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This document is supplemental to, and must be read in conjunction with, the prospectus published by the Company on 21 September 2010 in respect of Admission (the "Prospectus"). Save as disclosed in this document, since the publication of the Prospectus there have been no significant new factors, material mistakes or inaccuracies relating to the information contained in the Prospectus. To the extent there is any inconsistency between a statement in this document and a statement in the Prospectus, the statement in this document shall prevail.

The Company and the Directors, whose names appear on page 21 of the Prospectus, accept responsibility for the information contained in this document. Having taken all reasonable care to ensure that such is the case, the information contained in this document is, to the best of the knowledge of the Company and the Directors, in accordance with the facts and contains no omission likely to affect its import.

Except as otherwise indicated, terms have the meanings ascribed to them in Part 13 "Definitions" of the Prospectus.

You should read this document and the Prospectus in their entirety, in particular the section of the Prospectus headed "Risk Factors" at pages 9 to 18 (inclusive) thereof.

London & Stamford Property Plc

*(a public limited company incorporated and registered in England and Wales
with registered company number 7124797)*

Supplementary Prospectus

Admission to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market

KBC PEEL HUNT

Joint Sponsors, Joint Financial Advisers and Joint Brokers

CREDIT SUISSE

This document comprises a supplementary prospectus relating to the Company and the Existing Ordinary Shares and New Ordinary Shares and has been prepared in accordance with the Prospectus Rules, has been approved by the FSA in accordance with section 85 of the FSMA and made available to the public in accordance with Rule 3.4 of the Prospectus Rules.

Application has been made to the UK Listing Authority and to the London Stock Exchange for the Existing Ordinary Shares and the New Ordinary Shares to be admitted to the premium listing segment of the Official List of the UK Listing Authority and to trading on the main market for listed securities of the London Stock Exchange, respectively. It is expected that Admission will become effective and that dealings on the London Stock Exchange in the Existing Ordinary Shares and the New Ordinary Shares will commence at 8.00 a.m. on 1 October 2010. No application is currently intended to be made for the Existing Ordinary Shares and the New Ordinary Shares to be admitted to listing or dealt with on any other exchange.

The LSP Existing Ordinary Shares are currently admitted to trading on AIM and PLUS. LSP is an authorised closed-ended investment company domiciled in Guernsey and is deemed to have been granted an authorisation declaration in accordance with Section 8 of The Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and Rule 6.02 of The Authorised Closed-Ended Investment Schemes Rules 2008. Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council take any responsibility for the financial soundness of LSP or for the correctness of any of the statements made or opinions expressed with regard to it. The Guernsey Financial Services Commission has not reviewed this document and neither it nor the States of Guernsey Policy Council take any responsibility for the financial soundness of LSP or for the correctness of any statements made or opinions expressed with regard to it. In the event that the Scheme becomes effective, LSP will apply to the Guernsey Financial Services Commission to have its authorisation declaration revoked.

Securities may not be offered or sold in the United States unless they are registered under United States Securities Act of 1933, as amended (the "Securities Act") or are exempt from such registration requirements. The New Ordinary Shares issued pursuant to the Scheme have not been and will not be registered under the Securities Act but will be

issued in reliance on the exemption provided by Section 3(a)(10) thereof. The New Ordinary Shares will not be registered under the securities laws of any state of the United States, and will be issued in the United States pursuant to the Scheme in reliance on available exemptions from such state law registration requirements. Neither the United States Securities and Exchange Commission nor any US state securities commission has reviewed or approved this document, the Scheme, or the issue of the New Ordinary Shares, and any representation to the contrary is a criminal offence in the United States.

In particular, subject to certain exceptions, this document should not be distributed, forwarded to or transmitted in or into the Excluded Jurisdictions.

KBC Peel Hunt Ltd ("KBC Peel Hunt"), which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for the Company and for no one else in connection with Admission and will not be responsible to any person other than the Company for providing the protections afforded to clients of KBC Peel Hunt, nor for providing advice in relation to Admission, the content of this document or any matter referred to in this document. Apart from the responsibilities and liabilities, if any, which may be imposed on KBC Peel Hunt by the FSMA or the regulatory regime established thereunder, neither KBC Peel Hunt nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of KBC Peel Hunt in connection with this document, any statement contained herein or otherwise, nor makes any representation or warranty, express or implied, in relation to, the contents of this document, including its accuracy, completeness or verification or for any other statement purported to be made by KBC Peel Hunt, or on behalf of KBC Peel Hunt in connection with the Company, the New Ordinary Shares or the Proposals. KBC Peel Hunt accordingly disclaims to the fullest extent permitted by law all and any responsibility or liability to any person who is not a client of KBC Peel Hunt, whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this document or any such statement.

Credit Suisse Securities (Europe) Limited ("Credit Suisse"), which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting for the Company and for no one else in connection with Admission and will not be responsible to any person other than the Company for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to Admission, the content of this document or any matter referred to in this document. Apart from the responsibilities and liabilities, if any, which may be imposed on Credit Suisse by the FSMA or the regulatory regime established thereunder, neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this document, any statement contained herein or otherwise, nor makes any representation or warranty, express or implied, in relation to, the contents of this document, including any accuracy, completeness or verification or for any other statement purported to be made by Credit Suisse, or on behalf of Credit Suisse in connection with the Company, the New Ordinary Shares or the Proposals. Credit Suisse accordingly disclaims to the fullest extent permitted by law all and any responsibility or liability to any person who is not a client of Credit Suisse, whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this document or any such statement.

GENERAL

The contents of this document are not to be construed as legal, financial or tax advice. This document is for your information only and nothing in this document is intended to endorse or recommend a particular course of action. Each prospective investor should consult his, her or its own solicitor, independent financial adviser or tax adviser for legal, financial or tax advice.

This document is dated 30 September 2010.

This supplementary prospectus is supplemental to, and must be read in conjunction with, the Prospectus. Following the publication of the Prospectus on 21 September 2010, LSP has today made an announcement in relation to the disposal of Aintree – Racecourse Retail Park. The Company and the Directors regard this information as a significant new factor relating to information contained in the Prospectus and accordingly have prepared and published this supplementary prospectus in accordance with section 87G of FSMA, the Prospectus Rules and Listing Rules. Save as disclosed in this supplement, there is no further information that is required to be disclosed in this Document pursuant to section 87G of FSMA.

1. Disposal of Aintree – Racecourse Retail Park

On 30 September 2010 LSP exchanged unconditional contracts for the sale of its Racecourse Retail Park, Aintree to The Crown Estate for a consideration of £101.5 million payable in cash.

As at 30 July 2010, and as set out in Part 10 of the Prospectus, Aintree was valued by CBRE at £96.6 million. The 295,000 sq ft retail park is multi-let to fourteen tenants including Boots, M&S, Next, Mothercare and B&Q and has a current annual rent of £5.7 million.

The Company intends to use the proceeds of the disposal to repay the Aintree Facility (a summary of which is set out at paragraph 14.14 of Part 12 of the Prospectus) with the remaining balance being available to the Company to invest in line with its investment policy.

As a result of the disposal of Aintree the UK REIT entry charge of £11.5 million as stated on pages 24, 138 and 169 of the Prospectus will reduce by £1.9 million.

Following the disposal of Aintree the proportion of the property assets which relate to the Property Rental Business has decreased from at least 60 per cent of the Enlarged Group's assets as stated on pages 5, 15 and 25 of the Prospectus to at least 50 per cent.

2. Amendment to Summary

This section supplements the summary set out on pages 4 to 8 of the Prospectus.

Following the disposal of Racecourse Retail Park, Aintree to The Crown Estate for £101.5m on 30 September 2010, the Enlarged Group's Property Portfolio will on Admission comprise fourteen investments.

LSP's Property Portfolio excluding Aintree (at its valuation as at 30 July 2010) which has now been sold and excluding LSP's investment in Meadowhall, but including a 100 per cent. interest in Radial (as accounted for as investment properties) has been valued as at 30 July 2010 at £525.6 million.

Including LSP's interest in the property value of Meadowhall at £225.3 million, LSP's 93.75 per cent. interest in Radial at £214.8 million, Bridges Wharf, Battersea at £30.0 million and the other assets in the Property Portfolio at £266.5 million, the Property Portfolio as set out in Part 10 of the Prospectus (excluding Aintree at its valuation as at 30 July 2010) has been valued as at 30 July 2010 at £736.6 million.

3. Correction to the Prospectus

This section corrects an inaccuracy in the table on page 202 of the Prospectus and in accordance with Prospectus Rule 3.4.1 has been included in this supplementary prospectus.

Below is a revised table of persons other than the LSP Directors and the Directors who directly or indirectly have an interest in three per cent. or more of the issued share capital of LSP as at 20th September 2010 or were expected on that date to have such an interest in the Company immediately following Admission:

| <i>Name</i> | <i>No of LSP</i> | <i>Percentage of</i> | | <i>No of issued</i> | <i>Percentage</i> |
|-------------|------------------|----------------------|----------|---------------------|-------------------|
|-------------|------------------|----------------------|----------|---------------------|-------------------|

| | <i>Existing Ordinary Shares</i> | <i>LSP issued share capital*</i> | <i>PLC Ordinary Shares</i> | <i>of Company issued share capital†</i> |
|--------------------------------|---|--------------------------------------|------------------------------------|---|
| General Electric Pension Trust | 62,535,267 | 12.51% | 73,984,060 | 13.56% |
| Taube Hodson Stonex | 40,231,988 | 8.05% | 40,231,988 | 7.37% |
| Caledonia Investments | 31,497,094 | 6.30% | 31,497,094 | 5.77% |
| Electra Partners | 30,000,000 | 6.00% | 30,000,000 | 5.50% |
| Fidelity | 29,447,584 | 5.89% | 29,447,584 | 5.40% |
| Worldstar | 24,105,067 | 4.82% | 24,105,067 | 4.42% |
| BlackRock | 22,445,192 | 4.49% | 22,445,192 | 4.11% |
| Sir R McAlpine | 15,000,000 | 3.00% | 15,000,000 | 2.75% |

* Ignoring the Subscriber Shares which have been surrendered and cancelled.

† Ignoring the Existing Ordinary Shares which are subject to the Initial Shares Buyback Agreements.

4. Responsibility

The Company and the Directors accept responsibility for all the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

5. Significant change

Save as set out in this document, no significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus has arisen or been noted since the date of its publication, being 21 September 2010.

6. Documents available for inspection

Copies of the following documents may be inspected at the offices of KBC Peel Hunt, at 111 Old Broad Street, London, EC2N 1PH and at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the date that is 12 months after Admission:

- 6.1 this supplementary prospectus;
- 6.2 the Prospectus; and
- 6.3 the documents referred to at paragraph 22 of Part 12 of the Prospectus.

Date: 30 September 2010