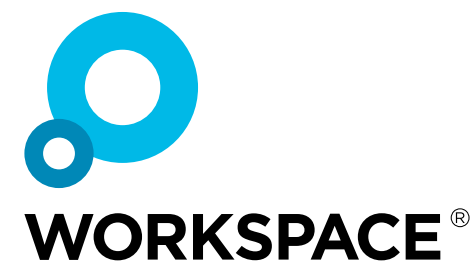


17TH OCTOBER 2012

UNDERSTANDING WORKSPACE



AGENDA

WORKSPACE

VALUE GENERATION

PORTFOLIO ANALYSIS

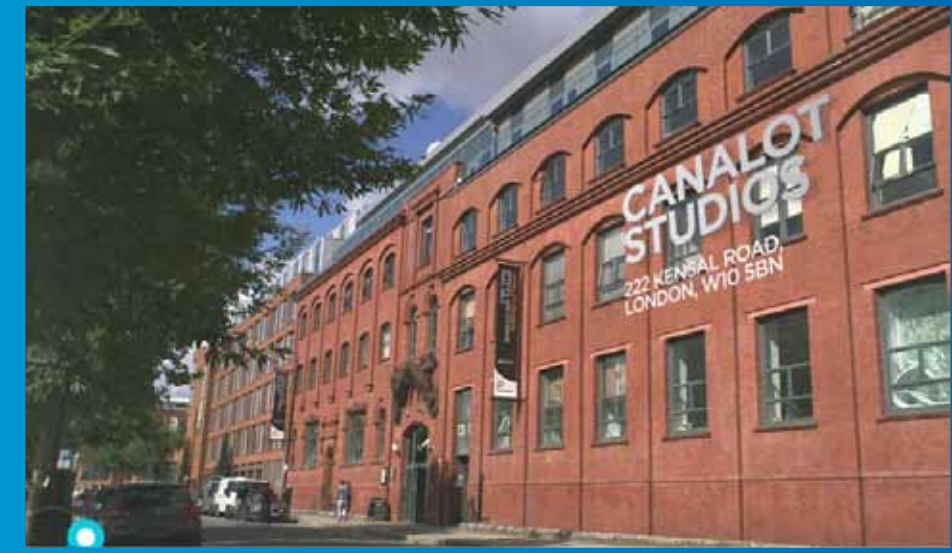
Q&A



**PARKHALL BUSINESS CENTRE
REPOSITIONING**



**HIGHBURY GROVE
REDEVELOPING**



**CANALOT STUDIOS
REFURBISHING**

SCAN HERE TO VIEW OUR PARKHALL BUSINESS CENTRE VIDEO:

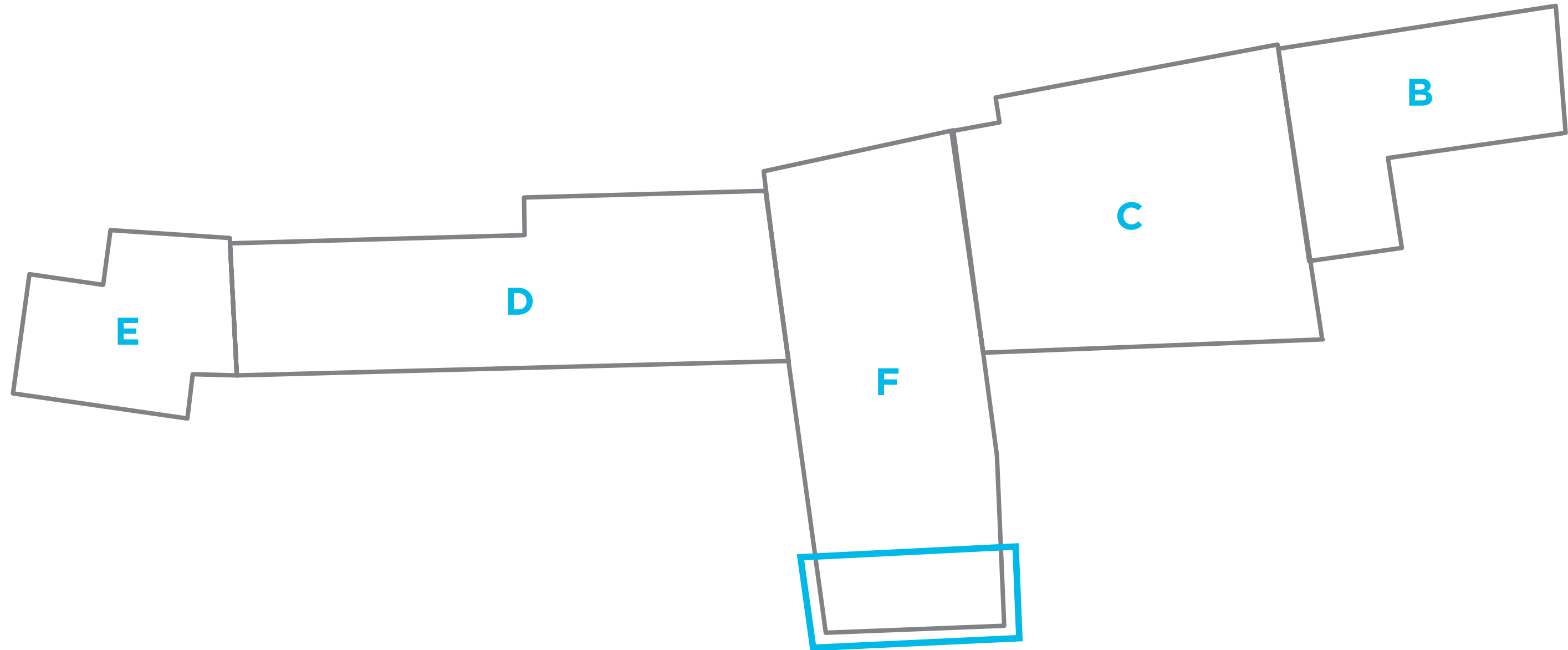


OR VISIT:

WWW.WORKSPACEGROUPPLC.CO.UK/ANALYST-PRESENTATION-2012

REPOSITIONING: HOW THIS HAS INCREASED VALUE

PARKHALL BUSINESS CENTRE: BLOCK F



REPOSITIONING: HOW THIS HAS INCREASED VALUE

PARKHALL BUSINESS CENTRE: BLOCK F

BEFORE



AFTER



REPOSITIONING: HOW THIS HAS INCREASED VALUE

BLOCK F: THE MATHS

	BEFORE
LETTABLE SQ. FT.	1,850
RENT PER SQ. FT.	£7.50
INCOME	£14,000

REPOSITIONING: HOW THIS HAS INCREASED VALUE

BLOCK F: THE MATHS

	BEFORE	AFTER	
LETTABLE SQ. FT.	1,850	1,900	↑
RENT PER SQ. FT.	£7.50	£18.00	↑
INCOME	£14,000	£34,000	↑

INCREASED INCOME:

+£20,000

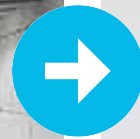
REPOSITIONING: HOW THIS HAS INCREASED VALUE

BLOCK F: THE MATHS

	BEFORE	AFTER	
LETTABLE SQ. FT.	1,850	1,900	↑
RENT PER SQ. FT.	£7.50	£18.00	↑
INCOME	£14,000	£34,000	↑
INCOME UPLIFT		£20,000	
POTENTIAL VALUATION UPLIFT @ 7.5%		£270,000	
LESS CONSTRUCTION COST		(£50,000)	
INCREASED VALUE:		+£220,000	

REPOSITIONING: HOW THIS HAS INCREASED VALUE

BLOCK F: BEFORE AND AFTER



INCREASED VALUE
£220,000

INCREASED RENT
£20,000
(PER ANNUM)

REPOSITIONING: SIMILAR PROJECTS WHERE WE ARE INCREASING VALUE



LIGHTBOX, CHISWICK



TOWER BRIDGE (BLOCK B)



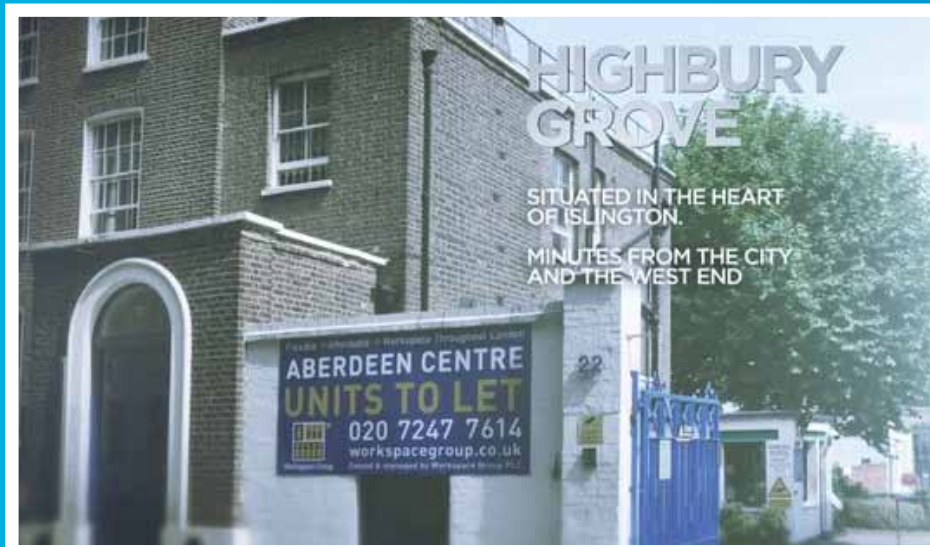
KENNINGTON PARK (LINCOLN HOUSE)



SOUTHBANK HOUSE



**PARKHALL BUSINESS CENTRE
REPOSITIONING**



**HIGHBURY GROVE
REDEVELOPING**



**CANALOT STUDIOS
REFURBISHING**

SCAN HERE TO VIEW OUR HIGHBURY GROVE VIDEO:



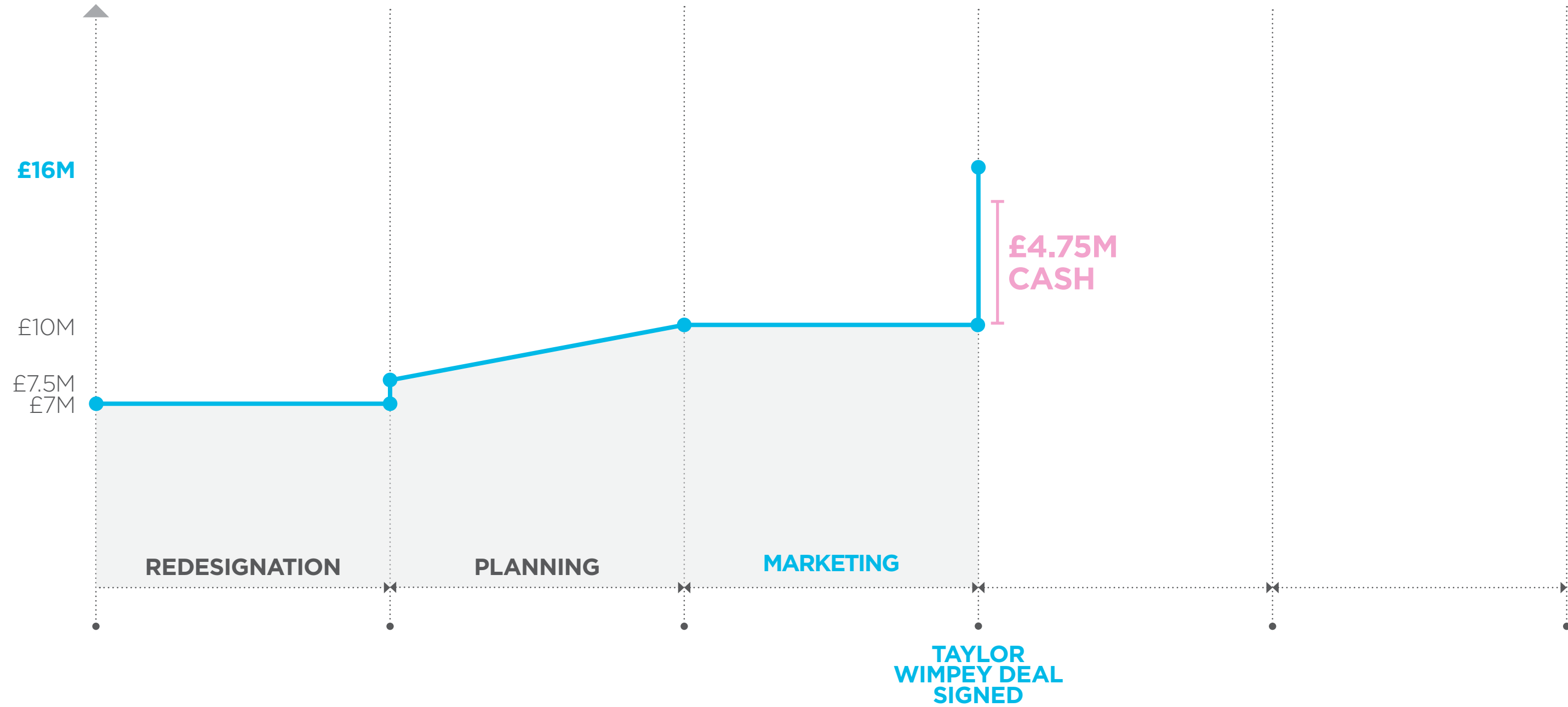
OR VISIT:

WWW.WORKSPACEGROUPPLC.CO.UK/ANALYST-PRESENTATION-2012

REDEVELOPMENT: Highbury Grove

— VALUE INCREASES

VALUATION



WORKSPACE

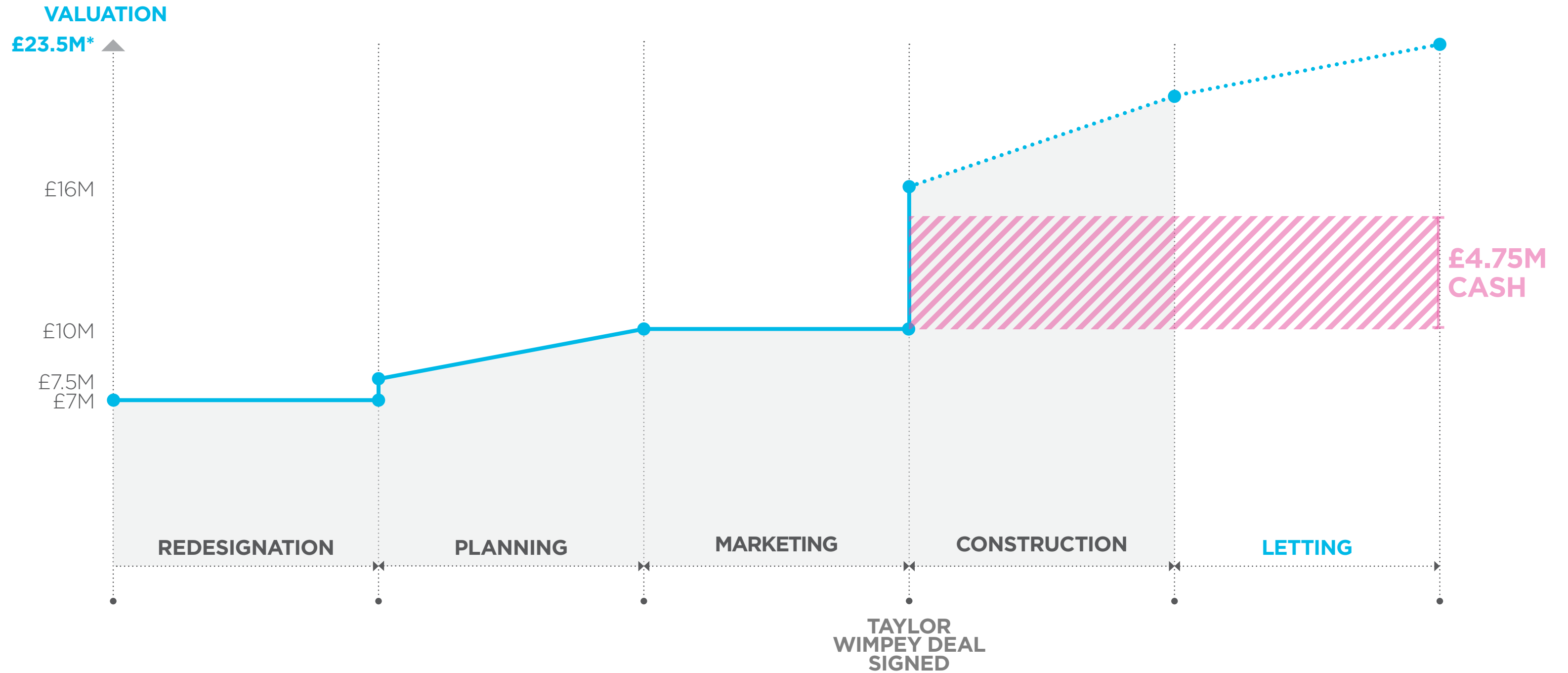
VALUE GENERATION

PORTFOLIO ANALYSIS

Q&A

REDEVELOPMENT: Highbury Grove

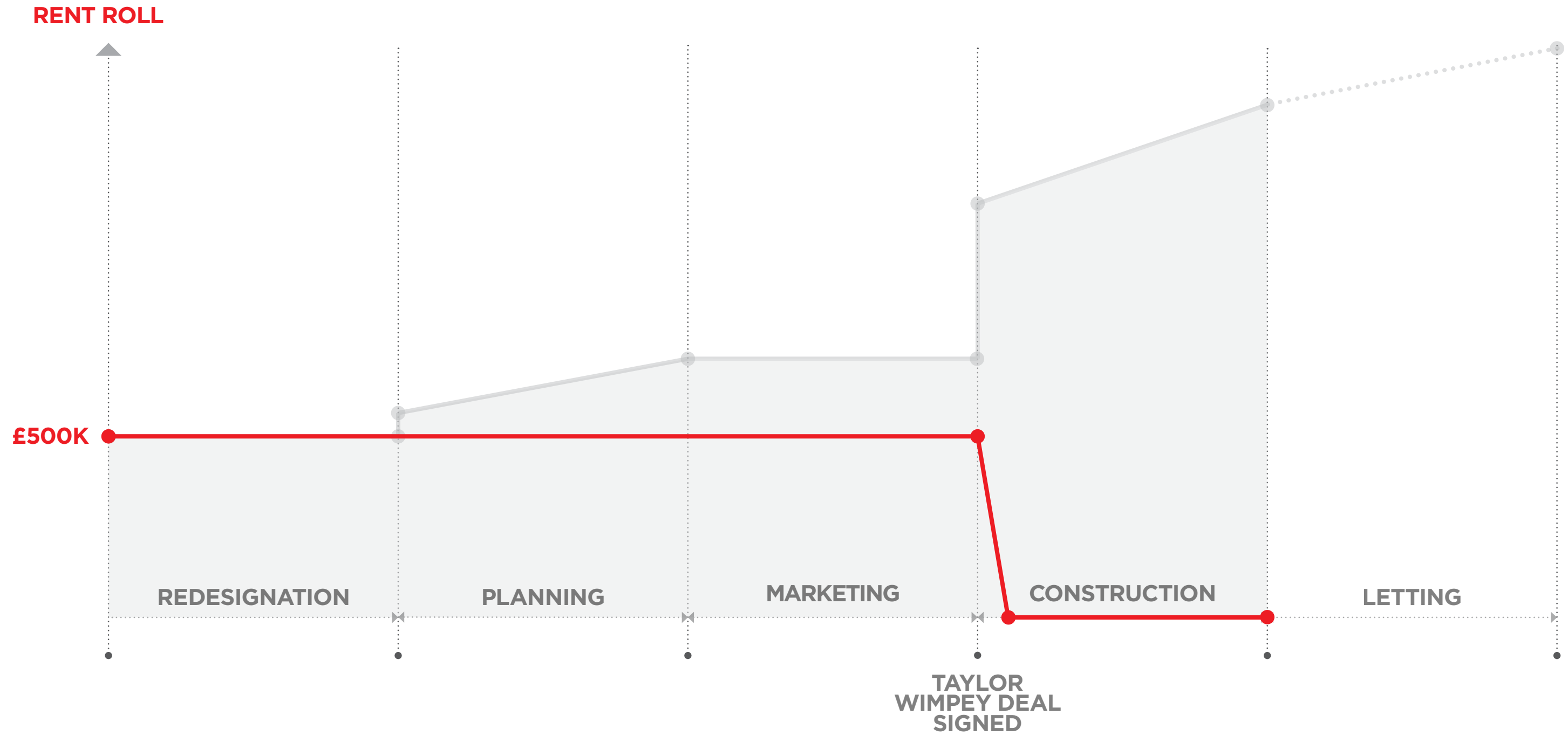
..... FUTURE VALUE INCREASES



* BASED ON PROJECTED INCOME AT 7.5% YIELD PLUS £4.75M CASH

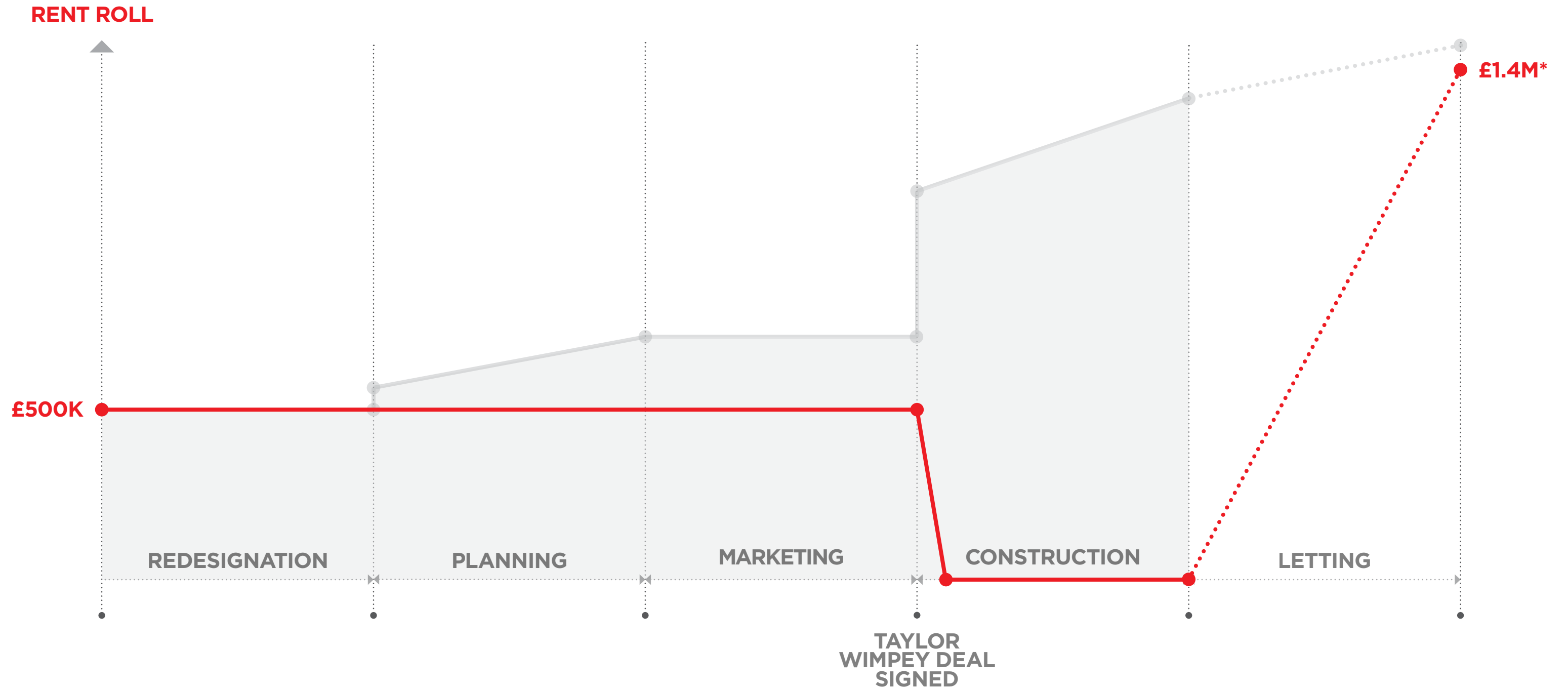
REDEVELOPMENT: Highbury Grove

— RENT



REDEVELOPMENT: Highbury Grove

POTENTIAL RENT



* ASSUMES 90% OCCUPANCY AND RENT OF £25 PER SQ. FT.

REDEVELOPMENT: HOW THIS HAS INCREASED VALUE

HIGHBURY GROVE: BEFORE AND AFTER

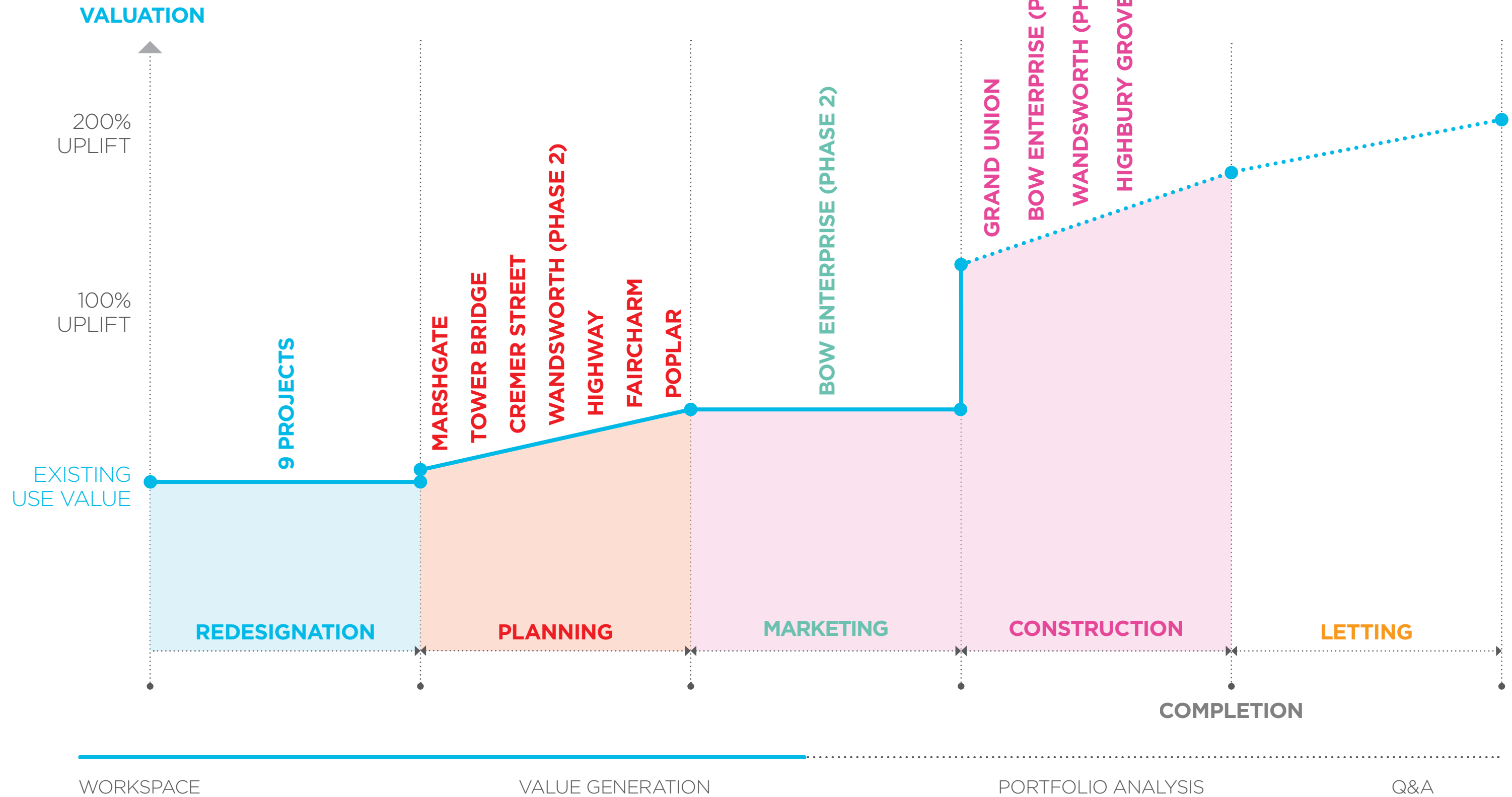


INCREASED VALUE
£16.5M*

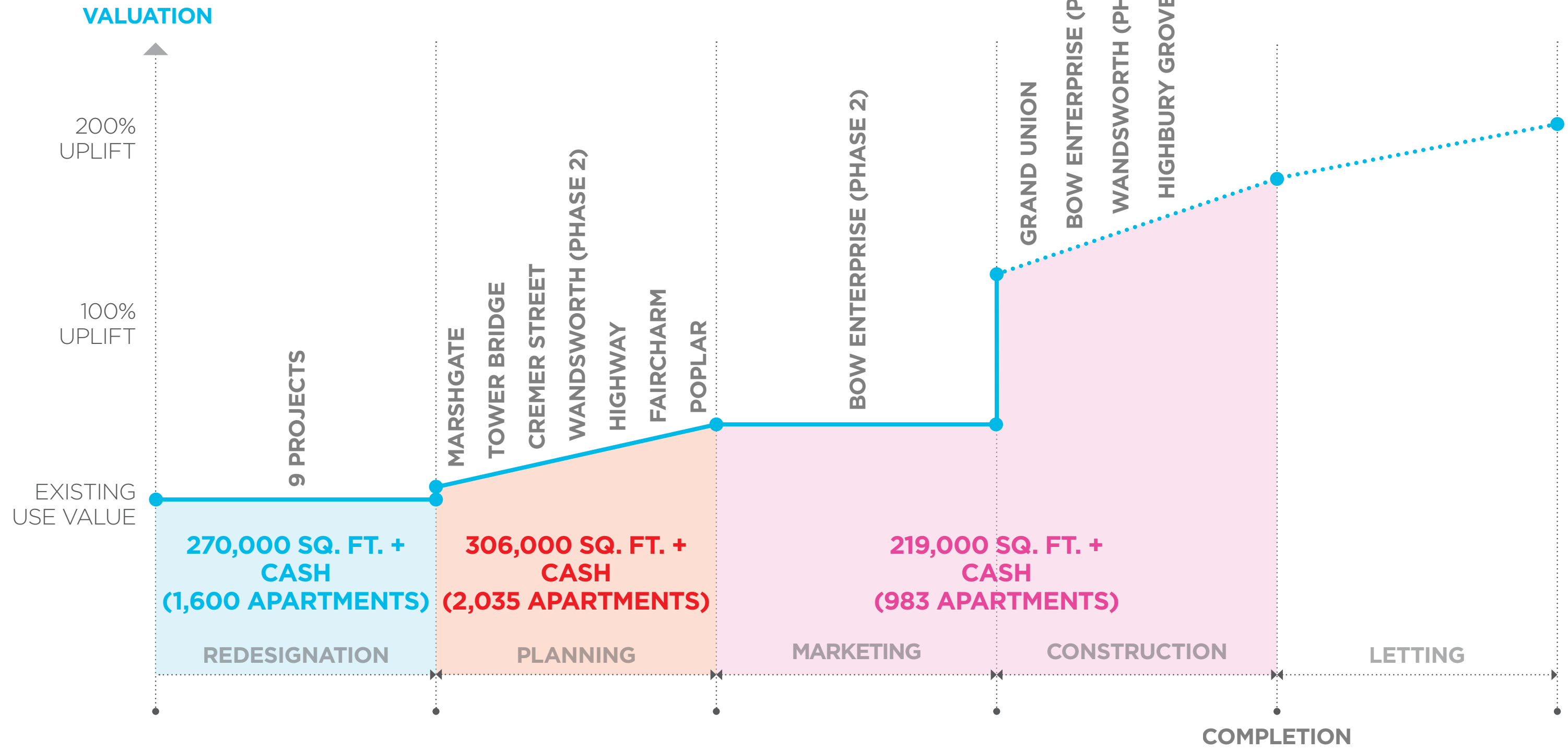
INCREASED RENT
£900,000
(PER ANNUM)

* INCLUDES £4.75M CASH

REDEVELOPMENT PROJECTS TIMELINE



REDEVELOPMENT PROJECTS SCALE



WORKSPACE

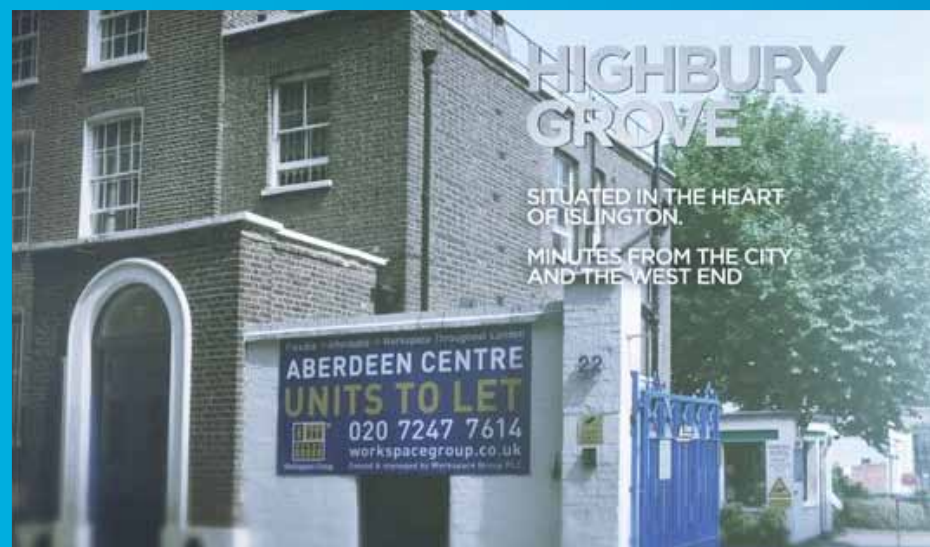
VALUE GENERATION

PORTFOLIO ANALYSIS

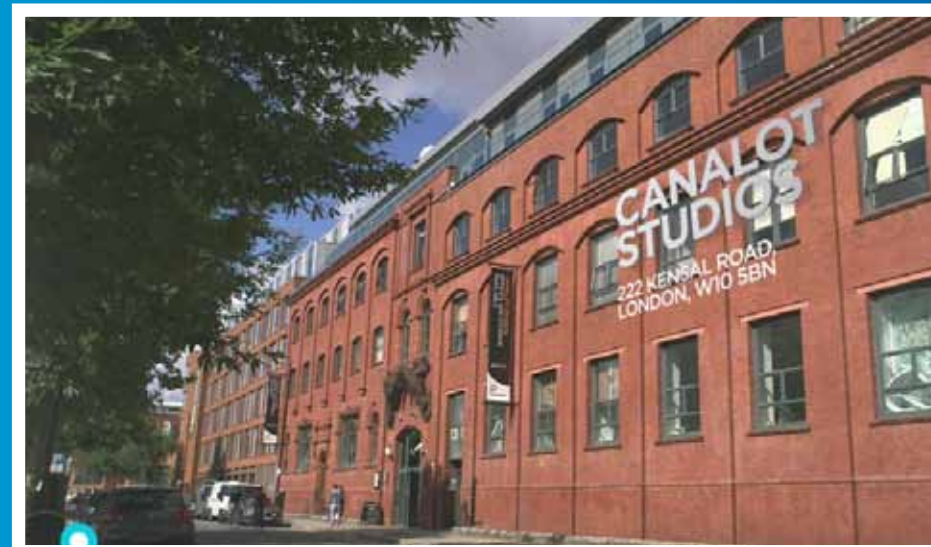
Q&A



**PARKHALL BUSINESS CENTRE
REPOSITIONING**



**HIGHBURY GROVE
REDEVELOPING**



**CANALOT STUDIOS
REFURBISHING**

SCAN HERE TO VIEW OUR CANALOT STUDIOS VIDEO:



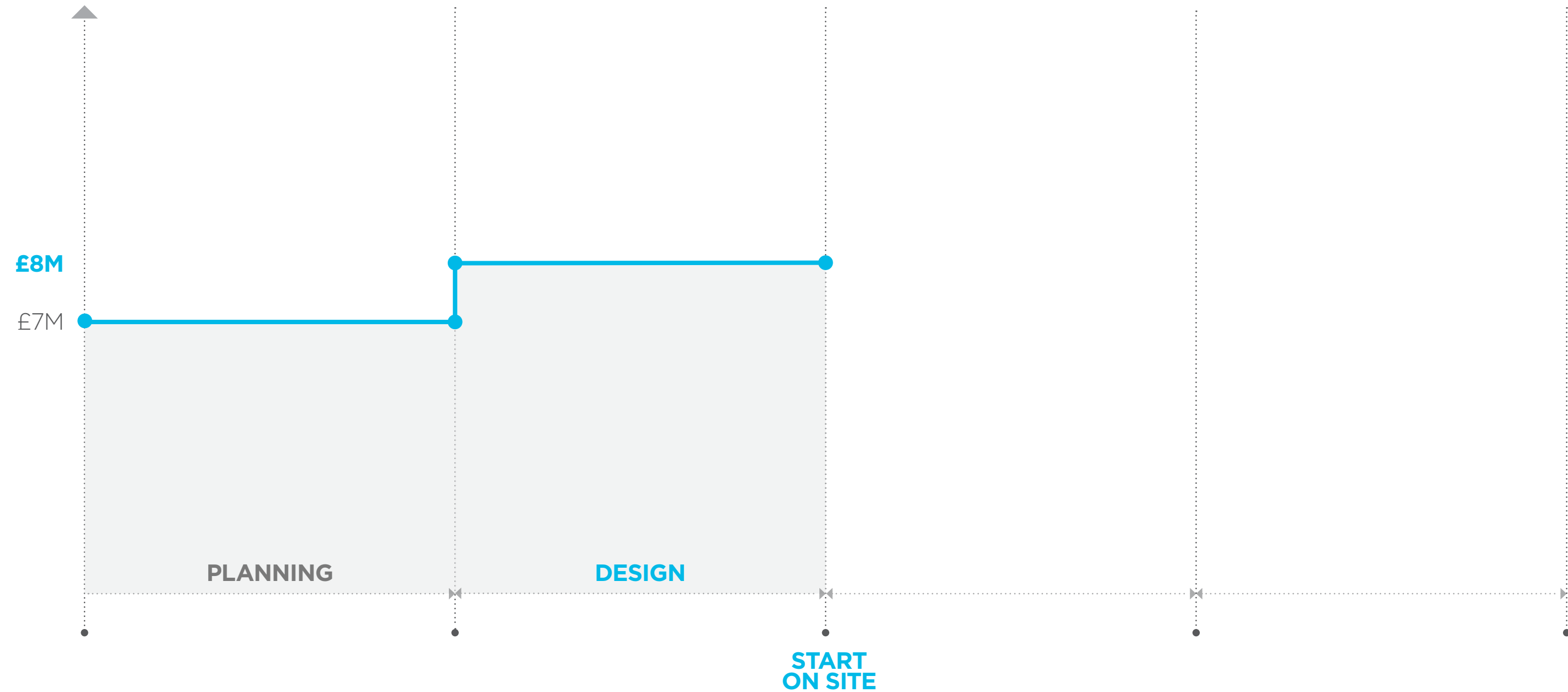
OR VISIT:

WWW.WORKSPACEGROUPPLC.CO.UK/ANALYST-PRESENTATION-2012

REFURBISHMENT: CANALOT STUDIOS

— VALUE INCREASES

VALUATION



WORKSPACE

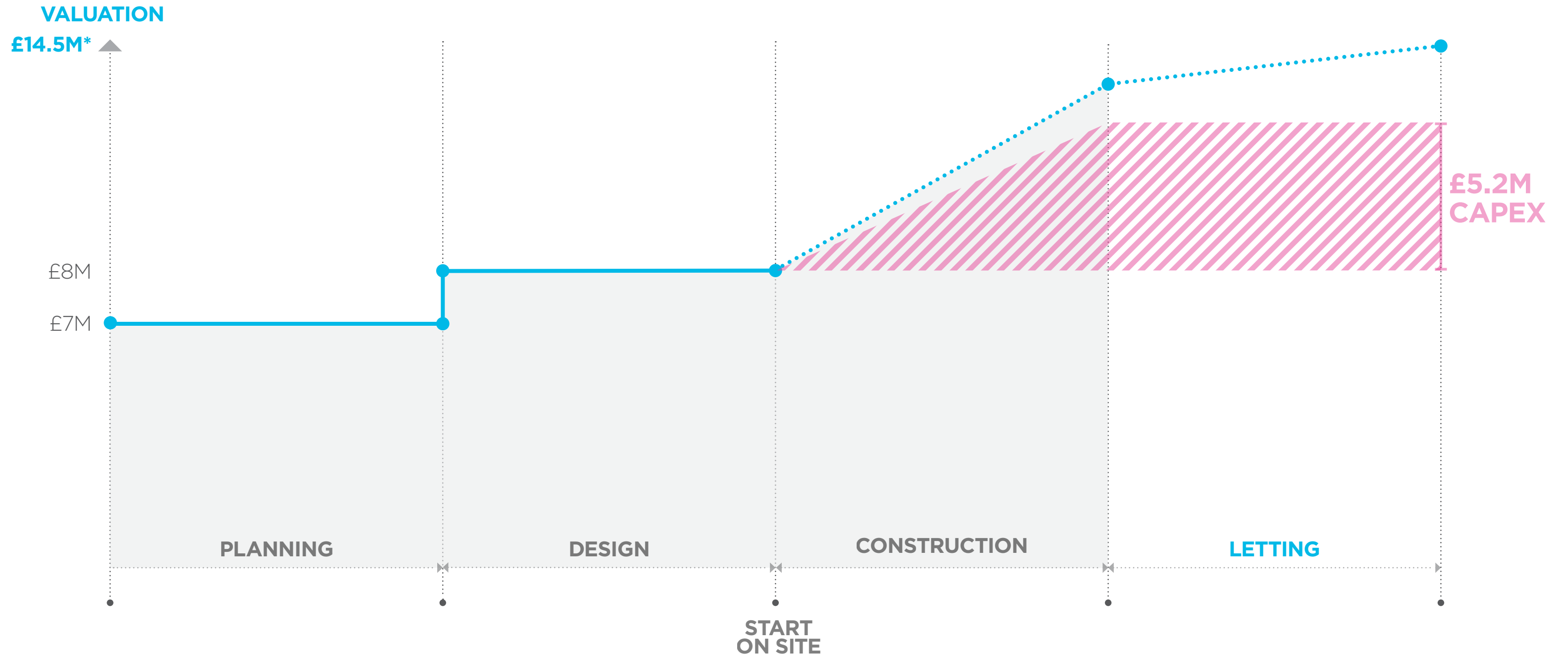
VALUE GENERATION

PORTFOLIO ANALYSIS

Q&A

REFURBISHMENT: CANALOT STUDIOS

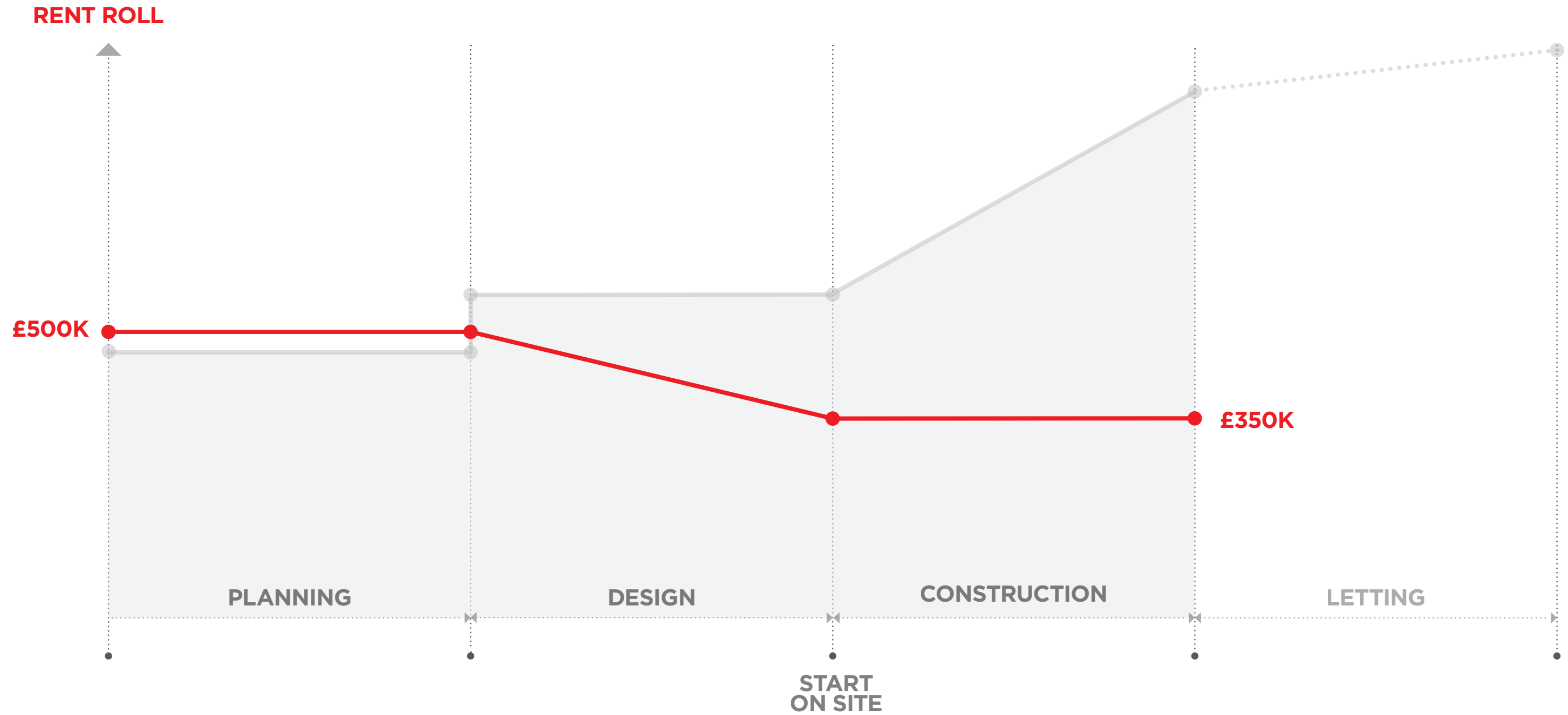
POTENTIAL VALUE INCREASES



* BASED ON PROJECTED INCOME AT 7.5% YIELD

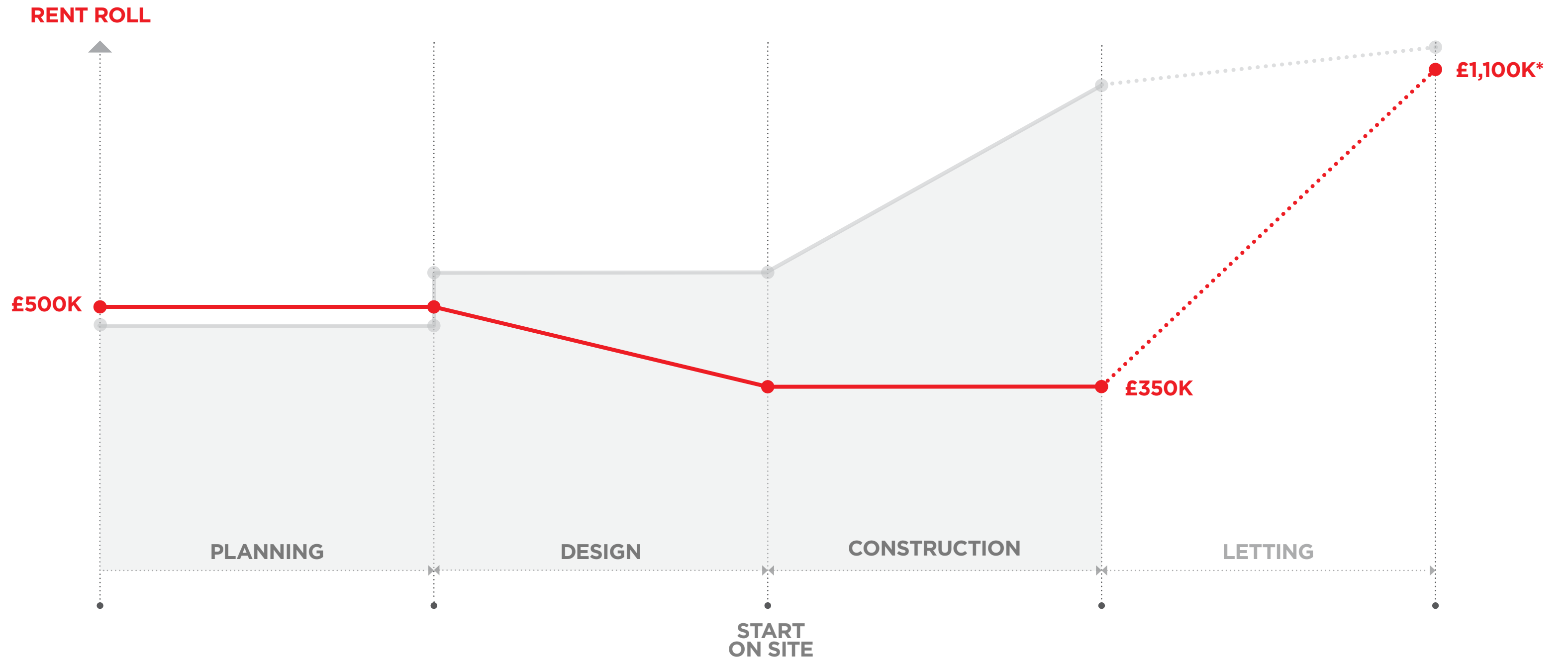
REFURBISHMENT: CANALOT STUDIOS

— RENT



REFURBISHMENT: CANALOT STUDIOS

..... POTENTIAL RENT



* ASSUMES 90% OCCUPANCY AND RENT OF £25 PER SQ. FT.

REFURBISHMENT: HOW THIS HAS INCREASED VALUE

CANALOT STUDIOS: BEFORE AND AFTER



INCREASED VALUATION

£7.5M*

INCREASED RENT

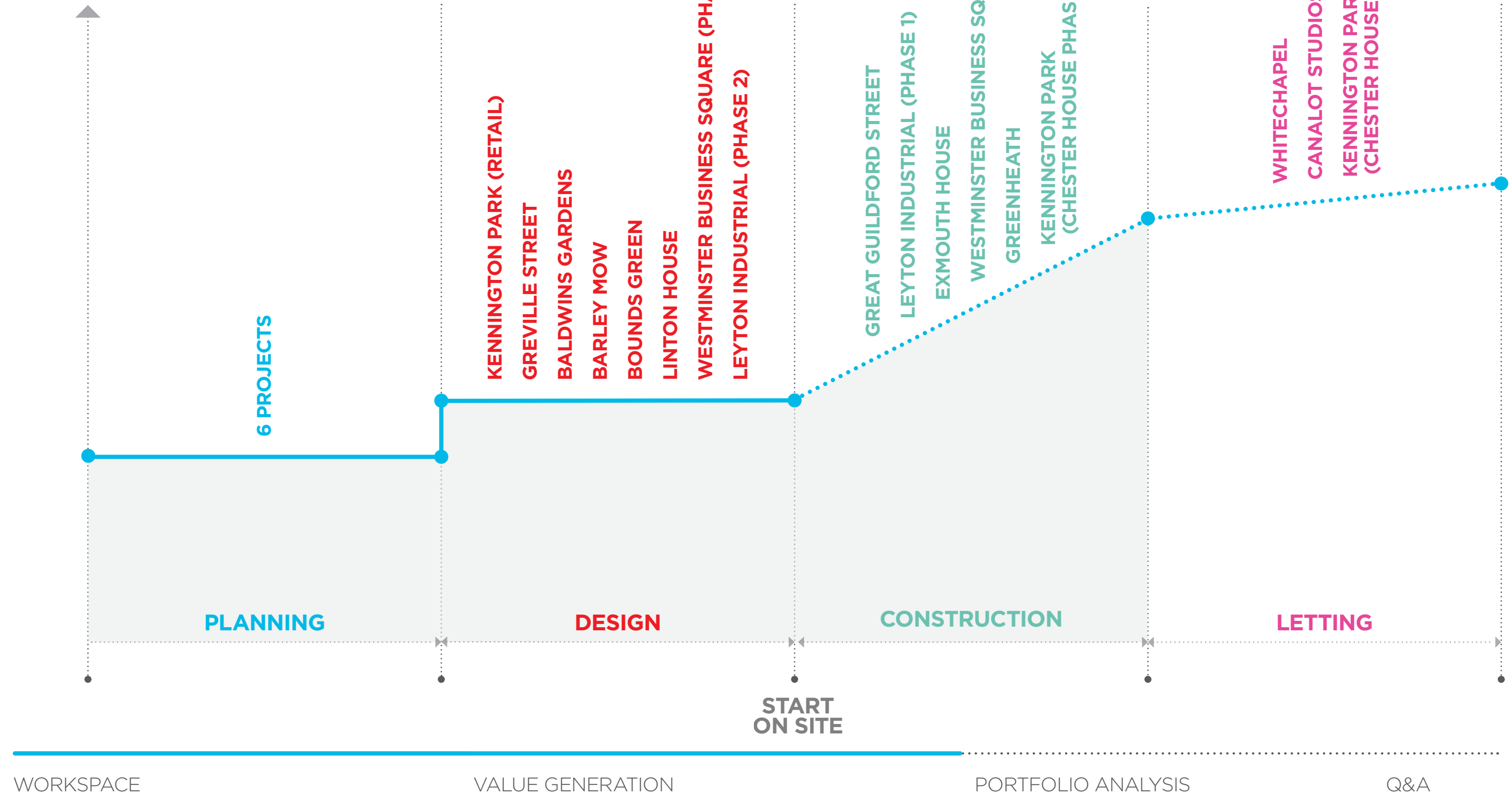
£600,000

(PER ANNUM)

* INCLUDES £5.2M CAPEX

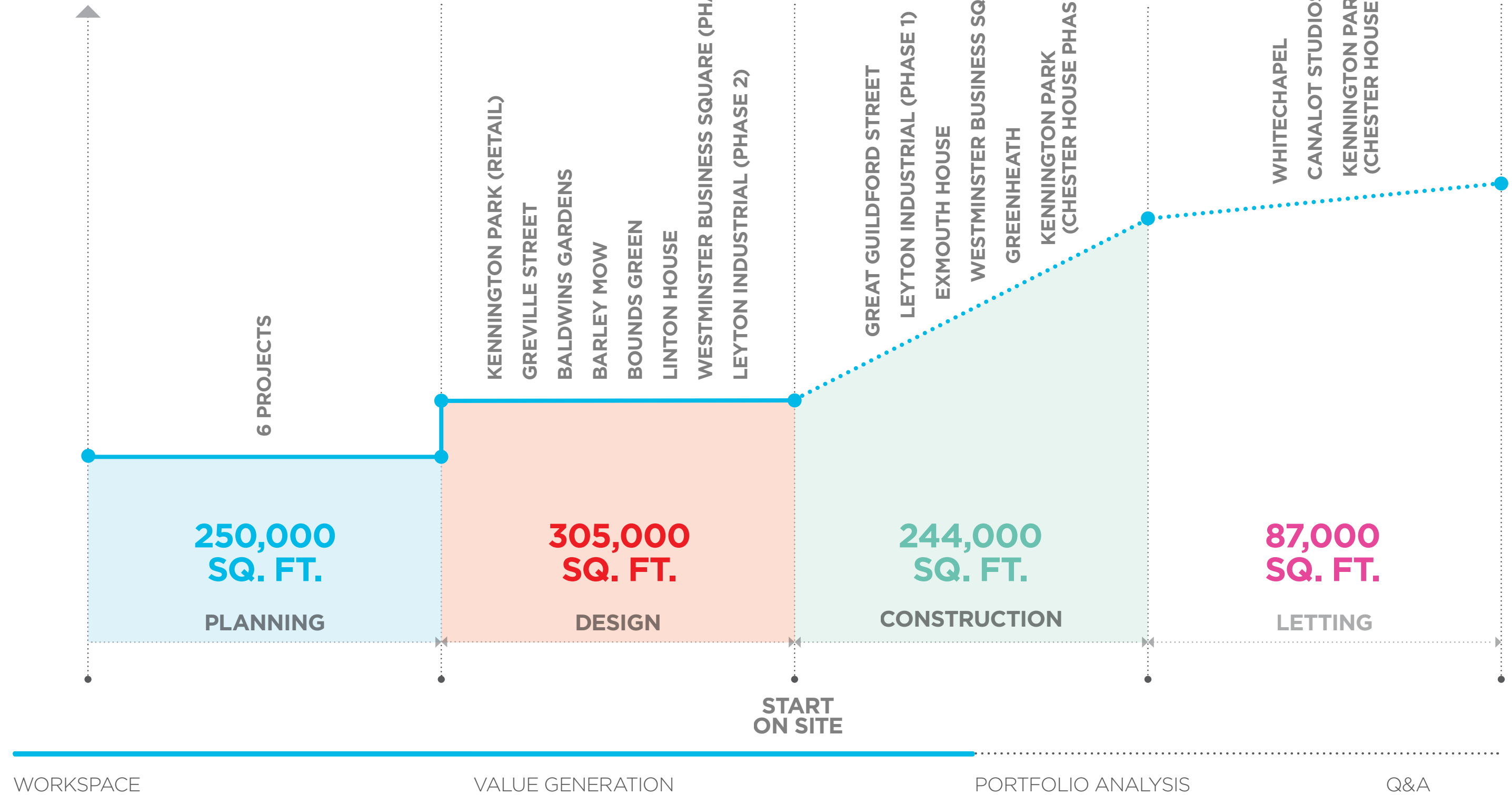
REFURBISHMENT PROJECTS SCALE

VALUATION



REFURBISHMENT PROJECTS SCALE

VALUATION



PORTFOLIO ANALYSIS



WORKSPACE PORTFOLIO

CORE

EXISTING

NUMBER OF PROPERTIES	47
----------------------	----

VALUE	£536M
-------	-------

RENT ROLL	£37.8M
-----------	--------

NET INITIAL YIELD	6.9%
-------------------	------

RENT PER SQ. FT.	£14.08
------------------	--------

VALUE PER SQ. FT.	£169
-------------------	------

CORE - EXISTING



**CLERKENWELL WORKSHOPS
CLERKENWELL**



**BARLEY MOW CENTRE
CHISWICK**

CORE - EXISTING



**SOUTHBANK HOUSE
ALBERT EMBANKMENT**



**WESTMINSTER BUSINESS SQUARE
VAUXHALL**

WORKSPACE PORTFOLIO

	CORE	
	EXISTING	REDEVELOPMENT
NUMBER OF PROPERTIES	47	2
VALUE	£536M	£39M
RENT ROLL	£37.8M	-
NET INITIAL YIELD	6.9%	-
RENT PER SQ. FT.	£14.08	-
VALUE PER SQ. FT.	£169	-

CORE - REDEVELOPMENT



**HIGHBURY GROVE
ISLINGTON**



**WANDSWORTH BUSINESS VILLAGE
WANDSWORTH**

WORKSPACE PORTFOLIO

	CORE		
	EXISTING	REDEVELOPMENT	POTENTIAL
NUMBER OF PROPERTIES	47	2	16
VALUE	£536M	£39M	£113M
RENT ROLL	£37.8M	-	£7.0M
NET INITIAL YIELD	6.9%	-	6.5%
RENT PER SQ. FT.	£14.08	-	£7.49
VALUE PER SQ. FT.	£169	-	£106

CORE - POTENTIAL



**FAIRCHARM
DEPTFORD**



**RAINBOW INDUSTRIAL ESTATE
RAYNES PARK**

WORKSPACE PORTFOLIO

	CORE			
	EXISTING	REDEVELOPMENT	POTENTIAL	OTHER
NUMBER OF PROPERTIES	47	2	16	27
VALUE	£536M	£39M	£113M	£72M
RENT ROLL	£37.8M	-	£7.0M	£5.4M
NET INITIAL YIELD	6.9%	-	6.5%	7.3%
RENT PER SQ. FT.	£14.08	-	£7.49	£8.48
VALUE PER SQ. FT.	£169	-	£106	£96

OTHER



**MAPLE INDUSTRIAL ESTATE
TWICKENHAM**



**MAHATMA GHANDI INDUSTRIAL ESTATE
BRIXTON**

WORKSPACE PORTFOLIO

	CORE				
	EXISTING	REDEVELOPMENT	POTENTIAL	OTHER	TOTAL*
NUMBER OF PROPERTIES	47	2	16	27	92
VALUE	£536M	£39M	£113M	£72M	£760M
RENT ROLL	£37.8M	-	£7.0M	£5.4M	£50.2M
NET INITIAL YIELD	6.9%	-	6.5%	7.3%	7.1%
RENT PER SQ. FT.	£14.08	-	£7.49	£8.48	£11.79
VALUE PER SQ. FT.	£169	-	£106	£96	£152

* AT 31 MARCH 2012

Q&A

OUR MARKET

LONDON'S NEW AND GROWING BUSINESSES

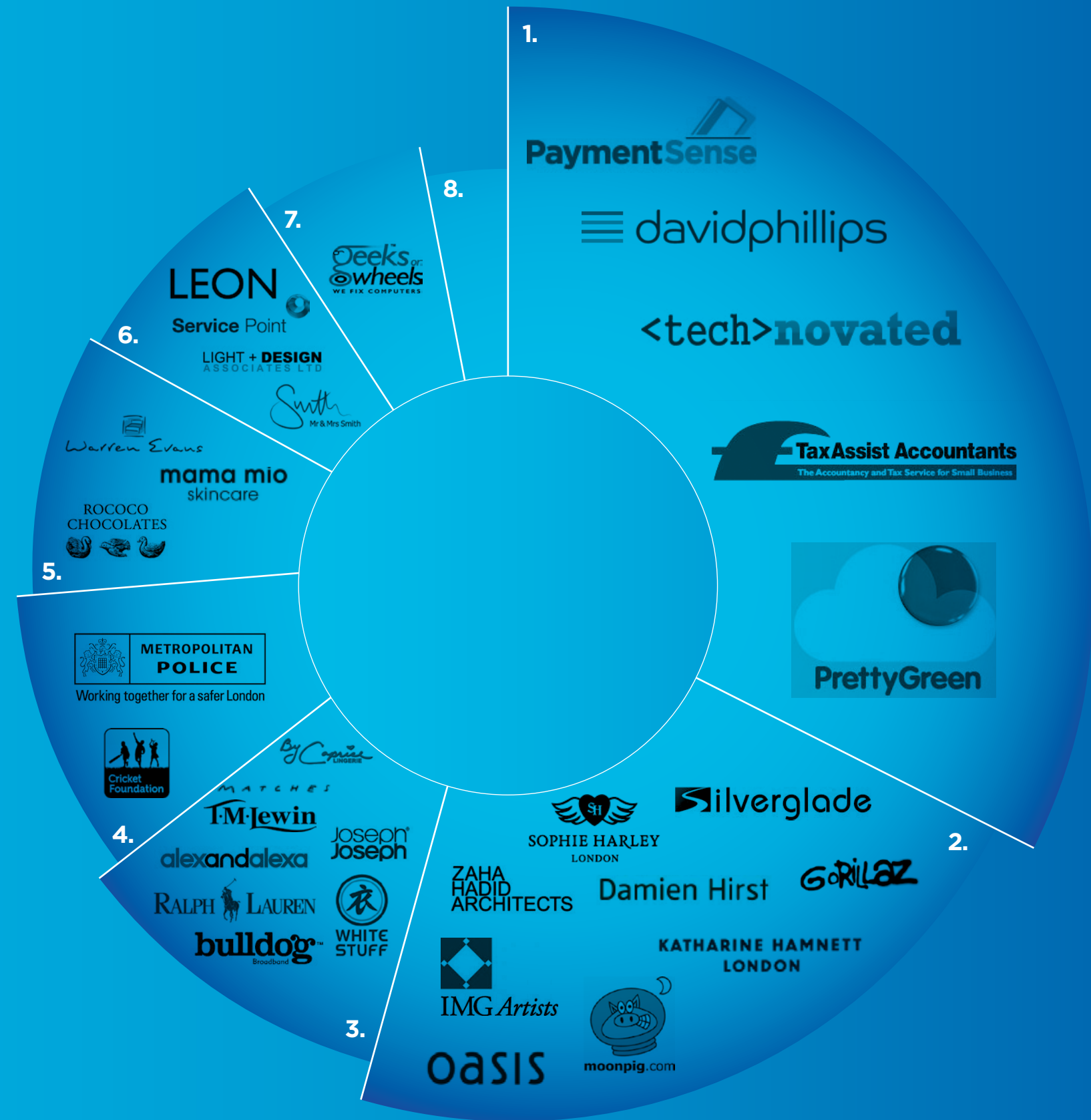
GROWTH OPPORTUNITIES

- LONDON CONTINUES TO LEAD THE UK'S ECONOMIC RECOVERY
- AROUND 750,000 PRIVATE SECTOR ENTERPRISES IN LONDON
- SMALLER BUSINESSES MAKE UP MORE THAN 90 PER CENT OF THIS SECTOR
- EARLY STAGE ENTREPRENEURIAL ACTIVITY IN LONDON IS THE HIGHEST OF ANY REGION IN THE UK
- LONDON'S GDP EXPECTED TO GROW 1.5% IN 2012, 2.4% IN 2013 AND 3.8% IN 2014



OUR CUSTOMERS MIX OF RECOGNISED AND EMERGING BUSINESSES

- 1. BUSINESS AND PROFESSIONAL SERVICES – 32%
- 2. CREATIVE INDUSTRIES – 23%
- 3. WHOLESALE AND RETAIL – 10%
- 4. GOVERNMENT AND PUBLIC SECTOR – 9%
- 5. MANUFACTURING – 9%
- 6. OTHER SERVICES – 8%
- 7. IT 7 COMMUNICATIONS – 6%
- 8. TRANSPORTS AND STORAGE – 3%



OUR BRAND HIGH LEVELS OF RECOGNITION AND CUSTOMER SATISFACTION



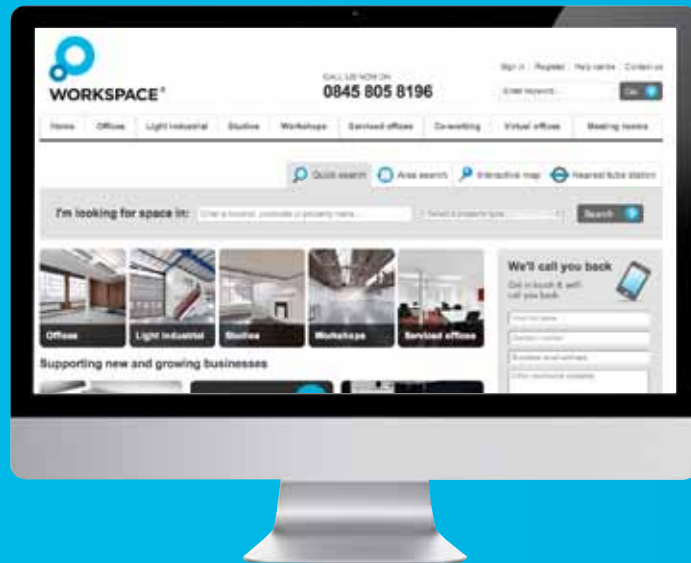
IN-HOUSE MARKETING:

- OVER 90% OF ALL LETTINGS ARE DONE VIA IN-HOUSE MARKETING SOURCES SUCH AS WEBSITE, SIGNAGE AND CUSTOMER REFERRAL
- MINIMAL RELIANCE ON LETTING AGENTS GIVES A MORE INTIMATE KNOWLEDGE OF CUSTOMERS



HIGH BRAND VISIBILITY:

- AROUND LONDON: OVER 10,000 SQ. FT. BILLBOARDS
- ONLINE: WHEN A BUSINESS STARTS THEIR SEARCH ONLINE WWW.WORKSPACE.CO.UK IS FOUND



FEEDING NEW CUSTOMERS INTO OUR MAIN PORTFOLIO:

- CAPTURING EARLY BUSINESS LIFECYCLE ENQUIRIES VIA CLUB WORKSPACE OUR CO-WORKING SPACES BASED IN OUR BUSINESS CENTRES
- HOST OVER 100 CUSTOMER NETWORKING EVENTS EACH YEAR AT OUR CENTRES

FLEXIBLE LEASES:

- TERMS DESIGNED TO SUIT CUSTOMERS' NEEDS
- TYPICAL LEASE LENGTH OF TWO/THREE YEARS WITH A THREE MONTH BREAK

HIGH LEVELS OF CUSTOMER SATISFACTION:

- OVERALL LEVEL OF CUSTOMERS SATISFACTION 84% IN BOTH 2011 AND 2012
- 88% OF CUSTOMERS WOULD RECOMMEND WORKSPACE TO A FRIEND OR COLLEAGUE

OUR TEAM

INTENSIVELY MANAGED BY EXPERIENCED OPERATIONAL TEAM



Chief Executive Officer



Chief Financial Officer



Operations



Development



Investment



80 STRONG CENTRAL TEAM



MARKETING

LETTINGS

**ASSET
MANAGEMENT**

**BUILDING AND
SURVEYING**

**PROFESSIONAL
SERVICES**

**FINANCE AND
ADMIN**



OVER 100 ON-SITE, PROPERTY BASED STAFF INCLUDING CENTRE MANAGERS, RECEPTIONISTS, SITE SUPERVISORS AND CARETAKERS

REDEVELOPMENT PROJECTS

PROJECT STAGE	DEVELOPER	EXPECTED TIMING	RESIDENTIAL UNITS	COMMERCIAL SPACE		OTHER PROCEEDS	
				RETURNED AREA (SQ. FT)	ESTIMATED ERV.	CASH	OVERAGE
CONSTRUCTION							
WANDSWORTH (PHASE 1)	MOUNT ANVIL	COMPLETE H2 2014	209	53,000	£22	N/A	✓
HIGHBURY GROVE	TAYLOR WIMPEY	COMPLETE H1 2014	72	61,000	£25	£4.8M	✓
GRAND UNION	TAYLOR WIMPEY	COMPLETE H1 2015	145	60,000	£22	£5.9M	✓
BOW ENTERPRISE (PHASE 1)	PEABODY	COMPLETE H2 2015	267	15,000	£12	£11.5M	✓
			693	189,000			

INDICATIVE VALUATION OF CONSTRUCTION PROJECTS AT 31 MARCH 2012: £62M

MARKETING

BOW ENTERPRISE (PHASE 2)	2014-2016	290	30,000
		290	30,000

PLANNING

TOWER BRIDGE	PLANNING APPLICATION JULY 12	800	65,000
FAIRCHARM	PLANNING APPLICATION OCT 12	160	46,000
POPLAR	PLANNING APPEAL DEC 12	392	77,000
MARSHGATE	PRE-PLANNING APPLICATION	300	35,000
CREMER STREET	PRE-PLANNING APPLICATION	203	35,000
WANDSWORTH (PHASE 2)	PRE-PLANNING APPLICATION	50	15,000
HIGHWAY	PRE-PLANNING APPLICATION	130	33,000
		2,035	306,000
TOTAL		3,018	525,000

INDICATIVE VALUATION OF MARKETING AND PLANNING PROJECTS AT 31 MARCH 2012: £76M

REFURBISHMENT PROJECTS

PROJECT STAGE	ESTIMATED COST	EXPECTED TIMING	COMMERCIAL SPACE			
			UPGRADED AREA (SQ. FT.)	ESTIMATED ERV	NEW AREA (SQ.FT.)	ESTIMATED ERV
COMPLETED/LETTING						
KENNINGTON PARK (CHESTER HOUSE PHASE 1)	£4M	COMPLETED JUNE 2011	28,000	£27	-	-
CANALOT STUDIOS	£5M	COMPLETED SEPT 2012	32,850	£22	17,150	£29
WHITECHAPEL - PART	£1M	COMPLETED OCT 2012	-	-	9,000	£21
	£10M		60,850		26,150	
CONSTRUCTION						
GREAT GUILDFORD STREET	£14M	COMPLETE H2 2014	82,000	£26	20,000	£38
LEYTON INDUSTRIAL - PART (PHASE 1)	£3M	COMPLETE H2 2013	-	-	25,000	£12
EXMOUTH HOUSE	£4M	COMPLETE H1 2013	52,000	£27	5,000	£38
WESTMINSTER BUSINESS SQUARE - PART (PHASE 1)	£2M	COMPLETE H1 2013	-	-	6,000	£30
GREENHEATH	£10M	COMPLETE H2 2013	-	-	45,000	£22
KENNINGTON PARK (CHESTER HOUSE PHASE 2)	£2M	COMPLETE H1 2013	-	-	9,000	£30
	£35M		134,000		110,000	
DESIGN						
GREVILLE STREET	£2M	2014	10,000	£40	-	-
BALDWINS GARDENS	£17M	2013-2015	-	-	65,000	£40
BARLEY MOW - PART	£11M	2013-2015	-	-	42,000	£28
BOUNDS GREEN - PART	£2M	2013	-	-	13,000	£11
LINTON HOUSE	£4M	2013-2014	34,000	£28	15,000	£38
WESTMINSTER BUSINESS SQUARE - PART (PHASE 2)	£14M	2014-2015	-	-	55,000	£30
LEYTON INDUSTRIAL - PART (PHASE 2)	£4M	2014-2015	-	-	40,000	£12
KENNINGTON PARK - PART (RETAIL)	£2M	2016	31,000	£20	-	-
	£55M		75,000		230,000	
TOTAL	£100M		269,850		366,150	

INDICATIVE VALUATION OF REFURBISHMENT PROJECTS AT 31 MARCH 2012: £90M
INDICATIVE RENT ROLL OF REFURBISHMENT PROJECTS AT 31 MARCH 2012: £4.9M