

**ANALYST AND INVESTOR
PRESENTATION
12 JUNE 2012**

WORKSPACE RESULTS 2012 DRIVING VALUE



WORKSPACE

Jamie Hopkins

Chief Executive

PERFORMANCE

Graham Clemett

Finance Director

MOMENTUM

Jamie Hopkins

DIRECTION

Jamie Hopkins

QUESTIONS



**TAILORED BUSINESS
PREMISES**

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**NEW AND GROWING
COMPANIES**

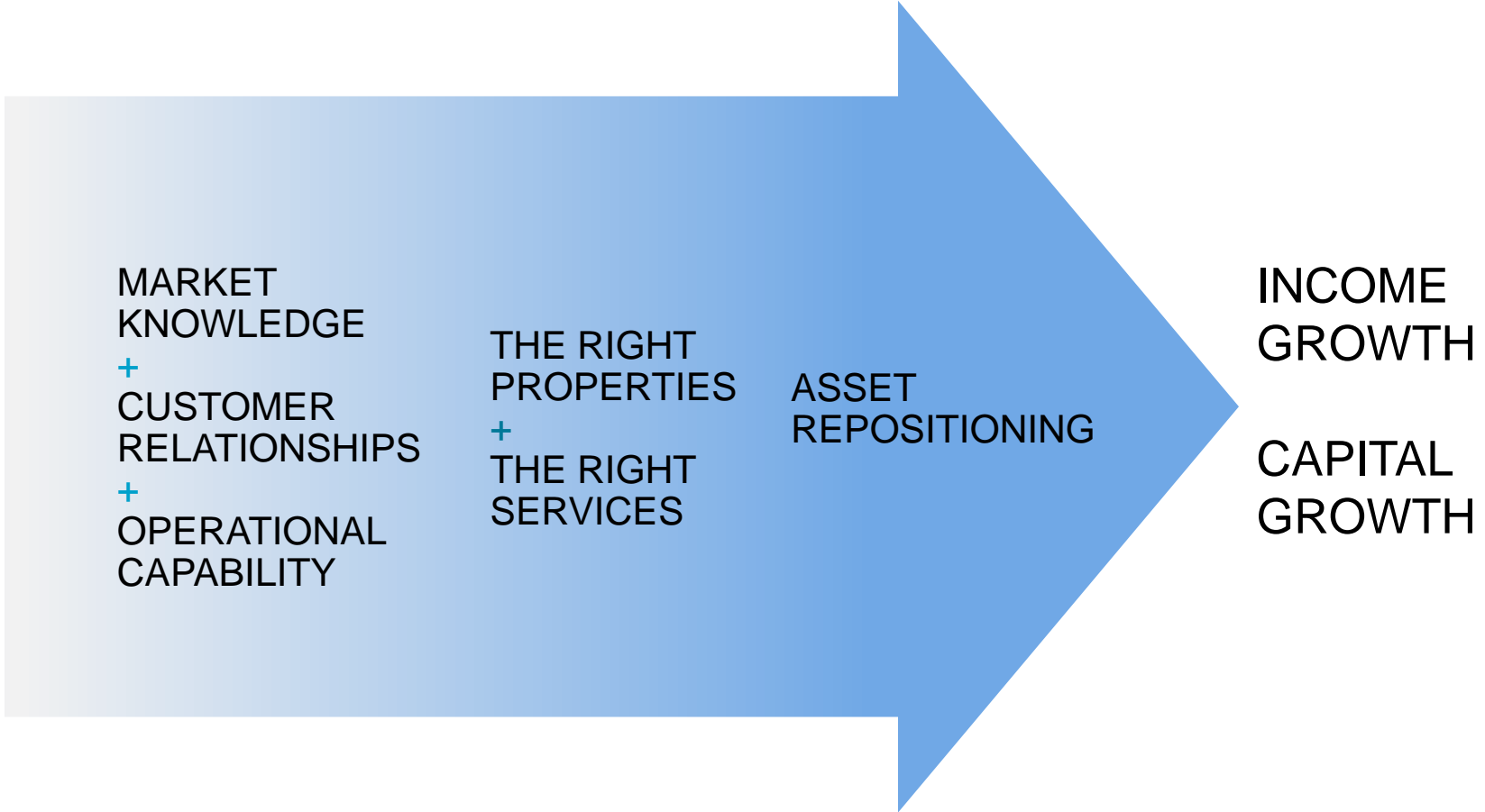
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LONDON



WORKSPACE

HOW WE MAKE MONEY





WORKSPACE RESULTS

	March 2012	March 2011	Change
Operational			
Enquiries (per month)	1,009	960	↑ +5%
Occupancy (lfl)	87.8%	86.1%	Up 1.7%
Rent Roll (lfl)	£44.5m	£42.5m	↑ +5%
Rent per sq. ft (lfl)	£12.61	£12.20	↑ +3%
Financial			
Trading Profit after Interest	£16.0m	£14.2m	↑ +13%
Dividend (per share)	8.8p	8.0p	↑ +10%
Valuation	£760m	£719m	↑ +5%*
EPRA NAV (per share)	£3.08	£2.86	↑ +8%

*Underlying



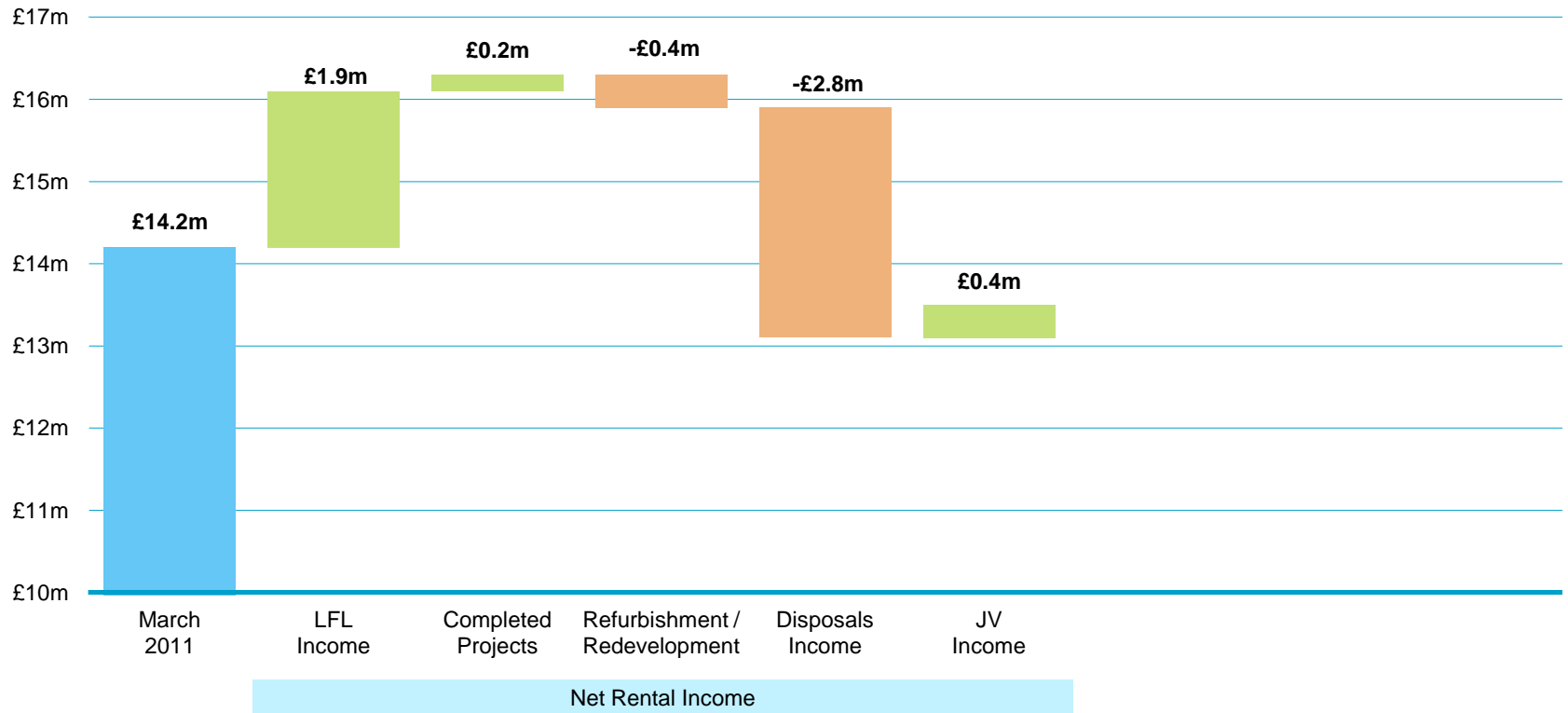
PERFORMANCE HIGHLIGHTS

	March 2012	March 2011	Change
Trading Profit After Interest (adjusted)	£16.0m	£14.2m	+13%
EPRA Earnings Per Share	11.9p	12.4p	-4%
Dividend Per Share	8.8p	8.0p	+10%
EPRA Net Asset Value Per Share	£3.08	£2.86	+8%
Property Valuation Increase (underlying)	5.1%	4.7%	-
Total Property Return (ungeared)	13.4%	11.7%	-
Loan to Value	41%	50%	Reduced 9%
Available Facilities/Cash	£79m	£26m	Up £53m



PERFORMANCE

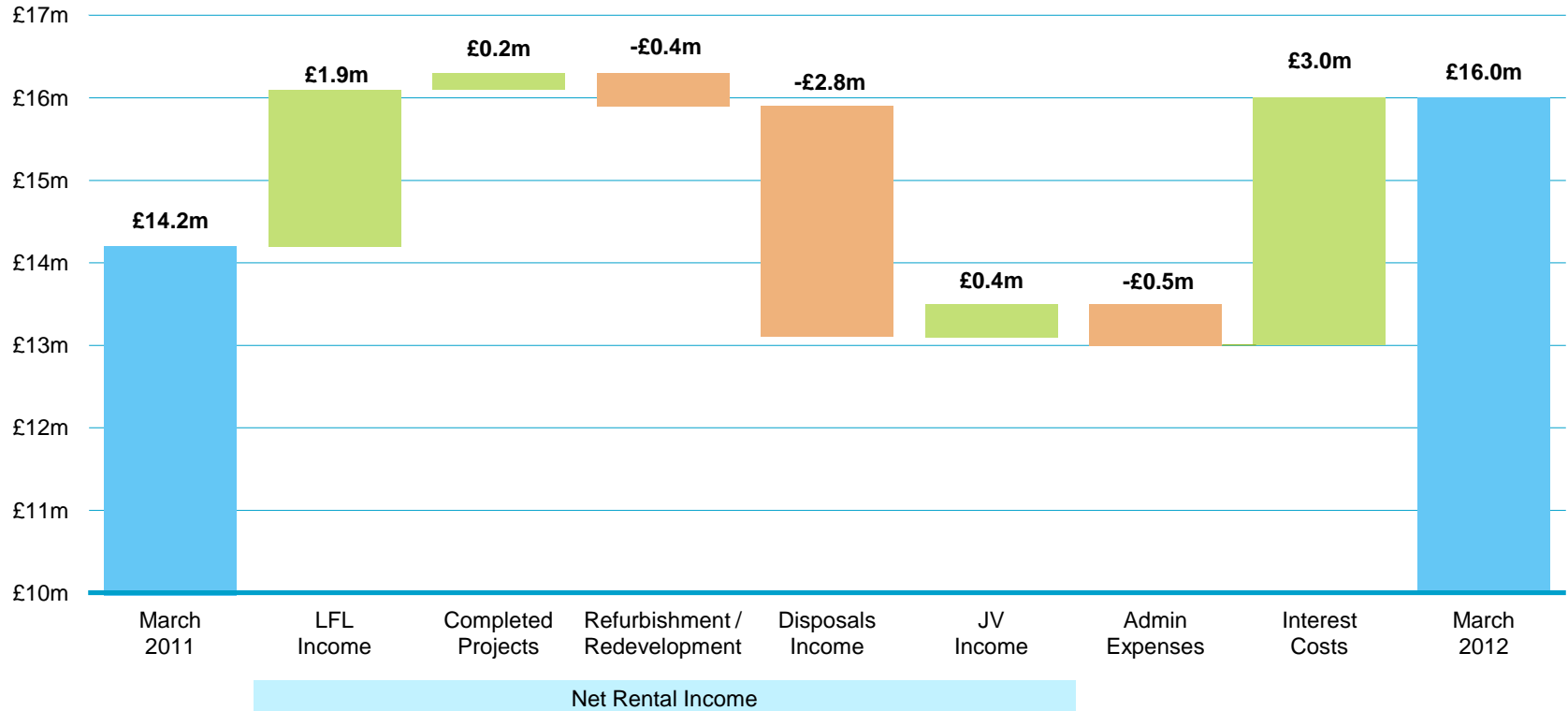
TRADING PROFIT AFTER INTEREST





PERFORMANCE

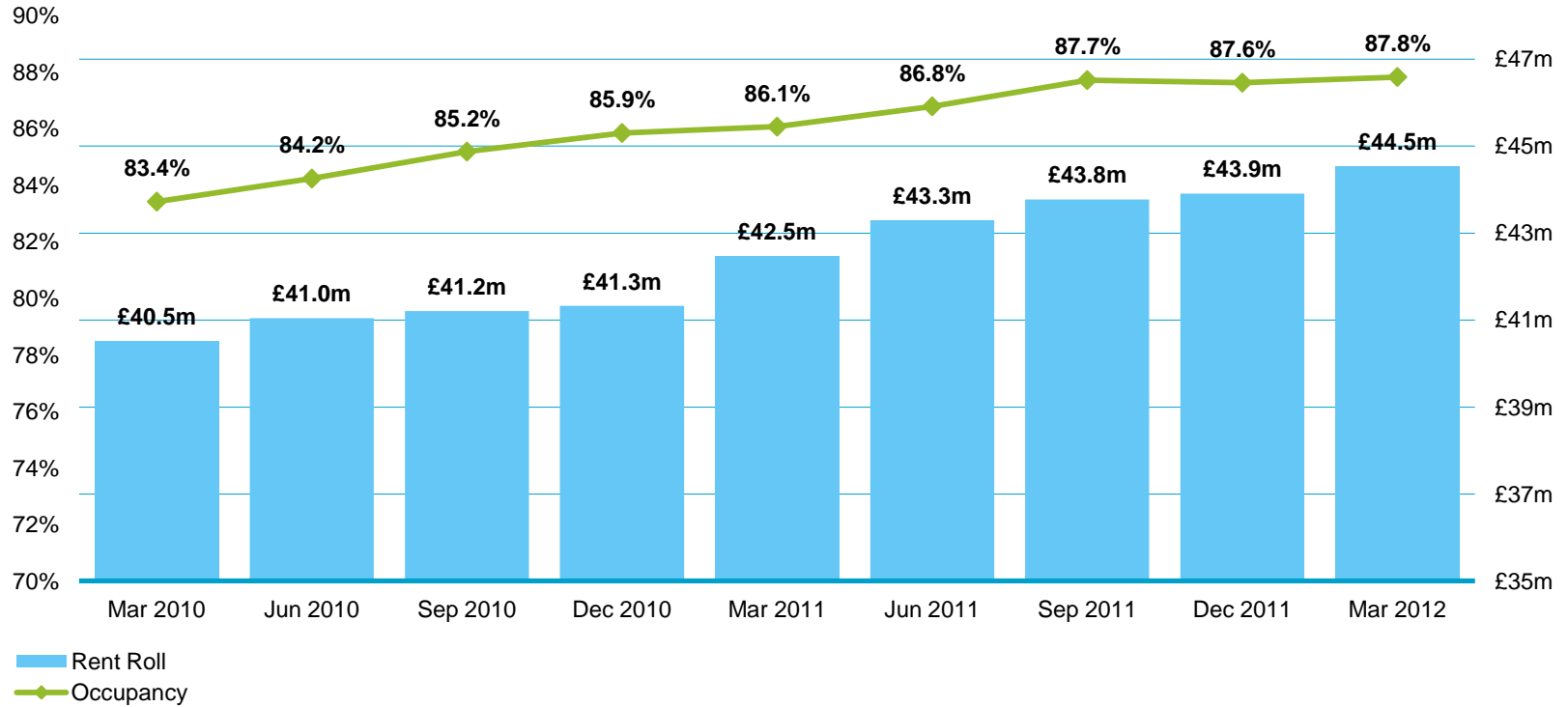
TRADING PROFIT AFTER INTEREST





PERFORMANCE

LFL OCCUPANCY & RENT ROLL TRENDS





PERFORMANCE CASHFLOW

		£m	
Trading			
Net cash from operations	17	6	
Dividends paid	(11)	63	Rights Issue Proceeds (net)
Other Property Related			
Capital Expenditure	(19)		
BlackRock Investment	(5)	(11)	
Disposals	13	(5)	Other (includes refinancing costs)
Net Cashflow		53	
Opening Net Bank Debt		(367)	
Closing Net Bank Debt		(314)	



PERFORMANCE DEBT ANALYSIS

	March 2012	March 2011
Total Facilities	£393m	£397m
Term to Maturity (average)	3.2 Years	4.2 Years
Undrawn Facilities/Cash	£79m	£26m
Percentage hedged (on drawn facilities)	77%	74%
Average Interest Cost in Year	5.1%	5.3%
Loan to Value	41%	50%



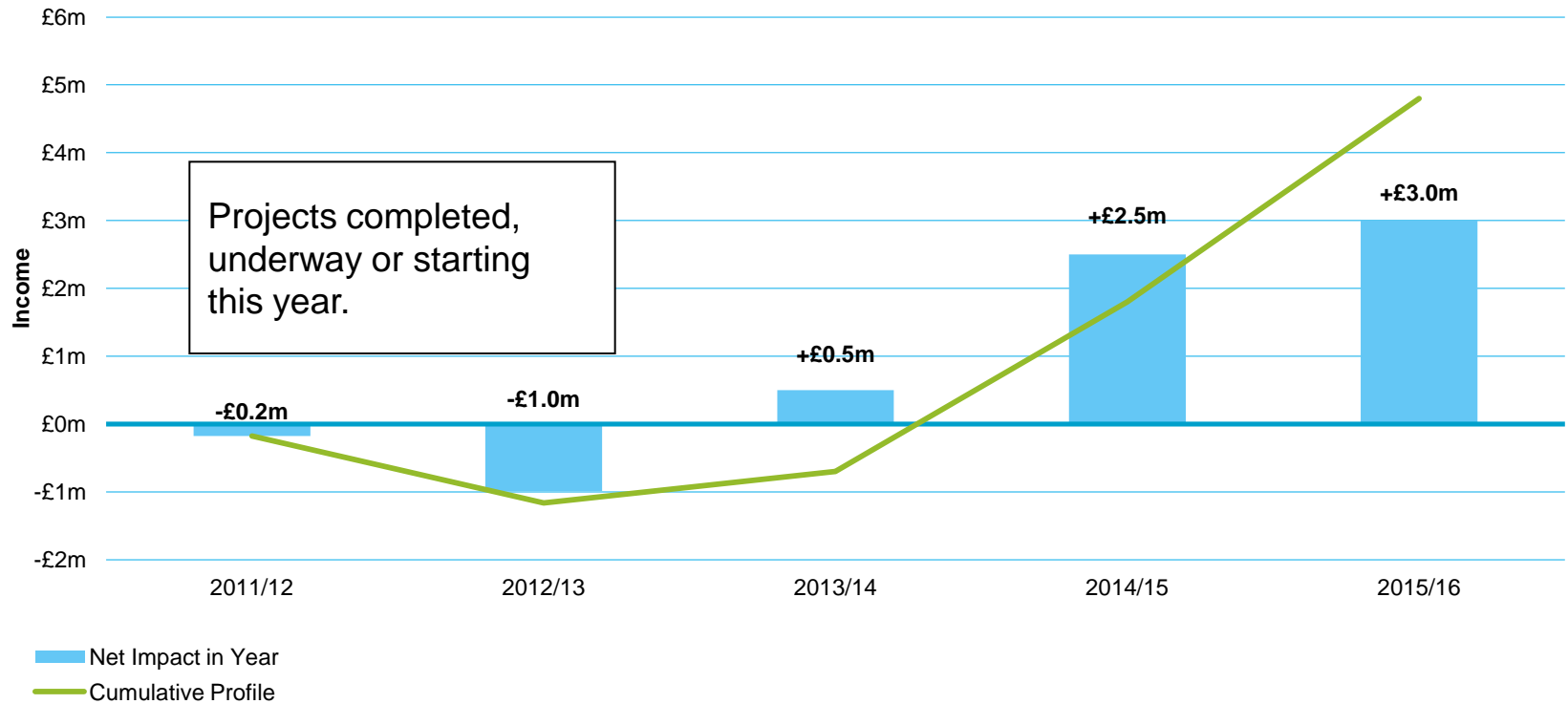
PERFORMANCE

REFURBISHMENT AND REDEVELOPMENT

	Completed/ Underway	Starting this year	Pipeline (with planning)
Refurbishment	3 Projects	6 Projects	9 Projects
New commercial space:	87,000 sq. ft.	243,000 sq. ft.	374,000 sq. ft.
Capital Expenditure Required	£11m	£35m	
Mixed Use Redevelopment	2 Properties	-	2 Properties
New commercial space:	114,000 sq. ft.	-	105,000 sq. ft.
Residential space:	281 units	-	702 units
Capital Expenditure Required	None	-	



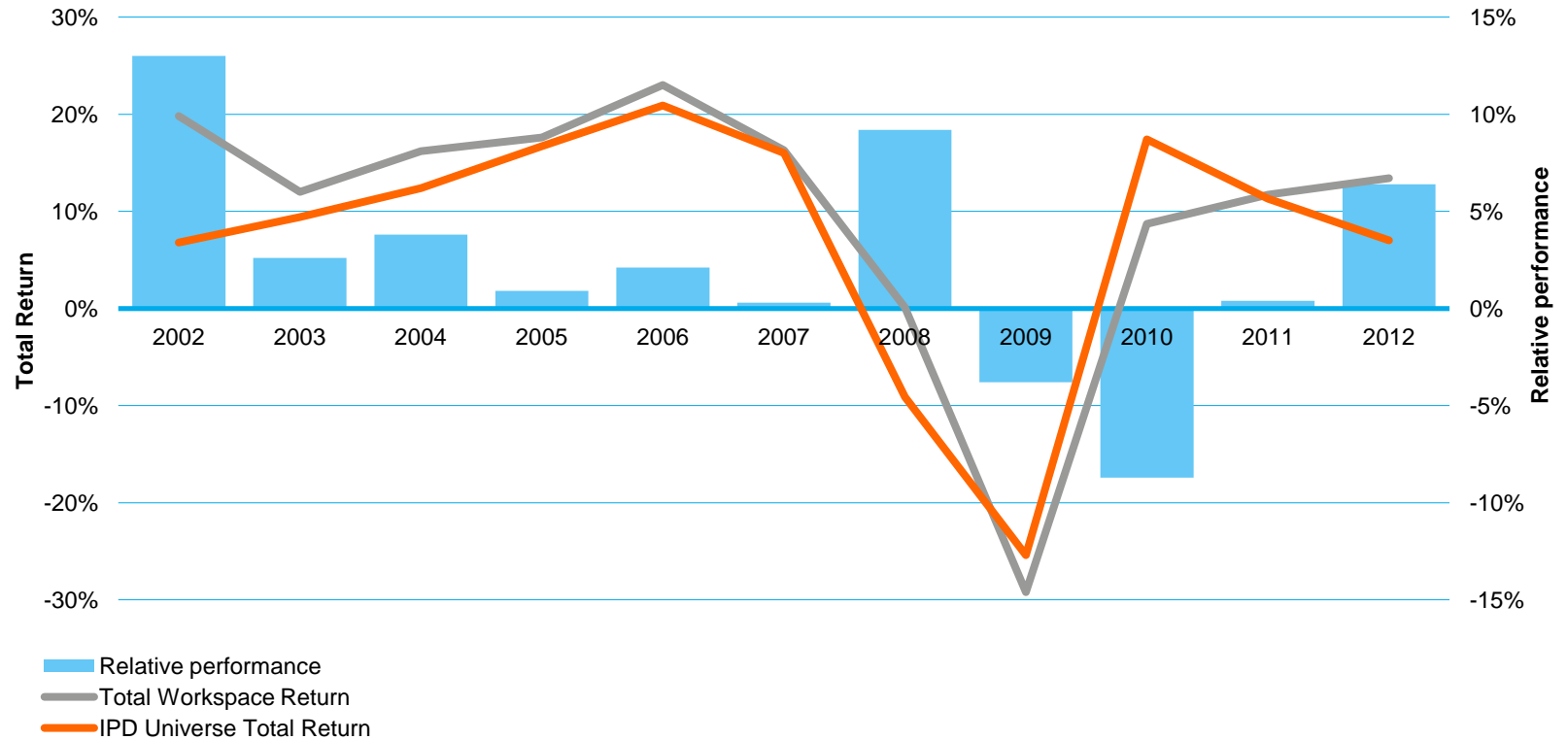
PERFORMANCE REFURBISHMENT & REDEVELOPMENT



Note: Indicative Income Profile



PERFORMANCE IPD





MOMENTUM VALUE DRIVERS

MARKET
KNOWLEDGE
+
CUSTOMER
RELATIONSHIPS
+
OPERATIONAL
CAPABILITY

THE RIGHT
PROPERTIES
+
THE RIGHT
SERVICES

ASSET
REPOSITIONING

INCOME
GROWTH

CAPITAL
GROWTH



MOMENTUM VALUE DRIVERS

MARKET
KNOWLEDGE
+
CUSTOMER
RELATIONSHIPS
+
OPERATIONAL
CAPABILITY

- - Extensive footprint
 - 100 properties
 - 5.4 million sq. ft.
 - Active
- - 4,000 companies
 - 30,000 people
 - New and growing businesses
 - Fundamental change in working habits
 - Trade and information portals
 - Research
- - In-house and onsite operational and marketing capability
 - 12,000 enquiries, 5,000 viewings, 1,000 lettings
 - £18m on capex projects
 - Dynamic

UNDERSTAND
DEMAND



MOMENTUM VALUE DRIVERS

THE RIGHT
PROPERTIES
+
THE RIGHT
SERVICES



Location:

- London
- Growing
- Under supplied



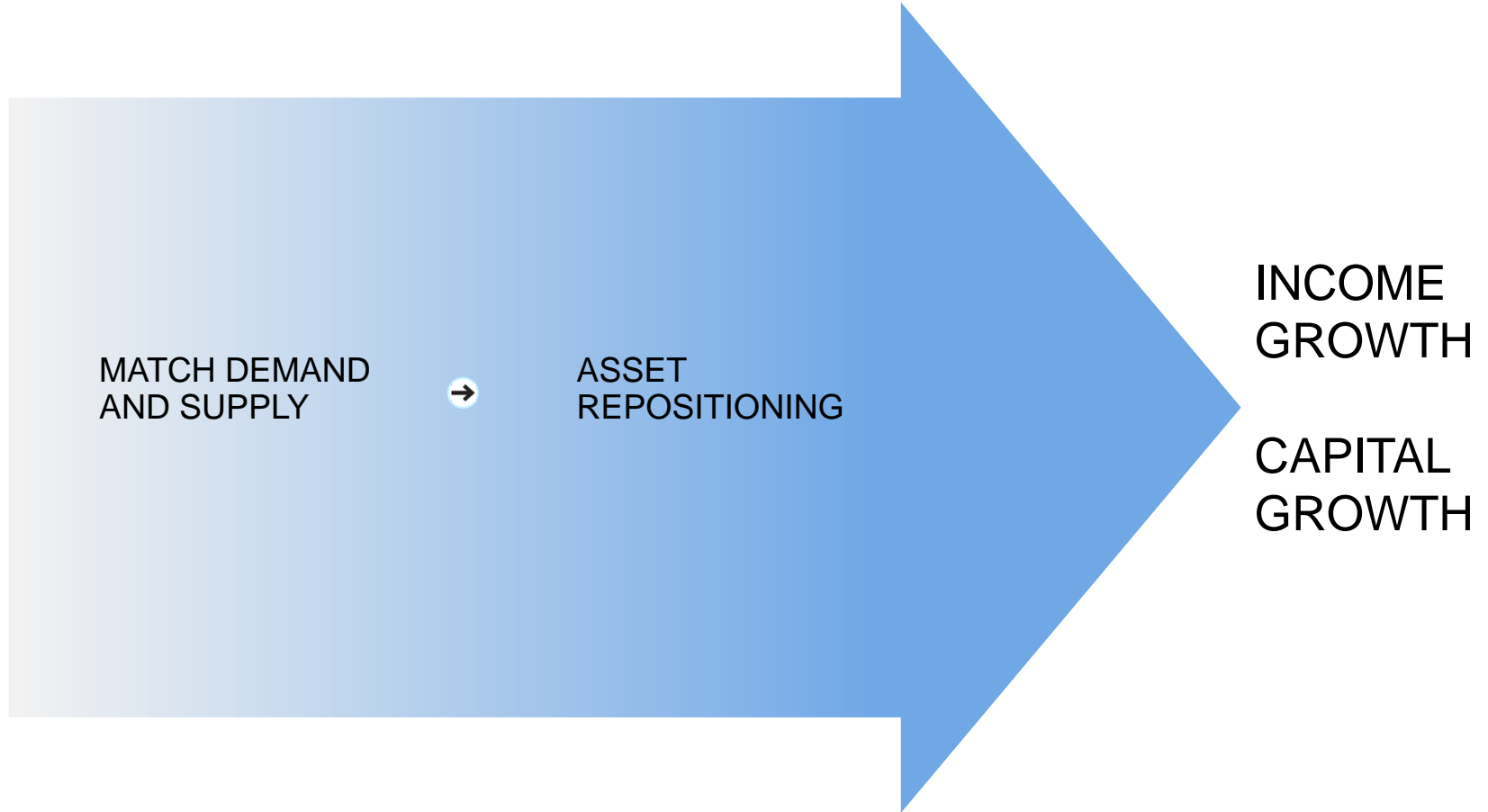
Properties:

- Close to transport hubs
- Of scale
- Of character
- Cutting edge

CREATE
SUPPLY



MOMENTUM VALUE DRIVERS

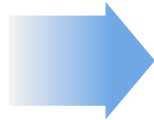




DIRECTION WORKSPACE CUSTOMERS

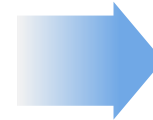
Grew at Workspace

- T.M. LEWIN
- KATHARINE HAMNETT
- DAMIEN HIRST
- GORILLAZ
- ZAHA HADID
- FAIRTRADE



Growing at Workspace

- WHITE STUFF
- BULLDOG
- JOSEPH JOSEPH
- MOONPIG
- MR & MRS SMITH
- BY CAPRICE



Growth at Workspace

- RATESETTER.COM
 - PAYMENTSSENSE
 - IDEA IS EVERYTHING
 - CINIMOD STUDIO
 - TECHNOVATED
 - SILVERGLADE ASSOCIATES
-

ALEX & ALEXA
Tower Bridge
December 2010
9,400 sq. ft.



ALEX & ALEXA
Tower Bridge
May 2012
23,850 sq. ft.



DIRECTION

CAPTURE GROWTH

LONDON FACTOR: SUPPLY
CUSTOMER CONFIDENCE: DEMAND
DRIVE INCOME: TRENDS POSITIVE

DRIVE GROWTH

LEVERAGE OPERATIONS AND BRAND
SELECTIVE ACQUISITIONS AND DISPOSALS
BENEFIT FROM LONDON RESIDENTIAL MARKET

CONFIDENT OUTLOOK

SOLID BALANCE SHEET
MAINTAIN PROGRESSIVE DIVIDEND POLICY
BUSINESS IMPROVING: FOCUSED, ENERGETIC APPROACH



QUESTIONS



DRIVING RENTAL GROWTH



UNDERSTANDING OUR CUSTOMERS



REPOSITIONING



CORPORATE SOCIAL RESPONSIBILITY



REDEVELOPMENT



PLANNING GAIN



ACQUISITION



DRIVING RENTAL GROWTH

PARKHALL BUSINESS CENTRE, DULWICH, SE21





UNDERSTANDING OUR CUSTOMERS

CLUBWORKSPACE, THE LEATHERMARKET, SE1





REPOSITIONING

EXMOUTH HOUSE, CLERKENWELL, EC1





CORPORATE SOCIAL RESPONSIBILITY

CHESTER HOUSE, KENNINGTON PARK, SW9





REDEVELOPMENT

HIGHBURY GROVE, ISLINGTON, N1





PLANNING GAIN

GREENHEATH, BETHNAL GREEN, E3





ACQUISITION

CHANDELIER BUILDING, WILLESDEN, NW10





DISCLAIMER

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