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This document comprises a prospectus relating to Standard Life Investments Property Income Trust Limited (the "Company") prepared in accordance with the Prospectus Rules and Listing Rules of the Financial Conduct Authority made under section 73A of the Financial Services and Markets Act 2000. This document has been approved by the Financial Conduct Authority in accordance with section 85 of the Financial Services and Markets Act 2000 and has been filed with the Financial Conduct Authority in accordance with Rule 3.2 of the Prospectus Rules. This document will be made available to the public in accordance with the Prospectus Rules by being made available at www.standardlifeinvestments.com/its.

The Company is an authorised closed-ended investment company which has been granted an authorisation declaration by the Commission in accordance with section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and Rule 6.02 of the Rules. Notification of the Proposals has been given to the Commission pursuant to the Rules. Neither the Commission nor the States of Guernsey Policy Council has reviewed this document and neither of them takes any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard to it.

The Directors of the Company, whose names appear on page 27 of this document, and the Company each 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 Directors and the Company, in accordance with the facts and does not omit anything likely to affect the import of such information.

STANDARD LIFE INVESTMENTS PROPERTY INCOME TRUST LIMITED

(a non cellular company incorporated with limited liability in Guernsey with registered number 41352)

Proposals to raise of up to £100 million by way of an Initial Placing and Offer for Subscription in relation to the acquisition of the New Portfolio and a Placing Programme

Applications will be made to the UK Listing Authority for the New Shares to be admitted to the Official List and to the London Stock Exchange for those New Shares to be admitted to trading on the Main Market. It is expected that Admission will become effective and that dealings in the New Shares will commence during the period from 15 December 2015 to 16 November 2016.

The Issues are not being made, directly or indirectly, in or into, or by the use of the mails, or by any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of the United States, Canada, Australia, Japan, New Zealand or the Republic of South Africa or any other Restricted Jurisdiction. Accordingly, copies of this document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from the United States, Canada, Australia, Japan, New Zealand or the Republic of South Africa or to, or for the account or benefit of, any resident of the United States, Canada, Australia, Japan, New Zealand or the Republic of South Africa or any other Restricted Jurisdiction and persons receiving this Prospectus (including custodians, nominees and trustees) must not mail or otherwise distribute or send it in, into or from such jurisdictions. In particular the New Shares have not been and will not be registered under the US Securities Act or under any of the relevant securities laws of any state of the United States or of Canada, Australia, Japan, New Zealand or the Republic of South Africa. Accordingly, unless an exemption under such act or laws is applicable, the New Shares may not be offered, sold or delivered directly or indirectly in or into the United States, Canada, Australia, Japan, New Zealand or the Republic of South Africa. This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The Placing Agent and the Sponsor, each of which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, are acting exclusively for the Company and for no-one else in relation to the Issues. Apart from the responsibilities and liabilities, if any, which may be imposed on the Placing Agent and the Sponsor by the Financial Services and Markets Act 2000 or the regulatory regime established thereunder, the Placing Agent and the Sponsor will not be responsible to anyone other than the Company for providing the protections afforded to clients of the Placing Agent or the Sponsor or for advising any other person in relation to the Issues or any transaction contemplated in or by this Prospectus.

No person has been authorised by the Company to issue any advertisement or to give any information or to make any representations in connection with the Issues other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representation must not be relied upon as having been authorised by the Company.

Potential investors should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before investing in the Company. Potential investors should also consider the risk factors relating to the Company set out on pages 15 to 20 of this document.

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SUMMARY

Summaries are made up of disclosure requirements known as 'Elements'. These Elements are numbered in Sections A-E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted into the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of 'not applicable'.

Section A – Introduction and warnings

Element	Disclosure Requirement	Disclosure
A.1	Warning	This summary should be read as an introduction to the Prospectus. Any decision to invest in the New Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the EEA States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who are responsible for this summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
A.2	Financial Intermediaries	Not applicable. No consent has been given by the issuer or person responsible for drawing up the Prospectus to the use of the Prospectus for subsequent resale or final placement of securities by financial intermediaries.

Section B – Issuer

Element	Disclosure Requirement	Disclosure
B.1	Legal and commercial name	Standard Life Investments Property Income Trust Limited (the "Company")
B.2	Domicile and legal form	The Company was incorporated in Guernsey on 18 November 2003 as a non-cellular company limited by shares under the Law, with registration number 41352. The Company is an authorised closed-ended investment scheme under section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and Rule 6.02 of the Rules. The Company is regulated by the Commission.
B.5	Group description	The Company has a wholly owned subsidiary, Standard Life Investments Property Holdings Limited.

		If the conditions to the Initial Placing and Offer and the Acquisition are satisfied and Admission and the completion of the Acquisition occurs, the JPUT, the Limited Partnership and the General Partnership shall form part of the Group.																																																																								
B.6	Major shareholders	<p>As at 13 November 2015 (being the latest practicable date prior to the publication of this document), the Company was aware of the following interests in 3 per cent. or more of the issued share capital of the Company:</p> <table><tr><td></td><td><i>No. of Shares</i></td><td><i>Percentage of issued share capital</i></td></tr><tr><td>Brewin Dolphin, stockbrokers</td><td>32,347,177</td><td>11.22</td></tr><tr><td>Brewin Dolphin, stockbrokers (Non discretionary)</td><td>27,007,104</td><td>9.36</td></tr><tr><td>Standard Life Investments</td><td>22,244,001</td><td>7.71</td></tr><tr><td>Heartwood Group</td><td>21,569,357</td><td>7.48</td></tr><tr><td>Hargreaves Lansdown, stockbrokers (Execution Only)</td><td>14,982,809</td><td>5.20</td></tr><tr><td>BlackRock</td><td>11,932,970</td><td>4.14</td></tr><tr><td>Close Brothers Asset Management</td><td>9,756,438</td><td>3.38</td></tr><tr><td>M&G Investment Management</td><td>9,605,533</td><td>3.33</td></tr><tr><td>Alliance Trust Savings</td><td>9,081,400</td><td>3.15</td></tr></table> <p>The Directors are not aware of any person or persons who could, directly or indirectly, jointly or severally, exercise control over the Company. There are no different voting rights for any Shareholder.</p>		<i>No. of Shares</i>	<i>Percentage of issued share capital</i>	Brewin Dolphin, stockbrokers	32,347,177	11.22	Brewin Dolphin, stockbrokers (Non discretionary)	27,007,104	9.36	Standard Life Investments	22,244,001	7.71	Heartwood Group	21,569,357	7.48	Hargreaves Lansdown, stockbrokers (Execution Only)	14,982,809	5.20	BlackRock	11,932,970	4.14	Close Brothers Asset Management	9,756,438	3.38	M&G Investment Management	9,605,533	3.33	Alliance Trust Savings	9,081,400	3.15																																										
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B.7	Key financial information	<p>Selected financial information relating to the Company which summarises the financial condition of the Company for the three financial years ended 31 December 2014 and the six month periods ended 30 June 2014 and 30 June 2015 is set out in the following table:</p> <table><tr><td></td><td><i>Year ended 31 December 2012</i></td><td><i>Year ended 31 December 2013</i></td><td><i>Year ended 31 December 2014</i></td><td><i>Six months ended 30 June 2014</i></td><td><i>Six months ended 30 June 2015</i></td></tr><tr><td>Net asset value</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Net assets (£'000)</td><td>176,109</td><td>101,592</td><td>184,367</td><td>120,208</td><td>226,400</td></tr><tr><td>Equity Shareholders' funds (£'000)</td><td>80,631</td><td>101,592</td><td>184,367</td><td>113,431</td><td>226,400</td></tr><tr><td>Net asset value per Ordinary Share (pence)</td><td>57.7</td><td>65.5</td><td>75.5</td><td>70.6</td><td>78.5</td></tr><tr><td>Consolidated income statement</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Rental income (£'000)</td><td>13,489</td><td>13,395</td><td>16,146</td><td>7,463</td><td>9,739</td></tr><tr><td>Profit/(loss) for the period (£'000)</td><td>(1,424)</td><td>11,237</td><td>29,171</td><td>11,571</td><td>12,934</td></tr><tr><td>Earnings per share (pence)</td><td>5.53</td><td>3.77</td><td>4.90</td><td>2.8</td><td>2.32</td></tr><tr><td>NAV/share price returns</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Net asset value total return</td><td>(2.9)%</td><td>25.2%</td><td>23.2%</td><td>11.7%</td><td>6.6%</td></tr><tr><td>Ordinary Share price return</td><td>21.2%</td><td>29.2%</td><td>18.8%</td><td>12.7%</td><td>10.0%</td></tr></table> <p>During the three years to, and since, 30 June 2015 (being the end of the last financial period of the Company for which financial information has been published), there has been no significant change to the Company's financial condition or its operating results, save for the increase in the Company's net assets from</p>		<i>Year ended 31 December 2012</i>	<i>Year ended 31 December 2013</i>	<i>Year ended 31 December 2014</i>	<i>Six months ended 30 June 2014</i>	<i>Six months ended 30 June 2015</i>	Net asset value						Net assets (£'000)	176,109	101,592	184,367	120,208	226,400	Equity Shareholders' funds (£'000)	80,631	101,592	184,367	113,431	226,400	Net asset value per Ordinary Share (pence)	57.7	65.5	75.5	70.6	78.5	Consolidated income statement						Rental income (£'000)	13,489	13,395	16,146	7,463	9,739	Profit/(loss) for the period (£'000)	(1,424)	11,237	29,171	11,571	12,934	Earnings per share (pence)	5.53	3.77	4.90	2.8	2.32	NAV/share price returns						Net asset value total return	(2.9)%	25.2%	23.2%	11.7%	6.6%	Ordinary Share price return	21.2%	29.2%	18.8%	12.7%	10.0%
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		£226 million as at 30 June 2015 to £233 million as at 30 September 2015.
B.8	Key pro forma financial information	The key pro forma financial information included in the document has been prepared to illustrate the effect on the net assets and earnings of the Group as if the Initial Placing and Offer for Subscription and the Acquisition had occurred on 30 June 2015 and on the earnings of the Group for the six months ended 30 June 2015 as if they had occurred on 1 January 2015.
B.9	Profit forecast	Not applicable. No profit forecast or estimate is made.
B.10	Description of the nature of any qualifications in the audit report on the historical financial information	Not applicable. The audit reports on the historical financial information contained within the document are not qualified.
B.11	Insufficient working capital	Not applicable. The Company is of the opinion that the working capital available to the Group is sufficient for its present requirements, that is for at least the next twelve months from the date of the Prospectus.
B.34	Investment policy	<p>The Company's investment objective is to provide Ordinary Shareholders with an attractive level of income together with the prospect of income and capital growth.</p> <p>The Directors intend to achieve the investment objective by investing in a diversified portfolio consisting of UK commercial properties. The majority of the portfolio will be invested in direct holdings within the three main commercial property sectors of retail, office and industrial although the Company may also invest in other commercial property such as hotels, nursing homes and student housing. Investment in property development and investment in co-investment vehicles where there is more than one investor is permitted up to a maximum of 10 per cent. of the Property Portfolio.</p> <p>In order to manage risk in the Company, without compromising flexibility, the Directors apply the following restrictions to the Property Portfolio in normal market conditions:</p> <ul style="list-style-type: none"> • no property will be greater by value than 15 per cent. of Total Assets; • no tenant (with the exception of the Government) shall be responsible for more than 20 per cent. of the Company's rent roll; and • gearing, calculated as borrowings as a percentage of gross assets, may not exceed 65 per cent. The Board's current intention is that the Company's loan to value ratio (calculated as borrowings less all cash as a proportion of Property Portfolio valuation) will not exceed 45 per cent.
B.35	Borrowing limits	The Company has the power under the Articles to borrow an amount up to 65 per cent. of the Group's gross assets (as defined in the Articles). It is the present intention of the Directors that the Company's

		LTV will not exceed 45 per cent. and the Investment Manager is currently instructed to target a LTV between 25 per cent. and 35 per cent.
B.36	Regulatory status	The Company is an authorised closed-ended investment scheme under section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and Rule 6.02 of the Rules.
B.37	Typical investor	The Directors believe that the profile of a typical investor in the Company is an institution or professionally advised individual who is seeking income and capital growth from investing in a diversified portfolio of commercial property and who understands and accepts the risks inherent in the Company's investment policy.
B.38	Investment of 20% or more in single underlying asset or investment company	Not applicable.
B.39	Investment of 40% or more in single underlying asset or investment company	Not applicable.
B.40	Applicant's service providers	<p><i>The Investment Manager</i></p> <p>The Company has appointed Standard Life Investments (Corporate Funds) Limited as its AIFM and investment manager. The Investment Manager is a private registered company incorporated under Scots law with registered number SC111488. The Investment Manager is authorised and regulated by the FCA.</p> <p>In its capacity as AIFM and investment manager to the Company, the Investment Manager is responsible for the management, control and operation of the business and affairs of the Company in accordance with the Company's investment objective and policy.</p> <p>As at 30 June 2015, the Investment Manager had £250 billion of assets under management.</p> <p>Under the current Investment Management Agreement, the Investment Manager receives an aggregate annual fee, payable quarterly in arrears, at the rate of 0.75 per cent. per annum of Total Assets up to £200 million, 0.70 per cent. per annum of Total Assets between £200 million and £300 million and 0.65 per cent. per annum of Total Assets in excess of £300 million.</p> <p>The Investment Manager is entitled to retain any commissions received by it in respect of insurance put in place on behalf of the Group. The Investment Management Agreement is terminable by any of the parties to it on 12 months' notice.</p> <p><i>The Administrator</i></p> <p>The Investment Manager has delegated the administration and secretarial services to Northern Trust International Fund Administration Services (Guernsey) Limited pursuant to the Administration</p>

		<p>and Secretarial Agreement. The Administrator is responsible for the general secretarial functions required by the Law.</p> <p>The Administrator is entitled to receive a fee of £65,000 per annum, payable quarterly in arrears. The Administration and Secretarial Agreement can be terminated by any party on 90 days' prior written notice.</p> <p>The Administrator is the designated manager for the purposes of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended.</p> <p><i>The Registrar</i></p> <p>The Company utilises the services of Computershare Investor Services (Guernsey) Limited as registrar in relation to the transfer and settlement of Ordinary Shares held in uncertificated form and Computershare Investor Services PLC as UK transfer agent.</p> <p><i>The Depositary</i></p> <p>The Company has appointed Citibank International plc as its depositary to safeguard and monitor its assets pursuant to the Depositary Agreement.</p> <p>The Depositary is paid a fee on a quarterly basis for its services of 0.0145 per cent. per annum of the net asset value of the Company subject to a minimum of £25,000 per annum.</p> <p><i>The Auditor</i></p> <p>Ernst & Young LLP provides audit services to the Company. The annual reports and accounts are prepared according to accounting standards in line with IFRS as adopted by the European Union.</p> <p>The fees charged by the Auditors depend on the services provided, computed, <i>inter alia</i>, on the time spent by the Auditors on the affairs of the Company and there is not a maximum amount payable.</p>
B.41	Regulatory status of investment manager and custodian	The Investment Manager is authorised and regulated by the FCA.
B.42	Calculation of Net Asset Value	The net asset value will be calculated by the Investment Manager and published through a Regulatory Information Service as soon as practicable after the end of the relevant quarter. The calculation of the net asset value per Ordinary Share will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Details of any suspension in making such calculations will be announced through a Regulatory Information Service.
B.43	Cross liability	Not applicable. The Company is not an umbrella collective investment undertaking and as such there is no cross liability between classes or investment in another collective investment undertaking.

B.44	No financial statements have been made up	Not applicable. The Company has commenced operations and historical financial information is included within this document.
B.45	Portfolio	As at 30 September 2015, the Property Portfolio consisted of 42 properties which are located across England, Scotland and Wales and, as at 30 September 2015, they had a market value of approximately £308 million. The Company completed the sale of the Maple Cross Property for a consideration of £14.75 million on 6 November 2015. As at the date of this document the Company also has cash of approximately £30 million, of which approximately £22 million is available for investment (excluding funds required for investments currently under negotiation and capital expenditure).
B.46	Net asset value	The unaudited estimated net asset value per Ordinary Share as at 30 September 2015 (being the latest practicable date prior to the publication of this document) was 80.9 pence (including accrued dividends).

Section C – Securities

Element	Disclosure Requirement	Disclosure
C.1	Type and class of securities	The Company proposes to issue up to 122 million New Shares in aggregate at the Issue Price to raise up to approximately £100 million. Application will be made to the UK Listing Authority for the New Shares to be admitted to the Official List with a premium listing. The ISIN of the New Shares is GB0033875286 and the SEDOL is 3387528.
C.2	Currency	The Company may issue Ordinary Shares denominated in Sterling.
C.3	Number of securities in issue	The nominal value of an Ordinary Share is 1 pence. As at 13 November 2015 (being the latest practicable date prior to the publication of this document) the Company had 288,387,160 Ordinary Shares in issue all of which are fully paid.
C.4	Description of the rights attaching to the securities	<p><i>Voting Rights</i></p> <p>Subject to any special rights, restrictions or prohibitions as regards voting for the time being attached to any Ordinary Shares, Ordinary Shareholders shall have the right to receive notice of and to attend and vote at general meetings of the Company.</p> <p>Each Ordinary Shareholder being present in person (if an individual) or by proxy or by a duly authorised representative (if a company) at a general meeting shall upon a show of hands have one vote and upon a poll all Ordinary Shareholders shall have one vote for every share held.</p> <p><i>Dividend rights</i></p> <p>Ordinary Shareholders will be entitled to receive such dividends as the Directors may resolve to pay, subject to compliance with the Law, to such holders out of the</p>

		<p>assets attributable to their class of Shares. The holders of Preference Shares are not entitled to receive any payment of dividends.</p> <p><i>Return of capital</i></p> <p>Ordinary Shareholders are entitled to participate (in accordance with the rights specified in the Articles) in the assets of the Company attributable to their Ordinary Shares on a winding up of the Company or a winding up of the business of the Company.</p>
C.5	Restrictions on the free transferability of the securities	<p>Subject to the Articles (and the restrictions on transfer contained therein) a Shareholder may transfer all or any of his Ordinary Shares in any manner which is permitted by the Law or in any other lawful manner which is from time to time approved by the Board.</p> <p>The Ordinary Shares have not been registered in the United States under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and are subject to restrictions on transfer contained in such laws. There are restrictions on the purchase of Shares by persons who are located in the United States or who are US Persons and on the resale of Shares by any Shareholders to any person who is located in the United States or is a US Person.</p>
C.6	Admission	<p>Application will be made to the UK Listing Authority for the New Shares to be admitted to the Official List with a premium listing and to the London Stock Exchange for the New Shares to be admitted to trading on the Main Market for listed securities.</p>
C.7	Dividend policy	<p>It is the Board's policy that in paying dividends it should target aggregate annual dividends which are fully covered by the Group's net income. Dividends on the Ordinary Shares are expected to be paid in equal instalments quarterly in respect of each financial year in March, May, August and November. All dividends are paid as interim dividends.</p> <p>The Company has declared a dividend of 1.161 pence per Share for the quarter ending 30 September 2015 which will be paid on 27 November 2015 to the Company's existing Shareholders. The Company expects that its final interim dividend of 1.161 pence per Share in respect of the period to 31 December 2015 will be split into: (i) a fourth interim dividend for the period between 1 October 2015 and 14 December 2015 (the date immediately prior to Admission and the completion of the Acquisition); and (ii) a fifth interim dividend for the period between 15 December 2015 and 31 December. The Company's existing Shareholders will qualify for the fourth and fifth interim dividends in respect of their existing holdings of Ordinary Shares which together equal the equivalent of 1.161 pence for the quarter per Share. New Shares issued pursuant to the Initial</p>

		<p>Placing and Offer will only qualify for the fifth interim dividend.</p> <p>Save as referred to above, New Shares will rank <i>pari passu</i> with the Ordinary Shares in respect of dividends.</p>
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Section D – Risks

Element	Disclosure Requirement	Disclosure
D.2	Key information on the key risks specific to the issuer	<ul style="list-style-type: none"> • The net asset values are primarily based on the independent valuation of the underlying properties held by the Group. The valuation of property is inherently subjective due to the individual nature of each property and as a result valuations are subject to substantial uncertainty. There is no assurance that the valuations of properties will reflect the actual sale price even where such sales occur shortly after the relevant valuation date. • The performance of the Group would be adversely affected by a downturn in the property market in the UK in terms of market value or a weakening of rental yields. In the event of default by a tenant, or during any other void period, the Group will suffer a rental shortfall and incur additional expenses until the property is re-let. These expenses could include legal and surveying costs in re-letting, maintenance costs, insurances, rates and marketing costs. • The Group's ability to pay dividends will be dependent principally upon its rental income. Rental income and the market value of properties are generally affected by growth in gross domestic product, employment trends, inflation and changes in interest rates. Changes in gross domestic product may also impact employment levels which in turn may impact occupier demand for premises. • The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this document are those currently available and their value depends on the individual circumstances of investors. Any change in the Group's tax status or in taxation legislation in Guernsey or the United Kingdom or any other tax jurisdiction affecting Shareholders or investors could affect the value of the investments held by the Group or affect the Company's ability to achieve its investment objective for the Ordinary Shares or alter the post tax returns to Shareholders. • The Group may have difficulty in obtaining a new tenant for any vacant space it has, or may have, in its Properties, particularly if prospective tenants have negative perceptions of the attractiveness or other features of any Property. Certain of the Properties may be specifically suited to the particular needs of a certain type of tenant. The Group may need to incur additional capital expenditure on a Property to attract tenants.

		<ul style="list-style-type: none"> • In determining the appropriate market value, the Valuer and Knight Frank are required to make certain assumptions. Such assumptions may prove to be inaccurate. In assessing the appropriate market value, the Valuer and Knight Frank have regard to transactional evidence, market conditions and sentiment existing at the date of the valuation. The commercial real estate market has been shown to be cyclical in terms of values and liquidity. Rapidly changing political, financial and economic circumstances together with the use of debt (leverage) can lead to periods of significant volatility in both prices and levels of transactions. Where transactional evidence is sparse against which property valuations can be benchmarked this can pose extra challenges to valuers and can result in subsequent sale outcomes which vary from the valuation number. • The valuation of the Group's wholly owned Properties and the New Portfolio are believed to be accurate only as of their valuation date. Whilst there has been no material change in the valuation of the Properties and the New Properties since 30 September 2015 and 19 October 2015 respectively to the date of this document, market volatility following the date of publication of this document may cause material changes in the value of the properties. Therefore there can be no assurance that these valuations will be reflected in actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove attainable. • Where there are lease expiries within the Property Portfolio, there is a risk that a significant proportion of leases may be re-let at rental values lower than those prevailing under the current leases, or that void periods may be experienced on a significant proportion of the Property Portfolio. • There is no certainty that the Acquisition will become effective as it is subject to the satisfaction of a number of conditions. The completion of the Acquisition is conditional upon, <i>inter alia</i>, the Resolutions being passed at the General Meeting and sufficient funds being raised pursuant to the Initial Placing and Offer which when taken together with the New Bank Facility and the Company's existing cash reserves enable the Group to complete the Acquisition. In the event that Admission does not occur and the Acquisition does not complete, it is estimated that the costs incurred by the Company will be, in aggregate, approximately £0.8 million. • The New Portfolio will be acquired pursuant to the terms of the conditional Acquisition Agreement which
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		contains warranties, indemnities and representations customary to agreements of this nature. The liability of the Vendor in relation to these warranties, indemnities and representations has been capped to £1. Warranty and indemnity insurance has therefore been put in place on behalf of the Company and the Property Subsidiary. The insurance policy is subject to certain exclusions, an overall liability cap of £16.5 million and warranty claims in relation to matters that are known to the Investment Manager. In the event that a claim arose under the warranties which is not covered by the insurance policy, the Company would not be able to recover the full amount of its loss which could have a material adverse effect on the financial position of the Company.
D.3	Key information on the key risks specific to the securities	<ul style="list-style-type: none"> • An investment in Ordinary Shares is only suitable for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise therefrom (which may be equal to the whole amount invested). Such an investment should be seen as long term in nature and complementary to existing investments in a range of other financial assets. • The market value of, and the income derived from, the Ordinary Shares can fluctuate. The market value of an Ordinary Share may vary considerably from its underlying net asset value. Shareholders could lose all or part of their investment in the Ordinary Shares. The market value of the Ordinary Shares, as well as being affected by their net asset value, also takes into account their dividend yield and prevailing interest rates. • Dividend growth on the Ordinary Shares will depend principally on growth in rental income received from the underlying assets.

Section E – Offer

Element	Disclosure Requirement	Disclosure
E.1	Net proceeds and costs of the Issues	The costs and expenses of the Proposals are dependent on subscriptions. However, by way of illustration, such costs include the acquisition costs of the JPUT, the Limited Partnership and the New Portfolio, the commission payable to the Placing Agent and the costs in relation to the publication of this document and the Circular. These costs are expected to be approximately £3.5 million. The consideration payable for all the units in the JPUT, both of the shares in the General Partner and the New Portfolio will be £165 million adjusted to take into account any accruals and contingencies of the JPUT and the Limited Partnership on the date of completion of the Acquisition. Accordingly it is estimated that the total

		<p>consideration and costs and expenses payable by the Company in relation to the Proposals would amount to approximately £171 million.</p> <p>Up to 122 million New Shares will be issued under the Initial Placing and Offer at a premium of 2.84 per cent. to the NAV per Share as at 30 September 2015 once the accrued dividend for the period ending 30 September 2015 has been deducted.</p> <p>The Minimum Issue Proceeds have to be raised under the Initial Placing and Offer prior to Admission occurring and the Acquisition completing. In such an event, the gross proceeds of the Initial Placing and Offer (being at least £80 million) will be used, together with the New Bank Facility of up to approximately £70.6 million and the Company's existing available cash reserves of up to £22 million, to acquire the JPUT, the General Partner and the New Portfolio as well as to fund all of the costs associated with the Proposals.</p>
E.2 A	Reason for offer and use of proceeds	<p>The net proceeds of the Initial Placing and Offer are intended to be used by the Group to fund, together with the New Bank Facility and the Company's existing cash reserves, the acquisition of the Units in the JPUT, the Shares in the General Partner and the New Portfolio. It is therefore expected that the Proposals will diversify the Property Portfolio, enhance the dividend cover, introduce a number of asset management opportunities which should enhance returns to Shareholders increase the size of the Group and spread the fixed costs over a wider asset base. They will also increase the market capitalisation and liquidity in the Ordinary Shares.</p>
E.3	Terms and conditions of the offer	<p>To become effective, the Initial Placing and Offer require, amongst other things, the following events to occur:</p> <ul style="list-style-type: none"> • the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission; • the Admission Condition being satisfied prior to 8.00 a.m. on 15 December 2015 (or such later time and/or date, not being later than 8.00 a.m. on 18 December 2015, as the Board may determine); • Shareholder approval being granted at the General Meeting in relation to the Acquisition and the issue of New Shares on a non pre-emptive basis, in relation to the Initial Placing and Offer; and • the gross proceeds of the Initial Placing and Offer being the equivalent of at least £80 million (the Minimum Issue Proceeds). <p>Subject to the requirements of the Listing Rules, any of the conditions referred to above may be waived by the Company (or, where appropriate, by the party for whose</p>

		<p>benefit the relevant condition exists) in whole or in part on or before 15 December 2015. The Initial Placing and the Offer will only become effective if all of the conditions referred to above are satisfied or waived (as the case may be) on or before 18 December 2015.</p> <p>If Admission occurs and the Acquisition completes, it is unlikely that the Directors will implement the Placing Programme in the near term and, in order to become effective, each Issue under the Placing Programme will require the following events to occur:</p> <ul style="list-style-type: none"> • the Placing Programme Price being determined by the Directors; • the Admission Condition being satisfied pursuant to such Issue; • a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules; and • Shareholder authority in relation to the relevant placing under the Placing Programme being granted at a duly convened general meeting of the Company.
E.4	Material interests	Not applicable. No interest is material to the Issues.
E.5	Name of person selling securities	Not applicable. No person or entity offering to sell the security as part of the Issues.
E.6	Dilution	Not applicable. Existing Shareholders are not obliged to participate in the Issues. However, those Shareholders who do not participate in the Issues will suffer a dilution to the percentage of the issued share capital that their current holding represents based on the actual number of Ordinary Shares issued. Assuming 122 million New Shares are issued under the Initial Placing and Offer, Shareholders will suffer a dilution of approximately 29.73 per cent. to their existing percentage holdings if they do not participate in the Issues.
E.7	Expenses charged to the investor	It is estimated that, in the event Admission occurs, the costs of the Initial Placing, the Offer and the Placing Programme (including but not limited to the publication of this document and the issue of New Shares) incurred by the Company will, in aggregate, be approximately £1.4 million, which is approximately 0.6 per cent. of the net assets of the Group as at 30 September 2015.

RISK FACTORS

The risk factors referred to below are the risks which are considered by the Company and the Directors to be material as at the date of this document but are not the only risks relating to the Company or the Ordinary Shares. Additional risks and uncertainties relating to the Company or the Ordinary Shares that are not currently known to the Company or the Directors or that the Directors or the Company do not currently consider to be material may also have a material adverse effect on the Company. Potential investors should review this Prospectus carefully and in its entirety and consult with their stockbroker, bank manager, solicitor, accountant or other independent financial adviser before acquiring any Ordinary Shares.

Prospective investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this document headed “Summary” are the risks that the Company believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of the document headed “Summary” but also, among other things, the risks and uncertainties described below.

Potential investors should carefully consider the following material risk factors in relation to the Company and the Ordinary Shares.

Risks relating to the Ordinary Shares

Risks relating to the market value of the Ordinary Shares

The market value of, and the income derived from, the Ordinary Shares can fluctuate. The market value of an Ordinary Share, as well as being affected by its net asset value and prospective net asset value, also takes into account its dividend yield and prevailing interest rates. As such, the market value of an Ordinary Share may vary considerably from its underlying net asset value. The market prices of shares in quoted investment companies can therefore be at a discount or premium to the net asset value at different times, depending on supply and demand, market conditions, general investor sentiment, rental yields and other factors. Accordingly the market price of the Ordinary Shares may not fully reflect their underlying net asset value.

Fluctuations could also result from a change in national and/or global economic and financial conditions, the actions of governments in relation to changes in the national and global financial climate or taxation, market perceptions as to when and at what level the Company will pay dividends on the Ordinary Shares and various other factors and events, including the liquidity of financial markets, variations in the Company’s operating results, business developments of the Company and/or its competitors. Although the New Shares to be issued pursuant to the Issues are to be issued at a premium to the NAV per Share, there is no guarantee that such Shares will trade at a premium to NAV.

Risks relating to dividends

There is no guarantee that the expected dividend in respect of any period will be paid. The Company’s ability to pay dividends will be dependent principally upon its rental income generated from the properties owned by the Group.

The rental income derived from properties is generally affected by overall conditions in the relevant local economy, such as growth in gross domestic product, employment trends, inflation and changes in interest rates. Changes in gross domestic product may also impact employment levels, which in turn may impact occupier demand for premises. Both rental income and market values may also be affected by other factors specific to the commercial property market, such as competition from other property owners, the perceptions of prospective tenants of the attractiveness, convenience and safety of properties, the inability to collect rents because of the bankruptcy or insolvency of tenants or otherwise, the periodic need to renovate, repair and re-lease space and the costs thereof, the costs of maintenance and insurance, and increased operating costs. In addition, certain significant expenditures, including operating expenses, must be met by the owner even when the property is

vacant which will have a material adverse impact on the financial condition and performance of the Company and/or the level of dividend cover.

Dividend growth on the Ordinary Shares will depend principally on growth in rental income received from the underlying assets and the extent to which the Group is invested. In the event that the Acquisition of the New Portfolio does not complete, the Company's existing cash resources and the net proceeds of the Placing Programme will be used to acquire UK commercial properties in accordance with the Company's investment policy. The timing of the acquisition of any such properties will depend, *inter alia*, on the completion of the negotiations, in a manner acceptable to the Board and the Investment Manager, in relation to the properties that have been identified by the Investment Manager. In the event that an acquisition of a property identified by the Investment Manager as being a suitable investment for the Company did not complete, there may be a significant period of time between completion of a placing under the Placing Programme and the proceeds of such placing being fully invested by the Company. Until the existing cash resources and the proceeds of a placing under the Placing Programme are invested they are not expected to generate significant amounts of income (and the dividends payable in respect of the New Shares are not likely to exceed the income generated by the proceeds of a placing under the Placing Programme until such proceeds are fully invested in UK commercial properties).

If under Guernsey law there were to be a change to the basis on which dividends could be paid by Guernsey companies, this could have a negative effect on the Company's ability to pay dividends. The solvency test introduced by the Law must be satisfied by the Company before any dividend payments may be made.

Risks relating to the liquidity of the Ordinary Shares

The Company does not have a fixed winding up date and, therefore, unless Shareholders vote to wind up the Company, Shareholders will only be able to realise their investment through the market. Although the Ordinary Shares are listed on the Official List and traded on the Main Market, there may not be a liquid market in the Ordinary Shares and Shareholders may have difficulty in selling them.

Risks relating to the Company

There can be no guarantee that the investment objectives of the Company will be met. If these objectives are not met Shareholders may not receive an attractive level of income or any income or capital growth in the underlying value of their Shares.

Risks relating to the enforcement of judgments

A Shareholder may not be able to enforce a judgment against some or all of the Directors. Some of the Directors are resident in the Channel Islands and some are resident in the UK. It may not be possible for a Shareholder to effect service of process upon the Directors within the Shareholder's country of residence or to enforce against the Directors of the Company in the courts of the Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that a Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than Guernsey against the Directors who are residents of countries other than those in which judgment is made. In addition, Guernsey courts or other courts may not impose civil liability on the Directors in any original action based solely on foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in Guernsey.

Risks relating to the taxation of the Company

The levels of, and reliefs from, taxation may change. The tax reliefs referred to in this document are those currently available and their value depends on the individual circumstances of investors. Any change in the Group's tax status or in taxation legislation in Guernsey or the United Kingdom or any other tax jurisdiction affecting Shareholders or investors could affect the value of the investments held by the Company, the Property Subsidiary or any other member of the Group, or affect the Company's ability to achieve its investment objective for the Ordinary Shares or alter the post tax returns to Shareholders. If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

Any change (including a change in interpretation) in tax legislation, either in Guernsey, the United Kingdom or in other countries in which the Group operates, could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects or the price of the Ordinary Shares. Changes to tax legislation could include the imposition of new taxes or increases in tax rates in Guernsey or in the United Kingdom. In particular, an increase in the rates of stamp duty land tax could have a material impact on the price at which UK land can be sold and therefore on asset values.

The Company became tax resident in the UK and entered the UK REIT regime with effect from 1 January 2015. The Company cannot guarantee that it will maintain continued compliance with all of the REIT conditions. There is a risk that the REIT regime may cease to apply in some circumstances. HMRC may require the Company to exit the REIT regime if: (i) it regards a breach of the conditions or failure to satisfy the conditions relating to the REIT regime, or an attempt to avoid tax, as sufficiently serious; (ii) the Company has committed a certain number of minor or inadvertent breaches in a specified period; or (iii) HMRC has given the Company at least two notices in relation to the avoidance of tax within a ten year period.

In addition, if the conditions for REIT status relating to the share capital of the Company or the prohibition on entering into loans with abnormal returns are breached or the Company ceases to be UK tax resident, becomes dual tax resident or an open-ended investment company, the Company will automatically lose REIT status. The Company could therefore lose its status as a REIT as a result of actions by third parties, for example, in the event of a successful takeover by a company that is not a REIT or due to a breach of the close company condition if it is unable to remedy the breach within a specified timeframe. If the Company were to be required to leave the REIT regime within ten years of joining, HMRC has wide powers to direct how it would be taxed, including in relation to the date on which the Company would be treated as exiting the REIT regime which could have a material impact on the financial condition of the Company and, as a result, Shareholder returns.

Risks relating to gearing

Investors should be aware that whilst the use of borrowings should enhance the net asset value of the Ordinary Shares where the value of the Group's underlying assets is rising it will have the opposite effect where the underlying asset value is falling. In addition, in the event that the rental income of the Property Portfolio falls for whatever reason, including tenant defaults, the use of borrowings will increase the impact of such fall on the net revenue of the Group and accordingly will have an adverse effect on the Group's ability to pay dividends to Shareholders.

In the event that Admission occurs and the Acquisition completes, the Group will have drawn down up to approximately £70.6 million of the New Bank Facility to partly fund the Acquisition. This will be in addition to its existing Bank Facility.

The Group may be required to use part of its cash flows to service its debt obligations, thereby reducing the flexibility and cash available to pay dividends to Shareholders over the longer term and increasing the Group's vulnerability to general adverse economic and industry conditions including increases in interest rates.

There is no guarantee that the Group will be able to refinance the existing Bank Facility or the New Bank Facility on their maturity (if Admission occurs and the Acquisition completes, the repayment date for both of these facilities will be 17 June 2017) either at all or on acceptable terms, which may adversely affect the future prospects of the Company and, as a consequence, returns to Shareholders.

Risks relating to the economic environment

Any weakening of the economic conditions in the United Kingdom and elsewhere may reduce the value of the Property Portfolio and may reduce liquidity in the commercial real estate market. A lack of liquidity in commercial real estate may prevent the Group from taking advantage of occupational demand and rental growth or disposing of lower growth or riskier assets, thereby adversely affecting the Company's net asset value. As a result, the Group may be unable to sell property or, alternatively, might be forced to sell property at less than the value stated in the valuation of the Property Portfolio, which could have a material adverse effect on its business, financial condition, results of operations, future prospects or the price of the Ordinary Shares.

Risks relating to law and regulation

Changes in laws or regulations, or a failure to comply with any laws and regulations, may adversely affect the Company's business, investments and performance. The Company is subject to laws and regulations enacted by national and local government. In particular, the Company is subject to and will be required to comply with certain regulatory requirements that are applicable to listed closed-ended collective investment companies which are domiciled in Guernsey. These include compliance with any decision of the Commission. In addition, the Company is subject to and will be required to comply with certain regulatory requirements which are applicable to closed-ended investment companies (including continuing obligations) whose shares are listed on the premium segment of the Official List of the FCA. Any change in the laws and regulations affecting the Company, the Property Subsidiary, the Investment Manager or the Company's investments may have an adverse effect on the ability of the Company to carry on its business and pursue its investment policy.

Risks relating to the Company's investments

Risks relating to property and property-related assets

The performance of the Group would be adversely affected by a downturn in the property market in terms of market value or a weakening of rental yields. In the event of default by a tenant, or during any other void period, the Group will suffer a rental shortfall and incur additional expenses until the property is re-let. These expenses could include legal and surveying costs in re-letting, maintenance costs, insurance costs, rates and marketing costs.

Returns from an investment in property depend largely upon the amount of rental income generated from the property and the expenses incurred in the development or redevelopment and management of the property, as well as upon changes in its market value.

Any change to the laws and regulations relating to the UK commercial property market may have an adverse effect on the market value of the Property Portfolio and/or the rental income of the Property Portfolio.

Where there are lease expiries within the Property Portfolio, there is a risk that a significant proportion of leases may be re-let at rental values lower than those prevailing under the current leases, or that void periods may be experienced on a significant proportion of the Property Portfolio.

The Group may undertake development (including redevelopment) of property or invest in property that requires refurbishment prior to renting the property. The risks of development or refurbishment include, but are not limited to, delays in timely completion of the project, cost overruns, poor quality workmanship, and inability to rent or inability to rent at a rental level sufficient to generate profits.

The Group may face significant competition from UK or other foreign property companies or funds. Competition in the property market may lead to prices for existing properties or land for development being driven up through competing bids by potential purchasers. Accordingly, the existence of such competition may have a material adverse impact on the Group's ability to acquire properties or development land at satisfactory prices.

As the owner of UK commercial property, the Group is subject to environmental regulations that can impose liability for cleaning up contaminated land, watercourses or groundwater on the person causing or knowingly permitting the contamination. If the Group owns or acquires contaminated land, it could also be liable to third parties for harm caused to them or their property as a result of the contamination. If the Group is found to be in violation of environmental regulations, it could face reputational damage, regulatory compliance penalties, reduced letting income and reduced asset valuation, which could have a material adverse effect on the Group's business, financial condition, results of operations, future prospects and/or the price of the Ordinary Shares.

Risks relating to valuations

The value of property and property-related assets is inherently subjective due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the valuations of the Properties and/or the New Properties will reflect the actual sale price even where such sales occur shortly after the relevant valuation date or completion of the Acquisition.

The Property Portfolio has been valued by the Valuer as at 30 September 2015 and the New Portfolio has been valued by Knight Frank as at 19 October 2015 on the basis of “Market Value” in accordance with the Red Book. In determining the appropriate market value, the Valuer and Knight Frank are required to make certain assumptions. Such assumptions may prove to be inaccurate.

In assessing the appropriate market value, the Valuer and Knight Frank have regard to transactional evidence, market conditions and sentiment existing at the date of the valuation. The commercial real estate market has been shown to be cyclical in terms of values and liquidity. Rapidly changing political, financial and economic circumstances together with the use of debt (leverage) can lead to periods of significant volatility in both prices and levels of transactions. Where transactional evidence is sparse against which property valuations can be benchmarked this can pose extra challenges to valuers and can result in subsequent sale outcomes which vary from the valuation number.

The valuation of the Group’s Properties and the New Portfolio are believed to be accurate only as of their valuation date. Whilst there has been no material change in the valuation of the Properties and the New Properties since 30 September 2015 and 19 October 2015 respectively to the date of this document, market volatility following the date of publication of this document may cause material changes in the value of the properties. Therefore there can be no assurance that these valuations will be reflected in actual transaction prices, even where any such transactions occur shortly after the relevant valuation date or the completion of the Acquisition, or that the estimated yield and annual rental income will prove attainable.

The value of the properties can be affected by factors outside of the Group’s control, including declining demand for industrial, office and retail real estate, changes in general economic conditions, changing local supply and the attractiveness of real estate relative to other investment choices. Failure to achieve successful sales of properties in the future at acceptable prices could have an adverse effect on the Group’s business, financial condition, results of operations, future prospects or the price of the Ordinary Shares.

Risks relating to reliance on key individuals

The past performance of the Investment Manager and other assets managed by the Investment Manager are not guides to the future performance of the Company. The Company has no employees and is dependent on the skills and experience of the Investment Manager to manage its investments.

The departure of key skilled professionals from the Investment Manager could have a material adverse effect on the Group’s business, financial condition and results of operations.

Risks relating to the Acquisition and the Initial Placing, the Offer and the Placing Programme

Risks relating to the conditions to which the Acquisition is subject

There is no certainty that the Acquisition will become effective as it is subject to the satisfaction of a number of conditions. The completion of the Acquisition is conditional upon, *inter alia*, the Minimum Issue Proceeds of £80 million being raised pursuant to the Initial Placing and Offer the funds being available to draw down under the New Bank Facility and the Resolutions being passed at the General Meeting. In the event that Admission does not occur and the Acquisition does not complete, it is estimated that the costs incurred by the Company would be, in aggregate, approximately £0.8 million. In the event the Acquisition does not proceed, the Company may also suffer cash drag on its existing cash resources until suitable investments have been sourced by the Investment Manager, which could have a material adverse effect on the financial condition of the Company and its returns to Shareholders.

Risks relating to the warranties in connection with the Acquisition

The New Portfolio will be acquired pursuant to the terms of the conditional Acquisition Agreement which contains warranties, indemnities and representations customary to agreements of this nature. The liability of the Vendors in relation to these warranties, indemnities and representations has been capped to £1. Warranty and indemnity insurance has been put in place on behalf of the Company and the Property Subsidiary. The insurance policy is subject to certain exclusions, an overall liability cap of £16.5 million and warranty claims in relation to matters known to the Investment Manager. In the event that a claim arose under the warranties which is not covered by the insurance policy, the Company would not be able to cover the full amount of its loss which could have a material adverse effect on the financial position of the Company.

Risks relating to the costs of acquiring UK commercial property

The net proceeds of the Initial Placing and the Offer will be used to acquire the New Portfolio. In the event that Admission does not occur and the Acquisition does not proceed, any monies raised under the Initial Placing and Offer would be returned to investors. Thereafter, the Directors may implement, subject to receiving the requisite approvals from Shareholders, the Placing Programme the net proceeds of which would be used to acquire UK commercial properties in accordance with the Company's investment policy. The typical costs of acquiring commercial properties are approximately 5.8 per cent. in England and approximately 6.2 per cent. in Scotland of the purchase price thereof. It is likely that, based on the price of the Shares issued pursuant to the Placing Programme, the costs and expenses of the Placing Programme and assuming full market standard costs of acquiring commercial properties, the Placing Programme and the subsequent acquisition of properties with the proceeds, if any, of the Placing Programme will result in a small reduction in the NAV per Share over the period of investment.

Risks relating to the shortfall of income until proceeds of the Placing Programme are invested

In the event that the Acquisition of the New Portfolio does not complete, the Company's existing cash resources and the net proceeds of the Placing Programme will be used to acquire further UK commercial properties in accordance with the Company's investment policy. There is currently demand for good quality UK commercial property investments. The generation of profits for distribution by the Group depends on the successful management of the Company's investments, the yields on existing and new properties, interest costs, taxes and the sale of properties. Until the Company's existing cash resources and the proceeds of any Issue under the Placing Programme are invested in UK commercial properties, the Board expects the income generated to be lower than the income generated from funds invested by the Group in UK commercial properties.

IMPORTANT INFORMATION

General

This document should be read in its entirety. New investors should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Investment Manager or any of their respective affiliates, officers, directors, employees or agents. Without prejudice to the Company's obligations under this document, the Prospectus Rules, the Listing Rules and the Disclosure and Transparency Rules neither the delivery of this document nor any subscription made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

Shareholders must not treat the contents of this document or any subsequent communications from the Company or the Investment Manager or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

Apart from the liabilities and responsibilities (if any) which may be imposed on the Placing Agent and the Sponsor by FSMA or the regulatory regime established thereunder, the Placing Agent and the Sponsor make no representations, express or implied, or accept any responsibility whatsoever for the contents of this document or for any other statement made or purported to be made by it or on its behalf in connection with the Company, the New Shares or the Issues. The Placing Agent and the Sponsor accordingly disclaim all and any liability (save for any statutory liability) whether arising in tort or contract or otherwise which it might otherwise have in respect of this document or any such statement.

All Shareholders are entitled to the benefit of, and are bound by and are deemed to have notice of, the provisions of the Articles.

If you are in doubt about the contents of this document you should consult your stockbroker, bank manager, solicitor, accountant, legal or professional adviser or other financial adviser.

Regulatory information

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, New Shares in any jurisdiction in which such offer or solicitation is unlawful. The issue or circulation of this document may be prohibited in some countries.

Investment considerations

The contents of this document are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment decisions or any other matter. Prospective investors must inform themselves as to: (i) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Shares; (ii) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Shares which they might encounter; and (iii) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of Shares.

Prospective investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment therein.

It should be remembered that the price of an Ordinary Share, and the income from such Ordinary Shares (if any), can go down as well as up. An investment in Ordinary Shares is suitable only for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses which may arise therefrom (which may be equal to the whole amount invested). Such an investment should be seen as long term in nature and complementary to existing investments in a range of other financial assets.

Any investment objectives of the Company are targets only and should not be treated as assurance or guarantees of performance.

Notice to prospective investors in the European Economic Area

In relation to Relevant Member States other than the UK, an offer to the public of the New Shares may only be made once a prospectus has been passported in accordance with the Prospectus Directive as implemented by the Relevant Member State. This document has not been passported into any Relevant Member State; therefore, an offer of the New Shares to the public in a Relevant Member State other than the UK may only be made pursuant to the following exemption under the Prospectus Directive, if it has been implemented in that Relevant Member State:

- (a) to legal entities which are “qualified investors” as defined in the Prospectus Directive;
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the Amending Directive (as defined below), 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) and subject to obtaining the prior consent of the Placing Agent and the Sponsor for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of New Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive. In those Relevant Members States which have implemented the AIFMD, the New Shares may only be offered in that Relevant Member State to the extent that shares in the Company may be marketed to in the Relevant Member State pursuant to Article 36 of the AIFMD or can otherwise be lawfully marketed in that Relevant Member State in accordance with AIFMD or under the applicable implementing legislation (if any) of that Relevant Member State.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of New Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any New Shares to be offered so as to enable an investor to decide to purchase or subscribe for New Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and the amendments thereto, including Directive 2010/73/EU (the “Amending Directive”)) to the extent implemented in the Relevant Member State and includes any relevant implementing measure in each Relevant Member State.

During the period up to but excluding the date on which the Prospectus Directive is implemented in member states, this document may not be used for, or in connection with, and does not constitute, any offer of New Shares or an invitation to purchase or subscribe for any New Shares in any member state in which such offer or invitation would be unlawful.

Forward looking statements

To the extent that this document includes “forward looking statements” concerning the Company, those statements are based on the current expectations of the Board and are naturally subject to uncertainty and changes in circumstances. Forward looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates” and words of similar import.

By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Given these risks and uncertainties, potential investors should not place undue reliance on forward looking statements as a prediction of actual results.

Nothing in the preceding two paragraphs seeks to limit or qualify, in any way, the working capital statement in paragraph 6 of Part VII of this document.

The Company does not undertake any obligation to update publicly or revise forward looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.

Information in this document will be updated as required by the Prospectus Rules, Listing Rules and Disclosure and Transparency Rules, as appropriate.

Documents incorporated by reference

The published, audited, consolidated, annual report and accounts of the Group for each of the three financial years up to 31 December 2014 and the published, unaudited consolidated half yearly reports and accounts of the Group for the six months ended 30 June 2014 and 30 June 2015 on the pages specified in the table below are incorporated by reference into this document. The non-incorporated parts of these annual and half yearly reports and accounts of the Group are either not relevant to investors or covered elsewhere in this document.

<i>Nature of information</i>	<i>Statutory Accounts for Year ended</i>			<i>Half yearly reports for six months ended</i>	
	<i>31 December 2012</i>	<i>31 December 2013</i>	<i>31 December 2014</i>	<i>30 June 2014</i>	<i>30 June 2015</i>
	<i>Page No.</i>	<i>Page No.</i>	<i>Page No.</i>	<i>Page No.</i>	<i>Page No.</i>
Financial Highlights	1	1	1	2	2
Chairman's Statement	3-5	2-4	2-4	3-4	3-4
Strategic Report	6-13	8-17	5-15	—	—
Investment Manager's Report	11-13	13-16	9-15	7-13	7-14
Property Portfolio	11-13	13-16	13-15	11-13	13-14
Report of the Directors	14-19	17-19	17-19	—	—
Consolidated Statement of Comprehensive Income	30	37	36	15	16
Consolidated Balance Sheet	31-32	38	37-38	16-17	17
Consolidated Statement of Changes in Equity	33-34	40	39-40	18-19	19-20
Consolidated Cash Flow Statement	35	42	41	20	21
Notes to the consolidated financial statements	36-63	43-76	42-75	21-31	22-34
Independent Auditor's report	28-29	34	33-35	—	—

The documents incorporated by reference can be obtained from the Company's website, www.standardlifeinvestments.com/its, and as set out in paragraph 14 of Part X of this document.

CHECKLIST OF DOCUMENTATION INCORPORATED BY REFERENCE

The following documents, which have previously been filed with the FCA, shall be deemed to be incorporated in, and form part of this document.

Document incorporated by reference

Information incorporated by reference

Annual Report and Accounts for the year
31 December 2012

Historical financial information relating to the Group
referred to at page 97 of this document.

Selected audited historical consolidated financial
information relating to the Group which summarises the
financial condition of the Group referred to at page 98 of
this document.

Operating and financial review in respect of the Group
referred to at page 98 of this document.

Cash inflows and outflows and the sources and amounts
of those cashflows set out in the Consolidated Income
Statement, Consolidated Cash Flow Statement and
related notes referred to at page 97 of this document.

Annual Report and Accounts for the year
31 December 2013

Historical financial information relating to the Group
referred to at page 97 of this document.

Selected audited historical consolidated financial
information relating to the Group which summarises the
financial condition of the Group referred to at page 98 of
this document.

Operating and financial review in respect of the Group
referred to at page 98 of this document.

Annual Report and Accounts for the year
31 December 2014

Historical financial information relating to the Group
referred to at page 97 of this document.

Selected audited historical consolidated financial
information relating to the Group which summarises the
financial condition of the Group referred to at page 97 of
this document.

Half yearly report for the six months
ended 30 June 2014

Selected historical financial information relating to the
Group referred to at page 97 of this document.

Operating and financial review in respect of the Group
referred to at page 98 of this document.

Half yearly report for the six months
ended 30 June 2015

Selected historical financial information relating to the
Group referred to at page 98 of this document.

EXPECTED TIMETABLE

Date

Initial Placing and Offer

Initial Placing and Offer opens	17 November 2015
Latest time and date for receipt of Application Forms under the Offer	11.00 a.m. on 9 December 2015
Latest time and date for commitments ⁽ⁱ⁾ under the Initial Placing	3.00 p.m. on 10 December 2015
General Meeting	10 a.m. on 11 December 2015
Results of the Initial Placing and Offer and General Meeting announced	11 December 2015
Admission and dealings in New Shares commence	8.00 a.m. on 15 December 2015
Crediting of CREST accounts in respect of the New Shares	15 December 2015
Share certificates in respect of the New Shares despatched (if applicable)	on or around 4 January 2016

Placing Programme

Placing Programme opens ^(vi)	16 December 2015
Admission and dealings in New Shares commence ^(vii)	18 December 2015
Publication of Placing Programme Price in respect of each Issue	As soon as practicable following each Issue
Crediting of CREST in respect of New Shares	8.00 a.m. on each day New Shares are issued
Share certificates in respect of New Shares despatched (if applicable)	Approximately one week following the issue of any New Shares

Notes:

- (i) The agreement to subscribe for New Shares under the Initial Placing is conditional upon Admission.
- (ii) The dates set out in the expected timetable above may be adjusted by the Company, in which event details of the new dates will be notified to the UK Listing Authority and the London Stock Exchange and an announcement will be made through a Regulatory Information Service.
- (iii) All references to time in this document are to the time in London.
- (iv) In this document, where the context requires, references to 13 November 2015 should be treated as being references to the latest practicable date prior to the publication of this document.
- (v) New Shares will be issued pursuant to the Issues only at such times (if any) as the Directors believe it is advantageous to the Shareholders to do so. New Shares will be issued pursuant to the Issues only during the period commencing at 8.00 a.m. on 15 December 2015 and ending at 5.00 p.m. on 16 November 2016.
- (vi) The Placing Programme will only commence in the event that sufficient funds are not raised pursuant to the Initial Placing and Offer for the Group to acquire, together with its exiting cash resources and the New Bank Facility, the New Portfolio.
- (vii) First practicable date after the opening of the Placing Programme.

ISSUE STATISTICS

Number of Ordinary Shares in issue at the date of this document	288,387,160
Issue Price per New Share	82 pence representing a 2.84 per cent. premium to the NAV per Share as at 30 September 2015 once the accrued dividend for the period ending 30 September 2015 has been deducted
Maximum number of New Shares to be issued pursuant to the Initial Placing and the Offer	122,000,000
Placing Programme Price per New Share	Not less than the NAV per Share at the time of issue plus a premium to cover the expenses of such issue, as determined by the Board, at the time of each Issue under the Placing Programme
Ordinary Shares	
ISIN	GB0033875286
SEDOL	3887528

The statistics above are for illustrative purposes only based on the assumption that the Issues are subscribed for in full. Prospective investors should note that actual outcomes may be expected to differ from these illustrations and therefore they should not be relied upon. The illustrations are not guarantees of future performance and involve certain risks and uncertainties. The attention of prospective investors is drawn to the risk factors set out on pages 15 to 20 of this document.

It is currently intended that the Placing Programme will only be implemented in the event that the Minimum Issue Proceeds are not raised pursuant to the Initial Placing and Offer for Admission to occur and the Group to acquire, together with its existing cash resources and the New Bank Facility, the New Portfolio.

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

Directors	Richard (Dick) Arthur Barfield (<i>Chairman</i>) Sally-Ann (Susie) Farnon Huw Evans Robert Peto all non-executive and of PO Box 255 Trafalgar Court Les Banques St. Peter Port Guernsey GY1 3QL
Investment Manager	Standard Life Investments (Corporate Funds) Limited 1 George Street Edinburgh EH2 2LL
Administrator and Secretary	Northern Trust International Fund Administration Services (Guernsey) Limited PO Box 255 Trafalgar Court Les Banques St. Peter Port Guernsey GY1 3QL
Broker and Placing Agent	Winterflood Securities Limited The Atrium Building Cannon Bridge 25 Dowgate Hill London EC4R 2GA
UK Legal Adviser and Sponsor	Dickson Minto W.S. Broadgate Tower 20 Primrose Street London EC2A 2EW
Guernsey Legal Adviser	Mourant Ozannes PO Box 186 1 Le Marchant Street St. Peter Port Guernsey GY1 4HP
Auditors	Ernst & Young LLP Royal Chambers St Julian's Avenue St. Peter Port Guernsey GY1 4AF
Tax Adviser	Ernst & Young LLP Ten George Street Edinburgh EH2 2DZ
Property Valuer	Jones Lang LaSalle Limited 30 Warwick Street London W1B 5NH
Principal Banker	The Royal Bank of Scotland plc 135 Bishopsgate London EC2M 3UR

Depository	Citibank International plc Canada Square London E14 5LB
Registrar	Computershare Investor Services (Guernsey) Limited Queensway House Hilgrove Street St Helier Jersey JE1 1ES
UK Transfer Agent	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZZ

DEFINITIONS

The meanings of the following terms shall apply throughout this document unless the context otherwise requires.

Acquisition	the acquisition of all of the units in the JPUT, the two ordinary shares in the General Partner and the New Portfolio by the Group
Acquisition Agreement	the conditional sale and purchase agreement relating to all of the units in the JPUT and the entire issued share capital of the General Partner dated 12 November 2015, a summary of which is set out in paragraph 8.6 of Part X of this document
Administration and Secretarial Agreement	the administration and secretarial agreement between the Company, the Property Subsidiary and the Administrator, a summary of which is set out on pages 6 and 7 of this document
Administrator	Northern Trust International Fund Administration Services (Guernsey) Limited
Admission	the admission of the New Shares to the Official List and to trading on the Main Market pursuant to the Initial Placing and Offer
Admission Condition	(i) the UKLA having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the New Shares arising under the Issues, as the case may be, to the Official List with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("listing conditions")) will become effective as soon as a dealing notice has been issued by the FCA and any listing conditions having been satisfied and (ii) the London Stock Exchange having acknowledged to the Company or its agent (and such acknowledgement not having been withdrawn) that the New Shares will be admitted to trading
AIC Code	the AIC Code of Corporate Governance
AIFM	Alternative Investment Fund Manager pursuant to the UK SI 2013/1773 Alternative Investment Fund Managers' Regulations 2013
AIFMD	the EU Directive on Alternative Investment Fund Managers
Annual General Meeting	the annual general meeting of the Company held at 30 St Mary Axe, London EC3A 8EP on 27 May 2015
Application Form	the application form which accompanies this document for use in connection with the Offer
Articles	the articles of incorporation of the Company, a summary of which is set out in paragraph 5 of Part X of this document
Auditors	Ernst & Young LLP

Bank	The Royal Bank of Scotland plc, a company incorporated in Scotland with registered number SC090312
Bank Facility	the £84,432,692 term loan facility provided to the Company by the Bank pursuant to the Facility Agreement
Board or Directors	the directors of the Company
Business Day	a day (other than a Saturday, Sunday or public holiday) on which the London Stock Exchange is open for business
Circular	the circular published by the Company and sent to Shareholders on 17 November 2015 in relation to the Proposals
Code	the UK Corporate Governance Code as published by the Financial Reporting Council
Combined Portfolio	the Property Portfolio and the New Portfolio
Commission	the Guernsey Financial Services Commission
Company	Standard Life Investments Property Income Trust Limited, a company incorporated in Guernsey with registered number 41352
Computershare or the Receiving Agent or the UK Transfer Agent	Computershare Investor Services PLC
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
CREST Guernsey Requirements	CREST Rule 8 and such other of the CREST Rules as may be applicable to issuers from time to time
CREST Rules	the rules from time to time governing the admission of securities to and the operation of CREST
CTA 2010	Corporation Tax Act 2010
Depository	Citibank International plc
Depository Agreement	the depository agreement between the Company, the Investment Manager and the Depository, a summary of which is set out in paragraph 8.3 of Part X of this document
Disclosure and Transparency Rules	the disclosure and transparency rules made by the FCA under Part VI of FSMA as amended from time to time
Distribution	any dividend or other distribution by the Company in accordance with Part 23 of the CTA 2010
EEA States	the member states of the European Economic Area
ERISA	the US Employee Retirement Income Security Act 1974, as amended
Estimated Net Annual Rent	is based on the current rental value of a property: <ul style="list-style-type: none"> (i) ignoring any special receipts or deductions arising from the property;

- (ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans);
- (iii) after making deductions for superior rents (but not for amortisation), and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent; and
- (iv) where a property, or part of it, is let at the date of valuation, the rental value reflects the terms of the lease,

and, where a property, or part of it, is vacant at the date of valuation, the rental value reflects the rent the Valuer considers would be obtainable on an open market letting as at the valuation date

Excess Charge

in relation to a Distribution, all tax or other amounts which the Board considers may become payable by the Company or any other member of the Group under section 551 of the CTA 2010 (as such section may be modified, supplemented or replaced from time to time) and any interest, penalties, fines or surcharge attributable to such tax as a result of such Distribution being paid

Facility Agreement

the facility agreement in relation to the Bank Facility between, among others, the Bank in various capacities, the Company and the Property Subsidiary, originally dated 22 December 2011, as amended by first and second amendment agreements both dated 19 December 2014, a summary of which is set out in paragraph 8.4 of Part X of this document

FATCA

the Foreign Account Tax Compliance Act

FCA

the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part IV of FSMA, or any successor authority

FSMA

the Financial Services and Markets Act 2000, as amended

General Meeting

the general meeting of the Company to be held at 30 St Mary Axe, London EC3A 8EP at 10 a.m. on 11 December 2015 to approve the issue of New Shares pursuant to the Initial Placing and Offer and the Acquisition

General Partner

Aviva Investors UK Real Estate Recovery II (General Partner) Limited

Group

the Company and the Property Subsidiary and any other direct or indirect subsidiary (as that term is defined in the Law) of the Company from time to time. For the avoidance of doubt (assuming the conditions to Initial Placing and Offer and the Acquisition are satisfied and Admission occurs), from Admission and the completion of the Acquisition, the JPUT, the Limited Partnership and the General Partner shall be part of the Group

HMRC	HM Revenue & Customs
IFRS	international financial reporting standards
Income Return	the current net annual rent receivable for a property expressed as a percentage of the market value of such property (without making any deduction in respect of any acquisition costs for such property)
Initial Placing	the placing of New Shares at the Issue Price by the Placing Agent as described in Part II of this document
Initial Placing and Offer Shares	the New Shares issued pursuant to the Initial Placing and Offer
Investment Company Act	the United States Investment Company Act of 1940, as amended
Investment Management Agreement	the investment management agreement between the Group and the Investment Manager which came into effect from 1 January 2015, a summary of which is set out in paragraph 8.2 of Part X of this document
Investment Manager	Standard Life Investments (Corporate Funds) Limited, a company incorporated in Scotland with registered number SC111488
IPD	Investment Property Databank Limited
IPD IRIS	the IPD Rental Information Service
ISA	an Individual Savings Account for the purposes of section 694 Income Tax (Trading and Other Income) Act 2005
Issue Price	82 pence per New Share (being a premium of 2.84 per cent. to the NAV per Share as at 30 September 2015 once the accrued dividend for the period ending 30 September 2015 has been deducted)
Issues	the issue of up to 122 million New Shares pursuant to the Initial Placing, the Offer and/or the Placing Programme (as the case may be) as described in this document
JFSC	Jersey Financial Services Commission
JPUT	Aviva Investors UK Real Estate Recovery II Unit Trust, a Jersey property unit trust which ultimately holds the New Portfolio
Knight Frank	Knight Frank LLP, a limited liability partnership with registered number OC305934 acting as the independent valuer of the New Portfolio
Law	the Companies (Guernsey) Law, 2008 as amended from time to time
LIBOR	London Inter-bank Offered Rate
Limited Partnership	Aviva Investors UK Real Estate Recovery II Limited Partnership
Listing Rules	the listing rules made by the FCA under Part VI of FSMA as amended from time to time
London Stock Exchange	London Stock Exchange plc

LTV	loan to value ratio (calculated as borrowings less all cash as a proportion of the Group's property portfolio valuation)
Main Market	the London Stock Exchange's main market for listed securities being a regulated market for the purposes of Directive 2004/39/EC the "Markets in Financial Instruments Directive"
Maple Cross Property	the property situated at Hertford Place, Maple Cross, Rickmansworth
Memorandum	the memorandum of incorporation of the Company
Minimum Issue Proceeds	the minimum gross proceeds of the Initial Placing and Offer being £80 million
NAV	the net asset value of an Ordinary Share on the relevant date calculated in accordance with the Company's normal accounting policies
New Bank Facility	the New Term Loan of up to £40,567,308 and the new Revolving Credit Facility of up to £30,000,000 from the Bank
New Facility Agreement	the amended and restated facility agreement between the Bank, the Company and the Property Subsidiary, a summary of which is set out in paragraph 8.5 of Part X of this document
New Portfolio	the 22 properties indirectly held by the JPUT through its interest in the Limited Partnership as at the date of this document
New Properties	the properties comprised in the New Portfolio, as more fully described in Part VI of this document or any of them as the context requires (each a "New Property")
New Shares	the new Ordinary Shares to be issued by the Company pursuant to the Issues
New Term Loan	the new term loan agreed with the Bank under the New Facility Agreement for up to £40,567,308
Non-PID Dividend	any dividend other than a PID received by a Shareholder
Offer for Subscription or Offer	the offer for subscription of New Shares as described in this document
Official List	the Official List of the UK Listing Authority
Ordinary Shareholders or Shareholders	holders of the Ordinary Shares
Ordinary Shares or Shares	ordinary shares of 1 pence each in the capital of the Company
PID	a dividend received by a shareholder of the Company in respect of profits and gains of the Tax-Exempt Business of the UK resident members of the Group or in respect of the profits or gains of a non-UK resident member of the Group insofar as they derive from its UK qualifying rental business

Placees	the persons to whom the New Shares are issued pursuant to the Initial Placing and/or the Placing Programme
Placing Agent or Winterflood Securities	Winterflood Securities Limited, acting through its division, Winterflood Investment Trusts
Placing Agreement	the placing agreement between the Company, the Investment Manager, the Placing Agent and the Sponsor, a summary of which is set out in paragraph 8.1 of Part X of this document
Placing Programme	the proposed programme of placings of New Shares by the Placing Agent as described in Part III of this document
Placing Programme Price	the price at which New Shares will be issued under the Placing Programme, as determined by the Board at the time of each Issue as described in Part III of this document
Preference Shares	the six million redeemable zero dividend preference shares of 25 pence each in the capital of the Company which were converted into Ordinary Shares on 21 July 2011
Properties	the properties comprised in the Property Portfolio, as more fully described in Part IV of this document, or any of them as the context requires (each a "Property")
Property Portfolio	the direct and indirect property assets of the Group as at the date of this document
Property Subsidiary	Standard Life Investments Property Holdings Limited, a company incorporated in Guernsey with registered number 41351
Proposals	the Acquisition and the Initial Placing and Offer
Prospectus	this document
Prospectus Directive	Directive 2003/71/EC (and the amendments thereto)
Prospectus Rules	the prospectus rules made by the FCA under Part VI of FSMA as amended from time to time
Red Book	RICS Appraisal and Valuation Standards, 6th Edition
Registrar	Computershare Investors Services (Guernsey) Limited
Regulatory Information Service or RIS	a regulatory information service that is on the list of regulatory information services maintained by the FCA
Relevant Member State	each member state of the European Economic Area which has implemented the Prospectus Directive or where the Prospectus Directive is applied by the regulator
Relevant Registered Shareholder	a Shareholder who holds all or some of the Shares that comprise a substantial shareholding (whether or not a substantial shareholder)
Residual Business	the business of the Group which is not part of the Group's qualifying property rental business
Resolutions	the ordinary resolution to approve the Acquisition and the special resolution to approve the allotment of New Shares, pursuant to the Initial Placing and Offer, on a non pre-emptive basis to be proposed at the General Meeting

Restricted Jurisdiction	any jurisdiction where local law or regulations may result in a risk of civil, regulatory or criminal exposure or prosecution if information or documentation concerning the Issues or the Prospectus is sent or made available to a person in that jurisdiction
Revolving Credit Facility	the revolving credit facility agreed with the Bank for up to £30,000,000
Rules	the Authorised Closed-Ended Collective Investment Schemes Rules 2008
SDRT	Stamp Duty Reserve Tax
SIPP	a self invested personal pension
Sponsor	Dickson Minto W.S.
SSAS	a self administered pension plan
Standard Life Group	Standard Life plc and its subsidiary undertakings from time to time including the Investment Manager
Substantial Shareholder	any person whose interest in the Company, whether legal or beneficial, direct or indirect, may cause any member of the Group to be liable to pay tax under section 551 of the CTA 2010 (as such section may be modified, supplemented or replaced from time to time) on or in connection with the making of a Distribution to or in respect of such person including, at the date of adoption of the Articles, any holder of excessive rights as defined in section 553 of the CTA 2010 (save as set out in the Articles)
Substantial Shareholding	the shares in the Company in relation to which or by virtue of which (in whole or in part) a person is a Substantial Shareholder
Takeover Code	the City Code on Takeovers and Mergers
Tax Code	the US Internal Revenue Code of 1986, as amended
Tax-Exempt Business	the Group's qualifying property rental business in the UK and elsewhere in respect of which corporation tax on income and capital gains will no longer be payable following entry into the UK REIT regime provided that certain conditions are satisfied
Total Assets	the aggregate value of the assets of the Group less current liabilities of the Group (which shall exclude any proportion of the principal amounts borrowed for investment or amounts borrowed for working capital treated as current liabilities and any liability of an intra-group nature)
UKLA or UK Listing Authority	the Financial Conduct Authority, acting in its capacity as the competent authority for the purposes of Part VI of FSMA
UK REIT or REIT	a real estate investment trust established in the UK

United States or USA	the United States of America (including the District of Columbia), its territories and possessions, any state of the United States of America and all other areas subject to its jurisdiction or any political sub-division thereof
US Persons	has the meaning given in the US Securities Act
US Securities Act	the United States Securities Act of 1933, as amended
Value Added Tax or VAT	value added tax
Valuer	Jones Lang LaSalle Limited, a company incorporated in England and Wales with registered number 01188567
Vendors	the vendors of the units in the JPUT, the shares in the General Partner and the New Portfolio as set out in the Acquisition Agreement

PART I

THE COMPANY

Introduction

Standard Life Investments Property Income Trust Limited is an authorised closed-ended investment scheme which was launched in December 2003 and whose assets are managed by Standard Life Investments (Corporate Funds) Limited. The Company invests in UK commercial properties and currently holds 41 properties through the Property Subsidiary. The Company's Ordinary Shares are listed on the Official List and traded on the Main Market. As at 30 September 2015, the Company had Total Assets of £327.4 million. The Company currently has approximately £30 million of cash of which approximately £22 million is available for investment (excluding funds required for investments currently under negotiation and capital expenditure).

The Board announced on 13 November 2015 that the Company had entered into the conditional Acquisition Agreement in relation to the acquisition of the New Portfolio. The Acquisition is to be effected by the Company and the Property Subsidiary acquiring all of the units in the JPUT which holds indirectly, through its interest as the sole limited partner in the Limited Partnership, the New Portfolio and the entire issued share capital of the General Partner. The consideration will be £165 million adjusted to take account of any accruals and contingencies of the JPUT and the Limited Partnership on the date of completion of the Acquisition. The JPUT and the Limited Partnership were established in September 2013 with the principal purpose of investing in and holding the New Portfolio. The New Portfolio comprises 22 UK commercial properties and the Acquisition will result in a substantial increase in the size of the Company's property portfolio to approximately £460 million. The New Portfolio is complementary to the Company's existing Property Portfolio.

In order to complete the Acquisition, the Company is proposing to raise up to £100 million pursuant to the Initial Placing and Offer by issuing New Shares at an Issue Price of 82 pence per New Share representing a 2.84 per cent. premium to the NAV per Share as at 30 September 2015 once the accrued dividend for the period ending 30 September 2015 has been deducted. The Board will also utilise its existing cash reserves of up to approximately £22 million and it has entered into the New Bank Facility which will enable the Group to borrow up to approximately £70.6 million in addition to the existing Bank Facility.

The Board believes that the Proposals offer significant benefits for all Shareholders as noted below:

1. The Acquisition will diversify the sector, tenant and regional exposure of the Company's Property Portfolio. The Company's exposure to its top ten tenants will reduce from 44 per cent. to 31 per cent.
2. The Acquisition will enhance the dividend cover and, accordingly, if the Acquisition completes it is the Board's intention to increase the quarterly dividend by 2.5 per cent. as described in more detail on page 43 of this document.
3. The Acquisition would also introduce a number of asset management opportunities which should enhance returns to Shareholders.
4. The Initial Placing and Offer would significantly increase the market capitalisation of the Company which should therefore increase liquidity in the Ordinary Shares and increase the attractiveness of the Company to new investors.
5. The Initial Placing and Offer would also result in the fixed costs of the Group being spread over a larger asset base and therefore the ongoing charges of the Group would be reduced.

Details of the terms of the Proposals

In order to complete the Acquisition, the Company is proposing to raise up to £100 million by issuing up to 122 million New Shares pursuant to the Initial Placing and Offer for Subscription. The Issue Price is 82 pence per New Share representing a 2.84 per cent. premium to the NAV per Share as at 30 September 2015 once the accrued dividends for the period ending 30 September 2015 have been

deducted. The Proposals are therefore conditional on the Minimum Issue Proceeds being raised pursuant to the Initial Placing and Offer which together with the New Bank Facility and the Company's existing available cash reserves, will be used to complete the Acquisition of the New Portfolio.

The Proposals are also conditional on the Shareholder authorities being granted in relation to the Acquisition and the issue of New Shares, on a non pre-emptive basis, pursuant to the Initial Placing and Offer at the General Meeting. The Board has therefore also published the Circular convening the General Meeting. The Board believes that if the Proposals are successful, the Company's existing Shareholders will, in addition, benefit from investing the Company's existing cash reserves alongside the New Bank Facility in the New Portfolio in a more cost effective manner than the acquisition of individual UK commercial real estate properties. For these reasons, and the reasons set out on page 37 of this document, the Board has recommended that Shareholders vote in favour of the Proposals at the General Meeting.

The JFSC will also need to consent to the change of the investment manager of the JPUT on completion of the Acquisition to Standard Life Investments (Jersey) Limited.

In the event that the conditions to the Initial Placing and Offer and the Acquisition are not satisfied, Admission will not occur and the Acquisition of the New Portfolio will not complete. In this event no funds will be drawn down under the New Bank Facility and any monies raised under the Initial Placing and Offer will be returned to investors. The Investment Manager would then source other properties suitable for acquisition and the Company would, once its existing cash reserves available for investment were utilised, seek the relevant Shareholder approval in order to raise further funds by way of a placing under the Placing Programme. The Placing Programme would be implemented therefore, conditional on Shareholder approval, to enable the Company to raise additional capital over the period to 16 November 2016 which, in the event the Acquisition does not complete, should enable the Investment Manager to make a series of property acquisitions whilst also mitigating the risk of impact on the Company of receiving lower returns on significant cash balances awaiting investment. In the event the Acquisition completes, it is unlikely that the Investment Manager will source further properties and/or implement the Placing Programme in the near term.

Investment objective and policy

Investment objective

The Company's investment objective is to provide Ordinary Shareholders with an attractive level of income together with the prospect of income and capital growth.

Investment policy

The Directors intend to achieve the investment objective by investing in a diversified portfolio consisting of UK commercial properties. The majority of the portfolio will be invested in direct holdings within the three main commercial property sectors of retail, office, and industrial although the Company may also invest in other commercial property such as hotels, nursing homes and student housing. Investment in property development and investment in co-investment vehicles where there is more than one investor is permitted up to a maximum of 10 per cent. of the Property Portfolio.

In order to manage risk in the Company, without compromising flexibility, the Directors apply the following restrictions to the Property Portfolio in normal market conditions:

- No property will be greater by value than 15 per cent. of Total Assets.
- No tenant (with the exception of the Government) shall be responsible for more than 20 per cent. of the Company's rent roll.
- Gearing, calculated as borrowings as a percentage of the Group's gross assets, may not exceed 65 per cent. The Board's current intention is that the Company's LTV will not exceed 45 per cent.

Any material change to the investment policy of the Company may only be made with the prior approval of its Shareholders.

The property portfolios

The Company's existing Property Portfolio

As at 30 September 2015, the Property Portfolio comprised 42 UK commercial properties with an aggregate market value of approximately £308.8 million. The Property Portfolio generates a current net annual rent of approximately £19.2 million (being an Income Return of 5.9 per cent.) and is valued with an aggregate Estimated Net Annual Rent of approximately £22 million (giving an equivalent yield of 6.7 per cent.).

According to the Dun and Bradstreet failure score, 74.8 per cent. of the Company's income is from tenants rated as having a negligible or low risk of failure. The average unexpired lease term to earliest termination of the occupational leases of the Property Portfolio (weighted by current gross annual rent) is approximately 7 years and one month and all of the rent review provisions in the occupational leases of the Properties are upwards only or subject to fixed or indexed increases.

The Company announced on 9 November 2015 that it had completed the sale of the Maple Cross Property, which is included in the valuation of the Property Portfolio as at 30 September 2015, for a consideration of £14.75 million.

The New Portfolio

The Company and the Property Subsidiary have entered into the conditional Acquisition Agreement to acquire all of the units in the JPUT and the entire issued share capital of the General Partner. The JPUT holds, indirectly through its interest as the sole limited partner in the Limited Partnership, the New Portfolio. The New Portfolio is diversified by sector, tenant and region and is complementary to the Property Portfolio. The New Portfolio currently comprises 22 UK commercial properties with an aggregate market value of approximately £165 million as at 19 October 2015. The New Portfolio generates a current net annual rent of approximately £10.8 million (being a net initial yield of 5.9 per cent.) and is valued with an aggregate estimated net annual rent of approximately £11.8 million (giving an equivalent yield of 6.5 per cent.).

According to the Dun and Bradstreet failure score, 82 per cent. of the New Portfolio's income is from tenants rated as having a negligible or low risk of failure. The average unexpired lease term of the occupational leases of the New Properties (weighted by current gross annual rent) is approximately 4 years and 4 months and all of the rent review provisions in occupational leases of the New Properties are upwards only or have fixed or indexed increases.

The Combined Portfolio

In the event that the Resolutions are approved by Shareholders, Admission occurs and the Acquisition is completed, the Combined Portfolio will comprise 63 properties with an aggregate market value of £460 million (on the basis of the valuations of the Property Portfolio as at 30 September 2015, the New Portfolio as at 19 October 2015 and taking into account the sale of the Maple Cross Property). The Combined Portfolio would generate a current net annual rent of approximately £29 million (being a net initial yield of 5.97 per cent.).

The average unexpired lease term of the occupational leases of these properties (weighted by current gross annual rent) is approximately 6 years and 2 months, compared to the equivalent figure for an average commercial property portfolio, as represented by the independent IPD IRIS (excluding leases over 35 years), of 7 years and 4 months.

The Directors believe that the Combined Portfolio will be accretive to the level of dividend cover and will provide a number of asset management opportunities which should enhance the income profile and the capital value of the assets.

Further details of the Property Portfolio, the New Portfolio and the Combined Portfolio are set out in Part IV of this document. The valuation reports of the Property Portfolio and the New Portfolio are set out in Part V and Part VI of this document respectively.

Investment performance

Pursuant to the Company's recent fundraising initiatives and tap issues, it has raised approximately £97.6 million since 1 July 2014 (being the date of publication of the Company's last prospectus) and such proceeds were invested timeously into UK commercial properties in accordance with the Company's investment policy.

The Company generated a property income return of 6.5 per cent. from its Properties which was ahead of the IPD quarterly version of monthly Index Funds of 5.1 per cent. in respect of the 12 month period ended 30 September 2015. The Property Portfolio total return was 15.2 per cent. compared with the IPD quarterly version of monthly Index Funds of 14.4 per cent. The Company's NAV total return over the period was 19.6 per cent. The Company's current dividend yield is 5.5 per cent. (based on the share price as at 30 September 2015).

The Company's record of long term investment performance to 30 September 2015 is illustrated in the table below:

	1 year (% p.a.)	3 years (% p.a.)	5 years (% p.a.)
Property total return (property only) ⁽¹⁾	15.2	13.3	10.5
NAV total return ⁽¹⁾	19.6	19.5	13.4
IPD total return ⁽¹⁾	14.4	12.6	9.6

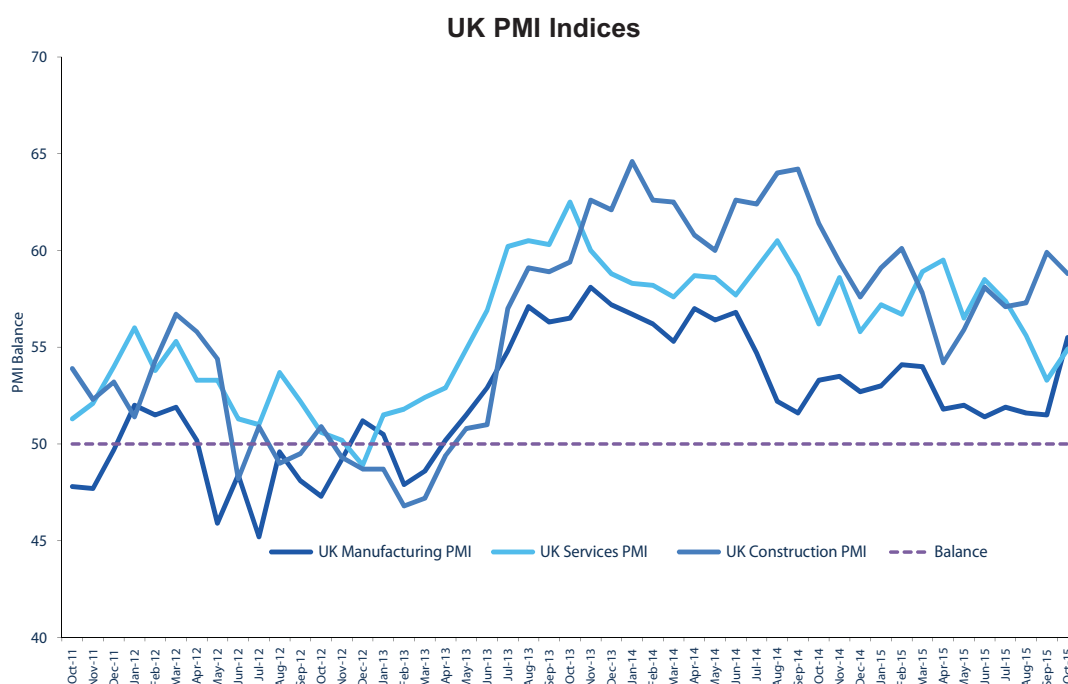
⁽¹⁾ Source: IPD Quarterly Version of Monthly Index Funds

Further information about the performance of the Company and the Ordinary Shares can be obtained from the Company's website, www.standardlifeinvestments.com/its. Neither the Company's website nor the content of any website accessible from hyperlinks on that website (or any other website) is (or is deemed to be) incorporated into, or forms (or is deemed to form), part of this document.

The UK real estate market

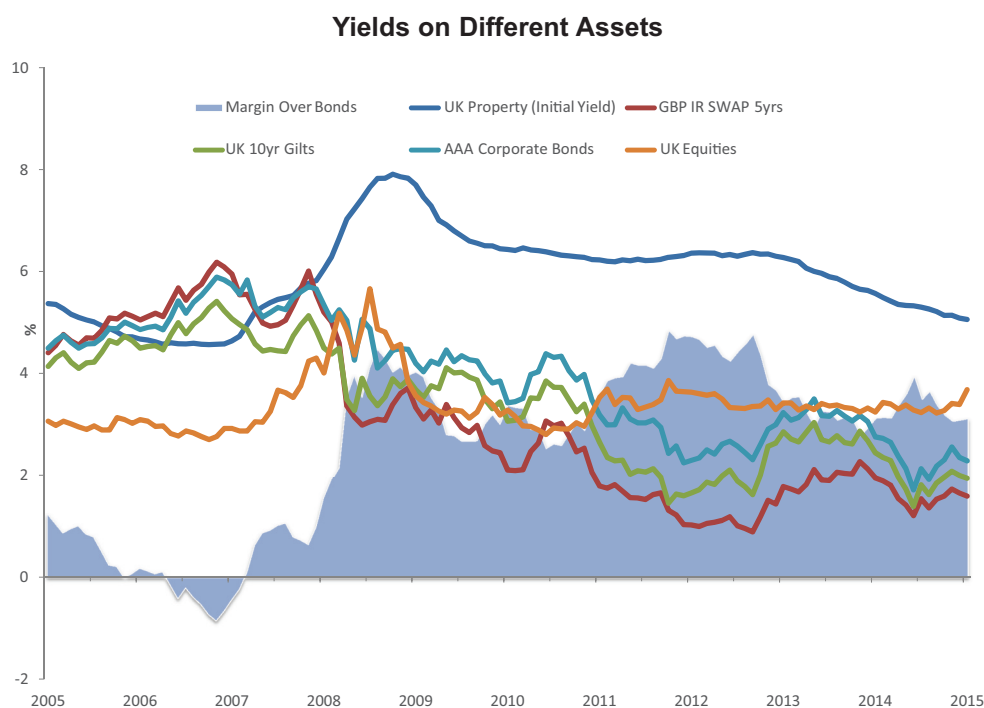
Driven by domestic consumption, the UK economic fundamentals remain firm. Weak global growth, however, particularly among emerging markets, and an appreciating currency could weigh on the UK recovery in the future. However, despite the risks surrounding the global economic recovery, the stable UK economic fundamentals continue to support the UK real estate market albeit returns have moderated recently. Over the twelve months to the end of September 2015, All Property (being all directly held real estate assets) recorded 15.3 per cent. per annum against 16.7 per cent. per annum in the twelve months to the end of June 2015. A slowdown in the rate of capital growth remains the main contributor to the moderation in returns. Capital values grew by 9.1 per cent. per annum in the year to the end of September 2015. Quarterly rental growth, however, continues to broadly improve with rents in certain sectors expected to improve further into the recovery cycle.

UK listed real estate equities total returns increased by 5.4 per cent. over the quarter to the end of September 2015. This was significantly better than the 6.1 per cent. and 5.7 per cent. decline in the FTSE-100 and FTSE All Share total returns over the same timeframe.



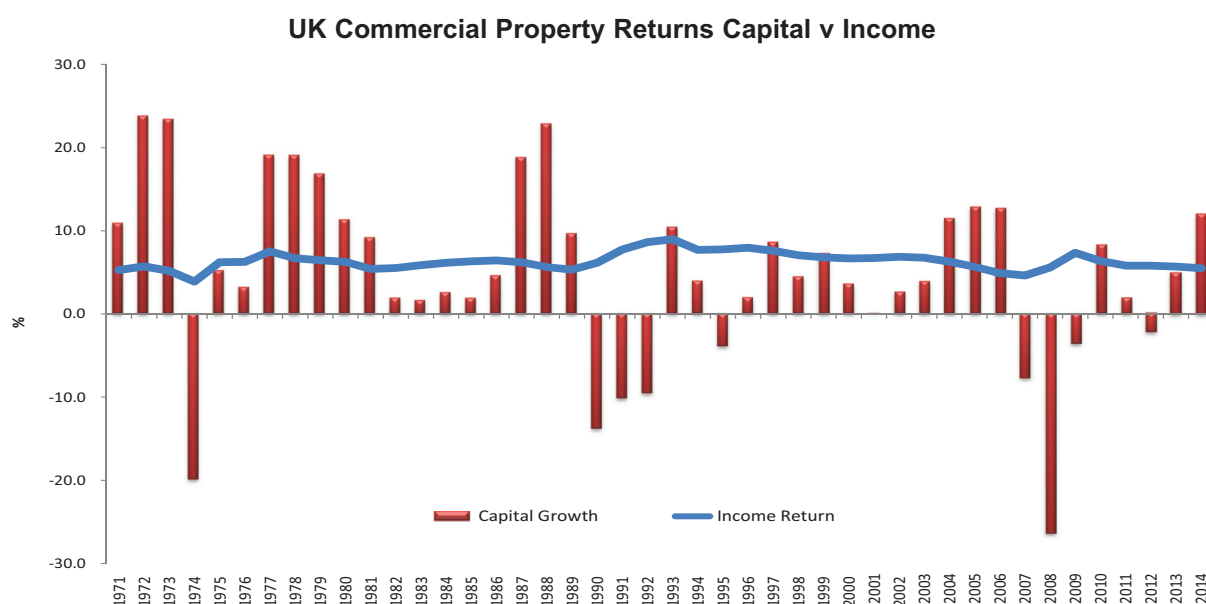
Source: Markit/CIPS, Standard Life Investments, September 2015

The strong total returns seen from real estate over the last two years in particular have been mainly driven by yield compression, with income providing a steady contribution. The yield compression has been largely due to the relative attractiveness of real estate yields against other asset classes (and in particular bonds) leading to increased allocations from both institutions and retail investors. This has, as a result, led to an increase in demand for these types of investments but a relatively limited supply of such investments are available, and so price increases have been identified. This has been made more acute in some markets with continued strong demand from overseas investors seeking to diversify and invest into “safe haven” locations and assets. Many of these investors have a lower total return requirement than domestic investors, thus further driving down yields.



Sources: MSCI/IPD, Standard Life Investments research forecasting team

Although UK real estate still looks attractively priced on a relative basis, it is likely that the yield compression cycle is coming to an end, with a return more to fundamental based investing. This can be seen on the chart below.



Source: SLI, MSCI/IPD Annual Index

Rental growth is becoming more established throughout the UK, and according to IPD was 4.1 per cent. per annum at the end of September 2015 (an increase of 30bps over that quarter). The office sector has continued to lead on rental growth, driven mainly by Central London and the South East, whilst retail remains the laggard, but still positive at 0.5 per cent. per annum.

Most parts of the UK real estate market have seen very low levels of new development over the last 8 years, and the supply of good quality commercial property is at low levels. In many locations rents are still below the economic level for new development, and this, combined with increasing growth as the economy improves, is increasing rental values.

Investment strategy

The Company targets property assets that the Investment Manager believes will appeal to occupiers where value can be added and rental growth generated by actively managing the assets. There is no set lot size restriction on purchases and properties range in value from £1 million to £20 million. The Investment Manager's philosophy is to acquire assets that offer an attractive income return and have good medium or long term prospects for capital growth. A research based approach is taken to buying and selling property looking at where markets are likely to change in the short term with changes in infrastructure seen as a key driver of market developments.

Gearing and borrowings

The Company has the power under the Articles to borrow an amount up to 65 per cent. of the Group's gross assets. It is the present intention of the Directors that the Company's LTV will not exceed 45 per cent. and the Investment Manager is currently instructed to target a LTV between 25 per cent. and 35 per cent. LTV.

The Group's current borrowings

The Group currently has a fully drawn down debt facility of £84,432,692 with the Bank which is repayable on 16 December 2018. As at 30 September 2015 (the latest practicable date prior to the publication of this document), the Group's LTV was approximately 22 per cent.

Interest on the Bank Facility is payable at a rate equal to the aggregate of three month LIBOR, and a margin of 1.65 per cent. per annum (below 40 per cent. LTV) or 1.75 per cent. per annum (40 to 60 per cent. LTV inclusive) or 1.95 per cent. (above 60 per cent. LTV). The current applicable margin is 1.65 per cent. per annum.

The Group has two interest rate swap agreements with the Bank for a notional principal amount of £84,432,692 in aggregate which results, based upon current LTV, in the all-in margin in respect of the Group's borrowing being fixed until 16 December 2018 at 3.66 per cent. per annum. If the existing Bank Facility is repaid prior to 16 December 2018 such swaps will require to be broken and the associated termination costs will require to be paid.

The Group's proposed additional borrowings

The Property Subsidiary and the Company have entered into the New Facility Agreement with the Bank conditional on, *inter alia*, the completion of the Acquisition and the satisfaction of the conditions precedent (which are customary for a facility of this nature). The New Bank Facility is in addition to the existing Bank Facility and consists of the New Term Loan of up to £40,567,308 and the Revolving Credit Facility of up to £30,000,000.

The Facility Agreement will therefore be amended, subject to the completion of the Acquisition, pursuant to an amendment and restatement agreement (the New Facility Agreement) in order to effect the new terms of the existing Bank Facility and the New Bank Facility. The New Facility Agreement has a term of 18 months. Therefore, subject to the completion of the Acquisition, the New Bank Facility together with the existing Bank Facility will be repayable on 17 June 2017. As a result of these new arrangements the repayment date in relation to the existing Bank Facility (as well as the New Bank Facility) has been brought forward from 16 December 2018 to 17 June 2017.

Interest will continue to be payable in relation to the existing Bank Facility at the estimated all-in rate of 3.26 per cent. per annum pursuant to the swaps that are already in place (further details on the swaps

are set out above) and will be payable in relation to the New Bank Facility at a rate equal to the aggregate of the applicable LIBOR rate and a margin of 1.25 per cent. per annum.

For illustrative purposes and on the assumption that the maximum amount under the New Bank Facility is required to be drawn down, the Group's maximum level of borrowings (the existing Bank Facility plus the New Bank Facility) will be £155 million, and the maximum LTV, once the New Portfolio has been acquired, would be approximately 31 per cent. The structure and terms of the New Facility Agreement provide the Company with the flexibility to make repayments prior to the repayment date of 17 June 2017. Thereby it could reduce the LTV shortly after the completion of the Acquisition with the proceeds of any disposals of New Properties (or existing Properties). In the event that the Revolving Credit Facility is repaid in full with the proceeds of any disposals, the Group's maximum LTV (assuming the maximum amount under the New Term Loan is drawn down) could reduce to approximately 28 per cent. The Property Subsidiary will only draw down funds under the New Bank Facility once Admission has occurred on the completion of the Acquisition.

The Property Subsidiary does not currently intend to hedge the New Bank Facility. In the light of the current low interest rate environment it is likely that the Group would look to refinance all of their debt (the existing Bank Facility as well as the New Bank Facility) in the near term. As part of the refinancing the Group would have to break the existing interest rate swaps thereby incurring break costs and would, at that time, consider entering into new arrangements to mitigate interest rate risk in respect of any new debt incurred.

Further details of the Facility Agreement and the New Facility Agreement are set out in paragraphs 8.4 and 8.5 of Part X of this document.

Dividends

Dividend policy

It is the Board's policy that in paying dividends it should target aggregate annual dividends which are fully covered by the Group's net income. Dividends on the Ordinary Shares are expected to be paid in equal instalments quarterly in respect of each financial year in March, May, August and November. All dividends are paid as interim dividends.

Payment of dividends

The Company has declared a dividend of 1.161 pence per Share for the quarter ending 30 September 2015 which will be paid on 27 November 2015 to the Company's existing Shareholders.

The Company expects that its final interim dividend of 1.161 pence in respect of the period to 31 December 2015 will be split into: (i) a fourth interim dividend for the period between 1 October 2015 and 14 December 2015 (the date immediately prior to Admission and the completion of the Acquisition); and (ii) a fifth interim dividend for the period between 15 December 2015 and 31 December 2015. The Company's existing Shareholders will qualify for the fourth and fifth interim dividends in respect of their existing holdings of Ordinary Shares which together equal the equivalent of 1.161 pence for the quarter per Share. New Shares issued pursuant to the Initial Placing and Offer will only qualify for the fifth interim dividend.

Save as referred to above, New Shares will rank *pari passu* with the Ordinary Shares in respect of dividends.

In the event that the Acquisition completes, the Board believes that the dividend cover would be enhanced. Accordingly if the Acquisition completes, and in the absence of unforeseen circumstances, it is the Board's intention to increase the quarterly dividend by 2.5 per cent. to 1.19 pence per Share commencing with the quarter ending 31 March 2016. If Admission does not occur and the Acquisition does not proceed, the Board does not intend to increase the dividend in the near term but will continue to keep the Company's dividend policy under review.

For further information on the tax treatment of an investment in the Company please refer to Part IX of this document.

Share buy backs

The Directors have authority to buy back up to 41,489,207 Ordinary Shares (being 14.99 per cent. of the number of Ordinary Shares in issue as at 27 May 2015 (being the date of the Company's last annual general meeting at which such authority was granted by special resolution)) and will continue to seek annual renewal of this authority from Shareholders. The Company has not bought back any shares under this authority. However, any buy back of Ordinary Shares will be made subject to the Law and within guidelines established from time to time by the Board (which will take into account the income and cash flow requirements of the Company) and the making and timing of any buy backs will be at the absolute discretion of the Board.

Purchases of Ordinary Shares will only be made through the market for cash at prices below the prevailing published net asset value of an Ordinary Share (as last calculated) where the Directors believe such purchases will enhance Shareholder value. The price paid will not be less than the nominal value of 1 pence per Share. Such purchases will also only be made in accordance with the Listing Rules which provide that the price to be paid must not be more than 5 per cent. above the average of the middle market quotations for the Ordinary Shares for the five business days before the purchase is made.

The Company may retain any Shares bought back as treasury shares for future re-issue and re-sale or transfer or may cancel any such Shares. During the period when the Company holds Shares as treasury shares, the rights and obligations in respect of those Shares may not be exercised or enforced by or against the Company. Pursuant to the Law and the Articles, the maximum number of Shares that can be held as treasury shares by the Company is 10 per cent. of the aggregate nominal value of all of the issued Ordinary Shares. Ordinary Shares held as treasury shares will only be re-issued, re-sold or transferred at prices which are not less than the published net asset value of an Ordinary Share.

Capital structure

Share capital and duration

The Company's share capital structure consists solely of Ordinary Shares, which are listed on the Official List and traded on the Main Market. The Company does not have a fixed life.

Disapplication of pre-emption rights and further issues

In accordance with the Articles and the Law, the Directors have authority to allot an unlimited number of Ordinary Shares. As required by Listing Rules, the Directors will only issue Ordinary Shares at prices which are not less than the net asset value of the Ordinary Shares unless such Ordinary Shares are first offered on a pre-emptive basis to existing Shareholders or otherwise with the approval of Shareholders.

Taxation status of the Group

The Company became tax resident in the UK and entered the UK REIT regime with effect from 1 January 2015. The Group currently qualifies as a UK REIT and will continue to do so following the Acquisition. It has a tax efficient corporate structure for UK tax purposes on the basis that a UK REIT does not suffer UK corporation tax on the profits (income and capital gains) derived from its qualifying property rental business in the UK and elsewhere, provided that certain conditions are satisfied.

Group structure

Current Group structure

The Company

The Company is an authorised closed-ended investment scheme under section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and Rule 6.02 of the Rules. The Company does not have a fixed life. The share capital of the Company consists solely of Ordinary Shares which are listed on the Official List and traded on the Main Market.

The Property Subsidiary

Pursuant to an internal administration agreement between the Company and the Property Subsidiary, the Property Subsidiary acquires properties in accordance with the Company's investment policy. The

Company has agreed to fund the Property Subsidiary by way of share and/or loan capital in amounts to be determined from time to time.

The Property Subsidiary is a Guernsey incorporated company, which is wholly owned by the Company. Its directors are the same as those of the Company and the Company is able to control the investment policy of the Property Subsidiary to ensure that it complies with the investment policies of the Company and the investment restrictions that apply to the Company. The Property Subsidiary is also a party to the Investment Management Agreement and the Administration and Secretarial Agreement.

Additional group entities on the completion of the Acquisition

The JPUT

The JPUT was established on 11 September 2013 and is the sole limited partner in the Limited Partnership which holds the New Portfolio. The JPUT is a collective investment fund established in Jersey and regulated by the JFSC. The trustee of the JPUT is Pavilion Trustees Limited. Subject to the completion of the Acquisition, all of the units in the JPUT will be owned by the Property Subsidiary and the Company. On completion, the JPUT will be managed by Standard Life Investments (Jersey) Limited with the objective of holding the New Properties in accordance with the investment policy of the Group and subject to the overall supervision and direction of the Board. On completion of the Acquisition, the Board, through the Group's holding of all units in the JPUT, will be able to remove the trustees at any time. It is currently envisaged that shortly after completion the JPUT will be wound up in order to have a more efficient group structure.

The Limited Partnership

The Limited Partnership was established on 11 September 2013. The JPUT is the sole limited partner. The objective of the Limited Partnership is to hold the New Properties and, following the completion of the Acquisition, the Limited Partnership will hold the New Properties for investment purposes in accordance with the investment policy of the Group and subject to the overall supervision and direction of the Board. The Investment Manager will be appointed as the investment manager of the Limited Partnership on completion of the Acquisition and it is proposed that the partnership agreement will be amended to ensure that from completion the Limited Partnership would be managed so that it conforms with the Company's investment policies and the related requirements that apply to the Company.

The General Partner

The General Partner acts as the general partner of the Limited Partnership. The General Partner was incorporated in England and Wales on 6 September 2013. On completion the Property Subsidiary will be the sole shareholder in the General Partner and its directors will be the same as those of the Company.

Further subsidiaries and investment structures

The structure to be used for any future acquisition of property assets will be reviewed at the time of such acquisition and the Group may invest in property assets by means of any structure which is considered to be appropriate in the circumstances of the proposed acquisition. Accordingly, the Company may, without limit, incorporate further subsidiaries to hold property assets or may acquire the share capital of companies, partnership interests in partnerships or units in unit trusts (or similar vehicles) which own one or more properties, all of which would be wholly owned by the Group. The Group will also be permitted to forward fund purchases of properties, make development loans and acquire options over properties.

Directors

The Directors, all of whom are non-executive and independent of the Investment Manager, are responsible for the determination of the investment policy of the Company and its overall supervision. The Directors are as follows:

Richard (Dick) Barfield (Chairman) is a UK resident. He is a trustee and chairman of the Investment Subcommittee of British Coal Staff Superannuation Scheme, Chairman of the Investment Subcommittee of Rio Tinto Pension Fund, Member of the Supervisory Committee of Scottish Life and a

member of the Investment Committee of the Royal Society of Edinburgh. He was previously the Chief Investment Manager of Standard Life Assurance Co Ltd until 1996.

Sally-Ann (Susie) Farnon is a resident of Guernsey. Susie is a chartered accountant and was a banking and finance partner of KPMG Channel Islands from 1990 until 2001 and Head of Audit KPMG Channel Islands and a former member of The States of Guernsey Public Accounts Committee. She was Vice-Chairman of The Guernsey Financial Services Commission until 31 March 2015. She is a non-executive director of Ravenscroft Ltd, Breedon Aggregates Ltd, Dexion Absolute Ltd, HICL Infrastructure Company Ltd and Threadneedle UK Select Trust Ltd. She is also a director of a number of private property and regulated investment companies.

Huw Evans is a resident of Guernsey. He qualified as a Chartered Accountant with KPMG (then Peat Marwick Mitchell) in 1983. He subsequently worked for three years in the corporate finance department of Schroders before joining Phoenix Securities Limited in 1986. Over the next twelve years he advised a wide range of companies in the financial services and other sectors on mergers and acquisitions and more general corporate strategy. Since moving to Guernsey in 2005, he has acted as a non-executive director for a number of Guernsey based companies and funds, including BH Macro Limited.

Robert Peto is a UK resident. He is part time Chairman of DTZ Investment Management Ltd. In 1992, he founded the real estate investment management arm of DTZ (which now has over £4 billion of assets under management). He chairs a number of investment committees for property funds and is a non-executive director of Lend Lease Europe GP Limited (Retail Fund), Mactaggart Heritable Holdings Limited, the commercial subsidiary of the Royal Bath & West Society and is non-executive Chairman of GCP Student Living plc. Mr Peto was Global President of RICS from 2010 to 2011, a member of the Bank of England Property Advisory Group from 2007 to 2011, chairman of DTZ UK from 1998 to 2008 and a member of the board of DTZ Holdings plc from 1998 to 2009.

Corporate governance

As a company incorporated in Guernsey with a premium listing of equity shares on the Official List, the Company is required to comply with the Code and the principles and recommendations of the AIC Code by reference to the AIC Corporate Governance Guide for Investment Companies. The Company complies with the recommendations of the AIC Code and the relevant parts of the Code in all material respects except as disclosed below. The Commission published its Code of Corporate Governance in September 2011 and this came into effect on 1 January 2012. By complying with the Code, the Company is deemed to have met the requirements of the Guernsey Code.

Independence

The Board consists solely of non-executive directors of which Dick Barfield is Chairman. The Directors are all considered to be independent for the purposes of the Listing Rules and the Code.

Senior Independent Director

All Directors are equally responsible under the Law for the proper conduct of the Company's affairs. The Directors are also responsible for ensuring that their policies and operations are in the best interests of the Shareholders. Susie Farnon has been designated as the Senior Independent Director as recommended by the AIC Code. She is available to Shareholders if they have concerns which the Chairman or the Investment Manager has failed to resolve or where contacting the Chairman or Investment Manager is not appropriate.

Performance of Board and re-election

During the Company's last financial year, the performance of each Director was evaluated through an assessment process, led by the Chairman. The performance of the Chairman was evaluated by the other Directors. The performance of each board committee was appraised by the Board as a whole. Pursuant to the Articles, one third, or the number nearest to but not exceeding one third, of the Directors are required to retire and stand for re-election at the annual general meeting each year, provided that each Director shall retire and stand for re-election at the annual general meeting immediately following their appointment, then at intervals of no more than three years. However, given the recommendations of the AIC Code and the Code the Board has agreed that all of the Directors will retire annually and seek re-election as required.

Board committees

The Board is supported by the audit committee, nomination committee, property valuation committee, remuneration committee and the management engagement committee. Each of the Directors are members of each of these committees and they have written terms of reference which are reviewed at least annually and clearly define their responsibilities and duties.

The Board meets four times a year, as does the property valuation committee. The audit committee meets at least three times a year. The management engagement committee meets at least twice a year and the remuneration committee meet at least once a year. The nomination committee meets whenever the chairman of the committee or the Board directs.

The management engagement committee, chaired by Huw Evans, reviews the appointments made by the Board including the appointment and performance of the Investment Manager and the Administrator.

The Chairman of the nomination committee is Dick Barfield. The nomination committee is responsible for reviewing and reporting on succession planning for Directors, identifying and nominating candidates to fill vacancies on the Board and to evaluate the balance of skills, knowledge and experience of the Board.

The audit committee, chaired by Susie Farnon, reviews the annual and half yearly accounts and considers the continuing appointment of the Auditors. It is also responsible for:

- monitoring the integrity of the financial statements of the Company and any public announcements relating to the Company's financial performance and reviewing significant reporting judgements contained in them;
- reviewing the effectiveness of the Company's internal financial controls and risk management systems and bringing material issues to the attention of the Board;
- reviewing an annual statement from the Investment Manager detailing the arrangements whereby the Investment Manager's staff may, in confidence, escalate concerns about possible improprieties in relation to financial reporting or other matters;
- making recommendations to the Board, for it to put to Shareholders for their approval at general meeting, in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- reviewing the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements;
- making recommendations to the Board in relation to the engagement of the external auditor to supply non-audit services, taking into account ethical guidance regarding the provision of non-audit services by the external audit firm; and
- where requested by the Board, providing advice on whether the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy.

The Chairman of the remuneration committee is Huw Evans. The remuneration committee is responsible for reviewing levels of remuneration for the non-executive Directors and the appropriateness and relevance of the Company's remuneration policy.

The property valuation committee, chaired by Robert Peto, is responsible for reviewing the quarterly independent property valuation report produced by the Valuer. Robert Peto also meets with the Valuer at least annually.

Investment Manager

Standard Life Investments (Corporate Funds) Limited

Standard Life Investments (Corporate Funds) Limited is the Company's AIFM, appointed as such on 7 July 2014, and investment manager. It is authorised and regulated by the FCA and has been granted permission to act as an AIFM under the AIFMD. The Investment Manager is a member of the Standard

Life Group which had £250 billion under management as at 30 June 2015 of which approximately £17.4 billion are commercial real estate assets.

Key personnel

The property team of the Investment Manager comprises 148 investment professionals. The key personnel who are responsible for the Company, managing the Property Portfolio and, following completion of the Acquisition, the Combined Portfolio are as follows:

Jason Baggaley is a chartered surveyor, who joined the Standard Life Group in 1996 and has over 23 years of real estate fund management experience. In addition to managing the Company, Jason also manages a segregated property pension fund offering a strong performance track record.

Andrew Jackson has over 23 years of real estate industry experience in a number of roles ranging from research through direct real estate fund management to global listed real estate investing. He currently heads a team of 17 fund managers, portfolio managers and analysts that manage Standard Life Investments Limited's global real estate funds, investing in listed REITs, direct real estate, and its range of retail investor focused direct real estate funds.

Investment Management Agreement

The Company and the Property Subsidiary have entered into the Investment Management Agreement with the Investment Manager under which the Investment Manager has been appointed as the Company's AIFM with responsibility for the management of the Group's assets, subject to the overall supervision of the Directors, and to provide certain administrative services to the Group. The Investment Manager manages the Group's investments in accordance with the policies laid down by the Directors and in accordance with the investment restrictions referred to in the Investment Management Agreement.

Under the Investment Management Agreement, the Investment Manager receives from the Company an aggregate annual fee, payable quarterly in arrears, at the rate of 0.75 per cent. of Total Assets up to £200 million, 0.70 per cent. of Total Assets between £200 million and £300 million and 0.65 per cent. of Total Assets in excess of £300 million.

The Investment Manager is entitled to retain any commissions received by it in respect of insurance put in place on behalf of the Group. The Investment Management Agreement is terminable by any of the parties to it on 12 months' notice.

If Admission occurs, on the completion of the Acquisition, it is intended that the General Partner will enter into the Investment Management Agreement in order that it specifically provides for the management by the Investment Manager of the Limited Partnership. It is not currently expected that the commercial terms of the Investment Management Agreement will change in any material respect as a result of the Acquisition.

Further details of the Investment Management Agreement are set out in paragraph 8.2 of Part X of this document.

Conflicts of interest

The Investment Manager and its officers and employees may be involved in other financial, investment or professional activities that may on occasion give rise to conflicts of interest with the Group. In particular the Investment Manager does and will continue to provide investment management, investment advice or other services in relation to a number of companies, funds or other accounts that may have similar investment policies to that of the Company and may receive *ad valorem* and/or performance related fees for doing so.

The Investment Manager may give advice or take action with respect to such other clients that differs from the advice given or actions taken with respect to the Company.

The Investment Manager will have regard to its obligations under the Investment Management Agreement or otherwise to act in the best interests of the Company, so far as is practicable having regard to its obligations to other clients or funds, should potential conflicts of interest arise. Having regard to these obligations, the Company may buy investments from or sell investments to the

Investment Manager only on an arm's length basis and with the consent of the Board. The Investment Manager will use reasonable efforts to ensure that the Company has the opportunity to participate in potential investments identified by the Investment Manager that fall within the Company's investment objective and policy on the best terms reasonably obtainable at the relevant time having regard to the interests of the Company. In so doing, the Investment Manager will take into consideration the appropriateness of investments for inclusion in the Company's portfolio. The Investment Manager has a robust conflicts of interest policy in place that applies to all the funds it manages. This policy is overseen and controlled by the investment committee of the Investment Manager's real estate team.

Administration and secretarial arrangements

Northern Trust International Fund Administration Services (Guernsey) Limited has been appointed as administrator and secretary pursuant to the Administration and Secretarial Agreement. In such capacity, the Administrator is responsible for general secretarial functions required by the Law and for assisting the Company with its compliance with its continuing obligations as a company listed on the Official List. The Administrator is also responsible for the Company's general administrative functions as set out in the Administration and Secretarial Agreement.

The Administrator receives a fee of £65,000 per annum, payable quarterly in arrears. The Administration and Secretarial Agreement can be terminated by either party on 90 days' prior notice.

The Company utilises the services of Computershare Investor Services (Guernsey) Limited as its agent in relation to the transfer and settlement of Shares held in uncertificated form and Computershare Investor Services PLC as UK transfer agent.

Depository arrangements

The Board has appointed Citibank International plc as the depository to the Company pursuant to the Depository Agreement. The Depository carries out the core duties under Articles 21(7), (8) and (9) of the AIFMD which include cash management and general oversight of the Company's portfolio. The Depository receives a fee on a quarterly basis for its services of 0.0145 per cent. per annum of the net asset value of the Company subject to a minimum of £25,000 per annum. The Depository Agreement can be terminated by either party on 90 days' prior notice.

Solicitors appointed by the Group hold the property deeds on behalf of the Group.

Annual expenses

The principal annual expenses of the Group are the fees payable to the Investment Manager, the Administrator, the Valuer, the Depository and the Directors. The Group also incurs regulatory fees, insurance costs, professional fees, audit fees and other expenses. For the financial year ended 31 December 2014, these expenses amounted to approximately £2.3 million. If the Issues are fully subscribed, these fees and expenses for the period from Admission to 31 December 2015 are estimated to amount to 1.2 per cent. of the net assets of the Group annualised over this period. For the avoidance of doubt, such expenses exclude the costs of the Issues and the Acquisition.

Accounting policy

The audited accounts of the Group are prepared under IFRS. Financial statements prepared by the Company in accordance with IFRS will include an income statement, which is not required, to differentiate between revenue and capital items and which also includes realised and unrealised investment gains/losses. The Company's management and administration fees, finance costs and all other expenses will be charged through the income statement.

Shareholder information

The Company's annual report and accounts (which consolidate the accounts of the Group) are prepared up to 31 December each year and it is expected that copies will be sent to Shareholders by the following April. Shareholders also receive an unaudited half yearly report covering the six months to 30 June each year, expected to be despatched in the following September.

The Properties are valued by the Valuer (an external, valuation adviser in accordance with the AIFMD) quarterly in accordance with the Red Book. If the Group acquires the New Properties they will be valued by Knight Frank (an external valuation adviser in accordance with the AIFMD) quarterly in accordance with the Red Book and alongside the Valuer's valuation of the Properties. The Valuer's valuations are reviewed quarterly and Knight Frank's valuations will also be reviewed quarterly going forward from the completion of the Acquisition by the property valuation committee.

The net asset value attributable to the Ordinary Shares is published quarterly based on the Properties' most recent valuation and in accordance with IFRS. The net asset value is calculated by the Investment Manager and published through a Regulatory Information Service as soon as practicable after the end of the relevant quarter. The calculation of the net asset value per Ordinary Share will only be suspended in circumstances where the underlying data necessary to value the investments of the Company cannot readily, or without undue expenditure, be obtained. Details of any suspension in making such calculations will be announced through a Regulatory Information Service.

PART II

THE INITIAL PLACING AND THE OFFER

Introduction

Under the Initial Placing and Offer, subject to compliance with the Law and the Articles, the Company is proposing to issue up to 122 million New Shares at the Issue Price being 82 pence per New Share representing a 2.84 per cent. premium to the NAV per Share as at 30 September 2015 once the accrued dividend for the period ending 30 September 2015 has been deducted.

The New Shares issued pursuant to the Initial Placing and Offer will rank *pari passu* in all respects with the existing Ordinary Shares (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant New Shares). Further details of the dividends to which the New Shares will be entitled are set out on page 43 of this document.

The Initial Placing and Offer is conditional, *inter alia*, on:

- (i) the Placing Agreement becoming wholly unconditional (save as to Admission) and not having been terminated in accordance with its terms prior to Admission;
- (ii) the Admission Condition being satisfied prior to 8.00 a.m. on 15 December 2015 (or such later time and/or date, not being later than 8.00 a.m. on 18 December 2015, as the Board may determine);
- (iii) Shareholder approval being granted in respect of the issue of New Shares, on a non pre-emptive basis, in relation to the Initial Placing and Offer and the Acquisition at the General Meeting; and
- (iv) the gross proceeds of the Initial Placing and Offer being the equivalent of at least £80 million being the Minimum Issue Proceeds.

In the event that these conditions to the Initial Placing and Offer are not satisfied, Admission will not occur and the Acquisition of the New Portfolio will not complete. In such circumstances no funds will be drawn down under the New Bank Facility and any monies received under Initial Placing and Offer will be returned to investors.

The Directors believe that the profile of a typical investor in the Company is an institution or professionally advised individual who is seeking income and capital growth from investing in a diversified portfolio of commercial property and who understands and accepts the risks inherent in the Company's investment policy. The Initial Placing and Offer is not being underwritten and the Initial Placing is not being firmly placed.

Illustrative financial effects

The costs and expenses of the Proposals are dependent on subscriptions. However, by way of illustration, such costs include the acquisition costs of the JPUT, the Limited Partnership and the New Portfolio, the commission payable to the Placing Agent and the costs in relation to the publication of this document and the Circular. These costs are expected to be approximately £3.5 million. The consideration payable for all the units in the JPUT, both of the shares in the General Partner and the New Portfolio will be £165 million adjusted to take into account any accruals and contingencies of the JPUT and the Limited Partnership on the date of completion of the Acquisition. Accordingly it is estimated that the total consideration and costs and expenses payable by the Company in relation to the Proposals would amount to approximately £171 million.

Up to 122 million New Shares will be issued under the Initial Placing and Offer at a premium of 2.84 per cent. to the NAV per Share as at 30 September 2015 once the accrued dividend for the period ending 30 September 2015 has been deducted.

The Minimum Issue Proceeds have to be raised under the Initial Placing and Offer prior to Admission occurring and the Acquisition completing. In such an event, the gross proceeds of the Initial Placing and

Offer (being at least £80 million) are being used, together with the New Bank Facility of up to approximately £70.6 million and the Company's existing available cash reserves of up to £22 million, to acquire the JPUT, the General Partner and the New Portfolio as well as to fund all of the costs associated with the Proposals.

The Initial Placing

Winterflood Securities have agreed under the Placing Agreement to use their reasonable endeavours to procure Placees for New Shares at the Issue Price. It is expected that Placees will be new and existing institutional investors. Details of the Placing Agreement are set out in paragraph 8.1 of Part X of this document.

The Initial Placing will close at 3.00 p.m. on 10 December 2015 (or such later date, not being later than 18 December 2015, as the Company, the Sponsor and the Placing Agent may agree). If the Initial Placing is extended, the revised timetable will be notified via an RIS.

The procedure for, and the terms and conditions of, application under the Initial Placing are set out in Part XI of this document.

The agreement to subscribe for New Shares under the Initial Placing is conditional on Admission and will become an unconditional commitment on Admission. Once made, it may not be withdrawn without the consent of the Directors.

The Offer for Subscription

The Directors are also proposing to offer New Shares under the Offer for Subscription. The Offer for Subscription is being made in the UK only. The public generally (unless they are located or resident outside the UK) may apply for New Shares through the Offer for Subscription.

Applicants under the Offer must specify a fixed number of New Shares for which they wish to apply at the Issue Price. The aggregate subscription price is payable in full on application. Individual applications must be for a minimum of 3,000 New Shares and applications in excess of that amount should be made in multiples of 100 New Shares, although the Board may accept applications below the minimum amounts stated above in their absolute discretion. Multiple subscriptions under the Offer for Subscription by individual investors will not be accepted.

The procedure for, and the terms and conditions of, application under the Offer for Subscription are set out in Part XII of this document and an Application Form for use under the Offer for Subscription is set out at the end of this document.

Completed Application Forms and the accompanying payment in relation to the Offer for Subscription must be posted to Computershare, Corporate Actions Projects, Bristol, BS99 6AH so as to be received by no later than 11.00 a.m. on 9 December 2015. The final result of the Offer will be announced via an RIS. It is expected that applicants under the Offer will be new and existing investors who are professionally advised individuals.

Commitments under the Offer for Subscription, once made, may not be withdrawn without the consent of the Directors.

The results of the Initial Placing and Offer

The maximum number of New Shares to be issued pursuant to the Initial Placing and Offer will be 122 million. In the event that the number of New Shares applied for under the Initial Placing and Offer at the Issue Price results in the Company receiving gross proceeds which are significantly in excess of the size of the Initial Placing and Offer then it would be necessary to scale back such applications. In such event New Shares will be allocated, as far as reasonably possible, so that applications from existing Shareholders are given priority over other applicants, and, where applicable, with a view to ensuring that existing Shareholders are allocated such percentage of New Shares as is as close as possible to their existing percentage holding of Ordinary Shares.

The actual number of New Shares issued under the Initial Placing and Offer will be determined by the Company and the Placing Agent, after taking into account demand for the New Shares, prevailing market conditions and the acquisition costs of the New Portfolio. If sufficient funds are not raised pursuant to the Initial Placing and Offer, the New Bank Facility and the Group's cash resources, the application monies received under the Initial Placing and Offer will be returned to Shareholders (at their own risk). The final result of the Initial Placing and Offer will be announced via an RIS.

Admission and dealings

Applications will be made to the UK Listing Authority for admission of the New Shares to the Official List. Application will also be made for the New Shares to be admitted to trading on the Main Market. It is expected that Admission will become effective, the agreements to subscribe for New Shares under the Initial Placing and Offer will become unconditional commitments and that unconditional dealings in the New Shares will commence on the Main Market at 8.00 a.m. (London time) on 15 December 2015.

The Initial Placing and Offer Shares will be issued in registered form and may be held in certificated or uncertificated form. The New Shares allocated pursuant to the Initial Placing and Offer will be issued through the CREST system unless otherwise stated. The New Shares will be eligible for settlement through CREST with effect from Admission.

The Company will arrange for CREST to be instructed to credit the appropriate CREST accounts of the applicants concerned or their nominees with their respective entitlements to the Initial Placing and Offer Shares. The names of applicants or their nominees that invest through their CREST accounts will be entered directly on to the share register of the Company.

Dealings in the New Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

The New Shares will be denominated in Sterling.

Transfer

The transfer of the New Shares outside the CREST system should be arranged directly through the Registrar by completing and lodging an appropriate stock transfer form. However, an investor's beneficial holding held through the CREST system may rematerialise, in whole or in part, only upon the specific request of a beneficial owner to CREST through submitting a stock withdrawal form for share certificates or an uncertificated holding in definitive registered form.

If an applicant or transferee requests New Shares to be issued in certificated form and is holding such New Shares outside CREST, a share certificate will be despatched either to it or its nominated agent (at its own risk) within 10 days of completion of the registration process or transfer, as the case may be, of the New Shares. Investors holding a definitive certificate may elect at a later date to hold their New Shares through CREST.

Scaling back

In the event that the number of New Shares applied for under the Initial Placing and Offer at the Issue Price results in the Company receiving net proceeds which are significantly in excess of the size of the Initial Placing and Offer then it would be necessary to scale back such applications. In such event New Shares will be allocated, as far as reasonably possible, so that applications from existing Shareholders are given priority over other applicants, and, where applicable, with a view to ensuring that existing Shareholders are allocated such percentage of New Shares as is as close as possible to their existing percentage holding of Ordinary Shares. The final results of the Initial Placing and Offer and any scaling back will be announced via an RIS.

Commissions

The Placing Agent will be entitled to a commission payable by the Company in connection with monies raised under the Initial Placing. No commissions are payable by the Company to Placees under the Initial Placing.

Dilution

Existing Shareholders are not obliged to participate in the Issues. However, those Shareholders who do not participate in the Issues will suffer a dilution to the percentage of the issued share capital that their current holding represents based on the actual number of New Shares issued. Assuming 122 million New Shares are issued under the Initial Placing and Offer, Shareholders will suffer a dilution of approximately 29.73 per cent. to their existing percentage holdings if they do not participate in the Issues.

PART III

THE PLACING PROGRAMME

Placing Programme

In the event that the conditions to the Initial Placing and Offer and the Acquisition are satisfied, Admission occurs and the Acquisition completes, it is unlikely that the Placing Programme will be implemented in the near term.

However, the Placing Programme may be implemented if Admission does not occur and the Acquisition of the New Portfolio does not complete. Under the Placing Programme the Company would be able to issue up to 122 million New Shares.

The Placing Programme would be implemented, conditional upon, *inter alia*, Shareholder approval being granted in relation to the issue of shares on a non pre-emptive basis to enable the Company to raise additional capital over the period from 16 December 2015 to 16 November 2016 when it identifies properties that are suitable for acquisition. This should enable the Investment Manager to make a series of property acquisitions whilst also mitigating the risk of impact on the Company of receiving lower returns on significant cash balances awaiting investment.

Under the Placing Programme, New Shares may be issued from 8.00 a.m. on 16 December 2015 until 8.00 a.m. on 16 November 2016 subject to the appropriate Shareholder authorities being granted. The issue of New Shares pursuant to the Placing Programme is at the discretion of the Directors. Any New Shares issued pursuant to the Placing Programme will rank *pari passu* in all respects with the existing Ordinary Shares (save for any dividends or other distributions declared, made or paid on the Ordinary Shares by reference to a record date prior to the allotment of the relevant New Shares).

The aggregate costs of and incidental to the publication of this document and the issue of New Shares are approximately £1.8 million. On the assumption that the Issues pursuant to the Placing Programme are fully subscribed and are carried out by way of a single issue at the Issue Price, the net proceeds of the Issues are expected to be approximately £98.24 million.

The Directors would apply the net proceeds of the Placing Programme in making investments that have been identified by the Investment Manager in accordance with the Company's investment objective and policy. The Placing Programme will not be underwritten.

In the event that there are any significant changes affecting any of the matters described in this document or where any significant new matters have arisen after the publication of this document and prior to Admission of the New Shares issued pursuant to the Placing Programme, the Company will publish a supplementary prospectus. Any supplementary prospectus published will give details of the significant change(s) or the significant new matter(s).

Conditions

Each Issue under the Placing Programme would be conditional, *inter alia*, on the following:

- (i) the Placing Programme Price being determined by the Directors as described below;
- (ii) Admission of the New Shares issued pursuant to such issue;
- (iii) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules; and
- (iv) Shareholder authority in relation to the relevant placing under the Placing Programme being granted at a duly convened general meeting of the Company.

In circumstances where these conditions are not fully met, the relevant issue of New Shares pursuant to the Placing Programme will not take place.

Placing Programme Price

The price of a New Share to be issued pursuant to each Issue under the Placing Programme would be determined by the Board and would be at a premium to the net asset value per Share and rounded to two decimal places. The Placing Programme Price for each Issue would be announced as soon as is practicable through a Regulatory Information Service.

The Directors would determine the Placing Programme Price on the basis described above so as to cover the costs and expenses of each issue under the Placing Programme and to thereby avoid any dilution of the net asset value of the existing Ordinary Shares. In determining the Placing Programme Price, the Directors would also take into consideration, *inter alia*, the prevailing market conditions at that time.

Admission and dealings

Applications would be made to the UK Listing Authority for admission of the New Shares to the Official List. Applications would also be made for the New Shares to be admitted to trading on the London Stock Exchange throughout the period from 16 December 2015 to 16 November 2016. It is expected that such admission and dealings in the Ordinary Shares issued pursuant to the Placing Programme would commence in the period from 16 December 2015 to 16 November 2016 subject to the appropriate Shareholder authorities being granted.

The New Shares would be issued in registered form and may be held in uncertificated form. The New Shares allocated would be issued to Placees through the CREST system unless otherwise stated. The New Shares would be eligible for settlement through CREST with effect from Admission.

The Company would arrange for CREST to be instructed to credit the appropriate CREST accounts of the Placees concerned or their nominees with their respective entitlements to the New Shares. The names of Placees or their nominees that invest through their CREST accounts would be entered directly on to the share register of the Company.

Dealings in the New Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

Any New Shares issued will be denominated in Sterling.

PART IV

DETAILS OF THE PROPERTY PORTFOLIO, THE NEW PORTFOLIO AND THE COMBINED PORTFOLIO

The information contained in this Part IV provides an analysis of the Property Portfolio, the New Portfolio and the Combined Portfolio. The information contained in this Part IV is unaudited. Unless otherwise stated the information in this Part IV is provided as at 13 November 2015 (the latest practicable date prior to the publication of this document) and in respect of the Property Portfolio is based on the valuations as at 30 September 2015 from the Valuer's valuation report as set out in Part V of this document and in respect of the New Portfolio is based on the valuations as at 19 October 2015 from Knight Frank's valuation report as set out in Part VI of this document. There has been no material change in the value of the Property Portfolio or the New Portfolio since 30 September 2015 and 19 October 2015 respectively, being the dates of their valuation.

1. Summary description of the Property Portfolio

<i>Properties*</i>	<i>Sector</i>	<i>Region</i>	<i>Current net annual rent receivable</i>
Properties valued at £15 – £20 million – Property Portfolio			
White Bear Yard, Clerkenwell, London	Standard Office	London Mid-Town	£527,334
DSG Blackpool Road, Preston	Retail Warehouse	North West	£1,040,895
Chester House, Farnborough Aerospace Centre, Farnborough GU14 6TQ (Leasehold)	Office Park	South East	£1,257,640
The Symphony Group, Ickles Way, Rotherham	Industrial ROUK	North West	£1,080,000
Properties valued at £15 – £20 million – New Portfolio			
Elstree Tower, Borehamwood	Standard Office	South East	£1,320,000
Properties valued at £10 – £15 million – Property Portfolio			
Denby 242, Denby, DE5 8NN	Industrial ROUK	Midlands	£0 Rent Free, £1,153,138 per annum from 15 March 2016
Hertford Place Maple Cross Rickmansworth	Standard Office	South East	£1,156,900
St James's House, Cheltenham	Standard Office	Midlands	£862,102
3b-c Michigan Drive Milton Keynes	Industrial ROSE	South East	£712,980
Hollywood Green, Wood Green, London	High Street Retail	London	£787,878
Bourne House, The Causeway, Staines	Standard Office	South East	£0 Rent free, £696,995 per annum from 15 January 2016

Properties*	Sector	Region	Current net annual rent receivable
Ocean Trade Centre, Altens Industrial Estate, Aberdeen	Industrial ROUK	Scotland	£442,700
Ground Floor, New Palace Place, Monck Street, Westminster, London (Leasehold)	Standard Office and Retail	London	£546,103
Howard Town Retail Park, Glossop	Retail Warehouse	North West	£677,430
Properties valued at £10 – £15 million – New Portfolio			
Charter Court, Bath Road, Slough	Standard Office	South East	£815,448
82-84 Eden Street, Kingston Upon Thames	Retail	Greater London	£200,264
Properties valued at £5 – £10 million – Property Portfolio			
Tetron 141, Swadlingcote	Industrial ROUK	Midlands	£635,216
Explorer 1 & 2, Mitre Court, Crawley	Standard Office	South East	£701,490
1/1A Marsh Way, Fairview Industrial Park, Rainham, Essex (Leasehold)	Industrial	Eastern England	£450,000
Tetron 93, Swadlingcote	Industrial ROUK	Midlands	£375,448
Dorset Street, Southampton	Standard Office	South East	£459,166
Bathgate Retail Park, Bathgate	Retail Warehouse	Scotland	£478,625
Unit 6 Broadway Business Park, Oldham	Industrial	North West	£854,626
Silbury House, Silbury Boulevard, Milton Keynes	Standard Office	South East	£373,500
Units 1&2 Olympian Way, Leyland, Preston	Retail Warehouse	North West	£380,000
Halfords, Valley Road, Bradford	Retail Warehouse	North West	£515,825
Matalan, Kings Lynne	Retail Warehouse	Eastern England	£378,500
Properties valued at £5 – £10 million – New Portfolio			
The Quadrangle Cheltenham	Standard Office	South West	£700,000
Ceva Logistics Earlstrees Rd Corby	Standard Industrial	East Midlands	£597,637

<i>Properties*</i>	<i>Sector</i>	<i>Region</i>	<i>Current net annual rent receivable</i>
The Kirkgate, Church St Epsom	Standard Office	South East	£550,000
Walton Summit Industrial Estate Preston	Industrial ROUK	North West	£590,000
Budbrooke Industrial Estate Warwick	Standard industrial	West Midlands	£476,623
Swift House, Cosford Lane Rugby	Industrial ROUK	West Midlands	£523,574
Foxholes Business Park Hertford	Standard Industrial	South East	£459,747
P&O, Whitecliffs Business Park, Dover	Industrial ROSE	South East	£479,090
Victoria Shopping Park Hednesford	Retail	West Midlands	£485,000
Causeway House Teddington	Standard Office	South East	£347,703
Symiths Toys, Middle Engine Lane, North Shields	Retail Warehouse	North East	£371,138
The Point Retail Park Rochdale	Retail Warehouse	North West	£370,000
Wincanton, Portbury, Bristol	Industrial ROUK	South West	£379,643
Foundary Lane Horsham	Industrial ROSE	South East	£125,450
Properties valued at £0 – £5 million – Property Portfolio			
Endeavour House, Langford Business Park Kiddlington	Office Park	South West	£415,000
Interplex 16 Ash Bridge Rd Bristol	Industrial ROUK	South West	£192,000
Interfleet House, Pride Park, Derby	Office Park	East Midlands	£390,000
The IT Centre, Innoation Way, York	Office Park	North East	£360,624
Matalan, Mayo Avenue, Bradford	Retail Warehouse	North West	£318,278
Dawson Rd, Mount Farm Milton Keynes	Standard Industrial	South East	£282,758
Units 1&2 Deans Ind Estate, Cullen Sq Livingston	Standard Industrial	Scotland	£405,076

Properties*	Sector	Region	Current net annual rent receivable
Persimon House, Crossways Business Park, Dartford	Office Park	South East	£306,643
31/32 Queen Sq, Bristol	Standard Office	South West	£160,000
Unit 2 Brunel Way, Segensworth East Fareham	Standard Industrial	South East	£225,000
Farrah Unit, Crittall Rd, Witham	Standard Industrial	South East	£212,380
Turin Crt Bird Hall Lane Cheadle Hume Stockport	Office Park	North West	£340,850
Unit 4 Monkton Business Park Hebburn, Newcastle	Industrial ROUK	North East	£220,000
Unit 4 Easter Park Wingates Bolton	Industrial ROUK	North West	£184,000
21 Gavin Way Nexus Point Birmingham	Industrial ROUK	West Midlands	£200,250
Unit 14 Interlink Park Bardon	Industrial ROUK	East Midlands	£155,415
Travis Perkins Cheltenham	Standard Industrial	South West	£112,000
1b Crown Farm, Mansfield	Standard Industrial	East Midlands	£60,000
Properties valued at £0 – £5 million – New Portfolio			
Broad oak Business Park, Trafford Park, Manchester	Standard Industrial	North West	£303,179
Anglia House, Station Road, Bishops Cleeve	Standard Office	South East	£426,648
The Range, Southend on Sea	Retail Warehouse	South East	£303,410
Units 1-4 Opus Way, Warrington	Standard Industrial	North West	£268,035
Ceres Court, Kingston Upon Thames (leasehold)	Standard Retail	South East	£198,712

ROUK: Rest of UK

ROSE: Rest of South East

2. Details of the ten largest properties (Combined Portfolio)

Set out below is a brief description of the ten largest properties in the Combined Portfolio.

White Bear Yard, Clerkenwell, London			
<i>Mid Town Office</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
B&W Group Limited	10 years	13 November 2018	N/A
White Bear Yard Management Limited	5 years	23 June 2019	N/A
IDEO LLC	10 years	23 June 2019	N/A
White Bear Yard Management Limited	10 years	23 June 2019	N/A
Current net annual rent	£527,334 (increasing to £1,057,743 on expiry of rent frees)		
Market Value	£15-20 million		

Elstree Tower, Elstree Way, Borehamwood			
<i>Office South East</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Sungard Availability Services (UK) Ltd	10 years	24 March 2025/ 24 March 2020	25 March 2020
Current net annual rent	£1,320,000		
Market Value	£15-20 million		

Currys and PC World, Preston			
<i>Retail Warehouse</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
DSG	25 years	25 December 2030	25 November 2020
Current net annual rent	£1,040,895		
Market Value	£15-20 million		

Chester House, Farnborough Aerospace Centre, Farnborough			
<i>Office Park</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
BAE Systems plc	27 years	31 December 2023	10 April 2017
Current net annual rent	£1,257,640		
Market Value	£15-20 million		

The Symphony Group, Ickles Way Rotherham			
<i>Industrial</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
The Symphony Group plc	20 years	15 September 2034	16 September 2019
Current net annual rent	£1,080,000		
Market Value	£15-20 million		

Denby 242, Denby Rd, Denby			
<i>Industrial</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Techno Cargo Logistics	15 years	14 March 2025	15 March 2016
Current net annual rent	£0 (increasing to £1,153,138 at expiry of rent free)		
Market Value	£10-£15 million		

Hertford Place, Rickmansworth			
<i>Office</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Trebor Bassett Ltd	20 years	19 December 2022	20 December 2017
Current net annual rent	£1,156,900		
Market Value	£10-£15 million		

St James's House, Cheltenham			
<i>Office</i>			
<i>Top five tenants</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
BPE Solicitors LLP	12 years	21 March 2024	22 March 2019
Barnett Waddingham LLP	11 years	29 October 2022	29 October 2019
Tangible UK Limited	10 years	6 July 2021/7 July 2016	7 July 2016
Local World Ltd	10 years	8 August 2025/ 8 August 2020	9 August 2020
Volo Commerce Ltd	10 years	3 March 2024	4 March 2019
Current net annual rent	£862,102		
Market Value	£10-£15 million		

Charter Court, 50 Windsor Road, Slough			
<i>Office</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Webloyalty International Ltd	7 years	22 June 2020	1 March 2015
Airwave Solutions Ltd	13 years	24 December 2021	30 April 2018
Webloyalty International Ltd	7 years	22 June 2020	1 March 2015
Current net annual rent	£815,448		
Market Value	£10-£15 million		

3 B – C Michigan Drive Milton Keynes			
<i>Industrial</i>			
<i>Tenant</i>	<i>Lease Term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Bong UK Ltd	12 years	2 January 2026	Annual fixed increases
Current net annual rent	£712,980		
Market Value	£10-£15 million		

3. Tenant concentration

The tenants that contribute in excess of 2 per cent. of the current net annual rent of the Property Portfolio and the New Portfolio can be summarised as follows:

<i>Lease Name</i>	<i>Sector</i>	<i>Current net annual rent</i>	<i>% of Current net annual rent of Property Portfolio</i>
Sunguard Availability Services (UK) Ltd	Office	£1,320,000	4.1%
BAE Systems	Office	£1,257,640	3.9%
Trebor Basset	Office	£1,156,900	3.6%
The Symphony Group Plc	Industrial	£1,080,000	3.4%
DSG	Retail Warehouse	£1,040,895	3.3%
Bong UK Ltd	Industrial	£712,980	2.2%
Royal Bank Of Scotland PLC	Office	£700,000	2.2%
Matalan	Retail Warehouse	£696,778	2.2%
Grant Thornton	Office	£680,371	2.1%
Euro Car Parks Ltd	Industrial	£635,216	2.0%

4. Summary of tenure

<i>Tenure</i>	<i>As a percentage of aggregate Market Value</i>		
	<i>Property Portfolio</i>	<i>New Portfolio</i>	<i>Combined Portfolio</i>
Freehold/Feuhold	70.6%	86.1%	76.0%
Leasehold	29.4%	13.9%	24.0%

5. Lease length

The Properties in the Property Portfolio have a total of 113 tenants (excluding car parking spaces, wayleaves and substations). The New Properties in the New Portfolio have a total of 118 tenants. The length of the leases can be summarised as follows:

<i>Lease Length</i>	<i>As a percentage of current gross annual rent</i>			
	<i>Property Portfolio</i>	<i>New Portfolio</i>	<i>Combined Portfolio</i>	<i>IPD Quarterly Universe*</i>
0-5 years	31.6%	66.4%	34.0%	35%
5-10 years	43.6%	30.9%	37.4%	31%
10-15 years	17.8%	2.7%	20.2%	15%
15-20 years	5.4%	0.0%	4.0%	7%
20 + years	—	0.0%	1.0%	12%
% Void (by rent)	2.2%	1.46%	2.0%	6.9%
AWULTC	7.1 years	4.4 years	6.2 years	7.45 years

* Source: IPD Quarterly Universe (excluding leases over 35 years) 30 June 2015

AWULTC means Average Weighted Unexpired Lease Term Certain (to lease end or break option date if sooner).

6. Income profile (Combined Portfolio)

The occurrence of the earlier of lease expiries and break options of the Property Portfolio and the New Portfolio can be summarised as follows:

<i>Year of expiration or break option</i>	<i>Current gross annual rent</i>	<i>% of current gross annual rent</i>	<i>Cumulative % of current gross annual rent</i>
2016	£2,598,142	8.5%	8.5%
2017	£2,290,483	7.5%	16%
2018	£2,906,199	9.5%	25.5%
2019	£2,552,809	8.3%	33.8%
2020	£1,707,521	5.6%	39.4%
2021+	£17,448,366	57.0%	100%

The aggregate current net annual rent of the Property Portfolio is approximately £19.23 million and the aggregated estimated net annual rental value is approximately £22.04 million.

The aggregate current net annual rent of the New Portfolio is approximately £10.81 million and the aggregated estimated net annual rental value is approximately £11.81 million.

7. Covenants

The covenant strength of the tenants of the Properties and the New Properties can be summarised as follows:

<i>Risk of failure**</i>	<i>As a percentage of current gross annual rent</i>			
	<i>Property Portfolio</i>	<i>New Portfolio</i>	<i>Combined Portfolio</i>	<i>IPD Quarterly Universe*</i>
Negligible & Government risk	61%	58%	58%	57%
Low risk	15%	24%	18%	21%
Low-medium risk	10%	2%	7%	6%
Medium-high risk	8%	4%	6%	2%
High risk	3%	2%	3%	4%
Maximum risk	2%	1%	1%	6%
Unscored	0%	8%	3%	2%
Administration	0%	1%	0%	0%

* Source: IPD Quarterly Universe

** Based on D&B Risk of Failure score

8. Lease terms

The occupational leases of the Properties and the New Properties are on terms which could reasonably be expected for properties of the type comprised in the Property Portfolio and the New Portfolio. Subject to the above and viewing the Property Portfolio and New Portfolio as a whole, the occupational leases of the Properties in the Property Portfolio and the New Properties in the New Portfolio are in general terms institutionally acceptable.

9. Property condition

Independent building surveys, mechanical and electrical surveys and environmental surveys have been undertaken for each of the Properties and the New Properties. These have been reviewed by the Investment Manager and it is considered that the condition of the Properties and the New Properties is acceptable having regard to the properties' age, use, type and lease terms.

10. Regional weightings

The regional weightings of the Property Portfolio, the New Portfolio and the Combined Portfolio can be summarised as follows:

Region	As a percentage of current gross annual rent			
	Property Portfolio	New Portfolio	Combined Portfolio	IPD Quarterly Universe*
London West End	3%	0.0%	2%	15.2%
London City	7%	0.0%	4.3%	4.9%
East Midlands	5.1%	10.5%	14.2%	10.5%
South East	36%	55%	43%	33.6%
South West	8%	9%	8%	6.5%
West Midlands	1%	19%	4%	6.6%
North East	10%	3%	8%	2%
North West	11%	14%	12%	12%
Scotland	7%	0.0%	4%	5.5%

* Source: IPD Quarterly Universe

11. Sectoral weightings

The sectoral weightings of the Property Portfolio, the New Portfolio and the Combined Portfolio can be summarised as follows:

Sector	As a percentage of current gross annual rent			
	Property Portfolio	New Portfolio	Combined Portfolio	IPD Quarterly Universe*
Retail	21%	21%	21%	42.6%
Office	42%	37%	40%	29.8%
Industrial	37%	41%	39%	18.4%
Other	0%	0%	0%	9.2%

* Source: IPD Quarterly Universe

12. Sub-sector weightings

The sub-sector weightings of the Property Portfolio, the New Portfolio and the Combined Portfolio can be summarised as follows:

Region	As a percentage of current gross annual rent			
	Property Portfolio	New Portfolio	Combined Portfolio	IPD Quarterly Universe*
South East Standard Retail	5.4%	8.3%	7.6%	9.7%
Rest of UK Standard Retail	0%	0%	0%	7.1%
Shopping Centres	0%	0%	0%	9.1%
Retail Warehouses	15.4%	13.6%	14.5%	16.7%
Central London Offices	10.0%	0.0%	6.5%	15.2%
South East Offices	22.5%	31%	19.1%	9.5%
Rest of UK Offices	9.3%	6.2%	8.2%	5.1%
South East Industrial	9.8%	13.1%	12.1%	10.8%
Rest of UK Industrial	27.6%	27.8%	31.9%	7.6%
Other	0%	0.0%	0%	9.2%

* Source: IPD Quarterly Universe

13. Disposals from the Property Portfolio

The Company completed the sale of the Maple Cross Property for a consideration of £14.75 million on 6 November 2015. As at 30 September 2015 the market value of the Maple Cross Property was £14 million and this was included in the valuation of the Property Portfolio as at 30 September 2015.

14. The Acquisition

The Company and the Property Subsidiary have entered into the conditional Acquisition Agreement with the Vendors dated 12 November 2015. Under this Acquisition Agreement, the Company and the Property Subsidiary have agreed to purchase the New Portfolio by way of acquiring all of the units in the JPUT (the sole limited partner in the Limited Partnership) and the entire issued share capital in the General Partner (the general partner of the Limited Partnership). The JPUT was established on 11 September 2013 and its principal activity is to invest in the Limited Partnership which holds the New Portfolio. The JPUT has not taken out any debt. Its income is derived solely through its investment in the New Portfolio, by way of it being the sole limited partner of the Limited Partnership, and its expenditure relates only to administration and advisory expenses and property expenses.

Pursuant to the terms of the Acquisition Agreement, the aggregate consideration payable for all of the units in the JPUT, shares in the General Partner and the New Portfolio will be £165 million adjusted to take into account any accruals and contingencies of the JPUT and the Limited Partnership on the date of completion of the Acquisition. The Company will use the proceeds of the Initial Placing and Offer, the New Bank Facility and its existing available cash reserves to fund the Acquisition as well as all of the costs associated with the Proposals which on the completion of the Acquisition are expected to amount to approximately £3.5 million. The New Properties have been externally valued by Knight Frank with a market value as at 19 October 2015 of approximately £165 million.

The Acquisition Agreement provides that the Acquisition is also conditional on: (i) the Company receiving applications or commitments under the Initial Placing and Offer for at least £80 million; and (ii) JFSC consent being granted in relation to the change in investment manager of the JPUT on completion.

The Initial Placing and Offer is subject to the conditions set out in Part II of this document and the Board will not proceed with the Initial Placing and Offer unless Shareholder approval has been granted in favour of the Resolutions at the General Meeting and the satisfaction of all of the conditions precedent in the New Facility Agreement. Therefore, if the Minimum Issue Proceeds are not raised under the Initial Placing and Offer, the Acquisition will not complete and no new funds will be able to be drawn down under the New Bank Facility. The parties are entitled to rescind the Acquisition Agreement in the event that the conditions thereto are not satisfied by 18 December 2015. In such an event the Company will suffer abort costs of, approximately, £0.8 million and it may also suffer cash drag on its existing cash reserves.

The Acquisition Agreement contains warranties, indemnities and representations customary to agreements of this nature. The liability of the Vendor in relation to these warranties, indemnities and representations has been capped to £1. Warranty and indemnity insurance has been taken out on behalf of the Company and the Property Subsidiary. This insurance policy is subject to an overall cap of £16.5 million and warranty claims in relation to matters that are known to the Investment Manager.

Further details of the Acquisition Agreement are set out in paragraph 8.6 of Part X of this document.

The current intention of the Group is to undertake a restructuring, immediately post Acquisition, involving the New Properties and the subsequent liquidation of the JPUT.

PART V

VALUATION REPORT IN RELATION TO THE PROPERTY PORTFOLIO

Jones Lang LaSalle Limited
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Standard Life Investments Property Income Trust Limited
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Les Banques
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Guernsey GY1 3QL

Winterflood Securities Limited
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25 Dowgate Hill
London EC4R 2GA

Dickson Minto W.S.
Broadgate Tower
20 Primrose Street
London EC2A 2EW

The Royal Bank of Scotland plc
Commercial & Private Banking
First Floor
The Gemini Building
24/25 St Andrew Square
Edinburgh
EH2 1AF

17 November 2015

Dear Sirs

VALUATION OF PROPERTY ASSETS HELD BY STANDARD LIFE INVESTMENTS PROPERTY INCOME TRUST LIMITED

1. Introduction

In accordance with our engagement letter dated 9th October 2015 with Standard Life Investments Property Income Trust Limited (the “Company”), we have considered the properties referred to in the attached schedule (the “Schedule”) in order to advise you of our opinion of the aggregate of the Market Values (as defined in paragraph 7.1 below) as at 30th September 2015 (the “Valuation Date”) of the freehold (or heritable title) or long leasehold interests (as appropriate) comprising each of the properties (the “Properties”) listed in the Schedule. We are also required to include the aggregate value as at 31 December 2014 (being the date the Company’s last audited accounts are made up to) by paragraph 130 of CESR’s recommendations for the consistent implementation of the European Commission’s Regulation on Prospectuses no 809/2004, and to include an explanation of the difference between the valuation as at 31 December 2014 and 30th September 2015. This explanation is included at section 10 of this report. This report is dated 17 November 2015.

2. Inspections

All the Properties have been seen internally by us and we confirm that all of the Properties have been re-inspected within the past 12 months.

3. Compliance with Valuation Standards and the Listing Rules

We confirm that the valuations have been made in accordance with the RICS Valuation – Professional Standards January 2014 (“the Red Book”) and, in particular, the appropriate sections of the current Professional Standards (“PS”), the Global Valuation Practice Statements (“VPS”) and United Kingdom Valuation Standards (“UKVS”), as well as the Listing Rules published by the Financial Conduct Authority.

4. Status of valuer and conflicts of interest

We confirm that we have undertaken the valuations acting as External Valuers as defined in the Red Book, and are qualified for the purpose of the valuations. As you are aware, we currently value all of the Properties on a quarterly basis on behalf of the Company.

5. Purpose of the valuation report

We understand that this valuation report and Schedule (the “Valuation Report”) are required for inclusion in both a circular and prospectus concerning the proposed Initial Placing and Offer for Subscription and Placing Programme of Ordinary Shares in the Company.

We also understand that this Valuation Report will be relied upon by the Company, Winterflood Securities, Dickson Minto W.S. and RBS.

The matters referred to above are collectively defined as the “Purpose of this Valuation Report”.

In accordance with UKVS 4.3, we have made certain disclosures in connection with this valuation instruction and our relationship with the Company, the Investment Manager and other members of the Standard Life Group. These are included in item 6 below.

6. Disclosures required under the provisions of UKVS 4.3

6.1. Previous valuations of the Properties

We have undertaken previous valuations of the Properties on a quarterly basis since 31 December 2007.

6.2. Jones Lang LaSalle Limited ‘s relationship with client

Jones Lang LaSalle Limited currently undertakes valuation services on behalf of four other property portfolios within the Standard Life Group, and is retained as managing agent for the Standard Life Group across several portfolios including the subject of this Valuation Report. Jones Lang LaSalle also has the following fee generating involvements with certain properties within the subject portfolio as listed below:

- At Hertford Place, Denham Road, Rickmansworth, we are advising Standard Life on a possible disposal.
- At Monck Street, London, we are advising on a planning application for a kiosk in the Tesco store.
- At St James’s House, Cheltenham we are advising on a planned refurbishment and roof works.
- At Howard Town Retail Park, Glossop, we are the project manager for Pizza Express.
- At Interplex 16, Ash Bridge Road, Bristol we have involvement on a lease re-gear for Brake Bros Ltd.
- We have recently provided advice on the portfolio to RBS for loan security purposes.

6.3. Fee income from the Standard Life Group

The total fees, including for this assignment, to be earned by Jones Lang LaSalle from the Standard Life Group are less than five per cent. of the total UK revenues estimated for this financial year.

7. Basis of valuation and net annual rent

7.1. Market Value

The value of each of the Properties has been assessed in accordance with the relevant parts of the RICS Professional Standards. In particular, we have assessed Market Value in accordance with VPS 4.1.2.

Under these provisions, the term “Market Value” means “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

In undertaking our valuations on the basis of Market Value, we have applied the conceptual framework which has been settled by the International Valuation Standards Committee (IVS Framework paragraphs 32-34 Market Value) and which is included in VPS 4.

Subject to the contents of this Valuation Report, we are of the opinion that the aggregate value of the Properties at 30th September 2015, on the basis of Market Value, is £308,845,000 (Three Hundred and Eight Million, Eight Hundred and Forty Five Thousand Pounds). We confirm that there has been no material change in the aggregate valuation of the Property Portfolio between 30th September 2015 and the date of the publication of the prospectus in which our Valuation Report appears.

7.2. Net annual rent

The net annual rent (“Net Annual Rent”) for each of the Properties is referred to in the Schedule. Net Annual Rent is defined in the Listing Rules as “the current income or income estimated by the valuer:

- (i) ignoring any special receipts or deductions arising from the property;
- (ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and
- (iii) after making deductions for superior rents (but not for amortisation) and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent”.

Where rent reviews are outstanding, we have reported the Net Annual Rent on the basis of current contractual rent, but our valuation has had regard to the Estimated Net Annual Rent as defined in the paragraph below.

In preparing our valuations we have also had regard to the estimated net annual rent (“Estimated Net Annual Rent”) of each of the Properties, the aggregate amount of which is set out in section 10 of this report. The Estimated Net Annual Rent is based on the current rental value of each of the Properties. The rental value reflects the terms of the leases where the Properties, or parts thereof, are let at the date of valuation. Where the properties, or parts thereof, are vacant at the date of valuation, the rental value reflects the rent we consider would be obtainable on an open market letting as at the date of valuation. As such, the figures in respect of vacant accommodation are the same as those assessed on the basis of Market Rent as defined in VPS 4.1.3.

7.3. Taxation and costs

We have not made any adjustments to reflect any liability to taxation that may arise on disposal, nor for any costs associated with disposals incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposals.

8. VAT

We have been advised by the Investment Manager that the option to tax has been exercised in respect of all the Properties.

The capital valuations and rentals included in this Valuation Report are net of value added tax at the prevailing rate.

9. Assumptions and sources of information

An Assumption is stated in the Glossary to the Red Book to be a “supposition taken to be true” (“Assumption”). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of Assumptions and have relied on certain sources

of information. The Company has confirmed that we may make the Assumptions for the purposes of our valuations. In the event that any of these Assumptions prove to be incorrect, then our valuations should be reviewed. The Assumptions we have made for the purposes of our valuations are referred to below:

9.1. Title

We have not had access to the title deeds of the Properties. Save as disclosed in the reports on title in relation to the Properties comprising the Property Portfolio prepared by Addleshaw Goddard LLP, Dundas & Wilson LLP, and CMS Cameron McKenna LLP, now incorporating Dundas & Wilson LLP, (the "Reports on Title") and the update report in relation to the Properties comprising the Property Portfolio prepared by Dickson Minto W.S. dated 28th October 2015 (the "Update Report") we have made an Assumption that the Properties have good and marketable title in each case and that the Properties are free from any onerous or hampering restrictions or conditions. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

We have only reflected the information contained within the Reports on Title and the Update Report which is pertinent to our valuations as at the valuation date.

9.2. Condition of structure and services, deleterious materials, plant and machinery and goodwill

We have been provided with copies of building condition surveys carried out for all of the Properties purchased since our first valuation on 31 December 2007 on behalf of the Investment Manager (the "Condition Surveys"). We have reflected the contents of the Condition Surveys in undertaking our valuations.

We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used or are present in any part of the Properties. We are unable, therefore, to give any assurance that the Properties are free from defect. For the purposes of these valuations, unless otherwise informed by the Company or its advisers, or as set out in any building surveys provided to us, we have made an Assumption that any such investigation would not reveal the presence of such materials in any adverse condition.

No mining, geological or other investigations have been undertaken to certify that the sites of the Properties are free from any defect as to foundations. We have made an Assumption that the load bearing qualities of the sites of the Properties are sufficient to support the buildings constructed (or to be constructed) thereon. In the absence of any information to the contrary, we have also made an Assumption that there are no abnormal ground conditions, nor archaeological remains present, which might adversely affect the present or future occupation, development or value of any of the Properties and that the Properties are free from rot infestation or structural or latent defect.

No tests have been carried out as to electrical, electronic, heating, plant and machinery, equipment or any other services nor have the drains been tested. We have made an Assumption that, save as disclosed in any reports, all services to the Properties are functioning satisfactorily.

No allowance has been made in these valuations for any items of plant or machinery not forming part of the service installations of the Properties. We have specifically excluded all items of plant, machinery and equipment installed wholly or primarily in connection with the occupants' businesses. We have also excluded furniture and furnishings, fixtures, fittings, vehicles, stock and loose tools. Further, no account has been taken in our valuations of any goodwill that may arise from the present occupation of any of the Properties. Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

All measurements, areas and ages quoted in our report are approximate.

It is a condition of Jones Lang LaSalle Limited or any related company, or any qualified employee, providing advice and opinions as to value, that the client and/or third parties (whether notified to us or not) accept that the Valuation Report in no way relates to, or gives warranties as to, the condition of the

structure, foundations, soil and services. We have otherwise had regard to the age and apparent general condition of the Properties but comments made in the property details do not purport to express an opinion about or advise upon the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

9.3. Environmental matters

We have been provided with Environmental Assessments for each of the Properties purchased since our first valuation on 31 December 2007. For those properties with contamination, our valuation includes our opinion of the market's likely perception of the issues involved.

Should it be established subsequently that contamination exists on any of the properties or on any neighbouring land, or that they have been or are being put to any contaminative use other than revealed in the Environmental Assessments, this might reduce the values reported.

Accordingly and in the absence of any information in the Environmental Assessments to the contrary, and in the absence of such assessment, we have assumed the following unless advised by the Investment Manager:

- (i) the properties are not contaminated and are not adversely affected by any existing or proposed environmental law;
- (ii) any processes carried out on any of the properties which are regulated by environmental legislation are properly licensed by the appropriate authorities; and
- (iii) that the properties possess current Energy Performance Certificates ("EPCs") as required under the Energy Performance of Buildings Directive.

9.4. Areas

We have measured certain of the Properties, or parts of Properties, on site and have calculated the floor areas in accordance with the current Code of Measuring Practice prepared by the Royal Institution of Chartered Surveyors (the "Code").

The Investment Manager has provided us with the floor areas of the remaining Properties or parts thereof. As instructed, we have relied on these areas and have made an Assumption that they have been calculated in accordance with the Code.

9.5. Statutory requirements and planning

For all Properties purchased since our initial valuation on 31 December 2007 we have seen Reports on Title.

We have made an Assumption that, save as disclosed in the Reports on Title and the Update Report, or as advised to us by the Investment Manager, the buildings have been constructed in full compliance with valid town planning, and with all statutory and local authority requirements including building, fire and health and safety regulations, and that the Properties are not subject to any outstanding statutory notices as to their construction, use or occupation. Unless the Reports on Title and the Update Report have revealed the contrary, we have made a further Assumption that the existing uses of the Properties are duly authorised or established and that no adverse planning conditions or restrictions apply. We have also made the Assumption that only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for each Property to comply with the provisions of the Equality Act 2010.

No allowances have been made for rights, obligations or liabilities arising under the Defective Premises Act 1972, and, save as disclosed in the Reports on Title and the Update Report, we have made an Assumption that the Properties comply with all relevant statutory requirements.

9.6. Leasing

We have not read copies of the leases or other related documents. However, we have relied on tenancy schedules provided to us by the Investment Manager, the tenancy summaries contained in the Reports

on Title and discrepancies in the existing tenancy schedule highlighted by the Update Report for the purposes of our valuations.

We have not undertaken credit enquiries into the financial status of the tenants. Unless we have become aware by general knowledge, or we have been specifically advised to the contrary, we have made an Assumption that the tenants are financially in a position to meet their obligations. Unless otherwise informed by the Investment Manager, we have also made an Assumption that there are no material arrears of rent or service charges, breaches of covenants, or current or anticipated tenant disputes. However, our valuations reflect the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation, and a purchasers' likely perception of the financial status of the tenants.

9.7. Lettings

Except to the extent disclosed in the Reports on Title and the Update Report, or as advised to us by the Investment Manager we have made an Assumption that:

- (i) wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary increases, all notices have been served validly within the appropriate time limits;
- (ii) all rent reviews are upward only and are to be assessed by reference to full current market rents;
- (iii) there are no tenants' improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;
- (iv) tenants will meet their obligations under their leases, and are responsible for insurance and payments of business rates; and are responsible for all repairs, whether directly or by means of a service charge;
- (v) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
- (vi) where more than 50 per cent. of the floor space of a property is in residential use the Landlord and Tenant Act 1987 (the "Act") gives certain rights to defined residential tenants to acquire the freehold/head leasehold interest in the property. Where this is applicable, we have assumed that necessary notices have been given to the residential tenants under the provisions of the Act, and that such tenants have elected not to acquire the freehold/head leasehold interest, and therefore disposal into the open market is unrestricted;
- (vii) appropriate permission to assign the interest being valued herein would not be withheld by the landlord where required; and
- (viii) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy.

9.8. Insurance

We have assumed appropriate insurance cover is and will continue to be available on commercially acceptable terms, for example, in regard to Composite Panels, Terrorism and Flooding.

9.9. Information

In undertaking our valuations, we have carried out our work based upon information supplied to us by the Investment Manager and their advisors, including building surveyors' reports, environmental reports, the Reports on Title and the Update Report. We have also relied on information and advice supplied by the Investment Manager in respect of outstanding costs or retentions where works have been completed or are ongoing. We have relied on information and advice supplied by the Investment Manager in respect of costs by way of planning obligations affecting the Properties either as a result of development that has occurred or in respect of future planning obligations in the case of development which may occur in the future. Similarly, we have relied on information and advice supplied by the Investment Manager relating to future development costs and the likely irrecoverable cost of works and repairs to defects revealed by the various Condition Surveys. In each case, we have reflected this advice in our valuations.

We have made an Assumption that the information the Investment Manager and its professional advisers have supplied to us in respect of the Properties is both full and correct. It follows that we have made an Assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

10. Valuation

In assessing our valuations we have assessed rental values by reference to comparable rental transactions and arrived at our Market Value valuations using the Investment method of valuation; that is, utilising yields drawn from an assessment of comparable market transactions.

We are of the opinion that the aggregate of the Market Values as at the Valuation Date, being 30th September 2015, of the freehold (or heritable title) or leasehold interests in each of the Properties described in the Schedule, subject to the Assumptions and comments in this Valuation Report, were as follows:

Freehold (or Heritable Title) (29 Properties)	£218,110,000	(Two hundred and eighteen million, one hundred and ten thousand pounds)
Long Leasehold (13 Properties)	£90,735,000	(Ninety million seven hundred and thirty five thousand pounds)
TOTAL	£308,845,000	(Three hundred and eight million, eight hundred and forty five thousand pounds)

The above total is split between the following sectors:-

Offices	£129,580,000	(One hundred and twenty nine million, five hundred and eighty thousand pounds)
Retail	£63,995,000	(Sixty three million, nine hundred and ninety five thousand pounds)
Industrial	£115,270,000	(One hundred and fifteen million, two hundred and seventy thousand pounds)
TOTAL	£308,845,000	(Three hundred and eight million, eight hundred and forty five thousand pounds)

In addition to the above aggregate of the individual Market Valuations, we have assessed the aggregate Estimated Net Annual Rent at £22,040,357.

Out of the above aggregate of the Market Values, we set out below the individual Market Values where these exceed five per cent. of the aggregate valuation:-

- White Bear Yard, Clerkenwell, London: £20,400,000
- Currys PC World, Blackpool Road, Preston: £16,350,000
- Chester House, Farnborough: £15,800,000
- The Symphony Group, Sheffield Road, Rotherham: £15,500,000

Howard Town Retail Park, Glossop is part freehold, part leasehold and has been included within the leasehold category.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

For reference purposes, the aggregate of the individual Market Values reported as at 31st December 2014 was £270,225,000. This compares to the aggregate of the Market Values reported herein, as at 30th September 2015, at £308,845,000. £45,675,000 of the increase can be attributed to valuations of

properties not owned on 31st December 2014. The 31 December 2014 valuation figure for sales over the period total £26,925,000. The balance of the increase between the two valuation dates can be attributed to a combination of factors, predominantly related to a general rise across the market in prices being achieved, but also to asset specific initiatives pursued by the Investment Manager, and retention of tenants who have not activated break options.

11. Consent and responsibility

Jones Lang LaSalle Limited hereby gives its consent to the inclusion of this Valuation Report in the Prospectus and to the references to this Valuation Report and Jones Lang LaSalle Limited in the Prospectus in the form and context in which they appear. Jones Lang LaSalle Limited authorises, and accordingly takes responsibility for, the contents of this Valuation Report for the purposes of Rule 5.5.3(2)(f) of the Prospectus Rules and confirms that the information contained in this Valuation Report is, to the best of our knowledge and having taken all reasonable care to ensure that is the case, in accordance with the facts and contains no omission likely to affect its import.

12. Confidentiality and disclosure

The contents of this Valuation Report and Schedule may be used only for the purpose of this Valuation Report. Before this Valuation Report, or any part thereof, is reproduced or referred to, in any document, circular (other than the Circular) or statement, and before its contents, or any part thereof, are disclosed orally or otherwise to a third party, the Valuer's written approval as to the form and context of such publication or disclosure must first be obtained. For the avoidance of doubt such approval is required whether or not Jones Lang LaSalle Limited are referred to by name and whether or not the contents of our Valuation Report are combined with others.

Yours faithfully

M J Penlington, MRICS

RICS Registered Valuer

Director

For and on behalf of

Jones Lang LaSalle Limited

S Lardner, MRICS

RICS Registered Valuer

Associate Director

For and on behalf of

Jones Lang LaSalle Limited

SCHEDULE TO THE VALUER'S VALUATION REPORT

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Ocean Trade Centre, Altens Industrial Estate, Aberdeen	Heritable. The property comprises 25 self-contained terraced industrial units, built around the early 1990s in 2 phases, with car parking and circulation space. The units provide approximately 9,726.9 sq m (104,703 sq ft) GIA of industrial accommodation, and each unit has a small element of offices. Units 1-13 share a communal yard area and units 14-25 have separated, self contained yard/car parking space.	Comprises 25 units, let on 16 leases. M.E.T.S. (UK) Ltd hold units 1/2 on a 15 year lease, and unit 3 on a 13 year and 10 month lease, both expiring on 14 May 2020. Power Utilities Ltd hold unit 4 on a 14 year lease expiring 31 July 2016. West End Glazing Service Limited hold unit 5 on a 5 year lease expiring 27 March 2017. C21 Data Services Ltd hold unit 6 on a 12 year lease, with lease expiry on 2 February 2018. Space Solutions (Scotland) Limited hold unit 7 on a 5 year lease expiring 26 May 2018, subject to a tenant break option on 27 May 2016. Deeside Contracts Limited hold unit 8 on a 3 year lease expiring 17 April 2018. McCoy Global UK Limited hold units 9 & 10 on a 6 year lease expiring 11 August 2019, subject to a tenant break option on 12 August 2016. Sodexo Remote Sites Scotland Ltd hold unit 11 on a 5 year lease expiring 30 June 2016. Tenaris Global Services (UK) Ltd hold unit 12 on a 5 year lease expiring on 31 May 2016. Pipeline Engineering & Supply Company Ltd hold unit 13 on a 10 year lease expiring 30 June 2018 with a rent review open from 1 July 2013. Kooltech Marketing Ltd hold unit 17 on a 3 year lease expiring 17 February 2020. Viking Life Saving Equipment Ltd hold units 18 and 19 on 38 year and 6 month and 28 year leases, respectively, expiring on 31 July 2020, with the next rent reviews for both scheduled on 1 August 2015. Units 20 to 25 are currently vacant, with an agreement to lease to CCF (Travis Perkins) from 30 August 2015 on a 15 year lease with 12 months' rent free expiring 29 August 2030 with a break option scheduled 30 August 2025. Units 14, 15 and 16 are vacant with terms out to the Scottish Minister.	442,700
Unit 14, Interlink Park, Bardon, Leicestershire	Freehold. A mid 1990s warehouse unit. The property extends to approximately 3,042.2 sq m (32,747 sq ft) GIA and has one dock leveller and one level access bay. Eaves height between 6.25m (20ft.6ins) and 7.81m (25ft.7ins) and site coverage is circa 50%. There are two floors of offices to the front.	Let on a single lease for 13 years and 8 months to Babcock Critical Services Ltd, expiring 3 October 2024 with a tenant break option to terminate on 5 January 2021.	155,415
Bathgate Retail Park, Bathgate	Heritable. The property comprises four retail warehouses, which were purpose built in the late 1990s. The units provide a total floor area (GIA) of around 4,196 sq m (45,168 sq ft) and there is shared parking for approximately 200 cars. Unit 1 is now used as a Dental Practice.	Comprises 4 units. DRM Macleod hold unit 1 on a 20 year lease expiring 27 February 2031, with the next rent review 28 February 2016, and with a break option on 28 February 2021. B & M Retail Limited hold unit 2 on a 25 year lease expiring 9 October 2022, with the next 5 yearly rent review scheduled for 28 November 2017. Lidl UK GMBH hold unit 3 on a 25 year lease expiring 23 May 2024, with the next 5 yearly rent review 24 May 2014. Argos Distributors Ltd hold unit 4 on a 25 year lease expiring on 9 October 2022, with a 5 yearly rent review open from 10 October 2017.	478,625

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Smurfit Kappa UK Ltd, 21, Gavin Way, Nexus Point, Birmingham	Freehold. The unit comprises 36,376 sq ft with an eaves height of 26 ft 3ins. (8.00 metres) and is used for storage and distribution of paper reams. Typically, the warehouse has concrete floor, concrete block walls surmounted by double skin profile metal sheet cladding, double skin profile metal sheet pitched roof with Perspex roof lights and spot lighting. The offices provide open plan office areas to both floors. To the south of the building are areas of concrete hardstanding	Smurfit Kappa UK Ltd has a single lease for 20 years expiring 19 January 2021 with a tenant break option on 20 December 2016.	200,250
Unit 4, Easter Park, Bolton	Leasehold. A circa 2005 built industrial unit of approximately 3,301 sq m (35,534 sq ft) GIA forming part of a larger industrial estate. Approximate site area 1.05 ha (2.58 acres) with around 30% site coverage. There are surfaced yard spaces to the front and rear of the unit. Set into the front elevation are 7 loading doors with 3 dock level loaders at the rear. To the front of the building are integral offices.	Let on a single 15 year lease to Hermes Parcelnet Ltd expiring on 31 May 2020.	184,000
Matalan, Mayo Road, Bradford	Leasehold. A single detached retail warehouse, built in the early 2000s, providing approximately 2,348.7 sq m (25,282 sq ft) GIA, plus shared parking with an adjacent Morrison supermarket.	Single let to Matalan Retail Limited for 25 years expiring 20 November 2028 with the next rent review open from 21 November 2018.	318,278
Halfords/Maplin & Car, Showroom Valley Road/North Bradford	Freehold. Dating from 1994, the property comprises a purpose built detached retail warehouse unit of steel portal frame construction with part brick and part steel clad profile sheet cladding to the elevations, beneath a shallow pitched profile sheet covered roof. Internally the building provides 1,486.3 sq m (15,998 sq ft) of ground floor accommodation which has been sub-divided to provide two units of 1,117.2 sq m (12,025 sq ft) and 369.1 sq m (3,973 sq ft). The site extends to approximately 0.476 ha (1.176 acres).	Two leases to Lancaster Motor Company Ltd for 15 years expiring 19 December 2021 with a review 20 December 2016 and Halfords Ltd on a 25 year lease expiring 13 November 2019.	515,825
31/32 Queen Square, Bristol	Freehold. Four storey mid terrace office building with a total net internal area (NIA) of approximately 1,219 sq m (13,124 sq ft) and basement parking (10 cars). The building occupies a historic location but was constructed in the early 1960s and refurbished in the late 1990s. The offices have raised floors and suspended ceilings. Air cooling is installed and there is a passenger lift.	Ground and first floors let to Toshiba Research Europe Ltd on a 10 year reversionary lease with 19 months rent free expiring on 31 August 2024. There is to be a rent review on 1 September 2019. Second and third floors let on a 20 year lease to Great American Speciality expiring 28 February 2019, subject to tenant break option 1 March 2017, and with rent review open from 1 March 2014. We understand that this review is not being pursued.	160,000

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Interplex 16, Ash Bridge Road, Almondsbury, Bristol	Freehold. The property comprises two distribution warehouses extending to circa 8,040.44 sq m (86,549 sq ft). The units were built in 1990 of steel portal frame construction with powder and plastisol coated, profiled metal cladding (insulated) to the external elevations above internal blockwork to a height of circa 2.1 metres. Each unit has integral two storey offices to the north western elevation, fronting the M5.	Two units. Unit one held by Brake Bros Limited for 28 years expiring 30 November 2018. Unit 2 is vacant.	192,000
St James's House, Cheltenham	Freehold. Office building constructed in the late 1970's and substantially refurbished in 2000 and 2010. Approximately 7,787.5 sq m (83,825 sq ft) NIA arranged over basement, ground and four upper floors. There are 170 designated car parking spaces.	Let to 9 tenants on 13 tenancies. BPE Solicitors LLP hold 2 leases on part basement for 10 years 11 months and 10 years 5 months expiring 21 March 2022, with annual rent reviews the next being 25 March 2016. BPE Solicitors also hold a 12 year lease of the first floor expiring 21 March 2024 with the next review due 22 March 2019. Tangible UK Ltd hold separate leases of part basement and ground floor, for 8 years 4 months and 10 years respectively, each expiring 6 July 2021, and each having a tenant break option 7 July 2016. Barnet Waddingham LLP holds a 10 year & 9 month lease of the part second floor expiring 29 October 2022, with the next rent review 29 October 2019. Brewin Dolphin hold a 10 year lease of part second floor expiring 6 November 2021, with a tenant break option 6 November 2016. Local World Ltd hold a 10 year lease of part third floor (Suite A) expiring 8 August 2025, subject to a tenant break option on 9 August 2020. The Office for Nuclear Regulation holds separate leases on suites B & D on the third floor for 10 and 7 years 5 months both expiring 1 June 2019, subject to tenant break options on 1 June 2016. Fidelius Limited hold a 5 year lease of part third floor expiring 24 February 2019, subject to fixed rental uplifts with an interim rent free of 4 months from 7 November 2015. The fourth floor is let to Volo Commerce Limited for 10 years expiring 3 March 2024, with an interim fixed rental uplift at 4 March 2017 and a rent review on 4 March 2019. Local World Limited hold a 5 month lease for the basement store expiring 8 August 2015.	862,102
Travis Perkins, Cheltenham	Freehold. The site contains a single detached light industrial building which appears to have originally been constructed in the 1950s or 1960s with later additions. The property comprises a total of 51,148 sq ft, with the main two bay sections having eaves heights ranging from 14ft 3 ins (4.34 metres) to 15ft 11 ins. (4.85 metres). The front and rear sections have a lower clear height of circa 9ft 2 ins (2.80 metres)	A single let to Travis Perkins on a 63 year lease expiring 28 September 2036 with 7 yearly rent review on 29 September 2015.	112,000
Explorer 1 & 2, Mitre Court, Crawley	Freehold. The property comprises two office buildings; Explorer 1 and 2 was constructed in around 2002 and has accommodation on the ground and three upper floors. Mitre Court is a detached self-contained office located adjacent to Explorer 1 and 2, built in the late 1990s with accommodation on ground and first floor. Together, the buildings provide approximately 4,292.5 sq m (46,205 sq ft) NIA. There is on-site parking for 198 cars.	Let to 3 tenants. Explorer 1 let to Grant Thornton UK LLP for 15 years expiring 13 May 2017. Explorer 2 let to Amey OWR Ltd for 10 years expiring 24 March 2021, subject to a fixed rental uplift with an interim rent free of 9 months from 25 March 2016. Mitre Court is let to Trade Skills 4 U Ltd for 10 years expiring 30 November 2019.	701,490

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Persimmon House, Crossways Business Park, Anchor, Dartford	Freehold. The property comprises a single let office property of 14,957 sq ft over ground and first floors. Developed in 1998, the property is a modern purpose built concrete framed building, which has been sub-divided into three self-contained office suites. Externally the elevations comprise a combination of aluminium framed doubled glazing and cavity walls. A large block paved car park is to the front of the property and provides 83 spaces, reflecting a ratio of 1:180 per sq ft. The remaining external areas are a combination of block paving and soft landscaping.	Let to Westbury Homes (Holdings) Limited for 20 years expiring 08 July 2023 with a rent review 09 July 2018.	306,643
Denby 242, Denby Road, Denby	Freehold. The property was constructed in 2008 and provides 229,563 sq ft of well specified warehouse space and 13,203 sq ft of office accommodation set over three storeys. The building is of steel portal frame construction with metal profile cladding to the façade and roof with a double height glazed reception foyer. The three bay warehouse provides 20 dock levellers and 4 level loading doors, 12.60 metre clear internal eaves height and a secure 50m lorry yard.	Single lease to Techno Cargo Logistics Ltd on a 15 year lease expiring 14 March 2025. The tenant is currently in a 12 month rent free period until the next uplift scheduled 15 March 2016. A mutual break option to terminate is scheduled on 15 March 2020.	0
Interfleet House, Pride Park, Derby, Derbyshire	Freehold. Two storey office unit located on a business park constructed in the late 1990s. Accommodation comprises approximately 2,670 sq m (28,735 sq ft) NIA and there are 120 parking spaces. The building has double glazed aluminium framed windows, suspended ceilings with recessed lighting and air cooling.	Let to Interfleet Technology Ltd, on a 21 year 6 month lease, expiring on 02 February 2026, with the next 5 yearly rent review scheduled for 23 July 2019 and a tenant break option on the 2 February 2021.	390,000
Unit 2, Brunel Way, Brunel Way, Segensworth East, Fareham	Leasehold. The subject property was constructed in 1989 for Pickfords Removals and comprises a detached, two bay purpose built 38,217 sq ft warehouse of steel portal frame construction with profile steel clad elevations under a mansard roof. Each bay has been divided into three sections by a full height brick wall and interconnecting doors. As far as we are aware these walls are not structural. The warehouse benefits from an internal eaves height of approximately 11 metres with electronically operated steel roller shutter doors. The property contains office accommodation within the building's front elevation, arranged over ground and first floor. This provides administrative offices and associated ancillary areas. Externally to the front of the property there are approximately 28 car parking spaces.	Single let to Crown Records Management on a 10 year lease expiring 23 January 2020.	225,000

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Chester House, Farnborough Aerospace Centre, Farnborough	Leasehold. Early 1990s office building providing approximately 4,632 sq m (49,861 sq ft) NIA over ground to third floor level. There is parking for approximately 275 cars.	Let to BAE Systems plc for 27 years expiring 31 December 2023 with the next rent review due 10 April 2017.	1,257,640
Howard Town Retail Park, Glossop	Freehold/Leasehold. The property comprises a development of a former five storey spinning mill as a Travelodge, with residential units above and retail units at ground floor level, plus four newly constructed retail warehouse units. The development includes a listed building, currently occupied by Domino's Pizza. The retail park is split into 10 units including a hotel, leisure and retail units providing a total gross internal floor area (excluding the Travelodge) of approximately 50,203 sq ft, arranged around a car park providing approximately 130 car parking spaces. The scheme is anchored by Marks and Spencer Simply Food and a Travelodge. This scheme also includes 51 residential units sold off on a long lease.	Comprises 11 units on 8 leases. Units 3&4 are let to Loungers Ltd on a 15 year lease expiring 24 November 2028 with 5 yearly fixed reviews and an interim rental uplift scheduled on 26 May 2016. Mountain Warehouse hold unit 5 on a 15 year lease expiring 9 September 2027, a rent review on 10 September 2017 and a tenant break option scheduled 10 September 2022. Unit 7 is held by Cotton Traders Holdings Ltd on a 10 year lease expiring 30 September 2022 with a tenant break option on 1 October 2017. Peacocks Stores Ltd (t/a Peacocks & Edinburgh Woollen Mill) lease units 8&9 for 10 years with the lease expiring 13 August 2023 and a tenant break option to terminate on 30 June 2018. Unit 10 is let to JD Wetherspoon Plc for 30 years minus one month expiring 18 January 2043 with 5 yearly rent reviews the next scheduled on 18 January 2018 and a tenant break option on the 18 January 2028. Break the Mould Limited have a 20 year lease on unit 12 (first floor) expiring 9 December 2034 with a review scheduled for 10 December 2019. Travelodge Hotels Ltd have a 25 year lease expiring 29 August 2037 with an indexed review on 30 August 2017. Peveril Homes Ltd have a 125 year lease with a peppercorn rent. Unit 6 is currently vacant.	677,430
Endeavour House Langford Business Park Kidlington	Freehold. Endeavour House is an office and laboratory facility of approximately 23,414 sq ft NIA. The property comprises a single three story office building with a prominent curved glass frontage constructed in 2002. The office benefits from a large car park to the rear which is shared with the adjoining property, Bannister House. The building is of framed construction with elevations mostly clad in a light brick with metal framed double glazed windows. The front of the building has a prominent blue glass curved wall. The flat roof section is asphalt covered on which the VRV air conditioning plant is located. This is surrounded by a pitched roof formed with composite panels.	Single let to Bio-Rad AbD Serotec Limited on a 15 year lease expiring 29 June 2021 with a review 30 June 2016.	415,000
Matalan, Blackfriar's Road, King's Lynn	Leasehold. A single retail warehouse, built in the early 2000s, providing approximately 3,157.8 sq m (33,991 sq ft) GIA, plus shared parking with an adjacent Morrison supermarket.	The property is let on a single lease to Matalan Retail Ltd for 25 years expiring 31 May 2027 with the next 5 yearly rent review 1 June 2017. There is an additional ground lease to WM Morrison Supermarket PLC expiring 5 December 2138.	378,500
The Range (Leyland) & Argos, Olympian Way, Leyland	Leasehold. The scheme comprises 2 retail warehouse units, built c.2006, comprising around 2,952.5 sq m (31,781 sq ft) GIA, plus shared parking with an adjacent Morrison supermarket.	Let to 2 tenants. Unit 1 is let to CDS (Superstores International) Ltd t/a The Range for 20 years expiring 5 June 2026 with the next 5 yearly rent review 6 June 2016. Unit 2 is let to Argos Ltd for 15 years expiring 18 June 2021 with a fixed rent review on 20 June 2016. There is an additional ground lease to WM Morrison Supermarket PLC expiring 5 August 2138.	380,000

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Units 1 & 2, Cullen Square, Livingston	Heritable. Two self-contained warehouse units; unit 1 (built circa. 1995) being used for postal distribution and unit 2 (built circa. 2003) for private storage. Accommodation totals at approximately 7,593 sq m (81,735 sq ft) on a site of around 3.79 ha (9.36 acres).	Unit 1 let to UK Mail Group for 10 years expiring 4 June 2019. Unit 2 let to Crown Worldwide Limited for 15 years expiring 31 October 2018. An electricity sub-station is let to Scottish Power UK plc expiring 25 November 2055. There is an additional ground lease to WM Morrison Supermarket PLC expiring 5 December 2138.	405,076
Ground Floor, New Palace Place, Monck Street, Westminster, London	Leasehold. The property comprises 9 mixed use units & 3 retail kiosks on the ground floor only of 3 detached, 7 storey buildings fronting Monck Street. In total, the buildings, developed circa 2004/05, provide 1,727.6 sq m (18,596 sq.ft.) NIA of retail & office space. Above are 6 storeys of residential units, which do not form part of the demise.	<p>9 non-identical retail and office units & 3 kiosks.</p> <p>Hon See Tsang hold unit 1 on a 15 year lease expiring on 9 August 2020 with the next rent review 8 August 2015.</p> <p>Tesco Stores Ltd hold unit 2 on a 15 year lease expiring 26 June 2020, with the final rent review was scheduled for 27 June 2015. Essential Living Management Limited holds office units 3-6 on a 7 year 4 month lease, expiring 31 May 2017. Essential Land LLP hold unit 7 on a 8 year lease expiring 3 April 2019 with a fixed annual rental uplift exercised on 4 July 2015 and a tenant break option 3 April 2017. Galliard Homes Ltd hold unit 8 on a 15 year lease expiring 14 June 2020, with the final rent review date occurring in June 2015.</p> <p>Sports (Bookmakers) Ltd hold unit 9 on a 15 year lease with an expiry date of 13 March 2021, with the next 5 yearly rent review on 14 March 2016.</p> <p>Kiosk 1 is vacant.</p> <p>Kiosk 2 is let to MM Choudhary for 20 years expiring 20 July 2032, subject to a rent review on 20 July 2017 and a tenant break option on 20 July 2022.</p> <p>Andreas Zacharia holds kiosk 3 on a 15 year lease expiring on 30 June 2020, with the final rent review date on the 1 July 2015.</p>	546,103
Hollywood Green, Wood Green, London	Freehold. The property comprises a self-contained leisure scheme including a cinema, a public house, two restaurants, a retail unit and a small supermarket. All units are located on the ground floor with the cinema on the upper floors. The property totals at approximately 5,945.6 sq m (64,000 sq ft) GIA with rear service access.	<p>Sam 99p Limited holds a 10 year lease on unit 1, expiring 22 November 2019.</p> <p>Nando's Chickenland Ltd holds Unit 2 on a 25 year lease expiring on 24 December 2024, with the next 5 yearly rent review due 25 December 2019.</p> <p>McDonalds Restaurants Ltd hold Unit 3 on a 25 year lease expiring on 24 December 2024, with the next 5 yearly rent review due 25 December 2019.</p> <p>Sainsbury's Supermarkets Ltd hold Unit 4 on a 15 year lease expiring on 19 January 2025, with the next 5 yearly rent yearly index related rent review due to occur 20 January 2020.</p> <p>JD Wetherspoon Plc holds Unit 5 on a 25 year lease expiring on 24 December 2024, with the next 5 yearly rent review due 25 December 2019.</p> <p>The Cinema Unit is occupied by Vue Entertainment Ltd on a 20 year lease expiring on 1 December 2029, with the next 5 yearly rent review scheduled for 2 December 2019.</p> <p>The Toilet Block is leased to London Bus Services Limited, on a 10 year lease expiring 26 March 2025. An electricity substation is let to Eastern Electricity Ltd for 99 years expiring 10 January 2111.</p>	787,878

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
White Bear Yard, Clerkenwell, London	Freehold. A former 1920's warehouse converted into office accommodation in the late 1990's. It provides approximately 1,984.3 sq m (21,360 sq ft) NIA of offices over ground floor and four upper floors. The specification includes metal framed double glazed windows, a combination of gas fired central heating and comfort cooling, and either raised floors or perimeter trunking.	Ground floor – 7 Backhill office let to B&W Group Ltd on a 10 year lease, expiring 13 November 2018. Ground floor – White Bear Yard held by Mendeley Yard Management on a 3 year 9 month lease, expiring 23 June 2019 with a tenant option to break on 7 August 2015. The first floor is leased by IDEO LLC on a 10 year lease expiring 23 June 2019. Second and part third floor is let to White Bear Yard Management Ltd on 2 leases of 3 years 9 months, expiring on 30 September 2019.	527,334
1B Crown Farm, Mansfield, Nottinghamshire	Leasehold. A standalone warehouse unit with a total GIA of around 23,574 sq ft. on a site extending to around 1.95 ha (4.82 acres). The building dates from around the mid 1990s with a two storey integral offices in each unit.	Plot 1B Crown Farm islet to Preconomy Limited on a 5 year term expiring 15 December 2019 with a fixed rental uplift on 16 December 2016.	60,000
Lupprian Computer Exp, Dawson Road, Mount Farm, Milton Keynes	Freehold. The property comprises an industrial warehouse of 74,712 sq ft (6,941 sq m) which has been built in two parts and refurbished in January 2011. The original unit was built in the 1980s and comprises steel portal frame and profile metal cladding having an eaves height of 24ft 2ins. (7.37m). There are 3 surface loading doors. The site provides for approximately 55 marked car parking spaces situated at the North West corner of the site.	Leased to Lupprians Computer Express Ltd for 10 years until 9 May 2022 with 5 yearly fixed rent reviews, the next scheduled 10 May 2017.	282,758
Bong UK Ltd, 3B-3C, Michigan Drive, Milton Keynes	Freehold. The property comprises a self-contained industrial unit which is made up of two interconnecting units known as Units 3B and 3C with a total floor area of 128,011 sq ft. Each unit is of steel portal frame construction with fully profiled metal clad elevations. At either end of the unit is a separate goods-in (with four loading doors) and goods-out (with two loading doors) yard. The tenant has extended the property by approximately 5,212 sq ft (484.19 sq m) which is excluded at rent review and is to be reinstated at lease end should the landlord require. Externally to the front of the property there are approximately 115 marked car parking spaces.	Single let to Bong UK Ltd on a 12 year lease expiring 2 January 2026 with annual indexed rental uplifts.	712,980
Silbury House, 300, Silbury Boulevard, Milton Keynes	Freehold. Developed in 1998, Silbury House comprises 25,205 sq ft of flexible office accommodation over ground and two upper floors. The property is of steel portal frame construction, clad in stone to the ground floor and brick to the 1st and 2nd floor, beneath a double-pitched roof. There is an internal atrium with glass roof light, increasing the amount of natural light to all floors and providing an enclosed café-style patio on the ground floor. The property includes two private brick-paved car parking areas, on either side of the building, providing a total of 36 spaces including two disabled access spaces.	Let to National Westminster Bank PLC on a 23 year lease expiring 31 May 2021 with 5 yearly reviews the next being 01 June 2018.	373,500

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
DPD Depot, Unit 4, Monkton Business Park, Hebburn Newcastle	Freehold. Dating from 2003 and originally developed for Scottish & Newcastle Breweries, the property comprises a modern, detached industrial unit of steel portal frame construction with profile metal clad elevations, beneath a curved profile metal clad roof. The property has a cross dock layout with a re-enforced concrete floor slab, modern heating and lighting provisions and an eaves height of approximately 7.25 metres. There are 13 mechanically operated roller shuttered loading doors in each of the north and south elevations, 2 of which within the north elevation are dock levellers. These open onto extensive yard areas and there are full length canopies extending out 15 metres and 12 metres from the south and north elevations respectively.	Single let to DPD Group UK Ltd on a 20 year lease expiring 13 July 2023 and a rent review on 14 July 2018.	220,000
Unit 6 Broadgate, Broadway Business Park, Oldham	Leasehold. The property comprises a purpose built distribution warehouse of 9,625 sq ft (103,605 sq ft) dating from the mid-1990s. The property occupies a self-contained site with loading yards and car parking. The property provides a detached warehouse of steel portal framed construction over 2 bays and has an eaves height of 8.16 m (27 ft). The lower sections of the elevations are constructed of concrete block and brick construction with profile metal cladding above. The 4 corners of the property are of full height block/brick construction. Unusually for a building of this type, there are glazed areas set into the elevations to allow natural light into the building. The roof is finished with profile metal cladding interspersed with translucent panels.	Leased to Banner Business Services Ltd for 21 years 5 months expiring 30 September 2015.	854,626
Currys PC World, Blackpool Road, Preston	Freehold. The property comprises a single retail warehouse of 3,813 sq m (41,045 sq ft) on a site of 1.4 hectares (3.47 acres). The building has been divided to allow trading by 2 separate but connected businesses controlled by DSG Retail Limited. We understand the building dates from the mid-2000s and replaced a smaller unit built in the 1980s and previously occupied by Focus DIY.	A single lease to DSG Retail (Currys PC World) for 25 years 1 month expiring 25 December 2030 with the next 5 yearly fixed rent review on 10 November 2015.	1,040,895
1/1A, Marsh Way, Fairview Industrial Park, Rainham, Essex	Leasehold. Two circa late 1970s inter-connecting warehouses with integral two storey office accommodation sited on a secure compound and providing accommodation of approximately 7,626 sq m (82,090 sq ft) GIA. There are 9 loading doors and an extensive yard area. Total site area circa 1.43 ha (3.53 acres) with a site coverage of around 50%.	Let on a single 10 year lease to Yusen Logistics (UK) Ltd expiring 30 June 2017 with an additional ground lease to Frogmore Properties Ltd expiring 13 June 2986.	450,000

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Hertford Place, Denham Way, Maple Cross, Rickmansworth	Freehold. 1970s office building, extended in the 1980s and 1990s, providing approximately 5160 sq m (55,545 sq ft) NIA over 4 floors. There is on-site parking for approximately 255 cars.	Let to Trebor Bassett Ltd for 20 years expiring 19 December 2022 with the rent review due 20 December 2017.	1,156,900
The Symphony Group PIC, Ickles Way, Sheffield Road, Rotherham	Leasehold. The property comprises a manufacturing, storage and distribution complex with accommodation provided in three principle buildings with steel framed construction with a steel truss roof externally clad mainly in profile metal sheeting.	Let to The Symphony Group Plc for 20 years expiring 15 September 2034 with a fixed rent review 16 September 2019 and a tenant break option 16 September 2029.	1,080,000
1 Dorset Street, Southampton	Freehold. Office building dating from 2007, with accommodation over ground to third floors extending to around 2,331.8 sq m (25,100 sq ft) NIA. The offices are air conditioned, served by two lifts, and there is undercroft parking for 16 cars.	Let to 4 tenants. The ground, 1st and 2nd floors are let to Grant Thornton UK LLP for 15 years expiring 24 July 2022, subject to a tenant break option on 11 June 2017. Part 3rd floor is let to Alliance and Leicester plc for 10 years expiring 9 November 2019. Part 3rd floor let to Michael Page Holdings Ltd for 15 years expiring 31 July 2025, subject to a tenant break option on 1 August 2020 with a fixed rental uplift on 1 February 2016. An electricity sub-station is let to Southern Electric Power Distribution plc at nil rent for 99 years expiring 12 December 2105.	459,166
Bourne House, The Causeway, Staines	Freehold. Early 1990s two storey office building refurbished circa 2005 and currently undergoing significant further refurbishment anticipated to be completed July 2014. The accommodation is arranged in mainly open plan layout with an "L" shape configuration on plan and upon practical completion is anticipated to provide approximately 2,395 sq m (25,779 sq ft) NIA. Parking for approximately 102 cars.	Let to Ricoh UK Limited for a 10 year term with 16 months' rent free, expiring 14 September 2024. There is a rent review on the 15 September 2019 Services and a tenant break scheduled for 14 September 2021. There is also an electricity substation with a lease to SSE PLC from 1 January 1989 expiring 31 December 2087.	0
Turin Court, Bird Hall Lane, Cheadle Heath, Stockport	Freehold. A detached 4 storey office building providing accommodation extending to approximately 2,218.5 sq m (23,881 sq ft) NIA. To the rear of the property is a secure tarmac surfaced car park providing around 100 spaces. The building is air conditioned and dates from around 2005.	Let on a single 15 year lease to Emcor Group (UK) Plc, expiring 24 July 2021, but with a tenant break on 25 July 2016.	340,850
Tetron 93, Cadley Hill Road, Swadlincote	Freehold. The property was constructed in 2007 and provides 87,857 sq ft of well specified warehouse space and 5,981 sq ft of office accommodation set over two storeys. The building is of steel portal frame construction with metal profile cladding to the façade and roof with a double height glazed reception foyer. The two bay warehouse provides 8 dock levellers and 3 level loading doors with canopy, 12.06 metre clear internal eaves height and a secure 50m lorry yard with 10 HGV parking spaces. There is on-site parking provided, for 34 cars and 2 disabled spaces via a separate unsecure car park.	Single let to Multipacking Solutions UK Ltd on a 10 year lease expiring 6 February 2021 with a fixed rent review 1 March 2016.	375,448

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Tetron 141, William Nadin Way, Swadlincote	Freehold. The property was constructed in 2007 and provides 132,856 sq ft of well specified warehouse space and 8,594 sq ft of office accommodation set over three storeys. The building is of steel portal frame construction with metal profile cladding to the façade and roof with a double height glazed reception foyer. The two bay warehouse provides 12 dock levellers and 2 level loading doors with canopy, 11.20 metre clear internal eaves height and a secure 50m lorry yard with 7 HGV parking spaces.	Euro Car Parts Ltd occupies the entire property on a 10 year lease expiring 22 July 2022 with a rental uplift 23 July 2016 and a break option on 23 July 2018.	635,216
Crittall Road, Witham, Essex	Freehold. Detached warehouse extending to around 57,328 sq ft GIA with associated external areas. It provides integral two storey offices (approx 13% of total area) to the southern side, 8 roller shutter doors and an eaves height of approximately 6m (19 ft 8 ins.). 4 other areas within the freehold ownership have been sold off by way of 999 year leases.	Perry Ellis Europe Ltd have the Farah Unit, Motts Lane & 49 spaces on a re-gear lease originally from 19 July 1991 and now expiring 28 February 2023 with fixed rental uplifts every year, the next scheduled for 1 March 2016. Plot 1, Colchester Road is let to TMC Haulage Ltd on a 999 year lease expiring 20 March 3002. Elmbeck LLP has leased Plot 2, Colchester Road for 999 years expiring 10 October 2999. David John French has leased Plots 4 & 5, Colchester Road for 999 years expiring 14 December 2999.	212,380
The IT Centre , Innovation Way York	Leasehold. Dating from 2003, the property comprises a 'L' shaped, three-storey detached office building of steel frame construction, with part brick, blockwork and curtain wall cladding to the elevations, beneath a shallow pitched profile sheet covered roof. Externally, there are 56 car parking spaces, providing a ratio of 1:454 per sq ft.	Single let to York Science Park Ltd on an 18 year lease expiring 21 July 2021 with a review 21 July 2018.	360,624
TOTAL			19,234,632

PART VI

VALUATION REPORT IN RELATION TO THE NEW PORTFOLIO

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25 Dowgate Hill
London EC4R 2GA

Dickson Minto W.S.
Broadgate Tower
20 Primrose Street
London EC2A 2EW

17 November 2015

Dear Sirs

VALUATION OF PROPERTY ASSETS FORMING THE PEARL PORTFOLIO HELD BY STANDARD LIFE INVESTMENTS PROPERTY INCOME TRUST LIMITED

1. Introduction

In accordance with our engagement letter dated 14 October 2015 with Standard Life Investments Property Income Trust Limited (the “Company”), we have considered the properties referred to in the attached schedule (the “Schedule”) in order to advise you of our opinion of the aggregate of the Market Values (as defined in paragraph 7.1 below) as at 19 October 2015 (the “Valuation Date”) of the freehold (or heritable title) or long leasehold interests (as appropriate) comprising each of the properties (the “Properties”) listed in the schedule. We confirm that there has been no material change in the aggregate valuation of the Properties between 19 October 2015 and the date of the publication of the prospectus in which our valuation report appears.

2. Inspections

All the Properties have been seen internally by us within the past 3 months.

3. Compliance with Valuation Standards and the Listing Rules

The valuations have been prepared in accordance with the RICS Valuation – Professional Standards January 2014, Global and UK Edition, including International Valuation Standards and RICS Professional Standards UK January 2014 (revised April 2015) issued by the Royal Institution of Chartered Surveyors (references to the “Red Book” refer to either or both of these documents as

applicable), with Rules 5.6.5 and 5.6.6 and paragraph 2.7, Annex XV, Appendix 3 of the Prospectus Rules published by the Financial Conduct Authority and with paragraphs 128 to 130 of ESMA Update of the CESR Recommendations for the consistent implementation of the European Commission's Regulation (EC) No 809/2004 implementing the Prospectus Directive (the "CESR Recommendations").

4. Status of valuer and conflicts of interest

We confirm that we have undertaken the valuations acting as External Valuers as defined in the Red Book, and are qualified for the purpose of the valuations. As you are aware, Knight Frank LLP are to be instructed by Standard Life Investments Property Income Trust Limited to value the Properties held within the Pearl Portfolio in relation to the acquisition of the assets.

In addition Knight Frank LLP has been instructed to value the Pearl Portfolio on a quarterly basis for performance purposes following the completion of the Listing. Emily M Miller MRICS will be responsible for this instruction.

5. Purpose of the valuation report

We understand that this valuation report and Schedule (the "Valuation Report") are required for inclusion in a prospectus and circular (the "Circular") concerning the issue of New Shares in the Fund by way of an Initial Placing and Offer for Subscription and a Placing Programme.

We also understand that this Valuation Report will be relied upon by the Company, The Royal Bank of Scotland plc, Winterflood Securities Limited and Dickson Minto W.S.

The matters referred to above are collectively defined as the "Purpose of this Valuation Report".

In accordance with UKVS 4.3, we have made certain disclosures in connection with this valuation instruction and our relationship with the Company, the Investment Manager and other members of the Standard Life Group. These are included in item 6 below.

6. Disclosures required under the provisions of UKVS 4.3

6.1. Previous valuations of the Properties

We have undertaken the valuation of the Properties for the purposes of acquisition as at 19 October 2015.

6.2. Knight Frank LLP's relationship with client

Knight Frank LLP currently undertakes valuation services on behalf of another property portfolio within the Standard Life Group.

6.3. Fee income from the Standard Life Group

The total fees, including for this assignment, to be earned by Knight Frank LLP from the Standard Life Group are less than five per cent. of the total UK revenues estimated for this financial year.

7. Basis of valuation and net annual rent

7.1. Market Value

The value of each of the Properties has been assessed in accordance with the relevant parts of the RICS Professional Standards. In particular, we have assessed Market Value in accordance with VPS4 (1.2). This is an internationally recognised basis and is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

No allowance has been made for expenses of realisation or for any taxation which might arise, and our valuations are expressed exclusive of any Value Added Tax that may become chargeable.

Our valuations reflect usual deductions in respect of purchaser's costs and, in particular, full liability for UK Stamp Duty as applicable at the valuation date.

Our valuation has been undertaken using appropriate valuation methodology and our professional judgement.

The Valuer's opinion of Market Value was primarily derived using recent comparable market transactions on arm's length terms, where available, and appropriate valuation techniques (The Investment Method).

In the case of the Properties having development potential, the Residual Method has been adopted which is the generally accepted method for valuing such properties. In these instances we form an opinion of the completed development (Gross Development Value) using the Investment Method and deduct from it the total costs of development and an allowance for developer's profit. We would note, however, that none of the Properties are actually in the course of development.

The Properties have been valued individually and not as part of a portfolio.

Save as otherwise disclosed, it has been assumed for the purpose of valuation that the relevant interests in the Properties are free of mortgage, charge or other debt security and no deduction has been made for such charge or debt.

7.2. Net annual rent

The net annual rent ("Net Annual Rent") for each of the Properties is referred to in the Schedule. Net Annual Rent is defined in the Listing Rules as "the current income or income estimated by the valuer:

- (i) ignoring any special receipts or deductions arising from the property;
- (ii) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and
- (iii) after making deductions for superior rents (but not for amortisation) and any disbursements including, if appropriate, expenses of managing the property and allowances to maintain it in a condition to command its rent".

Where rent reviews are outstanding, we have reported the Net Annual Rent on the basis of current contractual rent, but our valuation has had regard to the estimated Net Annual Rent as defined in the paragraph below.

In preparing our valuations we have also had regard to the estimated net annual rent ("Estimated Net Annual Rent") of each of the Properties, the aggregate amount of which is set out in paragraph 10 of this report. The Estimated Net Annual Rent is based on the current rental value of each of the Properties. The rental value reflects the terms of the leases where the Properties, or parts thereof, are let at the date of valuation. Where the Properties, or parts thereof, are vacant at the date of valuation, the rental value reflects the rent we consider would be obtainable on an open market letting as at the date of valuation. As such, the figures in respect of vacant accommodation are the same as those assessed on the basis of Market Rent as defined in VPS4 1.3.

7.3. Taxation and costs

We have not made any adjustments to reflect any liability to taxation that may arise on disposal, nor for any costs associated with disposals incurred by the owner. No allowance has been made to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposals.

8. VAT

We have been advised by the Investment Manager that the option to tax has been exercised in respect of all the Properties.

The capital valuations and rentals included in this Valuation Report are net of value added tax at the prevailing rate.

9. Assumptions and sources of information

In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. The Company has confirmed that we may make the assumptions for the purposes of our valuations. In the event that any of these assumptions prove to be incorrect, then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below:

9.1. Title

We have been provided with title information and Certificates on Title by the Investment Adviser, prepared by Addleshaw Goddard LLP in relation to the Properties comprising the Pearl Portfolio.

Our valuations are prepared on the basis that the Properties have good and marketable titles and are free of any undisclosed onerous burdens, outgoings or restrictions. The tenure of each property is identified within the Schedule

We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of your legal adviser.

9.2. Condition of structure and services, deleterious materials, plant and machinery and goodwill

We have been provided with copies of Initial Survey Findings Report prepared by Malcom Hollis for all the Properties forming the Pearl Portfolio prepared during September and October 2015 on behalf of the Investment Manager (the "Condition Surveys"). We have reflected the contents of the Condition Surveys in undertaking our valuations.

We have not been instructed to carry out structural surveys of the Properties, nor to test the services, but have reflected in our valuations, where necessary, the findings contained within various building inspection reports, and/or construction reports, that the Investment Adviser has provided us with, as well as the general condition of the Properties as observed during the course of our internal and external inspections. Our valuations assume the buildings contain no deleterious materials and that the sites are unaffected by adverse soil conditions, except where we have been notified to the contrary. We have assumed that the Properties are in sound order and free from structural faults, rot, infestation or other defects, and that the services are in a satisfactory condition

We have not investigated ground conditions. Unless advised to the contrary, our valuation is on the basis that there is no unidentified adverse ground, or soil conditions and that the load bearing qualities of the property are sufficient to support the buildings constructed or to be constructed thereon.

No tests have been carried out as to electrical, electronic, heating, plant and machinery, equipment or any other services nor have the drains been tested. We have made an assumption that, save as disclosed in any reports; all services to the Properties are functioning satisfactorily.

No allowance has been made in our valuations for any items of plant or machinery not forming part of the service installations of the Properties. We have specifically excluded all items of plant, machinery and equipment installed wholly or primarily in connection with the occupants' businesses. We have also excluded furniture and furnishings, fixtures, fittings, vehicles, stock and loose tools. Further, no account has been taken in our valuations of any goodwill that may arise from the present occupation of any of the Properties. Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

9.3. Environmental matters

We have not carried out any investigations into past or present uses of either the Properties or any neighbouring land to establish whether there is any potential for contamination from these uses or sites to the Properties. We have, however, been provided by the Investment Adviser with, and relied upon, an Environmental Overview report, undertaken by Ramboll Environ prepared in October 2015.

We understand that none of the Properties are, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future uses of the properties.

Should it be established subsequently that contamination exists at any of the Properties or on any neighbouring land or that the Properties have been or are being put to a contaminative use this could reduce the values now reported.

We have used the website of the Environment Agency's Indicative Floodplain Maps to provide a general overview of lands in natural floodplains and therefore potentially at risk of flooding from rivers or the sea. The maps use the best information currently available, based on historical flood records and geographical models. They indicate where flooding from rivers, streams, watercourses or the sea is possible. From the website, we have established that none of the Properties are currently classified as being at risk from flooding without the appropriate flood defences being present. We also understand that none of the Properties have a history of flooding.

9.4. Areas

Our valuations are based on the measurements contained within area survey reports, which have been provided to us by the Investment Adviser, prepared by Armada Surveys Ltd and ND Oliver & Co Ltd dated October 2015. We have assumed these measurements have been undertaken in accordance with the current RICS Code of Measuring Practice. We understand all office and retail are provided to us on a Net Internal Area basis with the industrial and retail warehousing are provided on a Gross Internal Area basis, as in keeping with general market practices.

9.5. Statutory requirements and planning

We have been provided with draft Certificates on Title dated October 2015, prepared by Addleshaw Goddard upon which we have relied. We confirm that the Properties valued, are the Properties described in the Certificates on Title. We also confirm that we have taken the Certificates on Title into account in arriving at our valuation and that there is nothing contained within the Certificates that would cause us to alter our valuation report.

We have assumed that the buildings have been constructed in full compliance with valid town planning, and with all statutory and local authority requirements including building, fire and health and safety regulations, and that the Properties are not subject to any outstanding statutory notices as to their construction, use or occupation.

9.6. Leasing

We have reviewed copies of the leases or other related documents, and have relied on tenancy schedules provided to us by the Investment Manager and their advisors and the tenancy summaries contained in the Certificates on Title.

Although we reflect our general understanding of the status of the tenants, we are not qualified to advise you on their financial standing, however we have made an assumption that the tenants are financially in a position to meet their obligations. Unless otherwise informed by the Investment Manager or their advisors we have also made an assumption that there are no material arrears of rent or service charges, breaches of covenants, or current or anticipated tenant disputes.

9.7. Lettings

Except to the extent disclosed in the Certificates on Title, or as advised to us by the Investment Manager we have made an assumption that:

- (i) wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary increases, all notices have been served validly within the appropriate time limits;
- (ii) all rent reviews are upward only and are to be assessed by reference to full current market rents;
- (iii) there are no tenants' improvements that will materially affect our opinion of the rent that would be obtained on review or renewal;
- (iv) tenants will meet their obligations under their leases, and are responsible for insurance and payments of business rates; and are responsible for all repairs, whether directly or by means of a service charge;

- (v) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
- (vi) appropriate permission to assign the interest being valued herein would not be withheld by the landlord where required; and
- (vii) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy.

9.8. Insurance

Our valuations assume that the Properties would, in all respects, be insurable against all usual risks including terrorism, flooding and rising water table at normal, commercially acceptable premiums.

9.9. Information

In undertaking our valuations, we have relied upon the information supplied to us by the Investment Manager and their advisors, including building surveyors' reports, environmental reports, and the Certificates on Title. We have also relied on information and advice supplied by the Investment Manager in respect of outstanding costs or retentions where works have been completed or are ongoing. We have relied on information and advice supplied by the Investment Manager relating to future development costs and the likely irrecoverable cost of works and repairs to defects revealed by the various Condition Surveys. In each case, we have reflected this advice in our valuations.

We have made an assumption that the information the Investment Manager and its professional advisers have supplied to us in respect of the Properties is both full and correct. It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

10. Valuation

In assessing our valuations we have assessed rental values by reference to comparable rental transactions and arrived at our Market Value valuations using the Investment method of valuation; that is, utilising yields drawn from an assessment of comparable market transactions.

We are of the opinion that the aggregate of the Market Values as at the Valuation Date, being 19 October 2015, of the freehold (or heritable title) or leasehold interests in each of the New Properties described in the Schedule, subject to the assumptions and comments in this Valuation Report, were as follows:

Freehold (or Heritable Title) 18 New Properties	£142,070,000	(One hundred and forty two million and seventy thousand pounds)
Long Leasehold 4 New Properties	£23,000,000	(Twenty three million pounds)
TOTAL	£165,070,00	(One hundred and sixty five million and seventy thousand pounds)

The above total is split between the following sectors:-

Offices	£59,850,000	(Fifty nine million, eight hundred and fifty thousand pounds)
Retail	£13,100,000	(Thirteen million, one hundred thousand pounds)
Retail Warehousing	£23,000,000	(Twenty three million pounds)
Industrial	£69,120,000	(Sixty nine million one hundred and twenty thousand pounds)
TOTAL	£165,070,000	(One hundred and sixty five million and seventy thousand pounds)

In addition to the above aggregate of the individual Market Valuations, we have assessed the aggregate Estimated Net Annual Rent at £10,821,797.

Out of the above aggregate of the Market Values, we set out below the individual Market Values where these exceed five per cent. of the aggregate valuation:-

- Elstree Tower, Borehamwood: £18,000,000
- Charter Court, Slough: £12,850,000
- 82-84 Eden Street, Kingston upon Thames: £16,350,000
- The Quadrangle, Cheltenham: £9,800,000
- CEVA Logistics, Corby: £9,350,000
- The Kirkgate, Church Street, Epsom: £8,700,000
- Walton Summit Industrial Estate: £8,570,000
- Budbroke Industrial Estate, Warwick: £8,400,000

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

11. Consent and responsibility

This Valuation Report has been prepared for inclusion in the Prospectus. Knight Frank LLP hereby gives consent to the inclusion of this Valuation Report in the Prospectus and to the references to this Valuation Report and Knight Frank LLP in the Prospectus in the form and context in which they appear. Knight Frank LLP authorises, and accordingly takes responsibility for, the contents of this Valuation Report for the purposes of Rule 5.5.3(2)(f) of the Prospectus Rules and confirms that the information contained in this Valuation Report is, to the best of our knowledge and having taken all reasonable care to ensure that this is the case, in accordance with the facts and contains no omission likely to affect its import.

12. Confidentiality and disclosure

The contents of this Valuation Report and Schedule may be used only for the specific purpose to which they refer. Before this Report, or any part thereof, is reproduced or referred to, in any document, circular (other than the Circular) or statement or published in any way whatsoever whether in hard copy or electronically (including on any web-site), and before its contents, or any part thereof, are disclosed orally or otherwise to a third party, Knight Frank LLP's written approval as to the form and context of such publication or disclosure must first be obtained, but may not be unreasonably withheld or delayed. For the avoidance of doubt such approval is required whether or not Knight Frank LLP is referred to by name and whether or not the contents of our Report are combined with others.

Yours faithfully

Emily M Miller MRICS

RICS Registered Valuer

Partner, Valuations

For and on behalf of Knight Frank LLP

SCHEDULE TO THE VALUATION REPORT

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Anglia House, Bishops Stortford	Freehold. 1990s office building providing approximately 1,595 sq m (17,172 sq ft) NIA over 3 storeys, with 72 under-croft and surface car parking spaces.	Let to The Secretary of State for Communities and Local Government for 30 years expiring 9 November 2022 with the next rent review due 10 November 2017. The tenant has the right to break their lease with effect from 2 April 2021.	386,428
Elstree Tower, Borehamwood	Freehold. Late 1980s office building providing approximately 7,420 sq m (79,869 sq ft) NIA over 7 storeys, with an adjacent 339 space multi storey car park.	Let to Sunguard Availability Services Ltd for 35 years expiring 24 March 2025, with a break in March 2020. The next rent review due 25 March 2020 if the tenant does not operate the break.	1,320,000
The Quadrangle, Cheltenham	Freehold. 1973 office building providing approximately 5,474 sq m (58,920 sq ft) NIA over ground and four upper floors with basement parking for 81 cars. There is retail/restaurant space at street level.	Let to RBS Plc on a 30.75 year lease expiring 23 June 2018 with no further rent reviews. The Tenant has reduced occupation to half of the second floor; the remaining space has been sub-let or is vacant.	700,000
The Kirkgate, 19-31 Church Street, Epsom	Freehold. Town centre office building constructed in 1991 providing approximately 2,482 sq m (26,713 sq ft) NIA over ground and 3 upper floors. There is an underground car park with 92 spaces.	Let to TNS Group Holdings Ltd for 15 years expiring 29 September 2016. The rent is reviewed 5 yearly to open market with the last review dated 23 January 2011 not actioned.	550,000
Charter Court, 50 Windsor Road, Slough	Freehold. Early 1990s office building substantially refurbished in 2004 providing approximately 4,228 sq m (45,507 sq ft) NIA over ground and four upper floors. There are 160 car parking spaces across two basement levels plus 8 surface spaces.	Let to 3 Tenants with one vacant floor. Webloyalty International Ltd has two co-terminus 7 year leases of Part Ground Floor, Second and Third Floors expiring 22 June 2020 with a rent review due 24 June 2018. Airwave Solutions Ltd occupies Part Ground Floor and First Floor on a 13.58 year lease expiring 24 December 2021 with a rent review due on 30 April 2018.	816,879
Causeway House, 9-13 The Causeway, Teddington	Freehold. 1990s mixed use building providing approximately 1,786 sq m (19,228 sq ft) of retail, office and residential accommodation across 4 storeys with 19 car parking spaces.	Let to 5 tenants on 6 leases with no vacant space. Opt4Mobility Ltd occupies Retail Units 4-5 on a 15 year lease expiring 9 July 2021 with a rent review due 10 July 2016. Stepping On Out occupy unit 7 on a 5 year lease expiring 31 July 2017. Thamesview Estate Agents Ltd is in occupation of the Ground Floor on a 2.5 year lease expiring 24 March 2016. IKON Science Ltd has a 9 year lease expiring 24 March 2017 on the First Floor; an 11 year lease expiring 24 March 2017 with a rent review due 25 March 2016 for the Second Floor; and a 2 year lease expiring 30 September 2016 of Flat 1, 8 Park Road. Hansen Corporation Europe Ltd has a 10.5 year lease expiring 7 July 2017 with a rent review due 8 January 2017 for the Third Floor.	344,233
Wincanton Premises, Bristol	Long Leasehold on 3 leases: a 125 year lease expiring 14 March 2108 at a rent of £5 per annum without review; 125 year lease expiring 14 March 2108 at a rent of £5 per annum without review; and, a 125 year lease expiring 20 January 2122 at a peppercorn rent. Mid-1980s detached warehouse/distribution unit extending to approximately 3,549 sq m (38,205 sq ft) GIA on a 7.65 acre site with 3.64 acres considered to be surplus yard area.	Single let to Wincanton Holdings Ltd for 20 years expiring 31 October 2025 with 5 yearly rent reviews, and a tenant break at 1 November 2020; there are no further open rent reviews.	379,633

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
CEVA Logistics Premises, Corby	Freehold. 2001 warehouse with two adjoining 1960s warehouses, providing a total GIA of approximately 18,137 sq m (195,227 sq ft) on a site of 11.40 acres.	Let to CEVA Logistics Ltd for a term of 12 years expiring 30 December 2021. The rent is subject to fixed 3% uplifts annually in December, the next uplift due 31 December 2016.	579,637
Offshore Logistics, Whitecliffs Business Park, Dover	Freehold. 2003 distribution warehouse providing approximately 7,866 sq m (84,674 sq ft) GIA on a site of 4.96 acres.	Let to P&O Ferries Ltd on a 16 year lease expiring 28 September 2019 with a rent review due 29 September 2018.	479,090
Foxholes Business Park, Hertford	Freehold. 1980s park providing approximately 3,929 sq m (42,293 sq ft) GIA of light industrial and office accommodation across 3 two-storey detached buildings.	15 units let to 9 tenants, with the tenants of 9 units holding over, albeit 3 of the leases have engrossments issued for renewal. Specialists Healthcare Ltd occupies Units 1-4 on a 5 year, a 15 year and two 25 year leases. We understand Heads of Terms are being negotiated currently. Vertase FLI Ltd has taken a 3 year lease of Unit 5 expiring 4 March 2017; it has been assumed the tenant did not operate the September 2015 break option. Silent Sentinel Ltd took a 4 year lease for Unit 6 expiring 13 October 2015, and a 6 year lease for Unit 11 expiring 6 August 2015; we understand terms have been agreed for a new 6 year term with a break option at year 3 subject to 9 months' notice plus a break penalty equivalent to 3 months' rent. Nspire Health Ltd is holding over on Units 7, 8, and 10; however engrossments have been issued for new 8 year leases with a rent review and break option at year 4. Semikron Ltd holds a 10 year lease expiring 1 October 2017 for Unit 9; no further rent review due. FMAC Group Ltd took a 25 year lease of Unit 12 expiring 17 March 2017; this unit has been sub-let to Custom Security Solutions. Tedaisy Ltd has a 5 year lease expiring 19 January 2019, with a tenant break on 19 January 2017 at Unit 13. Information Internet Ltd holds a 5 year lease expiring 17 February 2016 at Unit 14. Biotage UK Ltd has a 25 year lease expiring 7 April 2016 for Unit 15.	459,747
Foundry Lane, Horsham	Freehold. The property comprises three detached industrial units totalling approximately 6,869 sq m (73,939 sq ft) GIA on a 2.5 acre site.	Fully let to 3 tenants on 3 leases. Foundry Press Ltd has a 15 year lease expiring 24 December 2019 of Unit A; no rent review is due. Howden Joinery Properties Ltd occupies Unit B under a 15 year lease expiring 7 November 2019, with a tenant break on 7 September 2019; there is an outstanding rent review with effect from 8 November 2014 with no further review thereafter. Applied Materials UK Ltd has a 20 year lease expiring 20 July 2018 of Unit C, which has been sub-let to Ceres Power; there is no further rent review due.	542,950

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Broadoak Business Park, Manchester	Freehold. 14 industrial units across 4 separate blocks providing a total of approximately 6,157 sq m (66,276 sq ft) GIA on a site of 2.06 acres.	Multi let with 12 units being let on 10 leases with 2 vacant units. Unit 1A is let to Able Hydraulics Ltd for 5 years expiring 23 June 2015; the tenant is holding over. Unit 2A is let to Cardea Solutions Ltd for 4 years expiring 27 April 2018 with a rent review at 28 April 2016. Unit 3A is let to Rexel UK Ltd for 10 years expiring 24 December 2021 with a tenant break at 25 December 2016. Units 4B, 5B & 6B is let to Neville Johnson Ltd for 12 years expiring 25 August 2023 with a tenant break at 26 August 2017; there is a fixed rental uplift with effect from 10 January 2017. Unit C1 is let to Advanced Aesthetics Skin Clinic on a 6 year lease expiring 19 May 2020 with a tenant break at 20 May 2017. Unit C2 is let to Virtualis Ltd on a 10 year lease expiring 15 August 2023 with a tenant break at 16 August 2018. Unit C3 is let to Advanced Hall Sensors Ltd of a 10 year lease expiring 31 August 2023 with a tenant break at 1 September 2018. Unit C4 is let to Cardea Solutions (UK) Ltd for 10 years expiring 31 May 2022 with a tenant break at 1 June 2017. Unit C5 is vacant. Unit D1 is let to Kier MG Ltd for 10 years expiring 7 August 2023 with a tenant break at 8 August 2018. Unit D2 is let to Highres Biosolutions Ltd for 10 years expiring 29 September 2021 with a tenant break at 30 September 2016. Unit D3 is vacant. Electricity North West have a lease for 99 years of a substation at nil rent expiring 4 June 2113.	216,370
Walton Summit Industrial Estate, Preston	Freehold. Early 1980s warehouse providing approximately 13,826 sq m (148,825 sq ft) GIA.	Let to ThyssenKrupp Materials (UK) Ltd for 20 years expiring 8 August 2019 with an outstanding open market rent review with effect from 9 August 2014.	590,000
Swift House, Rugby	Freehold. Early 1990s self-contained distribution warehouse providing approximately 9,430 sq m (101,500 sq ft) GIA on a 4.95 acre site.	Let to Premier Foods group Ltd for 18.67 years expiring 24 December 2018; there is an outstanding open rent review effective from 28 April 2015. The premises have been sub-let to Lloyd Fraser.	523,574
Units 1-4, Opus 9 Industrial Estate, Warrington	Late 1990s estate comprising two buildings providing approximately 4,940 sq m (53,179 sq ft) GIA on a 3.62 acre site.	Unit 1 is let to Verizon UK Ltd for 25 years expiring 22 April 2024 with a tenant break at 23 April 2020; there is an outstanding rent review with effect from 23 April 2014. Units 2-4 are let to Breezemount UK Ltd on a 5 year lease expiring 7 March 2018 with a tenant break at 8 March 2016 but 6 month's half rent if the break is not operated. No notice to operate the break has been received.	268,035

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Budbrooke Industrial Estate, Warwick	Long Leasehold on 2 separate leases, each for a term of 999 years expiring 16 July 3002 at £1 per annum, if demanded, without review. Arranged in two parts (East and West) on either side of Budbrooke Road. The Eastern part dates from the 1970s and the Western part dates from the mid-1990s. The property provides a total of 8,271 sq m (89,032 sq ft) GIA across 22 units, some of which have been merged, on a total site area of 4.83 acres.	Multi-let to 11 tenants on 15 leases with 4 vacant units. PT&A Ltd hold a 5 year lease of Unit 1 (West) expiring 13 September 2018 with a tenant break at 14 September 2016. Unit 2 (West) has recently been vacated at 13 September 2015 upon expiration of a 5 year lease. Unit 3 (West) is vacant. Unit 4 (West) is let to DCA Design International Ltd for 10 years expiring 14 June 2017; there is an outstanding open rent review with effect from 15 June 2012. Unit 5 (West) is let to Blue Diamond Plumbing for 10 years expiring 19 June 2024 with a tenant break at 20 June 2019. Unit 6 (West) is let to Budbrooke Signs Ltd for 20 years expiring 21 June 2024 with a tenant break option at 22 June 2019. Unit 7 (West) is let to SRM Electrical for 5 years expiring 14 July 2019. Unit 8 (West) is let to Colemans Office Supplies Ltd for 10 years expiring 15 April 2022 with a tenant break at 16 April 2017. Units 9-11 (West) are let to CLS Fabrications Ltd for 10 years expiring 9 September 2022 with a tenant break at 10 September 2018. Unit 12 (West) is let to DCA Design International Ltd for 10 years expiring 21 June 2025 with a tenant break at 22 June 2020 subject to a 2months' rent penalty. Unit 13/14 (West) is let to Nigel Wall Tools Ltd for 4 years expiring 14 December 2015. Unit 15 (West) is let to Trust Pets Products Ltd for 3 years expiring 15 October 2017. Unit 1A (East) is vacant but we understand terms have been agreed with ACIS Ltd for a 10 year FRI lease with a break at year 5. Unit 1B (East) and Unit 2 (East) are let to Batchflow Engineering Ltd for 5 years on two coterminous leases expiring 28 April 2020. Units 3, 4/5A, and 5B are let to Contechs Consulting Ltd on three coterminous leases for 10 years expiring 31 October 2025, with tenant breaks at 1 November 2020.	436,984

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
Victoria Shopping Park, Hednesford	Long Leasehold for 250 years expiring 21 December 2261 at a peppercorn. A modern shopping park completed in 2012 providing a total GIA of approximately 3,364 sq m (36,208 sq ft) across a terrace of 7 units adjacent to a 7,897 sq m (85,000 sq ft) foodstore. There is a surface car park for 618 cars. The total site area is approximately 6.91 acres.	Multi-let with the First Floor having been disposed of on a 248 year Long Leasehold to the Council. The Kiosk, carved out of the foodstore, has been let to Pioneers UK Ltd – trading as Costa Coffee – for 15 years expiring 18 November 2027 with a tenant break at 19 November 2017. Unit 1 has been let to Pure Gym Ltd for 15 years expiring 21 November 2028 with a tenant break at 22 November 2023; the rent is to be reviewed with effect from 22 November 2018 in line with RPI (subject to a minimum uplift of 1.051% and a maximum of 1.217%). Unit 2A is vacant following the collapse of tenant Phones4U – the vendor has provided a further 2.5 year rent guarantee. Unit 2B is let to Lloyds Pharmacy Ltd for 10 years expiring 25 November 2022 with a rent review due 26 November 2017. Unit 2C/D has been let to Pets Corner (UK) Ltd for 15 years expiring 25 November 2027 with a rent review due on 26 November 2017. Unit 3A is let to Marie Curie Cancer Care for 10 years expiring 30 September 2024 with a tenant break at 1 October 2019. Unit 3B has been let to Sportsworld Ltd trading as Card Factory for 5 years expiring 17 November 2018. Unit 4 has been let to Poundworld Retail Ltd for 10 years expiring 19 May 2023 with a rent review due 20 May 2018. The tenant can serve 6-9 months' notice in order to break the lease between 20 May 2019 and 19 May 2020, subject to a break penalty equivalent to 4 months' rent. Tesco hold a lease for 250 year (less 8 days) of their store expiring 14 December 2261 at a peppercorn rent.	482,900
Smyth's Toys, Middle Engine Lane, North Shields	Freehold. 1993 detached retail warehouse providing approximately 1,524 sq m (16,400 sq ft) GIA – the tenant has installed a 465 sq m (5,000 sq ft) mezzanine – plus 92 surface car parking spaces on a site of 1.51 acres.	Let to Smyth's Toys UK Ltd for 15 years expiring 28 March 2022 with a rent review at 29 March 2017 at RPI over the previous 10 years compounded annually multiplied by 1.2% per annum, RPI capped at 2.5% per annum, with no further reviews.	371,138
The Point Retail Park, Rochdale	Freehold. Late 1990s retail park comprising two detached units of 1,709 sq m (18,397 sq ft) and 1,915 sq m (20,613 sq ft) plus 138 surface car parking spaces to the front; the site area is approximately 2.97 acres.	Unit 1 is let to TJ Morris Ltd – trading as Home Bargains – for 15 years expiring 22 August 2028 with 5 yearly rent reviews in 2018 and 2023, which are upwards only to open market rental value, capped by a mechanism calculated at 2% per annum compounded. Unit 2 is let to TJX Europe Ltd, on assignment from NBC Apparel Ltd, for 25 years expiring 23 June 2026. The rent is to be reviewed with effect 24 June 2016 and 24 June 2021. We understand there was originally a tenant break at 24 June 2017 which has been moved to 24 June 2025 by a Deed of Variation during.	370,000
The Range, Queensway, Southend-On-Sea	Freehold. Built mid-late 1980s and extended in 2013 retail warehouse providing approximately 2,819 sq m (30,341 sq ft) GIA on a 2.02 acre site providing 132 car parking spaces.	Let to CDS (Superstores International.) Ltd for 15 years expiring 24 September 2028; there are fixed rental uplifts in Years 5 and Year 10. The next uplift is due with effect from 25 September 2015.	303,410

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable (£)
82-84 Eden Street, Kingston Upon Thames	Freehold. Mid-1990s three storey building split in two and separated by a covered walkway. Retail at street level with ancillary uses on upper floors providing a total of approximately 2,203 sq m (23,709 sq ft) of accommodation.	Multi let. No.82A-82B is let to Lloyds TSB Scotland Plc on a 25 year lease, now expired and so the tenant is holding over during discussions for a new lease. No.84A is let to Moss Bros Group Plc for 25 years, now expired and we understand terms have been agreed for a new 10 year lease of the premises that will also include Nos1, 3, 3c, and 5. The Gym Ltd occupies The Entrance Hall on a 20 year lease expiring 23 January 2031with fixed increases to the rent with effect from 24 January 2016, 2021 and 2026. The 25 year lease of No.1 to Mr Sivarajasegaran Paskaran has expired and the unit will be merged for the new larger Moss Bros store. No.2 is let to C.Birch Ltd - trading as Shoe Care Shop – on a 10 year lease expiring 29 June 2025 with a tenant break effective 30 June 2020, there is a rent review of the same date if the break is not operated. No.3 was let to Moss Bros Group for 25 years; this lease has now expired and the premises will be included in the new store. No.3c was let to Orion MG Ltd for 5 years from 19 February 2010 the tenant is in administration and not paying rent; the premises will be merged into the new Moss Bros store. No.4 is let to David Easton – trading as Bueno Gusto, the tenant is currently paying a peppercorn rent; terms are being discussed with a new tenant. No.5 is vacant, the premises be merged to form the new Moss Bros store. No.7 is let to Mr Patel – trading as Londis – who is holding over after the expiration of a 25 year lease. No.9 is vacant and will be occupied by Moss Bros while the new store is created on a temporary lease no details received.	501,537
Ceres Court, Kingston Upon Thames	150 year Long Leasehold expiring 19 February 2135 with a ground rent of 37.61% of the rents received subject to a minimum of £70,000 per annum. Mid-1980s parade arranged over basement parking for 18 cars, 7 ground floor retail units, and two upper floors providing 18 residential flats.	Multi let to 7 tenants on 7 leases. No.25 is let to SJ Watson and A Watson for 10 years expiring 24 March 2023 with a rent review due 25 March 2018. No.25A is let to Patricia Kingston Ltd for 10 years expiring 2 October 2023 with a rent review due 3 October 2018. No.27 is let to Authenticity Ltd for 10 years expiring 25 August 2021 with a rent review due 26 August 2016. No.31 is let to Lotmod Ltd for 10 years expiring 12 March 2017. No.31A is let to Global Sports US Ltd for 10 years expiring 9 May 2023 with a tenant break at 10 May 2018. No.33 is let to Games Workshop Ltd for 10 years expiring 24 March 2024 with a tenant break at 25 March 2019. No.33A is let to Lionel Dennis Abrahams for 10 years expiring 24 March 2020; there is an outstanding open rent review from 25 March 2015. There is a 150 year lease to Ceres Court Properties Ltd for the whole of the residential upper parts.	199,252
Total Net Annual Rent Receivable (£)			10,821,797

PART VII

FINANCIAL INFORMATION ON THE COMPANY

1. Introduction

The statutory, published, audited and consolidated accounts of the Group for the three financial years ended 31 December 2014, in respect of which the Group's auditors, Ernst & Young LLP of Royal Chambers, St. Julian's Avenue, St. Peter Port, Guernsey GY1 4AF, who are members of the Institute of Chartered Accountants in England and Wales, made unqualified reports under the Companies (Guernsey) Laws 1994 to 1996 and the Law, together with the Group's published, unaudited and consolidated half yearly reports and accounts for the six months ended 30 June 2014 and 30 June 2015 are incorporated by reference into this document and are available for inspection during normal business hours on any Business Day at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW and at the offices of Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL.

2. Historical financial information

Historical financial information relating to the Company on the matters referred to below is included in the published, consolidated annual reports and audited accounts of the Company and in the published, unaudited and consolidated half yearly reports and accounts of the Company as set out in the table below and is expressly incorporated by reference into this document.

	<i>Statutory accounts for period ended</i>			<i>Half yearly accounts for six months ended</i>	
	<i>31 December 2012 Page No.</i>	<i>31 December 2013 Page No.</i>	<i>31 December 2014 Page No.</i>	<i>30 June 2014 Page No.</i>	<i>30 June 2015 Page No.</i>
Nature of information					
Financial Highlights	1	1	1	2	2
Consolidated Statement of Comprehensive Income	30	37	36	15	16
Consolidated Statement of Changes in equity	33-34	40	39-40	18-19	19-20
Consolidated Balance Sheet	31-32	38	37-38	16-17	17-18
Consolidated Cash Flow Statement	35	42	41	20	21
Notes to the Consolidated Financial Statements	36-63	43-76	42-75	21-31	22-34
Dividends	14	71	71	2, 29	2, 32
Independent Auditors' Report	28-29	34	33-35	—	—

3. Selected financial information

The information in this paragraph 3 is information on the Company and has been extracted directly on a straightforward basis from the financial information referred to in paragraph 2 of this Part VII. Selected audited historical consolidated financial information relating to the Company which summarises the financial condition of the Group for the three periods ended 31 December 2014 and in the unaudited, consolidated half yearly reports and accounts of the Group for the six months ended 30 June 2014 and 30 June 2015 is set out in the following table:

	31 December 2012	31 December 2013	31 December 2014	30 June 2014	30 June 2015
Net asset value					
Net assets (£000)	176,019	101,592	184,367	120,208	226,400
Equity shareholders' funds (£000)	80,631	101,592	184,367	113,431	226,400
Net asset value per share (pence)	57.7	65.5	75.5	70.6	78.5
Consolidated Statement of Comprehensive income					
Rental income (£000)	13,489	13,395	16,146	7,463	9,739
Profit/(loss) for the period (£000)	(1,424)	11,237	29,171	11,571	12,934
Earnings per share (pence)	5.53	3.77	4.90	2.8	2.32

4. Operating and financial review

A description of changes in the performance of the Company, both capital and revenue, and changes to the Company's portfolio of investments are set out in the sections headed "Chairman's Statement", "Managers' Review", "Property Portfolio" and "Report of the Directors" in the published, audited and consolidated statutory accounts of the Group as follows and are expressly incorporated by reference into this document.

	Statutory accounts for period ended			Half yearly accounts for six months ended	
	31 December 2012	31 December 2013	31 December 2014	30 June 2014	30 June 2015
	Page No.	Page No.	Page No.	Page No.	Page No.
Nature of information					
Chairman's Statement	3-5	2-4	2-4	3-4	3-4
Strategic Report			5-15		—
Investment Managers; Strategic Report	6-13	8-16	9-15	7-13	7-14
Property Portfolio	11-13	13-16	13-15	11-13	13-14
Report of the Directors	14-18	17-19	17-19	—	—

5. Significant change

Since 30 June 2015 (being the end of the last financial period of the Company for which financial information has been published), there has been no significant change in the financial or trading position of the Group save for the purchase and sale of the following properties.

Property	Value range	Purchase/ Sale
Halford and Lancaster Motors, Hamme Strasse, Valley Road, Bradford	£4m – £6m	Purchase
Persimmon House, Crossways Business Park, Dartford	£2m – £4m	Purchase
Silbury House, 300 Silbury Boulevard, Milton Keynes	£4m – £6m	Purchase
The IT Centre, York Science Park, York	£4m – £6m	Purchase
Endeavour House, Langford Business Park, Kidlington, OX5 1GE	£4m – £6m	Purchase
Unit 2 Brunel Way, Segensworth, Fareham	£2m – £4m	Purchase
Monkton Business Park, Newcastle	£2m – £4m	Purchase
Yodel, Portrack Lane, Stockton, TS18 2SA	£0 – £2m	Sale
Ravens Park, Units 2001 & 2002, Coal Road, Seacroft, Leeds LS14 2LA	£2m – £4m	Sale
Windsor Court & Crown Farm, Crown Farm, Mansfield, Nottinghamshire	£2m – £4m	Sale
140 West George Street, Glasgow	£4m – £6m	Sale

6. Working Capital

The Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements, that is, for at least the next 12 months from the date of this document.

7. Net asset value

The unaudited net asset value per ordinary share was 80.9 pence as at 30 September 2015 (including the accrued dividend).

8. Capital resources

The Company currently has 288,387,160 Ordinary Shares in issue and, if the Initial Placing and Offer are fully subscribed and become unconditional, the Company will have 410,387,160 Ordinary Shares in issue. The Company does not hold any Ordinary Shares in treasury. As at 31 December 2014, the Group had cash, held in Sterling, available of approximately £5.4 million and as at 30 June 2015, the Group had cash, held in Sterling, available of approximately £27.3 million and had drawn down approximately £84.4 million under the Bank Facility. Cash inflows and outflows for the Group in the year ended 31 December 2014 and the six months ended 30 June 2015 and the sources and amounts of those cashflows are set out in the Consolidated Statement of Comprehensive Income, Consolidated Cash Flow Statement and related notes in the audited, consolidated reports and accounts of the Group to 31 December 2014 (pages 36 and 41 respectively) and the unaudited, consolidated half yearly reports accounts to 30 June 2015 (pages 16 and 21) which are expressly incorporated by reference into this document.

The Company will use its existing available cash reserves, the net proceeds of the Initial Placing and Offer and the New Bank Facility to fund the Acquisition. Therefore, on the assumption that the Acquisition completes, the level of the Company's borrowings will depend on the net proceeds of the Initial Placing and Offer. On completion of the Acquisition the Company's total borrowings could increase up to a maximum of to £155 million (consisting of the Bank Facility and the New Bank Facility) and its LTV could increase up to a maximum of 34 per cent. The structure and terms of the New Facility Agreement provides the Property Subsidiary with the flexibility to make repayments prior to the repayment date of 17 June 2017 and thereby reduce the LTV shortly after the completion of the Acquisition with the proceeds of any disposals of New Properties (or existing Properties), and, as a result, reduce the Group's LTV as soon as possible after the completion of the Acquisition. The Group will only draw down funds under the New Facility Agreement on completion of the Acquisition once Admission has occurred. Therefore if Admission does not occur, the New Portfolio will not be acquired and the New Bank Facility will not be drawn down. Further details of the Bank Facility and the New Bank Facility are set out on page 131 of this document.

The Proposals will constitute a significant gross change in relation to the Group. Had the Initial Placing and Offer and the Acquisition been undertaken on 30 June 2015 the effect of this significant gross change would have been to increase the total assets of the Group by approximately £158 million, increase the net assets of the Group by approximately £78 million and increase the earnings of the Group by approximately £6.5 million. Further details of this effect of this gross significant change are provided in Part VIII of this document.

9. Capitalisation and indebtedness

The following table shows the capitalisation and indebtedness of the Company (distinguished between guaranteed and unguaranteed, secured and unsecured indebtedness) as at 30 June 2015, the last date in respect of which unaudited half yearly financial information on the Group has been published and as at 30 September 2015 (being the latest practicable date prior to the publication of this document):

	As at 30 June 2015 £0'000	As at 30 September 2015 £'000
Current debt		
Guarantee		
Secured		
Unguaranteed/Unsecured		
Total non-current debt		
Guarantee		
Secured	84,433	84,433
Unguaranteed/Unsecured		
Shareholders' equity funds		
Share capital	130,589	130,589
Capital redemption reserve	—	—
Other reserves*	95,811	102,635
TOTAL	310,833	317,657

* Includes the Company's revenue and capital reserves.

The information in the table above is the unaudited financial information on the Group as at 30 June 2015 and as at 30 September 2015 and, in each case, has been extracted from internal management accounting records.

The following table shows the Company's net indebtedness at 30 September 2015:

	£'000
A. Cash	16,335
B. Cash equivalent	—
C. Trading securities	—
D. Liquidity (A+B+C)	16,335
E. Current financial receivable	4,536
F. Current bank debt	—
G. Current portion of non-current debt	—
H. Other current financial debt	—
I. Current financial indebtedness (F+G+H)	—
J. Net current financial indebtedness (I-E-D)	(20,871)
K. Non-current bank loans	84,433
L. Bonds issued	—
M. Other non-current loans	—
N. Non-current financial indebtedness (K+L+M)	84,433
O. Net financial indebtedness (J+N)	63,562
Indirect indebtedness	—
Contingent indebtedness	—

The information in the table above is unaudited financial information of the Company and has been extracted from internal management accounting records as at 30 September 2015 and has not been reported on by an accountant.

PART VIII

UNAUDITED PRO FORMA FINANCIAL INFORMATION

SECTION A: UNAUDITED PRO FORMA FINANCIAL INFORMATION RELATING TO THE COMPANY

The following unaudited pro forma financial information is provided to show the effect of the Acquisition of the New Portfolio, the Initial Placing and Offer and drawdown under the New Bank Facility on the net assets of the Group as if they had occurred on 30 June 2015 and on the earnings of the Group for the 6 months ended 30 June 2015 as if they had occurred on 1 January 2015. The unaudited pro forma financial information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and therefore does not represent the actual financial position or results of the Group.

The pro forma financial information has been prepared on a basis consistent with with the IFRS accounting policies adopted by the Company in its published half yearly unaudited accounts for the period ended 30 June 2015.

Unaudited Consolidated Statement of Comprehensive Income for the period ended 30 June 2015

	<i>Adjustment</i>				
	<i>The Group for the period of 6 months to 30 June 2015 Note 1 £</i>	<i>Borrowing costs associated with increased debt used to fund acquisition Note 2 £</i>	<i>Acquisition of the Aviva Investors UK Real Estate Recovery II Unit Trust Group as at 30 June 2015 Note 3 £</i>	<i>Adjustment expenses relating to the acquisition of the units in the JPUT Note 4 £</i>	<i>Unaudited pro forma comprehensive income £</i>
Rental income	9,739,210	—	5,554,624	—	15,293,834
Surrender premium income	—	—	—	—	—
Valuation gain/(loss) from investment properties	7,529,522	—	7,676,322	—	15,205,844
Loss on asset acquisition	(65,129)	—	—	—	(65,129)
Loss on disposal of investment properties	(796,363)	—	—	—	(796,363)
Investment management fees	(1,121,035)	—	—	—	(1,121,035)
Other direct property operating expenses	(504,924)	—	(199,099)	—	(704,023)
Directors' fees and expenses	(62,150)	—	—	—	(62,150)
Valuer's fee	(37,809)	—	—	—	(37,809)
Auditor's fee	(23,008)	—	—	—	(23,008)
Other administration expenses	(163,143)	—	(864,017)	(344,250)	(1,371,410)
Operating profit	14,495,171	—	12,167,830	(344,250)	26,318,751
Finance income	26,256	—	1,203	—	27,459
Finance costs	(1,597,490)	(837,489)	—	—	(2,434,979)
Profit for the period	12,923,937	(837,489)	12,169,033	(344,250)	23,911,231
Other comprehensive income					
Valuation gain/(loss) on cash flow hedges	757,123	—	—	—	757,123
Distribution to unitholders	—	—	(4,477,939)	—	(4,477,939)
Total comprehensive income for the period, net of tax	13,681,060	(837,489)	7,691,094	(344,250)	20,190,415

Notes:

- The statement of comprehensive income of the Group for the 6 months period to 30 June 2015 has been extracted, without material adjustment, from the half yearly financial reports and accounts of the Group to 30 June 2015. Further details of these half yearly reports and accounts to 30 June 2015 are set out in Part VII of this document.
- The existing Bank Facility will, subject to Admission and completion of the Acquisition, be extended from £84.4 million to £155 million. The maximum amount available to be drawn down under the New Bank Facility is £70.6 million and it is assumed the full amount is drawn down to fund the Acquisition. Costs associated with arranging the extended facility of £0.25 million have been deferred and are amortised over the term of the debt. The borrowing costs in the statement of comprehensive income are interest costs and the amortisation of borrowing costs for the first 6 months of 2015. Should the proceeds from the Initial Offer and Placing exceed the Minimum Issue Proceeds, the amount drawn down under the New Bank Facility would be reduced by an equal amount with a resulting reduction in the finance cost.
- This represents the consolidated income statement of the Aviva Investors UK Real Estate Recovery Fund II Unit Trust and its wholly owned subsidiary, Aviva Investors UK Real Estate Recovery Fund II Limited Partnership, for the 6 month period to 30 June 2015 being the most up to date and accurate source of information given the absence of more recent audited financial statements. The unconsolidated management accounts have been prepared under FRS 102 of UK Generally Accepted Accounting Practice ("UKGAAP") and are presented unmodified in this document on pages 105 and 106. No adjustments were made during the conversion of the UKGAAP management accounts to IFRS. The information which has been extracted from the unaudited and unconsolidated statements of comprehensive income in the management accounts of the Aviva Investors UK Real Estate Recovery Fund II Unit Trust and Aviva Investors UK Real Estate Recovery Fund II Limited Partnership as at 30 June 2015.
- This adjustment represents the expenses of acquisition.
- Other than those noted above no further adjustments have been made for transactions after 30 June 2015. The Company sold the Maple Cross Property on 6 November 2015 for a consideration of £14.75 million.

Unaudited pro forma statement of net assets of the Company as at 30 June 2015

	Adjustments					
	<i>The Group as at 30 June 2015 Note 1 £</i>	<i>Estimated net proceeds of the Initial Placing and Offer Note 2 £</i>	<i>Increase in debt Note 3 £</i>	<i>Aviva Investors UK Real Estate Recovery II Unit Trust Group* as at 30 June 2015 Note 4 £</i>	<i>Purchase of the units in the Aviva Investors UK Real Estate Recovery Unit Trust Group Note 5 £</i>	<i>Unaudited pro forma net assets £</i>
ASSETS						
Non-current assets						
Investment properties	272,669,703	—	—	144,525,000	20,475,000	437,669,703
Lease incentives	2,471,229	—	—	(990,669)	—	1,480,560
	<u>275,140,932</u>	<u>—</u>	<u>—</u>	<u>143,534,331</u>	<u>20,475,000</u>	<u>439,150,263</u>
Current assets						
Investment properties held for sale	13,010,300	—	—	—	—	13,010,300
Trade and other receivables	4,884,695	—	—	4,434,942	—	9,319,637
Cash and cash equivalents	27,329,945	78,614,943	70,398,379	11,241,276	(170,722,960)	16,861,583
	<u>45,224,940</u>	<u>78,614,943</u>	<u>70,398,379</u>	<u>15,676,218</u>	<u>(170,722,960)</u>	<u>39,191,520</u>
Total assets	<u>320,365,872</u>	<u>78,614,943</u>	<u>70,398,379</u>	<u>159,210,549</u>	<u>(150,247,960)</u>	<u>478,341,783</u>
LIABILITIES						
Current liabilities						
Trade and other payables	7,485,896	—	—	8,400,716	—	15,886,612
Other liabilities	—	—	—	—	—	—
	<u>7,485,896</u>	<u>—</u>	<u>—</u>	<u>8,400,716</u>	<u>—</u>	<u>15,886,612</u>
Non-current liabilities						
Bank borrowings	84,036,866	—	70,398,379	—	—	154,435,245
Interest rate swaps	1,917,816	—	—	—	—	1,917,816
Other liabilities	—	—	—	—	—	—
Rent deposits due to tenants	525,002	—	—	906,123	—	1,431,125
	<u>86,479,684</u>	<u>—</u>	<u>70,398,379</u>	<u>906,123</u>	<u>—</u>	<u>157,784,186</u>
Total liabilities	<u>93,965,580</u>	<u>—</u>	<u>70,398,379</u>	<u>9,306,839</u>	<u>—</u>	<u>173,670,798</u>
Net assets	<u>226,400,292</u>	<u>78,614,943</u>	<u>—</u>	<u>149,903,710</u>	<u>(150,247,960)</u>	<u>304,670,985</u>
EQUITY						
Capital and reserves attributable to Company's equity holders						
Share capital	130,589,115	78,614,943	—	138,812,000	(138,812,000)	209,204,058
Retained earnings	7,776,524	—	—	—	(344,250)	7,432,274
Capital reserves	(9,803,719)	—	—	11,091,710	(11,091,710)	(9,803,719)
Other distributable reserves	97,838,372	—	—	—	—	97,838,372
Total equity	<u>226,400,292</u>	<u>78,614,943</u>	<u>—</u>	<u>149,903,710</u>	<u>(150,247,960)</u>	<u>304,670,985</u>

Notes:

- 1 The net assets of the Group as at 30 June 2015 have been extracted, without material adjustment, from the half yearly financial reports and accounts of the Group to 30 June 2015. Further details of these half yearly reports and accounts to 30 June 2015 are set out in Part VII of this document.
- 2 The Minimum Issue Proceeds of the Initial Placing and Offer required for Admission and the Acquisition to proceed are £80 million (£78.62 million net of costs), based on 110 million New Shares issued by the Company pursuant to the Initial Placing and Offer at a price of 82.0 pence per New Share and estimated expenses in relation to the Initial Placing and Offer and the publication of the Prospectus and Circular of £1.38 million. These expenses have been deducted from the assumed Minimum Issue Proceeds of £80 million. The Acquisition may not proceed if the Minimum Issue Proceeds are not raised. However, the proceeds may exceed the Minimum Issue Proceeds amount in which case the drawdown of the New Bank Facility described in note 3 below will be reduced.
- 3 The existing Bank Facility will, subject to Admission and completion of the Acquisition, be extended from £84.4 million to £155 million. The maximum amount available to be drawn down under the New Bank Facility is £70.6 million and the full amount is assumed to be drawn down to fund the Acquisition on the basis that the Minimum Issue Proceeds from the Initial Placing and Offer are raised. Costs associated with arranging the New Bank Facility of £0.25 million have been deferred and are amortised over the term of the debt.
- 4 The net asset value of the Consolidated Aviva Investors UK Real Estate Recovery II Unit Trust has been adjusted in note 5 for the difference between the carrying value of the New Portfolio in the June net asset value (£144.5 million) and the agreed purchase price of the New Portfolio (£165m). This represents the consolidated balance sheet of Aviva Investors UK Real Estate Recovery Fund II Unit Trust and its wholly owned subsidiary, Aviva Investors UK Real Estate Recovery Fund II Limited Partnership, as at 30 June 2015. The information has been extracted from the unaudited and unconsolidated statements of financial position in the management accounts of Aviva Investors UK Real Estate Recovery Fund II Unit Trust and Aviva Investors UK Real Estate Recovery Fund II Limited Partnership as at 30 June 2015 being the most up to date and accurate source of information available given the absence of more recent audited financial statements. The unconsolidated management accounts have been prepared under FRS102 of UK Generally Accepted Accounting Practice ("UKGAAP") and are presented unmodified in this document on pages 105 to 106. No adjustments were made during the conversion of the UK GAAP management accounts to IFRS.
- 5 The purchase price will be £165 million plus net assets of the JPUT excluding investment properties at the date of completion. For the purposes of the pro forma adjustment, this represents £170.379 million being equal to the net asset value of the Aviva Investors UK Real Estate Recovery Fund II Unit Trust Group of £149.9 million plus the uplift in the value of investment properties of £20.475 million. A further adjustment has been also been made for acquisition costs of £0.344 million. This adjustment also relates to the elimination of the pre-acquisition reserves and share capital on consolidation with the Aviva Investors UK Real Estate Recovery Fund II Unit Trust Group. The net asset value of the Aviva Investors UK Real Estate Recovery Fund II Unit Trust Group have been extracted, without material adjustment, from the unaudited management accounts of the Aviva Investors UK Real Estate Recovery Fund II Unit Trust Group to 30 June 2015.
- 6 Other than those noted above no further adjustments have made for transactions after 30 June 2015. The Company sold the Maple Cross Property for a consideration of £14.75 million on 6 November 2015.
- * For the purposes of this Section A of this Part VIII the Aviva Investors UK Real Estate Recovery Unit Trust Group shall include the JPUT and the Limited Partnership.

Statement of Comprehensive Income for the Aviva Investors UK Real Estate Recovery II Unit Trust
For the period from 1st January 2015 to 30th June 2015 (unaudited)

		1st Jan 15 to 30th June 15	1st Jan 14 to 31st Dec 14 Audited
	Note	£	£
INCOME			
Net gain on financial assets at fair value through profit or loss	4	7,302,094	4,732,333
Distributions from Limited Partnership		4,508,591	6,143,559
		<u>11,810,685</u>	<u>10,875,892</u>
EXPENDITURE			
Administration fees – State Street (Jersey) Limited		(24,063)	(110,203)
Manager's fees			
– Aviva Investors Jersey Unit Trusts Management Limited		(4,118)	(13,180)
Legal fees		(662)	(69,805)
Audit fees		(4,164)	(7,455)
Other expenses		(1,750)	(4,375)
Bank charges		(556)	(1,084)
TOTAL EXPENDITURE		<u>(35,313)</u>	<u>(206,102)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		<u>11,775,372</u>	<u>10,669,790</u>
Bank interest and other similar income		–	623
PROFIT ON ORDINARY ACTIVITIES		<u>11,775,372</u>	<u>10,670,413</u>
FINANCE COSTS: DISTRIBUTIONS		<u>(4,473,278)</u>	<u>(5,652,376)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR		<u><u>7,302,094</u></u>	<u><u>5,018,037</u></u>

Statement of Financial Position for the Aviva Investors UK Real Estate Recovery II Unit Trust
As at 30th June 2015 (unaudited)

	Notes	30th June 15	31st Dec 14
		£	Audited £
FIXED ASSETS			
Investment in Limited Partnership at fair value through profit or loss	5	<u>149,164,712</u>	<u>141,862,618</u>
CURRENT ASSETS			
Debtors: (amounts falling due within one year)	6	2,250,853	2,092,176
Cash and cash equivalents		<u>381,006</u>	<u>412,267</u>
		<u>2,631,859</u>	<u>2,504,443</u>
TOTAL ASSETS		<u>151,796,571</u>	<u>144,367,061</u>
CREDITORS: (amounts falling due within one year)	7	<u>(2,281,861)</u>	<u>(2,154,445)</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS UNDER UK GAAP		<u><u>149,514,710</u></u>	<u><u>142,212,616</u></u>

Statement of Comprehensive Income
For the Period ended 30 June 2015

	YTD
	£
Rental income	5,554,624
Direct property costs	(199,099)
Unrealised surplus on revaluation of investment properties	<u>7,287,322</u>
GROSS PROFIT	<u>12,642,847</u>
Administrative expenses	<u>(828,704)</u>
NET OPERATING PROFIT BEFORE INTEREST AND FINANCE COST	<u>11,814,143</u>
Interest received	<u>1,203</u>
PROFIT FOR THE PERIOD BEFORE DISTRIBUTIONS UNDER UK GAAP	<u>11,815,346</u>
Distributions to General Partner	(4,661)
Distributions to Limited Partner	<u>(4,508,591)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD UNDER UK GAAP	<u><u>7,302,094</u></u>

Statement of Financial Position
As at 30 June 2015

	30 Jun 15
	£
FIXED ASSETS	
Investment properties	<u>143,534,331</u>
CURRENT ASSETS	
Debtors	2,184,089
Cash	<u>10,860,270</u>
	<u>13,044,359</u>
CURRENT LIABILITIES	
Creditors: due within one year	<u>(6,507,855)</u>
NET CURRENT ASSETS	<u>6,536,504</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>150,070,835</u>
Creditors: due after one year	<u>(906,123)</u>
NET ASSETS ATTRIBUTABLE TO PARTNERS	<u><u>149,164,712</u></u>
NAV under UK GAAP	<u><u>149,164,712</u></u>

SECTION B: REPORT BY ERNST & YOUNG ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION RELATING TO THE COMPANY

Form of opinion on pro forma information

The Directors
Standard Life Investments Property Income Trust Limited
PO Box 255
Trafalgar Court
Les Banques
St Peter Port
Guernsey
GY1 3QL

17 November 2015

Dear Sirs

We report on the pro forma balance sheet and statement of comprehensive income and associated notes (the "Pro Forma Financial Information") set out in this Part VIII, SECTION A and in paragraph 8 of Part VII of the Prospectus dated 17 November 2015, which has been prepared on the basis described in the associated notes, for illustrative purposes only, to provide information about how the Initial Placing and Offer and the Acquisition of the New Portfolio might have affected the financial information presented on the basis of the accounting policies adopted 30 June 2015 by Standard Life Investments Property Income Trust Limited (the "Company") in preparing the financial statements for the period ended 30 June 2015. This report is required by item 20.2 of Annex I of Commission Regulation (EC) No 809/2004 and is given for the purpose of complying with that item and for no other purpose.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with item 23.1 of Annex I to Commission Regulation (EC) No 809/2004, consenting to its inclusion in the Prospectus.

Responsibilities

It is the responsibility of the Company to prepare the Pro Forma Financial Information in accordance with item 20.2 of Annex I of Commission Regulation (EC) No 809/2004.

It is our responsibility to form an opinion, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the directors of Standard Life Investments Property Income Trust Limited.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Standard Life Investments Property Income Trust Limited.

Declaration

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 20.2 of Annex I of Commission Regulation (EC) No 809/2004.

Yours faithfully

Ernst & Young LLP

PART IX

TAXATION

The information below, which is of a general nature only and which relates only to United Kingdom and Guernsey taxation, is applicable to the Company and the Property Subsidiary and to persons who are resident in the United Kingdom (except where indicated) and who hold Ordinary Shares as an investment. It is based on existing law and practice and is subject to subsequent changes therein. Any change in the Company's or the Property Subsidiary's tax status or in taxation legislation in Guernsey or the United Kingdom or any other tax jurisdiction affecting Shareholders or investors could affect the value of the investments held by the Company or the Property Subsidiary or affect the Company's ability to achieve its investment objective for the Ordinary Shares or alter the post tax returns to Shareholders.

If you are in any doubt as to your tax position, you should consult your own professional adviser without delay.

1. Taxation of the Company and the Group

The Company is Guernsey incorporated but is UK tax resident as a result of being centrally managed and controlled in the UK. The special rules which apply to the taxation of a company within the REIT regime are summarised below.

A REIT does not suffer UK corporation tax on the profits (income and capital gains) derived from its qualifying property rental businesses in the UK and elsewhere (the "Tax-Exempt Business"), provided that certain conditions are satisfied. Instead, distributions in respect of the Tax-Exempt Business will be treated for UK tax purposes as UK property income in the hands of shareholders (see further below for details on the UK tax treatment of shareholders in a REIT). A dividend paid by the Company relating to profits or gains of the Tax-Exempt Business is referred to in this section as a Property Income Distribution ("PID").

However, UK corporation tax remains payable in the normal way in respect of income and gains from the Company's business (generally including any property trading business) not included in the Tax-Exempt Business (the "Residual Business"). Dividends relating to the Residual Business are treated for UK tax purposes as normal dividends. Any normal dividend paid by the Company is referred to as "Non-PID Dividend".

Qualification as a REIT

The Company was granted UK REIT status with effect from 1 January 2015 and therefore was required to satisfy certain conditions. A non-exhaustive summary of the material conditions which were satisfied upon entry to the REIT regime and must continue to be satisfied is set out below.

(A) Company conditions

A company must be solely resident in the UK for tax purposes, it must not be an open-ended investment company and its ordinary shares must be admitted to trading on a recognised stock exchange, such as the London Stock Exchange. A company must also not be a "close company" for UK tax purposes which generally means it must not be controlled (through the holding of in excess of 50 per cent. of share capital/voting rights etc) by five or fewer persons or, broadly, must have more than 35 per cent. of shares listed and in public hands. There is an exception however for this condition for the first three years following entry into the REIT regime. For the purposes of this close company test the holdings of certain types of institutional investors are not taken into account.

(B) Share capital restrictions

There must only be one class of ordinary share in issue and the only other shares a company may issue are non-voting fixed rate preference shares.

(C) *Restrictions on types of borrowing*

The company must not be party to any loan in respect of which the lender is entitled to interest which exceeds a reasonable commercial return on the consideration lent or where the interest depends to any extent on the results of the company's business or on the value of any of its assets.

On-going conditions for maintaining REIT status

The Company is also required to satisfy the conditions summarised below on an on-going basis during each accounting period in order to maintain REIT status:

- i) The Tax-Exempt Business must throughout each accounting period involve at least three properties and have no one property representing more than 40 per cent. of the total value of all the properties involved in the business.
- ii) The Tax-Exempt Business is required to distribute to shareholders (subject to the availability of sufficient distributable reserves) at least 90 per cent. of the income profits arising in each accounting period (broadly, calculated using normal tax rules). Such distributions will be in the form of a PID and payable on or before the filing date for the tax return for the accounting period.
- iii) The income profits arising to the Tax-Exempt Business must represent at least 75 per cent. of the total profits for the accounting period. Such profits are calculated in accordance with International Accounting Standards, before deduction of tax and excluding, broadly, gains and losses on the disposal of property and revaluation of properties movements and certain exceptional items.
- iv) At the beginning of the accounting period the gross fair value of the assets in the Tax-Exempt Business (including cash held on deposit) must represent at least 75 per cent. of the total fair value of assets held. However, a breach should not occur in the first accounting period upon entry into the REIT regime, provided that the test is met at the end of the first accounting period.

Implications of achieving REIT status

(A) *Tax exemption*

A REIT does not suffer UK corporation tax on the profits (income and capital gains) derived from its Tax-Exempt Business. UK corporation tax will still apply in the normal way in respect of any income and gains of any Residual Business.

(B) *The 10 per cent. rule*

A REIT may become subject to an additional tax charge if it pays a distribution to corporate shareholders that hold more than 10 per cent. of share capital or voting rights and/or are entitled to more than 10 per cent. of distributions. This tax charge will not be incurred if the REIT has taken reasonable steps to avoid making distributions to such a shareholder as indicated by HMRC guidance.

(C) *Distributions – obligations to withhold tax*

Subject to certain exceptions, a REIT is required to withhold income tax at source at the basic rate (currently 20 per cent.) from PIDs. A REIT must also provide shareholders with a certificate setting out the amount of tax withheld. Tax is not required to be deducted when distributions are paid to certain types of shareholder including UK corporate and UK tax-exempt bodies (such as SIPPs and ISAs). Where distributions are made to shareholders resident in a country with a double taxation treaty with the UK, tax should be withheld and the shareholder may seek a repayment of the tax where the treaty withholding tax rate is lower.

(D) *Interest cover ratio*

A tax charge will arise if, in respect of any accounting period, the ratio of the income profits (before capital allowances) to the financing costs incurred in respect of the Tax-Exempt Business is less than 1.25. The amount (if any) by which the financing costs exceeds the amount of those costs which would cause that ratio to equal 1.25 is chargeable to corporation tax.

Exit from the REIT regime

A REIT can give notice to HMRC that it wishes to leave the REIT regime at any time.

It is important to note that following entry into the REIT regime the Company will not be able to guarantee continued compliance with all the conditions and the REIT regime may cease to apply in certain circumstances. Broadly, HMRC may require a company to exit the REIT regime if:

- a) any breach of the conditions relating to the Tax-Exempt Business, or an attempt to avoid tax, is considered sufficiently serious;
- b) a certain number of minor or inadvertent breaches of the conditions in a specified period; or
- c) HMRC has issued two or more notices in relation to the avoidance of tax within a ten year period of the first notice having been given.

2. Investors

2.1. UK taxation of Non-PID Dividends

(a) Individual Shareholders

Until 5 April 2016, a Shareholder who is an individual resident for tax purposes in the UK and who receives a Non-PID Dividend from the Company will be entitled to a tax credit equal to one-ninth of the sum of the dividend received.

The Non-PID Dividend received plus the related tax credit (the "Gross Dividend") will be part of the Shareholder's total income for UK income tax purposes and will be regarded as the "top slice" of that income, meaning they are taxable at the relevant individual's highest rate of income tax. However, in calculating the Shareholder's liability to UK income tax in respect of the Gross Dividend, the tax credit (which equates to 10 per cent. of the Gross Dividend) will be set off against any further UK income tax chargeable on the Gross Dividend.

In the case of such a Shareholder who is not liable to UK income tax at either the higher or the additional rate, that Shareholder will be subject to UK income tax on the Gross Dividend at the rate of 10 per cent. The tax credit will, in consequence, satisfy in full the Shareholder's liability to UK income tax on the Gross Dividend.

In the case of a Shareholder who is liable to UK income tax at the higher rate, the Shareholder will be subject to UK income tax on the Gross Dividend at the rate of 32.5 per cent., to the extent that the Gross Dividend falls above the threshold for the higher rate of UK income tax but below the threshold for the additional rate of UK income tax when it is treated (as mentioned above) as the top slice of the Shareholder's income. The tax credit will, in consequence, satisfy only part of the Shareholder's liability to UK income tax on the Gross Dividend and the Shareholder will have to account for UK income tax equal to 22.5 per cent. of the Gross Dividend. Thus, the effective tax rate applicable to the Non-PID Dividend received by such a Shareholder would be 25 per cent.

In the case of a Shareholder who is liable to UK income tax at the additional rate, the Shareholder will be subject to UK income tax on the Gross Dividend at the rate of 37.5 per cent., to the extent that the Gross Dividend falls above the threshold for the additional rate of UK income tax when it is treated (as mentioned above) as the top slice of the Shareholder's income. After setting off the tax credit comprised in the Gross Dividend, the Shareholder will, accordingly, have to account for UK income tax equal to 27.5 per cent. of the Gross Dividend. Thus, the effective tax rate applicable to the Non-PID Dividend received by such a Shareholder would be approximately 30.6 per cent.

A UK resident individual Shareholder whose liability to UK income tax in respect of a Non-PID Dividend received from the Company is less than the tax credit attaching to it will not be entitled to any repayment from HMRC in respect of any part of the tax credit attaching to the Non-PID Dividend.

With effect from 6 April 2016, the notional 10 per cent. dividend tax credit will be abolished, on the assumption that the provisions of the 2015 Summer Finance Bill are enacted. A £5,000 (fiscal year 2016/2017) annual tax free dividend allowance will be introduced for UK individuals. Non-

PID Dividends received in excess of this threshold will be taxed, for the fiscal year 2016/2017 at 7.5 per cent (basic rate taxpayers), 32.5 per cent (higher rate taxpayers) and 38.1 per cent (additional rate taxpayers). The taxation of dividends received by pensions and ISAs will be unaffected.

(b) Corporate Shareholders

A Shareholder within the charge to UK corporation tax which is a “small company” (for the purposes of UK taxation of dividends) will not generally be subject to tax on Non-PID Dividends from the Company, provided certain conditions are met.

Other Shareholders within the charge to UK corporation tax will not be subject to tax on Non-PID Dividends from the Company so long as they fall within an exempt class and do not fall within certain specified anti-avoidance provisions. Examples of dividends that are within an exempt class are dividends paid on “non-redeemable ordinary shares” for UK tax purposes and dividends in respect of portfolio holdings, where the recipient owns less than 10 per cent. of the issued share capital of the payer (or any class of that share capital).

2.2. UK taxation of PIDs

(a) UK taxation of individual Shareholders

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are individuals as the profit of a single UK property business (as defined in Section 264 of the Income Tax (Trading and Other Income) Act 2005). A PID is, together with any property income distribution from any other company to which Part 12 of the CTA 2010 applies, treated as a separate UK property business from any other UK property business (a “different UK property business”) carried on by the relevant Shareholder. This means that surplus expenses from a Shareholder’s different UK property business cannot be offset against a PID as part of a single calculation of the profits of the Shareholder’s UK property business.

(b) UK taxation of corporate Shareholders

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are within the charge to UK corporation tax as profit of a UK property business (as defined in Section 205 of the Corporation Tax Act 2009). This means that, subject to the availability of any exemptions or reliefs, such Shareholders should be liable to UK corporation tax on income on the entire amount of their PID. A PID is, together with any property income distribution from any other company to which Part 12 of the CTA 2010 applies, treated as a different UK property business carried on by the relevant Shareholder. This means that any surplus expenses from a Shareholder’s different UK property business cannot be off-set against a PID as part of a single calculation of the Shareholder’s UK property profits.

(c) UK taxation of Shareholders who are not resident for tax purposes in the UK

Where a Shareholder who is resident outside the UK receives a PID, the PID will generally be chargeable to UK income tax as profit of a UK property business and this tax will generally be collected by way of a withholding by the Company.

(d) Withholding tax

- **General**

Subject to certain exceptions summarised below, the Company is required to withhold UK income tax at source at the basic rate (currently 20 per cent.) from its PIDs. The Company will provide Shareholders with a certificate setting out the amount of tax withheld.

- **Shareholders solely resident in the UK**

Where UK income tax has been withheld at source, Shareholders who are individuals may, depending on their circumstances, either be liable to further tax on their PID at their applicable marginal rate, or be entitled to claim repayment of some or all of the tax withheld on their PID. Shareholders who are companies may, depending upon their circumstances, be liable to pay UK corporation tax on their PID but they should note that, where income tax is (exceptionally)

withheld at source, the tax withheld can be set against the Shareholder's liability to UK corporation tax in the accounting period in which the PID is received.

- Shareholders who are not resident for tax purposes in the UK

It is not possible for a Shareholder to make a claim under a relevant double taxation treaty with the UK for a PID to be paid by the Company gross or at a reduced rate. The Shareholder may be able to claim repayment from HMRC of any part of the tax withheld from a PID, depending on the existence and terms of any such double taxation treaty between the UK and the country in which the Shareholder is resident for tax purposes.

- Exceptions to requirement to withhold income tax

Shareholders should note that in certain circumstances the Company may not be obliged to withhold UK income tax at source from a PID. These include where the Company reasonably believes that the person beneficially entitled to the PID is a company resident for tax purposes in the UK, a charity, or a body mentioned in Section 468 of the CTA 2010 which is allowed the same exemption from tax as a charity. They also include where the Company reasonably believes that the PID is paid to the scheme administrator of a registered pension scheme, or the sub-scheme administrator of certain pension sub-schemes or the account manager of an ISA, provided the Company reasonably believes that the PID will be applied for the purposes of the relevant scheme or account.

The Company will also not be required to withhold income tax at source from a PID where the Company reasonably believes that the body beneficially entitled to the PID is a partnership each member of which is a body described in the paragraph above.

In order to pay a PID without withholding tax, the Company will need to be satisfied that the Shareholder concerned is entitled to such treatment. For that purpose the Company will require such Shareholders to submit a valid claim form.

2.3. UK taxation of chargeable gains

Individual Shareholders who are resident in the UK for tax purposes will generally be subject to UK capital gains tax in respect of any gain arising on a disposal of their Shares.

Each individual has an annual exemption, such that capital gains tax is chargeable only on gains arising from all sources during the tax year in excess of this figure. The annual exemption is £11,100 for the tax year 2015-2016. Capital gains tax chargeable will be at the current rate of 18 per cent. (for basic rate tax payers) and 28 per cent. (for higher and additional rate tax payers) during the tax year 2015-2016.

Shareholders who are individuals and who are temporarily non-resident in the UK may, under anti-avoidance legislation, still be liable to UK tax on any capital gain realised (subject to any available exemption or relief).

Corporate Shareholders who are resident in the UK for tax purposes will generally be subject to UK corporation tax on chargeable gains arising on a disposal of their Shares. The indexation allowance may reduce the amount of chargeable gain that is subject to UK corporation tax but may not create or increase any allowable loss.

Capital losses realised on a disposal of Shares must be set as far as possible against chargeable gains for the same tax year, or accounting period in the case of a corporate Shareholder, even if this reduces an individual Shareholder's total gain below the annual exemption. Any balance of losses is carried forward without time limit and set off against future net chargeable gains (for individuals, that is after deducting the annual exemption) in the earliest later tax year. Losses cannot generally be carried back, with the exception of losses accruing to an individual Shareholder in the year of his death.

2.4. UK stamp duty and SDRT

The following comments are intended as a guide to the general stamp duty and stamp duty reserve tax ("SDRT") position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with voluntary arrangements or clearance to whom special rules apply.

No UK stamp duty, or stamp duty reserve tax, will be payable on the issue of the Shares.

Transfers on sale of Shares will generally be subject to UK stamp duty at the rate of 0.5 per cent. of the consideration given for the transfer. The purchaser normally pays the stamp duty.

An agreement to transfer Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. If a duly stamped transfer in respect of the agreement is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional) any SDRT paid is repayable, generally with interest, and otherwise the SDRT charge is cancelled. SDRT is, in general, payable by the purchaser.

Paperless transfers of Shares within the CREST system will generally be liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent., of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. Deposits of Shares into CREST will not generally be subject to SDRT, unless the transfer into CREST is itself for consideration.

PART X

GENERAL INFORMATION

1. General

- 1.1. The Company is an authorised closed-ended investment company and was incorporated with limited liability in Guernsey under the Companies (Guernsey) Law, 1994 with registered number 41352 on 18 November 2003. The Company operates under the Law and regulations made under the Law and its registered office is PO Box 255, Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL (Telephone number: +44 (0)1481 745 001). The Company's main place of business is in the UK. The Company has been granted an authorisation declaration by the Commission in accordance with section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and Rule 6.02 of the Scheme Rules. The Company is regulated by the Commission. As the Ordinary Shares are admitted to the Official List, the Company is required to comply with the Listing Rules, the Disclosure and Transparency Rules and the Prospectus Rules.
- 1.2. The Property Subsidiary was incorporated with limited liability in Guernsey under The Companies (Guernsey) Law, 1994 with registered number 41351 on 18 November 2003. The Property Subsidiary operates under the Law and regulations made under the Law and its registered office is PO Box 255, Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL (Telephone number: +44 (0)1481 745 001). The Property Subsidiary has 263,536,114 ordinary shares in issue all of which are owned by the Company and the directors of the Property Subsidiary are the same as the Company.
- 1.3. The Investment Manager is a private limited company and was incorporated in Scotland under the UK Companies Act 1985 with registered number SC111488 on 7 June 1988. The Investment Manager operates under the UK Companies Act 2006 (as amended). Its registered office and principal place of business is at 1 George Street, Edinburgh EH2 2LL (Telephone number: +44 (0)845 272 8810). The Investment Manager is authorised and regulated by the FCA.
- 1.4. The Valuer is a private limited company and was incorporated in England and Wales under the UK Companies Acts 1948 to 1967 with the registered number 01188567 on 25 October 1974. The Valuer operates under the UK Companies Act 2006 (as amended). Its registered office and principal place of business is 30 Warwick Street, London W1B 5NH (Telephone number: +44 (0)207 493 6040).
- 1.5. The Depositary is a private company limited by shares and was incorporated in England and Wales on 21 December 1972 under the UK Companies Act 1941 with registered number 01088249. Its registered office is at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

2. Share capital

- 2.1. The issued share capital of the Company (all of which will be fully paid-up) as at the date of this document and immediately following the Issues (on the assumption that 122 million New Shares are issued pursuant to the Issues) will be as follows:

	<i>No. of Shares</i>	<i>Nominal Value</i>
As at the date of this document		
Ordinary Shares	288,387,160	£2,883,871.60
Immediately following the Issues		
Ordinary Shares	410,387,160	£4,103,871.60

- 2.2. As at the date of this document the Company has no authorised share capital. The Company was incorporated with an authorised share capital of £100 divided into 10,000 Ordinary Shares of one pence each. At incorporation, two Ordinary Shares were subscribed for, nil paid, by the subscribers to the Memorandum. By way of ordinary resolution passed by way of written resolution on 4 December 2003 the authorised share capital of the Company was increased to

£2.8 million divided into 130 million Ordinary Shares of one pence each and six million Preference Shares of 25 pence each. On 27 May 2009, the authorised share capital of the Company was increased to £6.5 million divided into 500 million Ordinary Shares of one pence each and six million Preference Shares. On 24 May 2011 the Articles were amended to remove the authorised share capital. The Preference Shares were to be redeemed by the Company on the tenth anniversary of admission at a redemption price of £1.7908 and could not be redeemed earlier. On 21 July 2011, the Preference Shares were converted into Ordinary Shares at a two per cent. premium to the adjusted NAV per Share as at 30 June 2011. Following such conversion there are no Preference Shares left in issue.

- 2.3. There have been no changes to the issued share capital of the Company since 31 December 2014, the date to which the last audited accounts of the Company were prepared, with the exception of the following:

- 2.3.1. on 20 February 2015 the Company issued 31,282,600 new Ordinary Shares;
- 2.3.2. on 26 February 2015 the Company issued 1,280,472 new Ordinary Shares; and
- 2.3.3. on 18 June 2015 the Company issued 11,607,923 new Ordinary Shares.

- 2.4. The Company's issued share capital history during the last three financial years to 31 December 2014 is as follows:

- 2.4.1. on 10 May 2012, the Company issued 750,000 Ordinary Shares at a price of 63.50 pence per share;
- 2.4.2. on 3 August 2012, the Company issued 700,000 Ordinary Shares at a price of 62.50 pence per Share;
- 2.4.3. on 7 August 2012, the Company issued 300,000 Ordinary Shares at a price of 63.00 pence per Share;
- 2.4.4. on 31 October 2012, the Company issued 1,250,000 Ordinary Shares at a price of 60.30 pence per Share;
- 2.4.5. on 6 February 2013, the Company issued 1,500,000 Ordinary Shares at a price of 58.50 pence per Share;
- 2.4.6. on 11 February 2013, the Company issued 500,000 Ordinary Shares at a price of 58.50 pence per Share;
- 2.4.7. on 13 February 2013, the Company issued 250,000 Ordinary Shares at a price of 58.50 pence per Share;
- 2.4.8. on 27 February 2013, the Company issued 400,000 Ordinary Shares at a price of 58.50 pence per Share;
- 2.4.9. on 6 March 2013, the Company issued 300,000 Ordinary Shares at a price of 58.50 pence per Share;
- 2.4.10. on 13 March 2013, the Company issued 250,000 Ordinary Shares at a price of 58.50 pence per Share;
- 2.4.11. on 14 March 2013, the Company issued 100,000 Ordinary Shares at a price of 58.50 pence per Share;
- 2.4.12. on 20 March 2013, the Company issued 2,000,000 Ordinary Shares at a price of 58.50 pence per Share;
- 2.4.13. on 10 May 2013, the Company issued 1,000,000 Ordinary Shares at a price of 58.00 pence per Share;
- 2.4.14. on 10 May 2013, the Company issued 1,100,000 Ordinary Shares at a price of 56.5 pence per Share;

- 2.4.15. on 11 June 2013, the Company issued 300,000 Ordinary Shares at a price of 56.5 pence per Share;
- 2.4.16. on 13 June 2013, the Company issued 2,000,000 Ordinary Shares at a price of 56.5 pence per Share;
- 2.4.17. on 18 June 2013, the Company issued 2,043,173 Ordinary Shares at a price of 62.50 pence per Share;
- 2.4.18. on 29 July 2013, the Company issued 1,144,318 Ordinary Shares at a price of 62.00 pence per Share;
- 2.4.19. on 31 October 2013, the Company issued 1,110,000 Ordinary Shares at a price of 67.50 pence per Share;
- 2.4.20. on 4 November 2013, the Company issued 1,365,000 Ordinary Shares at a price of 67.00 pence per Share;
- 2.4.21. on 7 March 2014, the Company issued 1,300,000 Ordinary Shares at a price of 71.50 pence per Share;
- 2.4.22. on 12 March 2014, the Company issued 1,000,000 Ordinary Shares at a price of 71.50 pence per Share;
- 2.4.23. on 13 March 2014, the Company issued 485,000 Ordinary Shares at a price of 71.50 pence per Share;
- 2.4.24. on 21 March 2014, the Company issued 2,930,000 Ordinary Shares at a price of 71.50 pence per Share;
- 2.4.25. on 28 July 2014, the Company issued 50,000,000 Ordinary Shares at a price of 72.90 pence per Share;
- 2.4.26. on 22 September 2014, the Company issued 7,000,000 Ordinary Shares at a price of 72.90 pence per Share; and
- 2.4.27. on 13 November 2014, the Company issued 26,506,928 Ordinary Shares at a price of 72.50 pence per Share.

On 31 December 2014 the issued share capital of the Company was 244,216,165 Ordinary Shares of 1 pence each.

- 2.5. No share or loan capital of the Company has been issued or agreed to be issued or, save in connection with the Issues, is not proposed to be issued, for cash or any other consideration and no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any such capital.
- 2.6. No share or loan capital of the Company is under option or has been agreed, conditionally or unconditionally, to be put under option.
- 2.7. The Company has authority to make market purchases of up to 41,489,207 Ordinary Shares (being 14.99 per cent., of the number of Ordinary Shares in issue as at 27 May 2015 (being the date of the Annual General Meeting at which such authority was granted by special resolution)) in compliance with the Law. The Company may retain any shares so purchased as treasury shares for future re-issue and re-sale or transfer or may cancel any such shares.
- 2.8. A total number of up to 122 million New Shares may be issued pursuant to the Issues. Fractions of New Shares will not be issued.
- 2.9. It is expected that the New Shares will be admitted to the Official List and to trading on the Main Market of the London Stock Exchange on 15 December 2015. No dealings will commence before this date.

- 2.10. The Ordinary Shares issued pursuant to the Issues will be in registered form and will be capable of being held in certificated form and settled through CREST. It is expected that definitive certificates, if applicable, will be posted to allottees within 14 days of the allotment and issue of shares. Temporary documents of title will not be issued. The ISIN number for the New Shares is GB0033875286.
- 2.11. Winterflood Securities act as market makers in respect of the Ordinary Shares and have agreed to act as market makers in respect of the New Shares.
- 2.12. The Property Subsidiary has an issued share capital 263,536,114 ordinary shares of 1 pence each.
- 2.13. Units in the JPUT are designated as Class "A" Units, Class "B" Units and Class "C" Units. As at 30 September 2015 (the latest practicable date prior to the publication of this document), the total number of A units in issue was 22,070,783, B units in issue is 496,217 and C units in issue was 116,245,000. The Company and the Property Subsidiary will, on completion of the Acquisition, purchase all of these units and, as a result, the JPUT will be wholly owned by the Group. The JPUT is the sole Limited Partner of the Limited Partnership.
- 2.14. The General Partner has two Ordinary Shares of £1 each in issue. The Company and the Property Subsidiary will on completion of the Acquisition, purchase both of the Ordinary Shares.

3. Share capital authorities

- 3.1. At the Annual General Meeting it was resolved that the Directors be generally empowered to allot and issue Ordinary Shares for cash as if the pre-emption rights in relation to the issue of shares set out in the Listing Rules did not apply provided that: (i) the authority was limited to the allotment of Shares up to an aggregate nominal amount of £276,779, being approximately 10 per cent. of the issued share capital as at 31 March 2015; and (ii) the authority expires at the next annual general meeting of the Company or 15 months following the passing of the resolution. The Directors have 58.06 per cent. of this authority remaining.
- 3.2. At the General Meeting, Shareholders will be asked to pass the Resolutions approving the Acquisition and the issue of up to 122,000,000 New Shares in relation to the Initial Placing and Offer. Therefore, if these authorities are granted, the Directors will have the authority to allot and issue New Shares for cash under the Initial Placing and Offer as if the pre-emption rights in relation to such issue of shares set out in the Listing Rules did not apply provided that: (i) the authority is limited to the allotment of up to 122,000,000 New Shares, under the Initial Placing and Offer, being approximately 42.3 per cent. of the issued share capital as at 17 November 2015; and (ii) the authority expires on the conclusion of the next annual general meeting of the Company after the passing of this resolution.
- 3.3. It is expected that the New Shares in relation to the Initial Placing and Offer will be issued pursuant to a resolution of the Board on or around 11 December 2015 conditional upon Admission.

4. Related party transactions

The Company was not a party to, nor had any interest in, any related party transaction (as defined in the Standards adopted according to the Regulation (EC) No 1606/2002) at any time during the three financial periods to 31 December 2014 in respect of which the Company has published statutory accounts or during the period from 1 January 2015 to the date of this document other than in relation to the Investment Management Agreement and Standard Life Assurance Limited decreasing its Shareholding in the Company over the period 31 December 2013 to 16 April 2014 by approximately 5 million Shares on behalf of its heritage with profits fund.

5. Memorandum and Articles

The Memorandum and Articles contain provisions, *inter alia*, to the following effect.

5.1. Memorandum

One of the Company's principal objects is to carry on the business of an investment company. The objects of the Company are set out in full in clause 3 of the Memorandum which is available for inspection at the address specified in paragraph 14 of this Part X of this document. The Memorandum includes a statement that the Company is a non-cellular Company.

5.2. Votes of members

Subject to the restrictions referred to below and subject to any special rights or restrictions for the time being attached to any class of shares, every member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative at a general meeting has, on a show of hands, one vote, subject to any voting power or instruction and, on a poll, one vote for every share held by him.

5.3. Dividends

- (i) Subject to compliance with the Law, the Board may at any time declare and pay such dividends as appear to be justified by the position of the Company. The Board may also declare and pay any fixed dividend which is payable on any shares of the Company half-yearly or otherwise on fixed dates whenever the position in the opinion of the Board so justifies.
- (ii) The method of payment of dividends shall be at the discretion of the Board.
- (iii) No dividend shall be paid in excess of the amounts permitted by the Law or approved by the Board. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall be declared and paid *pro rata* according to the number of shares held by each member.
- (iv) All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof. No dividend shall bear interest against the Company. Any dividend unclaimed after a period of six (6) years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.
- (v) The Directors are empowered to create reserves before recommending or declaring any dividend. The Directors may also carry forward any profits which they think prudent not to distribute by dividend.
- (vi) The holders of Preference Shares are not entitled to receive any payment of dividends.

5.4. Issue of shares

- (i) Subject to the provisions of the Articles and without prejudice to any special rights conferred on the holders of any class of shares, any share (or option, warrant or other right in respect of a share) in the Company may be issued with such preferred, deferred or other special rights, or such restrictions whether in regard to dividend, return of capital, voting or otherwise as the Company may from time to time by ordinary resolution determine and, subject to and in default of such resolution, as the Board may determine.
- (ii) To the extent required by the Law and subject to the provisions of the Articles, the Board is authorised to allot, issue or otherwise dispose of 10,000 Ordinary Shares (or grant options, warrants or other rights in respect of shares) to such persons, at such times and generally on such terms and conditions as they determine but so no share shall be issued at a discount except in accordance with the Law and so the amount payable on application for each share shall be fixed by the Board, which authority shall expire five (5) years after 24 May 2011 and this authority may be further extended in accordance with the Law.
- (iii) The Company may on any issue of shares pay such commission as may be fixed by the Board and disclosed in accordance with the Law. The Company may also pay brokerages.

5.5. Variation of rights

If at any time the capital of the Company is divided into separate classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of such shares of that class. The necessary quorum shall be: for a meeting other than an adjourned meeting, two (2) persons holding at least one third of the voting rights of the class in question; for an adjourned meeting, one (1) person holding shares of the class in question; or where the class only has one member, that member. Where a person is present by proxy or proxies, he is treated as holding only the shares in respect of which the proxies are authorised to exercise voting rights. Every holder of shares of the class concerned shall be entitled at such meeting to one vote for every share held by him on a poll. The rights conferred upon the holders of any shares of any class issued with preferred or other rights shall not (unless otherwise expressly provided by the terms of the issue of the shares of that class) be deemed to be varied by the creation of or issue of further shares ranking *pari passu* therewith or the exercise of any power under the disclosure provisions requiring shareholders to disclose an interest in the Company's shares as set out in the Articles.

5.6. Restriction on voting

- (i) A member of the Company shall not be entitled in respect of any share held by him to attend or vote (either personally or by representative or by proxy) at any general meeting or separate class meeting of the Company unless all amounts payable by him in respect of that share have been paid.
- (ii) A member of the Company shall not, if the Directors so determine, be entitled in respect of any share held by him to attend or vote (either personally or by representative or by proxy) at any general meeting or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting if he or any other person appearing to be interested in such shares has failed to comply with a notice requiring the disclosure of shareholders' interests and given under the Articles (see paragraph 5.7 below) within 14 days, in a case where the shares in question represent at least 0.25 per cent, of their class, or within 28 days in any other case, from the date of such notice. The restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the Articles.

5.7. Notice requiring disclosure of interest in shares

The Directors may serve notice on any member requiring that member to disclose to the Company the identity of any person (other than the member) who has an interest in the shares held by the member and the nature of such interest. Any such notice shall require any information in response to such notice to be given within such reasonable time as the Directors may determine.

The Directors may be required to exercise their powers under the relevant Article on a requisition of members holding not less than one tenth of the paid up capital of the Company carrying the right of voting at general meetings. If any member is in default in supplying to the Company the information required by the Company within the prescribed period (which is 28 days after service of the notice or 14 days if the shares concerned represent 0.25 per cent. or more of the issued shares of the relevant class), the Directors in their absolute discretion may serve a direction notice on the member. The direction notice may direct that, in respect of the shares in respect of which the default has occurred (the "default shares") and any other shares held by the member, the member shall not be entitled to vote in general meetings or class meetings. Where the default shares represent at least 0.25 per cent. of the class of shares concerned the direction notice may additionally direct that dividends on such shares will be retained by the Company (without interest) and that no transfer of the shares (other than a transfer authorised under the Articles) shall be registered until the default is rectified.

5.8. Transfer of shares

The Articles provide that the Directors may implement such arrangements as they may, in their absolute discretion, think fit in order for any class of shares to be admitted to settlement by means of the CREST UK system. If the Directors implement any such arrangements no provision of the Articles shall apply or have effect to the extent that it is in any respect inconsistent with:

- (i) the holding of shares of that class in uncertificated form;
- (ii) the transfer of title to shares of that class by means of the CREST UK system; or
- (iii) the CREST Guernsey Requirements.

Where any class of shares is for the time being admitted to settlement by means of the CREST UK system such securities may be issued in uncertificated form in accordance with and subject as provided in the CREST Guernsey Requirements. Unless the Directors otherwise determine, such securities held by the same holder or joint holder in both certificated form and uncertificated form shall be treated as separate holdings. Such securities may be changed from uncertificated to certificated form and from certificated to uncertificated form in accordance with and subject as provided in the CREST Guernsey Requirements.

Title to such of the shares as are recorded on the register as being held in uncertificated form may be transferred only by means of the CREST UK system. Every transfer of shares from a CREST account of a CREST member to a CREST account of another CREST member shall vest in the transferee a beneficial interest in the shares transferred, notwithstanding any agreements or arrangements to the contrary however and whenever arising and however expressed.

Subject as provided below, any member may transfer all or any of his shares which are in certificated form by instrument of transfer in any form which the Directors may approve. The instrument of transfer of a certificated share shall be signed by or on behalf of the transferor. The Directors may refuse to register any transfer of certificated shares unless the instrument of transfer is lodged at the registered office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The Directors may refuse to register a transfer of any share which is not fully paid up or on which the Company has a lien provided, in the case of a listed share, that this would not prevent dealings from taking place on an open and proper basis.

Subject to the provisions of the CREST Guernsey Requirements the registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine provided that such suspension shall not be for more than 30 days in any year.

The Company shall keep the Register and index of members in accordance with the Law and allow inspection in accordance with the Law. The Company may delegate the maintenance of its Register and index of members upon such terms as the Board may think fit. In the absence of manifest error, the Register will be conclusive evidence as to the persons entitled to the shares entered therein.

5.9. Alteration of capital and purchase of shares

The Company may from time to time by ordinary resolution increase its share capital by such sum to be divided into shares of such amount as the resolution may prescribe.

The Company may from time to time, subject to the provisions of the Law, purchase its own shares (including any redeemable shares) in any manner authorised by the Law.

Subject to the Articles, the Company may by ordinary resolution: consolidate and divide all or any of its share capital into shares of a larger or smaller amount than its existing shares; subdivide all or any of its shares into shares of a smaller amounts than is fixed by the Memorandum; cancel any shares which at the date of the resolution have not been taken or agreed to be taken and diminish the amount of its share capital by the amount of shares so cancelled; convert all or any of its shares the nominal amount of which is expressed in a particular currency or former currency into shares of a nominal amount of a different currency; and where its share capital is expressed

in a particular currency or former currency, denominate or redenominated it, whether by expressing its amount in units or subdivisions of that currency or former currency or otherwise.

5.10. Interests of Directors

- (i) Save as mentioned below, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest other than by virtue of his interest in shares or debentures or other securities of or otherwise through the Company. A Director may be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- (ii) A Director shall be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters namely:
 - (1) the giving of any guarantee, security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
 - (2) the giving of any guarantee, security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (3) any proposal concerning an offer of shares or debentures or other securities of or by the Company or its subsidiaries in which offer he is interested as a participant or in the underwriting or sub-underwriting thereof; or
 - (4) any proposal concerning any other company in which he is interested, directly or indirectly, as an officer or shareholder or otherwise, provided that he, together with persons connected with him, is not to his knowledge the holder of or beneficially interested in 1 per cent. or more of any class of the equity share capital of any such company or of the voting rights of such company (any such interest being deemed for the purposes of the Articles to be a material interest in all circumstances).
- (iii) Any Director may act by himself or by his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director provided that nothing contained in the Articles shall authorise a Director or his firm to act as auditor of the Company.
- (iv) Any Director may continue to be or become a director, managing director, manager or other officer or member of a company in which the Company is interested, and (unless otherwise agreed) no such Director shall be accountable to the Company for any remuneration or other benefits received by him.

5.11. Directors

The Directors shall be remunerated for their services at such rate as the Directors shall determine provided that the aggregate amount of such fees shall not exceed £150,000 per annum (or such sums as the Company in general meeting shall from time to time determine). The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in attending general meetings, board or committee meetings or otherwise in connection with the performance of their duties.

- (i) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director on such terms as the Directors may determine.
- (ii) The Directors may from time to time appoint one or more of their body (other than a Director resident in the UK) to the office of managing director or to any other executive office for such periods and upon such terms as they determine.

- (iii) A Director, notwithstanding his interest, may be counted in the quorum present at any meeting whereat he or any other Director is appointed to hold any such office or place of profit under the Company, or where the terms of appointment are arranged or any contract in which he is interested is considered and he may vote on any such appointment or arrangement other than his own appointment or the terms thereof.
- (iv) The Directors may at any time appoint any person eligible in accordance with the Law to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until, and shall be eligible for re-election at, the next general meeting following his appointment but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at that meeting if it is an annual general meeting. Without prejudice to those powers, the Company in general meeting may appoint any person to be a Director either to fill a casual vacancy or as an additional Director.
- (v) At each annual general meeting one-third of the Directors (or if their number is not three or an integral multiple of three), the number nearest to, but (except where there are less than three Directors) not greater than one-third shall retire from office.
- (vi) Subject to the provisions of the Articles, the Directors to retire by rotation on each occasion shall be those of the Directors who have been longest in office since their last appointment or re-appointment but, as between persons who became or were last re-appointed Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. In addition, any Director who would not otherwise be required to retire at any annual general meeting which is the third annual general meeting after the later of his appointment by the Company in general meeting and re-election as a Director of the Company in general meeting, shall nevertheless be required to retire at such annual general meeting.
- (vii) The maximum number of Directors shall be ten and the minimum number of Directors shall be two.

5.12. Retirement of Directors

- (i) Unless otherwise fixed by the Company in general meeting, a Director shall not be required to hold any qualification shares.
- (ii) There is no age limit at which a Director is required to retire.
- (iii) The office of Director shall be vacated if the Director resigns his office by written notice, if he shall have absented himself from meetings of the Board for a consecutive period of six months and the Board resolves that his office shall be vacated, if he becomes of unsound mind or incapable, if he becomes insolvent, suspends payment or compounds with his creditors, if he is requested to resign by written notice signed by all his co-Directors, if the Company in general meeting by ordinary resolution shall declare that he shall cease to be a Director, or if he becomes resident in the United Kingdom and, as a result, a majority of the Directors are resident in the United Kingdom.

5.13. Winding-up

- (i) Save as provided below, on a winding-up, the surplus assets remaining after payment of all creditors, including payment of bank borrowings, shall be divided *pari passu* among the members in proportion to the capital paid up or which ought to have been paid up on the shares held at the commencement of the winding-up, subject to the rights of any shares which may be issued with special rights or privileges.
- (ii) On a winding-up the liquidator may, with the authority of a special resolution, divide amongst the members in specie any part of the assets of the Company. The liquidator may with like authority vest any part of the assets in trustees upon such trusts for the benefit of members as he shall think fit but no member shall be compelled to accept any assets in respect of which there is any liability.

- (iii) Where the Company is proposed to be or is in the course of being wound up and the whole or part of its business or property is proposed to be transferred or sold to another company the liquidator may, with the sanction of an ordinary resolution, receive in compensation, or part compensation for the transfer or sale, shares, policies or other like interests for distribution among the members or may enter into any other arrangements whereby the members may, in lieu of receiving cash, shares, policies or other like interests, participate in the profits of or receive any other benefit from the transferee.

5.14. Borrowing powers

The Board may exercise all the powers of the Company to borrow money and to give guarantees, mortgage, hypothecate, pledge or charge all or part of its undertaking, property or assets and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any liability or obligation of the Company or of any third party provided always that the aggregate principal amount from time to time outstanding of all borrowings (as defined in the Articles) by the Group (exclusive of borrowings wholly within the Group) shall not at any time exceed 65 per cent. of the Gross Assets (as defined in the Articles) of the Group.

5.15. Standard Life

- 5.15.1. If at any time any agreement between the Company and the Investment Manager or any member of the Standard Life Group for the management of the Company's investments is terminated, or if any offer is made to all the holders of the Ordinary Shares to acquire the whole or any part of the Ordinary Shares and the right to cast more than 50 per cent. of the votes which may ordinarily be cast at a general meeting of the Company has or will become vested in the offeror and/or any company controlled by the offeror and/or any person associated, or acting in concert, with the offeror then, in either such event, Standard Life (as defined in the Articles) shall be entitled by notice in writing to the Company to require that the name of the Company is changed to a name which does not contain the words "Standard Life" or any letters or words colourably or confusingly similar thereto.
- 5.15.2. If within three months after the giving of such notice the name of the Company has not been so changed, Standard Life (as defined in the Articles) shall be entitled to convene a general meeting of the Company for the purpose of passing a special resolution (the "Name Change Resolution") adopting as the name of the Company a name selected by Standard Life (as defined in Article 36 of the Articles) and any member present in person or by proxy (or being a corporation by representative) and entitled to vote shall (in respect of the votes attached to his shares) vote in favour of the Name Change Resolution and any vote which is not cast or is cast against such Name Change Resolution shall be deemed to have been cast in favour of the Name Change Resolution.

5.16. General meetings

Not less than ten days' notice specifying the time and place of any general meeting (including annual general meetings) and specifying also, in the case of any special business, the general nature of the business to be transacted shall be given by notice by post to Shareholders. Every Shareholder shall be entitled to attend and vote (other than the Company itself where it holds its own shares as treasury shares) and to speak at every general meeting. The quorum for a general meeting shall be one (1) or more Shareholders (other than the Company itself where it holds its own shares as treasury shares) present in person or by proxy and holding five (5) per cent. or more of the voting rights available at such meeting whether or not the Company has one Shareholder.

5.17. Changes to the Articles

The Articles can be amended by means of a special resolution of Shareholders which requires 75 per cent. of the votes cast at a general meeting to be in favour. This requirement is the same as that required by the Law.

5.18. REIT Status

(a) **Cardinal Principle**

The Articles provide that it is a cardinal principle that, for so long as the Company qualifies as a REIT or is the principal company of a group UK real estate investment trust (a "Group REIT") for the purposes of Part 12 of the CTA 2010, the Company or no member of the Group REIT should not be liable to pay tax under section 551 of the CTA 2010 on or in connection with a Distribution.

(b) **Notification of Substantial Shareholder and other status**

Every member and any other relevant person who is or becomes a Substantial Shareholder or a Relevant Registered Shareholder must notify the Company on becoming a Substantial Shareholder.

The Directors may, by serving written notice, require a person to provide the Company with such information as they require to assess whether that person is a Substantial Shareholder or a Relevant Registered Shareholder or in order to comply with any reporting obligation within a set period as specified by the Board in the written notice.

(c) **Distributions in respect of Substantial Shareholdings**

The Directors may withhold payment of a Distribution on or in respect of any shares in the Company on the condition that:

- (i) they believe that such shares are shares by virtue of which (in whole or in part) the member is a Substantial Shareholder; and
- (ii) they are not satisfied that such Substantial Shareholder would not be beneficially entitled to the Distribution if it was paid.

(d) **A Distribution so withheld may subsequently be paid on the following basis:**

- (i) if the Directors are satisfied that the conditions for withholding payment summarised in the above paragraph are not satisfied then the whole amount of the Distribution withheld shall be paid; and
- (ii) if the Directors are satisfied that sufficient interests in all or some of the shares concerned have been transferred to a third party so that such transferred shares no longer form part of a Substantial Shareholding then the Distribution attributable to such shares shall be paid (provided the Directors are satisfied that following such transfer such shares concerned do not form part of a Substantial Shareholding); and
- (iii) if the Directors are satisfied that as a result of a transfer of interests in shares referred to in paragraph (ii) above the remaining shares no longer form part of a Substantial Shareholding the Distribution attributable to such shares shall be paid.

In addition the Directors may also withhold payment of a Distribution if any person fails to satisfactorily comply with a notice given by the Directors as referred to in paragraph (b) within the period specified in the notice. Such a Distribution so withheld may be paid upon the relevant person satisfactorily complying with the notice.

A Substantial Shareholder may satisfy the Directors that he is not beneficially entitled to a Distribution by means of a certification procedure.

(e) **Excess charge**

If a Distribution is paid on a Substantial Shareholding and an Excess Charge becomes payable then the Substantial Shareholder shall pay the amount of any such Excess Charge and all costs and expenses incurred by the Company in connection with the recovery of such amount.

(f) Distribution trust

Any Distribution paid on or in respect of a Substantial Shareholding (except where the Substantial Shareholder is not entitled to the Distribution) and any income arising from it shall be held by the person to whom the Distribution is made or by another recipient of the Distribution is in trust for the persons nominated by the relevant Substantial Shareholder in accordance with the Articles, or if no such nominations is made within 12 years after the date the Distribution is made, for the Company or such persons or charity as may be nominated by the Directors from time to time.

(g) Obligation to dispose

If the Directors believe that:

- (i) in respect of any Distribution declared or announced, the condition set out in paragraph (c) is satisfied in respect of any shares in the Company in relation of that Distribution;
- (ii) a notice given by the Directors pursuant to paragraph (b) in relation to any shares in the Company has not been complied with to the satisfaction of the Directors within the period specified in such notice; or
- (iii) any information, certificate or declaration provided by a person in relation to any shares in the Company was materially inaccurate or misleading

then the Directors may by notice in writing require any person they believe to be holding all or part of a Substantial Shareholding to dispose, within 21 days of the date of service of the notice from the Directors, of such number of shares and to take such other steps as will cause the condition set out in paragraph (c) to be satisfied by notice in writing (a "Disposal Notice").

Any sale made as a result of a Disposal Notice shall be at the price which the Directors consider to be the best price reasonably obtainable. The net proceeds of the sale (less any amount to be retained pursuant to paragraph (d) above and at the expense of sale) shall be paid to the former holder or holders of the relevant share. Further provisions allow for the Directors to arrange for shares to be sold if the Disposal Notice is not complied with or in circumstances where an Excess Charge (as mentioned in paragraph (d) above) become payable.

(h) General

The Directors are not required to give any reasons for any decision or determination (including any decision or determination not to take action in respect of a particular person) and any such determination or decision is to be final and binding on all persons unless and until it is revoked or changed by the Directors. Any disposal or transfer made or other thing done by or on behalf of the Board or any Director pursuant to the Articles in connection with the Company's REIT status shall be binding on all persons and shall not be open to challenge on any ground whatsoever.

The Directors may from time to time require any person who is or claims to be a person to whom a Distribution may be paid without deduction of tax under Regulation 7 of the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006 to provide such information, certificates or declarations as they may require to establish whether such person is so entitled.

6. Directors and their interests in Shares

- 6.1. The aggregate of the remuneration to be paid and benefits in kind granted to the Directors by the Group for the financial period ending 31 December 2015 will not exceed £150,000.

- 6.2. None of the Directors have service contracts with the Company. Dick Barfield has entered into a letter of appointment with the Company dated 1 December 2003. Susie Farnon entered into a letter of appointment with the Company dated 23 June 2010. Huw Evans entered into a letter of appointment with the Company dated 11 April 2013. Robert Peto entered into a letter of appointment with the Company on 28 May 2014. The letters of appointment provide that after an initial period of service, which expired on 31 December 2006 in respect of Dick Barfield and expired at the first annual general meeting of the Company after their appointment in respect of Susie Farnon, Huw Evans and Robert Peto, the Directors' appointments and re-appointments are subject to the Memorandum and Articles from time to time (including those provisions for retirement by rotation and early cessation). The Company has the right to terminate each appointment without compensation if the relevant Director is required to vacate office in accordance with the Articles and/or the Law and, subject thereto, the letters of appointment do not contain any contractual provisions regarding the compensation which would be payable upon early termination by the Company. None of the Directors receive any pension benefits from the Company, nor do they participate in any bonus or incentive schemes. Accordingly, there are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits to the Directors. The fees payable to the Directors pursuant to their letters of appointment in respect of the financial year ended 31 December 2014 by the Company were £13,107 to Paul Orchard-Lisle, the former Chairman (retired on 28 May 2014), £29,500 per annum to Susie Farnon, Chairman of the Audit Committee, £31,223 per annum to Dick Barfield, the Chairman, £26,500 to Shelagh Mason (retired on 31 December 2014), £26,500 per annum to Huw Evans and £16,736 to Robert Peto (appointed on 28 May 2014). These fees include (with the exception of Paul Orchard-Lisle) a one-off fee of £2,500 in respect of the extra work arising from the fundraising that was undertaken by the Company in 2014 and the conversion of the Company to REIT status.

The fees for each Director have increased with effect from 1 January 2015. The Chairman is entitled to receive fees of £33,000 per annum, the chairman of the audit committee is entitled to receive fees of £28,500 per annum and the other Directors are entitled to receive fees of £26,000 per annum. The fees are reviewed annually and may be increased in line with usual market rates. The Company also pays insurance premiums in respect of directors' and officers' insurance taken out on behalf of the Directors.

Pursuant to the Articles, one third or the number nearest to but not exceeding one third, of the Directors require to retire and stand for re-election at intervals of no more than three years provided that each Director shall retire and stand for re-election at the annual general meeting immediately following their appointment, then at intervals of no more than three years. However, in accordance with the recommendations of the AIC Code and the Code, the Board has agreed that all Directors will retire annually and if appropriate seek re-election.

- 6.3. No Director has any interest in any transactions which are or were unusual in their nature or conditions or significant to the business of the Group and which were effected by any member of the Group since its date of incorporation or remain in any respect outstanding or unperformed.
- 6.4. No loan or guarantee has been granted or provided by any member of the Group for the benefit of any Director.
- 6.5. As at the date of this document, other than as disclosed in paragraph 6.6 below, there are no interests of any Director, including any connected persons of any Director, the existence of which is known to, or could with reasonable diligence be ascertained by, that Director whether or not held through another party, in the share capital of the Company or any options in respect of such capital.

- 6.6. The Directors do not have any options over Shares. As at the date of this document, the Directors have the following numbers of Ordinary Shares all of which are beneficially held:

	<i>Number of Ordinary Shares as at the date of this document</i>	<i>Percentage of current issued Ordinary Shares⁽¹⁾</i>
Dick Barfield	70,128	0.02
Susie Farnon	30,000	0.01
Huw Evans	30,000	0.01
Robert Peto	13,717 ⁽²⁾	0.005

⁽¹⁾ The Company does not hold any Shares in treasury.

⁽²⁾ Robert Peto's wife also holds 13,717. In aggregate therefore their shareholding is 27,434 Ordinary Shares which represents 0.009 per cent. of the Company's current issued share capital.

- 6.7. Dick Barfield and Huw Evans have confirmed that they intend to subscribe for 8,000 New Shares and 30,000 New Shares respectively. Robert Peto has confirmed that he and/or his wife intend to subscribe for, in aggregate, up to 30,000 New Shares.
- 6.8. Details of those companies and partnerships of which the Directors have been directors or partners at any time since 1 July 2010 are as follows:

(i) Dick Barfield

Present directorships and partnerships: British Coal Staff Superannuation Scheme Trustees Limited, Coal Pension Trustee Services Ltd.

Dick is also on the Investment Sub Committee of the Rio Tinto Pension Fund although he is not a director or partner

Past directorships and partnerships: J.P. Morgan Overseas Investment Trust plc, The Merchants Trust PLC, Synergy Fund GP Limited, The Baillie Gifford Japan Trust plc, the Pension Protection Fund and The Edinburgh Investment Trust plc

(ii) Susie Farnon

Present directorships and partnerships: Baubigny Garage Limited, Breedon Aggregates Limited, C&E Laundrettes Limited, Ravenscroft Ltd, Dexion Absolute Limited, HICL Infrastructure Company Limited, Interceptor Holdings Limited, Little Lucy Limited, Threadneedle UK Select Trust Limited, Apax Global Alpha Ltd and Timbertops Limited

Past directorships and partnerships: Bailiwick Investments Limited, Cenkos Investment Management Limited, Guernsey Financial Services Commission, Guernsey Sports Commission LBG, Legis Holdings Limited, Rapid Realisations Limited, Hawthorn Limited and New River Retail Limited

(iii) Huw Evans

Present directorships and partnerships: BH Macro Limited, Evans Property Holdings Limited, ECOF PCC Limited, La Bigoterie Holdings Limited, Oxford Property Holdings Limited, ICONIC Asset Finance Limited, Renshaw Bay GP1 Limited, Renshaw Bay Partners GP Limited and Swoffors Limited

Past directorships and partnerships: Hazel Ventures Management (GP) Limited, Renshaw Bay GP2 Limited, Renshaw Bay GP3 Limited and Rob Airways Limited.

(iv) Robert Peto

Present directorships and partnerships: Bath & West Enterprises Ltd, DTZ Investment Management Ltd, GCP Student Living plc, Lend Lease Europe GP Limited and Mactaggart Heritable Holdings Ltd

Past directorships and partnerships: None

6.9. As at the date of this document none of the Directors:

- (a) has been a member of any administrative, management or supervisory body or partner of any company or partnership at any time during the five years preceding the date of this document, save as disclosed in paragraph 6.8;
- (b) has had any convictions in relation to fraudulent offences for at least the previous five years;
- (c) has been associated with any bankruptcies, receiverships or liquidations when acting in the capacity of a member of the administrative, management or supervisory body or a partner of the companies and/or partnerships referred to in paragraph 6.8 above for at least the previous five years; or
- (d) has any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years (for this purpose "issuer" has the meaning ascribed to it by Appendix I to the Prospectus Rules).

7. Substantial Share interests

7.1. As at 13 November 2015 (being the latest practicable date prior to publication of this document), the Company is aware of the following persons who would be interested in 3 per cent. or more of the issued share capital of the Company:

	<i>Number of Ordinary Shares</i>	<i>Percentage of current issued Ordinary Shares⁽¹⁾</i>
Brewin Dolphin, stockbrokers	32,347,177	11.22
Brewin Dolphin, stockbrokers (Non Discretionary)	27,007,104	9.36
Standard Life Investments	22,244,001	7.71
Heartwood Group	21,569,357	7.48
Hargreaves Lansdown, stockbrokers (Execution only)	14,982,809	5.20
BlackRock	11,932,970	4.14
Close Brothers Asset Management	9,756,438	3.38
M&G Investment Management	9,605,533	3.33
Alliance Trust Savings	9,081,400	3.15

⁽¹⁾ The Company does not hold any Shares in treasury.

⁽²⁾ Standard Life Investments Pooled Pensions Property Fund, a client of Standard Life Investments, has indicated that it intends to subscribe for approximately 7.3 million New Shares for an aggregate price of £6 million under the Initial Placing and Offer.

7.2. Save as described above, the Company is not aware of any person who is as at 13 November 2015 (being the latest practicable date prior to publication of this document) or, following the Issues, will be interested directly or indirectly in 3 per cent. or more of any class of issued share capital of the Company or of any person or persons who, following the Issues, will or could, directly or indirectly, jointly or severally, exercise control over the Company.

7.3. None of the major shareholders of the Company set out above has different voting rights from any other holder of Shares in respect of any Share held by them.

8. Material contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by a member of the Group within two years immediately preceding the publication of this document, or will be entered into by a member of the Group following Admission, and/or are, or may be, material or contain provision under which the Company or the Property Subsidiary has an obligation or entitlement which is material to the Group as at the date of this document:

- 8.1. A placing agreement dated 17 November 2015 between (1) the Company, (2) the Investment Manager, (3) Winterflood Securities and (4) the Sponsor whereby Winterflood Securities conditionally agrees to use its reasonable endeavours to procure placees in the Initial Placing and Placing Programme of up to 122 million New Shares. In consideration for its services Winterflood Securities will be paid commission of an amount equal to 1 per cent. of the gross proceeds of the Issues less the amount of the proceeds attributable to New Shares subscribed for by members of the Standard Life Group under the Initial Placing and Offer.

The Placing Agreement is conditional on, *inter alia*, Admission. The Placing Agreement contains certain warranties and indemnities given by the Company and the Investment Manager without time limit (in respect of any claim against the Company) in favour of Winterflood Securities and the Sponsor. Winterflood Securities and the Sponsor may only claim against the Investment Manager under the warranties or indemnities if they have given written notice of such claims within two years of the date of the agreement. Such indemnities and warranties are customary in an agreement of this kind. The Placing Agreement may be terminated in certain circumstances prior to Admission including by reason of *force majeure*.

- 8.2. An investment management agreement between (1) the Company, (2) the Investment Manager and (3) the Property Subsidiary which became effective from 1 January 2015 whereby the Investment Manager is appointed to act as AIFM and investment manager of the Group, to manage the assets of the Group in accordance with the investment policy of the Company and to implement the borrowing policy from time to time approved by the Directors. Under the terms of the Investment Management Agreement, subject to the overall supervision of the Directors, the Investment Manager has complete discretion to buy, sell, retain, exchange or otherwise deal in property assets for the account of the Group. The Investment Manager is entitled to delegate the performance of its duties under the Investment Management Agreement to Standard Life Investments Limited. The Investment Manager shall be entitled to receive a fee from the Company at the annual rate of 0.75 per cent. of Total Assets up to £200 million, 0.70 per cent. of Total Assets between £200 million and £300 million and 0.65 per cent. of Total Assets in excess of £300 million. The fee is payable quarterly in arrears. The Investment Management Agreement contains an unlimited indemnity in favour of the Investment Manager against claims by third parties except to the extent that the claim is due to the negligence, wilful default or fraud of the Investment Manager or any party to whom the Investment Manager has delegated any of its functions. The Investment Management Agreement may be terminated by any party giving to the others not less than 12 months' notice or otherwise in circumstances, *inter alia*, where one of the parties has a receiver appointed over its assets or if an order is made or an effective resolution passed for the winding up of one of the parties. In the event of the termination of the Investment Management Agreement for whatsoever reason, the Company shall be obliged to use its reasonable endeavours to change its name to a name not including the words "Standard Life" or any letters or words colourably or confusingly similar thereto.

The Investment Manager maintains a professional indemnity insurance policy. The policy provides cover against claims up to £125 million arising from professional negligence.

It is currently intended that, in the event that Admission occurs and the Acquisition completes, the General Partner will become a party to the Investment Management Agreement.

In the event that the conditions to the Initial Placing and Offer are not satisfied, Admission does not occur and the Acquisition does not proceed the Investment Manager has agreed to contribute up to a maximum amount of £200,000 to the abort costs incurred by the Company. In the event the Acquisition completes the Investment Manager has agreed to rebate its fees to the sum of £400,000.

- 8.3. A depositary agreement between the Company and the Depositary whereby the Depositary is appointed to undertake certain functions required by the AIFMD including the safekeeping of assets and cash-flow monitoring. The depositary arrangements include a depositary service agreement together with a separate service level agreement. A property procedures agreement is also agreed which details the key obligations of the parties in respect of property assets of the Company. The Depositary Agreement does not currently contain provisions for the contractual discharge of the Depositary's liability. The Depositary may however discharge its liability in accordance with Article 21(13) and 21(14) of the AIFMD. If the Depositary does discharge its liability, the Company will notify investors by amending the investor disclosure document available on the Company's website. The Depositary Agreement provides for a notice period of not less than 90 days (although immediate termination is possible in certain prescribed circumstances). However, the Depositary cannot retire prior to a successor depositary having been appointed. The Depositary is paid a fee on a quarterly basis for its services of 0.0145 per cent. per annum of the net asset value of the Company subject to a minimum of £25,000 per annum.
- 8.4. The Facility Agreement dated 19 December 2011 between the Bank and the Company whereby the Bank has agreed to make available a term loan facility of £84.4 million. Interest is payable by the Property Subsidiary at a rate equal to the aggregate of LIBOR Plus 1.65 per cent. per annum (below 40 per cent. LTV), 1.75 per cent. per annum (40 to 60 per cent. LTV inclusive) or 1.95 per cent. (above 60 per cent. LTV). The current applicable margin is 165 basis points per annum. The existing Bank Facility is repayable on 16 December 2018. The Facility Agreement contains standard events of default and covenants for a bank facility of this nature. An Event of Default (as defined in the Facility Agreement) will be triggered if, *inter alia*, (i) the amount of the loan facility exceeds 65 per cent. at any time prior to 22 December 2016 or 60 per cent. at any time thereafter of the value of the properties in the Property Portfolio and the cash held by the Group; or (ii) if the net rental income in respect of all leases should fall below 1.5 times the amount of interest payable under the Facility Agreement over the period the net rental income is calculated. The Bank Facility will be secured by fixed and floating charges over the assets of the Company and the Property Subsidiary. On Completion of the Acquisition the Facility Agreement will be amended and restated and its terms will be replaced by the New Facility Agreement.
- 8.5. The New Facility Agreement dated 12 November 2015 between the Bank as lender and in various other capacities, the Company and the Property Subsidiary whereby the Bank has agreed to make available to the Property Subsidiary, in addition to its existing term loan facility of £84,432,692, an additional term loan facility of £40,567,308 and an additional revolving credit facility of £30,000,000. The Facility Agreement (as described in paragraph 8.4 above) will therefore be amended, subject to the completion of the Acquisition pursuant to an amendment and restatement agreement (the New Facility Agreement) in order to effect the terms of the existing Bank Facility and the New Bank Facility as described, in summary, in this paragraph 8.5. This New Bank Facility (together with the Bank Facility) has a term of 18 months and is repayable on 17 June 2017.

Interest is payable by the Property Subsidiary on the Bank Facility, under the terms of the existing Facility Agreement, at a rate equal to the aggregate of LIBOR and, based upon the current LTV, a margin of 1.65 per cent. per annum. However, the Property Subsidiary has entered into two interest rate swap agreements in respect of the existing Bank Facility and, as a result, the all in margin in respect of the existing Bank Facility has been fixed at 3.66 per cent. This interest rate is fixed until 16 December 2018. If the existing Bank Facility is repaid prior to then (including on 17 June 2017) such swaps will require to be broken and hedge termination costs will also require to be paid.

Interest is payable by the Property Subsidiary on the New Bank Facility at a rate equal to the aggregate of the applicable LIBOR rate and a margin of 1.25 per cent. per annum. The Revolving Credit Facility can be repaid at any time.

The New Facility Agreement contains standard events of default and covenants for a bank facility of this nature. An Event of Default (as defined in the New Facility Agreement) will be triggered if, *inter alia*, (i) the amount of the loan facility exceeds 65 per cent. of the value of certain of the properties and certain of the cash held by the Group (being, in each case, those subject to fixed

charges in favour of the Bank) at any time prior to 22 December 2016 or 60 per cent. at any time thereafter; (ii) the amount of the loan facility exceeds 40 per cent. of the value of the properties in the Company's property portfolio, certain of the cash held by the Group and the value of the properties in the New Portfolio; or (iii) if the net rental income in respect of all leases of all or any part of the Property Portfolio should fall below 1.5 times the amount of interest payable under the New Facility Agreement over the period the net rental income is calculated. The New Bank Facility will be secured by fixed and floating charges over the Property Portfolio. The New Portfolio will not initially be subject to fixed and floating charges but the Group retains discretion to choose to secure all or part of this portfolio should it deem it necessary in the future.

The New Facility Agreement also contains a number of conditions precedent (which are customary of a facility of this nature) including that the Company raise sufficient funds to complete the Acquisition. Therefore if the Minimum Issue Proceeds are not raised under the Initial Placing and Offer, the Company will not be able to draw down any funds under the New Bank Facility.

- 8.6. The Company is a party to the conditional legally binding Acquisition Agreement with the Vendors dated 12 November 2015 under which the Company and the Property Subsidiary have agreed to acquire the 22 New Properties comprised in the New Portfolio by way of acquiring all of the (i) units in the JPUT, consisting 138,812,000 units in aggregate; and (ii) the entire issued share capital of the General Partner, consisting of two ordinary shares of £1.00 each in aggregate. The consideration paid for the units and the shares is based on an agreed value for the New Properties of £165 million adjusted to take into account any accruals and contingencies of the JPUT and the Limited Partnership as at the date of completion of the Acquisition. The Acquisition Agreement contains standard form completion statement mechanics to enable the parties to agree the net asset value of the JPUT and the adjustment to the fixed value of the New Properties within agreed timescales post completion. The Acquisition Agreement provides that the completion of the Acquisition is conditional upon: (i) the Company having received applications and/or commitments under the Initial Placing and Offer for at least £80 million; and (ii) JFSC consent being granted in relation to the change in investment manager of the JPUT to Standard Life Investments (Jersey) Limited on completion of the Acquisition. The Vendors are entitled to rescind the Acquisition Agreement in the event that the conditions are not satisfied prior to the long stop date of 15 December 2015 (such date subject to the extension by the Vendors in their absolute discretion up to a date of 18 December 2015). This Acquisition Agreement contains standard form warranties and indemnities customary to agreements of this nature with all liabilities (other than in respect of title to the units and shares) under such warranties and indemnities being covered, subject to agreed limitations, by a third party warranty and indemnity insurance policy paid for by the Vendors. This insurance policy is subject *inter alia* to an overall cap of £16.5 million and warranty claims in relation to matters that are known to the Investment Manager.

In the event that the Acquisition does not complete the Company has agreed to contribute up to £75,000 in relation to any abort costs incurred by the Vendors in excess of £75,000.

9. Investment restrictions

The Company is subject to the Listing Rules which apply to closed-ended investment funds.

As required under Listing Rule 15.4.2, the Company will at all times invest and manage its assets in a way which is consistent with its objective of spreading investment risk and in accordance with its published investment policy as set out on page 38 of this document.

In accordance with Listing Rule 15.2.3A, the Company (and its subsidiary undertaking) will not conduct any trading activity which is significant in the context of its group as a whole, but this rule does not prevent any businesses which may form part of the Company's investment portfolio from conducting trading activities themselves.

In addition, in order to comply with Listing Rule 15.2.5, the Company will not invest more than 10 per cent., in aggregate, of the value of its Total Assets (calculated at the time of any relevant investment) in other closed-ended investment funds admitted to the Official List (save to the extent that those closed-ended investment funds have stated investment policies to invest no more than 15 per cent. of their gross assets in such other closed-ended investment funds).

In the event of any material breach of the investment restrictions applicable to the Company or the Group, Shareholders will be informed of the actions to be taken by the Investment Manager through an announcement via a Regulatory Information Service.

10. General

- 10.1. There are no governmental, legal or arbitration proceedings (including in so far as the Company or the Property Subsidiary is aware any governmental, legal or arbitration proceedings which are pending or threatened) during the period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.
- 10.2. As at 13 November 2015 (being the latest practicable date prior to the publication of this document) there have been no public takeover bids by third parties in respect of the Company's share capital during the Company's last financial year and from 1 January 2015 to date.
- 10.3. The Valuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in Part V of this document for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. The Valuer has given and has not withdrawn its written consent to the issue of this document with the inclusion of its report in Part V of this document and the statements attributed to it and references to it in the form and context in which they appear and has authorised the contents of its report and statements attributed to it and references to it for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Rules.
- 10.4. Knight Frank declares that, having taken all reasonable care to ensure that such is the case, the information contained in Part VI of this document for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. Knight Frank has given and has not withdrawn its written consent to the issue of this document with the inclusion of its report in Part VI of this document and the statements attributed to it and references to it in the form and context in which they appear and has authorised the contents of its report and statements attributed to it and references to it for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Rules.
- 10.5. Ernst & Young LLP declares that, the information contained in Part VIII of this document has been properly compiled on the basis stated and such basis is consistent with the accounting policies of the Company. Ernst & Young LLP has given and has not withdrawn its written consent to the issue of this document with the inclusion of its report in Part VIII of this document and the statements attributed to it and references to it in the form and context in which they appear and has authorised the contents of its report and statements attributed to it and references to it for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Rules.
- 10.6. The information in this document sourced from Dun and Bradstreet on pages 39 and 63 of this document and IPD on page 39 and within Part IV of this document and in Part IV of this document has been accurately reproduced in this document and, as far as the Company is aware and is able to ascertain from information published by Dun and Bradstreet and IPD, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 10.7. Dickson Minto W.S. has given and has not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.
- 10.8. Winterflood Securities Limited has given and has not withdrawn its written consent to the issue of this document and the inclusion herein of its name and the references to it in the form and context in which they appear.

11. Mandatory bids, squeeze-out and sell-out rules

11.1. Mandatory bids

The Takeover Code applies to the Company. Under the Takeover Code, if an acquisition of shares were to increase the aggregate holding of the acquirer and any parties acting in concert with it to shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer

and, depending on the circumstances, its concert parties (if any) would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for shares not already owned by the acquirer or its concert parties (if any) at a price not less than the highest price paid for shares by the acquirer or its concert parties (if any) during the previous 12 months or (where there has been no acquisition of shares of the relevant class) at a comparable price agreed by the Panel. A similar obligation to make such a mandatory cash offer would also arise on the acquisition of shares by a person holding (together with its concert parties, if any) shares carrying at least 30 per cent. but not more than 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase the percentage of the aggregate voting rights held by the acquirer and its concert parties (if any).

Under Rule 37 of the Takeover Code, when a company purchases its own voting shares, a resulting increase in the percentage of voting rights carried by the shareholdings of any person or group of persons acting in concert will be treated as an acquisition for the purposes of Rule 9. A shareholder who is neither a director or acting in concert with a director will not normally incur an obligation to make an offer under Rule 9. However, under note 2 to Rule 37, where a shareholder has acquired shares at a time when it had reason to believe that a purchase by the company of its own voting shares may take place, an obligation to make a mandatory bid under Rule 9 may arise in certain circumstances.

11.2. Squeeze-out and sell-out rules

Other than as provided by Law there are no rules or provisions relating to squeeze-out and sell-out rules in relation to the Ordinary Shares.

12. Disclosure requirements and notification of interests in shares

Under Chapter 5 of the Disclosure and Transparency Rules, subject to certain limited expectations, a person must notify the Company (and, at the same time, the FCA) of the percentage of voting rights he holds (within two trading days) if he acquires or disposes of shares in the Company to which voting rights are attached and if, as a result of the acquisition or disposal, the percentage of voting rights which he holds as a shareholder (or, in certain cases, which he holds indirectly) or through his direct or indirect holding of certain types of financial instruments (or a combination of such holdings):

- 12.1. reaches, exceeds or falls below 5 per cent. and each 1 per cent. threshold thereafter; or
- 12.2. reaches, exceeds or falls below an applicable threshold in paragraph 12.1 of this Part X above as a result of events changing the breakdown of voting rights and on the basis of the total voting rights notified to the market by the Company.

Such notification must be made using the prescribed form TR1 available from the FCA's website at <http://www.fca.gov.uk>. Under the Disclosure and Transparency Rules, the Company must announce the notification to the public as soon as possible and in any event by not later than the end of the trading day following receipt of a notification in relation to voting rights.

The FCA may take enforcement action against a person holding voting rights who has not complied with Chapter 5 of the Disclosure and Transparency Rules.

13. Restrictions on Transfer

13.1. General

The distribution of this document and offer of Ordinary Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions, including those in the paragraph 13.2 of this Part X. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

13.2. European Economic Area

- 13.2.1. In relation to each of the EEA States (other than the UK) which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive was implemented in that relevant member state (the "relevant implementation date") no Ordinary Shares have been offered or will

be offered pursuant to an offer to the public in that Relevant Member State, except that with effect from and including the relevant implementation date, offers of Ordinary Shares may be made to the public in that Relevant Member State at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43 million; and (iii) an annual net turnover of more than €50 million as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances which do not require the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or any measure implementing the Prospectus Directive in a relevant member state and each person who initially acquires any Ordinary Shares or to whom any offer is made under the open offer will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2(1)(e) of the Prospectus Directive.

- 13.2.2. For the purpose of the expression an “offer of any Ordinary Shares to the public” in relation to any Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Issues and the terms of the open offer of any Ordinary Shares, so as to enable a potential investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that relevant member state by any measure implementing the Prospectus Directive in that relevant member state.

14. Documents available for inspection

Copies of the following documents are available for inspection during normal business hours on any Business Day at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW and at the Company’s registered office until 16 November 2016:

- (i) the Memorandum and Articles;
- (ii) the letters of appointment referred to in paragraph 6.2 above;
- (iii) the written consents referred to in paragraphs 10.7 and 10.8 above;
- (iv) the valuation report referred to in Part V of this document;
- (v) the valuation report referred to in Part VI of this document;
- (vi) the annual reports and accounts for the three financial years ended 31 December 2014 and the half yearly reports and accounts of the Company for the six months ended 30 June 2014 and 30 June 2015; and
- (vii) this document.

15. Availability of Prospectus

A copy of this document is available for inspection at www.morningstar.co.uk/ UK/NSM and on the Company’s website www.standardlifeinvestments.com/its and, until 16 November 2016, are available for collection, free of charge, from the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW and Northern Trust International Fund Administration Services (Guernsey) Limited, PO Box 255, Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL.

17 November 2015

PART XI

TERMS AND CONDITIONS OF THE INITIAL PLACING AND THE PLACING PROGRAMME

1. Introduction

Each Placee which confirms its agreement to the Placing Agent to subscribe for New Shares under the Initial Placing and/or the Placing Programme will be bound by these terms and conditions and will be deemed to have accepted them. Each Placee's agreement to subscribe for New Shares under the Initial Placing is conditional on Admission.

The Company and the Placing Agent may require any Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations as it/they (in its/their absolute discretion) sees fit.

2. Agreement to subscribe for New Shares

Conditional on:

- (i) Admission of New Shares occurring and becoming effective by 8.00 a.m. (London time) on or prior to 15 December 2015 (or such later time and/or date, not being later than 8.00 a.m. on 18 December 2015, as the Company and the Placing Agent may agree) and any Admission under the Placing Programme occurring not later than 8.00 a.m. on such other dates as may be agreed between the Company and the Placing Agent prior to the closing of each placing under the Placing Programme, not being later than 16 November 2016;
- (ii) the Placing Agreement becoming otherwise unconditional in all respects and not having been terminated on or before the date of such Admission; and
- (iii) the Placing Agent confirming to the Placees their allocation of New Shares, a Placee agrees to become a member of the Company and agrees to subscribe for those New Shares allocated to it by the Placing Agent at the Issue Price under the Initial Placing and Offer or the relevant Placing Programme Price under the Placing Programme.

To the fullest extent permitted by law, each Placee acknowledges and agrees that it will not be entitled to exercise any remedy of rescission at any time. This does not affect any other rights the Placee may have.

3. Payment for New Shares

- 3.1. Each Placee must pay the relevant price for the New Shares issued to the Placee in the manner and by the time directed by the Placing Agent. If any Placee fails to pay as so directed and/or by the time required, the relevant Placee's application for New Shares may, at the discretion of the Placing Agent, either be rejected or accepted and in the latter case paragraph 3.2 of these terms and conditions shall apply.
- 3.2. Each Placee is deemed to agree that if it does not comply with its obligation to pay the relevant price for the New Shares allocated to it in accordance with paragraph 3.1 of these terms and conditions and the Placing Agent elects to accept that Placee's application, the Placing Agent may sell all or any of the New Shares allocated to the Placee on such Placee's behalf and retain from the proceeds, for the Placing Agent's own account and profit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The Placee will, however, remain liable for any shortfall below the aggregate amount owed by such Placee and it may be required to bear any tax or other charges (together with any interest or penalties) which may arise upon the sale of such New Shares on such Placee's behalf.

4. Representations and warranties

By agreeing to subscribe for New Shares, each Placee which enters into such an agreement, conditional upon Admission, to subscribe for New Shares will (for itself and any person(s) procured by

it to subscribe for New Shares and any nominee(s) for any such person(s)) be deemed to represent and warrant to each of the Company, the Investment Manager, and the Placing Agent that:

- 4.1. in agreeing to subscribe for New Shares under the Initial Placing and/or the Placing Programme, it is relying solely on this document and any supplementary prospectus issued by the Company and not on any other information given, or representation or statement made at any time, by any person concerning the Company, the Initial Placing and/or the Placing Programme. It agrees that none of the Company, the Investment Manager, the Placing Agent or the Registrar, nor any of their respective officers, agents employees, will have any liability for any other information or representation. It irrevocably and unconditionally waives any rights it may have in respect of any other information or representation;
- 4.2. if the laws of any territory or jurisdiction outside the United Kingdom are applicable to its agreement to subscribe for New Shares under the Initial Placing and/or the Placing Programme, it warrants that it has complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action or omitted to take any action which will result in the Company, the Investment Manager, the Placing Agent or the Registrar or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Initial Placing and/or the Placing Programme;
- 4.3. it has carefully read and understands this document in its entirety and acknowledges that it is acquiring New Shares on the terms and subject to the conditions (including in particular, that the agreement to subscribe for New Shares under the Initial Placing is conditional on Admission) set out in this Part XI and the Articles as in force at the date of Admission of the relevant New Shares;
- 4.4. it has not relied on the Placing Agent or any person affiliated with the Placing Agent in connection with any investigation of the accuracy of any information contained in this document;
- 4.5. the content of this document is exclusively the responsibility of the Company and its Directors and the Placing Agent nor any person acting on their behalf nor any of their respective affiliates are responsible for or shall have any liability for any information, representation or statement contained in this document or any information published by or on behalf of the Company and will not be liable for any decision by a Placee to participate in the Initial Placing and/or the Placing Programme based on any information, representation or statement contained in this document or otherwise;
- 4.6. it acknowledges that no person is authorised in connection with the Initial Placing and/or the Placing Programme to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by the Company, the Investment Manager or the Placing Agent;
- 4.7. it is not applying as, nor is it applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in section 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services);
- 4.8. it accepts that none of the New Shares have been or will be registered under the laws of the United States, Canada, Australia, the Republic of South Africa or Japan. Accordingly, the New Shares may not be offered, sold, issued or delivered, directly or indirectly, within any of United States, Canada, Australia, the Republic of South Africa or Japan unless an exemption from any registration requirement is available;
- 4.9. if it is within the United Kingdom, it is a person who falls within Articles 49(2)(a) to (d) or 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 or it is a person to whom the New Shares may otherwise lawfully be offered under such Order or, if it is receiving the offer in circumstances under which the laws or regulations of a jurisdiction other than the United Kingdom would apply, it is a person to whom the New Shares may be lawfully offered under that other jurisdiction's laws and regulations;

- 4.10. if it is a resident in the European Economic Area (other than the United Kingdom), (a) it is a qualified investor within the meaning of the law in the relevant Member State implementing Article 2(1)(e)(i), (ii) or (iii) of Directive 2003/71/EC and (b) if that Relevant Member State has implemented the AIFMD, that it is a person to whom the New Shares may lawfully be marketed under the AIFMD or under the applicable implementing legislation (if any) of that Relevant Member State;
- 4.11. in the case of any New Shares acquired by a Placee as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive (i) the New Shares acquired by it in the Initial Placing and/or the Placing Programme have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive 2010/73/EU, or in circumstances in which the prior consent of the Placing Agent has been given to the offer or resale; or (ii) where New Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those New Shares to it is not treated under the Prospectus Directive as having been made to such persons;
- 4.12. if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Initial Placing and/or the Placing Programme constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for New Shares pursuant to the Initial Placing and/or the Placing Programme unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and New Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
- 4.13. it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the New Shares and it is not acting on a non-discretionary basis for any such person;
- 4.14. if the Placee is a natural person, such Placee is not under the age of majority (18 years of age in the United Kingdom) on the date of such Placee's agreement to subscribe for New Shares under the Initial Placing and/or the Placing Programme and will not be any such person on the date any such agreement to subscribe under the Initial Placing or Placing Programme is accepted;
- 4.15. it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other offering materials concerning the Issues, the Initial Placing, the Placing Programme or the New Shares to any persons within the United States or to any US Persons, nor will it do any of the foregoing;
- 4.16. it represents, acknowledges and agrees to the representations, warranties and agreements as set out under the heading "United States Purchase and Transfer Restrictions" in paragraph 5, below;
- 4.17. it acknowledges that the neither Placing Agent nor any of their respective affiliates, nor any person acting on their behalf, is making any recommendations to it, advising it regarding the suitability of any transactions it may enter into in connection with the Initial Placing and/or Placing Programme or providing any advice in relation to the Initial Placing and/or Placing Programme and participation in the Initial Placing and/or Placing Programme is on the basis that it is not and will not be a client of the Placing Agent and that the Placing Agent has no duties or responsibilities to it for providing the protections afforded to its clients or for providing advice in relation to the Initial Placing and/or Placing Programme nor in respect of any representations, warranties, undertaking or indemnities otherwise required to be given by it in connection with its application under the Initial Placing and/or the Placing Programme;
- 4.18. it acknowledges that where it is subscribing for New Shares for one or more managed, discretionary or advisory accounts, it is authorised in writing for each such account; (i) to subscribe for the New Shares for each such account; (ii) to make on each such account's behalf the representations, warranties and agreements set out in this document; and (iii) to receive on

behalf of each such account any documentation relating to the Initial Placing and/or Placing Programme in the form provided by the Company and/or the Placing Agent. It agrees that the provision of this paragraph shall survive any resale of the New Shares by or on behalf of any such account;

- 4.19. it irrevocably appoints any director of the Company and any director of the Placing Agent to be its agent and on its behalf (without any obligation or duty to do so), to sign, execute and deliver any documents and do all acts, matters and things as may be necessary for, or incidental to, its subscription for all or any of the New Shares for which it has given a commitment under the Initial Placing and/or the Placing Programme, in the event of its own failure to do so;
- 4.20. it accepts that if the Initial Placing and/or Placing Programme does not proceed or the conditions to the Placing Agreement are not satisfied or the New Shares for which valid applications are received and accepted are not admitted to the Official List of the FCA and to trading on the London Stock Exchange for any reason whatsoever then none of the Placing Agents or the Company, nor persons controlling, controlled by or under common control with any of them nor any of their respective employees, agents, officers, members, stockholders, partners or representatives, shall have any liability whatsoever to it or any other person;
- 4.21. in connection with its participation in the Initial Placing and/or Placing Programme it has observed all relevant legislation and regulations, in particular (but without limitation) those relating to money laundering ("Money Laundering Legislation") and that its application is only made on the basis that it accepts full responsibility for any requirement to verify the identity of its clients and other persons in respect of whom it has applied. In addition, it warrants that it is a person: (i) subject to the Money Laundering Regulations 2007 in force in the United Kingdom; or (ii) subject to the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing) (the "Money Laundering Directive"); or (iii) subject to the Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999, as amended, together with any regulations and guidance notes issued pursuant thereto; or (iv) acting in the course of a business in relation to which an overseas regulatory authority exercises regulatory functions and is based or incorporated in, or formed under the law of, a country in which there are in force provisions at least equivalent to those required by the Money Laundering Directive;
- 4.22. it acknowledges that due to anti-money laundering requirements, the Placing Agent and the Company may require proof of identity and verification of the source of the payment before the application can be processed and that, in the event of delay or failure by the applicant to produce any information required for verification purposes, the Placing Agent and the Company may refuse to accept the application and the subscription moneys relating thereto. It holds harmless and will indemnify the Placing Agent and the Company against any liability, loss or cost ensuing due to the failure to process such application, if such information as has been required has not been provided by it;
- 4.23. it acknowledges that any person in Guernsey involved in the business of the Company who has a suspicion or belief that any other person (including the Company or any person subscribing for New Shares) is involved in money laundering activities, is under an obligation to report such suspicion to the Financial Intelligence Service pursuant to the Terrorism and Crime (Bailiwick of Guernsey) Law, 2002, as amended;
- 4.24. it acknowledges and agrees that information provided by it to the Company or the Registrar will be stored both on the Registrar's and the Administrator's computer system and manually. It acknowledges and agrees that for the purposes of the Data Protection (Bailiwick of Guernsey) Law, 2001, as amended (the "Data Protection Law") and other relevant data protection legislation which may be applicable, the Registrar is required to specify the purposes for which it will hold personal data. The Registrar and the Administrator will only use such information for the purposes set out below (collectively, the "Purposes"), being to:
 - 4.24.1. process its personal data (including sensitive personal data) as required by or in connection with its holding of New Shares, including processing personal data in connection with credit and money laundering checks on it;

- 4.24.2. communicate with it as necessary in connection with its affairs and generally in connection with its holding of New Shares;
- 4.24.3. provide personal data to such third parties as the Registrar or the Administrator may consider necessary in connection with its affairs and generally in connection with its holding of New Shares or as the Data Protection Law may require, including to third parties outside the Bailiwick of Guernsey or the European Economic Area;
- 4.24.4. without limitation, provide such personal data to the Company or the Investment Manager and its respective associates for processing, notwithstanding that any such party may be outside the Bailiwick of Guernsey or the European Economic Area; and
- 4.24.5. process its personal data for the Registrar's or the Administrator's internal administration;
- 4.25. in providing the Registrar and the Administrator with information, it hereby represents and warrants to the Registrar and the Administrator that it has obtained the consent of any data subject to the Registrar and the Administrator and their respective associates holding and using their personal data for the purposes (including the explicit consent of the data subjects for the processing of any sensitive personal data for the Purposes set out in paragraph 4.24 above). For the purposes of this document, "data subject", "personal data" and "sensitive personal data" shall have the meanings attributed to them in the Data Protection Law;
- 4.26. the Placing Agent and the Company are entitled to exercise any of their rights under the Placing Agreement or any other right in their absolute discretion without any liability whatsoever to it;
- 4.27. the representations, undertakings and warranties contained in this document are irrevocable. It acknowledges that the Placing Agent and the Company and their respective affiliates will rely upon the truth and accuracy of the foregoing representations and warranties and it agrees that if any of the representations or warranties made or deemed to have been made by its subscription of the New Shares are no longer accurate, it shall promptly notify the Placing Agent and the Company;
- 4.28. where it or any person acting on behalf of it is dealing with the Placing Agent, any money held in an account with the Placing Agent on behalf of it and/or any person acting on behalf of it will not be treated as client money within the meaning of the relevant rules and regulations of the FCA which therefore will not require the Placing Agent to segregate such money, as that money will be held by the Placing Agent under a banking relationship and not as trustee;
- 4.29. any of its clients, whether or not identified to the Placing Agent, will remain its sole responsibility and will not become clients of the Placing Agent for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision;
- 4.30. it accepts that the allocation of New Shares shall be determined by the Placing Agent in their absolute discretion but in consultation with the Company and the Sponsor and that the Placing Agent and the Sponsor may scale down any commitments for this purpose on such basis as it may determine; and
- 4.31. time shall be of the essence as regards its obligations to settle payment for the New Shares and to comply with its other obligations under the Initial Placing and/or the Placing Programme.

5. United States purchase and transfer restrictions

By participating in the Initial Placing and/or the Placing Programme, each Placee acknowledges and agrees that it will (for itself and any person(s) procured by it to subscribe for New Shares and any nominee(s) for any such person(s)) be further deemed to represent and warrant to each of the Company, the Investment Manager, the Registrar and the Placing Agent that:

- 5.1. it is not a US Person and it is acquiring the New Shares in an offshore transaction meeting the requirements of Regulation S and it is not acquiring the New Shares for the account or benefit of a US Person;
- 5.2. it acknowledges that the New Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the

United States and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons absent registration or an exemption from registration under the Securities Act;

- 5.3. it acknowledges that the Company has not registered under the Investment Company Act and that the Company has put in place restrictions for transactions not involving any public offering in the United States, and to ensure that the Company is not and will not be required to register under the Investment Company Act;
- 5.4. unless the Company expressly consents otherwise in writing, no portion of the assets used to purchase, and no portion of the assets used to hold, the New Shares or any beneficial interest therein constitutes or will constitute the assets of (i) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the Tax Code, including an individual retirement account or other arrangement that is subject to Section 4975 of the Tax Code; or
- 5.5. an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA or Section 4975 of the Tax Code. In addition, if a Placee is a governmental, church, non-US or other employee benefit plan that is subject to any federal, state, local or non-US law that is substantially similar to the provisions of Title I of ERISA or Section 4975 of the Tax Code, its purchase, holding, and disposition of the New Shares must not constitute or result in a non-exempt violation of any such substantially similar law;
- 5.6. if any New Shares offered and sold pursuant to Regulation S are issued in certificated form, then such certificates evidencing ownership will contain a legend substantially to the following effect, unless otherwise determined by the Company in accordance with applicable law:

"STANDARD LIFE INVESTMENTS PROPERTY INCOME TRUST LIMITED (THE "COMPANY") HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US INVESTMENT COMPANY ACT OF 1940, AS AMENDED. IN ADDITION, THE SECURITIES OF THE COMPANY REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.";
- 5.7. if in the future the Placee decides to offer, sell, transfer, assign or otherwise dispose of its New Shares, it will do so only in compliance with an exemption from the registration requirements of the US Securities Act and under circumstances which will not require the Company to register under the Investment Company Act. It acknowledges that any sale, transfer, assignment, pledge or other disposal made other than in compliance with such laws and the above stated restrictions will be subject to the compulsory transfer provisions as provided in the Articles;
- 5.8. it is purchasing the New Shares for its own account or for one or more investment accounts for which it is acting as a fiduciary or agent, in each case for investment only, and not with a view to or for sale or other transfer in connection with any distribution of the New Shares in any manner that would violate the US Securities Act, the Investment Company Act or any other applicable securities laws;
- 5.9. it acknowledges that the Company reserves the right to make inquiries of any holder of the New Shares or interests therein at any time as to such person's status under US federal securities laws and to require any such person that has not satisfied the Company that holding by such person will not violate or require registration under US securities laws to transfer such New Shares or interests in accordance with the Articles;
- 5.10. it acknowledges and understands that the Company is required to comply with FATCA and agrees to furnish any information and documents the Company may from time to time request, including but not limited to information required under FATCA;
- 5.11. it is entitled to acquire the New Shares under the laws of all relevant jurisdictions which apply to it, it has fully observed all such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities and it has paid all issue, transfer or other taxes due in connection with its acceptance in any jurisdiction of the New Shares and that it has not taken any action, or omitted to take any action, which may result in the

Company, the Investment Manager, the Placing Agent or their respective directors, officers, agents, employees and advisers being in breach of the laws of any jurisdiction in connection with the Initial Placing and/or the Placing Programme or its acceptance of participation in the Initial Placing and/or the Placing Programme;

- 5.12. it has received, carefully read and understands this document, and has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted this document or any other presentation or offering materials concerning the New Shares to within the United States or to any US Persons, nor will it do any of the foregoing; and
- 5.13. if it is acquiring any New Shares as a fiduciary or agent for one or more accounts, the Placee has sole investment discretion with respect to each such account and full power and authority to make such foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.

The Company, the Investment Manager, the Placing Agent and their respective directors, officers, agents, employees, advisers and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and agreements.

If any of the representations, warranties, acknowledgments or agreements made by the Placee are no longer accurate or have not been complied with, the Placee will immediately notify the Company.

6. Supply and disclosure of information

If the Placing Agent, the Registrar or the Company or any of their agents request any information about a Placee's agreement to subscribe for New Shares under the Initial Placing and/or the Placing Programme, such Placee must promptly disclose it to them.

7. Miscellaneous

The rights and remedies of the Company, the Investment Manager, the Placing Agent and the Registrar under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

On application, if a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Initial Placing and/or the Placing Programme will be sent at the Placee's risk. They may be returned by post to such Placee at the address notified by such Placee.

Each Placee agrees to be bound by the Articles once Admission has occurred and the New Shares, which the Placee has agreed to subscribe for pursuant to the Initial Placing and/or the Placing Programme, have been acquired by the Placee. The contract to subscribe for New Shares under the Initial Placing and/or the Placing Programme and the appointments and authorities mentioned in this document and all disputes and claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) will be governed by, and construed in accordance with, the laws of England and Wales. For the exclusive benefit of the Company, the Investment Manager, the Sponsor, the Placing Agent and the Registrar, each Placee irrevocably submits to the jurisdiction of the courts of England and Wales and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum. This does not prevent an action being taken against the Placee in any other jurisdiction.

In the case of a joint agreement to subscribe for New Shares under the Initial Placing and/or the Placing Programme, references to a "Placee" in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

The Placing Agent and the Company expressly reserve the right to modify the Initial Placing and/or the Placing Programme (including, without limitation, the timetable and settlement) at any time before allocations are determined. The Initial Placing and/or the Placing Programme is subject to the satisfaction of the conditions contained in the Placing Agreement and the Placing Agreement not having been terminated. Further details of the terms of the Placing Agreement are contained in Part X of this document.

PART XII

TERMS AND CONDITIONS OF THE OFFER FOR SUBSCRIPTION

1. Introduction

If you apply for New Shares under the Offer for Subscription, you will be agreeing with the Company, the Placing Agent and the Receiving Agent as set out in this Part XII.

2. Offer to acquire New Shares under the Offer for Subscription

Your application must be made on the Application Form attached at the end of this document or otherwise published by the Company. By completing and delivering an Application Form, you, as the applicant, and, if you complete an Application Form on behalf of another person or a corporation, that person or corporation:

- 2.1. offer to subscribe for the number of New Shares specified in section 1 of your Application Form (or such lesser number for which your application is accepted) at the Issue Price on the terms, and subject to the conditions, set out in this document (including this Part XII) and the Memorandum and Articles;
- 2.2. agree that, in consideration of the Company and the Placing Agent agreeing that they will not, prior to Admission, offer for subscription any New Shares to any person other than by means of the procedures referred to in this document, your application may not be revoked until after 9 December 2015 and shall not be revoked after Admission and that this paragraph 2.2 shall constitute a collateral contract between you, the Company and the Placing Agent which will become binding upon despatch by post to or, in the case of delivery by hand, on receipt by the Receiving Agent of your Application Form;
- 2.3. warrant that the remittance accompanying your Application Form will be honoured on first presentation and agree that if such remittance is not so honoured you will not be entitled to have any New Shares applied for in uncertificated form credited to a CREST account or to receive a share certificate for any New Shares applied for in certificated form or to enjoy or receive any rights in respect of such New Shares unless and until you make payment in cleared funds for such New Shares (and any associated aggregated commission) and such payment is accepted by the Receiving Agent (which acceptance shall be in its absolute discretion and on the basis that you indemnify the Company and the Receiving Agent against all costs, damages, losses, expenses and liabilities arising out of or in connection with the failure of your remittance to be honoured on first presentation) and the Company may (without prejudice to any other rights it may have) avoid the agreement to issue such New Shares and may issue them to some other person(s), in which case you will not be entitled to any refund or payment in respect thereof (other than the refund to you at your risk of any proceeds of the remittance, once honoured, which accompanied your Application Form, without interest);
- 2.4. agree that the crediting to a CREST account of any New Shares in uncertificated form to which you may become entitled may be delayed by, and that any share certificate in respect of any New Shares in certificated form to which you or, in the case of joint applicants, any of the persons specified by you in your Application Form may become entitled and monies returnable may be retained by, the Receiving Agent:
 - 2.4.1. pending clearance of your remittance;
 - 2.4.2. pending investigation of any suspected breach of the warranties contained in subparagraphs 6.1, 6.2, 6.6, 6.8 or 6.9 of this Part XII or any other suspected breach of the terms and conditions of application set out in this Part XII; or
 - 2.4.3. pending any verification of identity which is, or which the Company or the Receiving Agent considers may be, required for the purposes of its money laundering obligations under the UK Money Laundering Regulations 2007, the Money Laundering Directive (Council Directive No. 91/308/EEC), the Criminal Justice (Proceeds of Crime) (Financial Services Businesses) (Bailiwick of Guernsey) Regulations 2007 and the Handbook of

Financial Services Business (together referred to as the “Money Laundering Regulations”) (in each case as amended) and any other regulations applicable thereto; and

- 2.4.4. any interest accruing on such retained monies shall accrue to and for the sole benefit of the Company;
- 2.5. agree, on the request of the Company or the Placing Agent, to disclose promptly in writing to them such information as the Company or the Placing Agent may request in connection with your application and authorise the Company, the Placing Agent and the Receiving Agent to disclose any information relating to your application which they may consider appropriate;
- 2.6. agree that, if evidence of identity satisfactory to the Company and/or the Placing Agent is not provided to the Receiving Agent within a reasonable time in the opinion of the Placing Agent following a request therefor, the Company or the Placing Agent may terminate the agreement with you to issue New Shares and, in such case, the New Shares which would otherwise have been issued to you may be re-issued and your application monies will be returned to the bank or other account on which the cheque or other remittance accompanying the application was drawn without interest and at your risk;
- 2.7. agree that you are not applying on behalf of a person engaged in money laundering;
- 2.8. undertake to ensure that, in the case of an Application Form signed by someone else on your behalf, the original of the relevant power of attorney (or a complete copy certificated by a solicitor or notary) is enclosed with your Application Form;
- 2.9. undertake to pay interest at the rate described in paragraph 3.3 of this Part XII if the remittance accompanying your Application Form is not honoured on first presentation;
- 2.10. authorise the Receiving Agent to credit the CREST account specified in section 6 of the Application Form with the number of New Shares for which your application is accepted or, if that section is not completed, send a definitive certificate in respect of the number of New Shares for which your application is accepted by post to your address (or that of the first-named applicant) as set out in your Application Form;
- 2.11. agree that, in the event of any difficulties or delays in the admission of the New Shares to CREST or the use of CREST in relation to the Offer for Subscription, the Company and the Placing Agent may agree that all of the New Shares should be issued in certificated form;
- 2.12. authorise the Receiving Agent to send a crossed cheque for any monies returnable (without interest) by post to your address (or that of the first-named applicant) as set out in your Application Form;
- 2.13. confirm that you have read and complied with paragraph 8.2 of this Part XII;
- 2.14. consent to the processing of personal data given in relation to your application and acknowledge and accept that information provided by you to the Company, Receiving Agent or Administrator will be stored on the Receiving Agent's, the Registrar's and the Administrator's computer system. You acknowledge and agree that for the purposes of the Data Protection (Bailiwick of Guernsey) Law, 2001, as amended (the “Data Protection Law”) and other relevant data protection legislation which may be applicable, the Receiving Agent, the Registrar and the Administrator are required to specify the purposes for which they will hold personal data. The Receiving Agent, the Registrar and the Administrator will only use such information for the purposes set out below (collectively, the “Purposes”), being to:
 - 2.14.1. process your personal data (including sensitive personal data) as required by or in connection with your holding of New Shares, including processing personal data in connection with credit and money laundering checks on you;
 - 2.14.2. communicate with you as necessary in connection with your affairs and generally in connection with your holding of New Shares;

- 2.14.3. provide personal data to such third parties as the Administrator, the Registrar or Receiving Agent may consider necessary in connection with your affairs and generally in connection with your holding of New Shares or as the Data Protection Law may require, including to third parties outside the Bailiwick of Guernsey or the European Economic Area;
- 2.14.4. without limitation, provide such personal data to the Company, the Placing Agent, the Investment Manager, the Administrator, the Receiving Agent, the Registrar and their respective associates for processing, notwithstanding that any such party may be outside the Bailiwick of Guernsey or the European Economic Area; and
- 2.14.5. process your personal data for the Administrator's, the Receiving Agent's or the Registrar's internal administration.

In providing the Receiving Agent, the Registrar and the Administrator with information, you hereby represent and warrant to the Receiving Agent, the Registrar and the Administrator that you have obtained the consent of any data subject to the Receiving Agent and the Administrator and their respective associates holding and using their personal data for the purposes (including the explicit consent of the data subject for the processing of any sensitive personal data for the Purposes set out in paragraph 2.14.1 above). For the purposes of this document, "data subject", "personal data" and "sensitive personal data" shall have the meanings attributed to them in the Data Protection Law; and

- 2.15. agree that your Application Form is addressed to the Company.

3. Acceptance of applications

- 3.1. In respect of those New Shares for which your application has been received and is not rejected, acceptance of your application shall be constituted, at the election of the Company, or the Placing Agent on behalf of the Company, either:
 - 3.1.1. by notifying the FCA of the basis of allocation (in which case the acceptance will be on that basis); or
 - 3.1.2. by notifying acceptance thereof to the Receiving Agent.
- 3.2. The basis of allocation will be determined by the Company in consultation with the Placing Agent. The right is reserved notwithstanding the basis so determined to reject in whole or in part and/or scale down any application. The right is also reserved to treat as valid any application not complying fully with the terms and conditions of application set out in this Part XII or not in all respects completed or delivered in accordance with the instructions accompanying the Application Form. In particular, but without limitation, the Company may accept an application made otherwise than by completion of an Application Form where you have agreed with it in some other manner to apply in accordance with the terms and conditions of application in this Part XII. The Company reserves the right (but shall not be obliged) to accept Application Forms and accompanying remittances which are received through the post after 11.00 a.m. on 9 December 2015 or which are received otherwise than in accordance with these terms and conditions of the Offer for Subscription.
- 3.3. The right is reserved to present all cheques for payment on receipt by the Receiving Agent to retain documents of title and surplus application monies pending clearance of successful applicant's cheques. The Company may require you to pay interest or its other resulting costs (or both) if any cheque accompanying your application is not honoured on first presentation. If you are required to pay interest, you will be obliged to pay the amount determined by the Company to be the interest on the amount of the cheque from the date on which the basis of allocation under the Offer for Subscription is publicly announced until the date of receipt of cleared funds. The rate of interest will be the then published bank base rate of a clearing bank selected by the Company plus 2 per cent. per annum.
- 3.4. The right is reserved to reject in whole or in part and/or to scale down or limit, any application.

- 3.5. The Company reserves the right in its absolute discretion (but shall not be obliged) to accept applications for less than 3,000 New Shares, or applications which are more than 3,000 New Shares but not a multiple of 100 thereafter.

4. Conditions

- 4.1. The contracts created by the acceptance of applications (in whole or in part) under the Offer for Subscription will be conditional upon:
- 4.1.1. Admission by 8.00 a.m. on 15 December 2015 (or such later time or date, not being later than 8.00 a.m. on 18 December 2015, as the Company and the Placing Agent may agree); and
 - 4.1.2. the Placing Agreement referred to in paragraph 8.1 of Part X of this document becoming unconditional and the obligations of the Placing Agent thereunder not being terminated prior to Admission.
- 4.2. You will not be entitled to exercise any remedy of rescission for innocent misrepresentation (including pre-contractual representations) at any time after acceptance. This does not affect any other right you may have.

5. Return of application monies

If any application is not accepted in whole, or is accepted in part only (as a result of any scaling back of any part of an application), or if any contract created by acceptance does not become unconditional, the application monies or, as the case may be, the balance of the amount paid on application will be returned without interest by returning your cheque, or by crossed cheque in favour of the first-named applicant, by post at the risk of the person(s) entitled thereto. In the meantime, application monies will be retained by the Receiving Agent in a separate account.

6. Warranties

By completing an Application Form, you:

- 6.1. warrant that, if you sign the Application Form on behalf of somebody else or on behalf of a corporation, you have due authority to do so on behalf of that other person or corporation and that such other person or corporation will be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in this Part XII and undertake to enclose your power of attorney or other authority or a complete copy thereof duly certified by a solicitor or notary;
- 6.2. warrant that, if the laws of any territory or jurisdiction outside the United Kingdom are applicable to your application, you have complied with all such laws, obtained all governmental and other consents which may be required, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with your application in any such territory or jurisdiction and that you have not taken any action or omitted to take any action which will result in the Company, the Placing Agent or the Receiving Agent or any of their respective officers, agents or employees acting in breach of the regulatory or legal requirements, directly or indirectly, of any territory or jurisdiction outside the United Kingdom in connection with the Offer for Subscription in respect of your application;
- 6.3. confirm that, in making an application, you are not relying on any information or representations in relation to the Company other than those contained in this document and any supplementary prospectus issued by the Company prior to Admission (on the basis of which alone your application is made) and, accordingly, you agree that no person responsible solely or jointly for this document or any part of it shall have any liability for any such other information or representation;
- 6.4. agree that, having had the opportunity to read this document, you shall be deemed to have had notice of all information and representations contained in it;
- 6.5. acknowledge that no person is authorised in connection with the Offer for Subscription to give any information or make any representation other than as contained in this document and any

supplementary prospectus issued by the Company prior to Initial Admission and, if given or made, any information or representation must not be relied upon as having been authorised by the Company or the Placing Agent;

- 6.6. warrant that you are not under the age of 18 on the date of your application;
- 6.7. agree that all documents and monies sent by post to, by or on behalf of the Company, the Placing Agent or the Receiving Agent will be sent at your risk and, in the case of documents and returned monies to be sent to you, may be sent to you at your address (or, in the case of joint applicants, the address of the first-named applicant) as set out in your Application Form;
- 6.8. warrant that you are not applying as, or as nominee or agent of, a person who is or may be a person mentioned in any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipt and clearance services); and
- 6.9. confirm that you have reviewed the restrictions contained in paragraph 2 of this Part XII and warrant to the extent relevant, that you (and any person on whose behalf you apply) comply or have complied with the provisions in that paragraph.

7. Money laundering

- 7.1. You agree that, in order to ensure compliance with the Money Laundering Regulations, as amended, and any other regulations applicable thereto, the Company and/or the Placing Agent may, at its/their absolute discretion, require verification of identity from any person lodging an Application Form who either:
 - 7.1.1. tenders payment by way of banker's draft or cheque or money order drawn on an account in the name of another person or persons (in which case verification of your identity may be required); or
 - 7.1.2. appears to the Receiving Agent to be acting on behalf of some other person (in which case verification of or identity of any persons on whose behalf you appear to be acting may be required).
- 7.2. Failure to provide the necessary evidence or identity may result in application(s) being rejected or delays in the despatch of documents or CREST accounts being credited.
- 7.3. Without prejudice to the generality of this paragraph 7 of this Part XII, verification of the identity of applicants will be required if the aggregate value of the New Shares applied for, whether in one or more applications, exceeds €15,000 (or its Sterling equivalent, being approximately £12,500). If the aggregate value of the New Shares which you are applying for, whether in one or more applications, exceeds €15,000 you must ensure that section 8.1, 8.2 or 8.3 (as appropriate) of the Application Form is completed.

8. Overseas investors

The attention of investors who are not resident in, or citizens of, countries other than the United Kingdom and Guernsey is drawn to paragraph 8.1 to 8.4 below:

- 8.1. The offer of New Shares under the Offer for Subscription to persons who are resident in, or citizens of, countries other than the United Kingdom and Guernsey may be affected by the law of the relevant jurisdictions. Such persons should consult their professional advisers as to whether they require any government or other consents or need to observe any applicable legal requirements to enable them to subscribe for New Shares under the Offer for Subscription. It is the responsibility of all such persons receiving this document and/or wishing to subscribe for New Shares under the Offer for Subscription, to satisfy themselves as to full observance of the laws of any relevant territory or jurisdiction in connection therewith, including obtaining all necessary governmental or other consents that may be required and observing all other formalities requiring to be observed and paying any issue, transfer or other taxes due in such territories.
- 8.2. No person receiving a copy of this document in any territory other than the United Kingdom or Guernsey may treat the same as constituting an offer or invitation to him, unless in the relevant

territory such an offer can lawfully be made to him without compliance with any further registration or other legal requirements.

- 8.3. Persons (including, without limitation, nominees and trustees) receiving this document should not distribute or send it to any US Person or in or into the United States, Canada, Australia, the Republic of South Africa or Japan, their respective territories or possessions or any other jurisdiction where to do so would or might contravene local securities laws or regulations.
- 8.4. The Company reserves the right to treat as invalid any agreement to subscribe for New Shares pursuant to the Offer for Subscription if it appears to the Company or its agents to have been entered into in a manner that may involve a breach of the securities legislation of any jurisdiction.

9. Miscellaneous

- 9.1. To the extent permitted by law, all representations, warranties and conditions, express or implied and whether statutory or otherwise (including, without limitation, pre-contractual representations but excluding any fraudulent representations), are expressly excluded in relation to the New Shares and the Offer for Subscription.
- 9.2. The rights and remedies of the Company, the Placing Agent and the Receiving Agent, pursuant to this Part XII are in addition to any rights and remedies, which would otherwise be available to any of them, and the exercise or partial exercise of one will not prevent the exercise of others.
- 9.3. The Company reserves the right to delay the closing time of the Offer for Subscription from 11.00 a.m. on 9 December 2015 by giving notice to the FCA. In this event, the revised closing time will be published in such manner as the Placing Agent, in consultation with the Company, determines subject, and having regard, to the Listing Rules, the Prospectus Rules and any other requirements of the FCA.
- 9.4. The Company may terminate the Offer for Subscription in its absolute discretion at any time prior to Admission. If such right is exercised, the Offer for Subscription will lapse and any monies will be returned to you without interest.
- 9.5. You agree that the Placing Agent is acting for the Company in connection with the Offer for Subscription and for no-one else and that the Placing Agent will not treat you as its customer by virtue of such application being accepted or owe you any duties concerning the price of New Shares or concerning the suitability of New Shares for you or otherwise in relation to the Offer for Subscription.
- 9.6. You authorise the Receiving Agent, the Placing Agent or any person authorised by any of them or the Company, as your agent, (without any obligation to do so) to do all things necessary to effect registration of any New Shares subscribed by you into your name(s) and authorise any representatives of the Receiving Agent or of the Placing Agent to execute and/or complete any document required therefor.
- 9.7. You agree that all applications, acceptances of applications and contracts resulting therefrom under the Offer for Subscription shall be governed by and construed in accordance with English law and that you submit to the jurisdiction of the English courts and agree that nothing shall limit the right of the Company, the Placing Agent or the Receiving Agent to bring any action, suit or proceedings arising out of or in connection with any such applications, acceptances and contracts in any other manner permitted by law or in any court of competent jurisdiction.
- 9.8. The dates and times referred to in this Part XII may be altered by the Company so as to be consistent with the Placing Agreement (as the same may be altered from time to time in accordance with its terms).
- 9.9. Save where the context requires otherwise, terms used in this Part XII bear the same meaning as where used elsewhere in this document.

10. Joint applicants

If you make a joint application, you will not be able to transfer your New Shares into an ISA, SIPP or SSAS. If you are interested in transferring your New Shares into an ISA, SIPP or SSAS, you should apply in your name only.

If you do wish to apply jointly, you may do so with up to three other persons. Sections 3 and 4 of the Application Form must be completed by one applicant. All other persons who wish to join in the application must complete and sign section 7 of the Application Form.

Another person may sign on behalf of any joint applicant if that other person is duly authorised to do so under a power of attorney. The original of the relevant power of attorney (or a complete copy certified by a solicitor or notary) must be enclosed for inspection. Certificates, cheques and other correspondence will be sent to the address set out in the first paragraph of the Application Form.

11. Verification of identity

Section 8 of the Application Form only applies if the aggregate value of the New Shares which you are applying for, whether in one or more applications, exceeds €15,000 (or its Sterling equivalent, being approximately £12,500). If section 8 applies to your application, you must ensure that section 8.1, 8.2 or 8.3 (as appropriate) is completed.

11.1. Professional adviser or intermediary

You should complete section 8.1 of the Application Form if you are a stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under FSMA or, if outside the United Kingdom, another appropriately authorised independent financial adviser acting on behalf of a client.

11.2. Applicant identity information

Section 8.3 of the Application Form need only be completed where the aggregate value of the New Shares which you are applying for, whether in one or more applications, exceeds €15,000 (or its Sterling equivalent, being approximately £12,500) and neither sections 8.1 nor 8.2 of the Application Form can be completed.

Notwithstanding that the declaration set out in section 8.2 of the Application Form has been completed and signed, the Receiving Agent, the Placing Agent and the Company reserve the right to request of you the identity documents listed in section 8.3 of the Application Form and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence. If satisfactory evidence of identity has not been obtained within a reasonable time, your application might be rejected or revoked.

Where certified copies of documents are requested in section 8.3 of the Application Form, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

12. Instructions for delivery of completed Application Forms

Completed Application Forms should be returned, by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, so as to be received by no later than 11.00 a.m. on 9 December 2015. If you post your Application Form, you are recommended to use first class post and to allow at least two days for delivery. Application Forms received after 11.00 a.m. on 9 December 2015 may be rejected and returned to the first-named applicant.

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APPLICATION FORM
STANDARD LIFE INVESTMENTS PROPERTY INCOME TRUST LIMITED
(the “Company”)

Please send the completed form by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, so as to be received by no later than 11.00 a.m. on 9 December 2015.

Important – Before completing this form, you should read the accompanying notes set out pages 156 to 158 of this document. All applicants must complete boxes 1 to 4 and box 8 and enclose payment. Box 6 should only be completed if you wish to hold your New Shares in uncertificated form. Box 7 should only be completed by joint applicants. If your application is for more than €15,000 (or its Sterling equivalent, being approximately £12,500), section 8.1, 8.2 or 8.3 (as appropriate) must also be completed.

If you have a query concerning completion of this Application Form please contact Computershare Investor Services PLC on 0370 707 4040 (or +44(0) 370 707 4040 if calling from outside of the United Kingdom) between 9.00 a.m. and 5.00 p.m. on any Business Day. Calls may be recorded and randomly monitored for security and training purposes.

Please note that the Shareholder Helpline cannot provide comments on the merits of the Rights Issue, or legal, financial or taxation advice.

1. Application

I/We, the person(s) detailed in section(s) 3 and, in the case of joint applicants, 7 below offer to subscribe for the number of fully paid New Shares specified in the box below subject to the Terms and Conditions of Application under the Offer for Subscription set out in the Prospectus dated 17 November 2015 and subject to the Memorandum and Articles of Association of the Company.

(Write in figures, the number of New Shares that you wish to apply for. The aggregate subscription must not be less than 3,000. Applications in excess of the minimum subscription amount should be in multiples of 100).

2. Amount payable

I/We attach a cheque or banker's draft for the amount payable of:

£

(The amount in Box 1 multiplied by the Issue Price)

3. Personal details (PLEASE USE BLOCK CAPITALS)

Mr, Mrs, Miss or Title	Forenames (in full)
Surname	
Address (in full)	
Postcode	Daytime telephone no.

4. Signature

I/We hereby confirm that I/We have read the Prospectus and make this application on and subject to the Terms and Conditions of Application under the Offer for Subscription set out in Part XII of the Prospectus.

Signature	Dated 2015
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5. Form of Payment

Cheque or Banker's Draft

☐

If you are paying by cheque or banker's draft, please check the box beside this paragraph 5 and pin your cheque or banker's draft here. Your cheque or banker's draft must be for the amount in pounds Sterling equal to the number shown in the box in section 2 above, made payable to "Computershare Investor Services PLC re Standard Life Investments Property Income Trust Limited Offer for Subscription A/C" and crossed "A/C Payee". Your payment must relate solely to this Application Form. No receipt will be issued. The right is reserved to reject any Application Form in respect of which the applicant's cheque or banker's draft has not been cleared on first presentation.

6. New Shares in uncertificated form (CREST)

Complete this section only if you require your New Shares to be credited to a CREST account in the same name as the applicant.

CREST Participant ID: (no more than five characters)						CREST Member Account ID: (no more than eight characters)								
CREST Participant's Name														

7. Joint Applicants (PLEASE USE BLOCK CAPITALS)

(Box 7 must only be completed by joint applicants (see note 7). Where the application is being made jointly by more than one person, the proposed first-named holder should complete sections 2 and 3 above, and all other applicants (subject to a maximum of three) must complete and sign this section 7)

Mr, Mrs, Miss or Title	Forenames (in full)	Surname	Address	Signature

8. Verification of Identity

(If the value of the New Shares which you are applying for, whether in one or more applications, exceeds €15,000 (or its Sterling equivalent, being approximately £12,500), you must ensure that section 8.1, 8.2 or 8.3 (as appropriate) is completed)

8.1. Professional Advisers and Intermediaries (This section 8.1 should be completed if an application for New Shares is being made on behalf of a client by a stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if outside the United Kingdom, another appropriately authorised independent financial adviser).

(Name of professional adviser or intermediary, in full)	
(Address, in full)	
	(Post code)
(Contact name)	(Telephone number)

Declaration by the professional adviser or intermediary

To: Standard Life Investments Property Income Trust Limited, Computershare Investor Services (Guernsey) Limited, Winterflood Securities Limited.

We are a financial adviser authorised under the Financial Services and Markets Act 2000 applying for New Shares on behalf of one or more clients ("relevant clients"). As such, we hereby undertake to:

- 8.1.1. complete anti-money laundering verification of all relevant clients and to inform you of any unsatisfactory conclusion in respect of any such client;
- 8.1.2. keep records to verify the name, identity, place of birth, residential address, occupation and signature of each relevant client; and
- 8.1.3. supply copies of any such records to you as you may require.

We are governed in the conduct of our investment business and in respect of conducting anti-money laundering verification by the following regulatory or professional body (and our reference or other official number allocated to us by that body is included in the box below).

(Full name and country of operation of regulatory or professional body)	
	(Reference or other official number)

If you require further information about our procedures or any of our relevant clients, please contact the person named as the contact in the first box in this section 8.1.

(Date)	2015	(Official stamp, if any)
(Signature)		
(Full name)		
(Title/position)		

- 8.2. **Reliable Introducer** (If you are not a professional adviser or intermediary to whom section 8.1 applies, completion and signing of declaration in this section 8.2 by a suitable person or institution may avoid presentation being requested of the identity documents detailed in section 8.3 of this form).

The declaration below may only be signed by a person or institution (such as a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm) (the "firm") which is itself subject in its own country to the operation of "know your customer" and anti-money laundering regulations no less stringent than those which prevail in the UK. Acceptable countries include Austria, Belgium, Denmark, Finland, France, Germany, Gibraltar, Greece, Jersey, Hong Kong, Iceland, Isle of Man, Italy, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden and Switzerland.

Declaration by the firm

To: Standard Life Investments Property Income Trust Limited, Computershare Investor Services (Guernsey) Limited, Winterflood Securities Limited

With reference to the applicant(s) detailed in section(s) 3 and, in the case of joint applicants, 7 above, all persons signing sections 4 and 7 above (collectively the "relevant persons"), we hereby declare that:

- 8.2.1. we operate in one of the above-mentioned countries and our firm is subject to money laundering regulations under the laws of that country which, to the best of our knowledge, are no less stringent than those which prevail in the UK;
- 8.2.2. we are regulated in the conduct of our business and in the prevention of money laundering by the regulatory authority identified below;
- 8.2.3. each of the relevant persons is known to us in a business capacity and we hold valid identity documentation on each of them and we undertake to immediately provide to you copies thereof on demand;
- 8.2.4. we confirm the accuracy of the names and residential/business address(es) of the applicant(s) named in sections 3 and, in the case of joint applicants, 7 above and, if details of a CREST account are included in section 6 above, that the owner thereof is the applicant named in section 3 above;
- 8.2.5. having regard to all local money laundering regulations we are, after enquiry, satisfied as to the source and legitimacy of the monies being used to subscribe for the New Shares to which this application relates; and
- 8.2.6. where the payor and applicant(s) are different persons we are satisfied as to the relationship between them and the reason for the payor being different to the applicant(s).

The above information is given in strict confidence for your own use only and without any guarantee, responsibility or liability on the part of the firm or its officials.

(Date)	2015	(Official stamp, if any)
(Signature)		
(Full name)		
(Title/position)		



having authority to bind the firm, the details of which are set out below:

(Name of firm, in full)	
(Address, in full)	
	(Post code)
(Contact name)	(Telephone number)
(Full name of firm's regulatory authority)	
(Website address or telephone number of regulatory authority)	(Firm's registered, licence or other official number)

- 8.3. **Applicant identity information** (Only complete this section 8.3 if your application has a value greater than €15,000 (or its Sterling equivalent, being approximately £12,500) and neither of sections 8.1 and 8.2 can be completed).

In accordance with internationally recognised standards for the prevention of money laundering, the relevant documents and information listed below must be provided (please note that the Company, Winterflood Securities and the Receiving Agent reserve the right to ask for additional documents and information).

		Tick here for documents provided				
		Applicant				Payor
		1	2	3	4	
A. For each applicant who is an individual enclose:						
(i)	a certified clear photocopy of one of the following identification documents which bears both a photograph and the signature of the person: (a) current passport; (b) Government or Armed Forces identity card; or (c) driving licence; and					
(ii)	certified copies of at least two of the following documents which purport to confirm that the address(es) given in section 3 and, in the case of joint applicants, section 7 is the applicant's residential address: (a) a recent gas, electricity, water or telephone (not mobile) bill; (b) a recent bank statement; (c) a council tax bill; or (d) similar bill issued by a recognised authority; and					
(iii)	if none of the above documents show their date and place of birth, enclose a note of such information; and					
(iv)	details of the name and address of their personal bankers from which the Receiving Agent or the Company may request a reference, if necessary.					
B. For each holder being a company (a "holder company") enclose:						
(i)	a certified copy of the certificate of incorporation of the holder company; and					
(ii)	the name and address of the holder company's principal bankers from which the Receiving Agent or the Company may request a reference, if necessary; and					
(iii)	a statement as to the nature of the holder company's business, signed by a director; and					
(iv)	a list of the names and residential addresses of each director of the holder company; and					
(v)	for each director provide documents and information similar to that mentioned in A above; and					
(vi)	a copy of the authorised signatory list for the holder company; and					
(vii)	a list of the names and residential/registered addresses of each ultimate beneficial owner interested in more than 5% of the issued share capital of the holder company and, where a person is named, also enclose the documents and information referred to in C below and, if another company is named (a "beneficiary company"), also complete D below. If the beneficial owner(s) named do not directly own the holder company but do so indirectly via nominee(s) or intermediary entities, provide details of the relationship between the beneficial owner(s) and the holder company.					
C. For each individual named in B(vii) as a beneficial owner of a holder company enclose for each such person documents and information similar to that mentioned in A(i) to (iv)						
D. For each beneficiary company named in B(vii) as a beneficial owner of a holder company enclose:						
(i)	a certificated copy of the certificate of incorporation of that beneficiary company; and					
(ii)	a statement as to the nature of that beneficiary company's business signed by a director; and					
(iii)	the name and address of the beneficiary company's principal bankers from which the Receiving Agent or the Company may request a reference, if necessary; and					
(iv)	enclose a list of the names and residential/registered address of each beneficial owner owning more than 5% of the issued share capital of that beneficiary company.					
E. If the payor is not an applicant and is not a bank providing its own cheque or banker's payment on the reverse of which is shown details of the account being debited with such payment enclose:						
(i)	if the payor is a person, for that person the documents mentioned in A(i) to (iv); or					
(ii)	if the payor is a company, for that person the documents mentioned in B(i) to (vii); and					
(iii)	an explanation of the relationship between the payor and the applicant(s).					

NOTES ON HOW TO COMPLETE THE APPLICATION FORM

Applications should be returned so as to be received by 11.00 a.m. on 9 December 2015.

All Applicants should read Notes 1-5. Note 6 should be read by applicants who wish to hold their New Shares in uncertificated form. Note 7 should be read by joint applicants.

1. Application

Fill in (in figures) the aggregate number for which your application for New Shares is made. Your application must be for a minimum of 3,000 New Shares or, if for more than 3,000, in multiples of 100.

2. Amount payable

Fill in (in figures) the total amount payable for the New Shares for which your application is made which is the amount in Box 1 multiplied by the Issue Price as set out in the Prospectus.

3. Personal details

Fill in (in block capitals) your full name, address and daytime telephone number. If this application is being made jointly with other persons, please read Note 7 before completing Box 3.

If you are making this application on behalf of another person or a corporation, that person's or corporation's details should be filled in (in block capitals) in Box 3.

4. Signature

The applicant named in Box 3 must date and sign Box 4.

The Application Form may be signed by another person on your behalf if that person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified as true by a solicitor or a bank) must be enclosed for inspection. A corporation should sign under the hand of a duly authorised official whose representative capacity should be stated.

5. Cheque/banker's draft details

Attach a cheque or banker's draft for the exact amount shown in Box 2 to your completed Application Form. Your cheque or banker's draft must be made payable to "Computershare Investor Services PLC re: Standard Life Investments Property Income Trust Limited Offer for Subscription a/c" and crossed "a/c payee".

Your payment must relate solely to this application. No receipt will be issued. Your cheque or banker's draft must be drawn in Sterling on an account where you have sole or joint title to the funds held at a bank branch in the United Kingdom, the Channel Islands or the Isle of Man and must bear a United Kingdom bank sort code number.

Applications with a value of €15,000 (or its Sterling equivalent, being approximately £12,500) or greater, which are to be settled by way of a third party payment (e.g. banker's draft or building society cheque) will be subject to the verification of identity requirements which are contained in the Money Laundering Regulations 2007, the Money Laundering Directive (Council Directive No. 91/308/EEC), the Criminal Justice (Proceeds of Crime) (Financial Services Businesses) (Bailiwick of Guernsey) Regulations 2007 and the Handbook of Financial Services Business (together referred to as the "**Money Laundering Regulations**") (in each case as amended) and any other regulations applicable thereto. This may involve verification of names and addresses (only) through a reputable agency.

If satisfactory evidence of identity has not been obtained within a reasonable time, and in any event (unless the Offer for Subscription is extended) by 11.00 a.m. on 9 December 2015, your application may not be accepted.

Certificates, cheques and all other correspondence will be sent to the address in Box 3.

6. New Shares in uncertificated form (CREST)

If you wish your New Shares to be issued in uncertificated form you should complete Box 6 in addition to the other parts of the Application Form.

7. Joint applicants

If you make a joint application, you will not be able to transfer your New Shares into an ISA. If you are interested in transferring your New Shares into an ISA, the application should be made by you (or on your behalf) in your name only. If you do wish to apply jointly, you may do so with up to three other persons. Boxes 3 and 4 must be completed by one applicant. All other persons who wish to join in the application must complete and sign Box 7.

Another person may sign on behalf of any joint applicant if that other person is duly authorised to do so under a power of attorney. The power of attorney (or a copy duly certified as true by a solicitor or a bank) must be enclosed for inspection.

Certificates, cheques and all other correspondence will be sent to the address in Box 3.

8. Verification of identity

Section 8 of the Application Form only applies if the aggregate value of the New Shares which you are applying for, whether in one or more applications, exceeds €15,000 (or its Sterling equivalent, being approximately £12,500). If section 8 applies to your application, you must ensure that section 8.1, 8.2 or 8.3 (as appropriate) is completed.

8.1. Professional adviser or intermediary

You should complete section 8.1 of the Application Form if you are a stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 or, if outside the United Kingdom, another appropriately authorised independent financial adviser acting on behalf of a client.

8.2. Reliable introducer

If you are not a professional adviser or intermediary and the value of your application(s) exceed(s) €15,000 (or its Sterling equivalent, being approximately £12,500), you will be required to provide the verification of identity documents listed in section 8.3 of the Application Form unless you can have the declaration set out in section 8.2 of the Application Form given and signed by a firm acceptable to the Receiving Agent and the Company. Section 8.2 of the Application Form details those firms acceptable to the Receiving Agent and the Company for signing the declaration. In order to ensure their Application Forms are processed timely and efficiently, all applicants who are not professional advisers or intermediaries and to whose applications section 8 of the Application Form applies are strongly advised to have the declaration set out in section 8.2 of the Application Form completed and signed by a suitable firm where possible.

8.3. Applicant identity information

Section 8.3 of the Application Form need only be completed where the aggregate value of the New Shares which you are applying for exceeds €15,000 (or its Sterling equivalent, being approximately £12,500) and neither sections 8.1 nor 8.2 of the Application Form can be completed.

Notwithstanding that the declaration set out in section 8.2 of the Application Form has been completed and signed, the Receiving Agent, Winterflood Securities and the Company reserve the right to request of you the identity documents listed in section 8.3 of the Application Form and/or to seek verification of identity of each holder and payor (if necessary) from you or their bankers or from another reputable institution, agency or professional adviser in the applicable country of residence.

If satisfactory evidence of identity has not been obtained within a reasonable time, your application might be rejected or revoked.

Where certified copies of documents are requested in section 8.3 of the Application Form, such copy documents should be certified by a senior signatory of a firm which is either a governmental approved bank, stockbroker or investment firm, financial services firm or an established law firm or accountancy firm which is itself subject to regulation in the conduct of its business in its own country of operation and the name of the firm should be clearly identified on each document certified.

9. Instructions for delivery of completed Application Forms

Completed Application Forms should be returned by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to be received by no later than 11.00 a.m. on 9 December 2015, together in each case with payment in full in respect of the application. If you post your Application Form, you are recommended to use first class post and to allow sufficient time for it to be delivered. Application Forms received after this date may be returned.