

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

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 Scheme under section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended, and the Rules made thereunder. Notification of the Proposals has been given to the Commission pursuant to the Rules. The Commission has not reviewed this document and takes no responsibility for the correctness of any statement made or opinions expressed with regard to the Company.

The Directors of the Company, whose names appear on page 25 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)

Issue of up to 100 million New Shares including an Initial Placing and Offer for Subscription 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 London Stock Exchange's Main Market. It is expected that Admission will become effective and that dealings in the New Shares will commence during the period from 30 July 2014 to 30 June 2015.

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 nor for advising any other person in relation to the Issues or any transaction contemplated in or by this document.

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 14 to 19 of this document.

1 July 2014

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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 this 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 the Rules made thereunder. The Company is regulated by the Commission.

B.5	Group description	The Company has a wholly owned subsidiary, Standard Life Investments Property Holdings Limited.																																																
B.6	Major shareholders	<p>As at 27 June 2014, the Company was aware of the following interests in five 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</td><td>31,945,514</td><td>19.9%</td></tr><tr><td>Standard Life Assurance</td><td>14,982,501</td><td>9.3%</td></tr><tr><td>M&G Investment Management</td><td>9,605,533</td><td>6.0%</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	31,945,514	19.9%	Standard Life Assurance	14,982,501	9.3%	M&G Investment Management	9,605,533	6.0%																																				
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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 2013 is set out in the following table:</p> <table><tr><td></td><td><i>Year ended 31 December 2011</i></td><td><i>Year ended 31 December 2012</i></td><td><i>Year ended 31 December 2013</i></td></tr><tr><td colspan="4">Net asset value</td></tr><tr><td>Net assets (£'000)</td><td>181,871</td><td>176,109</td><td>191,560</td></tr><tr><td>Equity shareholders' funds (£'000)</td><td>87,255</td><td>80,631</td><td>101,592</td></tr><tr><td>Net asset value per Ordinary Share (pence)</td><td>63.9</td><td>57.7</td><td>65.5</td></tr><tr><td colspan="4">Consolidated income statement</td></tr><tr><td>Rental income (£'000)</td><td>14,166</td><td>13,489</td><td>13,385</td></tr><tr><td>Profit/(loss) for the period (£'000)</td><td>4,180</td><td>(1,424)</td><td>11,237</td></tr><tr><td>Earnings per share (pence)</td><td>3.35</td><td>5.53</td><td>3.77</td></tr><tr><td colspan="4">NAV/share price returns</td></tr><tr><td>Net asset value total return</td><td>6.7%</td><td>(2.9)%</td><td>25.2%</td></tr><tr><td>Ordinary Share price return</td><td>(14.2)%</td><td>21.1%</td><td>29.2%</td></tr></table> <p>During the three years to, and since, 31 December 2013 (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 £73,330,821 as at 1 January 2011 to £101,591,795 as at 31 December 2013.</p>		<i>Year ended 31 December 2011</i>	<i>Year ended 31 December 2012</i>	<i>Year ended 31 December 2013</i>	Net asset value				Net assets (£'000)	181,871	176,109	191,560	Equity shareholders' funds (£'000)	87,255	80,631	101,592	Net asset value per Ordinary Share (pence)	63.9	57.7	65.5	Consolidated income statement				Rental income (£'000)	14,166	13,489	13,385	Profit/(loss) for the period (£'000)	4,180	(1,424)	11,237	Earnings per share (pence)	3.35	5.53	3.77	NAV/share price returns				Net asset value total return	6.7%	(2.9)%	25.2%	Ordinary Share price return	(14.2)%	21.1%	29.2%
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B.8	Key pro forma financial information	Not applicable. No pro forma financial information.																																																
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 this document.
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. The Company has not set any maximum weighting limits in the principal property sectors and it may also invest in other commercial property such as hotels, nursing homes and student housing. Limited development and investment in co-investment vehicles 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 will apply the following restrictions to the Property Portfolio:</p> <ul style="list-style-type: none"> • no property will be greater by value than 15 per cent. of Total Assets; • no tenant (excluding 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 the Group's 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	<p>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). The Board currently intends 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. during 2014. The Board does not currently intend to take out additional borrowings. Accordingly as the proceeds of the Issues are invested the Company's loan to value ratio is expected to fall to approximately 30 per cent. (assuming the maximum amount is raised under the Issues). The Board receives recommendations on gearing levels from the Investment Manager and is responsible for setting the gearing range within which the Investment Manager may operate. The Board has no current intention of</p>

		increasing this gearing range and as noted above would like it to reduce to approximately 30 per cent. during the cycle.
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 the Rules made thereunder.
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 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 UK Financial Conduct Authority.</p> <p>In its capacity as 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 31 March 2014 the Investment Manager had £191.7 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 0.85 per cent. per annum of the Company's total assets except where cash balances exceed 10 per cent. of the total assets. The fee applicable to the amount of cash exceeding 10 per cent. of the Total Assets is reduced to 0.20 per cent. per annum, payable quarterly in arrears. The Investment Manager agreed to reduce its fee to 0.75 per cent. of the Company's total assets until such time as the net asset value per Share returns to the launch level of 97 pence. The fees of any managing agents appointed by the Investment Manager are payable out of this fee.</p> <p>In connection with the Proposals the Investment Manager has now agreed to reduce the aggregate fee payable by the Company from 1 August 2014 to</p>

		<p>0.75 per cent. of the Company's total assets up to £200 million, 0.70 per cent of the amount of the Company's total assets between £200 million and £300 million and 0.65 per cent. of the amount of the Company's 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>It is expected that the Investment Manager will be appointed as the Company's AIFM with effect from 7 July 2014. It is expected that the Investment Management Agreement and a new AIFMD compliant investment management agreement will be entered into with the Investment Manager on the same commercial terms as the existing Investment Management Agreement.</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 and Secretarial Agreement. The Administrator is responsible for the general secretarial functions required by the Companies Law.</p> <p>The Administrator is entitled to receive a fee of £65,000 per annum payable quarterly in arrears for the provision of secretarial services to the Company.</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 PLC as registrar in relation to the transfer and settlement of Ordinary Shares held in uncertificated form.</p> <p>Given that the fees payable under the Registrar Agreement are calculated as <i>inter alia</i>, a multiple of the number of Shareholders admitted to the register each year plus a multiple of the number of share transfers made each year, there is no maximum amount payable under the Registrar Agreement.</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 the International Financial Reporting Standards as adopted by the European Union.</p> <p>The fees charged by the Auditors depends 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>
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B.41	Regulatory status of investment manager and custodian	The Investment Manager is authorised and regulated by the UK Financial Conduct Authority.
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	The Group has acquired 31 properties which are located across England, Scotland and Wales and which, have a market value of approximately £178.4 million as at 20 June 2014. As at the date of this document the Company also has cash of £20.9 million, of which approximately £14 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 20 June 2014 (being the latest date prior to the publication of this document) was 69.07 pence.

Section C – Securities

Element	Disclosure requirement	Disclosure
C.1	Type and class of securities	The Company proposes to issue up to 100 million New Shares in aggregate. 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 27 June 2014 (being the latest practicable date prior to the publication of this document) the Company had 160,709,237 Ordinary Shares in issue all of which are fully paid.
C.4	Description of the rights attaching to the securities	<i>Voting Rights</i> 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

		<p>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 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>Shareholders will be entitled to receive such dividends as the Directors may resolve to pay to such holders out of the assets attributable to their class of Shares.</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 in 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 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 London Stock Exchange's 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 February, May, August and November. All dividends will be paid as interim dividends.</p> <p>In the absence of unforeseen circumstances, the Company expects to pay a dividend of 1.161 pence per Share for the quarter ending 30 June 2014 in August to Shareholders on the register prior to the Initial Admission. Accordingly, the New Shares issued under the Initial Placing and Offer will not qualify for this 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>

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. The assumptions made by the Valuer regarding the length of void periods may underestimate the actual void periods suffered by the Group. If the vacancy continues for a longer period of time, the

		<p>Group may suffer reduced revenues resulting in less income being available to be distributed to Shareholders. In addition, the market value of a Property could be diminished because the value of a particular Property will depend principally upon the value of the leases of such Property.</p> <ul style="list-style-type: none"> 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.
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. The net proceeds of the Issues will be used to acquire further UK commercial properties. 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 proceeds of the Issues are invested in UK commercial properties, the Board expects the income generated by the proceeds of the Issues to be lower than the income generated from funds invested by the Group in UK commercial properties.

Section E – Offer

Element	Disclosure requirement	Disclosure
E.1	Net proceeds and costs of the Issues	It is estimated that the costs of the Initial Placing, Offer and Placing Programme incurred by the Company will, in aggregate, be approximately £1.085 million, which is

		approximately 0.98 per cent. of the net assets of the Group. These costs and expenses will be borne equally by the Ordinary Shareholders.
E.2 A	Reason for offer and use of proceeds	The net proceeds of the Issues will be used by the Group to fund the acquisitions of further properties and diversify the Property Portfolio. It is also expected that net proceeds of the Issues will 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.
E.3	Terms and conditions of the offer.	<p>To become effective, the Initial Placing and Offer requires, amongst other things, the following events to occur:</p> <ul style="list-style-type: none"> the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission; and the Admission Condition being satisfied prior to 8.00 a.m. on 30 July 2014 (or such later time and/or date, not being later than 8.00 a.m. on 29 August 2014 as the Board may determine). <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 benefit the relevant condition exists), in whole or in part on or before 29 August 2014. 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 29 August 2014.</p> <p>To become effective, each Issue under the Placing Programme will require the following events to occur:</p> <ul style="list-style-type: none"> once the Company's existing Shareholder allotment authorities granted at the Annual General Meeting and the General Meeting have been exhausted, a special resolution of the Company to be passed (requiring approval of at least 75 per cent. of the votes cast in respect of them by Shareholders at a duly convened general meeting of the Company) approving the Directors' authority to allot New Shares pursuant to the relevant Issue on a non pre-emptive basis; the Placing Programme Price being determined by the Directors; the Admission Condition being satisfied pursuant to such Issue; and a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules.
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 50 million New Shares are issued under the Initial Placing and Offer, Shareholders will suffer a dilution of approximately 23.7 per cent. to their existing percentage holdings.
E.7	Expenses charged to the investor	It is estimated that the costs of the Initial Placing, the Offer and the Placing Programme incurred by the Company will, in aggregate, be approximately £1.085 million, which is approximately 0.98 per cent. of the net assets of the Group.

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 Adjusted 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.

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. The net proceeds of the Issues 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 an issue of New Shares and the proceeds of such issue being fully invested by the Company. Until the proceeds of the Issues 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 the Issues 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 of the Company. Some of the Directors of the Company 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.

Under current United Kingdom tax law, UK letting agents are required to withhold amounts on account of, or to account to HM Revenue & Customs ("HMRC") for, United Kingdom income tax in respect of rent collected on behalf of a landlord which has a normal place of abode outside the United Kingdom, unless a direction (a "Direction") has been given by HMRC confirming that payments to such a landlord may be made without withholding or deduction for or on account of UK income tax and that no such obligation to account to HMRC arises. The Property Subsidiary has received a Direction. There is no guarantee that this may not in the future be withdrawn. Any new property holding subsidiary of the Group would have to apply for such a Direction and there is no guarantee that it would be granted.

In the event that a Direction in respect of the Property Subsidiary or any other member of the Group is withdrawn, the UK letting agent will be required to make payment to HMRC on account of the United Kingdom income tax liability of the Property Subsidiary or such member of the Group.

The Company and the Property Subsidiary are both resident outside the UK for tax purposes. The Group generates rental income from a portfolio of UK properties held directly and via certain indirect holdings. UK income tax (currently at the rate of 20 per cent.) is payable by the Property Subsidiary on

the net rental income (as computed for the purposes of UK taxation) arising on the Property Portfolio. In computing the net rental income of the Property Subsidiary, a deduction is available for interest payable by the Property Subsidiary to the Company on loans made to the Property Subsidiary for the purposes of its rental business to the extent that the amount of interest payable does not exceed the amount of interest that would be payable by the Property Subsidiary had it borrowed from a third party on arm's length terms. In the event that HMRC were successfully to show that the terms, including the quantum, of the loans from the Company to the Property Subsidiary were excessive, compared to the terms which would be negotiated between parties dealing at arm's length, any interest costs attributable to that excess would not be deductible for UK tax purposes. Accordingly the Property Subsidiary's net rental income that is liable to tax would be increased, which would have an adverse effect on the Company's ability to pay dividends to Shareholders at the current rate, or indeed at all.

The Group is currently operated and managed so as not to be subject to UK capital gains tax in respect of dealings in UK property. If the present UK tax treatment of non-resident investors in UK property were to change, the Group could be subject to UK tax on capital gains.

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 Board has recently concluded a review of the tax efficiency of the Company's present structure and has concluded that it would be in the best interests of the majority of Shareholders if the Company became a UK based REIT. Steps are therefore being taken to address the requirements of possible conversion and, if the proposals are approved by Shareholders at an extraordinary general meeting, conversion could take place by 31 December 2014 which would affect the tax position of the Company.

The Company cannot guarantee that it will obtain REIT status nor can it 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

Prospective 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.

As a consequence, the Group will require 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.

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 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 Alternative Investment Fund Managers Directive

The AIFMD, regulates investment fund managers established in the EU and prohibits such managers from managing any alternative investment fund ("AIF") or marketing shares in such funds to investors in the EU unless an AIFMD authorisation is granted to the AIFM. In order to obtain such authorisation, and be able to manage an AIF, an AIFM will need to comply with various obligations in relation to the AIF and in relation to the conduct and operations of its own business, which may create significant additional compliance costs that may, where considered appropriate, be passed to investors in the AIFs managed by AIFMs. The Company expects to appoint the Investment Manager as its AIFM with effect from 7 July 2014.

Any regulatory changes arising from implementation of the AIFMD and any derivative legislation or guidance (or otherwise) that impairs the ability of the Investment Manager to manage the investments of the Company, or limits the Company's ability to market its Ordinary Shares, may materially adversely affect the Company's ability to carry out its investment strategy and achieve its investment objective.

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 develop 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 will reflect the actual sale price even where such sales occur shortly after the relevant valuation date.

The Property Portfolio has been valued by the Valuer as at 20 June 2014 on the basis of "Market Value" in accordance with the Red Book. In determining Market Value, the Valuer is required to make certain assumptions. Such assumptions may prove to be inaccurate.

In assessing Market Value the Valuer has 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 as has been the case since late 2007. 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 are believed to be accurate only as of their valuation date. Whilst there has been no material change in the valuation of these Properties since 20 June 2014, 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.

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 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 Initial Placing, the Offer and the Placing Programme

Costs and expenses

The net proceeds of the Initial Placing, the Offer and the Placing Programme will be used to acquire UK commercial properties in accordance with the Company's investment policy. The typical costs of acquiring UK commercial properties are approximately 5.75 per cent. of the purchase price thereof. The New Shares will be issued at a premium to the Adjusted NAV per Share. It is expected that, based on the price of the New Shares, the costs and expenses of the Issues and assuming full market standard costs of acquiring commercial properties, the Issues and the subsequent acquisition of properties with the proceeds, if any, of the Issues will result in a small reduction in the NAV per Share over the period of investment.

Shortfall of income until proceeds invested

The net proceeds of the Issues 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 proceeds of the Issues are invested in UK commercial properties, the Board expects the income generated by the proceeds of the Issues 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 the Prospectus 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 the Prospectus Rules, the Listing Rules and the Disclosure and Transparency Rules neither the delivery of the Prospectus 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 the 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 accepts any responsibility whatsoever for the contents of this document nor 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 disclaims 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 the Prospectus 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, 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 Member 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 7 of Part VI 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 annual report and accounts of the Company for each of the three financial years up to 31 December 2013 on the pages specified in the table below are incorporated by reference into this document. The non-incorporated parts of these annual reports and accounts of the Company 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>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>2011</i>	<i>2012</i>	<i>2013</i>
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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 VIII of this document.

EXPECTED TIMETABLE

Date

Initial Placing and Offer

Initial Placing and Offer opens	1 July 2014
Announcement of the second interim dividend	4 July 2014
Publication of Initial Placing and Offer Price	16 July 2014
Latest time and date for receipt of Application Forms under the Offer	11.00 a.m. on 24 July 2014
Latest time and date for commitments under the Initial Placing	3.00 p.m. on 25 July 2014
Results of the Initial Placing and Offer announced	29 July 2014
Admission and dealings in New Shares commence	8.00 a.m. on 30 July 2014
Crediting of CREST accounts in respect of the New Shares	30 July 2014
Share certificates in respect of the New Shares despatched (if applicable)	on or around 4 August

Placing Programme

Placing Programme opens	30 July 2014
Admission and dealings in New Shares commence	4 August 2014 to 1 July 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 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.
- (ii) All references to time in this document are to the time in London.
- (iii) In this document, where the context requires, references to 27 June 2014 should be treated as being references to the latest practicable date prior to the publication of this document.
- (iv) New Shares will be issued pursuant to the Issues only at such times (if any) as the Directors believe it is advantageous to the Company's Shareholders to do so. New Shares will be issued pursuant to the Issues only during the period commencing at 8.00 a.m. on 30 July 2014 and ending at 5.00 p.m. on 30 June 2015.

ISSUE STATISTICS

Number of Ordinary Shares at the date of this document 160,709,237

Initial Placing and Offer

Number of New Shares available under the Initial Placing and Offer 50 million

Initial Placing and Offer Price per New Share 5 per cent. premium
to the Adjusted NAV per Share
as at 30 June 2014

Placing Programme

Maximum number of New Shares to be issued
pursuant to the Issues (which includes New Shares
issued under the Initial Placing and the Offer) 100 million

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 14 to 19 of this document.

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

Directors	Richard Arthur Barfield (<i>Chairman</i>) Sally-Ann (Susie) Farnon Shelagh Yvonne Mason 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

Registrar

Computershare Investor Services (Guernsey) Limited
Le Truchot
St. Peter Port
Guernsey GY1 1WD

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.

Adjusted NAV per Share	the NAV per Ordinary Share in pence as at the most recent Valuation Date (which for the purposes of the Initial Placing and Offer Price shall be 30 June 2014) including all income to that date but after deduction of any dividend accrued to that date to which the New Shares will not be entitled
Administration and Secretarial Agreement	the administration and secretarial agreement between the Company, the Property Subsidiary and the Administrator dated 4 December 2003
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
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 Financial Conduct Authority 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 the 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 Trafalgar Court, Les Banques, St. Peter Port, Guernsey GY1 3QL on 28 May 2014
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 VIII of this document
Australia	the Commonwealth of Australia, its territories and possessions and all areas under its jurisdiction and political sub-divisions thereof

Bank	The Royal Bank of Scotland plc, a company incorporated in Scotland with registered number SC090312
Bank Facility	the £85 million 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 or Sunday) on which the London Stock Exchange is open for business
Canada	Canada, its provinces and territories and all areas under its jurisdictions and political sub-divisions thereof
Code	the UK Corporate Governance Code as published by the Financial Reporting Council
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	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)
Disclosure and Transparency Rules	the disclosure and transparency rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 (as amended) as amended from time to time
EEA States	the member states of the European Economic Area
ERISA	the US Employee Retirement Income Security Act 1974, as amended
ERV	the open market rent which at the relevant date could reasonably be expected to be obtained on a new letting or rent review of a property net of ground rents and head rents
Estimated Net Annual Rent	<p>is based on the current rental value of a property:</p> <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
Facility Agreement	the facility agreement between, among others, the Bank and the Company, a summary of which is set out in paragraph 8.4 of Part VIII of this document
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
General Meeting	the extraordinary general meeting of the Company held at The Old Government House Hotel, St Ann's Place, St. Peter Port, Guernsey GY1 2NU at 6.00 p.m. on 24 June 2014 to approve the Issues
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
HMRC	HM Revenue & Customs
IFRS	international financial reporting standards
Income Return	is 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 Admission	Admission of the New Shares issued under the Initial Placing and the Offer
Initial Placing	the conditional placing of up to 35 million New Shares by the Placing Agent as described in this document
Initial Placing and Offer Price	the price at which New Shares will be issued under the Initial Placing and Offer, being an amount equal to a 5 per cent. premium to the Adjusted NAV per Share as at 30 June 2014 rounded up to the nearest tenth of a penny
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, a summary of which is set out in paragraph 8.2 of Part VIII 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	Individual Savings Account for the purposes of section 694 Income Tax (Trading and Other Income) Act 2005

Issues or Proposals	the issue of up to 100 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
Japan	Japan, its cities, prefectures, territories and possessions
Law	the Companies (Guernsey) Law, 2008 as amended from time to time
LIBOR	London Inter-bank Offered Rate
Listing Rules	the listing rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 as amended from time to time
London Stock Exchange	London Stock Exchange plc
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"
Market Value	the aggregate of the market value of the Properties comprised in the Property Portfolio as at 20 June 2014 as set out in the Valuer's report in Part V of this document, or the aggregate market value of part only of such portfolios, as the context requires
Memorandum	the memorandum of incorporation of the Company
Mourant Ozannes	Mourant Ozannes Advocates and Notaries Public
NAV	in relation to a Share, means its net asset value on the relevant date calculated in accordance with the Company's normal accounting policies
New Shares	the new Ordinary Shares to be issued by the Company pursuant to the Issues
Non-PID Dividend	any dividend other than a PID received by a shareholder of the Company
Offer for Subscription or Offer	the offer for subscription in relation to 15 million New Shares
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 one 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 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 and the Placing Agent, a summary of which is set out in paragraph 8.1 of Part VIII 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
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 from time to time
Property Subsidiary	Standard Life Investments Property Holdings Limited, a company incorporated in Guernsey with registered number 41351
Prospectus	this document
Prospectus Directive	Directive 2003/71/EC (and the amendments thereto)
Prospectus Rules	the prospectus rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 as amended from time to time
Red Book	RICS Appraisal and Valuation Standards, 6th Edition
Regulatory Information Service or RIS	a regulatory information service that is on the list of regulatory information services maintained by the Financial Conduct Authority
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
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
Rules	the Authorised Closed-Ended Collective Investment Schemes Rules 2008
Sponsor	Dickson Minto W.S.
Standard Life Group	Standard Life plc and its subsidiary undertakings from time to time including the Investment Manager
Takeover Code	the City Code on Takeovers and Mergers
Tax Code	the US Internal Revenue Code of 1986, as amended

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)
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
UKLA or UK Listing Authority	the Financial Conduct Authority, acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
UK 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 Securities Act	the United States Securities Act of 1933, as amended
Valuation Date	the last Business Day of March, June, September and December
Value Added Tax or VAT	value added tax
Valuer	Jones Lang LaSalle Limited, a company incorporated in England and Wales with registered number 01188567

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, which are principally held through the Property Subsidiary. The Company's Ordinary Shares are listed on the Official List and traded on the Main Market. The Company is currently geared through bank borrowings. The Company has an indefinite life.

The Group currently owns a portfolio comprising of 31 UK commercial properties. As at 20 June 2014, the Company had Total Assets of £203.7 million. The Company currently has approximately £20.9 million of cash, including borrowings, of which approximately £14 million is available for investment (excluding funds required for investments currently under negotiation and capital expenditure).

Background to the Issues

On 6 June 2014, the Board announced proposals for an Initial Placing and Offer for Subscription to raise funds to enable the Investment Manager to purchase properties which it identifies as being suitable for acquisition in accordance with the Company's investment policy and a Placing Programme to raise additional capital to fund future acquisitions identified by the Investment Manager that support the Company's investment objective and acquisition criteria.

The Initial Placing and Offer were subject to Shareholder approval at the General Meeting. Once the existing Shareholder allotment authorities granted at the Annual General Meeting and the General Meeting are exhausted, any future issues of New Shares pursuant to the Placing Programme will be conditional on Shareholder approval being granted in relation to the authority of the Company to issue such New Shares on a non pre-emptive basis. This document relates to each of the Initial Placing, the Offer for Subscription, the Placing Programme and the admission of the New Shares in connection with the Issues.

The Board believes that the Issues offer significant benefits for all Shareholders as noted below.

- Any proceeds raised under the Issues will increase the net and gross assets of the Company respectively and reduce the leverage of the Group.
- The Issues offer the Company the potential opportunity to acquire further commercial properties that should enhance the performance of the Property Portfolio. The Board believes that such acquisitions should also further diversify the Property Portfolio.
- The Issues would significantly increase the market capitalisation of the Company which should therefore increase liquidity in the Ordinary Shares.
- As a result of the Issues, the fixed costs of the Group would be spread over a larger asset base and therefore the total expense ratio of the Group would be reduced.

Details of the terms of the Issues

The Board will issue up to 100 million New Shares under the Issues which will include any New Shares issued pursuant to the Initial Placing and Offer. Under the Initial Placing and Offer, the Company is proposing to issue up to 50 million New Shares. The Initial Placing and Offer Price will be calculated as a premium of 5 per cent. to the Adjusted NAV per Share as at 30 June 2014. The Investment Manager is actively targeting a pipeline of potential acquisitions and the net proceeds of the Initial Placing and Offer will be used to acquire further UK commercial properties in accordance with the Company's investment policy. There is no minimum amount to be raised under the Initial Placing and Offer.

In the event that the potential acquisitions do not proceed, the Company will seek to invest the net proceeds of the Initial Placing and Offer in accordance with the Company's investment policy as soon as is practicable. Further details of the Initial Placing and Offer are set out in Part II of this document.

The Company is also proposing the Placing Programme to enable the Company to raise additional capital in the period from 30 July 2014 to 30 June 2015 when it identifies properties that are suitable for acquisition. This should enable the Investment Manager to make a series of accretive property acquisitions whilst also mitigating the impact on the Company of receiving lower returns on significant cash balances awaiting investment. Once the existing Shareholder allotment authorities granted at the Annual General Meeting and the General Meeting are exhausted, the Company will convene an extraordinary general meeting to seek Shareholder approval for the disapplication of pre-emption rights in relation to each issue of New Shares under the Placing Programme. Further details of the Placing Programme are set out in Part III of this document.

New Shares will only be issued to new and existing Shareholders at a premium to the prevailing NAV at the time of issue in order to take account of the costs of such issue.

Investment policy

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.

The Directors intend to achieve this 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. The Company has not set any maximum weighting limits in the principal property sectors and it may also invest in other commercial property such as hotels, nursing homes and student housing. Limited development and investment in co-investment vehicles 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 will apply the following restrictions to the Property Portfolio:

- 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 loan to value ratio (calculated as borrowings less all cash as a proportion of the Property Portfolio valuation) will not exceed 45 per cent. but that it will reduce to approximately 30 per cent. as a result of the Issues.

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

The Company will at all times invest and manage its assets in a way that is consistent with its objective of spreading investment risk and in accordance with its published investment policy and will not, at any time, conduct any trading activity which is significant in the context of the Group as a whole.

The Property Portfolio

The Property Portfolio comprises 31 UK commercial properties with an aggregate Market Value of approximately £178.4 million as at 20 June 2014. The Property Portfolio generates a current net annual rent of approximately £14.3 million (being an Income Return of 7.6 per cent.) and an aggregate estimated net annual rent of approximately £14 million.

The Properties comprised in the Property Portfolio have been ranked in the 14th percentile of portfolios for covenant strength in the independent IPD Quarterly Universe as at 31 March 2014 (*Source: IPD IRIS*). The average unexpired lease term (calculated on the earlier of the expiry of the lease and the first break option) of the occupational leases of these Properties (weighted by current gross annual rent as at 31 March 2014) is approximately 5 years and 6 months, compared to the equivalent figure for an average commercial property portfolio, as represented by IPD Quarterly Universe as at 31 March 2014, of 7 years and 3 months (*Source: IPD IRIS*).

Further details of the Property Portfolio are set out in Part IV of this document.

Investment Performance

The Company generated a property income return of 7.7 per cent. from its Properties which was ahead of the IPD Monthly Index of 6.1 per cent. in respect of the year ended 31 December 2013. The Property Portfolio total return was 11.5 per cent. compared with the IPD Monthly Index of 9.9 per cent. The Company's NAV total return over the period was 25.2 per cent.

The Company's record of long term investment performance to the year ended 31 December 2013 is illustrated in the table below:

	1 year (% p.a.)	3 years (% p.a.)	5 years (% p.a.)
Property total return (property only) ⁽¹⁾	11.5	7.3	8.5
NAV total return ⁽¹⁾	25.2	29.9	5.4
IPD property total return monthly index ⁽¹⁾	9.9	6.3	6.5

⁽¹⁾ Source: IPD

Information about the past and the further performance of the Company and the Ordinary Shares can be obtained from the Company's website, www.standardlifeinvestments.com/its. The Company's website nor the content of any website accessible from hyperlinks on that website (or any other website) is not (or is not deemed to be) incorporated into, or forms (or is deemed to form) part of this document.

Investment outlook

There is currently a favourable environment of improving confidence in the UK economy which has meant that investors are allocating more capital to UK property. As weight of money and limited supply of good quality investments has increased competition for investments, the appetite for risk is increasing. Rising interest rates may be a factor for investors although there is a reasonable buffer in valuations to compensate for rate rises.

The Directors continue to expect asset management initiatives to be the defining characteristics contributing to income returns over the remainder of 2014. They also expect income to be a reasonable contributor to returns over this period, although in addition there will be some capital appreciation. Good quality secondary assets and selective poorer quality secondary assets in stronger locations and with higher yields are likely to provide opportunities for enhanced returns in the improving economic environment expected in 2014 and 2015.

The Directors and the Investment Manager expect reasonable positive total returns for investors over the next three years from the high income return and prospective capital appreciation. In addition there are a limited number of planned property developments in the UK which limits the amount of new space coming to the market, and provides scope for rental growth as tenant demand increases.

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.

Treasury shares

The Company has the ability pursuant to the Law and Articles to hold up to 10 per cent. of its issued share capital in treasury as described in more detail below under "Share buy backs".

Gearing and borrowings

The Ordinary Shares are currently geared by the Bank Facility. Based on the NAV per share and the amounts outstanding in respect of the Bank Facility (excluding the relevant interest rate swaps) the Ordinary Shares are geared 1.76 times.

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 loan to value ratio (calculated as borrowings less all cash as a proportion of the Property Portfolio valuation) will not exceed 45 per cent. The Directors do not currently intend to take out additional borrowings. Accordingly as the proceeds of the Issues are invested the Company's loan to value ratio is expected to fall to approximately 30 per cent. (assuming the maximum amount is raised under the Issues).

The Company is entitled to draw down an aggregate principal amount of £85 million under the Bank Facility and currently the Company has drawn down approximately £84.4 million. The Bank Facility will be repayable on 16 December 2018.

Interest on the Bank Facility is payable at a rate equal to the aggregate of three month LIBOR, 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 Company has two interest rate swap agreements with the Bank for a notional principal amount of £84.4 million in aggregate which results in the all-in margin in respect of the Company's borrowing being fixed until December 2018 at 3.8 per cent. per annum.

Further details of the Facility Agreement are set out in paragraph 8.4 of Part VIII 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 February, May, August and November. All dividends will be paid as interim dividends.

In the absence of unforeseen circumstances, the Company expects to pay a dividend of 1.161 pence per Share for the quarter ending 30 June 2014 in August to Shareholders on the register prior to the Initial Admission. Accordingly, the New Shares issued under the Initial Placing and Offer will not qualify for this dividend.

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

Although the investment of the proceeds, if any, of the Issues may reduce the dividend cover in the short term, the Board intends to maintain its policy of targeting a fully covered dividend over the medium term.

Taxation of dividends

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

Guernsey Law on payment of dividends

On 1 July 2008, the Law came into force in Guernsey. This replaced The Companies (Guernsey) Law, 1994. One of the immediate effects of the Law, was to replace the capital maintenance requirements in respect of dividend and distribution payments and for distributions to be made from distributable profits (similar to that to which UK companies are subject and formerly applicable to Guernsey companies) with a solvency based test. The use of the solvency test now requires the directors of a company to carry out a liquidity or cash flow test and a balance sheet solvency test before any dividend or distribution payment can be made. The test requires the Board to make a future assessment by making reference to the solvency test being satisfied immediately after a distribution or dividend payment is

made. If at the time a dividend or distribution payment is to be made the Directors believe that the solvency test cannot be passed, then no payment may be made. The Company has amended its Articles in order that it may benefit from the flexibility introduced by the Law and to allow for dividends to be paid otherwise than out of profits.

Share buy backs

The Directors have authority to buy back up to 24,090,314 Ordinary Shares (being 14.99 per cent. of the number of Ordinary Shares in issue as at 28 May 2014 being the date on which such authority was granted by special resolution) and will seek annual renewal of this authority from Shareholders. 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 one 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 five 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.

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 the Rules made thereunder. 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.

Accordingly, immediately following the Issues and on the assumption that the Issues are fully subscribed, the issued share capital of the Company will comprise 260,709,237 Ordinary Shares.

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.

Further subsidiaries and investment structures

Whilst the Property Subsidiary is expected to hold the majority of the assets in the Property Portfolio, the structure to be used for any future acquisition of property assets will be reviewed at the time of 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.

Conversion to UK REIT

As noted in the annual report and financial statements for the year ended 31 December 2013 the Board's review of the tax efficiency of the Company's present structure has now been completed and the Board have concluded that it would be in the best interests of the vast majority of Shareholders if the Company becomes a UK based REIT.

Steps are therefore being taken to address the requirements of possible conversion, and once concluded, the Board will send details of the scheme to all Shareholders as a prelude to an extraordinary general meeting which is expected to take place in the autumn of 2014. If the proposals are approved by Shareholders, conversion could take place by 31 December 2014.

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 Barfield (Chairman) is a UK resident. He is chairman of The Baillie Gifford Japan Trust plc. He is an advisor to one pension fund, a trustee of another and a member of the Board of the Pension Protection Fund. 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 is currently Vice-Chairman of The Guernsey Financial Services Commission. She is also a director of a number of private property and listed and regulated investment companies.

Shelagh Mason is a resident of Guernsey. She is an English property solicitor with over 30 years experience in commercial property. She is currently a partner in Spicer and Partners Guernsey LLP specialising in English commercial property. She is a non-executive director of a number of other companies, including The Renewables Infrastructure Group Limited and is also a past Chairman of the Guernsey Branch of the Institute of Directors. She is a member of the Chamber of Commerce and the Guernsey International Legal Association.

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 in 2010 – 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.

Investment Manager

Standard Life Investments (Corporate Funds) Limited

The Company is managed by Standard Life Investments (Corporate Funds) Limited. The Investment Manager is a member of the Standard Life Group which had £191.7 billion under management as at 31 March 2014 of which approximately £12.7 billion are commercial property assets.

Key personnel

The property team of the Investment Manager comprises 54 investment professionals. The key personnel who are responsible for the Company and managing the Property 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 18 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 11 fund managers, portfolio managers and analysts that manage Standard Life Investments Limited's global real estate funds, predominantly investing in listed REITs, and its range of retail investor focused direct real estate funds.

Gordon Humphries joined Standard Life Investments in 2006 as Head of Investment Companies and is an Investment Director in the Global Client Relationship Team. He has over 30 years' experience in financial services, focusing on investment companies and helped co-ordinate the launch of three closed ended Guernsey investment companies that invest in UK Real Estate. He is responsible for the client relationship and is heavily involved with analyst and shareholder relationships working closely with the lead investment manager.

The Board intends to appoint the Investment Manager as the AIFM to the Company pursuant to the AIFMD with effect from 7 July 2014.

Investment Management Agreement

The Company and the Property Subsidiary have entered into an Investment Management Agreement with the Investment Manager under which the Investment Manager has been appointed 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 0.85 per cent. per annum of the Total Assets except where cash balances exceed 10 per cent. of Total Assets. The fee applicable to the amount of cash exceeding 10 per cent. of the Total Assets is reduced to 0.20 per cent. per annum, payable quarterly in arrears. The Investment Manager has agreed to reduce its fee to 0.75 per cent. of the Company's total assets until such time as the net asset value per Share returns to the launch level of 97 pence. The fees of any managing agents appointed by the Investment Manager are payable out of this fee.

In connection with the Proposals the Investment Manager has agreed to reduce the aggregate fee payable by the Company from 1 August 2014 to 0.75 per cent. of the Company's total assets up to £200 million, 0.70 per cent of the amount of the Company's total assets between £200 million and £300 million and 0.65 per cent. of the amount of the Company's 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. It is expected that the Investment Management Agreement will be terminated and a new AIFM Directive compliant investment management agreement will be entered in to with the Investment Manager on the same commercial terms as the existing Investment Management Agreement.

Further details of the Investment Management Agreement are set out in paragraph 8.2 of Part VIII 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. 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 level of uninvested cash held by the Company and the size of investments available such that allocations of investments which are de minimis in size will normally not be made. In the event that the Investment Manager is unable to resolve a significant conflict of interest on the basis described above, such matter will be referred to the Board for approval.

Administration and secretarial arrangements

Northern Trust International Fund Administration Services (Guernsey) Limited has been appointed as administrator, registrar 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 PLC as its agent in relation to the transfer and settlement of Shares held in uncertificated form and as UK Transfer Agent.

Depository arrangements

The Board intends to appoint Citibank International plc as the depository to the Company prior to 22 July 2014 as required by the AIFMD and will enter into a depository agreement with the depository. It is expected that the terms of this agreement will provide for the appointment of the depository to, *inter alia*, carry 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.

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 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 2013, these expenses amounted to £1.8 million. If the Issues are fully subscribed, these fees and expenses for the period from Admission to 31 December 2014 are estimated to amount to 1.32 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.

Accounting policy

The audited accounts of the Group are prepared under International Financial Reporting Standards ("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 are 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.

Properties are valued by an external valuer quarterly in accordance with the Red Book and their valuation are reviewed quarterly 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.

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 published by the Financial Reporting Council in June 2012 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 UK 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 Richard 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 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. The audit committee, nomination committee, property valuation committee, remuneration committee and the management engagement committee 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.

All of the Directors of the Company are also members of the audit committee, the nomination committee, the property valuation committee, the remuneration committee and the management engagement committee.

The management engagement committee, chaired by Shelagh Mason, reviews the appointments made by the Board including the appointment of the Investment Manager, the Administrator, the Company Secretary and the Valuer.

The Chairman of the nomination committee is Richard 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 Auditor.

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 property valuation report produced by the Valuer.

PART II

THE INITIAL PLACING AND 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 50 million New Shares at a 5 per cent. premium to the Adjusted NAV per Share as at 30 June 2014.

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).

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

- (i) the Placing Agreement becoming wholly unconditional (save as to Initial Admission) and not having been terminated in accordance with its terms prior to Initial Admission; and
- (ii) the Admission Condition being satisfied prior to 8.00 a.m. on 30 July 2014 (or such later time and/or date, not being later than 8.00 a.m. on 29 August 2014 as the Board may determine).

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.

Illustrative financial effects

The costs of the Initial Placing and Offer are dependent on subscriptions but, by way of illustration, the aggregate costs of and incidental to the publication of this document are approximately £674,000. On the basis of the unaudited net asset value per Share as at 20 June 2014 of 69.07 pence and on the assumption that the Initial Placing and Offer is fully subscribed, the net proceeds of the Initial Placing and Offer are expected to be £35.7 million.

The Directors intend to apply the net proceeds of the Initial Placing and Offer in accordance with the Company's investment objective and policy. The Initial Placing and Offer is not being underwritten.

The Initial Placing

Winterflood Securitites have agreed under the Placing Agreement to use their reasonable endeavours to procure Placees for New Shares at the Initial Placing and Offer Price being an amount equal to a 5 per cent. premium to the Adjusted NAV per Share as at 30 June 2014. The Initial Placing and Offer Price will be announced through a Regulatory Information Service. Details of the Placing Agreement are set out in paragraph 8.1 of Part VIII of this document.

The total number of New Shares issued under the Initial Placing will be determined by the Company and the Placing Agent, after taking into account demand for the New Shares, prevailing market conditions and the estimated acquisition costs of properties that the Investment Manager has identified as being suitable for purchase by the Company. The final result of the Initial Placing will be announced via an RIS.

The Initial Placing will close at 3.00 p.m. on 25 July 2014 (or such later date, not being later than 29 August 2014, as the Company 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 IX of this document.

Commitments under the Initial Placing, once made, 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 Initial Placing and Offer Price being an amount equal to a 5 per cent. premium to the Adjusted NAV per Share as at 30 June 2014. The Initial Placing and Offer Price will be announced through a Regulatory Information Service. 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 X 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 5.00 p.m. on 24 July 2014.

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

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 Initial Admission will become effective and that unconditional dealings in the New Shares will commence on the Main Market at 8.00 a.m. (London time) on 30 July 2014.

The Initial Placing and Offer Shares will be issued in registered form and may be held in certificated or uncertificated form. The Initial Placing and Offer Shares allocated will be issued through the CREST system unless otherwise stated. The Initial Placing and Offer 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 Initial Placing and Offer Shares in advance of the crediting of the relevant stock account shall be at the risk of the person concerned.

The Initial Placing and Offer Shares will be denominated in Sterling.

Transfer

The transfer of the Initial Placing and Offer 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 Initial Placing and Offer Shares to be issued in certificated form and is holding such Initial Placing and Offer 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 Initial Placing and Offer Shares. Investors holding a definitive certificate may elect at a later date to hold their Initial Placing and Offer Shares through CREST.

Scaling back

In the event that the number of New Shares applied for under the Initial Placing and Offer at the Initial Placing and Offer Price results in the Company receiving net proceeds which are significantly in excess of the size of the Issue 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.

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 Ordinary Shares issued. Assuming 50 million New Shares are issued under the Initial Placing and Offer, Shareholders will suffer a dilution of approximately 23.7 per cent. to their existing percentage holdings. However, as the New Shares will be issued at a premium to the prevailing NAV per Share in order to take account of the costs of such issue, it is not anticipated that there will be any dilution in the NAV per Share as a result of the Initial Placing and Offer.

PART III

PLACING PROGRAMME

Placing Programme

Following the Initial Placing and Offer, the Directors intend to implement the Placing Programme. Under the Placing Programme the Company is proposing to issue up to 100 million New Shares less the number of New Shares issued under the Initial Placing and Offer.

Once the existing Shareholder allotment authorities granted at the Annual General Meeting and the General Meeting are exhausted, the Company will convene an extraordinary general meeting to seek Shareholder approval for the disapplication of pre-emption rights in relation to each issue of New Shares under the Placing Programme. The Placing Programme is being implemented to enable the Company to raise additional capital over the period from 30 July 2014 to 30 June 2015 when it identifies properties that are suitable for acquisition. This should enable the Investment Manager to make a series of accretive property acquisitions whilst also mitigating the risk of impact on the Company of receiving lower returns on significant cash balances awaiting investment.

New Shares will be issued from 8.00 a.m. on 4 August 2014 until 8.00 a.m. on 1 July 2015. 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 in relation to the Placing Programme are approximately £411,100. On the assumption that the Issues pursuant to the Placing Programme are carried out by way of a single issue, that Issue subscribed and the Initial Placing and Offer are fully subscribed, the net proceeds of the Placing Programme are expected to be approximately £35.9 million.

The Directors intend to 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 is not being 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 is conditional, *inter alia*, on the following:

- (i) once the existing Shareholder allotment authorities granted at the Annual General Meeting and the General Meeting are exhausted, a special resolution being passed in relation to the disapplication of pre-emption rights in respect of such Issue at a duly convened general meeting of the Company;
- (ii) the Placing Programme Price being determined by the Directors as described below;
- (iii) Admission of the New Shares issued pursuant to such issue; and
- (iv) a valid supplementary prospectus being published by the Company if such is required by the Prospectus Rules.

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

The Directors will 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 will also take into consideration, *inter alia*, the prevailing market conditions at that time.

Admission and dealings

Applications will be made to the UK Listing Authority for admission of the New Shares to the Official List. Applications will also be made for the New Shares to be admitted to trading on the London Stock Exchange throughout the period from 30 July 2014 to 30 June 2015. It is expected that such admission and dealings in the Ordinary Shares issued pursuant to the Placing Programme will commence in the period from 4 August 2014 to 1 July 2015.

The New Shares will be issued in registered form and may be held in uncertificated form. The New Shares allocated will be issued to Placees 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 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 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.

Scaling back

In the event that the aggregate applications under the Initial Placing, the Offer and the Placing Programme were to exceed 100 million New Shares or would result in the Company receiving net proceeds which are significantly in excess of the estimated costs of properties that the Investment Manager has identified for acquisition at the time of such Issue, then it would be necessary to scale back applications under the Placing Programme. In such circumstances, it is intended that New Shares will be allocated so that applications from existing Shareholders are given priority over other applicants, with a view to existing Shareholders being allocated such percentage of New Shares as is as close as possible to their existing percentage holding of Ordinary Shares. Existing Shareholders will not, however, be entitled to any minimum allocation of New Shares in the Placing Programme and there will be no guarantee that existing Shareholders wishing to participate in the Placing Programme will receive all or some of the New Shares for which they have applied. Further, the Company, in consultation with the Placing Agent, will have absolute discretion to determine the proportion of New Shares allocated to each person wishing to participate in the Placing Programme. In the event that the aggregate applications under the Initial Placing and Offer and the Placing Programme were to exceed 100 million New Shares, no further commitments will be accepted.

PART IV

DETAILS OF THE PROPERTY PORTFOLIO

The information contained in this Part IV provides an analysis of the Property Portfolio. The information contained in this Part IV is unaudited. Unless otherwise stated, all of the information is stated as at 20 June 2014. The information in this Part IV is based on the valuations from the Valuer's valuation report as set out in Part V of this document. There has been no material change in the value of the Property Portfolio since 20 June 2014, being the date of its 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 £10-£15 million			
Chester House, Farnborough Aerospace Centre, Farnborough GU14 6TQ (Leasehold)	Office Park	South East	£1,257,640
White Bear Yard, Clerkenwell, London	Standard Office	London Mid-Town	£577,783
Hertford Place, Rickmansworth	Standard Office	South East	£1,156,900
St James's House, Cheltenham	Standard Office	Midlands	£828,436
Hollywood Green, Wood Green, London	High Street Retail	London	£741,108
Properties valued at £5 -10 million			
Ocean Trade Centre, Altens Industrial Estate, Aberdeen	Industrial Park	Scotland	£736,500
Ground Floor, New Palace Place, Monck Street, Westminster, London (Leasehold)	Standard Office and Retail	London	£480,443
Explorer 1 & 2, Mitre Court, Crawley	Standard Office	South East	£687,420
Bathgate Retail Park, Bathgate	Retail Warehouse	Scotland	£478,625
Dorset Street, Southampton	Standard Office	South East	£511,281
1/1A Marsh Way, Fairview Industrial Park, Rainham, Essex (Leasehold)	Industrial	Eastern England	£450,000
Bourne House, The Causeway, Staines	Standard Office	South East	£0
Drakes Way Business Centre, Marlowe Avenue, Swindon	Industrial	South West	£825,723

Properties	Sector	Region	Current net annual rent receivable
Properties valued under £5 million			
B&Q, Crostons Retail Park, Bury	Retail Warehouse	Northern England	£392,150
Homebase and Argos, Leyland (Leasehold)	Retail Warehouses	Northern England	£380,000
Matalan, Kings Lynn (Leasehold)	Retail Warehouse	Eastern England	£378,500
140 West George Street, Glasgow	Standard Office	Scotland	£359,193
Interfleet House, Pride Park, Derby, Derbyshire	Standard Office	Midlands	£390,000
Matalan, Bradford (Leasehold)	Retail Warehouse	Northern England	£318,278
Units 1 & 2, Cullen Square, Livingston	Distribution Warehouse	Scotland	£405,076
Chancellors Place, Broomfield Road, Chelmsford, Essex	Standard Office	South East	£502,550
Windsor Court & Crown Farm, Mansfield, Nottinghamshire (Leasehold)	Industrial	Midlands	£225,180
Units 2001/2, Ravens Park, Coal Road, Seacroft Leeds	Industrial	Northern England	£294,810
Turin Court, Bird Hall Lane, Cheadle Heath, Stockport	Office	Northern England	£340,850
Farah Unit, Crittal Road, Witham	Industrial	South East	£206,200
31/32 Queen Square, Bristol	Standard Office	South West	£285,000
Easter Park, Bolton (Leasehold)	Industrial	Northern England	£184,000
De Ville Court, Heath Road, Weybridge, Surrey	Standard Office	South East	£281,944
Phase II, Telelink, Swansea Vale, Swansea (Leasehold)	Office	Wales	£208,967
Unit 14, Interlink Park, Bardonia, Leicestershire	Distribution Warehouse	Midlands	£155,415
Portrack Lane, Stockton-on-Tees	Industrial	Northern England	£124,000

* All freehold/feuhold unless otherwise stated.

2. Details of the ten largest Properties

Set out below is a brief description of the ten largest Properties in the Property Portfolio.

Chester House, Farnborough Aerospace Centre, Farnborough GU14 6TQ			
<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	£10-15 million		

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
Mendeley Ltd	5 years	1 December 2014	n/a
IDEO LLC	10 years	23 June 2019	24 June 2014
White Bear Yard Management Limited	6 years	30 September 2015	n/a
Current net annual rent	£577,783		
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	10 years	21 March 2022	22 March 2014
Barnett Waddingham LLP	11 years	29 October 2022	29 October 2014
Tangible UK Limited	10 years	6 July 2021/7 July 2016	7 July 2016
Gloucestershire Media Ltd	10 years	8 August 2020 / 8 August 2015	9 August 2015
Sandbourne Systems Limited	10 years	3 March 2024	4 March 2019
Current net annual rent	£828,436		
Market Value	£10-£15 million		

Hollywood Green, Wood Green, London			
<i>Mixed use retail and cinema</i>			
<i>Top five tenants</i>	<i>Lease term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Vue Entertainment Ltd	20 years	1 December 2029	2 December 2014
Sainsbury's Supermarkets Ltd	15 years	19 January 2025	20 January 2015
JD Wetherspoon plc	25 years	24 December 2024	25 December 2014
McDonalds Restaurants Ltd	25 years	24 December 2024	25 December 2014
Sam 99p Limited	10 years	22 November 2019	23 November 2014
Current net annual rent	£741,108		
Market Value	£10-£15 million		

Ocean Trade Centre, Altens Industrial Estate, Aberdeen			
<i>Industrial Park</i>			
<i>Top five tenants</i>	<i>Lease term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Tyco Fire & Integrated	15 years	25 July 2014	
City Link (Properties) No1 Ltd	10 years	5 November 2017	5 November 2017
Viking Life Saving Equipment	38 Years	31 July 2020	1 August 2015
Viking Life Saving Equipment	28 years	31 July 2020	1 August 2015
M.E.T.S (UK) Limited	10 years	14 May 2015	
McCoy Global UK Limited	6 years	12 August 2019/ 12 August 2016	12 August 2016
Current net annual rent £736,500			
Market Value £5-£10 million			

Ground Floor, New Palace Place, Monck Street, Westminster			
<i>London West end Office</i>			
<i>Top five tenants</i>	<i>Lease term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Essential Living Mgmt Ltd	7 years	31 May 2017	5 yearly
Galliard Homes Limited	15 years	14 June 2020	15 June 2015
Tesco Stores Limited	15 years	26 June 2020	27 June 2015
Hon See Tsang	15 years	9 August 2020	10 August 2015
Sports (Bookmakers) Limited	15 years	13 March 2021	14 March 2016
Current net annual rent £480,443			
Market Value £5-£10 million			

Bourne House, The Causeway, Staines			
<i>Office</i>			
<i>Tenant</i>	<i>Lease term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
—	—	—	—
Vacant, but subject to agreement to lease to Ricoh UK Limited upon completion of works for a 10 year term with a tenant break option on the day preceeding the seventh anniversary of the term commencement.			
Current net annual rent £0			
Market Value £5-10 million			

Explorer 1 & 2, Mitre Court, Crawley			
<i>Office</i>			
<i>Tenant</i>	<i>Lease term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
Grant Thornton UK LLP	15 years	13 May 2017	
Amey OWR Limited	10 years	24 March 2021/ 24 March 2016	25 March 2016
Trade Skills 4U Ltd	10 years	30 November 2019	1 December 2014
Current net annual rent £687,420			
Market Value £5-£10 million			

Bathgate Retail Park, Bathgate			
<i>Retail Warehouse</i>			
<i>Tenant</i>	<i>Lease term</i>	<i>Lease expiry/break option</i>	<i>Rent review</i>
B & M Retail Limited	25 years	09 October 2022	28 November 2017
Lidl UK GmbH	25 years	23 May 2024	24 May 2014
Argos Distributors Limited	25 years	09 October 2022	
DRM Macleod	20 years	27 February 2031/ 28 February 2021	28 February 2016
Current net annual rent	£478,625		
Market Value	£5-£10 million		

3. Tenant concentration

The tenants that contribute in excess of two per cent., of the current net annual rent of the Property 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>
BAE Systems plc	Office	£ 1,257,640	8.8%
Trebor Bassett Limited	Office	£1,156,900	8.1%
Norcross Group (Holdings) Ltd	Industrial	£ 825,723	5.8%
Matalan Retail Ltd	Retail Warehouse	£696,778	4.9%
Grant Thornton UK LLP	Office	£ 680,371	4.7%
Yusen Logistics (UK) Ltd	Industrial	£ 450,000	3.1%
B&Q PLC	Retail Warehouses	£392,150	2.7%
Interfleet Technology Ltd	Office	£390,000	2.7%
Emcor Group (UK) Plc	Office	£340,850	2.4%

4. Summary of tenure

As a percentage of the aggregate Market Value, 71.38 per cent. of the Properties are freehold/feuhold and 28.62 per cent. are held as a long leasehold interest.

5. Lease length

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

<i>Length of Leases</i>	<i>As a percentage of current gross annual rent</i>	
	<i>Property Portfolio</i>	<i>IPD Quarterly Universe*</i>
0-5 years	50.2%	35.9%
5-10 years	38.6%	30.4%
10-15 years	9.6%	15.4%
15-20 years	1.6%	6.6%
20 + years	0.0%	11.7%

*Source: IPD Quarterly Universe 2% voids

The average unexpired lease term (calculated on the earlier of the expiry of the lease and the first break options) of the occupational leases of the Properties in the Property Portfolio (weighted by current gross annual rent as at 31 March 2014) is approximately 5 years and 6 months compared to the equivalent

figure for an average commercial property portfolio, as represented by IPD Quarterly Universe as at 31 March 2014, of 7 years and 3 months. Source: IPD IRIS

Approximately 0.6 per cent. of the Property Portfolio is vacant compared to the equivalent figure for an average commercial property portfolio, as represented by IPD Quarterly Universe as at 31 March 2014, of 7.5 per cent.

6. Income Profile

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

<i>Year of expiration or break option</i>	<i>No. of leases</i>	<i>Current gross annual rent</i>	<i>% of current gross annual rent</i>	<i>Cumulative % of current gross annual rent</i>
2014	3	£815,500	5.7%	5.7%
2015	15	£1,766,110	12.4%	18.1%
2016	14	£1,321,583	9.2%	27.3%
2017	9	£1,864,983	13.1%	40.4%
2018	5	£321,013	2.2%	42.6%
2019	5	£812,164	5.7%	48.3%

The aggregated current net annual rent of the property portfolio is approximately £14.16 million and the aggregated estimated net annual rent is approximately £14 million.

7. Voids

The voids in the Property Portfolio represent 0.7 per cent. of the ERV of the Property Portfolio as at 20 June 2014.

8. Covenants

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

<i>Covenant strength</i>	<i>As a percentage of current rental value as at 30 March</i>	
	<i>Property Portfolio</i>	<i>IPD Quarterly Universe*</i>
Negligible & Government risk	68.1%	52.2%
Low risk	16.5%	20.4%
Low-medium risk	3.2%	7.6%
Medium-high risk	3.0%	3.1%
High risk	3.3%	4.7%
Maximum risk	4.6%	8.3%
Unscored	0.9%	2.1%
Ineligible	0.4%	1.6%

*Source: IPD Quarterly Universe

9. Lease terms

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

10. Property condition

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

11. Regional weightings

The regional weightings of the Property Portfolio can be summarised as follows:

Region	As a percentage of Market Value	
	Property Portfolio	IPD Quarterly Universe*
London Mid-Town	7.8%	3.8%
London West End	5.5%	13.6%
London City	0%	4.4%
Rest of London	6.7%	14.8%
South East	34.5%	19.0%
South West	11.1%	6.2%
Midlands	3.3%	17.0%
Northern England	16.7%	13.5%
Wales	1.1%	2.0%
Scotland	13.3%	5.7%

*Source: IPD Quarterly Universe

12. Sectoral weightings

The sectoral weightings of the Property Portfolio can be summarised as follows:

Sector	As a percentage of Market Value	
	Property Portfolio	IPD Quarterly Version of Monthly Index Funds*
Retail	19.9%	43.8%
Office	58.4%	31.7%
Industrial	21.7%	18.8%
Other	0%	5.7%

*Source: IPD Quarterly Version of Monthly Index Funds

13. Sub-sector weightings

The sub-sector weightings of the Property Portfolio can be summarised as follows:

Sector	As a percentage of Market Value	
	Property Portfolio	IPD Quarterly Version of Monthly Index Funds*
South East Standard Retail	6.4%	7.6%
Rest of UK Standard Retail	0%	8.5%
Shopping Centres	0%	5.7%
Retail Warehouses	14.2%	22.8%
Central London Offices	13.1%	15.3%
South East Offices	29.5%	10.0%
Rest of UK Offices	16.1%	5.9%
South East Industrial	5.1%	10.5%
Rest of UK Industrial	15.6%	8.0%
Other	0%	5.7%

*Source: IPD Quarterly Version of Monthly Index Funds

PART V

VALUATION REPORT

Jones Lang LaSalle Limited
30 Warwick Street
London
W1B 5NH

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

Winterflood Securities Limited
The Atrium Building
Cannon Bridge
25 Dowgate Hill
London EC4R 2GA

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

1 July 2014

Dear Sirs

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

1. Introduction

In accordance with our engagement letter dated 25 June 2014 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 20 June 2014 (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 2013 (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 2013 and 20 June 2014. This explanation is included at section 10 of this report. This report is dated 27 June 2014.

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 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 a prospectus concerning the proposed Initial Placing and Offer 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 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 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 31/32 Queen Square, Bristol, we are advising one of the tenants in connection with a lease extension.
- At Chancellors Place, Broomfield Road, Chelmsford, we are advising on the sale of the property.
- At Phase II, Telmlink, Swansea Vale, Swansea, we are providing building survey services for the sub tenant.
- For the property known as Units 1 & 2, Cullen Square, Livingston, we acted as the acquiring agent but an intervening valuation was first provided by another firm of Valuers.

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 20 June 2014, on the basis of Market Value is: £178,375,000 (One Hundred and Seventy Eight Million, Three Hundred and Seventy Five Thousand pounds). We confirm that there has been no material change in the aggregate valuation of the Property Portfolio between 20 June 2014 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 1 July 2014 (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 20 June 2014, 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)	£127,330,000	(One hundred and twenty seven million, three hundred and thirty thousand pounds)
Long Leasehold	£51,045,000	(Fifty one million and forty five thousand pounds)
TOTAL	£178,375,000	(One hundred and seventy eight million, three hundred and seventy five thousand pounds)

The above total is split between the following sectors:-

Offices	£104,215,000	(One hundred and four million, two hundred and fifteen thousand pounds)
Retail	£35,475,000	(Thirty five million, four hundred and seventy five thousand pounds)
Industrial	£38,685,000	(Thirty eight million, six hundred and eighty five thousand pounds)
TOTAL	£178,375,000	(One hundred and seventy eight million, three hundred and seventy five thousand pounds)

In addition to the above aggregate of the individual Market Valuations, we have assessed the aggregate Estimated Net Annual Rent at £13,987,784.

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:-

- Ocean Trade Centre, Altens Industrial Estate, Aberdeen: £9,100,000
- St James's House, Cheltenham: £11,750,000
- Chester House, Farnborough Aerospace Centre, Farnborough: £14,920,000
- White Bear Yard, Clerkenwell, London: £13,700,000
- Hertford Place, Denham Way, Maple Cross, Rickmansworth: £12,150,000
- Hollywood Green, Wood Green, London: £10,950,000
- Ground Floor, New Palace Place, Monck Street, Westminster, London: £9,050,000

A small part of the building and part of the site at Crostons Retail Park, Bury, is held on a long lease but for the purposes of the above figures the value of the property has been included within the freehold 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 31 December 2013 was £147,815,000. This compares to the aggregate of the Market Values reported herein, as at 20 June 2014, at £178,375,000. Just under £18.8m of the increase can be attributed to valuations of properties not owned on 31 December 2013. 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 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

David B. Collins, Director
For and on behalf of
Jones Lang LaSalle Limited

Schedule to the Valuation Report

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
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 a rent review open from 20 December 2012. We understand that this review is not being pursued. The next rent review is 20 December 2017.	1,156,900
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 8 tenants on 12 tenancies. There are two vacant basement areas. BPE Solicitors LLP hold 2 leases on part basement for 10.3 and 11 years expiring 31 March 2022. BPE Solicitors also hold a 10 year lease of the first floor expiring 21 March 2022 with the next review outstanding from 22 March 2014. Tangible UK Ltd hold separate leases of part basement and ground floor, 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 2014. Brewin Dolphin hold a 10 year lease of part second floor expiring 6 November 2021, with a tenant break option 6 November 2016. Gloucester Media Ltd hold a 10 year lease of part third floor (Suite A) expiring 8 August 2020, subject to a tenant break option on 8 August 2015. The Office for Nuclear Regulation holds separate leases on suites B & D on the third floor for 10 and 7.5 years expiring 1 June 2019, subject to tenant break options on 1 June 2016, and with Suite B having a rent review outstanding from 2 June 2014. 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 Sandbourne Systems 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.	828,436
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. We understand that the rent review open from 14 May 2012 is not being pursued. Explorer 2 let to Amey OWR Ltd for 10 years expiring 24 March 2021, subject to a tenant break option on 24 March 2016. Mitre Court is let to Trade Skills 4 U Ltd for 10 years expiring 30 November 2019 with the next review 1 December 2014.	687,420

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable £
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 8 November 2019, with next rent review 17 March 2015. Part 3rd floor let to Michael Page Holdings Ltd for 5 years expiring 31 July 2015. An electricity sub-station is let to Southern Electric Power Distribution plc at nil rent for 99 years expiring 12 December 2105.	511,281
Homebase & 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 Homebase Ltd for 20 years expiring 5 June 2026 with the next rent review 6 June 2016. Unit 2 is let to Argos Ltd for 15 years expiring 17 June 2021 with the next rent review 20 June 2016.	380,000
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 rent review 1 June 2017.	378,500
140 West George Street, Glasgow	Heritable. Early 19th Century building, now used as offices, refurbished 2009, providing open plan office accommodation of approximately 2,130.3 sq m (22,931 sq ft) NIA behind a stone façade on lower ground to fifth floor level. There are 4 car parking spaces.	Let to 6 tenants on 7 leases. The lower ground floor is let to Gerald Eve LLP for 9 years & 11 months expiring 30 May 2020, rent free until 1 June 2015 following removal of a tenant break option. Ground Floor and Store 1 is let to Central Insurance Services Ltd for 10 years expiring 10 January 2020, subject to a tenant break option on 10 January 2015. The 1st floor suite 1 is let to AWD Group Ltd for 10 years expiring 10 January 2020, subject to a tenant break on 11 January 2015. The 1st floor suite 2 is let to Panoramic Growth Equity (Fund Management) LLP for 5 years expiring 31 August 2015. The 2nd floor is let to TLT Scotland Ltd for 5 years expiring 30 July 2017 with the next review on 11 July 2017. The 3rd floor is let to Sweett (UK) Ltd for 6 years and 2 months expiring 28 February 2018, subject to a tenant break on 28 February 2015. The 4th & 5th floor are let to TLT Scotland Ltd for 7.3 years expiring 30 June 2017.	359,193
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 2013.	318,278
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 with rent review open from 5 June 2014. Unit 2 let to Crown Worldwide Limited for 15 years expiring 31 October 2018, with rent review open from 1 November 2013. We understand that neither of the foregoing rent reviews are to be pursued. An electricity sub-station is let to Scottish Power UK plc expiring 25 November 2055.	405,076

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable £
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.	450,000
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 on a single 15 year lease expiring on 31 August 2014, to Toshiba Research Europe Ltd. An agreement for lease has been concluded whereby the tenant will take a 10 year reversionary lease, subject to completion of upgrade works. There is to be a rent review in September 2019. Second and third floors let on a 20 year lease to PLLS Ltd 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.	285,000
B&Q, Crostons Retail Park, Bury	Part freehold/part leasehold. Two retail warehouses arranged in an 'L' shape fronting a car park. The site was developed in the late 1980s and provides approximately 5,861 sq m (63,093 sq ft) GIA of retail warehouse and ancillary accommodation arranged over ground and first floors. Built into each unit are first floor ancillary blocks with offices and staff facilities. To the side of the B&Q is a garden centre. To the front and side of the site is a shared car park with around 270 spaces.	The larger of the two units is let to B&Q PLC on a 35 year lease expiring on 23 June 2022, with the next 5 yearly rent review scheduled for 24 June 2017. The smaller unit is let on a 125 year lease, expiring on 30 March 2133, to Netto Foodstores Ltd.	392,150
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 open from 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 2012. We understand that this review is not being pursued.	478,625
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.	Vacant, but subject to Agreement for Lease to Ricoh UK Limited upon completion of works for a 10 year term with a tenant break option on the day preceeding the seventh anniversary of the term commencement. There is to be a rent review at the fifth anniversary of the term commencement date.	0

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable £
Chancellors Place, Broomfield Road, Chelmsford, Essex	Freehold. Three self contained office buildings with a total area (NIA) of approximately 2,361 sq m (25,414 sq ft). Onslow House dates from the 19th century whilst Lyttleton and Kreston House were constructed in the 1990's. The property has secure basement parking for 55 vehicles. Lyttleton and Kreston Houses have air cooling and raised floors. Onslow House is subject to a 999 year lease at a peppercorn rent.	Lyttleton House & 28 spaces let to Halifax Equitable Ltd on a 25 year lease expiring on 24 December 2015. Kreston House & 24 spaces let to BDO LLP on a 25 year lease expiring on 24 December 2015. Onslow House & 8 spaces let to LB Group Ltd on a 999 year lease expiring on 2 December 3009.	502,550
Units 2001/2, Ravens Park, Coal Road, Seacroft, Leeds	Freehold. Two detached industrial units constructed circa 2000, both having ancillary integral office space, and self contained and secure yards plus car parking areas. Both have an eaves height of c 7.5m (24ft 7 ins.) and occupy a site of approximately 1.33 ha (3.28 acres) giving a site coverage of around 40%. The property provides a total GIA of around 5,367 sq m (57,775 sq ft).	Unit 2001 let to Concept Data Display Ltd on an 18 year lease, expiring on 23 August 2019, with the final rent review scheduled for 24 August 2014. Unit 2002 let on a 15 year lease expiring on 4 November 2016 to Vision Alert Automotive Ltd.	294,810
Crittall Road, Witham, Essex	Freehold. Detached warehouse extending to around 5,326 sq m (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.). Four 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. 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. E M Clery has a lease on Plot 3 for 999 years expiring 9 October 3000.	206,200
Windsor Court & Crown Farm, Mansfield, Nottinghamshire	Leasehold. 5 Warehouse units in two terraces arranged around a central yard and a separate site containing a standalone unit. In total, the premises provide a total GIA of around 8,255 sq m (88,859 sq ft.) on a site extending to around 1.95 ha (4.82 acres). The buildings date from around the mid 1990s and have eaves heights varying between 6 and 8.5m (19ft 8 ins and 27ft 10 ins.). There are two storey integral offices in each unit.	Schoolblazer Ltd have a 7 year lease expiring on 18 June 2020, with rent review 18 June 2018, for Units 1, 2 & 3 and 105 car spaces. Ionbond Ltd hold Unit 4 on a 20 year lease, with rent review open from 1 June 2013. We understand that this review is not being pursued. EMS (Mansfield) Ltd hold Unit 5 and 41 spaces on a 10 year lease expiring 4 June 2023 subject to a tenant break option 5 June 2018 and subject to fixed annual rental uplifts until 5 June 2017. Plot 1B Crown Farm is held by Spinelock UK Limited and A Collins Property Limited (who the Investment Manager has informed us is in Administration and not paying rent) for 3 years expiring 17 October 2015.	225,180
De Ville Court, Heath Road, Weybridge, Surrey	Freehold. Composite office building of both modern and older construction. The modern 3 storey block was built in the late 1990s and is connected via a single storey link to a former 2 storey coach house. The total floor area (NIA) is approximately 1004.2 sq m (10,810 sq ft) and the property is set in its own grounds including a surfaced car park for approximately 58 cars. Amenities for the 1990s building include air conditioning, double glazing, raised floors, suspended ceilings and an 11 person lift.	Let to Alliance Boots Holdings Ltd on a near 16 year lease expiring on 24 March 2015 with a rent review due on 24 June 2014.	281,944

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable £
Portrack Lane, Stockton-on-Tees	Freehold. Detached industrial unit dating from the 1980s and internally subdivided to provide warehouse space, offices and staff facilities. The unit has a car park and secure service yard. Site area is approximately 1.09 ha (2.7 acres), site cover circa 28% and eaves height circa 5.50m (18 ft). The property extends to around 3,037.2 sq m (32,693 sq ft.) GIA.	Unit let on a 15 year lease expiring 28 September 2014 to Parcelpoint Limited	124,000
Drakes Way Business Centre, Marlowe Avenue, Swindon	Freehold. A large irregularly shaped site accommodating four principal industrial buildings of various ages, dating from the 1960s. The buildings provide a combined total area (GIA) of approximately 13,058 sq m (140,557 sq ft.). The total site area is approximately 3.1 ha (7.66 acres), with a site coverage of around 40%. The buildings are outmoded by contemporary standards. We understand that there is interest from a supermarket operator and that the Investment Managers are in discussions with the Planning Authority.	Let on a single 20 year lease expiring 11 December 2014 to Norcross Group (Holdings) Ltd. An Agreement for Lease is in place with the sub tenant, Vicaima Ltd, for a 1 year lease expiring 8 December 2015 at £300,000 per annum.	825,723
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 with the next rent review 23 November 2014.</p> <p>Nando's Chickenland Ltd hold Unit 2 on a 25 year lease expiring on 24 December 2024, with the next 5 yearly rent review due 25 December 2014.</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 2014.</p> <p>Sainsbury's Supermarkets Ltd hold Unit 4 on a 15 year lease expiring on 19 January 2025, with the first 5 yearly rent review due to occur as of 20 January 2015.</p> <p>JD Wetherspoon Plc hold Unit 5 on a 25 year lease expiring on 24 December 2024, with the next 5 yearly rent review due 25 December 2014.</p> <p>The Cinema Unit is occupied by Vue Entertainment Ltd on a 20 year lease expiring on 1 December 2029, with the first 5 yearly rent review scheduled for 2 December 2014.</p> <p>The Toilet Block is leased to London Bus Services Limited, on a 3 year lease expiring 26 March 2015. An electricity substation is let to Eastern Electricity Ltd for 99 years expiring 10 January 2111.</p>	741,108

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable £
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 10 August 2015.</p> <p>Tesco Stores Ltd hold unit 2 on a 15 year lease expiring 26 June 2020, with the final rent review scheduled for 27 June 2015. Essential Living Management Limited holds office units 3-6 on a 7.3 year lease, expiring 31 May 2017. Essential land LLP hold unit 7 on a 5 year lease expiring 3 April 2019 with 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 being 15 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 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 being 1 July 2015.</p>	480,443
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.	<p>Comprises 25 units, let on 16 leases.</p> <p>M.E.T.S. (UK) Ltd hold units 1/2 on a 10 year lease, and unit 3 on a 9 year (less 1 month) lease, both expiring on 14 May 2015.</p> <p>Power Utilities Ltd hold unit 4 on a 14 year lease expiring 31 July 2016.</p> <p>West End Glazing Service Limited hold unit 5 on a 5 year lease expiring 27 March 2017, subject to a tenant break option 28 March 2015. 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 2015. McCoy Global UK Limited hold units 9 & 10 on a 6 year lease expiring 12 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.</p> <p>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.</p> <p>Tyco Fire & Integrated Solutions (UK) Ltd hold units 14,15,16,20, 21 & 22 on a single 15 year lease, with lease expiry on 25 July 2014.</p> <p>Kooltech Marketing Ltd hold unit 17 on a lease expiring 17 February 2017. Viking Life Saving Equipment Ltd hold units 18 and 19 on 38 and 28 year leases, respectively, expiring on 31 July 2020, with the next rent reviews for both scheduled on 1 August 2015.</p> <p>City Link (Properties) No. 1 Ltd holds units 23,24 & 25 on a 10 year lease expiring 5 November 2017.</p>	736,500

Address	Description and Tenure	Occupational Tenancies	Current Net Annual Rent Receivable £
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, with the next 5 yearly rent review scheduled on 1 June 2015	184,000
Interfleet House, Pride Park, Derby, Derbyshire	Freehold. Two storey office unit located on 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 on a 15 year lease, expiring on 22 July 2019, to Interfleet Technology Ltd, with the next 5 yearly rent review scheduled for 23 July 2014	390,000
Phase II, Telelink, Swansea Vale, Swansea	Leasehold. Purpose built call centre, providing accommodation extending to around 3,538 sq m (38,084 sq ft) NIA. Built in the late 1990s, it is mainly single storey with two storey offices at the front and constructed in L shaped configuration on plan. Specification includes raised floors and suspended ceilings. Air conditioning to the main section was provided by the tenant. Externally, there is parking for around 225 cars.	Let on a 4 year lease expiring 16 June 2018, subject to tenant break options on 17 June 2016 and 17 June 2017.	208,967
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
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 9 months to Babcock Critical Services Ltd, with a tenant break option to terminate on 5 January 2016.	155,415
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 Ltd on a 5 year lease, expiring 1 December 2014. Second floor leased by IDEO LLC on a 10 year lease expiring 23 June 2019, with rent review due 24 June 2014. Third and Fourth floors let to White Bear Yard Management Ltd on 2 leases of 6 years, expiring on 30 September 2015.	577,783
TOTAL			14,163,972

PART VI

FINANCIAL INFORMATION ON THE COMPANY

1. Introduction

The statutory accounts of the Company for the three financial years ended 31 December 2013, in respect of which the Company'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 are incorporated by reference into this document and are available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) 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 annual reports and audited 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>31 December 2011</i>	<i>31 December 2012</i>	<i>31 December 2013</i>
	<i>Page No.</i>	<i>Page No.</i>	<i>Page No.</i>
<i>Nature of information</i>			
Financial Highlights	1	1	1
Consolidated Income Statement	27	30	37
Consolidated Statement of Changes in Equity	30-31	33-34	40
Consolidated Balance Sheet	28-29	31-32	38
Consolidated Cash Flow Statement	32	35	42
Notes to the Accounts	33-59	36-63	43-76
Dividends	14	14	71
Independent Auditors' Report	25-26	28-29	34

3. Selected financial information

The information in this paragraph 3 is information on the Company and has been extracted directly on a straight forward basis from the financial information referred to in paragraph 2 of this Part VI. Selected audited historical consolidated financial information relating to the Company which summarises the financial condition of the Company for the three periods ended 31 December 2013 is set out in the following table:

	<i>31 December 2011</i>	<i>31 December 2012</i>	<i>31 December 2013</i>
<i>Net asset value</i>			
Net assets (£000)	181,871	176,019	191,560
Equity shareholders' funds (£000)	87,255	80,631	101,592
Net asset value per share (pence)	63.9	57.7	65.5
	<i>31 December 2011</i>	<i>31 December 2012</i>	<i>31 December 2013</i>
<i>Consolidated income statement</i>			
Rental income (£000)	14,166	13,489	13,385
Profit/(loss) for the period (£000)	4,180	(1,424)	11,237
Earnings per share (pence)	3.35	5.53	3.77

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 statutory accounts of the Company as follows and are expressly incorporated by reference into this document.

	<i>Statutory accounts for period ended</i>		
	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>2011</i>	<i>2012</i>	<i>2013</i>
	<i>Page No.</i>	<i>Page No.</i>	<i>Page No.</i>
<i>Nature of information</i>			
Chairman's Statement	3-5	3-5	2-4
Managers' Review	6-13	6-13	8-17
Property Portfolio	11-13	11-13	13-16
Report of the Directors	14-18	14-18	17-19

5. Significant change

Since 31 December 2013 (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 disposals of the properties at Tesco Warehouse, Wingates Industrial Park, Westhoughton, Bolton, Clough Road, Retail Park, Kingston-upon-Hull, Gateway Eleven Business Park, Wymondham, Norwich and Halfords, Hamilton Street, Paisley and the purchases of the property at Unit 1/2, Cullen Square, Livingston and Chester House, Farnborough.

6. Significant gross change

The Issues will represent a significant gross change for the Company. If the Issues had occurred on 31 December 2013, the end of the Company's last financial year, and the Issues had been fully subscribed at 100 million Ordinary Shares, the current assets of the Company would have increased by £71.3 million and the share capital would have increased by £71.3 million.

If the Issues had been made on 31 December 2013, the Company would have derived earnings from the investment of the net proceeds of the Issues in the same manner as earnings are derived from its current invested assets that is in accordance with the Company's investment policy. The Issues are not therefore, expected to have a material impact on the Company's earning per share.

7. 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.

8. Capital resources

The Company currently has 160,709,237 Ordinary Shares in issue and, if the Issues are fully subscribed and become unconditional the Company will have 260,709,237 Ordinary Shares in issue. As at 31 December 2013, the Group had cash, held in sterling, available of approximately £12.3 million, as at 20 June 2014 the Company had cash, held in sterling, available of approximately £20.9 million and has drawn down £84.4 million under the Bank Facility. Cash inflows and outflows for the Group in the year ended 31 December 2013 and the sources and amounts of those cashflows are set out in the Consolidated Income Statement, Consolidated Cash Flow Statement and related notes in the audited reports and accounts of the Company to 31 December 2013 (pages 37, 42 and 43-76) which are expressly incorporated by reference into 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 31 December 2013, the last date in respect of which financial information on the Company has been audited and published and as at 20 June 2014, the latest practicable date prior to the publication of this document:

	<i>As at 31 December 2013 £'000</i>	<i>As at 20 June 2014 £'000</i>
Current debt		
Guaranteed	—	—
Secured	—	—
Unguaranteed/Unsecured	—	—
Total non-current debt		
Guaranteed	—	—
Secured	84.4	84.4
Unguaranteed/Unsecured	—	—
Shareholders' equity funds		
Share capital	31.3	35.4
Capital redemption reserve	—	—
Other reserves*	70.3	77.5
Total	<u>101.6</u>	<u>112.9</u>

* Includes the Company's revenue and capital reserves.

The information in the table above is unaudited financial information on the Company as at 20 June 2014 and has been extracted from internal management accounting records and has not been reported on by an accountant.

The following table shows the Company's net indebtedness at 20 June 2014.

	<i>£'000</i>
A. Cash	20.9
B. Cash equivalent	—
C. Trading securities	—
D. Liquidity (A + B + C)	20.9
E. Current financial receivable	—
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)	(20.9)
K. Non-current bank loans	84.4
L. Bonds issued	—
M. Other non-current loans	—
N. Non-current financial indebtedness (K + L + M)	84.4
O. Net financial indebtedness (J + N)	63.5
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 20 June 2014 and has not been reported on by an accountant.

PART VII

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. The Group

In response to the review carried out by the European Union Code of Conduct Group, which identified the exempt company and international company regimes as "harmful", the States of Guernsey abolished exempt tax status for the majority of companies and introduced the "zero 10" company tax regime with effect from 1 January 2008.

Under the "zero 10" regime, companies incorporated in Guernsey are resident in Guernsey for tax purposes and are subject to tax on their worldwide income at the standard rate of income tax of zero per cent. There are exceptions to the standard rate of income tax, with banks, licensed fiduciaries, licensed insurers, and licenced insurance managers paying tax at 10 per cent. on certain elements of income. All companies are taxable at 20 per cent. on income from rental property located in Guernsey, and on income from activities regulated by the Office of the Director General of Utility Regulation.

However, as collective investment schemes were not one of the regimes in Guernsey that were classified by the EU Code of Conduct Group as being harmful, collective investment schemes continued to be able to apply for exempt status for Guernsey tax purposes after 31 December 2007. The Company and the Property Subsidiary will apply on an annual basis for tax exempt status in Guernsey pursuant to the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 as amended (the "Ordinance"). Under the provisions of the Ordinance, exemption has to be renewed annually, and will be granted by the Director of Income Tax, provided the Company and the Property Subsidiary continue to comply with the requirements of the Ordinance, and upon payment of an annual fee, currently £600 per annum.

If exempt status is granted, the Company and the Property Subsidiary will not be considered resident in Guernsey for Guernsey income tax purposes. A company that has exempt status for Guernsey tax purposes is exempt from tax in Guernsey on both bank deposit interest and any income that does not have its source in Guernsey. It is not anticipated that any income other than bank interest will arise in Guernsey and therefore the Company and the Property Subsidiary are not expected to incur any liability to Guernsey income tax. Payments of dividends and interest by a company that has exempt status for Guernsey tax purposes are regarded as having their source outside Guernsey and hence are payable without deduction of tax in Guernsey.

In keeping with their on-going commitment to meeting international standards, the States of Guernsey completed a review of their corporate income tax regime. During the course of the review an announcement was made in relation to the removal of certain "deemed distribution" provisions which are not relevant to tax exempt companies. Additionally, from 1 January 2013, the company intermediate income tax rate of 10 per cent. was extended to include income arising from the carrying on of business as a licensed fiduciary (in respect of regulated activities), a licensed insurer (in respect of domestic insurance business) and a licensed insurance intermediary and a licensed insurance manager. These changes are not expected to impact the Company or the Property Subsidiary.

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover, nor are there any estate duties, save for an *ad valorem* fee for the grant of probate or letters of

administration. No stamp duty is chargeable in Guernsey on the issue, transfer, switching or redemption of shares in the Company.

No capital gains tax or similar tax is levied in Guernsey on realised and unrealised gains resulting from the Group's investment activities.

It is the intention of the Directors to conduct the affairs of the Group so that the management and control of the Company and the Property Subsidiary is not exercised in the United Kingdom, so that they are not resident in the United Kingdom for taxation purposes and so that they do not carry on any trade in the United Kingdom (whether or not through a permanent establishment situated there). Accordingly, the Company and the Property Subsidiary will not be liable for United Kingdom taxation on their income or gains other than certain income deriving from a United Kingdom source.

The Property Subsidiary and any other subsidiaries incorporated by the Group which hold UK property will be subject to United Kingdom income tax on income arising on the Property Portfolio after deduction of allowable debt financing costs and allowable expenses. The Property Subsidiary has received approval from HMRC to receive rental income gross of UK income tax being withheld.

2. Investors

2.1 Taxation of dividends on Ordinary Shares

Ordinary Shareholders will receive dividends without deduction of Guernsey income tax. UK resident individual Ordinary Shareholders will be liable to UK income tax on the dividends received.

UK resident individual Shareholders who own less than 10 per cent. of the Company's issued share capital will be entitled to tax credits in respect of dividends paid by the Company. The tax credits will be 10 per cent. of the aggregate of the dividend and the tax credit itself (equivalent to one-ninth of the cash dividend). UK resident individual Shareholders, including those who hold their Shares through an ISA, who are not liable to UK income tax in respect of their dividends, will not be entitled to reclaim any part of the tax credit. The UK income tax charge in respect of dividends for basic rate tax payers will be at the rate of 10 per cent. and such Shareholders will have no further liability to tax on their dividends. A higher rate tax payer will be liable to UK income tax on the sum of the dividend plus the tax credit (to the extent that, taking that sum at the top slice of his/her income, it falls above the threshold for the higher rate of UK income tax) at the rate of 32.5 per cent., against which he/she can offset the 10 per cent. tax credit.

An additional rate tax payer will be liable to UK income tax on the sum of the dividend plus the tax credit (to the extent that, taking that sum at the top slice of his/her income, it falls above the threshold for the additional rate of UK income tax) at the rate of 37.5 per cent., against which he/she can offset the 10 per cent. tax credit.

No UK tax credit will be attached to dividends received by any other Shareholders.

Dividends paid by the Company to UK resident corporate Shareholders will generally be exempt from UK corporation tax.

Shareholders resident outside Guernsey will not be subject to any income tax in Guernsey in respect of any shares owned by them.

Any Shareholders who are resident for tax purposes in Guernsey, Alderney or Herm will incur Guernsey income tax on any dividends paid on Ordinary Shares owned by them but will suffer no deduction of tax by the Company from any such dividends payable by the Company where the Company is granted exempt status. The Company is required to provide details of distributions made to Shareholders resident in the Islands of Guernsey, Alderney and Herm to the Director of Income Tax in Guernsey.

2.2 Taxation of Capital Gains

The Company, as a closed-ended investment company without a fixed life, will not as at the date of this Prospectus be treated as an "offshore fund" for the purposes of United Kingdom taxation. Accordingly, the provisions of sections 354 to 359 of the Taxation (International and Other Provisions) Act 2010 will not apply. Any gains on disposals by UK resident holders of the Ordinary Shares may, depending on their individual circumstances, give rise to a liability to United Kingdom taxation on capital gains.

Shareholders will not be subject to Guernsey tax on any disposal of their holding of Ordinary Shares in the Company.

2.3 *New Individual Savings Accounts*

The New ISA ("NISA") regime is expected to start on 1 July 2014 which will, amongst other things, remove the concept of stocks and shares and cash components of an ISA. For the 2014/15 tax year NISAs will have an overall subscription limit of £15,000 (from 1 July 2014), all of which can be invested in stocks and shares, such as the Ordinary Shares.

It is the intention of the Directors that the Company will operate so as to ensure that the Ordinary Shares continue to qualify for inclusion within an ISA.

2.4 *Stamp Duty and Stamp Duty Reserve Tax*

The following comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with voluntary arrangements or clearance services, to whom special rules apply. No Guernsey tax or UK stamp duty, or stamp duty reserve tax, will be payable on the issue of the Ordinary Shares. Regardless of whether Ordinary Shares are held in certificated or uncertificated form, United Kingdom stamp duty (at the rate of 0.5 per cent, of the amount of the value of the consideration for the transfer rounded up where necessary to the nearest £5) is payable on any instrument of transfer of the Ordinary Shares executed within, or in certain cases brought into, the United Kingdom. Provided that the Ordinary Shares are not registered in any register of the Company kept in the United Kingdom, any agreement to transfer the Ordinary Shares will not be subject to United Kingdom stamp duty reserve tax. In the event of the death of a sole holder of Ordinary Shares, a Guernsey grant of probate or administration may be required in respect of which certain fees will be payable to the Ecclesiastical Registrar in Guernsey.

2.5 *Other United Kingdom tax considerations*

The attention of individuals resident in the United Kingdom is drawn to the provisions of Chapter 2 of Part 13 of the Income Tax Act 2007 under which the income accruing to the Company may be attributed to such a shareholder and may (in certain circumstances) be liable to UK income tax in the hands of the shareholder. However, the provisions do not apply if such a shareholder can satisfy HMRC that, either:

- (a) the purpose of avoiding liability to UK taxation was not the purpose or one of the purposes of his investment in the Company; or
- (b) the investment was a *bona fide* commercial transaction and was not designed for the purpose of avoiding UK taxation.

As it is probable that the Company will be owned by a majority of persons resident in the UK, the legislation applying to controlled foreign companies may apply to any corporate Ordinary Shareholders who are resident in the UK. Under these rules, part of any undistributed income accruing to the Company or the Property Subsidiary may be attributed to such a shareholder, and may in certain circumstances be chargeable to UK corporation tax in the hands of the shareholder. However, this will only apply if the apportionment to that shareholder (when aggregated with persons connected or associated with them) is at least 25 per cent. of the Company's or the Property Subsidiary's relevant profits.

In the event that the Company would be treated as "close" if it were resident in the UK, then part of any chargeable gain accruing to the Company or the Property Subsidiary may be attributed to such a shareholder and may (in certain circumstances) be liable to UK tax on capital gains in the hands of the shareholder. The part attributed to the shareholder corresponds to the shareholder's proportionate interest in the Company. This paragraph applies only to Ordinary Shareholders who are resident in the UK and whose interest (when aggregated with persons connected with them) in the chargeable gains of the Company exceeds one-quarter.

2.6 *EU Savings Tax Directive*

Guernsey has introduced measures that are equivalent to the EU Savings Tax Directive (2003/48/EC). Under the Directive, income derived from Undertakings for Collective Investment in Transferable Securities or “UCITS” funds and undertakings for CIS established outside the EU are potentially caught within the Directive. The Guernsey government has issued guidance which states that only Class A funds established in Guernsey should be within scope of the Directive. All other funds are regarded as out of scope. Accordingly, paying agents are not currently required to operate the measures on distributions made to shareholders by closed-ended investment companies established in Guernsey. No exchanges of information under the EU Savings Tax Directive are expected to apply to holdings of Ordinary Shares.

The operation of the Directive is currently under review by the European Commission and a number of changes have been outlined which, if agreed, will significantly widen its scope.

3. **Impact of UK REIT regime**

The following paragraphs relate only to certain very limited aspects of the United Kingdom taxation treatment of a UK REIT and of PIDs and Non-PID Dividends paid by the Company to UK resident individuals and companies in the event that the Company elects in the future into the UK-REIT regime.

3.1 *UK REIT regime*

Since 1 January 2007 there has been legislation in place in the United Kingdom to enable qualifying companies (or groups) to apply for Real Estate Investment Trust (REIT) status. A company (or group) carrying on a “property rental business” as defined in UK tax legislation may give notice to opt for the treatment provided by the UK REIT legislation, subject to meeting a number of initial and on-going conditions.

The main tax advantage of the UK-REIT regime is that net rental income derived from its rental property portfolio is exempt from UK income or corporation tax, as are capital gains on the disposal of the rental properties. The UK-REIT regime seeks to treat investors in the REIT as if they held an interest in the property rental business directly.

3.2 *UK taxation of Non-PID Dividends*

Non-PID Dividends paid by the Company will be taxed in the same way as dividends paid by the Company prior to entry into the UK-REIT regime, whether in the hands of individual or corporate Shareholders and regardless of whether the Shareholder is resident for tax purposes in the UK.

3.3 *UK taxation of PIDS*

UK taxation of shareholders who are UK resident individuals

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 Corporation Tax Act 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 off-set against a PID as part of a single calculation of the profits of the shareholder’s UK property business.

UK taxation of UK resident 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 profits of a property rental business. This means that, subject to the availability of any exemptions or reliefs, such Shareholders should be liable to UK corporation tax 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 Corporation Tax Act 2010 applies, treated as a separate Schedule A business from any other Schedule A business (a “different Schedule A business”) carried on by the relevant shareholder. This means that any surplus expenses from a shareholder’s different Schedule A business cannot be off-set against a PID as part of a single calculation of the shareholder’s Schedule A profits.

PART VIII

GENERAL INFORMATION

1. General

- 1.1. The Company is a 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 is an Authorised Closed Ended Investment Scheme under section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and the Rules made thereunder. 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 is a wholly owned subsidiary of 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 the 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 Financial Conduct Authority.
- 1.4. The Valuer is a private limited company and was incorporated in England and Wales under the UK Companies Act 1985 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).

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 100 million New Shares are issued pursuant to the Issues) will be as follows:

	No. of Shares	Nominal Value
<i>As at the date of this document</i>		
Ordinary Shares	160,709,237	£1,607,092.37
<i>Immediately following the Issues</i>		
Ordinary Shares	260,709,237	£2,607,092.37

- 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. Under the terms of the Preference Shares they were to be

redeemed by the Company on the tenth anniversary of admission at a redemption price of £1.7908. The Preference Shares could not be redeemed earlier. On 21 July 2011 the Preference Shares were converted into new 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 2013, the date to which the last audited accounts of the Company were prepared, with the exception of the following:
 - 2.3.1. On 7 March 2014 the Company issued 1,300,000 Ordinary Shares under the Company's blocklisting facility at a price of 71.50 pence per share.
 - 2.3.2. On 12 March 2014 the Company issued 1,000,000 Ordinary Shares under the Company's blocklisting facility at a price of 71.50 pence per share.
 - 2.3.3. On 13 March 2014 the Company issued 485,000 Ordinary Shares under the Company's blocklisting facility at a price of 71.50 pence per share.
 - 2.3.4. On 21 March 2014 the Company issued 2,930,000 Ordinary Shares under the Company's blocklisting facility at a price of 71.50 pence per share.
- 2.4. The Company's issued share capital history during the last three financial years to 31 December 2013 is as follows:
 - 2.4.1. On 3 August 2012, the Company issued 700,000 Ordinary Shares at a price of 62.50 pence per Share;
 - 2.4.2. On 7 August 2012, the Company issued 300,000 Ordinary Shares at a price of 63.00 pence per Share;
 - 2.4.3. On 31 October 2012, the Company issued 1,250,000 Ordinary Shares at a price of 60.30 pence per Share;
 - 2.4.4. On 6 February 2013, the Company issued 1,500,000 Ordinary Shares at a price of 58.50 pence per Share;
 - 2.4.5. On 11 February 2013, the Company issued 500,000 Ordinary Shares at a price of 58.50 pence per Share;
 - 2.4.6. On 13 February 2013, the Company issued 250,000 Ordinary Shares at a price of 58.50 pence per Share;
 - 2.4.7. On 27 February 2013, the Company issued 400,000 Ordinary Shares at a price of 58.50 pence per Share;
 - 2.4.8. On 6 March 2013, the Company issued 300,000 Ordinary Shares at a price of 58.50 pence per Share;
 - 2.4.9. On 13 March 2013, the Company issued 700,000 Ordinary Shares at a price of 58.50 pence per Share;
 - 2.4.10. On 14 March 2013, the Company issued 100,000 Ordinary Shares at a price of 58.50 pence per Share;
 - 2.4.11. On 20 March 2013, the Company issued 2,000,000 Ordinary Shares at a price of 58.50 pence per Share;
 - 2.4.12. On 10 May 2013, the Company issued 1,000,000 Ordinary Shares at a price of 58.00 pence per Share;
 - 2.4.13. On 10 May 2013, the Company issued 1,100,000 Ordinary Shares at a price of 56.5 pence per Share;

- 2.4.14. On 11 June 2013, the Company issued 300,000 Ordinary Shares at a price of 56.5 pence per Share;
- 2.4.15. On 13 June 2013, the Company issued 2,000,000 Ordinary Shares at a price of 56.5 pence per Share;
- 2.4.16. On 18 June 2013, the Company issued 2,043,173 Ordinary Shares at a price of 62.50 pence per Share;
- 2.4.17. On 29 July 2013, the Company issued 1,144,318 Ordinary Shares at a price of 62.00 pence per Share;
- 2.4.18. On 31 October 2013, the Company issued 1,110,000 Ordinary Shares at a price of 67.50 pence per Share; and
- 2.4.19. On 4 November 2013, the Company issued 1,365,000 Ordinary Shares at a price of 67.00 pence per Share.

On 31 December 2013 the issued share capital of the Company was 154,994,237 Ordinary Shares.

- 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 24,090,314 Ordinary Shares (being 14.99 per cent, of the number of Ordinary Shares in issue as at 28 May 2014 being the date on 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 100 million New Shares are being issued pursuant to the Issue. 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 30 July 2014. 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 authorised share capital of £100 divided into 10,000 ordinary shares of one pence each of which two shares are issued and fully paid and beneficially held by the Company.

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 is limited to the allotment of Shares up to an aggregate nominal amount of £160,709, being approximately 10 per cent. of the issued share capital as at 16 April 2014; and (ii) the authority expires at the next annual general meeting of the Company or 15 months following the passing of the resolution.

- 3.2 At the General Meeting it was resolved that, in addition to any existing authority already granted to the Directors, 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 is limited to the allotment of Shares up to an aggregate nominal amount of £500,000, being approximately 31.11 per cent. of the issued share capital as at 6 June 2014; and (ii) the authority expires on 30 June 2015.
- 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 28 July 2014 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 two financial periods to 31 December 2013 in respect of which the Company has published statutory accounts or during the period from 1 January 2014 to the date of this document).

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 VIII 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 of incorporation; 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 one 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, the majority of the Directors shall at all times be resident outside the United Kingdom.

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.

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 2014 will not exceed £150,000.
- 6.2. None of the Directors have service contracts with the Company. Each of Richard Barfield and Shelagh Mason have 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 Richard Barfield and Shelagh Mason 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 2013 by the Company were £32,000 per annum to Paul Orchard-Lisle, the Chairman (resigned on 28 May 2014), £25,000 per annum to Susie Farnon, Chairman of the Audit Committee and £24,000 per annum to each of Richard Barfield and Shelagh Mason, £17,063 per annum to Huw Evans (appointed 11 April 2013) and £8,893 to David Moore (resigned 14 May 2013). The fees will be reviewed annually and may be increased in line with usual market rates. The Company will also pay 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 UK 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</i>
Richard Barfield	50,128	0.03%
Susie Farnon	15,000	0.01%
Shelagh Mason	15,000	0.01%
Huw Evans	15,000	0.01%
Robert Peto*	—	—

* Mr Peto intends to subscribe for 20,000 Ordinary Shares under the Offer.

- 6.7. Details of those companies and partnerships of which the Directors have been directors or partners at any time since 1 July 2009 are as follows:

(i) Richard Barfield

Present directorships and partnerships: Coal Staff Superannuation Scheme Trustees Limited, Coal Pension Trustee Services Ltd, The Baillie Gifford Japan Trust plc and the Pension Protection Fund

Past directorships and partnerships: J.P. Morgan Overseas Investment Trust plc, The Merchants Trust PLC, Synergy Fund GP Limited 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 (Formerly Cenkos Channel Islands Limited), Dexion Absolute Limited, Guernsey Financial Services Commission, HICL Infrastructure Company Limited, Interceptor Holdings Limited, Little Lucy Limited, Threadneedle UK Select Trust Limited and Timbertops Limited

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

(iii) Shelagh Mason

Present directorships and partnerships: Alpha German Property Income Trust Limited, ARSY Holdings Limited, Channel Islands Property Fund Limited, G Res 1 Limited, Leadenhall Property Co (Jersey) Limited, MedicX Fund Limited, PFB Data Centre Fund, Spicer & Partners Guernsey LLP, Third Point Offshore Independent Voting Company Limited and The Renewables Infrastructure Group Limited

Past directorships and partnerships: Atlas Estates Limited, Harrier Investment and Trading Corporation SA, New River Retail Limited, PFB Regional Office Fund, PFB Strategic Land Opportunity Fund Limited, Ptarmigan Property II Limited, Quercus PCC Limited, Safehaven Property Investment Company Limited, Sage Bhartiya Infrastructure Fund IC Ltd, Sirius Real Estate Limited and Wood Works Limited

(iv) *Huw Evans*

Present directorships and partnerships: BH Macro Limited, Evans Property Holdings Limited, Every Child Our Future LBG, La Bigoterie Holdings Limited, Oxford Property Holdings Limited, Renshaw Bay GP1 Limited, Renshaw Bay GP2 Limited, Renshaw Bay GP3 Limited, Renshaw Bay Partners GP Limited, Rob Airways Limited and Swoffers Limited

Past directorships and partnerships: Hazel Ventures Management (GP) Limited

(v) *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

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

- (a) have 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 6.7;
- (b) has had any convictions in relation to fraudulent offences for at least the previous five years;
- (c) save as disclosed in paragraph 6.9 below, 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 6.7 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).

6.9. Shelagh Mason was a director of PFB Regional Office Fund Limited which was placed into liquidation on 14 July 2009 with net liabilities of approximately £6.8 million.

7. Substantial Share interests

7.1 As at 27 June 2014 (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</i>
Brewin Dolphin	31,945,514	19.9%
Standard Life Assurance	14,982,501	9.3%
M&G Investment Management	9,605,533	6.0%

7.3 Save as described above, the Company is not aware of any person who is as at 27 June 2014 (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.

- 7.4 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 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 1 July 2014 between (1) the Company, (2) the Investment Manager and (3) Winterflood Securities whereby Winterflood Securities conditionally agrees to use its reasonable endeavours to procure placees in the Initial Placing and Placing Programme of up to 100 million Ordinary Shares. In consideration for its services Winterflood will be paid commission of an amount equal to one 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. Winterflood may only claim against the Investment Manager under the warranties or indemnities if it has 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 dated 4 December 2003 (as amended by an agreement dated 25 June 2008) between (1) the Company, (2) the Investment Manager and (3) the Property Subsidiary whereby the Investment Manager is appointed to act as 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 0.85 per cent. of the Total Assets (less any amounts drawn down under the Facility Agreement but not yet invested in property assets) (except that, where the Cash (as defined in the Investment Management Agreement) element of Total Assets exceeds 10 per cent. of the Total Assets, the quarterly fee payable on that Cash element which exceeds 10 per cent. of the Total Assets shall be reduced to 0.05 per cent.), payable quarterly in arrears. The Investment Manager has also agreed to charge only 0.75 per cent. of the Total Assets until such time as the published net asset value per Share returns to the launch level of 97p. This is applicable from quarter ending 31 December 2008 onwards and does not effect the reduced fee of 0.2 per cent. on cash holding above 10 per cent. of Total Assets. The fees of any managing agents appointed by the Investment Manager will be payable by the Investment Manager out of this fee. 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.

It is expected that the Investment Management Agreement will be terminated and a new AIFM Directive compliant investment management agreement will be entered into with the Investment Manager on the same commercial terms as the existing Investment Management Agreement.

- 8.3. An administration and secretarial agreement dated 4 December 2003 between (1) the Company, (2) the Administrator and (3) the Property Subsidiary whereby the Administrator is appointed to act as administrator, secretary and registrar of the Group. The Administrator shall be entitled to receive a fixed fee of £65,000 per annum. The Administrator shall be entitled at any time to give 30 day notice to the Company of the remuneration it proposes to charge as from the last day of such period of notice. If no agreement is reached on such fees, either party may terminate the agreement on 30 days' notice. The Administrator shall also be entitled to reimbursement of fees and expenses disbursed by the Administrator on behalf of the Company and the Property Subsidiary. The Administration and Secretarial Agreement contains an unlimited indemnity in favour of the Administrator against claims by third parties except to the extent that the claim is due to the bad faith, negligence, wilful default or fraud of the Administrator. The Administration and Secretarial Agreement may be terminated by any party giving to the others not less than 90 days' notice in writing or otherwise in circumstances, *inter alia*, where one of the parties goes into liquidation.
- 8.4. The Facility Agreement dated 19 December 2011 made between the Bank and the Company whereby the Bank has agreed to make available a term loan facility of £84 million. Interest is payable by the Company at a rate equal to the aggregate of LIBOR, mandatory costs of the Bank and a margin of 175 basis points per annum. A non-utilisation fee of 15 basis points is payable on any undrawn amounts under the Bank Facility. The Bank Facility is repayable on the seventh anniversary of 20 January 2012 or, if such date is not a Business Day, the immediately preceding Business Day or, if the Company exercises its option, any date it chooses up to the seventh anniversary of the earlier of 20 January 2012 or the first Drawdown Date (as defined in the Facility Agreement), although if an Event of Default (as defined in the Facility Agreement) were triggered it would be repayable on first demand by the Bank. 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. 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 1.7 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.
- 8.5. An engagement letter dated 4 December 2007 between the Company and the Valuer. Pursuant to this letter, the Valuer has agreed to provide valuation services in respect of the assets comprising the Property Portfolio. This engagement was for initial period of three years. Under the letter of engagement, the Valuer is entitled to receive an annual fee equal to 0.017 per cent. of the average portfolio value calculated over the preceding quarter (payable quarterly), together with all reasonable out-of-pocket expenses. The Valuer is also entitled to a one-off fee of approximately £38,500 (excluding VAT and reasonable expenses) in respect of its valuation of the Property Portfolio contained in Part V of this document.

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 34 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. It is expected that the total costs and expenses of and incidental to the Issues payable by the Company (on the assumption that the Issues are fully subscribed) will be approximately £1.085 million being 0.98 per cent. of the net assets of the Company as at 20 June 2014.
- 10.2. 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.
- 10.3. The Valuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in Part IV 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 IV 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. The information in this document sourced from IPD on page 34 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 IPD, no facts have been omitted which would render the reproduced information inaccurate or misleading.
- 10.5. 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.
- 10.6. 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.
- 10.7. The most recent unaudited NAV per Ordinary Share as at 20 June 2014 was 69.07 pence.

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 interest 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 one per cent. threshold thereafter; or
- 12.2. reaches, exceeds or falls below an applicable threshold in paragraph 12.1 of this Part VIII 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 VIII. 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 weekday (Saturdays, Sundays and public holidays excepted) at the offices of Dickson Minto W.S., Broadgate Tower, 20 Primrose Street, London EC2A 2EW and at the Company’s registered office until 1 July 2015:

- (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 10.5 and 10.6 above;
- (iv) the valuation report referred to in Part V of this document;
- (v) the annual reports and accounts for the three financial years ended 31 December 2013; and
- (vi) 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 1 July 2015, 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.

1 July 2014

PART IX

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.

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) Initial Admission of New Shares occurring and becoming effective by 8.00 a.m. (London time) on or prior to 30 July 2014 (or such later time and/or date, not being later than 8.00 a.m. on 29 August 2014, 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 30 June 2015; (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 Initial Placing and Offer 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 a commitment 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 set out in this Part IX 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 EEA (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 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 that The Placing Agent 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 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 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 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 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 VIII of this document.

PART X

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 X.

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 Initial Placing and Offer Price on the terms, and subject to the conditions, set out in this document (including this Part X) and the Memorandum and Articles;
- 2.2. agree that, in consideration of the Company, the Placing Agent agreeing that they will not, prior to Initial 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 24 July 2014 and shall not be revoked after Initial Admission and that this paragraph 2.2 shall constitute a collateral contract between you, the Company, 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 X or any other suspected breach of the terms and conditions of application set out in this Part X; 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, the Placing Agent, to disclose promptly in writing to them such information as the Company, 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 Receiving 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 X 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 X;
- 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 and manually. 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 (a) 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 X 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 X. 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 24 July 2014 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. Initial Admission by 8.00 a.m. on 30 July 2014 (or such later time or date, not being later than 8.00 a.m. on 29 August 2014, as the Company and the Placing Agent may agree); and
 - 4.1.2. the Placing Agreement referred to in paragraph 8.1 of Part VIII of this document becoming unconditional and the obligations of the Placing Agent thereunder not being terminated prior to Initial 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 X 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 Initial 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, 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 X 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 X, 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 X 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 24 July 2014 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 Initial 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 X 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 X 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, SIPPS or SSAS. If you are interested in transferring your New Shares into an ISA, SIPPS 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 24 July 2014. 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 24 July 2014 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 24 July 2014.

Important – Before completing this form, you should read the accompanying notes set out pages 114 to 116 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 call Computershare Investor Services PLC on 0870 707 4040 from within the UK or on +44 870 707 4040 if calling from outside the UK. Calls to the 0870 707 4040 number cost 10p per minute plus any other network providers' costs. Lines are open from 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday. Calls to the helpline, which is unable to give any tax, legal or financial advice on the Offer for Subscription, from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes.

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 1 July 2014 and subject to the Memorandum and Articles of Incorporation 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 Initial Placing and Offer 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 X of the Prospectus.

Signature	Dated	2014
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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)	2014	(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 Guernsey. 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, Switzerland and the United Kingdom.

Declaration by the firm

To: Standard Life Investments Property Income Trust Limited, Computershare Investor Services (Guernsey) Limited and 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 Guernsey;
- 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)	2014	(Official stamp, if any)
(Signature)		
(Full name)		
(Title/position)		



having authority to bind the firm, the details of which are set out below:

<i>(Name of firm, in full)</i>	
<i>(Address, in full)</i>	
	<i>(Post code)</i>
<i>(Contact name)</i>	<i>(Telephone number)</i>

<i>(Full name of firm's regulatory authority)</i>	
<i>(Website address or telephone number of regulatory authority)</i>	<i>(Firm's registered, licence or other official number)</i>

- 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 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 24 July 2014.

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 Initial Placing and Offer Price, which is expected to be announced by the Company on 16 July 2014.

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 24 July 2014, 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 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 24 July 2014, 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.