

2031 Notes Issue Terms dated 6 February 2017

Land Securities Capital Markets PLC

Note Issuance Programme in the amount of £6,000,000,000 (the "Programme")

Issue of £300,000,000 2.399 per cent. Class A13 Notes due 2031

PART A – CONTRACTUAL TERMS

Defined terms used herein shall bear the same meanings ascribed to them in the Conditions set forth in the Base Prospectus dated 15 July 2016 and the supplement to the Base Prospectus dated 23 January 2017 which together constitute a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"). This document constitutes the 2031 Notes Issue Terms and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these 2031 Notes Issue Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Central Bank (www.centralbank.ie).

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| 1. | Issuer: | Land Securities Capital Markets PLC |
| 2. | (i) Series Number: | 6 |
| | (ii) Sub-Class Number: | A13 |
| | (iii) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3. | Relevant Currency or Currencies: | Sterling ("£") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | £700,000,000 |
| | (ii) Sub-Class: | £300,000,000 |
| 5. | Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 6. | Yield: | |
| | Indication of yield: | 2.399 per cent. (semi-annual) |
| | | The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield |
| 7. | Specified Denominations: | £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000 |

8. (i) Issue Date: 8 February 2017
- (ii) Interest Commencement Date (if different from the Issue Date): Issue Date
9. Maturity Date: 8 February 2031
10. Interest Basis: From and including the Issue Date to but excluding 8 February 2029, 2.399 per cent. Fixed Rate
- From and including 8 February 2029 to but excluding the Maturity Date, 2.399 per cent. Fixed Rate + the Note Step-Up Rate (further particulars specified below)
11. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
12. Call Options: Issuer Call Option
- (further particulars specified below)
13. Date Board approval for issuance of Notes obtained: 23 January 2017

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Note Provisions** Applicable
- (i) Interest Rate: From and including the Issue Date to but excluding 8 February 2029, 2.399 per cent. per annum payable in arrear on each Note Payment Date (the “**Initial Interest Rate**”)
- From and including 8 February 2029 to but excluding the Maturity Date, the sum of the Initial Interest Rate and the Note Step-Up Rate payable in arrear on each Note Payment Date
- (ii) Issue Spread: 0.82 per cent. per annum
- (iii) Interest Determination Date: 8 February and 8 August in each year, not adjusted
- (iv) Note Payment Date(s): 8 February and 8 August in each year, not adjusted, commencing the First Note Payment Date up to and including the Maturity Date
- (v) First Note Payment Date: 8 August 2017

(vi) Fixed Coupon Amount(s): <i>(Applicable to Notes in definitive form)</i>	From and including the Issue Date to but excluding 8 February 2029, £12.00 per £1,000 in Nominal Amount
	From and including 8 February 2029 to but excluding the Maturity Date, £14.50 per £1,000 in Nominal Amount
(vii) Broken Amount(s):	Not Applicable
(viii) Day Count Fraction:	Actual/Actual ICMA
(ix) Reference Gilt:	UK Treasury 6 per cent. due December 2028
15. Floating Rate Note Provisions	Not Applicable
16. Floating Rate Step-Up (Condition 6(f))	Applicable
	For the purposes of the Notes, Condition 6(f) shall be deemed to be deleted and replaced with the following:
	<i>(f) Floating Rate Step-Up</i>
	This Condition 6(f) is applicable only if the 2031 Notes Issue Terms specifies the Floating Rate Step-Up as applicable.
	From and including the Note Step-Up Date specified in the 2031 Notes Issue Terms, the Interest Rate in respect of the Notes will be the Initial Interest Rate plus the Note Step-Up Rate specified in the 2031 Notes Issue Terms.
(i) Note Step-Up Rate:	0.50 per cent.
(ii) Note Step-Up Date:	8 February 2029
(iii) Margin (for purposes of Condition 6(f)):	0.00 per cent.
17. Zero Coupon Note Provisions	Not Applicable
18. Indexed Note Provisions	Not Applicable
PROVISIONS RELATING TO REDEMPTION	
19. Issuer Call Option	Applicable
(i) Optional Redemption Date(s):	As set out in Conditions 8(b), (c), (d) and (e)

(ii)	Redemption Amount(s):	As calculated pursuant to Condition 8(b), the Swap Mid Curve Amount, where for the purposes of the Notes, Condition 8(b) shall be amended so that: (i) “Redemption Rate” shall be deemed to mean the Relevant Swap Mid Curve Rate plus the Redemption Margin or, if the Relevant Swap Mid Curve Rate is not able to be determined, such rate as may be approved by the Note Trustee plus the Redemption Margin; and (ii) “Relevant Swap Mid Curve Rate” shall be deemed to mean the mid-point of the bid-side and offer-side rates for the fixed leg of a hypothetical interest rate swap with a notional profile equal to the semi-annual interest that would be payable on the relevant Sub-Class of Notes to be redeemed, with the same payment dates as the relevant Notes, against a floating leg of Six Month Sterling LIBOR with no spread, where the rates for such hypothetical interest rate swap are as displayed on the Bloomberg <ICAB1> page or such other page as may replace the Bloomberg <ICAB1> page on that service for the purpose of displaying such information or, if that service ceases to display such information, the Relevant Swap Mid Curve Rate shall be determined by a financial adviser, which may be a gilt-edged market maker, (nominated by the Issuer and approved by the Note Trustee) using its standard valuation methodology as at the date of calculation) as at or about 11.00 a.m. (London time) on such Relevant Date.
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For Conditions 8(b), (c), (d) and (e), as set out in Conditions 8(b), (c), (d) and (e) respectively.

(iii)	Reference Bond:	Not Applicable
(iv)	Quotation Time:	Not Applicable
(v)	Redemption Margin:	0.12 per cent.
(vi)	If redeemable in part:	
	(a) Minimum Redemption Amount:	Not Applicable
	(b) Maximum Redemption Amount:	Not Applicable

20. Final Redemption Amount	As set out in Condition 8(a), £1,000 per £1,000 Nominal Amount
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| 21. Early Redemption Amount payable on redemption as a result of a Ratings Event or on the occurrence of an Index Event or for tax reasons or on event of default: | As set out in Condition 8(c) (<i>Optional Redemption as Result of Ratings Event</i>), Condition 8(d)(i) (<i>Optional Redemption for Index Events</i>), Condition 8(d)(ii) (<i>Optional Redemption for Taxation Reasons</i>) and Condition 11(b) (<i>Issuer Event of Default</i>) respectively |
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STATUS AND RANKING OF THE NOTES

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| 22. Class: | Class A Notes |
| 23. Priority: | Priority 1 Notes |
| 24. If Subordinated Notes, ranking in relation to other Classes of Subordinated Notes: | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25. (a) Form of Notes: | Bearer |
| (i) If issued in Bearer form: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note |
| (ii) If issued in Registered form: | Not Applicable |
| (b) New Global Note: | Yes |
| 26. Additional Financial Centre(s): | Not Applicable |
| 27. Talons for future Coupons to be attached to Definitive Notes: | No |

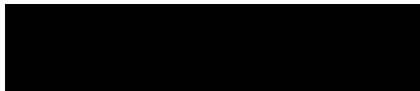
ICL LOAN TERMS

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| 28. ICL Loan: | £300,000,000 |
| 29. Governing law of relevant ICL Loan: | English law |
| 30. Interest rate on relevant ICL Loan: | (Exceeding the rate payable on the Notes which are the subject of these 2031 Notes Issue Terms by a margin of 0.01% per annum) |
| 31. ICL Loan Payment Dates: | 3 February and 3 August in each year, commencing 3 August 2017 |
| 32. Term of relevant ICL Loan: | 8 February 2031 |
| 33. Priority ranking of relevant ICL Loan | Priority 1 |

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| 34. Loan to value ratio: | 29.70 per cent. |
| 35. Party responsible for calculating the rate of interest, interest amount(s) and redemption amount: | As per the Conditions |
| 36. Banks with which the main accounts are held: | Lloyds Bank plc |
| 37. Relationship between the Issuer and FinCo and details of the principle terms of that relationship: | As described in the Base Prospectus |

Signed on behalf of the Issuer:

By:



Duly authorised

PART B - OTHER INFORMATION

1. LISTING

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| (i) | Listing: | Irish Stock Exchange plc |
| (ii) | Admission to trading: | Application has been made to the Central Bank of Ireland (the " Central Bank "), as competent authority under Directive 2003/71/EC, for the 2031 Notes Issue Terms to be approved. Application has been made to the Irish Stock Exchange for Notes to be admitted to the Official List and trading on its regulated market |
| (iii) | Estimate of total expenses related to admission to trading: | EUR 2,450 |

2. RATINGS

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| Ratings: | The Notes to be issued are expected to be rated AA by Fitch Ratings Limited (" Fitch ") and AA by Standard & Poor's Credit Market Services Europe Limited (" S&P "). Each of Fitch and S&P is established in the European Union and is registered under CRA Regulations |
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3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. OPERATIONAL INFORMATION

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| (i) | ISIN: | XS1559392490 |
| (ii) | Common Code: | 155939249 |
| (iii) | Any clearing system other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not applicable |
| (iv) | Delivery: | Delivery against payment |
| (v) | Names and addresses of additional Paying Agent(s) (if any): | Not applicable |
| (vi) | Intended to be held in a manner which would allow Eurosystem eligibility: | Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not |

necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

5. DISTRIBUTION

- (i) Method of distribution: Syndicated
- (ii) If syndicated, names of Managers/Class R Underwriters:
 - Joint Lead Managers***
 - HSBC Bank plc
 - Lloyds Bank plc
 - Passive Bookrunners***
 - BNP Paribas
 - The Royal Bank of Scotland plc (trading as NatWest Markets)
 - Senior Co-Managers***
 - Citigroup Global Markets Limited
 - Banco Santander, S.A.
 - SMBC Nikko Capital Markets Limited
 - Svenska Handelsbanken AB (publ)
- (iii) Stabilisation Manager(s) (if any): Lloyds Bank plc. In connection with the issue of the Notes, Lloyds Bank plc may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.
- (iv) If non-syndicated, name of Dealer: Not Applicable
- (v) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D

6. U.S. TAX CONSIDERATIONS

The Notes are not Specified Notes for purposes of Section 871(m).