

WHITECLIFF PROPERTIES LIMITED
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2005



Directors' Report for the year ended 31 March 2005

The directors submit their report with the financial statements for the year to 31 March 2005.

RESULTS FOR THE YEAR AND DIVIDEND

There was no activity in the Profit and Loss Account for the year ended 31 March 2005 and consequently no Profit and Loss account has been disclosed.

The directors do not recommend the payment of a dividend for the year ended 31 March 2005 (2004: £Nil).

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Company ceased trading during the year.

DIRECTORS

The directors who held office during the year and up to the date of this report were:

F W Salway
M McGuinness (resigned 24 September 2004)
T A Seddon
P J Cleary
R Pyle
R D S Nevett

The directors had no interests in the shares of the Company throughout the year.

F W Salway is a director of Land Securities Group PLC, the ultimate parent company, and his interest in that company are shown in its Reports and Financial Statements for the year ended 31 March 2005. The ultimate parent company's registers of directors' share and debenture interests and holdings of options, which are open to inspection at its registered office, contain full details of his shareholdings and share options.

The beneficial interests of the other directors in the shares of Land Securities Group PLC and their holdings of options over shares in that company are set out below and on page 2:

Interest in ordinary shares	31 March 2005	1 April 2004
P J Cleary	10,418	9,064
R D S Nevett	-	18,118
R Pyle	3,596	2,457
T A Seddon	5,131	4,007

Interest in 'B' shares	31 March 2005	1 April 2004
P J Cleary	-	4,704
R D S Nevett	-	1,481
R Pyle	-	-
T A Seddon	-	541

WHITECLIFF PROPERTIES LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2005 (CONTINUED)

DIRECTORS (continued)

Options over Ordinary Shares											
Name	No. of Options at 1 April	Granted during year		Exercised during year			Lapsed During the Year		Options as at 31 March 2005		
		No.	Grant Price (pence)	No.	Exercise Price (pence)	Market Price on Exercise (pence)	No.	No.	Exercise Price (pence)	Exercisable dates	
P Cleary	60,125 1,812	14,906	1,159.0	(20,000)	820.0	1,150.1			55,031 1,812	914.1 663.9	07/2004 - 07/2014 07/2008
R Nevett	58,625 4,021	13,000	1,159.0	(20,500) (3,592) (20,000) (1,160)	869.0 820.0 820.0 672.0	1,370.2 1,370.2 1,182.7 1,194.0			27,533 2,861	969.2 636.5	09/2003 - 07/2014 07/2004 - 07/2009
R Pyle	56,250 1,461			(30,000)	869.0	1,194.0			26,250 1,461	797.1 650.0	07/2004 - 07/2014 08/2005
T A Seddon	60,500 903	10,200 356	1,159.0 957.0	(18,171)	820.0	1,161.0			52,529 1,259	897.3 746.2	09/2003 - 07/2014 07/2003 - 08/2007

The range of the closing middle market prices for Land Securities shares during the year was 1050p to 1470p. The middle market price at 31 March 2004 was 1293p.

Four directors exercised options this year.

Share options at 1 April are held under the 1984 Executive Share Option Scheme which expired on 24 April 1995, except for those shown in bold which are held under the 1983 and 1993 Savings Related Share Option Schemes. Options granted during the year were under the Land Securities PLC 2000 Executive Share Option Scheme, the Land Securities Group PLC 2002 Executive Share Option Scheme, or the 1993 and 2003 Savings Related Share Option Scheme (if shown in bold).

Options granted under the savings related schemes are exercisable after three, five and seven years from date of grant and are not subject to any performance conditions.

Directors' Report for the year ended 31 March 2005 (continued)

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution will be put to the members at the Annual General Meeting to reappoint the auditors, PricewaterhouseCoopers LLP.



By order of the Board
P M Dudgeon
Secretary
20 January 2006

Registered Office
5 Strand
London WC2N 5AF

Registered in England and Wales
Company No. 3249898

Directors' Responsibilities for the year ended 31 March 2005**DIRECTORS' RESPONSIBILITIES**

The directors are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Company as at the end of the financial year and of its profit and loss for that year and which comply with the Companies Act 1985.

The directors are responsible for ensuring that applicable accounting standards have been followed and that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the financial statements.

It is also the responsibility of the directors to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for maintaining proper accounting records so as to enable them to comply with company law. The directors have general responsibilities for safe guarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of Whitecliff Properties Limited for the year ended 31 March 2005

We have audited the financial statements, which comprise the balance sheet and the related notes which have been prepared under the historical cost convention and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

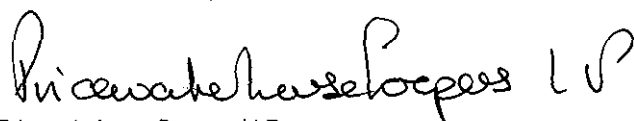
Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31 March 2005 for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
20 January 2006

Balance sheet at 31 March 2005

	Notes	2005 £'000	2004 £'000
Current assets			
Debtors	3	768	768
Net current assets		768	768
Capital and reserves			
Called up share capital	4	-	-
Share premium account	5	793	793
Profit and loss account	5	(25)	(25)
Equity shareholder's funds		768	768

R D S Nevett



Director

The financial statements on pages 5 to 7 were approved by the directors on 20 January 2006.

1. Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

(a) Profit and loss account

There was no activity in the Profit and Loss Account for the year ended 31 March 2005 and consequently no Profit and Loss account has been disclosed.

2. Administration expenses

a) Directors' emoluments

The directors of the Company received no emoluments from Land Securities Properties Limited for their services to the group (2004: £Nil).

b) Auditors' remuneration

The Groups auditors' remuneration is borne by Land Securities Properties Limited. The proportion of the remuneration which relates to the Company amounts to £Nil (2004: £Nil). In addition to the fees for the audit, £Nil (2004: £Nil) was payable to the auditors for compliance and certification work.

3. Debtors

	2005 £'000	2004 £'000
Amounts owed by a group undertaking	768	768
	768	768

4. Share capital

	Authorised 2005 No.	2004 No.	Allotted and fully paid 2005 £	2004 £
Ordinary shares of £1.00 each	100	100	100	100

5. Reserves

	Ordinary Shares £'000	Share Premium Account £'000	Profit and Loss Account £'000	Total £'000
At 1 April 2004 and 31 March 2005	-	793	(25)	768

6. Cash flow statement exemption

The Company is a wholly owned subsidiary of Land Securities Group PLC which prepares a consolidated cash flow statement. The Company has therefore elected to make use of the exemption provided in Financial Reporting Standard 1 (revised 1996) "Cash Flow Statements" not to produce its own cash flow statement.

7. Related party transactions

The Company is a wholly owned subsidiary of Land Securities Group PLC and has taken advantage of the exemption provided in paragraph 3(c) of Financial Reporting Standard 8 "Related Party Disclosures" not to make disclosure of transactions with other entities that are part of the group.

8. Parent company

The ultimate parent company at 31 March 2005 was Land Securities Group PLC, which is registered in England and Wales. This is the largest parent company of the group to consolidate these financial statements.

Consolidated financial statements for the year ended 31 March 2005 for Land Securities Group PLC can be obtained from the Secretary, 5 Strand, London WC2N 5AF.