's PPP assets.

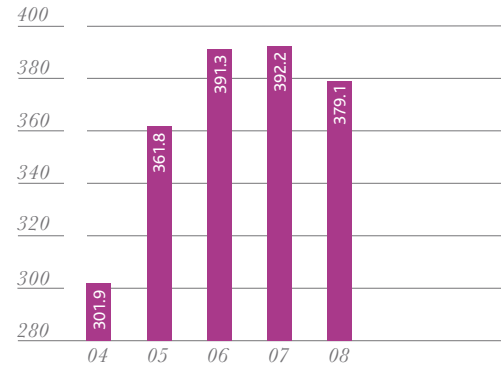
Land Securities performance versus IPD
- ungeared total property return (%)



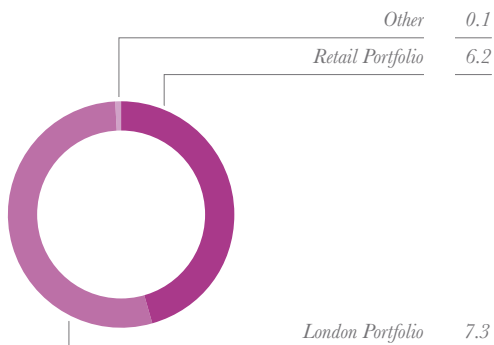
Dividends and adjusted diluted earnings per share (p)



Revenue profit (£m)



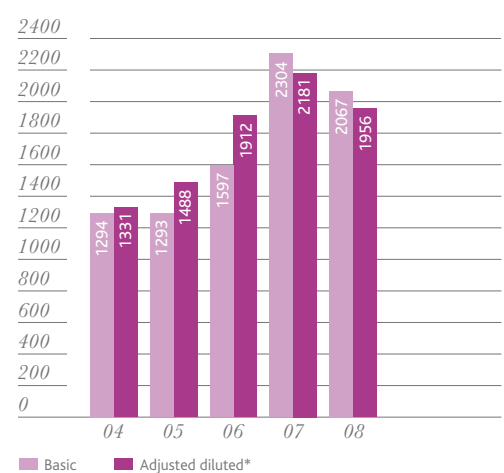
Combined portfolio value (£bn)



Five year cumulative valuation surplus (£m)



Net assets per share (p)



*Calculated under UK GAAP in 2004; under IFRS thereafter.

Read more about why we launched the fund, and which companies have invested in the fund, on page 47.

Find out how our Retail Portfolio managed to outperform IPD on pages 25-33 and read about the London Portfolio's outperformance on pages 34-43.

Key performance indicators

Objective	Metric	Progress
<i>To create sustainable long-term returns for shareholders</i>	<ul style="list-style-type: none"> ▪ Sustained real growth in adjusted earnings per share to be at least 3% per annum over rolling three-year periods ▪ Annual revenue profit to exceed budget target 	<ul style="list-style-type: none"> ▪ Normalised adjusted earnings per share growth over three years to 31 March 2008 exceeded RPI by 7.7% per annum ▪ Achieved for this financial year
<i>To maximise the returns from the investment portfolio</i>	<ul style="list-style-type: none"> ▪ IPD outperformance in each core sector and on an overall portfolio basis 	<ul style="list-style-type: none"> ▪ Outperformed IPD on an overall portfolio basis by 6.5% ▪ <u>Outperformed IPD sector benchmarks by 4.7% for our London Portfolio and by 4.8% for our Retail Portfolio</u>
<i>To manage our balance sheet effectively</i>	<ul style="list-style-type: none"> ▪ Sell £1.5bn of investment properties ▪ Establish PPP fund to raise £0.80bn of capital 	<ul style="list-style-type: none"> ▪ Sold £1.5bn of investment properties ▪ <u>PPP fund successfully launched, raising £0.81bn of capital</u>
<i><u>To complete and let our development programme</u></i>	<ul style="list-style-type: none"> ▪ £47.3m of development lettings to be completed ▪ Developments to be completed on budget and on time 	<ul style="list-style-type: none"> ▪ £58.5m of development lettings achieved ▪ Development schemes completed on budget and on time, subject to one project being three weeks delayed. Projects at Princesshay, Exeter; Willow Place, Corby; Christ's Lane, Cambridge; One Wood Street, EC2; Bankside 2&3, SE1; and New Street Square, EC4 completed.
<i>To grow our Trillium business by winning new contracts</i>	<ul style="list-style-type: none"> ▪ Secure £150m of PPP contracts through secondary market acquisitions 	<ul style="list-style-type: none"> ▪ Secured more than £300m of PPP contracts through secondary market acquisitions
<i>Ensure high levels of customer satisfaction</i>	<ul style="list-style-type: none"> ▪ Overall customer satisfaction in Retail and London businesses to exceed targets ▪ 90% satisfaction ratings from our largest outsourcing client 	<ul style="list-style-type: none"> ▪ Targets exceeded for both shopping centres and London offices ▪ Achieved 94% satisfaction rating from our largest outsourcing client
<i>Attract, develop, retain and motivate high-performance teams and individuals</i>	<ul style="list-style-type: none"> ▪ Employee engagement to exceed ETS industry benchmark 	<ul style="list-style-type: none"> ▪ <u>Exceeded with grand mean score of 3.03 (classified as excellent by our external survey provider) compared to benchmark figure of 2.99</u>

See how we define and mitigate our property development risks on page 22 and 23 and see a financial summary of our development pipeline on page 126.

We discuss our approach to employee engagement on page 21.