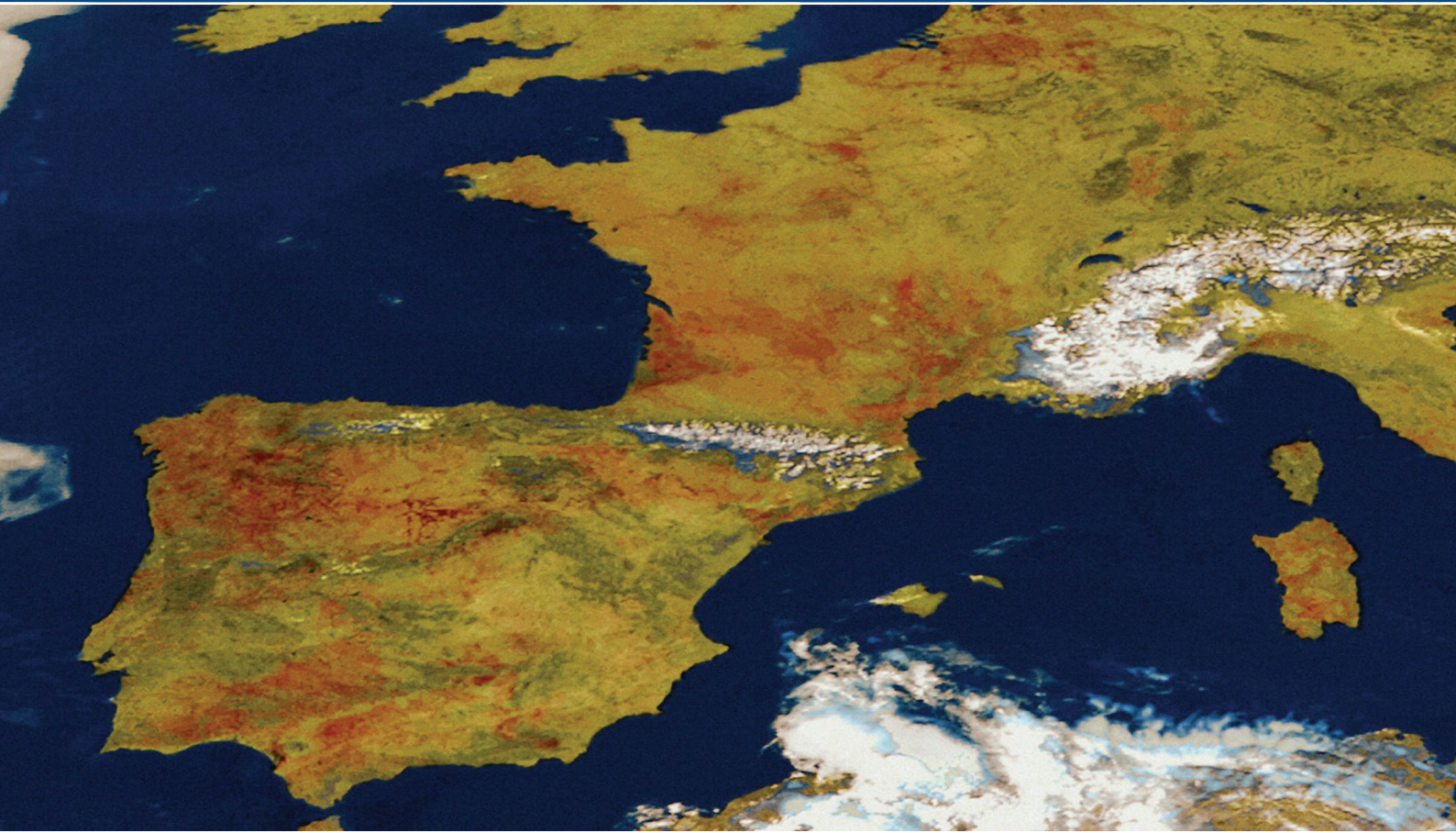


Alpha Pyrenees Trust Limited



A property investment fund for the
French and Spanish commercial real estate markets

Alpha real capital

Front cover aerial photograph – source: Photo Library International/Science Photo Library

A copy of this document, which comprises a prospectus relating to Alpha Pyrenees Trust Limited (the “Company”), prepared in accordance with the Listing Rules and the Prospectus Rules of the UK Listing Authority made under section 74 of the Financial Services and Markets Act 2000, has been delivered to the UK Listing Authority in accordance with Rule 3.2 of the Prospectus Rules.

Consent under the Control of Borrowing (Bailiwick of Guernsey) Ordinances, 1959 to 1989, has been granted by the States of Guernsey Policy Council for the circulation of this document insofar as it relates to the issue of the Ordinary Shares and to the raising of money by the issue of such shares. Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Council accept any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or opinions expressed with regard thereto.

The Directors of the Company, whose names appear on page 10 of this document, and the Company accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and contains no omission likely to affect its import.

For discussion of certain risks and other factors that should be considered in connection with an investment in Ordinary Shares, see “Risk factors” set out on pages 6 to 9 of this document.

Alpha Pyrenees Trust Limited

(a closed-ended investment company incorporated in Guernsey and registered with number 43932)

PLACING

of up to 125,000,000 Ordinary Shares at a price of 100p per Ordinary Share

Investment Manager

Alpha Real Capital LLP

Sponsored by

BDO Stoy Hayward Corporate Finance

Application has been made to the UK Listing Authority for all of the Ordinary Shares (issued and to be issued) to be admitted to the Official List. Application has also been made for the Ordinary Shares to be admitted to trading on the London Stock Exchange’s market for listed securities. It is expected that such admission will become effective and that dealings in the Ordinary Shares will commence on 29 November 2005.

This document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or to subscribe for, Ordinary Shares in any jurisdiction in which such an offer or solicitation is unlawful and this document is not for distribution in or into the Prohibited Territories. The Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) or the United States Investment Company Act 1940 (as amended) or under the applicable securities laws of the other Prohibited Territories and, unless an exemption under such Acts or laws is available, may not be offered for sale or subscription or sold or subscribed directly or indirectly within the Prohibited Territories for the account or benefit of any national, resident or citizen of the Prohibited Territories. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions.

BDO Stoy Hayward Corporate Finance (a division of BDO Stoy Hayward LLP, Chartered Accountants), Kinmont Limited and Cenkos Securities Limited, all of which are authorised and regulated by the Financial Services Authority, are acting exclusively for the Company and no one else in connection with the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for providing advice in relation to the Placing.

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SUMMARY

This information should be read as an introduction to the full text of this document and any decision to invest in the Ordinary Shares should be based on consideration of the full text of this document as a whole, including the risk factors set out on pages 6 to 9 of this document. Where a claim relating to the information contained in this document is brought before a court, a plaintiff investor may, under the national legislation of an EEA state, have to bear the costs of translating this document before the legal proceedings are initiated. Civil liability attaches to the Company and its Directors who are responsible for this summary, including any translation of this summary, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document.

Introduction

Alpha Pyrenees Trust is a newly incorporated Guernsey registered closed-ended investment company which has been established for the purposes of investing in French and Spanish commercial real estate. Application has been made for the Company's shares to be admitted to the Official List of the UK Listing Authority. The Placing is expected to raise £125 million before expenses.

The Investment Manager believes that a quality portfolio of real estate assets can be assembled by acquiring properties with an average rental yield of between 7.0 and 8.5 per cent. per annum.

Assuming borrowing levels over time of up to 75 per cent. of property values assembled, it is the Company's intention to assemble a total portfolio of up to approximately £480 million, across approximately 30 properties.

The Company's year end is 31 December and the Company's first accounts will be made up for the period to 31 December 2006. There are no specific provisions for the termination of the Company's life. The Company has authority (subject to renewal at the Company's annual general meeting in 2007) to buy back up to 14.99 per cent. of its ordinary share capital issued pursuant to the Placing.

Dividends

The Company is targeting a dividend yield of 7.0 per cent. at the Placing Price once the proceeds of the Placing have been fully invested and subject to the Assumptions. It is the current intention of the Directors to pay dividends on a semi-annual basis. The Investment Manager will seek to secure income growth through a combination of inflation indexed rents with automatic uplifts, turnover based rents and an active letting and re-letting programme.

The first dividend to be paid by the Company is expected to be an interim dividend in respect of the period to 30 June 2006.

Investment objective, policy and strategy

The Company will invest in a diversified portfolio of properties in Spain and France, focusing on commercial property in the industrial, logistics, office and retail sectors. Alpha Real Capital believes that there will be capital growth opportunities in the portfolio through income growth, active asset management and yield compression.

It is expected that between 50 and 70 per cent. of the Company's portfolio will be invested in France and that between 30 and 50 per cent. will be invested in Spain.

Borrowing

Over time, the Company expects to borrow to optimise returns for investors. The Company will not put borrowing facilities in place at the time of Admission, initially investing through equity only. The borrowing policy will be adapted to suit the prevailing market conditions from time to time. The Company will consider raising debt finance by all means including, *inter alia*, bank borrowings, private debt placements or listed debt instruments.

Management

The Company's property portfolio will be managed by Alpha Real Capital, an FSA regulated property fund management business. The Alpha Real Capital team has a strong long-term track

record established across a range of real estate ventures, and has an established operating platform in France and Spain.

The Company has entered into the Management Agreement, pursuant to which Alpha Real Capital will provide investment advisory services to the Company and property advisory, property management and monitoring services to those members of the Group which subsequently acquire properties. In consideration for these services, the Investment Manager will receive an aggregate annual fee equal to one per cent. of the Gross Assets as adjusted to reflect the current value of the properties and of other assets representing an indirect interest in property or property related activities, that are not reflected in the consolidated gross assets.

Alpha Real Capital is also to receive an annual performance fee calculated by reference to the relevant TSR.

Co-investment by the Alpha Real Capital management team and Pacific Investments

Upon Admission, certain members of Alpha Real Capital or its management team will be subscribing for 2.5 million Ordinary Shares pursuant to the Placing, resulting in a holding of 2 per cent. of the Company's shares immediately following Admission, assuming that the Placing is fully subscribed.

It is the Company's current intention to enter into a conditional property option agreement with a subsidiary undertaking of Pacific Investments to acquire the Evreux Warehouse for approximately €10.7 million in cash at any time during the six months following the entering into of the option. As part of these arrangements, the Company would issue 2.5 million Ordinary Shares at the Placing Price to Pacific Investments or a subsidiary undertaking thereof, and would use the proceeds thereof to part finance such acquisition. Shareholder consent for these arrangements will be sought by the Company.

Incentive Options and Warrants

In order to incentivise Alpha Real Capital's personnel involved in providing advice to the Group, the Company has granted an option to Alpha Real Capital to acquire up to 3,825,000 Ordinary Shares, the vesting thereof being subject to the achievement of performance criteria. It is the intention of Alpha Real Capital to utilise any benefit from these option arrangements to either incentivise or reward the Alpha Real Capital management team involved in the management of the Company, whether by way of back-to-back or other arrangements.

The Company has also granted to Alpha Real Capital warrants to subscribe for up to 6,375,000 Ordinary Shares at the Placing Price, such warrants being exercisable in whole or in part at any time during the period of 5 years from the date of Admission.

The Placing

The Placing is not being underwritten and is conditional, *inter alia*, on a minimum of £40 million being raised before expenses pursuant to the Placing. The Placing is expected to raise £125 million before expenses. The net proceeds of £119.7 million will be used to fund investments in accordance with the investment objective, policy and strategy of the Company and to pay ongoing ancillary costs.

Directors

The Directors of the Company, all of whom are non-executive, are responsible for the implementation of the investment policy of the Company and the overall supervision of the Group's activities. The Board consists of:

Richard Kingston
Christopher Bennett
David Jeffreys
Phillip Rose
Serena Tremlett

Risk factors

The risks of investing in the Company include the risk that the market value of the Ordinary Shares may vary considerably from their underlying net asset value. Shareholders may only be able to realise their investment through the market and may not be able to realise the full cost of their initial investment. There can be no guarantee that the investment objectives will be met. Dividend growth will depend, *inter alia*, on growth in rental and capital value in the underlying assets. The performance of the Group would be adversely affected by an increase in interest rates, any yield compression prior to the investment of the Placing proceeds by the Company, changes in taxation legislation or the Company's or its subsidiaries' tax status. There is no guarantee that the expected dividends (or any dividends) will be paid since they are based on the Assumptions, which may or may not be realised.

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 Company'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 Company's property portfolio falls, including as a result of defaults by tenants pursuant to their leases with the Group, the use of borrowings will increase the impact of such falls on the net revenue of the Company and, accordingly, will have an adverse effect on the Company's ability to pay dividends to Shareholders.

The property market is affected by many factors outside the Group's control. The Company cannot predict whether it will be able to sell any property for the price or on the terms set by it and this may lead to a reduction in the net asset value of the Company, its market value and its ability to pay dividends.

RISK FACTORS

An investment in the Company is only suitable for investors who understand the potential risk of capital loss, that there may be limited liquidity in the underlying investments of the Company, for whom an investment in the Ordinary Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to be able to bear any losses (which may be equal to the whole amount invested) which may result from such an investment. Prospective investors should carefully review and evaluate the risks and the other information contained in this document before making a decision to invest in the Company. If in any doubt, prospective investors should immediately seek their own personal financial advice from their independent professional adviser authorised under the FSMA who specialises in advising on the acquisition of shares and other securities or other advisers such as legal advisers and accountants.

The risks set out below are the risks which the Directors currently consider to be material, but are not the only risks, or the only potential risks, relating to the Company or an investment in the Company. There may be additional material risks that the Directors do not currently consider to be material or of which the Directors are not aware.

References below to the Company are also deemed to include, where appropriate, each member of the Group.

General risk factors

Market value of Ordinary Shares

Prospective investors should be aware that the market value of the Ordinary Shares and the income from them may go down as well as up and that they may not be able to realise their initial investment. In addition, it is possible that the market price of Ordinary Shares in the Company may be less than the underlying net asset value per Ordinary Share.

The Company does not have a fixed winding up date and therefore, unless Shareholders vote to wind up the Company, Shareholders may only be able to realise their investment through the market.

Investment objectives

There can be no guarantee that the investment objectives of the Company will be met. If relevant property values rise significantly between the time of the Placing and the funds being invested, the potential returns from property investments, and therefore available for Shareholders, may be less than those targeted by the Directors, as set out in this document. Property values can go down as well as up.

Dividends

The level of dividend expected to be paid on the Ordinary Shares is not guaranteed and may fluctuate. Any dividend growth on the Ordinary Shares will depend on, *inter alia*, rental and capital value growth in the underlying assets.

If, under Guernsey law, there were to be a change to the basis on which dividends could be paid by Guernsey companies, or if there were to be changes to accounting standards or the interpretation of accounting standards, this could have a negative effect on the Company's ability to pay dividends.

Taxation

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. Whilst a general guide to corporate and personal taxation has been set out in this document at Part 5, investors should not rely on such general guidance and should seek their own advice.

Any change in the Company's or any other member of the Group's tax status or in taxation legislation or taxation rates could adversely affect the Company's ability to pay dividends, dividend growth and/or the market value of the Ordinary Shares.

Assumptions

The Assumptions are assumptions only and may or may not be achieved. The attention of prospective investors is specifically drawn to the assumption that the tax deductibility of internal gearing is in accordance with local territory legislation, in particular as regards thin capitalisation and transfer pricing rules.

Gearing

The Directors intend to secure borrowing facilities in the future. It is not certain that such facilities will be able to be secured at levels or on terms acceptable to the Directors. Any amounts that are secured under a bank facility are likely to rank ahead of Shareholders' entitlements and, accordingly, should the Company's assets not grow at a sufficient rate to cover the costs of establishing and operating the Company, Shareholders may not recover their initial investment.

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 Company'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 Company's property portfolio falls, including as a result of defaults by tenants pursuant to their leases with the Group, the use of borrowings will increase the impact of such falls on the net income of the Company and, accordingly, will have an adverse effect on the Company's ability to pay dividends to Shareholders.

Should any fall in the underlying asset value or revenues result in the Company or another member of the Group breaching financial covenants given to any lender, the Company or that member of the Group may be required to repay such borrowings in whole or in part together with any related costs. If the Company or that member of the Group is required to repay all or part of its borrowings, it may be required to sell assets at less than their market value.

Shareholders should be aware that any increase in interest rates may increase the costs of the Group's borrowings and may have an adverse effect on the returns to the Company and, consequently, the ability of the Company to pay dividends. This may also have a negative impact on the net asset value of the Ordinary Shares.

Future performance

There is no certainty and no representation or warranty is given by any party that the Company will be able to achieve the returns referred to in this document.

Currency risk

The Company will transact in currencies other than pounds Sterling, primarily in Euros. Although the Company intends to hedge its initial equity currency exposures, the Company's performance will nonetheless be subject to exchange rate fluctuations with respect to the currencies employed.

Directors and Investment Manager

The Company is dependent upon its Directors and the Investment Manager and may be adversely affected if the services of the Directors and/or the Investment Manager (including personnel employed by the Investment Manager) cease to be available to the Group.

Risk factors relating to property

In addition to the risks already described, the following relate specifically to property investments:

Growth in rental income and defaults

Income growth may not continue at a consistent rate. Future income is dependent on, amongst other things, the Company negotiating suitable rental levels when compared to associated financing costs. Any yield compression prior to the investment of the placing proceeds by the Company will also affect the ability of the Company to generate income.

Financial stability of tenants and prospective tenants

General economic conditions may affect the financial stability of tenants and prospective tenants and/or the demand for and value of real estate assets. In the event of a default by a tenant or the expiry of a lease, the Company will suffer a rental shortfall and incur additional costs, including legal expenses, in maintaining, insuring and re-letting the property.

Liquidity of underlying investments

Investments in property are relatively illiquid and more difficult to realise than equities or bonds. Investors will not have a right to redeem Ordinary Shares.

Lack of funding for future tenant improvements

When a tenant at one of the properties does not renew its lease or otherwise vacates its space in one of the properties, it is likely that, in order to attract one or more new tenants, the Group will be required to expend funds to construct new tenant improvements in the vacated space or to provide financial inducements to the new tenants such as rent free periods. While the Group intends to manage its cash position or financing availability to pay for any improvements or other benefits required for re-letting and to meet the loss of revenue that may result, the Group cannot be certain that it will have adequate sources of funding available to it for such purposes in the future.

Uninsured losses

The Investment Manager will attempt to ensure that all of the Group's properties are adequately insured to cover casualty losses. However, changes in the cost or availability of insurance could expose the Group to uninsured losses. In the event that any of the properties incurs a loss that is not fully covered by insurance, the value of the Group's assets will be reduced by any such uninsured loss. In addition, the Group may have no source of funding to repair or reconstruct the damaged property, and it cannot be certain that any such sources of funding will be available to it for such purposes in the future.

Inability to sell a property

The property market is affected by many factors, such as general economic conditions, availability of financing, interest rates and other factors, including investor/buyer supply and demand, that are beyond the Group's control. The Company cannot predict whether the Group will be able to sell any property for the price or on the terms set by it, or whether any price or other terms offered by a prospective purchaser would be acceptable to it. Nor can the Group predict the length of time needed to find a willing purchaser and to complete the sale of a property. This may lead to a reduction in the net asset value of the Company, and/or its market value and/or its ability to pay dividends.

The Group may be required to expend funds to correct defects or to make improvements before a property can be sold. The Company cannot be certain that the Group will have funds available to correct such defects or to make such improvements.

In acquiring a property, the Group may agree to restrictions that prohibit the sale of that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed or repaid on that property. These provisions would restrict the Group's ability to sell a property.

Development

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: (i) delays in timely completion of the project; (ii) cost overruns; (iii) poor quality workmanship; and (iv) inability to rent or inability to rent at a rental level sufficient to generate profits.

Any change to the laws and regulations relating to the French or Spanish commercial property market may have an adverse effect on the capital value and/or the rental income of any future property portfolio of the Company.

Competition

The Group may face significant competition from other property investors. Other competitors may have greater financial resources than the Group and a greater ability to borrow funds to acquire properties. Competition in the property market may lead either to an over-supply of commercial premises through over-development or 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 secure tenants for its

properties at satisfactory rental rates and on a timely basis and to acquire properties or develop land at satisfactory prices.

Environmental issues

Under various environmental laws, a current or previous owner or operator of real property may be liable for the cost of removing or remediating hazardous or toxic substances on such property. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. Environmental laws also may impose restrictions on the manner in which property may be used or businesses may be operated. A property owner who violates environmental laws may be subject to sanctions which may be enforced by governmental agencies or, in certain circumstances, by private parties. In connection with the acquisition and ownership of properties, the Company may be exposed to such costs. The cost of defending against environmental claims, compliance with environmental regulatory requirements or remediating any contaminated property could materially adversely affect the Company's business, assets or results of operations and, consequently, amounts available for dividends to Shareholders.

Legal changes

Any changes to the laws and regulations relating to property in the relevant jurisdictions may have an adverse effect on the capital value and/or the rental income of the Company's property portfolio.

Forward looking statements

All statements other than statements of historical facts included in this document, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to dividends or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results, performance, achievements of or dividends paid by, the Group to be materially different from future results, performance or achievements, or dividend payments expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. These forward looking statements speak only as of the date of this document. The Group expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements contained herein to reflect any change in the Group's expectations with regard thereto, any new information or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.

DIRECTORS, INVESTMENT MANAGER AND ADVISERS

Directors	Richard Kingston (Chairman) Christopher Bennett David Jeffreys Phillip Rose Serena Tremlett
Registered Office	East Wing Trafalgar Court Admiral Park St. Peter Port Guernsey GY1 6HJ
Investment Manager	Alpha Real Capital LLP 124 Sloane Street London SW1X 9BW
Joint Financial Adviser	Kinmont Limited 6 Arlington Street London SW1A 1RE
Joint Financial Adviser and Broker	Cenkos Securities Limited 6.7.8 Tokenhouse Yard London EC2R 7AS
Sponsor	BDO Stoy Hayward Corporate Finance 8 Baker Street London W1U 3LL
Administrator, Registrar and Secretary	Mourant Guernsey Limited PO Box 543 East Wing Trafalgar Court Admiral Park St. Peter Port Guernsey GY1 6HJ
CREST Services Provider	Computershare Investor Services (Channel Islands) Limited Ordnance House 31 Pier Road St Helier Jersey JE4 9PW
Auditors	BDO Novus Limited Elizabeth House St. Peter Port Guernsey GY1 3LL
Reporting Accountants	BDO Stoy Hayward LLP 8 Baker Street London W1U 3LL

Taxation Advisers	Deloitte & Touche LLP Stonecutter Court 1 Stonecutter Street London EC4A 4TR
Legal Advisers as to English law	Norton Rose Kempson House Camomile Street London EC3A 7AN
Legal Advisers as to Guernsey law	Carey Olsen 7 New Street St. Peter Port Guernsey GY1 4BZ
Valuers	Knight Frank LLP 20 Hanover Square London W1S 1HZ
Bankers	Royal Bank of Scotland International Limited PO Box 62 Royal Bank Place St. Peter Port Guernsey GY1 4BQ

DEFINITIONS

References in this document to statutes or government agencies are, unless specifically stated otherwise, to statutes or government agencies in the UK. The following definitions apply throughout this document unless the context requires otherwise:

“Administration Agreement”	the administration agreement dated 22 November 2005 between the Company and the Administrator, a summary of which is set out in paragraph 5.2 of Part 6 of this document
“Administrator”	Mourant Guernsey Limited
“Admission”	the admission of the Ordinary Shares, issued and to be issued pursuant to the Placing, to the Official List of the UK Listing Authority and to trading on the London Stock Exchange
“Alpha Pyrenees Trust” or the “Company”	Alpha Pyrenees Trust Limited
“Alpha Real Capital”	Alpha Real Capital LLP
“Articles”	the articles of association of the Company, a summary of which is set out in paragraph 3 of Part 6 of this document
“Assumptions”	the principal bases and assumptions set out in Part 4 of this document, used in arriving at the target dividend yield of 7.0 per cent. per annum at the Placing Price once fully invested
“BDO Stoy Hayward Corporate Finance”	BDO Stoy Hayward Corporate Finance, a division of BDO Stoy Hayward LLP, Chartered Accountants, which is authorised and regulated in the United Kingdom by the Financial Services Authority to carry on investment business, sponsor to the Company
“Board” or “Directors”	the directors of the Company for the time being and (where the context requires) comprises those persons whose names appear on page 10 of this document
“business day”	any day where banks in London and Guernsey are open for business (excluding Saturdays and Sundays)
“Cenkos”	Cenkos Securities Limited
“Combined Code”	the code of best practice published in July 2003 by the Financial Reporting Council and including the principles of good governance appended to, but not forming part of, the Listing Rules
“Companies Laws” or “Law”	Companies (Guernsey) Law, 1994 (as amended)
“Computershare”	Computershare Investor Services (Channel Islands) Limited
“CREST”	the relevant system (as defined in the Regulations) for the paperless settlement of share transfers and the holding of shares in Uncertificated Form in respect of which CRESTCo is the Operator (as defined in the Regulations)
“CRESTCo”	CRESTCo Limited

“CREST Guernsey Requirements”	Rule 8 and such other rules and requirements of CRESTCo as may be applicable to issuers as from time to time specified in the document entitled “CREST Reference Manual” issued by CRESTCo
“Eurozone”	the collective group of countries which use the Euro as their common currency
“Evreux Warehouse”	the property at ZAC Le Long Buisson, Commune du Vieil-Evreux, Normandy, France which the Company currently intends to acquire
“FSA”	the Financial Services Authority
“FSMA”	the Financial Services and Markets Act 2000, as amended
“Gross Assets”	the aggregate value of the assets of the Group determined in accordance with the accounting principles adopted by the Group from time to time
“Group”	the Company and its subsidiary undertakings from time to time
“Incentive Options”	the option arrangements which are described in paragraph 5.5 of Part 6 of this document
“IPD”	Investment Property Databank Limited
“Kinmont”	Kinmont Limited
“Knight Frank”	Knight Frank LLP
“Listing Rules”	the listing rules of the UK Listing Authority made pursuant to Part V of the FSMA
“London Stock Exchange”	London Stock Exchange plc
“Investment Manager”	Alpha Real Capital LLP
“Management Agreement”	the management agreement dated 22 November 2005 between the Company and the Investment Manager, a summary of which is set out in paragraph 5.1 of Part 6 of this document
“Net Asset Value” or “NAV”	the value of the assets of the Group less its liabilities, calculated in accordance with the accounting principles adopted by the Group from time to time
“Net Asset Value per Ordinary Share”	the Net Asset Value divided by the number of Ordinary Shares in issue or deemed to be in issue at the time of such valuation
“Official List”	the Official List of the UK Listing Authority
“Ordinary Shares”	ordinary shares of no par value in the Company
“Pacific Investments”	Pacific Investments II Limited, a company controlled by Sir John Beckwith, the chairman and controlling member of Alpha Real Capital
“Placing”	the placing by Cenkos of the Placing Shares at the Placing Price pursuant to the Placing Agreement, as described in this document

“Placing Agreement”	the agreement dated 22 November 2005 between the Company, Alpha Real Capital, BDO Stoy Hayward LLP and Cenkos, a summary of which is set out in paragraph 5.3 of Part 6 of this document
“Placing Price”	100p per Ordinary Share
“Placing Shares”	up to 125,000,000 new Ordinary Shares to be issued in connection with the Placing
“Prohibited Territories”	USA, Australia, Canada, Japan, the Republic of Ireland, the Republic of South Africa and their respective territories and possessions
“Prospectus”	this document
“Prospectus Rules”	the Prospectus Rules published by the Financial Services Authority under section 73A of the Financial Services and Markets Act 2000
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755)
“Shareholder(s)”	holders of Ordinary Shares
“subsidiary undertaking”	the same meaning given to that term in section 258 of the Companies Act 1985, as amended
“the Takeover Code”	the City Code on Takeovers and Mergers
“Total Shareholder Return” or “TSR”	a percentage, based on the annual increase in share price (measured by the average share price over the last 20 business days of the relevant accounting period) plus dividends paid and capital returned in any accounting period divided by the average share price over the last 20 business days of the previous accounting period, or for the first accounting period of the Company, 100 pence, which is used in the calculation of the performance fee under the Management Agreement and the performance condition for the Incentive Options
“UKLA” or “UK Listing Authority”	the FSA acting in its capacity as the competent authority for the purposes of Part VI of the FSMA
“UK” or “United Kingdom”	United Kingdom of Great Britain and Northern Ireland
“Uncertificated Form”	shares recorded in the Company’s register of Shareholders as being held in uncertificated form, title to which may be transferred by means of an instruction issued in accordance with the rules of CREST
“USA”	the United States of America, its territories and possessions, any state in the United States of America, the District of Columbia and all other areas subject to its jurisdiction
“VAT”	value added tax
“Warrant Instrument”	the warrant instrument of the Company dated 22 November 2005, a summary of which is set out in paragraph 5.4 of Part 6 of this document
“Warrants”	the warrants in respect of 6,375,000 Ordinary Shares granted by the Company to the Investment Manager pursuant to the Warrant Instrument

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	2005
Publication of this document	23 November
Admission effective and dealings commence in the Ordinary Shares	29 November
CREST accounts credited (as applicable)	29 November
Definitive share certificates dispatched (as applicable)	6 December

PLACING STATISTICS

Placing Price	100p
Number of Placing Shares	up to 125,000,000
Number of Ordinary Shares in issue immediately following Admission*	125,000,000
Proceeds of the Placing receivable by the Company before expenses*	£125,000,000
Proceeds of the Placing receivable by the Company after expenses*	£119,700,000
Market capitalisation of the Company at the Placing Price*	£125,000,000
Initial Net Asset Value per Ordinary Share*	95.7p

**assuming the Placing is fully subscribed*

PART 1

THE INVESTMENT OPPORTUNITY

Introduction

Alpha Pyrenees Trust is a newly incorporated, Guernsey registered closed-ended investment company which has been established for the purpose of investing in French and Spanish commercial real estate. The Company's property portfolio will be managed by Alpha Real Capital, an FSA regulated property fund management business. The Alpha Real Capital team has a strong long-term track record, established across a range of real estate ventures with an established operating platform in France and Spain. Further details on the Investment Manager are set out in Part 2 of this document. It is expected that between 50 and 70 per cent. of the Company's portfolio will be invested in France and that between 50 and 30 per cent. will be invested in Spain, although this may vary from time to time according to market conditions.

Investment objective and policy

The investment objective of the Company is to assemble a quality portfolio of real estate assets by acquiring properties with an average yield in excess of the Company's cost of borrowing so as to be able to pay a target dividend of 7.0 per cent. per annum at the Placing Price once fully invested, subject to the Assumptions.

The Company will invest in a diversified portfolio of properties in France and Spain, focussing on commercial property, principally in the industrial, logistics, office and retail sectors.

Any material change to the investment objective and policy described above will only be made by the Board following Shareholder approval.

French and Spanish economy

The French and Spanish economies are two of the larger Eurozone economies and have grown at a faster rate than the Eurozone average over the last three years. The Investment Manager believes that, although GDP growth in France is expected to fall in line with the Eurozone average over 2005 and 2006, over the same time period the Spanish economy is expected to continue its out-performance of the Eurozone average.

French and Spanish real estate

France and Spain are also two of Europe's larger real estate markets. According to the IPD Pan European Index, total property returns in both France and Spain out-performed the Eurozone average in each of the years 2001 to 2004 (Source: IPD).

Investment strategy

Alpha Real Capital proposes to generate returns for shareholders through acquiring real estate with demonstrable and sustainable yields, using finance rates and structures which enhance returns and through active asset management to create additional value.

The Investment Manager believes that a quality portfolio of real estate can be assembled by acquiring properties with an average rental yield of between 7.0 and 8.5 per cent. per annum which, subject to the Assumptions, will facilitate the Company in meeting its investment objective. The Company will generally target properties with low vacancy levels, solid tenant covenant strength and good re-letting potential. The Investment Manager believes that there will be capital growth opportunities in the portfolio through income growth, active asset management and yield compression.

Income growth

The Investment Manager will seek to secure income growth through a combination of inflation-indexed rents (which are a common feature in the French and Spanish commercial real estate markets) with automatic annual uplifts, turnover based rents and an active letting and re-letting programme.

Active asset management

The Investment Manager will seek to enhance income and capital values where appropriate through the following:

- space reconfiguration where under-utilised or inefficient areas within a building can be re-arranged to provide more valuable space;
- refurbishment and redevelopment where space can be modernised and the specification upgraded to create space which can command higher rents;
- re-leasing, which has the potential to increase the rental income to an open market level, when this is in excess of the existing rent;
- space creation by extending the building to meet tenant demand; and
- change of use which can result in a higher value use for certain areas of a building or for entire properties.

Yield compression

The Investment Manager believes that the growing trend for cross-border investment in property is likely to continue and that, over time, an increasing international investment interest in real estate together with the current spread of rental yields over relevant finance costs may cause capital values to appreciate in the markets being targeted by the Company.

Risk management

Portfolio diversification across local economic and property sectors will be sought by investing in a range of property types and across a number of regions throughout France and Spain. Assuming borrowing levels over time of up to 75 per cent. of property values and taking into account proceeds of the Placing of £125 million before expenses, it is the Company's intention to assemble a total portfolio of up to approximately £480 million, across approximately 30 properties. It is envisaged that no one single tenant will make up more than 20 per cent. of the Company's rental income when fully invested and that no one single property shall constitute more than 15 per cent. of the Gross Assets.

PART 2

DIRECTORS, MANAGEMENT AND ADMINISTRATION ARRANGEMENTS

Directors of the Company

The Directors, all of whom are non-executive, are responsible for the implementation of the investment policy of the Company and for the overall supervision of the Group's activities.

The Board of the Company has been assembled to give Shareholders the benefit of international real estate, fund management and financing experience.

**Richard Kingston, age 57
(Chairman)**

Richard Kingston is an executive director of Slough Estates Plc, one of the largest London Stock Exchange listed property companies. He is responsible for Group Finance at Slough Estates Plc and has been so for 9 years, and is chairman of their continental European real estate activities. He was a non-executive director of Mersey Docks and Harbour Company and is a qualified Chartered Accountant.

Christopher Bennett, age 40

Christopher Bennett is Managing Director of Dominion Real Estate, a Jersey based fund administration business. Previously he held senior positions in real estate finance with Royal Bank of Scotland International and Mutual Finance Limited.

David Jeffreys, age 46

David Jeffreys qualified as a Chartered Accountant with Deloitte Haskins and Sells. He was Managing Director of Abacus Fund Managers (Guernsey) Limited between 1993 and 2004. Currently he carries out a number of consultancy assignments as well as being a director of a number of private equity funds.

Phillip Rose, age 46

Phillip Rose has 25 years' experience in the real estate, fund management and banking industries in Europe, the USA and Australasia. He has been the global Head of Real Estate for ABN AMRO Bank, Chief Operating Officer of European shopping centre investor and developer TrizecHahn Europe (where he was responsible for a €1 billion European investment and development programme from 1999-2000), Managing Director of Lend Lease Global Investment (where during his tenure from 1994 to 1999 he was responsible for managing total European property investments over the period in excess of €1 billion) and Executive Manager of listed fund General Property Trust. He is currently a non-executive director of Great Portland Estates and a member of the Management Committee of the Hermes Property Unit Trust.

Serena Tremlett, age 40

Serena Tremlett is Business Manager, Mourant Guernsey Limited and as a result is currently a director of eighteen companies, including The Medical Property Investment Fund Limited and the Asia No. 1 Property Fund Limited.

Investment Manager

The Company has entered into the Management Agreement, under the terms of which it has appointed Alpha Real Capital as the Investment Manager with responsibility for, *inter alia*, the management of the Group's property portfolio. Alpha Real Capital is owned by members of its management team. Save for Jose Puig de la Bellacasa, each member of the management team is either a member or employee of the Investment Manager or is provided to the Investment Manager by Pacific Investments by way of a contract for services. Jose Puig de la Bellacasa is a principal of Galeon Property Group SL and is provided to the Investment Manager pursuant to the terms of an acquisition services agreement.

The management team has experience of investing, financing, developing and managing real estate throughout Europe, the USA and Asia Pacific. The experience of the team is set out below.

Sir John Beckwith, age 58 (Chairman)	Sir John Beckwith has been involved in property investment and other investment for his entire working life. He founded London & Edinburgh Trust PLC (“LET”) in 1971 where he was Chairman and Chief Executive Officer and developed it into one of the top ten listed real estate companies in the UK. Following the sale of LET, he established Pacific Investments through which he founded a number of successful asset management businesses, including Liontrust Asset Management and Thames River Capital. John qualified as a Chartered Accountant with Arthur Andersen.
Phillip Rose, age 46 (Chief Executive Officer)	See experience described above.
Paul Cable, age 48 (European Funds Director)	Paul Cable has 25 years’ of experience in the real estate and banking industries in the UK, Europe and the Far East. He has been Chief Executive of Pacific Investments’ property subsidiary, The General Property Investment Company Limited (where in the last three years he has managed total property assets of at least €175 million in each year), investing in Europe and the Far East, Head of the Property Finance Group at Baring Brothers in London and Senior Representative in Tokyo, has worked in the investment advisory departments of DTZ and Knight Frank and is qualified as a Chartered Surveyor.
Brad Bauman, age 40 (Funds Development Director)	Brad Bauman has 18 years’ experience in the real estate and finance industries, including 7 years with CB Richard Ellis where he was Managing Director of CBRE Financial Services. Prior to joining Alpha Real Capital, Brad was Executive Director, Real Estate Investment Banking at Lehman Brothers.
Sydney Taylor, age 38 (European Funds Finance Director)	Sydney Taylor has 17 years’ experience in the real estate sector. He joined Alpha Real Capital from ING Real Estate Investment Management where he was Director of Fund Accounting with responsibility for the finance function of eight funds. Before joining ING, Sydney worked for a number of property companies including Land Securities Trillium and Great Portland Estates. Sydney is a qualified Chartered Certified Accountant.
Simon Wilson, age 31 (Corporate Finance Director)	Simon Wilson joined Sir John Beckwith’s investment group, Pacific Investments, in 2003 as Director of Corporate Finance with responsibility for Pacific Investment’s asset management activities and has been Corporate Finance Director for Alpha Real Capital since April 2005. Prior to this he worked at Hawkpoint Partners, an independent European corporate finance advisory firm. Simon qualified as a Chartered Accountant at Deloitte & Touche.
Rishi Adatia, age 30 (Associate Director Funds Management)	Rishi Adatia joined Alpha Real Capital from Cushman, Wakefield, Healey & Baker where he provided indirect property investment and fund advice. Prior to this he worked at ABN AMRO Bank in its corporate finance division and at Ernst & Young, where he qualified as a Chartered Accountant.
Vincent Leveque, age 43 (Transaction & Asset Management – France)	Based in Paris, Vincent Leveque has 18 years’ experience in the commercial property market in France. He worked on the acquisition programme and asset management of the French real estate portfolio of Pacific Investments and for other international property funds. Formerly he worked in both the real estate banking industry at UIC Sofal group and in the corporate advisory and transaction department at Jones Lang LaSalle.

**Jose Puig de la Bellacasa,
age 44 (Transaction & Asset
Management – Spain)**

Jose Puig de la Bellacasa has 20 years' experience in the commercial property market in Spain. He is President of Galeon Real Estate, and was President of shopping centre investor and developer TrizecHahn Spain, Managing Director of Lend Lease Property Capital Spain and Investment Director of Richard Ellis. He has worked on the acquisition, development and asset management of the Spanish real estate portfolios of Lend Lease and Trizec Hahn and for other international property funds and has advised DEKA on their Iberian acquisitions from 2002 to 2004.

Co-investment by the Alpha Real Capital management team and Pacific Investments

Upon Admission, certain members of Alpha Real Capital or its management team will be subscribing for 2.5 million Ordinary Shares pursuant to the Placing, resulting in a holding of 2 per cent. of the Company's shares immediately following Admission, assuming that the Placing is fully subscribed.

It is the Company's current intention to enter into a conditional property option agreement with SCI Clivaden, a subsidiary undertaking of Pacific Investments, to acquire the Evreux Warehouse for approximately €10.7 million in cash at any time during the six months following the entering into of the option. As a member of the Investment Manager, Phillip Rose will abstain from the formal Board deliberations on entering into the conditional option agreement. The option agreement will be conditional, *inter alia*, on Shareholder approval at a general meeting of the Company in accordance with the Listing Rules. As part of these arrangements, the Company would issue 2.5 million Ordinary Shares at the Placing Price to Pacific Investments or a subsidiary undertaking thereof nominated by Pacific Investments, with the Company using the proceeds thereof to part finance such acquisition.

Investment process

The Investment Manager will have responsibility under the Management Agreement for finding new investment opportunities for the Group that fall within the investment objective, policy and strategy set out in this document. Once a potential opportunity has been identified, the Investment Manager will carry out due diligence into the opportunity and, subject to the overall supervision and approval of the Board, negotiate the purchase or investment or other terms with the relevant counterparty. Once this process is complete, the proposed opportunity will be presented to the Board for approval and the Board will make the investment decision on whether or not to pursue any such proposal.

Management Agreement

The Company has entered into the Management Agreement with Alpha Real Capital, pursuant to which it will provide investment advisory services to the Company and property advisory, property management and monitoring services to those members of the Group which subsequently acquire properties. In consideration of these services, the Investment Manager will receive an aggregate annual management fee equal to one per cent. of the Gross Assets, as adjusted to reflect the current value of the properties and of other assets representing an indirect interest in property or property related activities, to the extent that these are not reflected in the consolidated gross assets.

The Investment Manager is also to receive an annual performance fee which is calculated by reference to the total return achieved for Shareholders for the previous accounting period (being the Total Shareholder Return). The performance fee becomes payable once the annualised TSR in any accounting period exceeds 12 per cent. Once this threshold is exceeded, the Investment Manager is entitled to receive a fee equal to 20 per cent of such excess, and then an additional 15 per cent. (i.e. 35 per cent. in aggregate) for an annualised TSR in excess of 20 per cent. in any accounting period.

The Management Agreement is for an initial eight year term and thereafter for a further eight year term if the Board, acting in its sole discretion, so determines prior to the seventh anniversary of Admission. In the event that the Company terminates the Management Agreement otherwise than in accordance with its terms, the Investment Manager will be entitled to liquidated damages in cash of an amount equal to the net present value of the amount it would have received by way of management fees over the unexpired term of the Management Agreement, less certain expenses.

The termination provisions include a right for the Company to terminate the Management Agreement if at any time within the two years following Admission there is a change of control of

the Investment Manager (save in connection with the listing of a vehicle owning the Investment Manager or its business or with the prior written approval of the Board).

Cash management services and other day-to-day management services are to be provided by third party service providers (arranged and co-ordinated by the Investment Manager), at the cost of the relevant property-owning member of the Group.

Further details of the Management Agreement are set out in paragraph 5.1 of Part 6 of this document.

Agreement with Galeon

In addition to the Management Agreement, the Company is a party to an acquisition services agreement with Galeon Property Group SL, pursuant to which Galeon Property Group SL will provide the Company with exclusive acquisition services in relation to properties in Spain with a value of €8 million or more and meeting the Company's investment objective and policy. Further details of this agreement are set out in paragraph 5.6 of Part 6 of this document. Galeon Property Group SL also provides services to the Investment Manager, but is not otherwise connected with it.

Incentive Options

In order to incentivise Alpha Real Capital's personnel involved in providing advice to the Group, the Company has granted an option to Alpha Real Capital to acquire up to 3,825,000 Ordinary Shares.

The option is in three tranches, each tranche being in respect of 1,275,000 Ordinary Shares. The first tranche will vest on the third anniversary of Admission, the second tranche will vest on the fourth anniversary of Admission and the third tranche will vest on the fifth anniversary of Admission. Save in connection with the termination of the Management Agreement, a takeover or a winding up, each tranche will only vest if the relevant performance criteria have been satisfied in the three years immediately preceding the relevant anniversary of Admission. If the TSR over the relevant three year period is less than 10 per cent. compound per annum the relevant tranche will lapse. If it is more than 12 per cent. compound per annum the option tranche may be exercised in respect of all 1,275,000 Ordinary Shares. If the TSR is between 10 per cent. and 12 per cent. compound per annum, then the relevant tranche may be exercised in respect of 637,500 Ordinary Shares, with the balance lapsing. Once vested, the options are exercisable during the subsequent seven year period. The option exercise price will be the Placing Price in respect of the first option tranche and the average closing mid-market price for the 20 business days immediately preceding the first and second anniversaries of Admission for the second and third option tranches respectively.

It is the intention of Alpha Real Capital to utilise any benefit from the Incentive Options to either incentivise or reward the Alpha Real Capital management team involved in the management of the Company, whether by way of back-to-back or other arrangements.

Further details of the Incentive Options are set out in paragraph 5.5 of Part 6 of this document.

Warrants

The Company has granted the Warrants to the Investment Manager. These entitle the Investment Manager to subscribe for up to 6,375,000 Ordinary Shares at the Placing Price, and are exercisable in whole or in part at any time during the period of 5 years from the date of Admission. A summary of the terms of the Warrant Instrument is set out in paragraph 5.4 of Part 6 of this document.

Administration, secretarial and other arrangements

The Company has engaged the Administrator to provide it with, *inter alia*, administration, registrar, secretarial, safe-keeping and accounting services pursuant to the Administration Agreement. For these services the Company will pay the Administrator a fee based on time incurred on the Company's behalf, subject to a maximum charge of £6,000 per month. The Administration Agreement is terminable by either party on not less than 120 days' notice, save in certain limited circumstances when it may be terminated forthwith.

Further details on the Administration Agreement are set out in paragraph 5.2 of Part 6 of this document.

The Administrator has appointed Computershare as CREST service provider pursuant to a CREST Services Agreement between the Administrator, Computershare and the Company. The fees and expenses of Computershare are paid by the Company. Further details of this agreement are set out in paragraph 5.8 of Part 6 of this document.

PART 3

GENERAL INFORMATION ON THE COMPANY

Proposed corporate structure

The Company is a closed-ended investment company incorporated in Guernsey and will adopt an appropriate corporate structure to accommodate holdings of French and Spanish real estate. As soon as practicable following Admission, the Company intends to incorporate a new subsidiary in Luxembourg (the “Luxembourg Subsidiary”). The Luxembourg Subsidiary will act as an intermediate holding company for investments into property in France and Spain. It is expected that each French property asset will be held by a separate French company which may in turn be held by the Luxembourg Subsidiary or through one or more intermediate holding companies formed outside Guernsey. It is expected that all Spanish property assets will be held by a single Spanish company which may in turn be held by the Luxembourg Subsidiary. The specific structure to be used for the acquisition of each property will be determined at the time of acquisition with a view to utilising the most appropriate holding structure in the circumstances.

The Company will be a property investment company for the purposes of the Listing Rules. As such, certain continuing obligations apply to the manner in which the Company is to be managed. These obligations are set out in paragraph 12 of Part 6 of this document.

Currency

Whilst the Company’s share capital is denominated in Sterling and dividends are payable in Sterling, the Company’s rental income and certain of its expenses will be denominated in Euros. The Company intends to reduce its currency exposure by borrowing in Euros. The Company will adopt a prudent currency hedging policy and it is anticipated that it will enter into hedging arrangements to substantially mitigate its exposure to a change in the Euro exchange rate over the term of the intended borrowing arrangements. Any hedging activities will only be undertaken to support the investment objectives of the Company.

The Company’s hedging policy shall be reviewed on an ongoing basis.

Dividend policy

The level of regular dividends will depend on, *inter alia*, the rental and other income generated from the properties acquired, investments made or joint ventures entered into by the Company. The Company’s target dividend yield is 7.0 per cent. at the Placing Price once the proceeds of the Placing have been fully invested in real estate and subject to the Assumptions. The Assumptions and illustrative dividend target should not be regarded as a profit forecast. As stated above, whilst it is intended to substantially hedge currency exposures, the Company’s income is denominated in Euros and, therefore, the Company is likely to have some exposure to variations in currency exchange rates which might affect the Company’s ability to achieve its target dividend yield.

The extent to which the income generated on the Group’s property assets can be distributed to Shareholders by way of dividend will depend on, among other things, the application of applicable accounting principles. As a result, it is possible that not all of the trading profits recorded in the Group’s consolidated financial statements will be available to the Directors in the form of distributable profits from which to pay a dividend. The Directors may consider alternative means of making distributions to Shareholders reflecting such profits.

To this end, the Company has passed a special resolution cancelling the amount which will stand to the credit of its share premium account following the issue of the Placing Shares. In accordance with the Law, the Directors intend to apply to the court in Guernsey for an order confirming such cancellation of the share premium account immediately following Admission. Subject to any undertaking to be given to the court, the reserve created on such cancellation will be available as a distributable reserve to be used for all purposes permitted by the Law, including the buy-back of Ordinary Shares and the payment of dividends.

Although any dividend paid from such reserve would result in a reduction of the Company's capital, the Group's net asset value for any period can be maintained provided that the aggregate dividend paid in respect of any period does not exceed the Group's consolidated profit during that period.

It is the current intention of the Directors to pay dividends on a semi-annual basis.

The first dividend to be paid by the Company is expected to be an interim dividend in respect of the period to 30 June 2006.

The Placing and use of proceeds

The Placing is expected to raise £125 million before expenses, from medium risk institutional and private investors who are seeking a sustainable long term income yield together with the potential for capital growth. Prospective investors should carefully review and evaluate the risks and the other information contained in this document before making a decision to invest in the Company. If in any doubt, prospective investors should immediately seek their own personal financial advice from their independent professional adviser authorised under the FSMA who specialises in advising on the acquisition of shares and other securities or other advisers such as legal advisers and accountants. The net proceeds of the Placing of approximately £119.7 million will be used to fund investments in accordance with the investment objective, policy and strategy outlined in this document and to pay ongoing ancillary costs.

Under the Placing Agreement, Cenkos has agreed to use its reasonable endeavours to procure places under the Placing for up to 125,000,000 Ordinary Shares in aggregate. Ordinary Shares are being made available under the Placing at 100p per Ordinary Share. The Placing Agreement is conditional, *inter alia*, upon a minimum of £40 million being raised before expenses pursuant to the Placing and Admission having occurred no later than 14 December 2005. Commitments under the Placing must be received by no later than 4 p.m. on 23 November 2005. Further details of the Placing Agreement are set out in paragraph 5.3 of Part 6 of this document.

Financial information

The Company has only recently been incorporated and, consequently, it has not published any financial information.

The Company's annual report and consolidated accounts will be prepared up to 31 December in each year and copies of the report and accounts will be sent to Shareholders within the following six months. The first such annual report will cover the period from incorporation to 31 December 2006. Shareholders will also receive an unaudited interim report covering the six month period to the end of 30 June in each year, the first such report covering the period to 30 June 2006, which will be despatched to Shareholders within the following four months. Shareholders will be sent updates on the Group's activities as and when appropriate.

Borrowing

Over time, the Company expects to borrow to optimise returns for investors. The Company will not put borrowing facilities in place at the time of Admission, initially investing through equity only. With debt finance currently costing up to 3 per cent. less than the Company's targeted property rental yields, and in a competitive funding market, the Investment Manager believes that a borrowing programme can be arranged which will offer attractive leverage to increase returns whilst remaining within the bounds of prudent debt service covenants. The Company intends to enter into medium term fixed financing arrangements of approximately seven years duration.

Under the Listing Rules, the Company's Articles must limit borrowing at the time of Admission to 65 per cent. of the Company's gross assets. However, the Listing Rules do not preclude a company from seeking Shareholder consent to alter its articles of association in this respect at a general meeting of the Company subsequent to Admission.

The Directors believe that it would be more appropriate for the Company to have the flexibility to adopt a gearing policy allowing for borrowings of up to 95 per cent. of the Company's gross assets. To that end, it is expected that a general meeting of the Company will be convened in due course to consider and vote upon a resolution to change the Articles to allow for borrowings of up to 95 per cent. of gross assets.

Subject to the necessary resolution being passed to alter the borrowings limit, the Company would intend to target borrowings of 75 per cent. of gross assets.

The borrowing policy will be adapted to suit the prevailing market conditions from time to time. The Company will consider raising debt finance by all means including, *inter alia*, bank borrowings, private debt placements or listed debt instruments.

Buy-back of Ordinary Shares

The Directors will, following Admission and until the Company's annual general meeting in 2007, have authority to buy-back, in accordance with The Companies' (Purchase of Own Shares) Ordinance, 1998, up to 14.99 per cent. of the Company's Ordinary Shares in issue immediately following Admission. The Company will seek renewal of this authority from Shareholders at the next annual general meeting and thereafter at subsequent annual general meetings. The making and timing of any buy-backs will be at the absolute discretion of the Board.

Issue of new Ordinary Shares

There are no provisions of Guernsey law equivalent to sections 89 to 96 of the Companies Act 1985 of England and Wales which confer pre-emption rights on existing Shareholders in connection with the allotment of equity securities for cash. However, similar pre-emption rights have been included in the Company's Articles. These rights have currently been disapplied in relation to 187,500,000 Ordinary Shares (representing 150 per cent. of the issued share capital immediately following Admission, assuming the Placing is fully subscribed) or rights to subscribe for, or to convert securities into, Ordinary Shares and in certain other defined circumstances (including the grant of the Warrants or the Incentive Options).

No Ordinary Shares or rights to subscribe for, or to convert securities into, Ordinary Shares will be issued for cash on a non-pre-emptive basis pursuant to such disapplication at a discount of greater than 5 per cent. of the average mid-market closing price of the Ordinary Shares on the 5 business days preceding such issue, save with Shareholder consent. Application will be made for any new Ordinary Shares to be issued to be admitted to the Official List.

Lock-in arrangements

Certain Directors, Alpha Real Capital, members of Alpha Real Capital or its management team who will be acquiring Ordinary Shares pursuant to the Placing have undertaken, save in certain limited circumstances, not to dispose of any of their Ordinary Shares for a period of one year from Admission.

Life of the Company

There are no specific provisions for the termination of the Company's life.

Costs and expenses

The Company will bear the fees and out-of-pocket expenses properly incurred in the performance of the respective duties of the Investment Manager and the Administrator and will in addition meet all its own costs and expenses, including the costs and expenses of the Directors, advisers, consultants, surveyors and other agents engaged on its behalf, commissions, banking fees, legal expenses, insurance costs, regulatory fees, letting fees, acquisition and disposal fees, auditors, listing costs and the costs of distribution of reports and accounts and similar documentation to Shareholders.

Corporate governance

As a Guernsey registered company, the Company is not required to comply with the Combined Code. However, the Directors will take appropriate measures to ensure that the Company complies with the Combined Code to the extent appropriate and taking into account the size of the Company and the nature of its business. The Company complies with the corporate governance obligations which apply to Guernsey registered companies.

The Board has established an audit committee. The audit committee, comprising Richard Kingston, David Jeffreys and Serena Tremlett, will be responsible for ensuring that the financial performance of the Company is properly reported on and monitored. The audit committee will review the annual and interim accounts, results, announcements, internal control systems and procedures and

accounting policies of the Company. The Company has not so far established a separate remuneration committee as the Board is satisfied that any relevant issues can be properly considered either by the Board or by an appropriate committee.

By virtue of his position vis-a-vis the Investment Manager, Phillip Rose in his capacity as a Director is subject to annual re-election by the Shareholders.

Conflicts of interest

Pacific Investments, a company controlled by Sir John Beckwith, the chairman and controlling member of Alpha Real Capital, undertakes real estate projects throughout the world. In light of this, Alpha Real Capital has agreed in the Management Agreement that, until the earlier of (a) the date on which the Company has real property investments of not less than £480 million; and (b) the determination of the Management Agreement in accordance with its terms, the Investment Manager will not acquire (whether on its own behalf or as investment manager or adviser to any fund or other entity) a property situated in France or Spain with a value of €8 million or more and meeting the Company's investment objective and policy, unless it has first offered the Board the opportunity to acquire such property. It is not the Company's intention to target property investments with a value of less than €8 million. In the event that the Board resolves not to pursue such an opportunity, the Investment Manager shall be free to do so. A similar undertaking has been obtained from Pacific Investments in respect of itself and its group undertakings.

If a conflict of interest is identified then the Board shall be advised of the nature of the conflict, advised to seek independent advice and otherwise invited to agree a proposed course of action to resolve the conflict.

Property valuation policy

The Board has appointed Knight Frank as property valuers. It is the Board's intention that the Company's portfolio will be valued on a semi-annual basis. Such valuations will be undertaken in accordance with the RICS Appraisal and Valuation Standards (5th Edition) or otherwise in accordance with the requirements of the Listing Rules from time to time. The valuation will be reviewed by the Board or a committee of the Board.

The annual valuation will be set out in the Company's annual report and accounts.

Accounting policies

The audited accounts of the Group will be prepared under International Financial Reporting Standards ("IFRS"). Under IFRS, the Group will prepare an income statement which, unlike a statement of total return, does not differentiate between revenue and capital and also includes net realised and unrealised investment gains such as revaluation gains or losses. Movements in the fair value of interest rate swaps will be recognised in the income statement to the extent that the IFRS hedge accounting requirements are not met. The Company's basic management and administration fees, finance costs (including interest on any bank facility) and all other expenses will be charged through the income statement.

Net Asset Value

On the basis of the Assumptions, the Net Asset Value per Ordinary Share immediately following Admission will be 95.7 pence.

The Net Asset Value per Ordinary Share will be published quarterly, based on the most recent valuation of the Property Portfolio and calculated under IFRS. The Net Asset Value per Ordinary Share will be published through a regulatory information service provider to the London Stock Exchange as soon as practicable after the end of the relevant quarter.

It is expected that the first Net Asset Value per Ordinary Share following Admission will be calculated as at 31 March 2006.

Taxation

Information regarding United Kingdom and Guernsey taxation for potential Shareholders is set out in Part 5 of this document. The Company has applied for tax exempt status in Guernsey.

CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company will apply for the Ordinary Shares to be admitted to CREST on the date of Admission.

Admission, settlement and dealings

It is expected that Admission will become effective and dealings in the Ordinary Shares will commence at 8 a.m. on 29 November 2005 or shortly thereafter.

It is expected that Ordinary Shares to be held in Uncertificated Form will be delivered to the relevant CREST accounts on the day of Admission and that share certificates for the Ordinary Shares to be held in certificated form will be despatched within 10 business days of Admission. No temporary documents of title will be issued.

Risk factors

The attention of potential investors is drawn to the “Risk Factors” set out on pages 6 to 9 of this document.

Further information

Your attention is drawn to the additional information set out in the other Parts of this document.

PART 4

ASSUMPTIONS

The principal bases and assumptions, which the Directors believe to be reasonable, used in arriving at the target dividend yield of 7.0 per cent. per annum at the Placing Price once fully invested are that:

1. Admission occurs on or before 9 December 2005.
2. 125 million Ordinary Shares of the Company are issued pursuant to the Placing at the Placing Price and a further 2.5 million Ordinary Shares are issued at the Placing Price within 6 months of Admission.
3. A debt facility of up to €550 million is available at a fixed rate with a margin of 1 per cent. over the seven year Euro swap rate.
4. A hedging agreement is entered into shortly after Admission that will fix the €/£ exchange rate at 1.47 for the dividends for a period of 7 years and also for a 7 year conversion of the gross proceeds of the Placing. Any hedging activities will only be undertaken to support the investment objectives of the Company and will only be in respect of efficient portfolio management.
5. The Company will make a loan of £119.7 million to one of its subsidiaries, charging interest of 9 per cent. per annum.
6. The total expenses and commission relating to the Placing borne by the Company (excluding the costs of arranging the debt facility) are 4.4 per cent. of the gross proceeds of the Placing.
7. The total expenses of the Group (including Investment Manager's fees, Valuer's fees, Director's fees, bank fees and legal fees, but excluding rent review fees, letting fees and refurbishment costs) are approximately 1.2 per cent. per annum of the Gross Assets and are paid quarterly in arrears.
8. The gross initial yield on the properties purchased is between 6.75 per cent. and 7.5 per cent. on the acquired capital value.
9. An allowance is made for lost income through tenant defaults, voids, rent-free periods, maintenance capital expenditure and other irrecoverable costs.
10. The tax deductibility of internal gearing is in accordance with local territory legislation, in particular as regards thin capitalisation and transfer pricing rules.
11. There are no irrecoverable VAT expenses.
12. The Company is a closed-ended Guernsey investment company that is exempt from Guernsey income tax. Its property investments in France and Spain are structured in accordance with the proposed corporate structure set out in Part 3 of this document. The structure takes advantage of a number of tax rules which are assumed to be generally applicable.
13. No performance fees are paid.
14. No Incentive Options or Warrants are exercised.

PART 5

TAXATION

1 General

The following information is general in nature and relates only to United Kingdom and Guernsey taxation applicable to the Company and its subsidiary undertakings and to Shareholders who hold their shares as an investment and who are resident or ordinarily resident in the United Kingdom (except where indicated). The information is based on existing law and practice at the date of this document and may be subject to subsequent change.

Any change in the Company's or its subsidiary undertakings' tax status or in taxation legislation in the United Kingdom or Guernsey or any other tax jurisdiction affecting Shareholders could affect the value of the investments held by the Company or its subsidiary undertakings 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 have any doubt as to your tax position, you should consult your own tax adviser.

2 United Kingdom taxation

2.1 The Group

It is the intention of the Directors to conduct the affairs of the Group so that the central management and control of the Company and its subsidiary undertakings is not exercised in the United Kingdom such that they should not be resident in the United Kingdom for United Kingdom tax purposes. Accordingly, and provided that the Group does not carry on a trade in the United Kingdom (whether or not through a branch, agency or permanent establishment situated there), the Group should not be subject to United Kingdom income tax or corporation tax other than in respect of certain income deriving from a United Kingdom source.

2.2 United Kingdom Shareholders

Dividends

United Kingdom resident individual Shareholders will be liable to United Kingdom income tax in respect of dividends received from the Company. No United Kingdom tax credit will be attached to dividends received by Shareholders. United Kingdom resident corporate Shareholders will be liable to corporation tax in respect of dividends received from the Company.

For individual Shareholders liable to income tax at the starting or basic rate, dividends received from the Company will be liable to income tax at the ordinary rate, currently 10 per cent. of the dividend received. For individual Shareholders who are liable to income tax at the higher rate, dividends received from the Company will be subject to income tax at the higher rate, currently 32.5 per cent. of the dividend received (to the extent that, taking the dividend as the top slice of the Shareholder's income, it falls above the threshold for the higher rate of income tax).

United Kingdom resident Shareholders who are not liable to income tax on their income and those who hold their Ordinary Shares through an existing Personal Equity Plan (PEP) or Individual Savings Account (ISA) will not be subject to tax on dividends.

Capital Gains

The Company, as a closed-ended investment company, should not, at the date of this document, be treated as an offshore fund for the purposes of United Kingdom taxation, and the provisions of Chapter V of Part XVII of the Income and Corporation Taxes Act 1988, as amended (the "Taxes Act") should not apply. Accordingly, Ordinary Shareholders who are resident or ordinarily resident in the United Kingdom, or who carry on business in the United Kingdom through a branch or agency with which their investment in the Company is connected may, depending on their circumstances and subject as mentioned below, be liable to United Kingdom tax on capital gains realised on the disposal of their Ordinary Shares.

On a subsequent disposal by an individual Shareholder who is resident or ordinarily resident in the United Kingdom for taxation purposes, the Ordinary Shares may attract taper relief which reduces the amount of chargeable gain according to how long, measured in years, the Ordinary Shares have been held. Ordinary Shareholders who are bodies corporate resident in the United Kingdom for taxation purposes will benefit from indexation allowance which, in general terms, increases the capital gains tax base cost of an asset in accordance with the rise in the retail prices index.

Stamp Duty and Stamp Duty Reserve Tax

Provided the Ordinary Shares are not registered in any register of the Company kept in the United Kingdom, no United Kingdom Stamp Duty or Stamp Duty Reserve Tax is payable on the issue of Ordinary Shares or, generally, on a transfer of or agreement to transfer Ordinary Shares.

Other United Kingdom tax considerations

A United Kingdom resident corporate Shareholder who, together with connected or associated persons, has an interest in the Company such that 25 per cent. or more of the Company's profits for an accounting period could be apportioned to them, may be liable to United Kingdom corporation tax in respect of their share of the Company's undistributed profits in accordance with the provisions of the controlled foreign companies legislation contained in Chapter IV of Part XVII of the Taxes Act. These provisions only apply if the Company is controlled by United Kingdom residents and will not apply so long as the Company and its subsidiary undertakings pursue an acceptable distribution policy (that is, each company distributes at least 90 per cent. of its net chargeable profits arising in each accounting period). As it is the Group's policy to distribute substantially all profits, it is anticipated that it will normally satisfy such a requirement. In addition, it is anticipated that the Company may fulfil the public quotation conditions for exemption from these provisions, although this will ultimately depend on the number and nature of shareholders in the Company following the offer and placing.

Individual Shareholders ordinarily resident in the United Kingdom should note the provisions of sections 739 to 745 of the Taxes Act which may render them liable to taxation in respect of any undistributed income and profits of the Company. These provisions seek to prevent avoidance of income tax by transactions resulting in the transfer of income to persons (including companies) abroad.

The attention of United Kingdom Shareholders resident or ordinarily resident and, if an individual, domiciled in the United Kingdom is drawn to the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a portion of capital gains made by the Company or its subsidiary undertakings can be attributed to a Shareholder who holds, alone or together with associated persons, more than 10 per cent. of the Ordinary Shares.

3 Guernsey taxation

3.1 The Group

The Company qualifies for exemption from liability to income tax in Guernsey and application has been made to the States of Guernsey Income Tax Authority for such exemption for the current year. Exemption, which must be applied for annually, will be granted, subject to the payment of an annual fee which is currently fixed at £600, provided that the conditions for exemption under the applicable legislation continue to be met. It is the intention of the Directors to conduct the affairs of the Company and any Guernsey subsidiaries so as to ensure that they continue to qualify. For so long as the Company and any Guernsey subsidiaries retain their exempt status, they will only be liable to tax in Guernsey in respect of income arising in Guernsey other than bank interest income.

No charge to Guernsey taxation will arise on capital gains.

On 25 November 2002, the Advisory and Finance Committee of the States of Guernsey ("A&F", now replaced by the States of Guernsey Policy Council) announced a proposed framework for a structure of corporate tax reform within an indicative timescale. In the

announcement, A&F stated that any specific recommendations for change would only be placed before the Guernsey Government after further consultation with local businesses and a review of taxation in other financial centres. The relevant parts of the announcement are as follows:

- (i) the general rate of income tax paid by Guernsey companies will be reduced to zero per cent. in respect of tax year 2008 and subsequent years;
- (ii) certain regulated businesses such as banks will pay tax at 10 per cent., funds (which term will include the Company) will continue to be taxed at zero per cent; and
- (iii) income tax on Guernsey individuals will remain at 20 per cent.

It has been confirmed there will be no VAT, capital gains tax, inheritance or other wealth taxes.

3.2 Shareholders

Shareholders will receive dividends without deduction of Guernsey Income Tax. The Company will be required to notify the Administrator of Income Tax of amounts paid to Guernsey residents by way of dividend. Furthermore, the Company will be required to make a return to the Administrator of Income Tax, on request, of the names, addresses and shareholdings of Guernsey resident Shareholders.

Shareholders will not suffer any liability to capital gains tax in Guernsey.

There are no death duties, capital, inheritance, capital gains, gifts, sales or turnover taxes levied in Guernsey in connection with the acquisition, holding or disposal of Ordinary Shares. No stamp duty is chargeable in Guernsey on the issue or transfer of Ordinary Shares.

PART 6

ADDITIONAL INFORMATION

1 The Company

- 1.1 The Company was incorporated with limited liability in Guernsey on 16 November 2005 with the name “Alpha Pyrenees Trust Limited” as a closed-ended investment company under the Companies Laws, with registered number 43932. The Company has been incorporated with an unlimited life. The Company operates under the Companies Laws and ordinances and regulations made thereunder. It has no employees.
- 1.2 The address of the registered office of the Company is East Wing, Trafalgar Court, Admiral Park, St. Peter Port, Guernsey GY1 6HJ and its telephone number is +44 1481 715601.
- 1.3 It is intended that the Company’s principal activity will be that of investing in the purchase of land and buildings or any interest in land and buildings. The Company may purchase entities (or part thereof), including companies, whose principal activity is property investments or whose principal assets are properties.
- 1.4 The memorandum of association of the Company provides that the objects of the Company include carrying on business as an investment company.
- 1.5 Changes in the authorised and issued share capital of the Company since its incorporation are summarised in paragraph 2 below.
- 1.6 Save for the entry into of the material contracts summarised in paragraph 5 of this Part 6 and certain non-material contracts, since its incorporation the Company has not carried on business.

2 Share and loan capital

- 2.1 The authorised share capital of the Company on incorporation is represented by an unlimited number of Ordinary Shares with no par value. Two Ordinary Shares were issued for the purposes of incorporation to the subscribers to the memorandum of association. These Ordinary Shares will be transferred as part of the Placing.
- 2.2 On the assumption that all of the Ordinary Shares available under the Placing are fully taken up and are issued, the capital of the Company will consist of an unlimited number of Ordinary Shares of no par value and the issued shares of the Company (all of which will be fully paid up) will, immediately following Admission, consist of 125 million Ordinary Shares.
- 2.3 By an ordinary resolution dated 17 November 2005 the Company took authority, in accordance with clause 5 of the Companies (Purchase of Own Shares) Ordinance 1998 (the “Ordinance”), to make market purchases of fully paid Ordinary Shares, provided that the maximum number of Ordinary Shares authorised to be purchased shall be 14.99 per cent. of the issued ordinary share capital of the Company issued pursuant to the Placing. The minimum price which may be paid for an Ordinary Share pursuant to such authority is one penny and the maximum price which may be paid for an Ordinary Share is an amount equal to the higher of 105 per cent. of the average of the middle market quotations for an Ordinary Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Ordinary Share is purchased and either the higher of the price of the last independent trade or the highest current independent bid at the time of purchase. The Company is permitted to fund the payments for purchases of Ordinary Shares in any manner permitted by the Ordinance. Such authority shall expire at the annual general meeting of the Company in 2007 unless such authority is varied, revoked or renewed prior to such date by a special resolution of the Company in general meeting.
- 2.4 By a special resolution dated 17 November 2005 it was resolved that, conditional on the Placing becoming unconditional and the approval of the court in Guernsey, the amount standing to the credit of the share premium account of the Company following completion

of the Placing be cancelled and the amount of the share premium account so cancelled be credited as a distributable reserve to be established in the books of account of the Company which shall be able to be applied in any manner in which the Company's profits available for distribution (as determined in accordance with the Companies Laws) are able to be applied, including the purchase of the Company's own shares and payment of dividends. In deciding whether to give its confirmation, the court will be concerned to protect the interests of any creditors of the Company as at the date the reduction takes effect. The court will require all such creditors to have been paid or to have consented to the reduction. Until the court has confirmed the reduction of the share premium account (and the terms of any undertaking regarding creditors required by the court to be complied with), the Company will only be able to distribute dividends out of existing distributable profits and, to the extent permitted by the Ordinance, to repurchase Ordinary Shares out of existing distributable profits or the proceeds of a fresh issue of shares.

- 2.5 In accordance with the power granted to the Directors by the Articles, it is expected that the Ordinary Shares to be issued under the Placing will be allotted (conditional upon Admission) pursuant to a resolution of the Board to be passed shortly before Admission. There are no provisions of Guernsey law equivalent to sections 89 to 96 of the Companies Act 1985 of England and Wales which confer pre-emption rights on existing Shareholders in connection with the allotment of equity securities for cash. However, similar pre-emption rights have been incorporated into the Articles. These rights have currently been disapplied in relation to 187,500,000 Ordinary Shares or rights to subscribe for or convert securities into Ordinary Shares and in certain other defined circumstances (including the grant of the Warrants or the Incentive Options). No Ordinary Shares or rights to subscribe for or convert securities into Ordinary Shares will be issued for cash on a non-pre-emptive basis pursuant to such disapplication at a discount of greater than 5 per cent. of the average mid-market closing price of the Ordinary Shares on the 5 business days preceding such issue save with Shareholder consent. The Placing Shares will be fully paid on Admission.
- 2.6 Save as disclosed in this paragraph 2, there has been no issue of share or loan capital of the Company since its incorporation and all issued shares have been fully paid.
- 2.7 Save as disclosed in this paragraph 2 or in paragraph 5.3 below, no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company since its incorporation.
- 2.8 Save for the Warrants and the Incentive Options, no share or loan capital of the Company is under option or has been agreed conditionally or unconditionally to be put under option.
- 2.9 Other than pursuant to the Placing, none of the Ordinary Shares have been marketed or are available in whole or in part to the public in conjunction with the application for the Ordinary Shares to be admitted to the Official List.
- 2.10 The Placing Shares will be in registered form. No temporary documents of title will be issued and prior to the issue of definitive certificates, transfers will be certified against the register. The Directors intend to apply for the Ordinary Shares to be admitted to CREST with effect from Admission. It is expected that definitive share certificates for the Placing Shares held in certificated form will be posted to allottees within 10 business days of Admission. Placing Shares to be held through CREST will be credited to CREST accounts on Admission. The Articles permit the holding of Ordinary Shares in CREST.
- 2.11 The Company has, pursuant to the terms of the Warrant Instrument, granted to the Investment Manager the right to subscribe for 6,375,000 new Ordinary Shares in the Company at a price of 100p per Ordinary Share. Further details of the Warrant Instrument are set out in paragraph 5.4 below.
- 2.12 The Company has, pursuant to the Incentive Options, granted to the Investment Manager the right to subscribe for up to 3,825,000 new Ordinary Shares in the Company at a price calculated in accordance with the terms of the Incentive Options. Further details of the Incentive Options are set out in paragraph 5.5 below.

3 Memorandum and articles of association

The memorandum of association of the Company provides that the objects of the Company include carrying on business as an investment company. The objects of the Company are set out in full in clause 3 of the memorandum of association, a copy of which is available for inspection at the addresses specified in paragraph 16 below.

The Articles of the Company contain provisions, *inter alia*, to the following effect:

3.1 Voting shares

3.1.1 The share capital of the Company is represented by an unlimited number of Ordinary Shares of no par value having the rights hereinafter described.

3.1.2 The holders of Ordinary Shares shall have the following rights:

(a) Dividends

Holders of Ordinary Shares are entitled to receive, and participate in, any dividends or other distributions and resolved to be distributed in respect of any accounting period or other period.

(b) Winding up

On a winding up, the holders of Ordinary Shares shall be entitled to the surplus assets remaining after payment of all the creditors of the Company.

(c) Voting

The holders of Ordinary Shares shall have the right to receive notice of and to attend and vote at general meetings of the Company and each holder of Ordinary Shares being present in person or by proxy or by a duly authorised representative (if a corporation) at a meeting shall upon a show of hands have one vote and upon a poll each such holder present in person or by proxy or by a duly authorised representative (if a corporation) shall have one vote in respect of each Ordinary Share held by him.

3.1.3 Any preference shares may with the sanction either of the Board or an ordinary resolution, be issued on terms that they are, or at the option of the Company or the holder, are liable to be redeemed on such terms and in such manner as the Company before the issue may by ordinary resolution determine and subject to and in default of such determination as the Board may determine.

3.1.4 The Company and any of its subsidiary companies may give financial assistance directly or indirectly for the purpose of or in connection with the acquisition of shares in the Company or in connection with reducing or discharging any liability incurred in connection with the purchase of shares in the Company.

3.1.5 Subject to the provisions of the Companies Laws, the rules of the Financial Services Authority and the London Stock Exchange, the Company may from time to time purchase its own shares (including any redeemable shares).

3.1.6 For the purposes of sections 16 and 29 of the Companies Laws, the minimum subscription shall be £2.

3.2 Variation of rights

If at any time the shares of the Company are divided into different classes, all or any of the rights for the time being attached to any share or class of shares may be varied or abrogated with the consent in writing of the holders of not less than two-thirds in number of the issued shares of that class or with the consent of an ordinary resolution passed at a separate general meeting of the holders of such shares but so the quorum shall be two members present in person or by proxy holding or representing not less than one-third of the issued shares of that class.

3.3 Issues of shares

- 3.3.1 Subject to the Articles, including the rights of pre-emption set out below, shares for the time being unallotted and unissued shall be at the disposal of the Directors, who may allot, grant options over, issue warrants or otherwise dispose of the same to such persons, at such times, on such terms and in such manner as they may think fit.

When proposing to allot shares or rights to subscribe for, or convert securities into, shares to a person, the Company must first offer them pre-emptively to every member on materially the same terms. The number of shares or rights to subscribe for, or convert securities into, shares offered will be in proportion to the number of shares held by the relevant member of the relevant class of shares then in issue. This procedure does not apply to an allotment of such securities where they are or will be wholly or partly paid otherwise than in cash. These rights have been disapplied in relation to 187,500,000 shares or rights to subscribe for, or convert securities into, shares and in certain other defined circumstances. Furthermore, the Company may, by special resolution (i.e. a majority of two thirds of voting shareholders), disapply this procedure in other circumstances.

- 3.3.2 Subject to the Companies Laws, the Company may pay any brokerage or commission of such amount as may from time to time be determined by the Directors on any issue of Ordinary Shares.
- 3.3.3 No person shall be recognised by the Company as holding any Ordinary Share upon any trust and the Company shall not be bound by or recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Ordinary Share (except as provided by the Articles or the law), any other right in respect of any Ordinary Share, except an absolute right thereto in the registered holder.

3.4 Compulsory acquisition of shares

The Articles do not contain any rights to compulsorily acquire shares.

3.5 Notice requiring disclosure of interest in shares

The Directors shall have power by notice in writing to require any member to disclose to the Company the identity of any person (other than the member) who has any interest in the Ordinary 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 Company shall maintain a register of interested parties and whenever in pursuance of a requirement imposed on a member or other person as aforesaid the Company is informed of an interested party the identity of the interested party and the nature of the interest shall be promptly inscribed therein together with the date of the request.

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 Ordinary Shares concerned represent 0.25 per cent. or more of the issued Ordinary Shares of the Company), the Directors in their absolute discretion may serve a direction notice on the member. The direction notice may direct that in respect of the Ordinary Shares in respect of which the default has occurred (the "default shares") (i) the member shall not be entitled to vote in general meetings; (ii) where the default shares represent at least 0.25 per cent. of the issued Ordinary Shares, the direction notice may additionally direct that dividends or the proceeds of any repurchase or repayment of such Ordinary Shares will be retained by the Company (without interest); and (iii) that no transfer of the Ordinary Shares (other than a transfer of Ordinary Shares to an offeror by way or in pursuance of acceptance of a public offer made to acquire all the issued Ordinary Shares of the Company not already owned by the offeror or persons connected with it or the Directors are satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the Ordinary Shares to a party unconnected with the member and with other persons appearing to the

Directors to be interested in such Ordinary Shares (“permitted transfers”)) shall be registered unless the member is not himself in default as regards supplying the information requested and the transfer when presented for registration is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that after due and careful enquiry the member is satisfied that no person in default as regards supplying the information is interested in any of the Ordinary Shares the subject of the transfer.

If Ordinary Shares are issued to a member as a result of that member holding other Ordinary Shares in the Company and if the Ordinary Shares in respect of which the new Ordinary Shares are issued are default shares in respect of which the member is for the time being subject to particular restrictions, the new Ordinary Shares shall on issue become subject to the same restrictions whilst held by that member as such default shares.

Any direction notice shall have effect in accordance with its terms for as long as the default in respect of which the direction notice was issued continues, but shall cease to have effect in relation to any Ordinary Shares which are transferred by such member by means of a permitted transfer. As soon as practical after the direction notice has ceased to have effect (and in any event within seven days thereafter) the Directors shall procure that the restrictions described in this section 3.5 shall be removed and that dividends and other moneys withheld are paid to the member.

Any member who has given notice to the Company of an interested party and who subsequently ceases to have any party interested in his Ordinary Shares or has any other party interested in his Ordinary Shares shall, after becoming aware of that, notify the Company in writing of the cessation or change in such interest and the Directors shall promptly amend the register of interested parties accordingly.

3.6 CREST

The Articles provide that the Directors may implement such arrangements as they may think fit in order for any class of shares to be admitted to settlement by means of the CREST 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:

- (a) the holding of shares of that class in uncertificated form;
- (b) the transfer of title to shares of that class by means of the CREST system; or
- (c) the CREST Guernsey Requirements.

Where any class of shares is for the time being admitted to settlement by means of the CREST 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 shares as are recorded on the register as being held in uncertificated form may be transferred only by means of the CREST 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 in the Articles, 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 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 any share

which is not fully paid up or on which the Company has a lien provided that this would not prevent dealings from taking place on an open and proper basis. The Directors may also refuse to register any transfer of shares which is prohibited by the provisions described in section 3.5 above or any transfer of shares unless such transfer is in respect of one class of share only, is in favour of no more than four transferees and is lodged at the registered office or such other place as the Directors may appoint and the transfer is not in favour of any Non-Qualified Holder (as defined in the Articles).

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

If it shall come to the notice of the Directors that any shares are owned directly or beneficially by a Non-Qualified Holder (as defined in the Articles), the Directors may require such person (i) to provide the Directors within thirty days with sufficient satisfactory documentary evidence to satisfy the Directors that such person does not fall within the definition of a Non-Qualified Holder and in default of such evidence (ii) to sell or transfer his ordinary shares to a person qualified to own the same within thirty days and within such thirty days to provide the Directors with satisfactory evidence of such sale or transfer.

3.7 Alteration of capital

3.7.1 The Company at any time may, by ordinary resolution, resolve to raise share capital of such amount to be divided into shares of such nominal value as the resolution shall prescribe and from time to time by ordinary resolution to increase such share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.

3.7.2 The Company may by special resolution, reduce its share premium account in any manner permitted by and with and subject to any consent required by the Companies Laws.

3.8 Notice of general meetings

Notice for any general meeting shall be sent by the secretary or officer of the Company or any other person appointed by the Board not less than ten days before the meeting. The notice must specify the time and place of the general meeting and, in the case of any special business, the general nature of the business to be transacted. With the consent in writing of all the members of the Company, a general meeting may be convened by a shorter notice or at no notice in any manner they think fit. The accidental omission to give notice of any meeting or the non-receipt of such notice by any member of the Company shall not invalidate any resolution, or any proposed resolution otherwise duly approved, passed or proceeding at any meeting.

3.9 Interests of Directors

3.9.1 A Director may not vote (or be counted in the quorum) in respect of any contract, arrangement, transaction or any other proposal to which the Company is or is to be a party and in which he has an interest which (together with any interest of any person connected with him) is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company) but, in the absence of some other material interest than is mentioned below, this prohibition does not apply to a resolution concerning any of the following matters:

- (a) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person for the benefit of the Company or any of its subsidiary undertakings;
- (b) 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 subsidiary undertakings for which the Director himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

- (c) a contract, arrangement, transaction or proposal concerning or the offer of shares, debentures or other securities of or by the Company or its subsidiary undertakings for subscription or purchase in which offer he is or may be entitled to participate or in the underwriting or sub-underwriting of which he is to or may participate;
 - (d) any proposal concerning any other company in which he is interested, whether as an officer, shareholder, creditor or otherwise, if he does not to his knowledge hold an interest in shares representing one per cent. or more of: (a) a class of the equity share capital (or of any third company through which his interest is derived) or (b) of the voting rights in the relevant company; and
 - (e) any proposal for the purchase or maintenance of insurance for the benefit of the Director or persons including the Directors.
- 3.9.2 Any Director may act by himself or by his firm in a professional capacity for the Company, other than as auditor, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
- 3.9.3 Any Director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by or associated in business with the Company, and any such Director shall not be accountable to the Company for any remuneration or other benefits received by him.
- 3.10 Remuneration of Directors
- 3.10.1 The Directors shall be entitled to such remuneration as the Directors shall determine from time to time provided that the aggregate amount of such fees for all the Directors collectively shall not exceed £200,000 per annum (or such other sum as may be approved by the Company in general meeting). Such remuneration shall be deemed to accrue from day to day. The Directors shall also be paid all reasonable travelling, hotel and other expenses properly incurred by them in attending meetings of the Directors or any committee of the Directors or general meetings or class meetings of the Company or debentures of the Company.
- 3.10.2 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 for such period and on such terms as to remuneration and otherwise as the Directors may determine.
- 3.10.3 The Directors may from time to time appoint one or more of their body to be a managing director on such terms and for such periods as they may determine.
- 3.11 Nomination, appointment and removal of Directors
- 3.11.1 The Directors shall have power at any time and from time to time to appoint any person 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 the next following annual general meeting and shall then be eligible for re-election.
- 3.11.2 The office of a Director shall be vacated in any of the following events namely:-
- (a) if he resigns his office by notice in writing signed by him and left at the registered office;
 - (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - (c) if he ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under the provisions of any law or enactment;
 - (d) if he becomes resident in the United Kingdom and as a result thereof a majority of the Directors are resident in the United Kingdom;

- (e) if he be requested to resign by written notice signed by a majority of the other Directors (not being less than two in number); or
 - (f) if he is removed from office by an ordinary resolution of the Company in general meeting.
- 3.11.3 No person other than a Director retiring at a general meeting shall, unless recommended by the Directors, be eligible for election by the Company to the office of Director unless not less than 7 clear days before the date appointed for the meeting there shall have been left at the registered office notice in writing signed by a member of his intention to propose such person for election together with notice in writing signed by that person of his willingness to be elected.
- 3.11.4 The Company at the meeting at which a Director retires in the manner aforesaid may fill the vacated office by appointing a person thereto by ordinary resolution and in default the retiring Director shall, if willing to act, be deemed to have been re-appointed unless at such meeting it is expressly resolved not to fill the vacated office or a resolution for the re-appointment of such Director shall have been put to the meeting and lost. The Company at such meeting may also (subject to the Articles) fill up any other vacancies.
- 3.11.5 At a general meeting a motion for the appointment of two or more persons as Directors by a single resolution shall not be made unless a resolution that it shall be so made has been first agreed to by the meeting without any vote being given against it.
- 3.12 Retirement of Directors
- 3.12.1 A third of the Directors shall be subject to re-election every year.
- 3.12.2 A Director shall not be required to hold any qualification shares.
- 3.12.3 No Director shall be required to vacate his office at any time by reason of the fact that he has attained any specific age.
- 3.13 Dividends
- 3.13.1 The Company in general meeting may declare a dividend but no dividend shall exceed the amount recommended by the Directors.
- 3.13.2 Dividends shall be paid in accordance with the Companies Laws.
- 3.13.3 The Directors may if they think fit from time to time pay the members such interim dividends as appear to be justified by the profits of the Company.
- 3.13.4 No dividend or other amount payable to any Ordinary Shareholder shall bear interest against the Company. All unclaimed dividends and other amounts payable as aforesaid may be invested or otherwise made use of for the benefit of the Company until claimed. Any dividend unclaimed on the earlier of (a) seven years from the date when it first became payable and (b) the date on which the Company is wound up, shall be forfeited and shall revert to the Company, without the necessity for any declaration or other action by the Company.
- 3.13.5 The Board may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Board, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Board may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Board may also without placing the same to reserve carry forward any profits. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Companies Law.

3.13.6 The Board shall establish a capital reserve (the “capital reserve”) and either carry to the credit of the capital reserve or apply in providing for depreciation or contingencies all capital appreciation arising on the sale, realisation, transposition, repayment or revaluation of any investments or other capital assets of the Company in excess of the book value thereof. Any loss realised on the sale, realisation, transposition, repayment or revaluation of any investments or other capital assets and any other sum incurred in connection with the assets of the Company, which in the opinion of the Board is reasonably and fairly apportioned to capital, may be carried to the debit of the capital reserve except in so far as the Board may in their discretion decide to make good the same out of other reserves of the Company. All sums carried and standing to the credit of the capital reserve may be applied for any of the purposes to which sums standing to any reserve are applicable except and provided that no part of the capital reserve or any other moneys in the nature of accretion to capital shall be transferred to revenue account or be applied in paying dividends on any shares in the Company’s capital. The Board may, subject to applicable legislation and practice, determine whether any amount received by the Company is to be dealt with as income or capital or partly one and partly the other.

3.14 Winding up

If the Company is wound up, the liquidator may with the authority of an extraordinary resolution, divide among the members *in specie* the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefits of the members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any asset in respect of which there is liability.

3.15 Borrowing

3.15.1 The Directors 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 and assets or any part thereof, and to issue debentures, loan stock and other securities, whether outright or as collateral security for any debt liability or obligation of the Company or of any third party provided that the aggregate principal amount of all borrowings by the Company shall not at the point of drawdown of any borrowings exceed 65 per cent. of the gross assets (as defined in the Articles).

3.15.2 Any person lending money to the Company shall be entitled to assume that the Company is acting in accordance with the Articles and shall not be concerned to enquire whether such provisions have in fact been complied with.

3.16 Register of Shareholders and other statutory records

The register of Shareholders is the hard copy register of Shareholders kept at the Company’s registered office pursuant to the Companies Laws. The other statutory records of the Company are kept at the same address.

4 Directors’ and other interests

4.1 The interests (all of which are beneficial) of the Directors and their immediate families and, so far as is known to the Directors or could with reasonable diligence be ascertained by them, persons connected with them (within the meaning of section 346 of the Companies Act 1985 (as amended)) which if the connected person were a Director would otherwise be disclosed pursuant to this paragraph, in the share capital of the Company as at the date of this document and on Admission, are or are expected to be as follows:

<i>Director</i>	<i>Before Admission</i>		<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued shares</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of issued shares *</i>
Richard Kingston	–	–	5,000	–
Christopher Bennett	–	–	–	–
David Jeffreys	–	–	5,000	–
Phillip Rose	–	–	250,000	0.2
Serena Tremlett	–	–	5,000	–

**assuming the Placing is fully subscribed*

- 4.2 Save as disclosed in paragraph 4.1 above, none of the Directors, or any person connection with them (within the meaning of section 346 of the Companies Act 1985, as amended) has any interest in the share capital of the Company.
- 4.3 Save for the subscriber shares which will be transferred in the Placing, the Directors are not aware of any person who is interested, directly or indirectly, in three per cent. or more of the issued shares of the Company. The Company is aware of the following persons who are expected, following Admission, to be interested, directly or indirectly, in three per cent. or more of the issued shares of the Company:

<i>Interested person</i>	<i>Following Admission</i>	
	<i>Number of Ordinary Shares</i>	<i>Percentage of issued shares *</i>
BlueCrest Capital Ltd	8,400,000	6.72%
Cheyne Capital Management Ltd	9,000,000	7.20%
Credo Capital	4,000,000	3.20%
EPIC Group Plc	4,000,000	3.20%
HSBC Investment Management Ltd	10,900,000	8.72%
Invesco Plc	21,000,000	16.80%
Jupiter Asset Management Ltd	9,000,000	7.20%
Lansdowne Partners Ltd	10,900,000	8.72%
Lazard Asset Management Ltd	3,800,000	3.04%
M&G Investment Management Ltd	4,900,000	3.92%
Moore Europe Capital Management Ltd	8,000,000	6.40%
UBS Asset Management Ltd	4,500,000	3.60%

**assuming the Placing is fully subscribed*

- 4.4 Save as disclosed in paragraph 4.3 above, the Company is not aware of any person who will, immediately following Admission, be interested, directly or indirectly, in three per cent. or more of the issued shares of the Company or could directly or indirectly, jointly or severally, exercise control over the Company.
- 4.5 The Company and the Directors are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of the Company.
- 4.6 No Director has or has had any interest in any transactions which are or were unusual in their nature or conditions or which are or were significant to the business of the Company and which were effected by the Company since incorporation or which have been effected by the Company since incorporation and which remain in any respect outstanding or unperformed.
- 4.7 The persons, including the Directors, referred to in paragraphs 4.1 and 4.3 above, do not have voting rights in respect of the share capital of the Company (issued or to be issued) which differ from any other shareholder of the Company.

4.8 In addition to their directorships of the Company, the Directors currently hold, and have during the five years preceding the date of this document held, the following directorships and are or were partners in the following partnerships:

<i>Name</i>	<i>Current directorships/partnerships</i>	<i>Previous directorship</i>
Richard Kingston	Albany Park Management Limited	Edmonton Estates Limited
	Allnatt London Properties PLC	LS Buchanan Limited
	Anglo French Industrial Developments Limited	LS Lewisham Centre Management Limited
	Anglo German Industrial Developments Limited	LS Lewisham Limited
	Beta Properties Limited	LS Taplow Limited
	Bilton (Factory Holdings) Limited	The Mersey Docks and Harbour Company
	Bilton (Thames) Developments Limited	
	Bilton Guernsey Limited	
	Bilton Homes Limited	
	Bilton p.l.c.	
	Bredero Centre West Limited	
	Bredero Developments Limited	
	Bredero Dorking Limited	
	Bredero Investments Limited	
	Bredero Kensington Limited	
	Bredero Projects Limited	
	Bredero Properties Plc	
	Buchanan Galleries Centre Management Limited	
	Cambridge Research Park Limited	
	Carrycroft Limited	
	Equinox Industrial (LP) Limited	
	Farnborough Business Park Limited	
	Glenhazel Properties Limited	
	Guildhall Property Company PLC	
	Howard Centre No.1 Limited	
	Howard Centre No.2 Limited	
	Invest Sun SA NV	
	Juniper Developments Limited	
	Kingswood Ascot Property Investments Limited	
	Kwacker Limited	
	Lewisham Centre No. 1 Limited	
	Lewisham Centre No. 2 Limited	
	Pako SA NV	
	Pegamo 1 SA NV	
	Pegamo V SA NV	
	Pentagon Centre Number 1 Limited	
	Pentagon Centre Number 2 Limited	
	Pentagon Developments (Chatham) Limited	
	Proto Limited	
	Real Estate and Commercial Trust Limited	
	SEI (No.1) Limited	
	SEI (No.2) Limited	
	SEI Limited	
	Shopping Centres Limited	
	Slough (Wessex Fields) Limited	
	Slough Business Parks Limited	
	Slough Developments Limited	
	Slough Estates (Feltham) Limited	
	Slough Estates (Nechells 1)	

<i>Name</i>	<i>Current directorships/partnerships</i>	<i>Previous directorship</i>
	Slough Estates (Swanley) Limited Slough Estates Administration Limited Slough Estates Finance plc Slough Estates Nominees Limited Slough Estates plc Slough Europe Limited Slough Heat & Power Limited Slough Investments Limited Slough Management NV Slough Properties Limited Slough Properties SA NV Slough Retail Management Limited Slough Trading Estate Limited	
Christopher Bennett	Dominion Corporate Services Limited Dominion Corporate Trustees Limited Dominion Real Estate Limited Dominion Trust Limited Topwell No. 3 Limited Topwell No. 4 Limited	Abbey Commercial Limited Abbey Property Management Limited Drakeside Limited
David Jeffreys	EQT I Limited EQT III Limited EQT DLP Limited Munksjö Guernsey Holding Limited Munksjö Luxembourg SarL Wopnnif Holdings Limited Nnifpow Holdings Limited EQT III Ch I SarL EQT III Ch II SarL EQT IV Limited EQT IV Investments Limited EQT IV RFA Limited Caesar Holding Limited Caesar Raseac SarL ISS Invest SarL ISS Invest 2 SarL Oskar Rakso SarL Reiten Capital Partners VI GP Limited Polygon Credit Income Master Fund Limited Polygon Credit Income Fund Limited Pistaz Holdings Limited Pistaz Property III Limited Pistaz Property V Limited Pistaz Property VII Limited Pistaz Property XI Limited Pistaz Property XIII Limited Pistaz Property XVII Limited Pistaz Investments Limited	Abacus (C.I.) Limited Abacus (GSK) Trustees Limited Abacus (Guernsey) Limited Abacus (Nominees) Limited Abacus Corporate Nominees Limited Abacus Corporate Services International Limited Abacus Corporate Services Limited Abacus Corporate Trustee Limited Abacus Corporate Trustee UK Limited Abacus Financial Services Group Limited Abacus Financial Services Limited Abacus Fund Managers (Guernsey) Limited Abacus Fund Managers (Jersey) Limited Abacus Group Services (Guernsey) Limited Abacus Secretaries (Guernsey) Limited Abacus Trustees (Guernsey) Limited Abacus Trustees (Jersey) Limited Prime Infrastructure (Channel Islands) Holdings Limited Prime Infrastructure (Guernsey) Holdings Limited Prime Infrastructure (Jersey) Holdings Limited Prime Infrastructure (Guernsey) Limited The Abacus Global Managed Pension Plan Limited Whiteley Trustees Limited Avenue Investments Limited

Up to June 2004 Mr Jeffreys was employed by Abacus Financial Services Group Limited (“Abacus”), a business which provides administration services. As such, Mr Jeffreys was a director of 122 companies which were client companies of Abacus.

<i>Name</i>	<i>Current directorships/partnerships</i>	<i>Previous directorship</i>
Phillip Rose	Alpha Real Capital LLP Great Portland Estates plc	None
Serena Tremlett	Up to November 2003, Ms Tremlett worked as a Manager for Guernsey International Fund Managers Limited (“GIFM”), a company which provides administration services. As such, Ms Tremlett was a director of 8 companies on behalf of clients of GIFM. Ms Tremlett is currently a Business Manager of the Administrator. The Administrator provides fund administration services to entities on behalf of its clients and, as a result, Ms Tremlett is a director of 18 companies which act as general partners or asset holding companies.	

4.9 As at the date of this document, none of the Directors has:

- (a) any convictions in relation to fraudulent offences for at least the previous five years;
- (b) been bankrupt or been a director of any company or been a member of the administrative, management or supervisory body of an issuer or a senior manager of an issuer at the time of any receivership or compulsory or creditors’ voluntary liquidation for at least the previous five years; or
- (c) been subject to any official public incrimination and/or sanctions of him or her by any statutory or regulatory authority (including designated professional bodies) nor has he or she 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; or
- (d) any family relationship with any of the other Directors.

4.10 There are no outstanding loans granted by the Company to any of the Directors nor has any guarantee been provided by the Company for their benefit.

4.11 The aggregate of the remuneration to be paid to the Directors by the Company for the financial period ending 31 December 2006 is not expected to exceed £130,000 and the maximum aggregate amount of remuneration payable to the Directors permitted under the Articles is £200,000 per annum.

4.12 There are no existing or proposed service contracts between any of the Directors and the Company. The Directors were appointed as non-executive directors by letters dated 17 November 2005. A Director’s appointment can be terminated in accordance with the Articles and without compensation. There is no notice period specified in the Articles for the removal of Directors. The Articles provide that the office of director shall be terminated, amongst other things, if: he becomes bankrupt or makes an arrangement or compromise with his creditors; or he becomes resident for tax purposes in the United Kingdom and, as a result thereof, a majority of the Directors are resident for tax purposes in the United Kingdom, or he is requested by a majority of the other Directors (not being less than two in number) to vacate office, or he is removed from office by an ordinary resolution.

5 Material contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company since its incorporation and which are, or may be, material:

- 5.1 The Management Agreement dated 22 November 2005 between the Company and the Investment Manager pursuant to which the Company has appointed the Investment Manager to provide investment advisory services to the Company and property advisory, property management and monitoring services to those members of the Group which acquire properties, in each case in accordance with the investment objective and investment policy and restrictions of the Group.

In consideration for its services provided pursuant to the Management Agreement, the Investment Manager is to be paid a management fee in cash quarterly in arrears equal to, in aggregate, 1 per cent. per annum of the Gross Assets, as adjusted to reflect the current value of the properties and of other assets representing an indirect interest in property or property related activities, that are not reflected in the consolidated gross assets. The management fee will be calculated on the relevant quarterly date.

In addition, the Investment Manager is entitled to an annual performance fee calculated by reference to the relevant TSR. The performance fee becomes payable once the annualised TSR achieved for the relevant accounting period exceeds the benchmark (which is set by reference to the Ordinary Share price over the last 20 business days of the previous accounting period (the "Benchmark")) by at least 12 per cent. Once the 12 per cent. threshold is exceeded, the Investment Manager is entitled to receive a fee equal to 20 per cent. of such excess, and a further 15 per cent. (i.e. 35 per cent. in aggregate) for annualised TSR in excess of 20 per cent. in any accounting period. The performance fee is to be settled as to 100 per cent. in cash. For the first full accounting period to 31 December 2006 the Benchmark will be 100p.

The Management Agreement is for an initial eight year term and thereafter for a further eight year term if the Board, acting in its sole discretion, so determines prior to the seventh anniversary of Admission. In the event that the Board does not so renew the agreement for a further eight year period, the Management Agreement may be terminated by either party giving to the other not less than 12 months' written notice, to expire no earlier than the eighth anniversary of Admission. The Management Agreement may be terminated in certain circumstances, including a material breach by the Investment Manager of its obligations contained in the Management Agreement (which, where appropriate, has not been remedied) or an insolvency event in relation to the Investment Manager. In the event that the Company wrongfully terminates the Management Agreement, the Investment Manager will be entitled to liquidated damages in cash of an amount equal to the net present value of the amount it would have received by way of management and performance fees over the unexpired term of the Management Agreement, less certain expenses.

The Management Agreement is also terminable by the Company if at any time within the two years following Admission there is a change of control of the Investment Manager (save in connection with the listing of a vehicle owning the Investment Manager or its business or with the prior written approval of the Board).

Cash management services and other day-to-day management services are to be provided by third party service providers (arranged and co-ordinated by the Investment Manager), at the cost of the relevant property-owning member of the Group. In addition, the Company is responsible for third party expenses incurred by the Investment Manager in carrying out its services under the Management Agreement.

The Investment Manager has agreed that, until the earlier of (a) the date on which the Company has real property investments of not less than £480 million; and (b) the determination of the Management Agreement in accordance with its terms, the Investment Manager will not acquire (whether on its own behalf or as investment manager or adviser to any fund or other entity) a property situated in France or Spain with a value of €8 million or

more and meeting the Company's investment objective, unless it has first offered the Board the opportunity to acquire such property. In the event that the Board resolves not to pursue such opportunity, the Investment manager is free to do so.

- 5.2 The Administration Agreement dated 22 November 2005 between the Company and the Administrator, whereby the Administrator is appointed to act as administrator, registrar and secretary and perform certain safe-keeping and management responsibilities in respect of the Company's non-property investments. For these services the Administrator shall receive an annual fee based on time incurred on the Company's behalf payable by the Company (calculated by the hourly rate payable according to seniority of the staff carrying out the work) plus any disbursements and reasonable out of pocket expenses incurred by the Administrator on behalf of the Company. This fee has been capped at £6,000 per month. Fees shall be paid monthly in arrears. The Administration Agreement is terminable by either party on not less than 120 days' notice save in certain limited circumstances in which case the Administration Agreement may be terminated forthwith.
- 5.3 The Placing Agreement dated 22 November 2005 and made between the Company, Alpha Real Capital, BDO Stoy Hayward LLP and Cenkos whereby Cenkos has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. Under the Placing Agreement and subject to it becoming unconditional:
- (a) the Company has agreed to pay Cenkos an aggregate commission of 2.8875 per cent. of the value at the Placing Price of the Placing Shares (other than the Placing Shares subscribed for by Alpha Real Capital, its connected parties and other agreed persons);
 - (b) the Company has agreed to pay BDO Stoy Hayward LLP, conditional upon Admission, a fee of £100,000; and
 - (c) the Company will pay certain other costs and expenses (including any applicable VAT) of, or incidental to, the Placing including all fees and expenses payable in connection with Admission, expenses of the registrars, printing and advertising expenses, postage and all other legal, accounting and other professional fees and expenses.

The Placing Agreement contains certain customary warranties and indemnities given by the Company and the Manager to BDO Stoy Hayward LLP and Cenkos as to the accuracy of the information contained in this document and other matters relating to the Group and its business. The Placing Agreement includes limits on the liability of the Company and Alpha Real Capital, including the fact that claims against either the Company or Alpha Real Capital must be brought within two years of the entering into of such agreement and that the liability of Alpha Real Capital under such warranties and indemnities is limited to £5,000,000.

- 5.4 The Warrant Instrument dated 22 November 2005 pursuant to which the Investment Manager has been granted the right to subscribe for 6,375,000 Ordinary Shares in the Company at the Placing Price, such warrant to be exercisable at any time during the period of 5 years from the date of Admission. The Warrant Instrument provides that the holder of the Warrants may from time to time transfer all or some of its Warrants to third parties.
- 5.5 An option deed dated 22 November 2005 between the Company and Alpha Real Capital pursuant to which Alpha Real Capital has been granted the right to subscribe for up to 3,825,000 Ordinary Shares. The option is in three tranches, each tranche being in respect of 1,275,000 Ordinary Shares. The first tranche will vest on the third anniversary of Admission, the second tranche will vest on the fourth anniversary of Admission and the third tranche will vest on the fifth anniversary of Admission. Save in connection with the termination of the Management Agreement, a takeover or a winding up, each tranche will only vest if the relevant performance criteria have been satisfied in the three years immediately preceding the relevant anniversary of Admission. If the TSR over the relevant three year period is less than 10 per cent. compound per annum the relevant tranche will lapse. If it is more than 12 per cent. compound per annum the relevant tranche may be exercised in respect of all 1,275,000 Ordinary Shares. If the TSR is between 10 per cent. and 12 per cent. compound per annum, then the option tranche may be exercised in respect of 637,500 Ordinary Shares, with

the balance lapsing. Once vested, the options are exercisable during the subsequent seven year period. The option exercise price will be the Placing Price in respect of the first option tranche and the average closing mid-market price for the 20 dealing days immediately preceding the first and second anniversaries of Admission for the second and third option tranches respectively.

If the Management Agreement terminates prior to the first anniversary of Admission the second and third option tranches will thereupon lapse but the first option tranche will become immediately exercisable, irrespective of the TSR achieved (save where the Management Agreement is terminated by the Company in accordance with its terms or by the Manager in breach, in which case the first option will also lapse). If the Management Agreement terminates after the first anniversary of Admission but prior to the second anniversary of Admission, the third option tranche will lapse but the first and second option tranches will become immediately exercisable, irrespective of the TSR achieved (save where the Management Agreement is terminated by the Company in accordance with its terms or by the Manager in breach, in which case the first and second options will also lapse). Furthermore, if there is a takeover or a winding up of the Company, each subsisting tranche will become immediately exercisable, irrespective of the TSR achieved, save where it has already lapsed due to failure to achieve the necessary return over the relevant three year period. In such circumstances the value of the option will be adjusted to reflect the inherent time value, if any, in the option.

- 5.6 An agreement dated 22 November 2005 entered into between the Company and Galeon Property Group SL (“Galeon”) pursuant to which Galeon is to provide exclusive acquisition services to the Company in relation to properties in Spain with a value of €8 million or more and meeting the Company’s investment objective and policy. The fees payable to Galeon will be 1 per cent. of the acquisition price for acquisitions exclusively introduced and undertaken by Galeon and 0.3 per cent. for acquisitions where another agent has introduced the transaction or is otherwise involved and Galeon’s role is advisory and supervisory. The agreement is terminable by either party on 90 days’ written notice and in certain other circumstances, including failure to perform and insolvency.
- 5.7 Lock-in agreements all dated 22 November 2005 and made between the Company, Cenkos and, respectively, certain Directors, Alpha Real Capital, members of Alpha Real Capital or its management team (being persons who will have an interest in Ordinary Shares following Admission) pursuant to which such persons have undertaken to the Company and Cenkos (subject to certain limited exceptions) not to dispose of any Ordinary Shares held by them at any time prior to the first anniversary of Admission without the prior written consent of the Company and Cenkos.
- 5.8 The CREST Services Agreement dated 22 November 2005 between the Administrator, Computershare and the Company pursuant to which Computershare provides CREST services to the Administrator (in its capacity as registrar of the Company). The duties include, *inter alia*, the maintenance of a register and the maintenance of dividend instruction records. Computershare is entitled to receive a take-on fee of £500 plus a variable fee in respect of these services of a minimum of £4,500 per annum (or £6,000 per annum if the Company has over 500 Shareholders) depending on number of Shareholders and actions within CREST required. These fees are payable by the Company. The Company is a party to the agreement to receive the benefit of certain rights under the agreement. The agreement is terminable by either party on not less than three months’ notice.
- 5.9 A broker’s agreement dated 17 November 2005 between the Company and Cenkos pursuant to which Cenkos is, conditional upon Admission, to act as the corporate broker to the Company. Cenkos is entitled to receive a fee of £25,000 per annum for its services. The agreement is terminable by either party on not less than one month’s notice.

6 Mandatory offers: re compulsory acquisition of shares

The Company is subject to the Takeover Code which, *inter alia*, provides that if any person, or group of persons acting in concert, acquires Ordinary Shares carrying 30 per cent. or more of the voting rights exercisable in general meetings, that person shall be required to make an

offer for all the issued Ordinary Shares not already held by him (or persons acting in concert with him) in cash at the highest price paid by that person, or any person acting in concert with him during the 12 month period prior to the purchase of shares which triggered the obligation. There are certain circumstances where no such offer may be required. There are no provisions of Guernsey law equivalent to sections 428 to 430 of the Companies Act 1985 of England and Wales which entitle an offeror to acquire compulsorily any remaining shares if it has received acceptances or purchased shares subsequent to the making of the offer amounting (in aggregate) to 90 per cent. of the shares to which the offer relates, or which permit a minority shareholder to require an offeror to buy his shares if that offeror has received acceptances or purchased shares subsequent to the making of the offer amounting (in aggregate) to 90 per cent. of the shares to which the offer relates.

7 Launch fees incurred by Alpha Real Capital

The Company has agreed, subject to Admission, to reimburse Alpha Real Capital for any professional fees incurred by Alpha Real Capital on behalf of the Company prior to Admission in connection with the Placing, Admission, the preparation of this document, and other costs associated with the establishment of the Group. The Company has also agreed to pay Alpha Real Capital £300,000 for the time costs and expenses incurred by Alpha Real Capital in connection with such matters.

8 Working capital

The Company is of the opinion that, after taking into account the minimum net proceeds of the Placing (being £37.8 million), the working capital available to the Group is sufficient for its present requirements, that is, for at least the period of 12 months from the date of this document.

9 Litigation

The Company is not, nor has at any time since its incorporation, been, engaged in any governmental, legal or arbitration proceedings, and the Company is not aware of any governmental, legal or arbitration proceedings pending or threatened by or against it which may have, or have since incorporation had, a significant effect on the Company's financial position or profitability.

10 Overseas investors

No action has been taken to permit the distribution of this document in any jurisdiction outside the United Kingdom where such action is required to be taken. This document may not therefore be used for the purpose of, and does not constitute, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Accordingly, no person receiving a copy of this document in any territory other than the United Kingdom may treat the same as constituting an offer or invitation to him to acquire, subscribe for or purchase Ordinary Shares nor should he in any event acquire, subscribe for or purchase Ordinary Shares unless such an invitation, acquisition, subscription or purchase complies with any registration or other legal requirements in the relevant territory. Any person outside the United Kingdom wishing to acquire, subscribe for or purchase Ordinary Shares should satisfy himself that, in doing so, he complies with the laws of any relevant territory, and that he obtains any requisite governmental or other consents and observes any other applicable formalities.

No person receiving a copy of this document in Ireland may treat the same as constituting an offer or invitation to him to acquire, subscribe for or purchase Ordinary Shares (nor should he in any event acquire, subscribe for or purchase Ordinary Shares) unless he is a qualified investor within the meaning of the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland.

The Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any State or any other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States. In addition, the Company has not been and will not be registered under the US Investment Company Act of 1940, as amended. The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange

Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of Ordinary Shares or the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offence in the United States and re-offer or resale of any of the Ordinary Shares in the United States or to US Persons (as defined in Regulation S under the Securities Act) may constitute a violation of US law or regulation.

In addition the relevant clearances have not been, and will not be, obtained from the Securities Commission of any province of Canada, Australia, the Republic of Ireland, the Republic of South Africa or Japan and, accordingly, unless an exemption under or other relevant legislation or regulations is applicable, none of the Ordinary Shares may be offered, sold, renounced, transferred or delivered, directly or indirectly, in Canada, Australia, the Republic of Ireland, the Republic of South Africa or Japan.

The Articles contain provisions designed to restrict the holding of shares by persons, where in the opinion of the Directors such a holding could cause or be likely to cause the Company some legal, regulatory, pecuniary, tax or material administrative disadvantage.

11 Capitalisation and indebtedness statement

The Company was incorporated on 16 November 2005, has not produced any financial statements since incorporation and has not traded since incorporation and as a result there have been no material changes to the Company's capitalisation and indebtedness from the date of incorporation to the date of this document.

As at 18 November 2005, the Company had no indirect or contingent indebtedness.

<i>Capitalisation</i>	<i>18 November 2005</i>
	£
Total current debt	–
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
Total non-current debt	–
– Guaranteed	–
– Secured	–
– Unguaranteed/unsecured	–
Shareholders equity	2
Share capital	2
Legal reserve	–
Other reserves	–
Total	2
<i>Indebtedness</i>	<i>18 November 2005</i>
	£
Cash	–
Cash equivalent	–
Trading securities	–
Liquidity	–
Current financial receivable	2
Current bank debt	–
Current portion of non current debt	–
Other current financial debt	–
Current financial debt	–
Net current financial indebtedness	(2)
Non current bank loans	–
Bonds issued	–
Other non current loans	–
Non current Financial Indebtedness	–
Net Financial Indebtedness	(2)

12 Listing Rules investment restrictions

12.1 In accordance with the Listing Rules and the Prospectus Rules of the UK Listing Authority:

- (a) distributable income will be principally derived from investment; neither the Company nor any member of the Group will undertake a trading activity which is significant in the context of the Group as a whole;
- (b) save for the purpose of funding the members of the Group, not more than 20 per cent. of the gross assets of the Company (consolidated where appropriate) will be lent to or invested in the securities of any one company or group (including loans to or shares in the Company's own subsidiary undertakings) at the time when the investment or loan is made; for this purpose any existing holding in the company concerned will be aggregated with the proposed new investment;
- (c) dividends will not be paid unless they are covered by income received from underlying investments and for this purpose, a share of profit of an associated company is unavailable unless and until distributed to the Company;
- (d) the distribution as dividend of surpluses arising from the realisation of investments will be prohibited;
- (e) the Company will be a passive investor and will not (save in respect of subsidiary undertakings which may be established from time to time) seek to control, or be actively involved in the management of, any companies or businesses in which it invests; and
- (f) the Company will not be a dealer in investments.

12.2 As a property investment company for the purposes of the Listing Rules, the following restrictions will also be adhered to:

- (a) no single property (including all adjacent or contiguous properties) shall, at the time of Admission, constitute more than 15 per cent. of the gross assets of the Company, consolidated where applicable;
- (b) income receivable from any single tenant, or tenants within the same group, in any one financial year shall not exceed 20 per cent. of the total rental income of the Group in that financial year;
- (c) at least 90 per cent. by value of properties held by the Group shall be in the form of freehold or long leasehold properties or the equivalent;
- (d) the proportion of the Group's property portfolio which is unoccupied or not producing income or which is in the course of substantial development, redevelopment or refurbishment shall not exceed 25 per cent. of the value of the portfolio; and
- (e) the Company shall not retain more than 15 per cent. of its net profits, before gains and losses on the disposal of properties and other investments.

13 Third party information

Where information contained in this document has been sourced from a third party, the Company confirms that the information has been accurately reproduced and that as far as it is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the information reproduced inaccurate or misleading.

14 Miscellaneous

- 14.1 There has been no significant change in the financial or trading position of the Company since its incorporation.
- 14.2 The total costs and expenses relating to the Placing (including those fees and commissions referred to in paragraph 5.3 above) payable by the Company are estimated to be approximately £5.3 million, including any VAT payable. The net proceeds of the Placing will be £119.7 million (assuming that the Placing is subscribed in full).
- 14.3 The Placing has not been underwritten.
- 14.4 In making any investment decision in respect of the Placing, no information or representation should be relied on in relation to the Placing, the Company or the Ordinary Shares, other than as contained in this document. No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representations must not be relied on as having been authorised. Neither the delivery of this document nor any subscription made under it shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Group since the date of this document or that the information in this document is correct as of any time subsequent to the date of this document.
- 14.5 BDO Stoy Hayward Corporate Finance is a division of BDO Stoy Hayward LLP. BDO Stoy Hayward LLP, which is registered as a limited liability partnership in England and Wales under number OC305127 and has its registered office at 8 Baker Street, London W1U 3LL, has given and has not withdrawn its written consent to the issue of this document with the inclusion of references to the name BDO Stoy Hayward Corporate Finance in the form and context in which they appear.
- 14.6 Kinmont is registered in England and Wales under number 03456766 and its registered office is at 6 Arlington Street, London SW1A 1RE. It has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.
- 14.7 Cenkos is registered in England and Wales under number 05210733 and its registered office is at 6.7.8 Tokenhouse Yard, London EC2R 7AS. It has given and has not withdrawn its written consent to the issue of this document with the inclusion of its name and references to it in the form and context in which they appear.
- 14.8 The Investment Manager was registered as a limited liability partnership under the Limited Liability Partnership Act 2000 in England and Wales on 11 April 2005 with number OC312705. The Investment Manager's registered office is at 124 Sloane Street, London SW1X 9BW and the telephone number is +44 207 591 1637.
- 14.9 A breach of the investment restrictions set out in paragraph 12 above will be immediately notified to investors by means of a regulatory information service announcement.
- 14.10 The Company has not had any employees since its incorporation and does not own any premises which it occupies.
- 14.11 The Company has not commenced operations and no accounts have been made up and no dividends have been declared by the Company since its incorporation. The Company's accounting period will terminate on 31 December of each year, with the first accounting period ending on 31 December 2006.
- 14.12 Save in respect of its entry into the material contracts summarised in paragraph 5 above and certain non-material contracts, since its incorporation the Company has not carried on business nor traded nor incurred borrowings or indebtedness, and has not granted any mortgages or charges over any property and has not provided any guarantees.

- 14.13 BDO Novus Limited has been the only auditor of the Company since its incorporation. The annual report and accounts will be prepared according to International Financial Reporting Standards.
- 14.14 The Ordinary Shares being issued in connection with the Placing are being issued at 100p per Ordinary Share, all of which constitutes share premium since the Ordinary Shares have no par value.
- 14.15 The principal place of business, the business address for the Directors and the registered office of the Company is East Wing, Trafalgar Court, Admiral Park, St. Peter Port, Guernsey GY1 6HJ.
- 14.16 Other than in the case of Phillip Rose, who is a member of the Investment Manager and its management team, the Directors are not aware of any conflicts or potential conflicts of interest in relation to their duties to the Company arising from their private interests and/or other duties.
- 14.17 The Investment Manager is or may be the promoter of the Company. Save as disclosed in paragraph 7 above, no amount or benefit has been paid, or given, to the promoter or any of its subsidiaries since the incorporation of the Company and none is intended to be paid, or given.
- 14.18 The ISIN number of the Placing Shares is GB00B0P6FY18.

15 Documents available for inspection

Copies of the following documents will be available for inspection at the registered office of the Company and at the offices of Norton Rose at Kempson House, Camomile Street, London EC3A 7AN and at the offices of Carey Commercial Limited at 7 New Street, St. Peter Port, Guernsey GY1 4BZ during usual business hours on any weekday from the date of this document (Saturdays and public holidays excepted) for a period of 14 days or until Admission, whichever is the longer period:

- 15.1 the memorandum of association of the Company and the Articles;
- 15.2 the material contracts referred to in paragraph 5 above;
- 15.3 the written consents referred to in paragraphs 14.5, 14.6 and 14.7 above; and
- 15.4 this document and any supplemental listing documents and circulars.

16 Availability of this document

Copies of this document will be available free of charge to the public from the date of publication of this document for a period of 14 days or until Admission, whichever is the longer period, at the offices of Norton Rose at Kempson House, Camomile Street, London EC3A 7AN during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), and from the Company's registered office in Guernsey.

Dated 23 November 2005



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