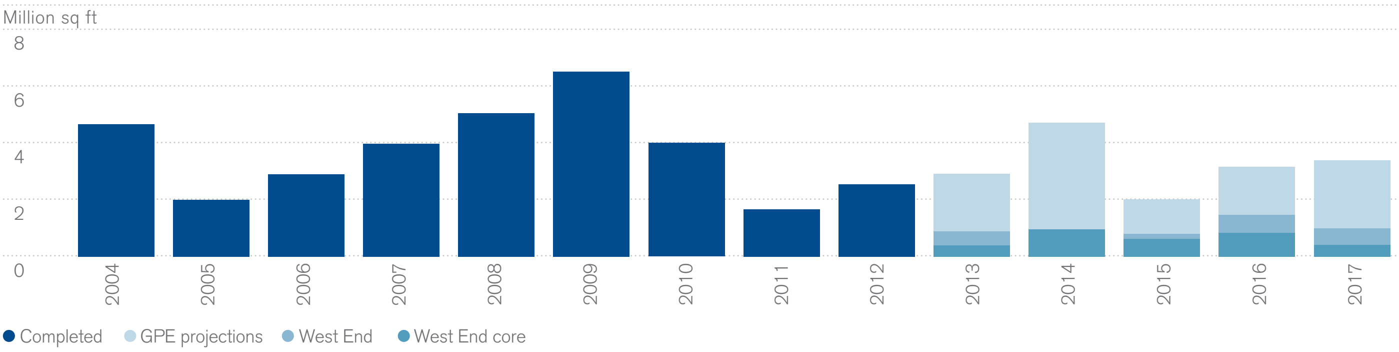
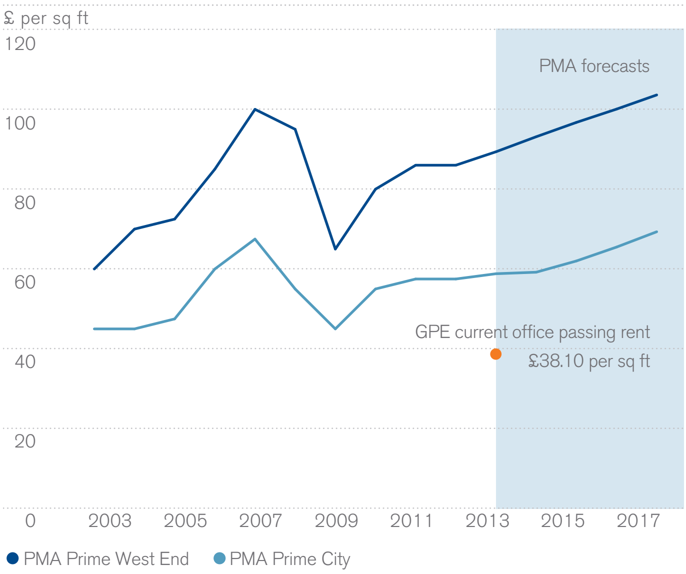
Appendix 1

Central London office potential completions



Headline rents



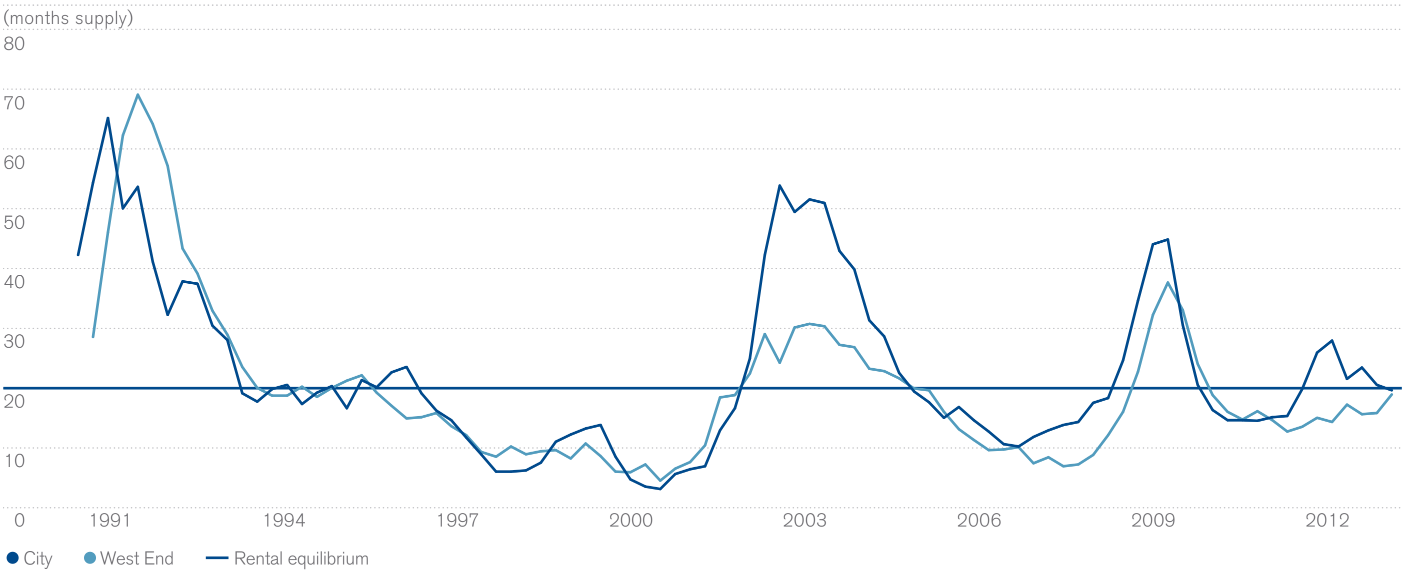
Source: PMA

London equity demand and asset supply

	Nov 2012	May 2013	% change
Equity demand	**£20.5bn**	**£22.5bn**	**+9.8%**
Asset supply			
City	£2.1bn	£1.8bn	−14.3%
West End	£2.6bn	£0.8bn	−69.2%
	£4.7bn	**£2.6bn**	**−44.7%**
Demand multiple	**4.4x**	**8.7x**	

Source: CBRE/GPE

London market balance



Source: PMA

Appendix 1

Lead indicators

Selected lead indicators	Trends in year
Property capital values	
Equity prices	↑
Bond prices	↑
Real yield spread (West End property)[1]	→
Volume of new property lending by major UK and European banks	→
Transaction volumes in central London direct real estate investment markets	↑
Direction of pricing on IPD based derivative contracts	↑
Rental values	
Forecast UK GDP growth	↑
Forecast London GVA growth	↑
West End retail sales	↓
Business confidence levels in the central London economy	↑
UK output from the financial and business services sector	↑
Employment levels in London's finance and business services sectors	↑
Central London office market balance[2]	→

1. West End property yields over ten year gilt yields adjusted for inflation.
2. Amount of space available to let given current rates of take-up expressed in terms of months.

Appendix 2

Portfolio performance

		Wholly-owned £m	Joint ventures £m	Total £m	Proportion of portfolio %	Valuation movement %
North of Oxford Street	Office	826.1	57.6	883.7	37.9	7.9
	Retail	86.2	92.1	178.3	7.7	6.3
Rest of West End	Office	322.5	15.2	337.7	14.5	6.5
	Retail	109.0	21.4	130.4	5.6	13.3
Total West End		1,343.8	186.3	1,530.1	65.7	7.8
City, Midtown and Southwark	Office	172.4	122.2	294.6	12.7	2.1
	Retail	14.6	–	14.6	0.6	5.1
Total City, Midtown and Southwark		187.0	122.2	309.2	13.3	2.3
Investment property portfolio		1,530.8	308.5	1,839.3	79.0	6.9
Development property		46.9	146.1	193.0	8.3	20.1
Total properties held throughout the year		**1,577.7**	**454.6**	**2,032.3**	**87.3**	**8.0**
Acquisitions		281.4	15.0	296.4	12.7	5.4
Total property portfolio		**1,859.1**	**469.6**	**2,328.7**	**100.0**	**7.6**

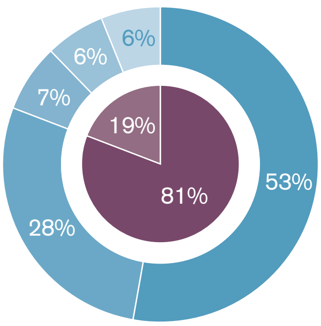
Portfolio characteristics

		Investment properties £m	Development properties £m	Total property portfolio £m	Office £m	Retail £m	Total £m	Net internal area sq ft 000's
North of Oxford Street		1,099.4	123.8	1,223.2	998.0	225.2	1,223.2	1,528
Rest of West End		650.5	–	650.5	439.3	211.2	650.5	670
Total West End		**1,749.9**	**123.8**	**1,873.7**	**1,437.3**	**436.4**	**1,873.7**	**2,198**
City, Midtown and Southwark		385.8	69.2	455.0	439.7	15.3	455.0	1,366
Total		**2,135.7**	**193.0**	**2,328.7**	**1,877.0**	**451.7**	**2,328.7**	**3,564**
By use:	Office	1,706.0	171.0	1,877.0				
	Retail	429.7	22.0	451.7				
Total		**2,135.7**	**193.0**	**2,328.7**				
Net internal area sq ft 000's		3,015	549	3,564				

Our portfolio – 100% central London

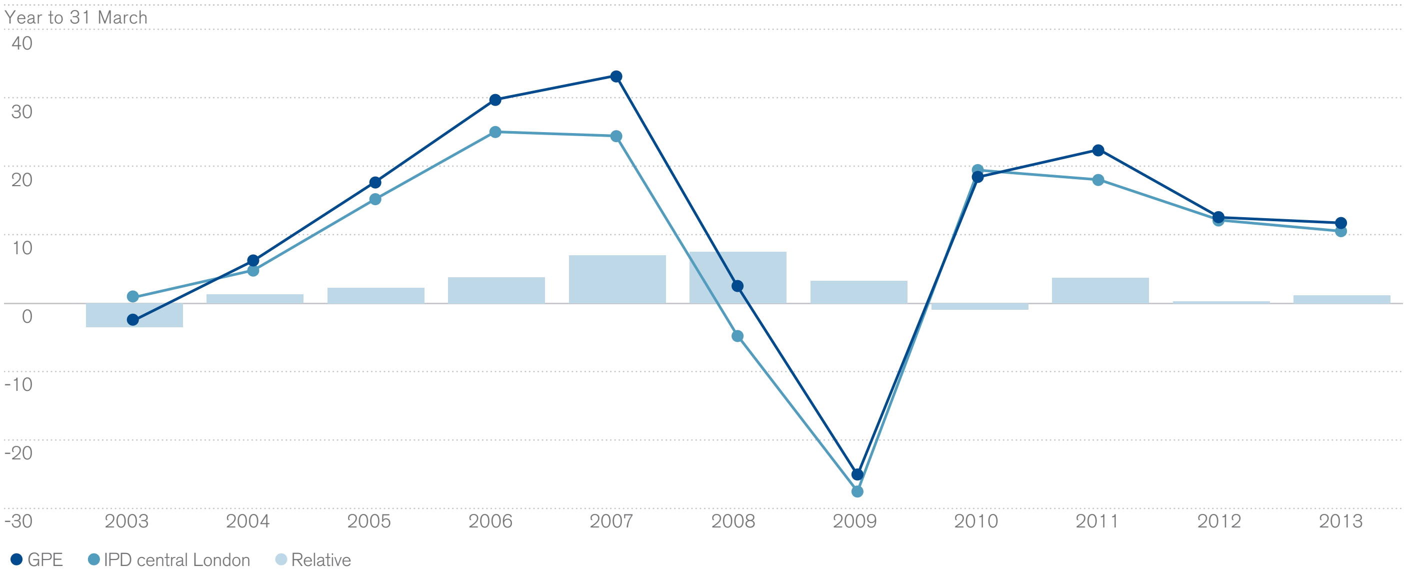
Locations
- North of Oxford Street £1,223.2m
- Rest of West End £650.5m
- Southwark £171.4m
- City £152.8m
- Midtown £130.8m

Business mix
- Office £1,877.0m
- Retail £451.7m



Appendix 2

Total property return (% p.a.)
relative to IPD central London benchmark



Appendix 3

Purchases for the year to 31 March 2013

Description	Price £m	Net initial yield	Net internal area sq ft	£ per sq ft
French Railways House and 50 Jermyn Street, SW1	39.0	5.1%	49,900	782
Jermyn Street Estate, SW1	120.0	3.7%	133,000	902
Minerva House, SE1	60.0	5.4%	103,700	579
Orchard Court, W1	37.0	4.6%	47,800	775
148 Old Street[1], EC1	15.0	6.9%	97,800	307
Total	**271.0**	**4.7%**	**432,200**	**662**

Note 1 Our share.

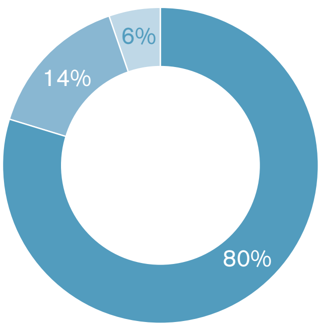
Sales for the year to 31 March 2013

Description	Price £m	Net initial yield	£ per sq ft	Premium to book value
Buchanan House, WC2	20.5	2.1%	319	2.5%
Jermyn Street Estate[1], SW1	60.0	3.7%	902	3.9%
Regent Arcade House[1], W1	24.0	5.5%	741	6.5%
100 Regent Street[1], W1	32.3	3.7%	1,218	9.5%
100 Bishopsgate[2], EC2	47.4	0.4%	n/a	0.0%
Total	**184.2**	**2.8%**	**721**	**4.0%**

1. Our share.
2. 37.5% interest sold.

Wholly-owned and joint venture property values at 31 March 2013

- Wholly-owned £1,859.1m
- Access to new properties £319.6m
- Risk sharing £150.0m



Net investment in joint ventures as at 31 March 2013 £m

Access to new properties	
capco	48.2
LV=	63.0
SCOTTISH WIDOWS	89.6
STARWOOD CAPITAL GROUP	38.9
Risk sharing	
bp	108.6
Total	**348.3**

Appendix 3

Committed schemes and pipeline

Development	Anticipated finish	New building area[1]	Cost to come £m[2]	Current ERV £m[2]	Secured income £m[2]	Profit on cost
Committed						
95 Wigmore Street, W1	Jul 2013	112,300	3.1	3.9	3.3	52%
240 Blackfriars Road, SE1	Mar 2014	236,300	29.9	5.2	2.5	39%
Walmar House, 288/300 Regent Street, W1	Feb 2014	60,400	6.0	3.9	0.3	27%
City Tower, Basinghall Street, EC2	Aug 2013	140,200	5.5	3.0	0.8	28%
12/14 New Fetter Lane, EC4	Nov 2015	142,500	58.1	8.3	8.3	26%
Total of committed		**691,700**	**102.6**	**24.3**	**15.2**	**34%**
Near-term						
5 projects	2014–2017	630,900				
Pipeline						
15 projects		1,139,100				
Total programme						
25 projects, 55% of GPE's existing portfolio		**2,461,700**				

1. Areas in sq ft and at 100%.

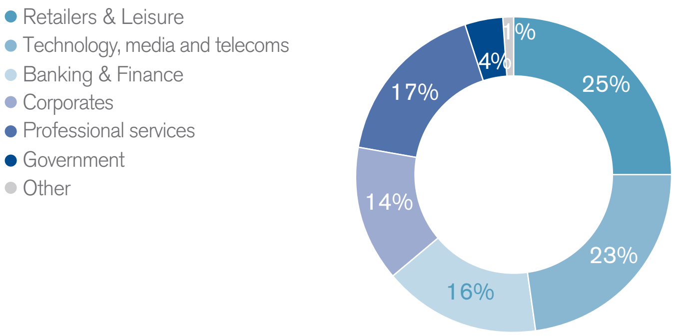
2. For those held in JV, amounts shown at 50%.

Appendix 3

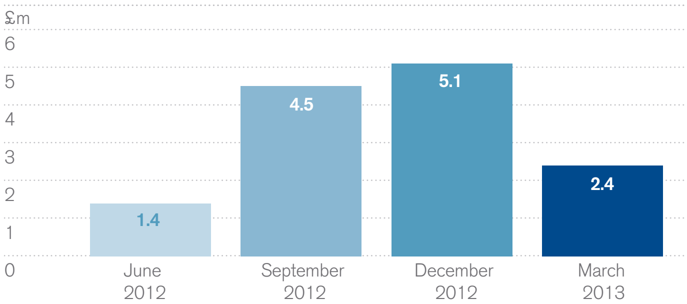
Top ten tenants

	Tenant	Rent roll (our share) £m	% of rent roll (our share)
1	Savills plc	7.0	7.4%
2	Double Negative	4.8	5.1%
3	The Engine Group	3.8	4.0%
4	Royal Mail Group	3.7	3.9%
5	Intesa Sanpaolo	2.9	3.1%
6	New Look	2.6	2.7%
7	Carlton Communications	2.0	2.2%
8	Ipsos Mori UK	2.0	2.2%
9	VNU Business Publications	1.8	1.9%
10	Standard Chartered Bank	1.7	1.7%
	Total	**32.3**	**34.2%**

GPE tenant mix

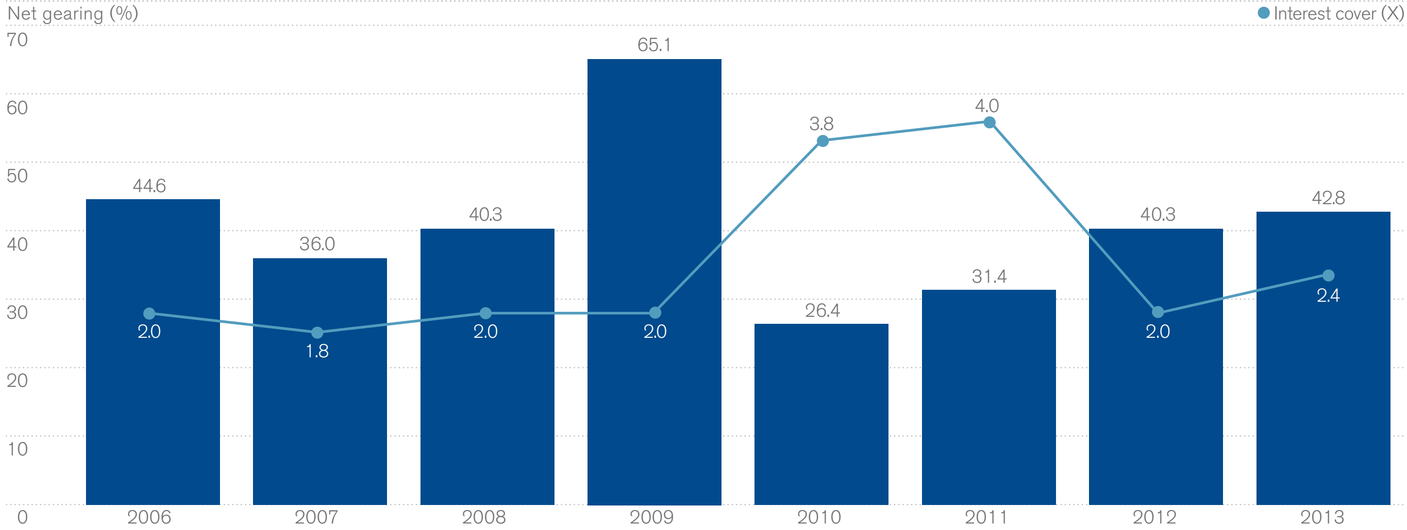


New lettings and renewals by quarter

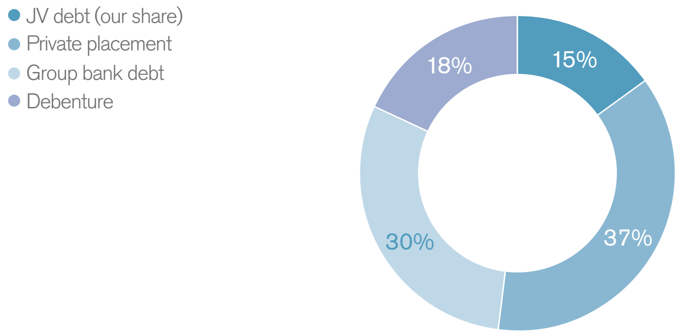


Appendix 3

Net gearing and interest cover

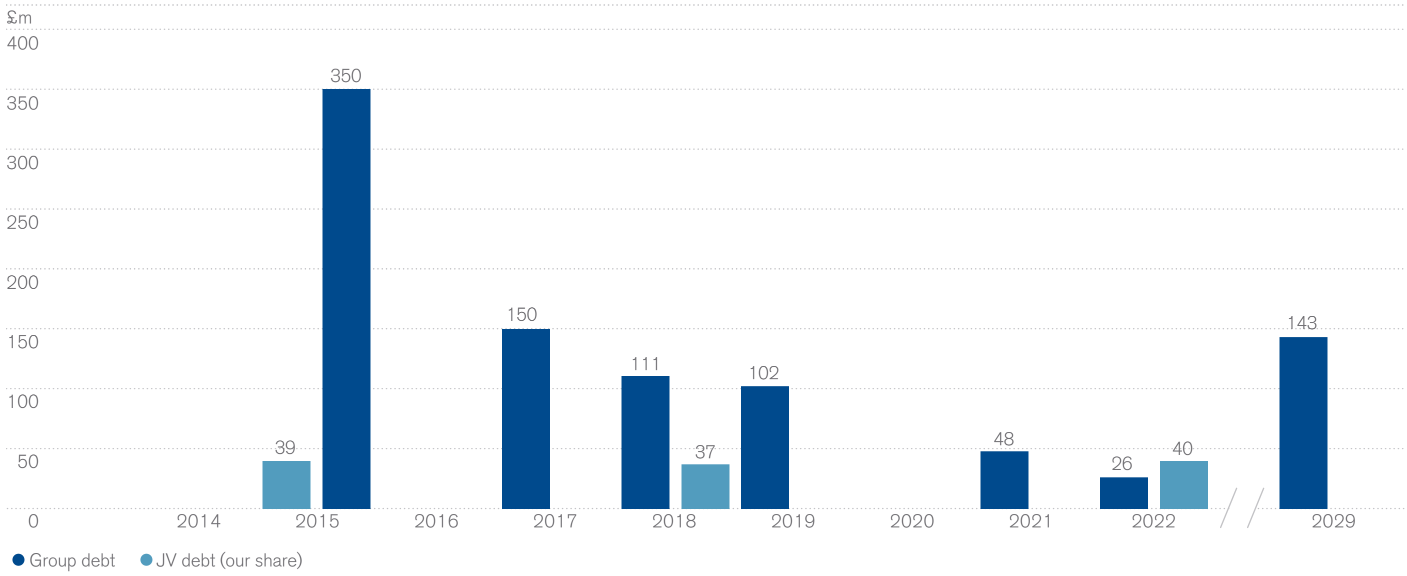


Diversified sources of debt funding[1]



1. Based on drawn position at 31 March 2013.

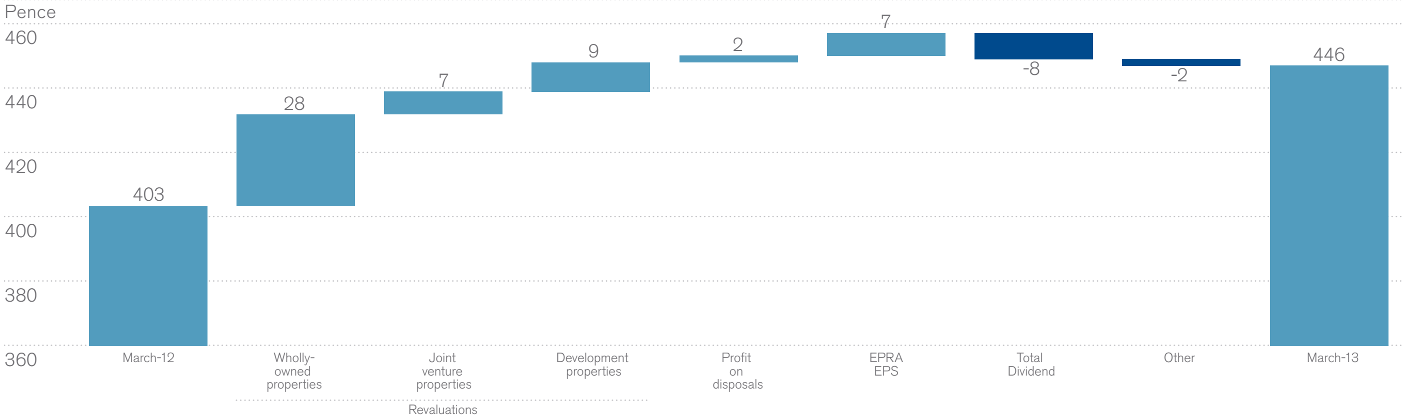
Debt maturity profile[1]



1. Based on committed facilities at 31 March 2013.

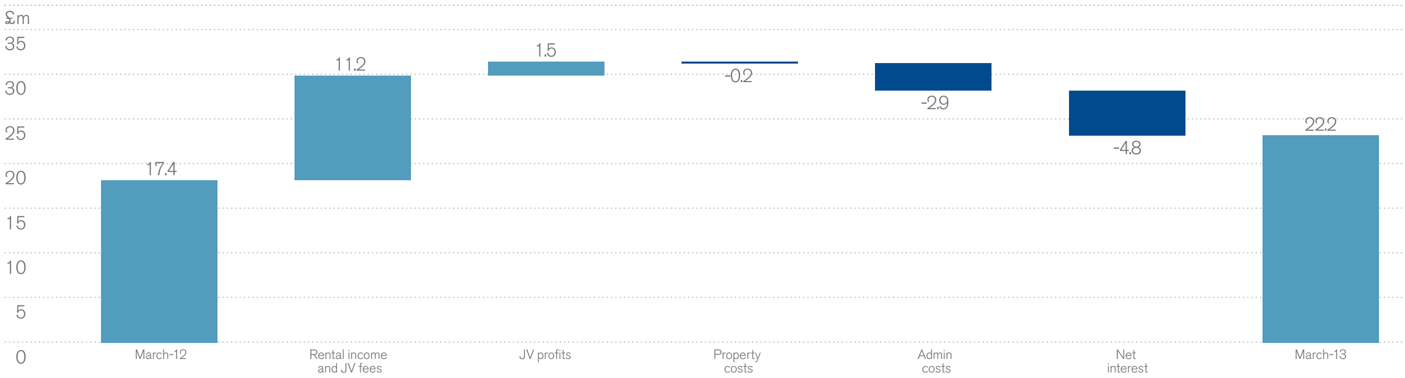
Appendix 4

EPRA net assets per share[1]



1. Adjusted per EPRA guidance.

EPRA profit before tax[1]



1. Adjusted per EPRA guidance.

Debt analysis

	March 2013	March 2012
Net debt excluding JVs (£m)	**658.9**	499.1
Net gearing	**42.8%**	40.3%
Total net debt including 50% JV non-recourse debt (£m)	**761.1**	686.9
Loan-to-property value	**32.7%**	34.2%
Total net gearing	**49.5%**	55.5%
Interest cover	**2.4x**	2.0x
Weighted average interest rate	**3.7%**	4.1%
Weighted average cost of debt	**4.3%**	4.5%
% of debt fixed/hedged	**71%**	69%
Cash and undrawn facilities (£m)	**282**	329

Appendix 5

Rental income

			Wholly-owned			Share of joint ventures			
			Rent roll £m	Reversionary potential £m	Rental values £m	Rent roll £m	Reversionary potential £m	Rental values £m	Total rental values £m
London	North of Oxford Street	Office	36.3	2.7	39.0	2.7	0.1	2.8	41.8
		Retail	5.0	0.3	5.3	5.1	0.7	5.8	11.1
	Rest of West End	Office	14.0	3.5	17.5	0.5	0.5	1.0	18.5
		Retail	7.4	1.8	9.2	1.2	0.4	1.6	10.8
	Total West End		**62.7**	**8.3**	**71.0**	**9.5**	**1.7**	**11.2**	**82.2**
	City, Midtown and Southwark	Office	12.0	0.5	12.5	9.7	1.3	11.0	23.5
		Retail	0.8	(0.1)	0.7	–	–	–	0.7
	Total City, Midtown and Southwark		**12.8**	**0.4**	**13.2**	**9.7**	**1.3**	**11.0**	**24.2**
Total let portfolio			**75.5**	**8.7**	**84.2**	**19.2**	**3.0**	**22.2**	**106.4**
Voids					2.1			0.8	2.9
Premises under refurbishment					9.7			10.3	20.0
Total let portfolio					**96.0**			**33.3**	**129.3**

Rent roll security, lease lengths and voids

			Wholly-owned			Joint ventures		
			Rent roll secure for five years %	Weighted average lease length Years	Voids %	Rent roll secure for five years %	Weighted average lease length Years	Voids %
London	North of Oxford Street	Office	55.5	9.9	0.3	71.2	11.4	12.1
		Retail	48.9	5.6	–	86.9	8.8	–
	Rest of West End	Office	6.1	2.3	8.1	50.4	6.0	9.5
		Retail	35.1	4.9	0.5	100.0	14.0	–
	Total West End		**41.4**	**7.4**	**2.6**	**82.7**	**9.9**	**5.0**
	City, Midtown and Southwark	Office	78.0	7.9	–	40.2	5.2	0.4
		Retail	98.1	10.5	–	–	–	–
	Total City, Midtown and Southwark		**79.3**	**8.0**	**0.1**	**40.2**	**5.2**	**0.4**
Total let portfolio			**48.0**	**7.5**	**2.2**	**61.0**	**7.1**	**2.4**

Rental values and yields

			Wholly-owned		Joint ventures		Wholly-owned		Joint ventures	
			Average rent £psf	Average ERV £psf	Average rent £psf	Average ERV £psf	Initial yield %	True equivalent yield %	Initial yield %	True equivalent yield %
London	North of Oxford Street	Office	41	45	46	49	2.6	5.0	3.5	4.6
		Retail	31	37	102	105	4.4	5.0	5.2	5.0
	Rest of West End	Office	39	52	14	29	2.4	4.9	2.1	5.1
		Retail	57	70	46	61	2.3	4.4	4.0	4.9
	Total West End		**41**	**47**	**57**	**60**	**2.6**	**4.9**	**4.5**	**4.9**
	City, Midtown and Southwark	Office	35	37	33	40	4.6	5.8	6.0	6.7
		Retail	55	48	–	45	5.5	5.3	–	–
	Total City, Midtown and Southwark		**36**	**36**	**40**	**44**	**4.7**	**5.8**	**6.0**	**6.7**
Total let portfolio			**40**	**45**	**47**	**50**	**2.9**	**5.0**	**5.2**	**5.8**

Appendix 6

Risk and impact	Mitigation	Change from last year	Commentary
Market risk			
Central London real estate market underperforms other UK property sectors leading to poor relative financial results	Research into the economy and the investment and occupational markets is evaluated as part of the Group's annual strategy process covering the key areas of investment, development and asset management and updated regularly throughout the year.	➔	The central London real estate market has considerably outperformed the wider UK market during the year ended 31 March 2013, demonstrated by IPD's central London TPR exceeding IPD's universe by 7.3 percentage points and the outlook continues to be favourable.
Economic recovery falters resulting in worse than expected performance of the business given decline in economic output	Regular economic updates are received and scenario planning is undertaken for different economic cycles. 63% of income from committed developments already secured.	➔	The global market backdrop over the past 12 months has continued to be dominated by the Eurozone debt crisis and the prospects for near-term UK economic growth. Whilst challenges in the Eurozone remain, the possibility of a Eurozone breakup has somewhat receded as central bank policy stimulus and co-ordination have provided support to capital markets.
Investment management			
Not sufficiently capitalising on market investment opportunities through difficulty in sourcing investment opportunities at attractive prices, poor investment decisions and mis-timed recycling of capital	The Group has dedicated resources whose remit is to constantly research each of the sub-markets within central London seeking the right balance of investment and development opportunities suitable for current and anticipated market conditions. Detailed due diligence is undertaken on all acquisitions prior to purchase to ensure appropriate returns. Business plans are produced on an individual asset basis to ensure the appropriate churn of those buildings with limited relative potential performance. Regular review of the prospective performance of individual assets and their business plans with Joint Venture partners.	➔	The Group has continued to invest and recycle capital against a backdrop of moderate capital value growth in central London and a surfeit of buyers to sellers in the investment market. During the year acquisitions totalling £271.0 million with low average capital value of £662 per sq ft were made together with disposals of £184.2 million at premium to book value of 4.0%.
Inappropriate asset concentration, mix and lot size reduces liquidity and relative property performance	Regular review of portfolio mix and asset concentration. Where appropriate, consideration given to undertaking acquisitions and/or development projects in joint venture or forward funding.	➔	The Group continues to monitor its portfolio mix and asset concentration risk. Our largest asset is only 7.8% of the total portfolio and 20.2% of the portfolio is held in joint ventures.
Asset management			
Failure to maximise income from investment properties through poor management of voids, mis-pricing, low tenant retention, sub-optimal rent reviews, tenant failures and inappropriate refurbishments	The Group's in-house asset management and leasing teams proactively manage tenants to ensure changing needs are met with a focus on retaining income in light of vacant possession requirements for refurbishments and developments and liaise regularly with external advisers to ensure correct pricing of lease transactions. The Group has a diverse tenant base with its ten largest tenants representing only 34.2% of rent roll. Tenant's covenants are analysed and security sought as appropriate as part of the lease approval process. Regular contact with tenants is maintained to identify if tenants are suffering financial difficulties and their proposed actions.	➔	The Group continues to maintain a low void rate which was 2.3% at 31 March 2013. Tenant delinquencies were 0.1% of the rent roll for the year to 31 March 2013. The Group continues to actively manage the portfolio to maximise occupancy and drive rental growth.

Appendix 6

Risk and impact	Mitigation	Change from last year	Commentary
Development management			
Poor development returns relating to: — incorrect reading of the property cycle; — inappropriate location; — failure to gain viable planning consents; — level of speculative development; — contractor availability and insolvency risk; — a building being inappropriate to tenant demand; — quality and benchmarks of the completed buildings; — construction and procurement delays; — ineffective marketing to prospective tenants; and — poor development management.	See market risk above. Prior to committing to a development the Group conducts a detailed Financial and Operational appraisal process which evaluates the expected returns from a development in light of likely risks. During the course of a development, the actual costs and estimated returns are regularly monitored to signpost prompt decisions on project management, leasing and ownership. 63% of income from committed developments already secured. Due diligence is undertaken of the financial stability of demolition and main contractors prior to awarding of contracts. Working with agents, potential occupiers' needs and aspirations are identified during the planning application and design stages. All our major developments are subject to BREEAM ratings with a target to achieve a rating of 'Very Good' on major refurbishments and 'Excellent' on new build properties. Pro-active liaison with existing tenants before and during the development process. Selection of contractors and suppliers based on track record of delivery and credit worthiness. In-house Leasing team liaise with external advisors on a regular basis and marketing timetables designed in accordance with leasing objectives. In-house Project Management team closely monitor construction and manage contractors to ensure adequate resourcing to meet programme. Regular review of the prospective performance of individual assets and their business plans with Joint Venture partners. Post completion reviews undertaken on all developments to identify best practice and areas for improvement.	➔	The Group's development programme of high quality core central London projects continues to attract quality tenants with £14.0 million of pre-lets secured since 1 April 2012.
Level of development undertaken as a percentage of the portfolio leads to underperformance against KPIs	Regular review of the level of development undertaken as a percentage of portfolio, including the impact on the Group's income profile and financial gearing, amongst other metrics. Developments only committed when pre-lets obtained and/or market supply considered to be sufficiently constrained.	➔	With forecasted supply of central London office space expected to be scarce in the near to medium-term, the Group has continued its near-term development programme to capitalise on the expected resulting rental growth.
Financial risks			
Limited availability of further capital constrains the growth of the business	Cash flow and funding needs are regularly monitored to ensure sufficient undrawn facilities are in place. Funding maturities are managed across the short, medium and long-term. The Group's funding measures are diversified across a range of bank and bond markets. Strict counterparty limits are operated on deposits.	➔	Since 31 March 2012, the Group has continued to diversify and enhance the maturity ladder of its debt financing. In November 2012, the Company raised £138 million through a share placing to finance acquisitions of properties with asset management angles to exploit. Cash and undrawn credit facilities are £282 million.

Appendix 6

Risk and impact	Mitigation	Change from last year	Commentary
Financial risks continued			
Adverse market movements negatively impact on debt covenants through increased interest rates or a fall in capital values	Regular review of current and forecast debt levels and financing ratios. Formal policy to manage interest rate exposure by having a high proportion of debt with fixed or capped interest rates through derivatives. Significant headroom over all financial covenants at 31 March 2013. We estimate that values could fall by 38% from their 31 March 2013 levels before group debt covenants could be endangered.	→	The slow forecast recovery of the UK economy is expected to result in a continued low interest rate environment in the near term. Central London property values are expected to benefit from rental value growth and continued strong investment demand.
Inappropriate capital structure results in sub-optimal NAV per share growth	Regular review of current and forecast debt and gearing levels and financing ratios.	→	The Group's existing capital structure is well placed to take advantage of opportunities as they arise and to deliver our near-term development programme.
People			
Correct level, mix and retention of people to execute our Business Plan. Strategic priorities not achieved because of inability to attract, develop, motivate and retain talented employees	Regular review is undertaken of the Group's resource requirements and succession planning. The Company has a remuneration system that is strongly linked to performance and a formal appraisal system to provide regular assessment of individual performance and identification of training needs.	→	New Head of Development role created in March 2013. Other senior managers remain unchanged.
Regulatory			
Adverse regulatory risk including tax, planning, environmental legislation and EU directives increases cost base, reduces flexibility and may influence potential investor and occupier interest in buildings.	Senior Group representatives spend considerable time using experienced advisers as appropriate, to ensure compliance with current and potential future regulations. Lobbying property industry matters is undertaken by active participation of the Executive Directors through relevant industry bodies. Environmental Policy Committee meets at least quarterly to consider strategy in respect of environmental legislation.	→	During 2013 new Building Regulations will come into effect requiring further reductions on carbon emissions whilst the risk to the Group from increasing regulation having unforeseen consequences and the impact of certain EU directives including the AIFM directive continues to be uncertain.
Health and Safety incidents Loss of or injury to employees, contractors or tenants and resultant reputational damage	The Group has dedicated Health and Safety personnel to oversee the Group's management systems which include regular risk assessments and annual audits to proactively address key Health and Safety areas including employee, contractor and tenant safety. On developments, the Group operates a pre-qualification process to ensure selection of competent consultants and contractors which includes a health and safety assessment. Contractors' responses to accidents and near misses are actively monitored and followed up by our Project Managers and Head of Sustainability.	→	The Group had two reportable accidents during the year each resulting in a contractor requiring three days off work. There were no other incidents across the Group's investment or development portfolio.