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INCLUDING BUT NOT LIMITED TO THE UNITED STATES, THE REPUBLIC OF
SOUTH AFRICA, SINGAPORE, CANADA OR JAPAN**

For immediate release

9 July 2009

RECOMMENDED ACQUISITION

of

Brixton plc

by

SEGRO plc

to be effected

**by means of a Scheme of Arrangement
under Part 26 of the Companies Act 2006**

Summary

- The boards of SEGRO and Brixton announce that they have reached agreement on the terms of a recommended offer by SEGRO for all of the issued and to be issued ordinary share capital of Brixton. Under the terms of the Transaction, Brixton Shareholders will receive 0.175 of a Consideration Share of 10 pence each (the equivalent of 1.75 SEGRO Shares of 1 penny each, adjusted to reflect SEGRO's proposed Share Consolidation) for every 1 Brixton Share. The offer values the entire issued and to be issued ordinary share capital of Brixton at approximately £109.4 million and each Brixton Share at 40.25 pence (based on the Closing Price of 23.00 pence per SEGRO Share on 8 July 2009, being the last Business Day prior to the date of this announcement).
- The combination of Brixton and SEGRO will consolidate SEGRO's position as the largest industrial REIT in Europe by property portfolio value, with a combined property portfolio of £5.5 billion (based on 31 May 2009 property valuations) and with critical mass in complementary geographic locations reinforcing SEGRO's cluster strategy and increasing its exposure to prime business locations, particularly in the Heathrow area and West London.
- The SEGRO Board believes that the Transaction will create a higher quality and more robust business that is capable of improving total returns for the Enlarged Group's shareholders by:
 - achieving operating synergies by rationalising asset management systems across the Enlarged Group;
 - extending SEGRO's asset management skills to reduce vacancies and improve rental income across Brixton's portfolio;
 - creating a larger selection of properties to satisfy tenants' changing property needs;
 - creating value through the selective development of strategic sites, but with a focus on pre-lets in order to reduce risk; and

- continuing to crystallise value in the portfolio of the Enlarged Group through selective disposals of assets where there is limited further scope to add value.
- In order to maintain the Enlarged Group's financial flexibility and covenant headroom following the Transaction, SEGRO has today announced its intention to raise £250 million by means of a Firm Placing and Placing and Open Offer of 119.0 million New SEGRO Shares at 210.00 pence per New SEGRO Share, which is being fully underwritten by J.P. Morgan Securities, UBS and Merrill Lynch. The Firm Placing and Placing and Open Offer is not conditional on the Transaction becoming Effective.
- The SEGRO Group is also announcing a tender offer to the holders of the 2010 Brixton Bonds to buy back any and all of the 2010 Brixton Bonds at a cash purchase price of 99 per cent. of their principal amount and to the holders of the 2015 Brixton Bonds and the 2019 Brixton Bonds to buy back up to £50 million in aggregate principal amount of the collective amount of 2015 Brixton Bonds and 2019 Brixton Bonds tendered at cash purchase prices of 74 per cent. and 72 per cent. of their principal amounts respectively. Holders who tender Brixton Bonds prior to an early participation deadline will receive an early tender fee of 1 per cent. of the principal amount of their Brixton Bonds accepted by SEGRO for tender. SEGRO expects to terminate the tender offer if the Transaction has not become Effective prior to the expiration date of the tender offer. The tender offer is not being made into the United States of America or the Republic of Italy.
- The Brixton Directors, who have been so advised by Citi and Nomura, consider the terms of the Transaction to be fair and reasonable. In providing advice to the Brixton Directors, Citi and Nomura have taken into account the Brixton Directors' commercial assessment of the Transaction. The Brixton Directors intend to recommend unanimously that Brixton Shareholders vote in favour of the resolutions to be proposed at the Brixton General Meeting and the Scheme Meeting, as the Brixton Directors have irrevocably undertaken to do in respect of their own beneficial holdings of 635,051 Brixton Shares in aggregate, representing approximately 0.23 per cent. of the Brixton Shares currently in issue.
- The SEGRO Directors, who have received financial advice from J.P. Morgan Cazenove and UBS, consider the terms of the Transaction to be fair and reasonable. The SEGRO Directors have also received financial advice from Merrill Lynch. In providing advice to the SEGRO Directors, J.P. Morgan Cazenove, UBS and Merrill Lynch have relied upon the SEGRO Directors' commercial assessment of the Transaction. The SEGRO Directors intend to recommend unanimously that SEGRO Shareholders vote in favour of the resolutions to approve and implement the Placing and Open Offer and the Transaction, as they intend to do in respect of their own beneficial holdings of 4,753,621 SEGRO Shares in aggregate, representing approximately 0.08 per cent. of the existing issued ordinary share capital of SEGRO. Each of the Directors who are entitled to take up shares under the Open Offer intends, to the extent that he or she is able to subscribe for the Open Offer Shares.
- It is intended that the Transaction be effected by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act. It is expected that the Scheme Document will be posted as soon as practicable and that, subject to the satisfaction, or where relevant waiver, of all relevant conditions, the Scheme will become effective and the Transaction completed by the end of August 2009.
- The Transaction is conditional on, among other things, certain approvals by SEGRO Shareholders and Brixton Shareholders and the sanction of the Scheme by the Court. In order to become effective, the Scheme must be approved by a majority in number of Brixton Shareholders voting at the Court Meeting, representing not less than 75 per cent. in value of the Brixton Shares that are voted.

Commenting on the Transaction, Nigel Rich, Chairman of SEGRO, said:

“By taking this unique opportunity to combine the assets of the UK's leading industrial property companies, we are strengthening SEGRO's position as the largest industrial REIT in Europe with critical mass in key markets in and around Europe's major cities and transport hubs. We believe this will be a high quality and robust business, well placed to improve returns for investors.”

Commenting on the Transaction, Lady Patten, Chairman of Brixton, said:

“In February, in the face of ongoing challenges in the real estate and financial markets, the board of Brixton announced it was pursuing a range of options to provide the Brixton Group with additional financial flexibility. The Brixton board has worked intensively to identify the most attractive and deliverable proposal for shareholders. This offer best meets these criteria and allows shareholders to participate in any long-term recovery of the industrial property sector and to benefit from the potential additional value and synergies created through the combination.”

SEGRO is hosting an analyst presentation at 9.00 a.m. at UBS, 1 Finsbury Avenue, London EC2M 2PP. The analyst presentation will be webcast live and can be accessed via SEGRO's corporate website at www.SEGRO.com. To participate in the conference call, analysts and investors should dial: UK: 0845 359 0150, International: +44 (0) 207 070 5465.

Enquiries

SEGRO plc

Ian Coull, Chief Executive

Tel: +44 (0)20 7491 0177

David Sleath, Group Finance Director

Siva Shankar, Director of Corporate Finance

J.P. Morgan Cazenove/ J.P. Morgan Securities (joint financial adviser, joint bookrunner, joint sponsor and joint underwriter to SEGRO)

Mark Preston

Tel: +44 (0)20 7588 2828

Robert Fowlds

Barry Weir

Christopher Dickinson

UBS Investment Bank (joint financial adviser, joint bookrunner, joint sponsor, joint underwriter and joint corporate broker to SEGRO)

Fergus Horrobin

Tel: +44 (0)20 7567 8000

Liam Beere

Bill Hutchings

Simon Lyons

Merrill Lynch (joint bookrunner, joint sponsor, joint underwriter and joint corporate broker to SEGRO)

Simon Fraser

Tel: +44 (0)20 7628 1000

Simon Mackenzie-Smith

Peter Brown

Maitland (PR adviser to SEGRO)

Colin Browne

Tel: +44 (0)20 7379 5151

Liz Morley

Brixton plc

Peter Dawson, Chief Executive
Steven Owen, Deputy Chief Executive
Duncan Lamb, Communications

Tel: +44 (0)20 7399 4523
Tel: +44 (0)20 7399 4532
Tel: +44 (0)20 7399 4535

Citi (joint financial adviser and joint corporate broker to Brixton)

Ian Hart
David Plowman
Andrew Forrester

Tel: +44 (0)20 7986 4000

Nomura (joint financial adviser and joint corporate broker to Brixton)

Charles Donald
George Hartley
Nick Sanderson
David Matheson

Tel: +44 (0)20 7102 1000

Brunswick (PR adviser to Brixton)

Simon Sporborg
Kate Miller
Pavla Shaw

Tel: +44 (0)20 7404 5959

This summary should be read in conjunction with the full text of this announcement. Appendix I to this announcement contains the Conditions to, and certain further terms of, the Transaction. Appendix II to this announcement contains further details of the sources of information and bases of calculations set out in this announcement. Appendix III to this announcement contains details of certain irrevocable undertakings received by SEGRO and Appendix IV to this announcement contains definitions of certain expressions used in this summary and in this announcement.

J.P. Morgan Cazenove, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for SEGRO in relation to the Transaction, Placing, Open Offer and Admission of the New SEGRO Shares and is not advising any other person and accordingly will not be responsible to any person other than SEGRO for providing the protections afforded to the clients of J.P. Morgan Cazenove or for providing advice in relation to the matters described in this document.

J.P. Morgan Securities, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for SEGRO in relation to the Placing and Open Offer and is not advising any other person and accordingly will not be responsible to any person other than SEGRO for providing the protections afforded to the clients of J.P. Morgan Securities or for providing advice in relation to the matters described in this document.

UBS is acting for SEGRO in relation to the Transaction, Placing, Open Offer and Admission of the New SEGRO Shares and is not advising any other person and accordingly will not be responsible to any person other than SEGRO for providing the protections afforded to the clients of UBS or for providing advice in relation to the matters described in this document.

Merrill Lynch, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for SEGRO in relation to the Transaction, Placing, Open Offer and Admission of the New SEGRO Shares and is not advising any other person and accordingly will not be responsible to any person other than SEGRO for providing the protections afforded to the clients of Merrill Lynch or for providing advice in relation to the matters described in this document.

Barclays Capital will also be providing financial advice to SEGRO in relation to the Transaction. Barclays Capital, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is not advising any person other than SEGRO and accordingly will not be responsible to any person other than SEGRO for providing the protections afforded to the clients of Barclays Capital or for providing advice in relation to the matters described in this document.

Citigroup Global Markets Limited, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for Brixton and no one else in connection with the Transaction and will not be responsible to anyone other than Brixton for providing the protections afforded to the clients of Citigroup Global Markets Limited or for providing advice in relation to the Transaction or to the matters referred to in this document.

Nomura International plc, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for Brixton and no one else in connection with the Transaction and will not be responsible to anyone other than Brixton for providing the protections afforded to the clients of Nomura International plc or for providing advice in relation to the Transaction or to the matters referred to in this document.

This announcement does not constitute an offer to sell or invitation to purchase any securities or the solicitation of any vote for approval in any jurisdiction, nor shall there be any sale, issue or transfer of the securities referred to in this announcement in any jurisdiction, in contravention of applicable law. This announcement does not constitute a prospectus or a prospectus equivalent document and the New SEGRO Shares are not being offered to the public by means of this document. Brixton Shareholders and SEGRO Shareholders are advised to read carefully the formal documentation in relation to the Transaction and the Placing and Open Offer once it has been dispatched.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. The availability of the Consideration Shares under the terms of the Scheme (or, if the offer is implemented by way of an Offer, of that Offer), if made, to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in the United Kingdom or who are subject to the laws and regulations of other jurisdictions should inform themselves of, and observe, any applicable requirements. This announcement has been prepared for the purposes of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside of England.

The New SEGRO Shares to be issued in connection with the proposed Placing and Open Offer may not be offered or sold in the United States except pursuant to an effective registration statement under the US Securities Act or pursuant to a valid exemption from registration.

To the extent that the Transaction is effected by way of the Scheme, the Consideration Shares to be issued to Brixton Shareholders under the Scheme have not been, and will not be, registered under the US Securities Act, or under the securities laws of any state, district or other jurisdiction of the United States, the Republic of South Africa, Singapore, Canada or Japan.

It is expected that the Consideration Shares will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. Under applicable US securities laws, Brixton Shareholders who are or will be deemed to be 'affiliates' of Brixton or SEGRO prior to, or of the Enlarged Group after, the Effective Date will be subject to certain transfer restrictions relating to the New SEGRO Shares received in connection with the Scheme.

If the Transaction is carried out by way of an Offer, it will not be made, directly or indirectly, in or into the United States, Republic of South Africa, Singapore, Canada or Japan and will not be capable of acceptance from or within the United States, Canada or Japan. Accordingly, copies of this announcement and all documents relating to the Offer will not be, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from the United States, Canada or Japan. If the Transaction is carried out by way of an Offer, the Consideration Shares to be issued in connection with such Offer will not be registered under the Securities Act or under the securities laws of any state, district or jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States, other than pursuant to an exemption from any such registration requirements. SEGRO does not intend to register any such Offer or any part thereof in the United States or to conduct a public offering of the New SEGRO Shares in the United States.

Forward looking statements

The following announcement, including information included or incorporated by reference in this announcement, may contain "forward looking statements" concerning SEGRO and Brixton. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates" or similar expressions identify forward looking statements. The forward looking statements involve risks and uncertainties that could cause actual results to differ materially from those suggested by them. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements which speak only as at the date of this announcement. SEGRO and Brixton assume no obligation and do not intend to update these forward looking statements, except as required pursuant to applicable law.

SEGRO reserves the right to elect (with the consent of the Panel) to implement the Transaction of Brixton by way of an Offer. In such event, the Offer will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Scheme, and will be conditional on (amongst other things) Brixton Shareholders holding at least 90 per cent. (or such lower percentage, being over 50 per cent., as SEGRO may in its absolute discretion decide) of the voting rights of Brixton accepting the Offer.

Nothing in the following announcement is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per Brixton Share or SEGRO Share for the current or future financial years, or those of the Enlarged Group, will necessarily match or exceed the historical published earnings per Brixton Share or SEGRO Share.

Dealing disclosure requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, "interested" (directly or indirectly) in 1 per cent. or more of any class of "relevant securities" of SEGRO or Brixton, all "dealings" in any "relevant securities" of SEGRO or Brixton (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Scheme becomes Effective (or if implemented by way of an Offer, the Offer becomes, or is declared, unconditional as to acceptances) or otherwise lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of SEGRO or Brixton, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the City Code, all "dealings" in "relevant securities" of SEGRO or Brixton by SEGRO or Brixton, or by any of their respective "associates", must be disclosed by no

later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the City Code, which can also be found on the Panel's website. If you are in any doubt as to whether or not you are required to disclose a "dealing" under Rule 8, you should consult the Panel.

The following announcement will be made available on SEGRO's website at www.SEGRO.com and Brixton's website at www.brixton.plc.uk by no later than 12 noon on 9 July 2009.

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RECOMMENDED ACQUISITION

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**by means of a Scheme of Arrangement
under Part 26 of the Companies Act 2006**

1. Introduction

The boards of SEGRO and Brixton are pleased to announce that they have reached agreement on the terms of a recommended proposal whereby SEGRO will acquire the entire issued and to be issued ordinary share capital of Brixton in exchange for New SEGRO Shares.

It is currently intended that the Transaction will be effected by way of a Court sanctioned scheme of arrangement of Brixton under Part 26 of the 2006 Act. The Conditions to the Transaction are set out in Appendix I to this announcement.

2. The Transaction

Pursuant to the Transaction, which will be on the terms and subject to the Conditions and further terms set out below and in Appendix I, and the full terms and conditions to be set out in the Scheme Document, Brixton Shareholders will receive:

**for each Brixton Share 0.175 of a Consideration Share of 10 pence each
(the equivalent of 1.75 SEGRO Shares of 1 penny each, adjusted to reflect SEGRO's proposed
Share Consolidation)**

The Transaction values the entire issued and to be issued ordinary share capital of Brixton at approximately £109.4 million and each Brixton Share at 40.25 pence (based on the Closing Price of 23.00 pence per SEGRO Share on 8 July 2009, being the last Business day before this announcement), representing:

- a discount of approximately 19.1 per cent. to the Closing Price of 49.75 pence per Brixton Share on 21 May 2009 (being the last Business Day prior to the commencement of the Offer Period); and

- a premium of approximately 38.4 per cent to Brixton's three month average share price of 29.10 pence per Brixton Share prior to 21 May 2009 (being the last Business Day prior to the commencement of the Offer Period).

Fractions of Consideration Shares will not be allotted or issued to Brixton Shareholders. Fractional entitlements to Consideration Shares will be aggregated and sold in the market and the net proceeds of sale distributed *pro rata* to the Scheme Shareholders entitled thereto.

The Brixton Shares will be acquired by SEGRO, pursuant to the Transaction, fully paid and free from all liens, equities, charges, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto at the Effective Date or thereafter, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid.

The Consideration Shares will be issued credited as fully paid and will rank *pari passu* in all respects with the existing SEGRO Shares, including the right to receive in full all dividends and other distributions (if any) declared, made or paid by reference to a record date after the Effective Date (and therefore they will not carry any entitlement to any interim dividend or other distribution of SEGRO declared, made or paid in respect of the six-month period ended 30 June 2009).

If the Scheme becomes Effective, it will result in the issue of approximately 47,548,742 million Consideration Shares to Brixton Shareholders, which would result in Brixton Shareholders holding approximately 6.5 per cent. of the Enlarged Share Capital (assuming that 119,047,619 New SEGRO Shares are issued pursuant to the Placing and Open Offer).

3. Brixton Board recommendation

The Brixton Directors, who have been so advised by Citi and Nomura, consider the terms of the Transaction to be fair and reasonable. In providing advice to the Brixton Directors, Citi and Nomura have taken into account the Brixton Directors' commercial assessment of the Transaction. The Brixton Directors intend to recommend unanimously that Brixton Shareholders vote in favour of the resolutions to be proposed at the Brixton General Meeting and the Scheme Meeting, as the Brixton Directors have irrevocably undertaken to do in respect of their own beneficial holdings of 635,051 Brixton Shares in aggregate, representing approximately 0.23 per cent. of the Brixton Shares currently in issue.

Further details of these irrevocable undertakings are set out in paragraph 6 of this announcement.

4. Background to and reasons for the Transaction

As a leading provider of business space across the UK and Continental Europe, SEGRO focuses its business model on the careful and well-timed acquisition of assets, adding value through asset management and selective development while maximising cash flow from its investments and crystallising value through sales of mature assets to optimise returns on shareholders' equity. Adding the Brixton property portfolio to SEGRO's will be a major step in this strategy.

Over the past five years, SEGRO's strategy has been to reshape its portfolio by exiting non-core markets, divesting non-core assets and focusing on business space in key locations in the UK and Continental Europe. The majority of its business parks and estates are located in strategic clusters based around major commercial cities and transport nodes across Europe. This concentration of holdings provides economies of scale, facilitates deeper understanding of local markets and allows more effective asset management, marketing and leasing activities.

The combination of Brixton and SEGRO will reinforce SEGRO's position as the largest industrial REIT in Europe by property portfolio value, with a combined property portfolio of £5.5 billion and with critical mass in complementary geographic locations reinforcing SEGRO's cluster strategy and increasing its exposure to prime business locations, particularly in the Heathrow area and West

London. In the Greater London area, the Enlarged Group will own and manage £1.6 billion of assets, which will represent 28 per cent. of its total portfolio as at 31 May 2009.

Brixton's portfolio as at 31 May 2009 includes sites with a total area of approximately 42.08 acres where it has existing planning consents. However, it has no developments under construction. When market conditions stabilise, the combined land holdings will represent a significant opportunity for the Enlarged Group to make selective developments, in line with the prudent approach adopted by SEGRO.

The SEGRO Board believes that the Transaction will create a higher quality and more robust business that is capable of improving total returns for SEGRO shareholders by:

- achieving operating synergies by rationalising asset management systems across the Enlarged Group;
- extending SEGRO's asset management skills to reduce vacancies and improve rental income across Brixton's portfolio;
- creating a larger selection of properties to satisfy tenants' changing property needs;
- creating value through the selective development of strategic sites, but with a focus on pre-lets in order to reduce risk; and
- continuing to crystallise value in the portfolio of the Enlarged Group through selective disposals of assets where there is limited further scope to add value.

The SEGRO Board believes that SEGRO is in a unique position to utilise its experience in active property and customer management to benefit from the upside potential of Brixton's portfolio.

The SEGRO Board believes that, as a result of the significant correction in UK investment property and land values, this is an opportune time to invest in high quality and complementary UK industrial and logistics real estate in its core areas. The Enlarged Group will continue to build on SEGRO's reputation as a leading supplier of business space in Europe and to add value through its focus on cash flow, and active asset management.

The SEGRO Board believes that the acquisition of Brixton represents compelling value for SEGRO: the Offer (including transaction costs) implies a value for the Brixton property portfolio of £70 per square foot of built space (excluding joint ventures), compared with an independent valuation of £86 per square foot at 31 May 2009 or £88 per square foot for SEGRO's UK portfolio at 31 May 2009. These valuations suggest that the Offer represents an attractive price for the land within Brixton's property portfolio, when compared to an indicative replacement cost of £65 per square foot (indicative replacement cost is a managerial estimate of the construction cost of an industrial property with approximately 10 per cent. office space and excluding the cost of the underlying land).

SEGRO's offer values Brixton's property portfolio at a 19 per cent. discount to its valuation as at 31 May 2009 and a 35 per cent. discount to its valuation as at 31 December 2008 and represents an implied initial yield of 8.7 per cent. on investment properties, an implied initial yield on let properties of 11.0 per cent. and an implied equivalent yield of 11.7 per cent. on investment properties compared with 6.7 per cent., 8.5 per cent. and 8.5 per cent. respectively in the property valuations undertaken as at 31 May 2009. This yield calculation includes the Brixton Group's debt at its estimated market value on acquisition, which is below its par value.

Furthermore, the SEGRO Directors believe the Transaction provides considerable potential for SEGRO to profit through the reduction of un-let space in Brixton's portfolio and through any recovery in asset values from their current low levels.

5. Background to and reasons for the Brixton Board recommendation

Since the onset of the major problems within the international financial system in mid-2007, there has been a substantial reduction in the supply of available finance for property investment. Financial

markets continued to deteriorate throughout 2008, necessitating unprecedented support from central banks and governments. At the same time, investor sentiment towards the real estate sector has been adversely affected by concerns over the broader economic climate and its likely impact on demand for commercial space from occupiers.

These factors have resulted in weakening property values in the UK and elsewhere. Overall, 2008 saw a substantial fall in the volume of property transactions in the UK and widespread declines in commercial property values. By way of illustration, between June 2007 and December 2008 the Investment Property Databank UK All Property Monthly Index showed a reduction in capital values of approximately 36 per cent., including the largest fall on record in a single calendar year. In common with other property companies in the UK, the value of Brixton's portfolio has therefore declined, despite its operational performance remaining relatively robust. For the year ended 31 December 2008, the value of the Brixton Group's property portfolio (including its share of joint ventures) fell by £673 million, or 27.2 per cent. (including by 19.2 per cent. in the six months ended 31 December 2008).

The speed and extent of these valuation declines have presented Brixton with a number of challenges regarding its capital structure, particularly in relation to its bank and bond covenants, its debt maturity schedule and the impact of volatility in a low interest rate environment on the fair value liability of its derivatives portfolio, which stood at £104.7 million as at 30 June 2009 (compared to £173.2 million as at 31 December 2008).

On 16 March 2009, Brixton announced its preliminary results and updated the market that it could as at 31 December 2008 withstand a further valuation decline of approximately 10 per cent. before it would be at risk of breaching its asset cover ratio ("ACR") covenant when it was next tested. Brixton also noted that it had over £375 million of drawn bank facilities and unsecured bonds that would be repayable before the end of 2010.

Following evidence of further significant valuation declines during January 2009, the Board of Brixton announced on 18 February 2009 that it was pursuing a range of options including a potential equity raising, a refinancing of the Group's debt and disposals from its investment portfolio in order to provide additional financial flexibility and to mitigate the risks referred to above. On 3 March 2009, Brixton announced that Peter Dawson had been appointed as Chief Executive with immediate effect, succeeding Tim Wheeler.

Brixton has explored potential equity raising options at length. Various structures have been considered and discussed with many of Brixton's key shareholders and potential new investors. These have included raising additional capital from a new cornerstone investor, either in the form of ordinary equity or a convertible preferred instrument, as well as raising additional capital from existing shareholders. In parallel, Brixton has been in discussions with its lending banks to renegotiate the terms of its bilateral facilities into a single syndicated facility with an increased maturity profile and revised covenants. Significant progress has been made and on 22 June 2009 Brixton announced that it had secured a waiver of any potential breach of the ACR covenant until 31 July 2009. However, due to concerns from shareholders and potential new equity investors about the ability to renegotiate Brixton's lending arrangements on acceptable terms and without negatively affecting its cash flows, it has not been possible to guarantee the level of commitment required to support an equity offering within the time available.

At the same time, the Brixton Board has successfully implemented disposals from its investment portfolio. On 19 March 2009, Brixton announced the sale of two buildings for £7 million and on 13 May 2009 the sale of four industrial units to AEW Europe for a total consideration of £70.25 million. The properties sold to AEW had a net initial yield of between 6.7 per cent. and 8.1 per cent., representing an average discount to the 31 December 2008 valuations of approximately 19 per cent.. In June 2009, Brixton announced further property sales, taking the aggregate value of properties sold

since March 2009 to £82 million, an average discount of 17.6 per cent. to the December 2008 valuation. This compares to the 31 May 2009 valuation, which shows a valuation deficit of £368 million, a decrease of 21.5 per cent. in the first five months of 2009. This brings the total valuation deficit since June 2007 to £1,202 million. The valuation fall from peak levels to 31 May 2009 is 46 per cent.. Brixton has also explored further asset disposals. However, the Brixton Board believes that these further disposals, while generating significant cash proceeds and increased liquidity for Brixton, would severely impact earnings and would be insufficient to avoid potential breaches of covenants.

As announced on 22 May 2009, the Board of Brixton received preliminary approaches relating to possible offers for Brixton and entered into discussions with a small number of parties to explore whether this option could maximise shareholder value. These discussions were held whilst continuing to progress the other options open to Brixton. The discussions culminated in an announcement on 22 June 2009 by SEGRO that it had reached agreement with the Board of Brixton on the financial terms of a possible recommended offer on the basis of 1.75 SEGRO shares for each Brixton share. Of all the options explored, the Board of Brixton believes that this proposal delivers the best value and certainty to shareholders and provides Brixton with the most comprehensive solution, for the following reasons:

- the combination of the two companies will create Europe's leading listed industrial REIT with an enhanced position in the UK;
- the Transaction should create a more resilient business with additional financial flexibility, which should be capable of improving total returns for shareholders and ensuring that Brixton's high quality portfolio is not sold into a weak market;
- it will avoid the near-term risk of Brixton breaching its debt covenants and allow Brixton to meet its forthcoming debt maturities; and
- the consideration, which is in the form of marketable, liquid SEGRO shares at an attractive point in the cycle will allow Brixton Shareholders to participate in any long-term recovery of the industrial property sector and to benefit from the potential additional value and synergies created through the combination.

Furthermore, the implied offer price represents a premium of 38.4 per cent. to Brixton's three month average share price of 29.10 pence per share prior to the announcement on 22 May 2009.

The Board of Brixton has worked intensively over the last five months to identify the most attractive and deliverable proposal for shareholders. Over this period, it has become increasingly clear that SEGRO's proposal is the one that best meets these criteria. Whilst there can be no certainty as to what would happen in the absence of a successful offer by SEGRO, it is possible that were Brixton unable to raise the necessary equity funds to avoid a breach of covenants and to address its 2010 debt maturities, Brixton would risk a financing default occurring, leaving shareholders with little or no value. Accordingly, the Board of Brixton has concluded that it should recommend SEGRO's offer to Brixton shareholders.

6. Irrevocable undertakings

SEGRO has received irrevocable undertakings to vote in favour of the resolutions to be proposed at the Brixton General Meeting and the Scheme Meeting (or, if applicable, to accept the Offer) from the Brixton Directors who hold Brixton Shares in respect of aggregate holdings of 635,051 Brixton Shares, representing approximately 0.23 per cent. of the entire existing issued Brixton Shares.

The irrevocable undertakings given by the Brixton Directors will cease to be binding if any of the following occurs:

- the Scheme or any resolution to be proposed at the Brixton General Meeting is not approved by the requisite majority of Brixton Shareholders at the Scheme Meeting or at the Brixton General Meeting;
- the Approval Resolution is not proposed or, if proposed, is withdrawn or not approved at the SEGRO General Meeting;
- the Scheme lapses or is withdrawn in accordance with its terms;
- the Scheme has not become effective by 9.00 a.m. on 15 September 2009 (or such later time as may be agreed between SEGRO and Brixton, with the approval of the Court and/or the Panel if required);
- if the Transaction is implemented by way of an Offer, the Offer is not made (by posting of an offer document) within 28 days after the release of this announcement (except as may be otherwise agreed between SEGRO and Brixton); or
- if the Transaction is implemented by way of an Offer, the Offer lapses or is withdrawn without having become wholly unconditional.

The irrevocable undertakings were given on the basis of the value of this Transaction set out in this announcement. Further details of the irrevocable undertakings are set out in Appendix III to this announcement.

7. Background to and reasons for the Placing and Open Offer

Over the course of the last year, the SEGRO Board has implemented a number of measures to strengthen the SEGRO Group's financial position. On 25 February 2009, SEGRO announced it had reached agreement with its lending banks and one note-holder to increase the maximum gearing covenant (the ratio of total consolidated net borrowings to share capital and reserves (after adding back deferred tax)) on all of its banking facilities and its Euro Note from 125 per cent. to 160 per cent., which has provided additional headroom to accommodate further falls in property values.

Furthermore, in April 2009 SEGRO raised £501 million (net of expenses) through the Rights Issue which significantly strengthened the SEGRO Group's financial position and reduced the longer term risk of SEGRO breaching its revised gearing covenants. Immediately following the Rights Issue, SEGRO was in a position to withstand a further 30 per cent. fall in the value of its portfolio from its valuations as at 31 December 2008 without breaching these covenants.

In addition, SEGRO today announces it has agreed terms, subject to documentation, with certain of its core relationship banks with regard to new or extended banking facilities amounting to £200 million in aggregate, which are expected to be in place before the Effective Date.

Since the time of the Rights Issue, in line with its stated intentions at the time, SEGRO has continued its programme of disposing of mature and non-core assets and has achieved sales of properties amounting to £71.6 million in the five months to 31 May 2009.

Following the Transaction, absent a raising of new capital, the Enlarged Group would experience less financial flexibility and lower covenant headroom compared with the SEGRO Group on a stand-alone basis, as a consequence of the Brixton Group's substantial indebtedness. The SEGRO Board therefore believes that, in order to ensure that the Enlarged Group benefits from a strong financial position, it is prudent to raise further capital, in addition to the proceeds of the disposal programme, through the Placing and Open Offer. The Placing and Open Offer will raise net proceeds of approximately £241.2 million, which the Enlarged Group will use to reduce borrowings under the SEGRO Group's existing banking facilities (which will remain available to be re-drawn).

The Placing and Open Offer are conditional on, *inter alia*, the Share Consolidation becoming effective and the passing of the Approval Resolution, but they are not conditional on the Transaction becoming Effective. If the Transaction does not become Effective, the SEGRO Board intends to

return to all SEGRO Shareholders (including those who do not participate in the Placing and Open Offer) substantially all of the net proceeds raised through the Placing and Open Offer.

The SEGRO Directors believe the Placing and Open Offer will:

- allow the board of the Enlarged Group to continue to manage the business with a prudent and conservative balance sheet;
- strengthen the Enlarged Group's financial position and reduce the longer term risk of the Enlarged Group breaching the covenants in its facility agreements in the event of further significant falls in property values;
- protect the Enlarged Group against additional falls in asset values of 30.8 per cent. from 31 December 2008 valuations before breaching the covenants in its facility agreements; and
- remove any need to sell high-quality assets at potentially unattractive prices.

8. Details of the Placing and Open Offer

The Placing and Open Offer are conditional on the Share Consolidation becoming effective, the Placing Agreement becoming unconditional in all respects relating to the Placing and Open Offer (save for Admission and Euronext Admission of the Firm Placed Shares and the Open Offer Shares) and not having been terminated in accordance with its terms and the passing of the Approval Resolution. However, the Placing and Open Offer are not conditional upon the Transaction becoming Effective. If the Transaction does not become Effective, the SEGRO Board intends to return to all SEGRO Shareholders (including those who do not participate in the Placing and Open Offer) substantially all of the net proceeds raised through the Placing and Open Offer. If the conditions to the Placing Agreement, which are summarised below, are not satisfied or waived, the Placing and Open Offer will not proceed and application monies in relation to the Open Offer will be returned to applicants with interest as soon as possible thereafter.

The Placing

J.P. Morgan Cazenove, UBS and Merrill Lynch, as agents for SEGRO, have made conditional arrangements to place the 59,523,809 Firm Placed Shares of 10 pence each (assuming the Share Consolidation has become Effective) firm with institutional investors at the Issue Price of 210.00 pence per Firm Placed Share. The Firm Placing is expected to raise approximately £125.0 million (before expenses). The Firm Placed Shares are not subject to clawback and therefore do not form part of the Open Offer.

J.P. Morgan Cazenove, UBS and Merrill Lynch, as agents for SEGRO, have also made arrangements to conditionally place the 59,523,810 Open Offer Shares of 10 pence each (assuming the Share Consolidation has become Effective) with institutional investors at the Issue Price of 210.00 pence per Open Offer Share, subject to clawback in respect of valid applications made by Qualifying SEGRO Shareholders under the Open Offer.

The Open Offer

The Open Offer is an opportunity for Qualifying SEGRO Shareholders to subscribe for 59,523,810 Open Offer Shares *pro rata* to their current holdings at the Issue Price of 210.00 pence per Open Offer Share in accordance with the terms of the Open Offer and is intended to provide Qualifying SEGRO Shareholders with an opportunity to participate in the fundraising. Each Qualifying SEGRO Shareholders's Open Offer entitlement has been calculated on the assumption that the Share Consolidation has become Effective. The Open Offer is expected to raise approximately £125 million (before expenses), including the proceeds of the Placing of any Open Offer Shares not clawed back under the Open Offer.

The Issue Price of 210.00 pence per share for both the Firm Placed Shares and the Open Offer Shares represents a discount of approximately 8.7 per cent. to the Closing Price of 23.00 pence per SEGRO Share of 1 penny on 8 July 2009 (after taking into account the effects of the Share Consolidation).

The Open Offer Shares are being offered to Qualifying SEGRO Shareholders, subject to the terms and conditions of the Open Offer and on the assumption that the Share Consolidation has become Effective, on the following basis:

0.1048 Open Offer Shares of 10 pence each for every one Existing SEGRO Share of 10 pence registered in the name of each Qualifying SEGRO Shareholder at the close of business on the Open Offer Record Date, and so in proportion for any other number of SEGRO Shares then registered. In effect, taking into account the Share Consolidation, the Open Offer is being made on a 0.10484 for 1 basis at the Issue Price of 210.00 pence per New SEGRO Share. Entitlements of Qualifying SEGRO Shareholders will be rounded down to the nearest whole number of Open Offer Shares. Any resulting fractional entitlements of Qualifying SEGRO Shareholders arising under the Open Offer will not be allocated pursuant to the Open Offer, but will be aggregated and placed, for the benefit of the Company.

If a Qualifying SEGRO Shareholder takes up his entitlement under the Open Offer, his shareholding will be diluted by up to 14.6 per cent. by the issue of the Firm Placed Shares and the Consideration Shares (assuming the Transaction proceeds and the Qualifying SEGRO Shareholder does not receive Firm Placed Shares or receive Consideration Shares as a Brixton Shareholder). If a Qualifying SEGRO Shareholder does not take up any of his entitlement under the Open Offer, his shareholding will be diluted by up to 22.7 per cent. by the issue of the Firm Placed Shares, the Open Offer Shares and the Consideration Shares (assuming the Transaction proceeds and the Qualifying SEGRO Shareholder does not receive Firm Placed Shares or Open Offer Shares where these are placed or receive Consideration Shares as a Brixton Shareholder).

Qualifying Eurocler Shareholders will be entitled to take up their entitlements under the Open Offer and acquire Open Offer Shares on similar terms to other Qualifying SEGRO Shareholders.

The Firm Placed Shares and Open Offer Shares, when issued, will be fully paid and will rank *pari passu* in all respects with the existing SEGRO Shares, including the right to receive all dividends and other distributions declared, made or paid by reference to a record date on or after their date of allotment, including entitlement to any interim dividend or other distribution (if any) of SEGRO declared, made or paid in respect of the six month period ended 30 June 2009.

9. Financial effects of implementing the Transaction and the Placing and Open Offer

While the risks of integrating the SEGRO and Brixton businesses are expected by the Board of SEGRO to be relatively low and the one-off integration costs of £11 million are expected to be incurred in the second half of 2009, the SEGRO Board anticipates that the cost savings from synergies will reach £12 million per annum from 2010. After adjusting for the effect of the Placing and Open Offer, the Transaction is expected to significantly enhance earnings per SEGRO Share from the first full year after it becomes Effective.⁽¹⁾⁽²⁾

In addition to the positive impact on earnings per SEGRO Share, the SEGRO Board believes that the Transaction will significantly enhance SEGRO's proven business model and should increase the net asset value per SEGRO Share over the medium term.

¹ Nothing in this announcement is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per SEGRO Share for the current future financial years, or those of the Enlarged Group, will necessarily match or exceed the historical earnings per SEGRO Share or per Brixton Share.

² Before intangible amortisation, goodwill impairment, valuation gain/ losses, exceptional items, trading properties and other income, and any amortisation charges arising from fair value accounting of Brixton Bonds.

10. Financing of the Enlarged Group

Brixton Banking Facilities

SEGRO has undertaken to Brixton under the terms of the Implementation Agreement that, on the Effective Date, the SEGRO Group will subscribe and pay for new equity in Brixton (the “Capitalisation”). Brixton will use the funds it obtains via the Capitalisation to repay all of the borrowings drawn on the Brixton Bank Facilities and cancel the Brixton Bank Facilities. The Brixton Bank Facilities will thus not become a part of the capital resources of the Enlarged Group.

Brixton Bonds

All three series of Brixton Bonds contain a gearing ratio covenant under which Brixton’s net borrowings may not exceed 175 per cent. of Brixton’s Adjusted Capital and Reserves. There is a risk that, in the absence of remedial action, this gearing ratio covenant could be breached in relation to the Brixton Bonds owing to decreasing property values and that any such breach may be demonstrated if the Brixton Board draws up and approves a balance sheet for Brixton as at 30 June 2009. The risk of a breach of the gearing ratio covenant is greater under the 2010 Brixton Bonds than under the 2015 Brixton Bonds or 2019 Brixton Bonds as, in calculating the gearing ratio covenant under the 2010 Brixton Bonds (which is done in accordance with IFRS), it is necessary to include the marked-to-market valuation of Brixton’s portfolio of derivative financial instruments (which as at 30 June 2009 showed a liability of £104.7 million), which is not the case for the 2015 Brixton Bonds and 2019 Brixton Bonds (under which the calculations are done in accordance with UK GAAP). The commitment made by SEGRO to Brixton to undertake the Capitalisation is designed to ensure that no such breach of the gearing ratio covenant occurs by virtue of the falls in the value of the Brixton property portfolio that are currently anticipated and that no breach of the priority debt restrictions in the SEGRO bank facilities would be triggered by the debt in the Brixton Group. Although a buy-back of Brixton Bonds is expected, such buy-back does not form part of the above remedial action and is not required to ensure no breach of the gearing ratio covenant in any of the Brixton Bonds. Accordingly, the SEGRO Directors do not believe that the gearing ratio covenants in the Brixton Bonds will be breached within the next 12 months.

The SEGRO Group is also announcing a tender offer to the holders of the 2010 Brixton Bonds to buy back any and all of the 2010 Brixton Bonds at a cash purchase price of 99 per cent. of their principal amount and to the holders of the 2015 Brixton Bonds and the 2019 Brixton Bonds to buy back up to £50 million in aggregate principal amount of the collective amount of 2015 Brixton Bonds and 2019 Brixton Bonds tendered at cash purchase prices of 74 per cent. and 72 per cent. of their principal amounts respectively. Holders who tender Brixton Bonds prior to an early participation deadline will receive an early tender fee of 1 per cent. of the principal amount of their Brixton Bonds accepted by SEGRO for tender. SEGRO expects to terminate the tender offer if the Transaction has not become Effective prior to the expiration date of the tender offer. The tender offer is not being made into the United States of America or the Republic of Italy.

Derivatives

The Brixton Group has significant exposure to levels of volatility and shifts in long term interest rates under its existing portfolio of derivative financial instruments, which, as at 30 June 2009 (unaudited), had an aggregate fair value of negative £104.7 million, as compared to negative £173.2 million as at 31 December 2008 and negative £34.9 million as at 31 December 2007. The decrease from 2007 to 2008 was principally due to (i) large reductions in long-term market interest rates in 2008 and (ii) significant increases in market volatility in the second half of 2008. As at 30 June 2009, long-term market interest rates have increased and volatility has declined compared with the levels seen in the second half of 2008.

SEGRO is considering a range of options in relation to its plans to restructure Brixton's current portfolio of derivative financial instruments to reduce volatility and uncertainty, and therefore reduce the overall potential for the Brixton Group's hedging activity to impact the financial performance of the Enlarged Group, which include:

- unwinding the derivative financial instruments;
- restructuring certain elements of certain derivative financial instruments with the aim of reducing potential marked-to-market variability; and/or
- partially unwinding those derivative financial instruments which SEGRO identifies as presenting unfavourable or unnecessary exposure while maintaining those derivative financial instruments which SEGRO identifies as continuing to be valuable as a hedge against the interest rate risks associated with the Brixton Bonds and Brixton Bank Facilities.

In addition, to the extent that a derivative financial instrument identifiably relates to a specific underlying debt obligation of the Brixton Group which has been or is being terminated, SEGRO anticipates that such derivative financial instrument may be closed out, subject to the appropriate tax analysis. The cost to the Enlarged Group of any termination of any of Brixton's derivative financial instruments would be based on the marked-to-market valuation of the derivative financial instruments on the termination date would include related early termination costs and tax charges which could be significant.

11. SEGRO current trading, trends and prospects

(a) Property values

The SEGRO Group typically only carries out a formal property valuation for its year end (31 December) and half year (30 June) financial reports. However, in conjunction with the Placing and Open Offer, the SEGRO Group's portfolio was re-valued as at 31 May 2009 which showed that the SEGRO Group's portfolio has declined by 10.4 per cent. (when adjusted for £101 million of capital expenditure and £71 million of disposals) since 31 December 2008 (and by 10.9 per cent. when excluding trading assets and joint ventures). Over this period, the valuation of SEGRO's UK portfolio has declined by 12.8 per cent. The IPD UK All Industrial Index (Capital Value) has declined by 10.1 per cent., and the valuation of SEGRO's Continental European portfolio declined by 7.8 per cent. Within this, the valuation of completed investment properties (excluding joint ventures and trading assets) in the UK and Continental Europe fell by 11.9 per cent. and 6.7 per cent.

The rate of the IPD UK All Industrial Index capital decline in the UK has moderated over recent months, while in Continental Europe, an increase in investment yields appears to be occurring across most geographic markets and asset classes. These market trends are likely to result in a reduction in the carrying value of the SEGRO Group's investment and trading properties, and will adversely affect the SEGRO Group's ability to achieve profitable trading property disposals this year. The SEGRO Directors estimate that the valuation of the SEGRO Group's property portfolio as at 31 May 2009 will give rise to a write down of the carrying value of trading properties (which are recorded at the lower of cost or realisable value) amounting to approximately £14.3 million at that date and which is likely to be recorded in the SEGRO Group's half year results to 30 June 2009.

The following table sets forth the initial, reversionary and equivalent yields for the SEGRO Group's completed portfolio (excluding developments and land holdings) in the UK and Continental Europe as at 31 May 2009.

London portfolio as at 31 May 2009 ⁽¹⁾ (%)	UK as at 31 May 2009 ⁽¹⁾ (%)	Continental Europe as at 31 May 2009 ⁽¹⁾ (%)
-------------------------------------------------------------	--------------------------------------------	------------------------------------------------------------------

Initial yield ⁽²⁾	6.6	7.4	6.6
Equivalent yield	8.3	8.7	7.5
Reversionary yield ⁽³⁾	8.9	8.8	7.6

Notes:

1. Normal purchaser's costs (assumed to be 5.725 per cent. of the value of the acquired property) are also included in the calculation of yields. Note this basis of yield calculation differs from the basis reported as at 31 December 2008 which provided a simple initial yield based on the annualized passing rent without deduction of costs and on the reported book value of properties without the addition of purchasers' costs.

2. Represents the initial return derived from a property (including traders and joint venture properties) calculated by dividing the net rent by the gross capital value of the SEGRO Group's properties as determined by SEGRO's Valuers. The net rent is calculated by taking the gross rent receivable and netting this down to take account of revenue costs such as empty rates. The gross capital value is the market value of the property with purchaser's costs, and capital costs such as marketing costs, letting costs and refurbishments added back.

3. Represents the anticipated yield once the annualized passing rent reaches the ERV, calculated by dividing the ERV by capital value.

(b) Occupier market and leasing performance

The SEGRO Group achieved £12.5 million of annualised rental income from lettings for the five months ended 31 May 2009 with total space let (including joint ventures at 100 per cent. but excluding short term licences) of 241,000 square metres from 95 transactions. This compares to £12.3 million of annualised rental income in the equivalent period in 2008 with total space let of 207,000 square metres from 137 transactions. Major lettings in the five months to 31 May 2009 including 8,900 square metres to Geodis Wilson in Feltham for an annualised rental income of £1.3 million (the largest letting in the Heathrow area for two years), 14,300 square metres to Plastic Omnium in Gilwice (Poland) for an annualised rental income of £0.8 million, and the take up of previously contracted 14,300 square metres to Athletic International in Warsaw for an annualised rental income of £0.4 million. Space returned (including joint ventures at 100 per cent. but excluding short term licences) in the period amounted to 182,000 square metres (129,000 square metres in the equivalent period in 2008), corresponding to £10.7 million of annualised rental income (£8.9 million in the equivalent period in 2008).

Whilst the SEGRO Group continues to receive a number of enquiries for new space, the overall quantity of such enquiries has reduced in 2009 from previous years and the time taken to convert enquiries to new lettings has lengthened. The rate of lease renewal and unexercised breaks, in rental value terms, has been at 47 per cent. in the UK in the first five months of 2009. It is intended that this data will be collected in Continental Europe from 2010. Rental levels on new leases, rent reviews and lease renewals have generally been at or slightly below 31 December 2008 ERVs. Further, lease incentives were on average up from 5 per cent. to 10 per cent. of the total rent payable for the five months ended 31 May 2009.

As expected by the SEGRO Directors, the number of customer insolvencies has shown an increase in the UK with 13 properties returned due to customer insolvencies in the five months to 31 May 2009 (11 in the equivalent period in 2008) representing annual rental income of £1.1 million (£0.5 million in the equivalent period in 2008). A further £1.6 million of rent is at risk with 20 customers currently in administration or going through a liquidation process, representing approximately 1 per cent. of the UK rent roll.

In Continental Europe, six properties have been returned to the SEGRO Group through insolvency, (one building in the equivalent period in 2008) representing approximately £1.1 million of annual rental income (£0.1 million in the equivalent period in 2008). A further £5.7 million of rent is at risk with six customers currently in administration or going through a liquidation process, representing approximately 5 per cent. of the Continental European rent roll. This includes Arcandor and its subsidiaries, Karstadt (£2.6 million passing rent) and Quelle (£2.0 million passing rent), which went into administration after 31 May 2009. The administration of Arcandor and its subsidiaries is at an early stage and is still quite fluid. Neckermann (49 per cent. owned by Arcandor and 51 per cent. by Sun Capital) with £15.6 million in passing rent, appears unaffected so far. Due to rent guarantees

(about 30 per cent. of a year's rent for Arcandor), the current year impact will be minimal but could be significant next year. The overall Arcandor portfolio is under-rented by more than 10 per cent., and most of the properties are well located with good prospects for re-letting or re-development.

As at 31 May 2009, the vacancy rates by area (including 100 per cent. of joint ventures) increased to 10.9 per cent. compared to 9.7 per cent. as at 31 December 2008. As at 31 May 2009, the vacancy rate in the UK has increased to 10.8 per cent. (9.9 per cent. as at 31 December 2008) and the vacancy rate in Continental Europe has risen to 11.1 per cent. (31 December 2008: 9.4 per cent.), as a result of planned development completions.

c) Development activity and capital recycling

The SEGRO Group continues to exercise tight control on new development activity. Whilst a number of previously announced and pre-contracted development projects were commenced in the five months to 31 May 2009, no new capital expenditure or development starts have been authorised, reflecting the SEGRO Group's aims of reducing its near term development exposure and preserving capital.

198,200 square metres of developments were completed in the five months to 31 May 2009 (115,000 square metres in the equivalent period in 2008), 56 per cent. of which have been let or sold. As at 31 May 2009, 93,000 square metres of developments were under construction and future capital expenditure of approximately £104 million is expected to be incurred to complete these projects. The annual rental income associated with these projects when completed and fully let is expected by the SEGRO Directors to amount to approximately £17.7 million, of which 72 per cent. had already been secured under pre-letting agreements signed to date. Total capital commitments for the period after 31 May 2009, as at 31 May 2009, were £176 million.

During the five months to 31 May 2009, the SEGRO Group also disposed of £71.6 million of assets comprising £49.3 million of assets from the UK portfolio at an average initial yield of 9.1 per cent. and at an average 15.3 per cent. discount to 31 December 2008 valuations, and £22.3 million of assets from the Continental European portfolio at an initial yield (excluding land) of 7.0 per cent. and at an average 4.2 per cent. premium (excluding land) to 31 December 2008 valuations.

A further £30 million of assets were disposed of in June 2009 and as the date of this announcement £71 million of asset deals have exchanged but not completed.

The SEGRO Group has lost £13.5 million in annualised passing rent as a result of disposals completed or exchanged since 31 December 2008.

12. Dividend policy

The SEGRO Board reviewed and revised its dividend policy at the time of the Rights Issue. There will be no change in the Company's dividend policy as a result of the Transaction. The SEGRO Board's dividend policy is based upon balancing the needs of the business with the requirement for dividend growth and takes into account the prevailing property market conditions, expected future earnings and the requirement under REIT and French SIIC rules to make particular distributions. The SEGRO Board aims to grow the dividend in line with underlying UK and overseas recurring property rental earnings.

The Firm Placed Shares and the Open Offer Shares (but not the Consideration Shares) will be entitled to receive the interim dividend for the financial year ending 31 December 2009 which is expected to be 4.6p per SEGRO Share (after taking account of the proposed Share Consolidation). The interim dividend is expected to be declared with the Company's half-year results on 27 August

2009 and to be paid on 2 October 2009 to SEGRO Shareholders on SEGRO's register of members at 5.00 p.m. on 21 August 2009.

13. Brixton current trading, trends and prospects

Property values

The Brixton Group typically only carries out a formal property valuation for its year end (31 December) and half year (30 June) financial reports. However, in conjunction with the publication of the Prospectus the Brixton Group's portfolio was re-valued as at 31 May 2009, being the latest practicable date prior to the publication of this document. As at 31 May 2009 the valuation of the Brixton Group's portfolio (including the Brixton Group's share of joint ventures) has fallen by approximately 21.5 per cent. (when adjusted for £4.7 million of capital expenditure and £92.9 million of disposals) since 31 December 2008, while the IPD UK All Industrial Index (Capital Value) has declined by 10.1 per cent. during the same period. The next valuation of the Brixton Group's properties is expected to be as at 30 June 2009.

As at 31 May 2009, the value of the Brixton Group's portfolio by geographic location was as follows: Heathrow was valued at £487 million, Park Royal was valued at £472 million; rest of Greater London was valued at £80 million; rest of South East was valued at £192 million; and Manchester was valued at £112 million. As at 31 May 2009 the valuation of the Brixton Group's portfolio by geographic location has declined by the following: Heathrow by 19.9 per cent.; Park Royal by 23.0 per cent.; rest of Greater London by 22.5 per cent.; rest of South East 22.1 per cent.; and Manchester by 20.6 per cent.

As at 31 May 2009, the market value of the Brixton Group's let portfolio was £1,013 million, the market value of the vacant properties was £267 million, and the market value of the development land was £63 million.

The following table sets forth the initial, equivalent and reversionary yields on an unadjusted and adjusted basis for the Brixton Group's portfolio as at 31 May 2009.

	UK as at 31 May 2009 ⁽¹⁾ (%)	Adjusted as at 31 May 2009 ⁽¹⁾⁽⁴⁾ (%)
Initial yield ⁽²⁾	6.4	6.7
Equivalent yield ⁽³⁾	8.5	8.5
Reversionary yield ⁽⁵⁾	8.7	9.1

Notes:

1. Yields shown are after allowing for normal purchaser's costs (assumed to be 5.725 per cent. of the value of the acquired property).
2. Represents the initial return derived from a property (including joint venture properties) calculated by dividing the net rent by the gross capital value of the Brixton Group's properties as determined by Brixton's Valuers. The net initial yield includes joint venture properties, the value of undeveloped sites, constructed but unlet developments and portfolio vacancies. No income from such properties is included in this calculation and no income is included if there are rent-free periods. Income is also excluded where Brixton's Valuers assume that tenant insolvencies will shortly lead to vacancies.
3. 8.99 per cent. on the IPD quarterly in advance basis.
4. The yields are adjusted by excluding the value of undeveloped land.
5. Represents the anticipated yield once the annualised passing rent reaches the ERV, calculated by dividing the ERV by the capital value.

Disposals

Since 31 December 2008, the Brixton Group has disposed of £82 million of assets at an average discount of 17.6 per cent. as compared to their 31 December 2008 valuations.

The properties in the Equiton joint venture are currently under offer for sale. Additionally, the Equiton joint venture's non-recourse bank facility is scheduled to expire on 1 November 2009. Brixton is currently discussing with the banks a waiver in respect of compliance with certain covenants in this facility, which would allow it greater flexibility in disposing of the properties of this joint venture.

The Brixton Group is seeking to dispose of certain properties and, against this background and given deterioration in macro-economic conditions, it is possible that if sales are completed the amounts realised will be below the values as at 31 May 2009.

As at the date of this announcement, the Brixton Group had no developments under construction on site.

Lettings and vacancies

For the six months ended 30 June 2009, the Brixton Group let nearly 450,000 square feet of space with an annualised passing rent of £4.4 million. Total space returned due to lease expiries, lease breaks, surrenders and insolvencies during the same period resulted in a loss of £7.1 million of annualised passing rent.. This included the loss of £2.1 million in annualised passing rent as a consequence of the insolvency of Woolworth subsidiary Entertainment UK Limited, which was the third largest tenant of the Brixton Group as at 31 December 2008 (the administrators of Entertainment UK Limited continued to pay the tenant's rent until 9 April 2009, when they returned the property to the Brixton Group), and the surrender of space resulting in the loss of £1.2 million in annualised passing rent to enable the X2 letting.

The Brixton Group's ERVs declined by 3.6 per cent. in the five months ended 31 May 2009. The IPD UK Monthly All Industrial Index (Rental Growth) declined by 2.1 per cent. in the same period.

As at 30 June 2009, there were 39 tenants in administration, liquidation or bankruptcy, of which 3 have made their most recent rent payments due. The total annualised passing rent from tenants in administration, liquidation or bankruptcy, amounted to £1.9 million (including the Brixton Group's share of joint ventures) as at 30 June 2009, representing 2.0 per cent. of the Brixton Group's total annualised passing rent as at that date.

As at 30 June 2009, the headline vacancy rate by income was 20.3 per cent. (using 31 May ERVs), as compared to 17.3 per cent. as at 31 December 2008, and the underlying vacancy rate by income was 14.8 per cent., as compared to 10.6 per cent. as at 31 December 2008. The increases in the Brixton Group's headline and underlying vacancy rates were principally due to the return of the property previously leased by Entertainment UK Limited by its administrators on 9 April 2009, other insolvencies in 2009 and the impact of property sales. If the headline vacancy rate by income of 20.3 per cent. and the underlying vacancy rate by income of 14.8 per cent. (using 31 May ERVs) as at 30 June 2009 are adjusted to take into account those insolvencies where the space involved had not yet been returned by 30 June 2009, then the headline vacancy rate by income and the underlying vacancy rate by income as at 30 June 2009 increase to 22.0 per cent. and 16.6 per cent. (using 31 May ERVs), respectively.

Facilities

At 31 May 2009, the Brixton Group had £415 million of committed Brixton bank facilities, of which £165 million was undrawn.

Since 31 May 2009, Brixton has cancelled two bank facilities and, as of the date of this announcement, Brixton has £315 million of committed Brixton bank facilities, of which £70 million was undrawn as at 30 June 2009.

At 31 May 2009, the carrying amounts of the 2010 Brixton Bonds, the 2015 Brixton Bonds and the 2019 Brixton Bonds were £274.7 million, £144.4 million and £209.7 million, respectively, with the total carrying amount of the Brixton Bonds equal to £628.8 million at that date.

The Brixton Group's total borrowings as at 31 May 2009 were £878.8 million and 73 per cent. of its debt had fixed or capped interest rates. The average cost of the Brixton Group's debt was 4.5 per cent. per annum as at 31 May 2009. The Brixton Group's net debt as at 31 May 2009 was £783.1 million compared with £862.2 million as at 31 December 2008. The £79.1 million reduction in net debt was primarily as a result of the receipt of proceeds from the disposal of assets described above.

As at 31 December 2008, total liquidity available to the Brixton Group was £181.5 million (undrawn committed Brixton Bank Facilities available of £167.7 million and cash and short term deposits of £13.8 million). As at 30 June 2009, the Brixton Group had undrawn committed Brixton bank facilities available of £70.0 million and cash and short term deposits, excluding cash in collateral cash accounts of £19.4 million, of £84.0 million, resulting in total available liquidity of £154.0 million.

The Brixton Group is currently involved in negotiations with the banks providing the Brixton Bank Facilities. Brixton's goals in these negotiations are to obtain waivers from its bank lenders of any possible breach of the ACR covenants in the Brixton bank facilities that might occur if tested using consolidated financial statements as at 30 June 2009 and to increase the maturity profile of the Brixton bank facilities in comparison with their current maturity profile. On 22 June 2009, Brixton announced that it had secured a waiver of any potential breaches of the ACR covenants under the Brixton bank facilities until 31 July 2009 (subject to earlier termination in certain circumstances). At SEGRO's request, Brixton and each of Brixton's bank lenders have agreed an extension of the period of this waiver (and an extension to the scope of this waiver to include, among other things, any event of default or mandatory prepayment right which refers to or is caused by a change of control of Brixton) until the earlier of (i) 15 September 2009; and (ii) the date SEGRO (or SEGRO and Brixton) notify the bank lenders that the Transaction will not be proceeding (subject to earlier termination in certain circumstances), which is expected to give Brixton additional time to complete negotiations with the bank lenders. Pursuant to the terms of this additional waiver, Brixton has agreed that all commitments under the Brixton bank facilities will be cancelled, and all amounts outstanding thereunder shall be paid, on the Effective Date of the Scheme.

Brixton is currently in negotiations in respect of a new non-recourse facility for the Heathrow Big Box joint venture and expects that this will require cash contributions of £15.5 million to the equity capital of the Heathrow Big Box joint venture from both owners. Brixton anticipates that this facility will be put in place before the Effective Date and that its cash contribution will be made from its currently available funds.

Change in the fair value of derivative financial instruments

The liability represented by the aggregate estimated fair market value of Brixton's portfolio of derivative financial instruments, which amounted to negative £173.2 million as at 31 December 2008, decreased by approximately £68.5 million since 31 December 2008 to negative £104.7 million as at 30 June 2009.

Financial Information

The auditors' report on the 2008 Brixton Financial Information (the "2008 Brixton Auditors' Report") contains an emphasis of matter statement in relation to Brixton's ability to continue as a going concern. Although the opinion contained in the 2008 Brixton Auditors' Report is not qualified, the auditors considered the adequacy of the disclosures made in note 1 to the 2008 Brixton Financial

Information concerning the Brixton Group's ability to continue as a going concern which are set out below:

- the potential breaches of various financing covenants if there are continued reductions on property values; and
- the successful completion of one or more of the options being pursued to provide additional financial flexibility including disposals of assets, debt renegotiations and an equity raising.

The auditors considered that these disclosures indicate the existence of a material uncertainty which may cast significant doubt about the Brixton Group's ability to continue as a going concern. The 2008 Brixton Auditors' Report is dated 23 April 2009.

SEGRO has committed to inject equity into Brixton upon the Transaction becoming Effective and accordingly, the SEGRO Directors believe that this material uncertainty concerning Brixton as a going concern no longer exists provided the Transaction completes and the subsequent equity injection into Brixton occurs.

14. Information relating to Brixton

Brixton is a public limited company incorporated in England and Wales whose shares are listed on the London Stock Exchange, and it is a REIT in the UK. It is a focused specialist owner of industrial and warehouse space in the UK. As at 31 May 2009, it owned and/or managed property with a total area of approximately 1.7 million square metres in over 1,300 industrial and warehouse units in nearly 90 estates, valued at approximately £1,343 million (including the Brixton Group's share of joint ventures).

The Brixton Group's property portfolio is predominantly located in the South East of England, with a particular focus on the area around Heathrow and Park Royal in West London. In both of these areas the supply of land for industrial and warehouse use is potentially constrained and properties in these locations are potentially attractive to tenants owing to their proximity to Heathrow airport and central London, respectively. As at 31 May 2009, property in Greater London made up approximately 78 per cent., by value, of the Brixton Group's portfolio.

As at 31 December 2008, the Brixton Group has consolidated gross assets of £1,724.9 million and net assets of £608.1 million and, in the year ended 31 December 2008, the Brixton Group made a consolidated net loss of £767.7 million.

15. Scheme of Arrangement

It is currently intended that the Transaction will be effected by means of the Scheme. The Scheme is an arrangement made between Brixton and the Scheme Shareholders under Part 26 of the 2006 Act. This involves an application by Brixton to the Court to sanction the Scheme and confirm the related Capital Reduction, in consideration for which Scheme Shareholders on the register of members of Brixton at the Scheme Record Time will receive Consideration Shares on the basis set out in paragraph 2 above. The cancellation of the Scheme Shares and the subsequent issue of new Brixton Shares to SEGRO provided for in the Scheme will result in Brixton becoming a wholly-owned subsidiary of SEGRO.

The Scheme will be on the terms and subject to the Conditions and further terms set out in this announcement and in Appendix I to this announcement and the full terms and conditions to be set out in the Scheme Document.

In particular, to become Effective, the Scheme will require the approval of Scheme Shareholders by the passing of a resolution at the Scheme Meeting. At the Scheme Meeting, voting will be by poll

and not a show of hands and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held. This resolution must be approved by a majority in number of the holders of Scheme Shares present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares held by such holders.

In addition, to become Effective, the Scheme will also require the approval of Brixton Shareholders at the Brixton General Meeting. The Brixton General meeting will be convened to consider and if thought fit, to pass the Resolutions (each of which requires a vote in favour of not less than 75 per cent. of the votes cast, whether in person or by proxy).

- to approve a reduction of Brixton's share capital by the cancellation of the Scheme Shares and subsequent issue of new ordinary shares in Brixton to SEGRO (and/or its nominee(s)) in accordance with the Scheme; and
- to approve amendments to the Brixton articles of association to ensure that any Brixton Shares issued (other than to SEGRO, its nominees or any of its subsidiaries) between approval of the Scheme at the Scheme Meeting and the Scheme Record Time will be subject to the Scheme and that any Brixton Shares issued after the Effective Date will automatically be acquired by SEGRO. These provisions will avoid any person holding Brixton Shares after dealings in such shares have ceased on the London Stock Exchange.

Following the Scheme Meeting and the Brixton General Meeting, the Scheme must be sanctioned and the Capital Reduction confirmed by the Court, and will only become effective on delivery to the Registrar of Companies of an office copy of the Court Order and it being registered by him.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including any Scheme Shareholders who did not vote to approve the Scheme or who voted against the Scheme at the Court Meeting.

The Scheme will contain a provision for Brixton and SEGRO to consent on behalf of all persons concerned to any modification of, or addition to, the Scheme or to any condition approved or imposed by the Court. Brixton has been advised that the Court would be unlikely to approve any modification of, or additions to, or impose a condition to the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in these circumstances.

The Scheme Document will include full details of the Scheme, together with notices of the Scheme Meeting and the Brixton General Meeting and the expected timetable, and will specify the action to be taken by Scheme Shareholders.

SEGRO reserves the right, subject to Panel consent, (which, in the absence of an announcement of a Competing Proposal, will only be exercised with the prior consent of Brixton) to decide to implement the Transaction by way of an Offer for the issued and to be issued share capital of Brixton. In such event, such offer will be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change in method of effecting the Offer, including, subject to the consent of the Panel, an acceptance condition set at 90 per cent. (or such lesser percentage, being more than 50 per cent., as SEGRO may decide).

The Brixton Board has confirmed that, in the event that the Transaction is implemented by way of an Offer, the Brixton Board will recommend, on a unanimous and unqualified basis, that Brixton Shareholders accept the offer except to the extent that the Brixton Directors take legal advice in relation to their duties and decide that to give such a recommendation or to fail to withdraw, modify or qualify or amend it is reasonably likely to be a breach of their duties as directors or their obligations under the Code.

16. Implementation Agreement

On 9 July 2009, SEGRO and Brixton entered into the Implementation Agreement. The Implementation Agreement contains provisions regarding the implementation of the Transaction and certain assurances and confirmations between the parties. In particular, the Implementation Agreement includes the following provisions:

Implementation of the Transaction

Each of SEGRO and Brixton has undertaken to cooperate with the other and take all steps that are within its power and necessary and reasonable to implement the Transaction.

Conduct of business

Subject to certain carve outs, Brixton has agreed that, before the earlier of the Effective Date and termination of the Implementation Agreement, it will not and will procure that no member of the Brixton Group will, without the prior written consent of SEGRO:

- carry on business other than in the ordinary and usual course;
- enter into any binding commitments in connection with either the acquisition of a business or any asset with a book value of £1 million or the disposal of an asset;
- commence negotiation or agree to any capital expenditure in excess of £1 million in aggregate (exclusive of VAT);
- increase net total borrowings by a material amount or enter any new loan agreement or guarantee agreement with any financial institution for an amount in excess of £1 million;
- repay, accelerate, cancel or otherwise amend the terms of any indebtedness outstanding by it or any member of the Brixton Group other than in the usual course of business;
- issue or grant options or awards under any employee share plans, or adopt or amend any such plans or any other employee benefit scheme;
- enter into any arrangements with the trustees of any pension scheme in which it participates or pay employer contributions other than those agreed with the trustees before the date of the Implementation Agreement, except as required by any applicable law, regulation or rules; and
- amend or terminate any service agreement or other arrangements with any director or senior employee of Brixton or agree to provide a gratuitous payment or benefit to any such director, employee or consultant.

Compensation fees

Brixton has agreed to pay SEGRO a compensation fee of £743,000 (inclusive of irrecoverable VAT) if:

- a Competing Proposal is announced before 15 September 2009 and subsequently becomes effective or is declared unconditional in all respects;
- the Brixton Directors withdraw or adversely modify or adversely qualify their recommendation of the Transaction and the resolutions to be proposed at the Scheme Meeting and the Brixton General Meeting and the Transaction is withdrawn or lapses; or
- the Scheme is not approved at the Scheme Meeting or at the Brixton General Meeting.

SEGRO has agreed to pay Brixton a compensation fee of £743,000 (inclusive of irrecoverable VAT) if the Approval Resolution is not proposed or, if proposed, is withdrawn or not approved at the SEGRO General Meeting.

Non-solicitation and notification of Competing Proposals

Brixton has undertaken, subject to any requirements of the City Code, to suspend all discussion, negotiations, communications or correspondence with any third party regarding any Competing Proposal.

Brixton has also undertaken not to release any third party from any confidentiality or standstill agreement in connection with any Competing Proposal, and to procure that no member of the Brixton Group nor any of its or their respective directors, employees, advisers, agents and representatives directly or indirectly solicits any Competing Proposal, including by disclosing information to any third party in connection with a Competing Proposal (other than as may be required under the City Code) or agreeing to any work fee, inducement fee or break fee or other similar agreement with any party proposing a Competing Proposal other than SEGRO.

Brixton has undertaken to notify SEGRO as soon as possible in the event that Brixton or any of its connected persons receives any other approach from a third party in connection with a Competing Proposal or if it or they receive a request for information from any third party under Rule 20.2 of the City Code in connection with a Competing Proposal.

These undertakings do not prevent the Brixton Directors from responding to an approach or a proposal from a third party where having taken legal advice in relation to their directors duties they decide in good faith to do so as necessary to comply with their duties as directors.

Right to match

SEGRO has the right, upon receiving details of the price and the terms and conditions of a Competing Proposal or proposed Competing Proposal, to match or better the value implied by that Competing Proposal within three days of being advised of such proposal. If SEGRO announces a revised offer that provides equal or better value than the Competing Proposal within such period the Brixton Directors have agreed to recommend the revised offer unanimously and without qualification subject to compliance with their directors duties.

Termination

The Implementation Agreement will terminate with immediate effect on the earliest of:

- agreement in writing between SEGRO and Brixton at any time;
- an event that triggers the payment of a compensation fee by either SEGRO or Brixton;
- a Competing Proposal becoming or being declared wholly unconditional or a scheme of arrangement in connection with a Competing Proposal becoming effective;
- the date on which the Transaction is withdrawn, lapses or otherwise ceases to be capable of becoming effective;
- either party giving notice to the other party following a material breach of any of the obligations of the other party set out in the Implementation Agreement (subject to a five business day cure period);
- the Effective Date not having occurred on or before 31 December 2009; and
- SEGRO giving notice to Brixton of its intention to terminate the Implementation Agreement as a result of any Condition becoming incapable of satisfaction or being invoked so as to cause the Transaction not to proceed provided that such Condition is unwaivable or the Panel has agreed that SEGRO can invoke the Condition and SEGRO does not or does not intend to waive the Condition.

17. Share Consolidation

The purpose of the Share Consolidation is to reduce the number of SEGRO Shares in issue so that the likely share price is appropriate for a company of SEGRO's size. The Share Consolidation is to be implemented by consolidating and re-classifying the existing authorised but unissued and existing issued SEGRO Shares of 1 penny each so that SEGRO Shareholders on the register of members at 5.00 p.m. on 30 July 2009 will hold:

one SEGRO Share of 10 pence for every 10 Existing SEGRO Shares of 1 penny each

and so on in proportion to any other number of existing SEGRO Shares then held. Further details of the Share Consolidation are set out in the Prospectus.

18. Management, employees and locations

SEGRO recognises the importance of retaining a highly competent and motivated workforce. SEGRO has given assurances to the Brixton Board that, when the Transaction becomes Effective, the existing employment rights, including pension rights, of all Brixton employees will be observed at least to the extent required by applicable law.

The employee resource (including management) of the Brixton Group will be considered as part of SEGRO's overall strategy for integrating Brixton into its business, to ensure that the Enlarged Group is managed in an effective and efficient way.

Changes will be made to the overall employee numbers within the Enlarged Group and it is possible that changes could be made to terms and conditions of employment for people formerly employed by Brixton.

SEGRO's policy would be to deal with any material changes which may be required after the Transaction becomes Effective openly, fairly and properly by means of an information and consultation exercise. SEGRO will ensure that all employees will be treated fairly and respectfully and due process will be followed to the extent required by applicable law.

19. Brixton Share plans

The Transaction will extend to any Brixton Shares unconditionally allotted or issued prior to the date on which the Scheme becomes Effective, including shares issued pursuant to the exercise of options or release of shares granted under the Brixton Share Plans.

As the Scheme will apply only to Brixton Shares in issue at the Scheme Voting Record Time, it is proposed to amend the Articles of Association of Brixton at the Brixton General Meeting to provide that, if the Transaction completes, any Brixton Shares issued or transferred after the Scheme Voting Record Time will be automatically transferred to SEGRO in exchange for issue of SEGRO Shares on a basis which reflects the terms of the Transaction. Consequently, participants in the Brixton Share Plans who validly exercise any share options or awards after the Scheme Voting Record Time will receive SEGRO Shares in the same ratio as under the Scheme.

20. SEGRO Shareholder approval and Prospectus

Given the size of the Transaction in relation to the current size of SEGRO, it constitutes a Class 1 transaction for the purposes of the Listing Rules and, as a consequence, it will be necessary for SEGRO Shareholders to approve the Transaction. For the Placing and Open Offer to be implemented, it is necessary for SEGRO Shareholders to give the SEGRO Directors the authority to allot the Firm Placed Shares and the Open Offer Shares and to disapply pre-emption rights in connection with such allotment. The Share Consolidation can also only be effected by a resolution

of SEGRO Shareholders. A general meeting is to be convened for this purpose. The SEGRO Circular convening the general meeting will be sent to SEGRO Shareholders shortly.

The SEGRO Directors, who have received financial advice from J.P. Morgan Cazenove and UBS consider the terms of the Transaction to be fair and reasonable. The SEGRO Directors have also received financial advice from Merrill Lynch. In providing advice to the SEGRO Directors, J.P. Morgan Cazenove, UBS and Merrill Lynch have relied upon the SEGRO Directors' commercial assessment of the Transaction. The SEGRO Directors intend to unanimously recommend SEGRO Shareholders to vote in favour of the Placing and Open Offer and the Transaction, and intend to do so in respect of their own beneficial holdings of 4,753,621 SEGRO Shares representing, in aggregate, approximately 0.08 per cent. of the existing issued ordinary share capital of SEGRO.

SEGRO will also be required to publish a prospectus in connection with the issue of the New SEGRO Shares. The Prospectus will be published shortly and will contain information on the Enlarged Group and the New SEGRO Shares.

21. Interests in Brixton securities

As at the close of business on 8 July 2009, being the last practicable date prior to the date of this announcement, SEGRO, the SEGRO Directors and any party acting in concert with SEGRO, had the following interests in Brixton Shares:

<i>Name:</i>	Number of Shares (Long)	Number of Shares (Short)
Bank of America Corporation	984,105	
Barclays	8,254,267	449,961

As at the close of business on 7 July 2009, being the last practicable date prior to the date of this announcement, and save as described above, neither SEGRO nor any SEGRO Director, nor, so far as the directors of SEGRO are aware, any other person acting in concert with SEGRO for the purposes of the Offer, had any interest in, right to subscribe for or short position in respect of relevant Brixton securities and no such person had borrowed or lent any such securities (save for borrowed shares which have been either on-lent or sold).

However, it is intended that, in the period after the Brixton General Meeting and before the Court Hearing to sanction the Scheme, SEGRO will be allotted at least one Brixton Share which will mean that SEGRO will be a member of Brixton on the Effective Date of the Scheme and accordingly there will be no requirement under section 103 of the 1985 Act for an independent valuation of the new Brixton Shares to be allotted to SEGRO under the Scheme.

22. Delisting, cancellation of trading and re-registration

It is intended that the London Stock Exchange and the UKLA will be requested respectively to cancel trading in Brixton Shares on the London Stock Exchange's main market for listed securities and the listing of the Brixton Shares from the Official List, in each case on the Effective Date. It is intended that, shortly after the Scheme becomes Effective, Brixton will be re-registered as a private limited company.

If the Transaction is effected by way of an Offer, it is anticipated that the cancellation of Brixton's listing and admission to trading will take effect no earlier than 20 Business Days after the date on which the Offer becomes or is declared unconditional in all respects. Delisting would significantly reduce the liquidity and marketability of any Brixton Shares not assented to the Offer at that time.

If the Transaction is effected by way of an Offer and such Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, SEGRO intends to exercise its rights to

acquire compulsorily the remaining Brixton Shares in respect of which the Offer has not been accepted.

23. Listings of New SEGRO Shares and Consideration Shares

Application will be made to the UKLA for the New SEGRO Shares to be admitted to the Official List and application will be made to the London Stock Exchange for the New SEGRO Shares to be admitted to the London Stock Exchange's main market for listed securities. It is expected that Admission of the Firm Placed Shares and the Open Offer Shares will become effective, and dealings in these New SEGRO Shares will commence, subject to the satisfaction of certain conditions, including the approval of SEGRO Shareholders, at 8.00 a.m. on 31 July 2009. It is expected that Admission of the Consideration Shares will become effective and that dealings for normal settlement in the Consideration Shares will commence on the London Stock Exchange at 8.00 a.m. on the Effective Date.

Application will also be made for the New SEGRO Shares to be admitted to listing and trading on Euronext Paris. It is expected that Euronext Admission of the Firm Placed Shares and the Open Offer Shares will become effective, and dealings in these New SEGRO Shares on Euronext Paris will commence, at 9.00 a.m. (CET) on 31 July 2009, subject to the satisfaction of certain conditions. It is expected that Euronext Admission of the Consideration Shares will become effective, and dealings in the Consideration Shares on Euronext Paris will commence, at 9.00 a.m. (CET) on the Effective Date, subject to the satisfaction of certain conditions.

24. General

The Transaction will be on the terms and subject to the conditions set out herein and in Appendix I, and to be set out in the Scheme Document. The formal Scheme Document together with the Prospectus giving financial and other information in relation to SEGRO will be sent to Brixton Shareholders (other than certain overseas shareholders) shortly. The Prospectus and the SEGRO Circular convening the SEGRO General Meeting will be made available shortly to SEGRO Shareholders (other than certain overseas shareholders).

Enquiries

SEGRO plc

Ian Coull, Chief Executive

Tel: +44 (0)20 7491 0177

David Sleath, Group Finance Director

Siva Shankar, Director of Corporate Finance

J.P. Morgan Cazenove/ J.P. Morgan Securities (joint financial adviser, joint bookrunner, joint sponsor and joint underwriter to SEGRO)

Mark Preston

Tel: +44 (0)20 7588 2828

Robert Fowlds

Barry Weir

Christopher Dickinson

UBS Investment Bank (joint financial adviser, joint bookrunner, joint sponsor, joint underwriter and joint corporate broker to SEGRO)

Fergus Horrobin

Tel: +44 (0)20 7567 8000

Liam Beere

Bill Hutchings

Simon Lyons

Merrill Lynch (joint bookrunner, joint sponsor, joint underwriter and joint corporate broker to SEGRO)

Simon Fraser

Tel: +44 (0)20 7628 1000

Simon Mackenzie-Smith

Peter Brown

Maitland (PR adviser to SEGRO)

Colin Browne

Tel: +44 (0)20 7379 5151

Liz Morley

Brixton plc

Peter Dawson, Chief Executive

Tel: +44 (0)20 7399 4523

Steven Owen, Deputy Chief Executive

Tel: +44 (0)20 7399 4532

Duncan Lamb, Communications

Tel: +44 (0)20 7399 4535

Citi (joint financial adviser and joint corporate broker to Brixton)

Ian Hart

Tel: +44 (0)20 7986 4000

David Plowman

Andrew Forrester

Nomura (joint financial adviser and joint corporate broker to Brixton)

Charles Donald

Tel: +44 (0)20 7102 1000

George Hartley

Nick Sanderson

David Matheson

Brunswick (PR adviser to Brixton)

Simon Sporborg

Tel: +44 (0)20 7404 5959

Kate Miller

Pavla Shaw

J.P. Morgan Cazenove, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for SEGRO in relation to the Transaction, Placing, Open Offer and Admission of the New SEGRO Shares and is not advising any other person and accordingly will not be responsible to any person other than SEGRO for providing the protections afforded to the clients of J.P. Morgan Cazenove or for providing advice in relation to the matters described in this document.

J.P. Morgan Securities, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for SEGRO in relation to the Placing and Open Offer and is not advising any other person and accordingly will not be responsible to any other person other than SEGRO for providing the protections afforded to the clients of J.P. Morgan Securities or for providing advice in relation to the matters described in this document.

UBS is acting for SEGRO in relation to the Transaction, Placing, Open Offer and Admission of the New SEGRO Shares and is not advising any other person and accordingly will not be responsible to any person other than SEGRO for providing the protections afforded to the clients of UBS or for providing advice in relation to the matters described in this document.

Merrill Lynch, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting for SEGRO in relation to the Transaction, Placing, Open Offer and Admission of the New SEGRO Shares and is not advising any other person and accordingly will not be

responsible to any person other than SEGRO for providing the protections afforded to the clients of Merrill Lynch or for providing advice in relation to the matters described in this document.

Barclays Capital will also be providing financial advice to SEGRO in relation to the Transaction. Barclays Capital, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is not advising any person other than SEGRO and accordingly will not be responsible to any person other than SEGRO for providing the protections afforded to the clients of Barclays Capital or for providing advice in relation to the matters described in this document.

Citigroup Global Markets Limited, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for Brixton and no one else in connection with the Transaction and will not be responsible to anyone other than Brixton for providing the protections afforded to the clients of Citigroup Global Markets Limited or for providing advice in relation to the Transaction or to the matters referred to in this document.

Nomura International plc, which is authorised and regulated by the Financial Services Authority in the United Kingdom, is acting exclusively for Brixton and no one else in connection with the Transaction and will not be responsible to anyone other than Brixton for providing the protections afforded to the clients of Nomura International plc or for providing advice in relation to the Transaction or to the matters referred to in this document.

This announcement does not constitute an offer to sell or invitation to purchase any securities or the solicitation of any vote for approval in any jurisdiction, nor shall there be any sale, issue or transfer of the securities referred to in this announcement in any jurisdiction, in contravention of applicable law. This announcement does not constitute a prospectus or a prospectus equivalent document. Brixton Shareholders and SEGRO Shareholders are advised to read carefully the formal documentation in relation to the Transaction and the Placing and Open Offer once it has been dispatched.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. The availability of the Consideration Shares under the terms of the Scheme (or, if the offer is implemented by way of an Offer, of that Offer), if made, to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in the United Kingdom or who are subject to the laws and regulations of other jurisdictions should inform themselves of, and observe, any applicable requirements. This announcement has been prepared for the purposes of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside of England.

The New SEGRO Shares to be issued in connection with the proposed Placing and Open Offer may not be offered or sold in the United States except pursuant to an effective registration statement under the US Securities Act or pursuant to a valid exemption from registration.

To the extent that the Transaction is effected by way of the Scheme, the Consideration Shares to be issued to Brixton Shareholders under the Scheme have not been, and will not be, registered under the US Securities Act, or under the securities laws of any state, district or other jurisdiction of the United States, the Republic of South Africa, Singapore, Canada or Japan.

It is expected that the Consideration Shares will be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10) thereof. Under applicable US securities laws, Brixton Shareholders who are or will be deemed to be 'affiliates' of Brixton or SEGRO prior to, or of the Enlarged Group after, the Effective Date will be subject to certain transfer restrictions relating to the New SEGRO Shares received in connection with the Scheme.

If the Transaction is carried out by way of an Offer, it will not be made, directly or indirectly, in or into the United States, Canada or Japan and will not be capable of acceptance from or within the United States, Republic of South Africa, Singapore, Canada or Japan. Accordingly, copies of this announcement and all documents relating to the Offer will not be, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from the United States, Canada or Japan. If the Transaction is carried out by way of an Offer, the Consideration Shares to be issued in connection with such Offer will not be registered under the Securities Act or under the securities laws of any state, district or jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States, other than pursuant to an exemption from any such registration requirements. SEGRO does not intend to register any such Offer or any part thereof in the United States or to conduct a public offering of the New SEGRO Shares in the United States.

Forward looking statements

This announcement, including information included or incorporated by reference in this announcement, may contain "forward looking statements" concerning SEGRO and Brixton. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates" or similar expressions identify forward looking statements. The forward looking statements involve risks and uncertainties that could cause actual results to differ materially from those suggested by them. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements which speak only as at the date of this announcement. SEGRO and Brixton assume no obligation and do not intend to update these forward looking statements, except as required pursuant to applicable law.

SEGRO reserves the right to elect (with the consent of the Panel) to implement the Transaction of Brixton by way of an Offer. In such event, the Offer will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Scheme, and will be conditional on (amongst other things) Brixton Shareholders holding at least 90 per cent. (or such lower percentage, being over 50 per cent., as SEGRO may in its absolute discretion decide) of the voting rights of Brixton accepting the Offer.

Nothing in the following announcement is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per Brixton Share or SEGRO Share for the current or future financial years, or those of the Enlarged Group, will necessarily match or exceed the historical published earnings per Brixton Share or SEGRO Share.

Dealing disclosure requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, "interested" (directly or indirectly) in 1 per cent. or more of any class of "relevant securities" of SEGRO or Brixton, all "dealings" in any "relevant securities" of SEGRO or Brixton (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Scheme becomes Effective (or if implemented by way of an Offer, the Offer becomes, or is declared, unconditional as to acceptances) or otherwise lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of SEGRO or Brixton, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the City Code, all "dealings" in "relevant securities" of SEGRO or Brixton by SEGRO or Brixton, or by any of their respective "associates", must be disclosed by no later than 12.00 noon (London time) on the Business Day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose "relevant securities" "dealings" should be disclosed, and the number of such securities in issue, can be found on the Panel's website at www.thetakeoverpanel.org.uk.

"Interests in securities" arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in the price of securities. In particular, a person will be treated as having an "interest" by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

APPENDIX I
CONDITIONS AND FURTHER TERMS OF THE TRANSACTION

APPENDIX 1

Part A: Conditions to and certain terms of the Transaction

The Transaction will be subject to the following Conditions:

The Transaction will be conditional upon the Scheme becoming unconditional and Effective, subject to the City Code, by no later than 31 December 2009 or such later date (if any) as SEGRO and Brixton may agree and (if required) the Panel and the Court may allow.

1 The Scheme will be conditional upon:

- 1.1.1** the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Brixton Shareholders (or the relevant class or classes thereof) present and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or at any adjournment of any such meeting);
- 1.1.2** the Resolutions required to implement the Scheme being duly passed by the requisite majority at the Brixton General Meeting (or at any adjournment thereof);
- 1.1.3** the passing by the requisite majority at the SEGRO General Meeting (or any adjournment thereof) of a resolution or resolutions to approve, implement and effect the Transaction and the acquisition of any Brixton Shares pursuant to the Transaction or otherwise, to increase the authorised share capital of SEGRO and to confer authorities for the creation and allotment of the Consideration Shares in accordance with the terms of the Transaction (as such resolutions may be set out in the SEGRO Circular);
- 1.1.4** the sanction of the Scheme by the Court and the confirmation of the Capital Reduction by the Court (with or without modification, but subject to any modification being on terms acceptable to SEGRO and Brixton), and an office copy of the Court Order and the Minute of such reduction attached thereto being filed with an registered by the Registrar of Companies;
- 1.1.5** the admission of the Consideration Shares:
 - (i) to the Official List becoming effective in accordance with the Listing Rules or (if SEGRO so determine and subject to the consent of the Panel) the UK Listing Authority agreeing or confirming its decision to admit such shares to the Official List subject only to (1) the allotment of such shares and/or (2) the Transaction becoming Effective;
 - (ii) to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with the Admission and Disclosure Standards made by the London Stock Exchange from time to time, or (if SEGRO so determine and subject to the consent of the Panel) the London

Stock Exchange agreeing to admit such shares to trading subject only to (1) the allotment of such shares and/or (2) the Transaction becoming Effective; and

- (iii) to listing and trading on Euronext Paris by Euronext becoming effective in accordance with the NYSE Euronext Paris Market Rules, or (if SEGRO so determine and subject to the consent of the Panel) Euronext agreeing to admit such shares to trading subject only to (1) the allotment of such shares and/or (2) the Transaction becoming Effective.

2 SEGRO and Brixton have agreed that, subject to paragraph 6 of this Part A below, the Scheme will also be conditional upon the following Conditions and, accordingly, the necessary actions to make the Transaction Effective will not be taken unless such Conditions (as amended as necessary in accordance with paragraph 7 of this Part A below) have been satisfied (and continue to be satisfied pending the commencement of the Scheme Court Hearing) or waived:

2.1.1 no Relevant Authority having intervened, and there not being outstanding any statute, regulation, decision or order, which would:

- (i) make void, illegal or unenforceable under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, prevent, prohibit, restrain, restrict, delay, impose additional conditions or obligations with respect to, impede, challenge or interfere with the Transaction, its implementation, the acquisition or proposed acquisition of any shares in, or control of, Brixton by any member of the SEGRO Group, in each case in a manner which is material in the context of the Transaction;
- (ii) require a divestiture by any member of the Wider SEGRO Group of a portion of any Brixton Shares;
- (iii) require, prevent or delay the divestiture, or alter the terms envisaged for any divestiture, by any member of the Wider SEGRO Group or by any member of the Wider Brixton Group of all or any part of their respective businesses, assets or liabilities (to an extent which in each case is or is reasonably likely to be material in the context of the Wider SEGRO Group or the Wider Brixton Group (as the case may be), taken as a whole);
- (iv) impose any limitation on, or result in any delay in, the ability of any member of the Wider SEGRO Group or any member of the Wider Brixton Group to conduct any of their respective businesses, or to own their respective assets or property or any part thereof or to integrate or co-ordinate such businesses or any part thereof with other businesses, or to hold or exercise, directly or indirectly, any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise any management rights or control over, any of the businesses or assets or any part thereof, of any member of the SEGRO Group or the Brixton Group (to an extent which in each case would be material in the context of the Wider SEGRO Group or the Wider Brixton Group (as the case may be), taken as a whole);

- (v) require, other than pursuant to the Transaction or the application of section 983 of the Companies Act 2006 in relation to Brixton Shares, any member of the Wider SEGRO Group or any member of the Wider Brixton Group to acquire or to offer to acquire any shares or other securities (or the equivalent) or interest in, or any asset owned by any third party;
- (vi) prevent any member of the Wider SEGRO Group or Wider Brixton Group from operating all or any part of their businesses under any name or in any jurisdiction under or in which it currently does so (with consequences which would be material in the context of the Wider SEGRO Group or the Wider Brixton Group (as the case may be), taken as a whole); or
- (vii) save (i) as fairly disclosed in the annual report and accounts of Brixton for the year ended 31 December 2008, the half year report of Brixton for the six months ended 30 June 2008 or the annual report and accounts of Brixton for the year ended 31 December 2007 (ii) as publicly announced by or on behalf of Brixton (by delivery of an announcement to a Regulatory Information Service) before 9 July 2009 or (iii) as fairly disclosed to any member of the Wider SEGRO Group before 9 July 2009, otherwise adversely affect the financial or trading position of any member of the Wider Brixton Group or of the Wider SEGRO Group (in a manner which is or is reasonably likely to be material in the context of the Wider SEGRO Group or the Wider Brixton Group (as the case may be), taken as a whole);

2.1.2 all Approvals reasonably necessary in any jurisdiction for or in respect of the Transaction, the acquisition or proposed acquisition of any shares in, or control of, Brixton by any member of the SEGRO Group having been obtained on terms and in a form reasonably satisfactory to SEGRO from all appropriate Relevant Authorities, and such Approvals together with all material Approvals reasonably necessary for the carrying on of the business of each member of the Wider Brixton Group remaining in full force and effect, and all filings and notifications necessary for such purpose having been made and there being no notice of any intention to revoke, suspend, restrict, modify or not to renew any of the same, all necessary waiting and other time periods (including any extension(s) thereof) under any applicable legislation or regulations of any jurisdiction having expired, lapsed or been terminated and all applicable statutory or regulatory obligations in all relevant jurisdictions having been complied with in all material respects, in each case in respect of the Transaction, the acquisition or proposed acquisition of any shares in, or control of, Brixton by any member of the SEGRO Group and in each case where the direct consequence of a failure to obtain such Approvals or make such filing or notification or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligations would or is reasonably likely to have a material adverse effect on the Wider SEGRO Group taken as a whole or the Wider Brixton Group taken as a whole;

2.1.3 except (i) as fairly disclosed in the annual report and accounts of Brixton for the year ended 31 December 2008, the half year report of Brixton for the six months ended 30 June 2008 or the annual report and accounts of Brixton for the year ended 31 December 2007 (ii) as publicly announced by or on behalf of Brixton (by delivery of an announcement to a Regulatory Information Service) before 9 July

2009 or (iii) as fairly disclosed to any member of the Wider SEGRO Group before 9 July 2009, no member of the Wider Brixton Group having since 31 December 2008:

- (i) recommended, declared, paid or made any dividend, bonus or other distribution, whether payable in cash or otherwise, other than to Brixton or to a wholly-owned subsidiary of Brixton;
- (ii) save as between Brixton and its wholly-owned subsidiaries, for the grant of options in the ordinary course under the Brixton Share Plans or upon the exercise of rights to convert into or subscribe for Brixton Shares pursuant to the exercise of options granted in the ordinary course under the Brixton Share Plans, before 9 July 2009, issued or agreed to issue or authorised the issue of additional shares of any class, or securities convertible into, or rights, warrants or options to subscribe for or acquire any such shares or convertible securities;
- (iii) save as between Brixton and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, made or authorised any change to its share or loan capital or increased or reduced its holding of treasury shares;
- (iv) save as between Brixton and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, purchased, redeemed or repaid any of its shares or other securities or reduced or, save in respect of the matters mentioned in sub-paragraph (ii) above, made any other change to any part of its share capital;
- (v) save between Brixton and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, incurred or increased any indebtedness or liability, actual or contingent, or issued, authorised or made any change in or to any debentures, in each case to an extent which is material in the context of and has an adverse effect on the Wider Brixton Group taken as a whole;
- (vi) save as between Brixton and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, merged or demerged with any body corporate or (other than in the ordinary course of business) acquired, disposed of, transferred, mortgaged, encumbered or created any security interest over any business or assets or any right, title or interest in any business or assets (including shares in any undertaking and trade investments) which in each case is material in the context of the Wider Brixton Group taken as a whole;
- (vii) implemented or authorised any merger, demerger, reconstruction, amalgamation, scheme, commitment or other equivalent transaction or arrangement or acquisition or disposal of assets or shares in any undertaking which in each case is material in the context of the Wider Brixton Group taken as a whole;
- (viii) entered into, authorised or varied any agreement, transaction, arrangement, commitment or obligation (whether in respect of capital expenditure or otherwise) which is loss-making, of a long-term (which shall mean not terminable by the giving of 12 months' notice or less), onerous or unusual

nature or magnitude, or not in the ordinary course of business, and in each case which is material in the context of the Wider Brixton Group or the Wider SEGRO Group (as the case may be), taken as a whole;

- (ix) entered into, authorised or varied any agreement, transaction, arrangement, commitment or obligation which is restrictive on the business of any member of the Wider Brixton Group or Wider SEGRO Group other than to a nature and extent which is normal in the context of the business concerned, in a manner which is material in the context of the Wider Brixton Group or the Wider SEGRO Group (as the case may be), taken as a whole;
- (x) entered into or changed in any material respect the terms of any service agreement or other agreement, instrument, arrangement, commitment or obligation with or for the benefit of any director or senior executive of Brixton or any member of the Brixton Group, including any retirement, death or disability benefit or any share option or bonus scheme;
- (xi) waived or compromised any claim which is material in the context of the Wider Brixton Group taken as a whole;
- (xii) other than in respect of a member of the Brixton Group which is dormant and was solvent at the relevant time, taken any action or had any legal proceedings instituted, or threatened on the basis of reasonable grounds and with a reasonable prospect of success, against it, or petition presented and served and not otherwise withdrawn or dismissed within 21 days of service, or order made for its winding up (voluntarily or otherwise), dissolution, administration or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer over all or any of its assets or revenues or any analogous proceedings or steps in any jurisdiction or the appointment of any analogous person in any jurisdiction;
- (xiii) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a material part of its business;
- (xiv) altered its memorandum or articles of association or other constitutional documents in a manner which is material in the context of the Transaction;
- (xv) except as required as a result of a change under applicable law on or after 31 December 2008, made or agreed or consented to any significant change to the terms of the trust deeds constituting the pension schemes established for its directors or employees or their dependants or to the benefits which accrue, or to the pensions which are payable thereunder, or to the basis on which qualification for or accrual or entitlement to such benefits or pensions are calculated or determined or, except in accordance with a valuation undertaken pursuant to section 224 of the Pensions Act 2004, to the basis upon which the liabilities (including pensions) of such pension schemes are funded or made, or agreed or consented to any change to the trustees involving the appointment of a trust corporation, in each case which is material in the context of the Wider Brixton Group taken as a whole; or

(xvi) entered into any agreement, transaction, arrangement or commitment which in each case is legally binding with respect to any of the transactions, matters or events referred to in this Condition;

2.1.4 except (i) as fairly disclosed in the annual report and accounts of Brixton for the year ended 31 December 2008, the half year report of Brixton for the six months ended 30 June 2008 or the annual report and accounts of Brixton for the year ended 31 December 2007 (ii) as publicly announced by or on behalf of Brixton (by delivery of an announcement to a Regulatory Information Service) before 9 July 2009 or (iii) as fairly disclosed to any member of the Wider SEGRO Group before 9 July 2009, there being no provision of any arrangement, agreement, permit, licence, lease or other instrument to which any member of the Wider Brixton Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which could or might, as a consequence of the Transaction or proposed acquisition by any member of the SEGRO Group of any or all of the shares or other securities in Brixton or because of a change of control or management of Brixton or otherwise, in each case to an extent which is material in the context of the Wider Brixton Group taken as a whole or the Wider SEGRO Group taken as a whole, result in:

- (i) any such arrangement, agreement, permit, licence, lease or other instrument or the rights, liabilities, obligations or interests thereunder being terminated or adversely modified or affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
- (ii) the rights, liabilities, obligations, interests or business of any member of the Wider Brixton Group in or with any other person, firm, company, body or venture, or any agreements or arrangements relating to any such interests or business, being terminated or adversely modified or affected;
- (iii) any material interest or asset of any member of the Wider Brixton Group being or falling to be disposed of or encumbered or ceasing to be available to any such member, or any right arising under which any such interest or asset could be required to be disposed of or encumbered or ceasing to be available to any such member;
- (iv) any monies borrowed by, any other indebtedness (actual or contingent) of, or grant available to any member of the Wider Brixton Group, being or becoming repayable or being capable of being or becoming declared repayable immediately or prior to their or its stated maturity date or repayment date or the ability of any such member to borrow monies or to incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (v) any mortgage, charge or other security interest being created over the whole or any substantial part of the business, property, assets or interests of any member of the Wider Brixton Group or any such mortgage, charge or other security interest (whenever arising or having arisen) being enforced or becoming enforceable;

- (vi) any requirement on any member of the Wider Brixton Group to acquire, subscribe, pay up or repay any shares or other securities;
- (vii) any member of the Wider Brixton Group ceasing to be able to carry on business under any name under which it presently does so;
- (viii) the creation or assumption of any liabilities (actual or contingent) by any member of the Wider Brixton Group;
- (ix) any liability of any member of the Brixton Group to make any severance, termination, bonus or other payment to any of its directors or other officers; or
- (x) the financial or trading position of any member of the Wider Brixton Group being prejudiced or adversely affected,

and no event having occurred which, under any such arrangement, agreement, permit, licence, lease or other instrument would or might result in any of the events or circumstances referred to in paragraphs (i) to (x) of this Condition 3(d), in each case to an extent which is material in the context of the Wider Brixton Group taken as a whole or the Wider SEGRO Group taken as a whole;

2.1.5 except (i) as fairly disclosed in the annual report and accounts of Brixton for the year ended 31 December 2008, the half year report of Brixton for the six months ended 30 June 2008 or the annual report and accounts of Brixton for the year ended 31 December 2007 (ii) as publicly announced by or on behalf of Brixton (by delivery of an announcement to a Regulatory Information Service) before 9 July 2009 or (iii) as fairly disclosed to any member of the Wider SEGRO Group before 9 July 2009:

- (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits of the Wider Brixton Group to an extent which is material in the context of the Wider Brixton Group taken as a whole;
- (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been instituted, announced or threatened or remaining outstanding to which any member of the Wider Brixton Group is or would reasonably be expected to become a party (whether as claimant, defendant or otherwise) which in any such case would or would reasonably be expected to materially and adversely affect the Wider Brixton Group taken as a whole;
- (iii) no investigation or enquiry by, or complaint or reference to, any Relevant Authority against or in respect of any member of the Wider Brixton Group other than in relation to the Transaction or any part thereof having been threatened, announced, implemented or instituted or remaining outstanding by, against or in respect of any member of the Wider Brixton Group which in any such case would or would reasonably be expected to materially and adversely affect the Wider Brixton Group taken as a whole;

- (iv) no amendment or termination of any joint venture or partnership to which any member of the Wider Brixton Group is a party having been agreed or permitted which would have or would reasonably be expected to have a material adverse effect on the Wider Brixton Group taken as a whole; and
- (v) no liability, contingent or otherwise, of any member of the Wider Brixton Group having arisen, become apparent or been increased which would have or would reasonably be expected to have a material adverse effect on the Wider Brixton Group taken as a whole;

2.1.6 except (i) as fairly disclosed in the annual report and accounts of Brixton for the year ended 31 December 2008, the half year report of Brixton for the six months ended 30 June 2008 or the annual report and accounts of Brixton for the year ended 31 December 2007 (ii) as publicly announced by or on behalf of Brixton (by delivery of an announcement to a Regulatory Information Service) before 9 July 2009 or (iii) as fairly disclosed to any member of the Wider SEGRO Group before 9 July 2009, SEGRO not having discovered in relation to the Wider Brixton Group:

- (i) that any financial, business or other information concerning the Wider Brixton Group as contained in the information disclosed to any member of the SEGRO Group or any of their advisers at any time by or on behalf of any member of the Wider Brixton Group, whether publicly disclosed or not, is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make the information contained therein not materially misleading and which was not subsequently corrected by fair disclosure to SEGRO before 9 July 2009; or
- (ii) that any member of the Wider Brixton Group is subject to any liability, contingent or otherwise, which is material in the context of the Wider Brixton Group taken as a whole;

2.1.7 except (i) as fairly disclosed in the annual report and accounts of Brixton for the year ended 31 December 2008, the half year report of Brixton for the six months ended 30 June 2008 or the annual report and accounts of Brixton for the year ended 31 December 2007 (ii) as publicly announced by or on behalf of Brixton (by delivery of an announcement to a Regulatory Information Service) before 9 July 2009 or (iii) as fairly disclosed to any member of the Wider SEGRO Group before 9 July 2009, SEGRO not having discovered that:

- (i) any past or present member of the Wider Brixton Group has not complied in all material respects with all applicable legislation or regulations of any jurisdiction or any agreement or arrangement concerning the use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission of any waste or hazardous substances, or of any substance likely to impair the environment or harm human health, or otherwise relating to environmental matters or the health and safety of any humans, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not it constituted a non-compliance by any person with any such legislation, regulations, agreement or arrangement and wherever it may have taken place) which would be likely to give rise to any liability or cost on the part

of any member of the Wider Brixton Group in each case which is material in the context of the Wider Brixton Group taken as a whole;

- (ii) there has been a disposal, discharge, spillage, leak or emission of waste or hazardous substances, or of any other substance likely to impair the environment or harm human health, on or from any property now or previously owned, occupied or made use of by any past or present member of the Brixton Group or in which any past or present member of the Brixton Group may have or previously have had or be deemed to have or to have had an interest under any environmental legislation, regulation, notice or circular or order of any Relevant Authority or otherwise which would be likely to give rise to any liability (whether actual or contingent) of any member of the Brixton Group, in each case which is material in the context of the Wider Brixton Group taken as a whole;
- (iii) there is, or is likely to be, any liability (actual or contingent) to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Brixton Group, or in which any such member may now have, or previously had, any interest, under any environmental legislation, regulation, order, notice or legally binding decision of any Relevant Authority in each case which is material in the context of the Wider Brixton Group taken as a whole; or
- (iv) circumstances exist (whether as a result of the making of the Offer or otherwise):
 - (a) which would be likely to lead to any Relevant Authority instituting;
or
 - (b) whereby any member of the Brixton Group or any present or past member of the Brixton Group would be likely to be required to institute,

any environmental audit or take any other steps which would in any such case be likely to result in any liability (whether actual or contingent) to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Brixton Group, or in which any such member may now have, or previously had, any interest, which is material in the context of the Brixton Group taken as a whole; and

2.1.8 none of the outstanding £275 million 6% bonds due 2010, £150 million 5.25% bonds due October 2015 and £210 million 6% bonds due 2019 issued by Brixton becoming immediately due and payable prior to their stated maturities.

3 For the purposes of the Conditions, a Relevant Authority shall be regarded as having "intervened" if it has instituted or implemented any action, proceeding, suit, investigation, enquiry or reference or has made or enacted any statute, regulation, decision or order, and "intervene" shall be construed accordingly.

- 4 For the purposes of the Conditions, information shall be regarded as having been "fairly disclosed to any member of the Wider SEGRO Group" if it has been made available (i) in the virtual or physical data rooms established in connection with the Transaction, (ii) in written documents disclosed during meetings or presentations held in connection with the Transaction or (iii) in written answers to or documents disclosed in response to due diligence queries raised by or on behalf of SEGRO as part of a formal agreed process in connection with the Transaction.
- 5 Subject to the requirements of the Panel in accordance with the City Code, SEGRO reserves its right to waive all or any of the Conditions set out in paragraphs 3(a) to 3(g) inclusive in whole or in part. SEGRO shall be under no obligation to waive or treat as fulfilled any of those Conditions by a date earlier than the date specified in Condition 1 for the fulfilment thereof, notwithstanding that others of those Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
- 6 If SEGRO is required by the Panel to make an offer or offers for the Brixton Shares under the provisions of Rule 9 of the City Code, SEGRO may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.

Part B: Further terms relating to the Transaction

- 7 This announcement and any rights or liabilities arising under it are governed by English law and subject to the jurisdiction of the English courts. The Transaction will be governed by English law and be subject to the jurisdiction of the English courts, to the conditions set out above and below and in the Scheme Document.
- 8 Save with the consent of the Panel, the Transaction will lapse and the Scheme will not proceed if, after the date of this announcement and before the date of the Court Meeting (or, in the case of a takeover offer, before 1.00 p.m. on the first closing date of the takeover offer or the date on which the takeover offer becomes or is declared unconditional as to acceptances, whichever is the later):
 - 8.1.1 the European Commission either:
 - (i) initiates proceedings in respect of the Transaction, or any matter arising from it, under Article 6(1)(c) of Council Regulation (EC) 139/2004; or
 - (ii) makes a referral to a competent authority of the United Kingdom under Article 9(3)(b) of that Regulation and the Transaction, or any matter arising from it, is subsequently referred to the Competition Commission; or
 - 8.1.2 the Transaction, or any matter arising from it, is referred to the Competition Commission.
- 9 The Brixton Shares which will be acquired by SEGRO pursuant to the Transaction will be acquired fully paid and free from all liens, equities, charges, encumbrances, rights of pre-emption and other interests and together with all rights now or subsequently attaching to the Brixton Shares, including the right to receive and retain all dividends and other distributions declared, made or paid after 9 July 2009.

- 10** No fraction of a Consideration Share will be allotted or issued to any Scheme Shareholder, but all fractions of Consideration Shares to which Scheme Shareholders would otherwise have been entitled will be aggregated and the aggregate of such fractions (rounded down to the nearest whole share) will be allotted and issued to a person appointed by the Company as nominee for such Scheme Shareholder on terms that the nominee shall be authorised to procure that such Consideration Shares shall as soon as possible after the Effective Date be sold on behalf of the relevant Scheme Shareholders and the net proceeds of such sale, after deduction of all expenses and commission including any amount in respect of value added tax payable thereon, shall be paid in cash (in pounds sterling) pro rata to relevant Scheme Shareholders entitled thereto.
- 11** The Consideration Shares will be issued credited as fully paid and will rank pari passu in all respects with the SEGRO Shares in issue at the time the Consideration Shares are delivered pursuant to the Transaction, including the right to receive and retain dividends and other distributions (if any) paid by reference to a record date after the Effective Date. Applications will be made to the UK Listing Authority for the Consideration Shares to be admitted to the Official List and to the London Stock Exchange for the Consideration Shares to be admitted to trading. Application will also be made for the Consideration Shares to be admitted to listing and trading on Euronext Paris.

APPENDIX II

SOURCES AND BASES OF INFORMATION

Save as otherwise stated, the following constitute the sources and basis of certain information referred to in this announcement:

- Financial information relating to SEGRO has been extracted or provided (without material adjustment) from the audited annual report and accounts for SEGRO for the year ended 31 December 2008 reported under IFRS and property valuations undertaken as at 31 May 2009.
- Financial information relating to Brixton has been extracted or provided (without material adjustment) from the audited annual report and accounts for Brixton for the year ended 31 December 2008 reported under IFRS and property valuations undertaken as at 31 May 2009.
- The terms of the Transaction value the entire issued ordinary share capital of Brixton at £109.4 million, based on the Closing Price of 23.00 pence per SEGRO Share on 8 July 2009, the last practicable date prior to this announcement, and the number of Brixton shares in issue on 8 July 2009, the last practicable date prior to this announcement.
- The percentage of shares expected to be held by Brixton Shareholders in the Enlarged Group is based on 166,596,361 New SEGRO Shares being issued pursuant to the Transaction, the Placing and Open Offer and 5,677,371,596 SEGRO Shares currently in issue.
- As at 8 July 2009 5,677,371,596 SEGRO ordinary shares are in issue. The number of Consideration Shares to be issued pursuant to the Transaction is based on 271,707,102 Brixton Shares currently in issue.

APPENDIX III

SCHEDULE OF IRREVOCABLE UNDERTAKINGS

Name of Brixton Director	Number of Brixton Shares	Percentage of Brixton issued share capital
Louise Patten	10,055	0.004%
Peter Dawson	88,021	0.032%
Steven Owen	288,132	0.106%
Steven Lee	209,935	0.077%
Nicholas Fry	25,000	0.009%
Steven Harris	4,000	0.001%
Mark Moran	3,500	0.001%
David Scotland	6,408	0.002%
Total	635,051	0.234%

APPENDIX IV

DEFINITIONS

The following definitions apply throughout this announcement unless the context otherwise requires:

"1985 Act"	the Companies Act 1985, as amended and for the time being in force;
"2006 Act"	the Companies Act 2006, as amended and for the time being in force;
"2010 Brixton Bonds"	the £275 million 6.00 per cent. bonds due 2010;
"2015 Brixton Bonds"	the £150 million 5.25 per cent. bonds due 2015;
"2019 Brixton Bonds"	the £210 million 6.00 per cent. bonds due 2019;
"Admission"	admission to the Official List in accordance with the Listing Rules and to trading on the London Stock Exchange's main market for listed securities in accordance with the requirements contained in the publication "Admission and Disclosure Standards" dated 10 February 2009 (as amended from time to time) containing, amongst other things, the admission requirements to be observed by companies seeking admission to trading on the London Stock Exchange's main market for listed securities;
"Application Form"	the personalised application form on which Qualifying Non-CREST Shareholders may apply for Open Offer Shares under the Open Offer;
"Approval Resolution"	the ordinary resolution to be proposed at the SEGRO General Meeting to approve the Transaction;
"Approvals"	approvals, authorisations, orders, grants, determinations, recognitions, confirmations, consents, licences, clearances, waivers, certificates and permissions;
"Barclays Capital"	the investment banking division of Barclays Bank PLC;
"Brixton"	Brixton plc incorporated in England and Wales (registered number 00202342), whose registered office is at 50 Berkeley Street, London W1J 8BX;
"Brixton Board"	the board of directors of Brixton;
"Brixton Bonds"	the 2010 Brixton Bonds, the 2015 Brixton Bonds and/or the 2019 Brixton Bonds;
"Brixton Directors"	the directors of Brixton;
"Brixton General Meeting"	the general meeting of Brixton Shareholders to be held on • July 2009 to consider and, if thought fit, approve the Brixton Resolutions required to implement the Scheme (including any

	adjournment thereof);
“Brixton Group”	Brixton, its subsidiaries and subsidiary undertakings;
"Brixton Resolutions"	the special resolutions to be proposed at the Brixton General Meeting in connection with the Scheme;
“Brixton Shareholder(s)”	holders of Brixton Shares;
“Brixton Share(s)”	the issued ordinary shares of 25 pence each in the capital of Brixton;
“Brixton Share plans”	the Brixton 1998 SAYE Share Option Scheme; the Brixton Share Incentive Plan; the Brixton 2002 Long Term Incentive Plan; the Brixton 2002 Executive Share Option Scheme; the Brixton Share Matching Plan 2006; the Brixton Deferred Share Bonus Plan 2007; the Brixton 1995 Approved Executive Share Option Scheme and the Brixton 1995 Unapproved Executive Share Option Scheme;
"Brixton Valuers"	CBRE, King Sturge LLP
“Business Day”	a day on which the London Stock Exchange is open for business;
“Canada”	Canada, its provinces and territories and all areas subject to its jurisdictions or any political sub-division thereof;
“Capital Reduction”	the reduction of the Brixton's share capital associated with the cancellation and extinguishing of the Scheme Shares provided for by the Scheme under sections 135 and 137 of the 1985 Act;
“Citi”	Citigroup Global Markets Limited;
“City Code”	the UK City Code on Takeovers and Mergers;
“Closing Price”	the closing middle market price of a relevant share as derived from SEDOL on any particular day;
“Competing Proposal”	means a proposal: <ul style="list-style-type: none"> (a) made by a third party, which is not a joint offeror with the Bidder or a person acting in concert with the Bidder, of an intention to make an offer or possible offer for the acquisition of the entire issued and to be issued share capital of Brixton from Brixton Shareholders; or (b) which involves either the acquisition of shares from Brixton Shareholders which would result in a change of control of Brixton (other than the acquisition of control by SEGRO or a member of its Group and/or a person acting in concert with SEGRO) or the disposal a material of any interest in a material part of the business or assets of Brixton (save for disposals which have been disclosed to SEGRO prior to the date of the Implementation Agreement or which are undertaken with the

	prior written consent of SEGRO);
	in each case, whether or not such proposal is subject to any preconditions;
“Conditions”	the conditions to the implementation of the Transaction (including the Scheme), which are set out in Appendix I of this announcement;
“Consideration Shares”	the 47,548,742 new SEGRO Shares of 10 pence each proposed to be issued and credited as fully paid to Brixton Shareholders pursuant to the Transaction;
“Court”	the High Court of Justice in England and Wales;
"Court Hearing"	the hearing of the Court to sanction the Scheme and to confirm the Capital Reduction under section 137 of the 1985 Act and to authorise the re-registration of Brixton as a private company under section 139 of the 1985 Act;
“Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act and confirming the Capital Reduction and authorising the re-registration of Brixton as a private company under section 139 of the 1985 Act;
“Disclosure and Transparency Rules” or “DTRs”	the Disclosure and Transparency Rules as published by the FSA;
“Effective”	(i) if the Transaction is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Transaction is implemented by way of an Offer, such offer having been declared or become unconditional in all respects in accordance with the requirements of the City Code;
"Effective Date"	the date on which the Transaction becomes Effective;
“Enlarged Group”	with effect from the Effective Date, the combined SEGRO Group and Brixton Group;
“Enlarged Share Capital”	the issued ordinary share capital of SEGRO as it is expected to be following the issue of the New SEGRO Shares;
“Euronext Admission”	admission to listing and trading on Euronext Paris becoming effective in accordance with the NYSE Euronext Paris Market Rules
“Euronext Paris”	Euronext Paris, the French regulated market of NYSE Euronext
“Euro Note”	the 6.41 per cent. euro denominated note issued by SEGRO due 2011;
“Firm Placed Shares”	the 59,523,809 New SEGRO Shares of 10 pence each which J.P. Morgan Cazenove, UBS and Merrill Lynch have made arrangements to place firm (subject to certain conditions) on a

	non-pre-emptive basis with certain institutional investors pursuant to the Firm Placing;
“Firm Placees”	those persons with whom Firm Placed Shares are placed;
“Firm Placing”	the firm placing by J.P. Morgan Cazenove, UBS and Merrill Lynch of the Firm Placed Shares (which are not subject to clawback under the Open Offer) as part of the Placing and Open Offer;
“Fitch”	Fitch Ratings Ltd;
“FSA” or “Financial Services Authority”	the United Kingdom Financial Services Authority;
“Implementation Agreement”	the implementation agreement entered into by SEGRO and Brixton on 9 July 2009, governing the implementation of the Transaction;
“ISDA”	the International Swaps and Derivatives Association, Inc.;
“Issue Price”	210 pence per Open Offer Share of 10 pence or Firm Placed Share of 10 pence as the case may be;
“Japan”	Japan, its cities, prefectures, territories and possessions;
“J.P. Morgan Cazenove”	J.P. Morgan Cazenove Limited, joint financial advisor, joint sponsor and joint bookrunner to SEGRO;
“J.P. Morgan Securities”	J.P. Morgan Securities Ltd., joint underwriter to the Placing and Open Offer;
“Listing Rules”	the listing rules made by the FSA under section 73A of the Financial Services and Markets Act 2000;
“London Stock Exchange”	the London Stock Exchange plc or its successor(s);
“LSE Admission Standards”	the rules issued by the London Stock Exchange in relation to the admission to trading of, and continuing requirements for, securities admitted to trading on the London Stock Exchange’s market for listed securities;
“Merrill Lynch”	Merrill Lynch International, joint sponsor to SEGRO and joint underwriter to the Placing and Open Offer;
“New SEGRO Shares”	the Consideration Shares, the Firm Placed Shares and/ or the Open Offer Shares;
“Nomura”	Nomura International plc;
“Offer”	a takeover offer as that is defined in section 974 of the 2006 Act;
“Offer Document”	should SEGRO decide to implement the Transaction by way of an Offer, the document which would be dispatched to Brixton Shareholders containing and setting out the terms and conditions

	of the Offer;
“Offer Period”	the period commencing on (and including) 22 May 2009 and ending on the Effective Date;
“Official List”	the Official List of the UKLA;
“Open Offer”	the invitation by SEGRO to Qualifying SEGRO Shareholders to apply for Open Offer Shares on the terms and conditions set out in this document and, in the case of Qualifying non-CREST Shareholders, the Application Form;
“Open Offer Entitlements”	entitlements to apply to subscribe for Open Offer Shares pursuant to the Open Offer;
“Open Offer Record Date”	close of business on 8 July 2009;
“Open Offer Restricted Jurisdiction”	the United States, the Republic of South Africa, Singapore, Canada, and any other jurisdiction where the extension or availability of the Open Offer (and any other transaction contemplated thereby) would breach any applicable laws and, subject to certain exceptions, Japan;
“Open Offer Restricted Shareholders”	SEGRO Shareholders with registered addresses in, or who are citizens, residents, or nationals of, any Open Offer Restricted Jurisdictions;
“Open Offer Shares”	the 59,523,810 New SEGRO Shares of 10 pence each to be conditionally placed, subject to clawback under the Open Offer, as part of the Placing and subsequently offered to Qualifying SEGRO Shareholders pursuant to the Open Offer;
“Panel”	the Panel on Takeovers and Mergers;
“penny, pence” and “£”	the lawful currency of the United Kingdom;
“Placing”	the Firm Placing of the Firm Placed Shares and the conditional placing, subject to clawback under the Open Offer, of the Open Offer Shares by J.P. Morgan Cazenove, UBS and/or Merrill Lynch, in each case at the Issue Price;
“Placing Agreement”	the placing and underwriting agreement dated 9 July 2009 entered into between SEGRO, J.P. Morgan Cazenove, J.P. Morgan Securities, UBS and Merrill Lynch in relation to the Placing and Open Offer;
“Prospectus”	a prospectus relating to SEGRO and the listing of the New SEGRO Shares on the Official List (together with any supplements or amendments thereto);
“Qualifying non-CREST Shareholders”	Qualifying SEGRO Shareholders whose SEGRO Shares on the Register on the Open Offer Record Date are in certificated form;
“Qualifying SEGRO”	SEGRO Shareholders on the register of members of SEGRO at the Open Offer Record Date other than Open Offer Restricted

Shareholders	Shareholders;
“Register”	the statutory register of members of SEGRO or Brixton, as applicable;
“Registrar of Companies”	the Registrar of Companies in England and Wales, within the meaning of the 1985 Act;
“Regulatory Information Service”	one of the regulatory information services authorised by the UK Listing Authority to receive, process and disseminate regulatory information from listed companies;
“REIT”	a company or group to which Part 4 of the Finance Act 2006 applies, i.e. a UK real estate investment trust;
“Relevant Authority”	any central bank, ministry, governmental, quasi-governmental (including the European Union), supranational, statutory, regulatory, administrative or investigative body or authority (including any national or supranational antitrust, competition or merger control authority or similar authority), national, state, municipal or local government (including subdivision, court, administrative agency or commission or other authority thereof), government department, private body exercising regulatory, taxing, importing or other authority, court, agency (including trade agency), association, institution or professional or environmental body;
“Resolutions”	the resolutions to be proposed at the SEGRO General Meeting (and set out in the notice of general meeting contained in the SEGRO Circular) to approve the Transaction, increase the share capital of SEGRO, authorise the SEGRO Directors to allot the New SEGRO Shares and empower the SEGRO Directors to disapply pre-emption rights in relation to the allotment of the Firm Placed Shares and Open Offer Shares;
“Rights Issue”	the offer by way of rights to SEGRO Shareholders to acquire SEGRO Shares, on the terms and conditions set out in the prospectus issued by SEGRO and dated 4 March 2009;
“Scheme”	the scheme of arrangement proposed to be made under Part 26 of the 2006 Act to effect the Transaction between Brixton and the Scheme Shareholders, subject to any modification, addition or conditions approval or imposed by the Court and agreed by Brixton and SEGRO;
“Scheme Document”	the document to be dispatched to Brixton Shareholders in relation to the Scheme including the particulars required by section 897 of the 2006 Act;
“Scheme Meeting”	the meeting of the Scheme Shareholders to be convened at the direction of the Court pursuant to Part 26 of the 2006 Act at which a resolution to approve the Scheme (with or without amendment) and any adjournment thereof;

“Scheme Record Time”	the time and date specified as such in the Scheme Document, expected to be 5.00 p.m. on 21 August 2009;
“Scheme Restricted Jurisdiction”	any jurisdiction where sending in the Scheme Document would breach any applicable law;
“Scheme Restricted Shareholders”	Brixton Shareholders with registered addresses in, or who are citizens, residents, or nationals of, any Scheme Restricted Jurisdiction;
“Scheme Shareholders”	the holders of the Scheme Shares;
“Scheme Shares”	(a) the Brixton Shares in issue at the date of the Scheme Document;(b) any Brixton Shares issued after the date of the Scheme Document but before the Scheme Voting Record Time; and (c) any Brixton Shares issued at or after the Scheme Voting Record Time but before the Reorganisation Record Time in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme; in each case other than any Brixton Shares beneficially owned by SEGRO or any subsidiary undertaking of SEGRO immediately prior to the Scheme Record Time;
“Scheme Voting Record Time”	the time and date specified as such in the Scheme Document, which is expected to be 6.00 p.m. on the second day before the Scheme Meeting or, if the Scheme Meeting is adjourned, 6.00 p.m. on the second day before the date of such adjourned meeting;
“SEDOL”	the Stock Exchange Daily Official List;
“SEGRO” or “Company”	a company incorporated in England and Wales with registered number 0167591, whose registered office is at 234 Bath Road, Slough, SL1 4EE;
“SEGRO Board” or “SEGRO Directors”	the board of directors of SEGRO;
“SEGRO Circular”	the circular to be sent to SEGRO Shareholders in connection with the Transaction;
“SEGRO General Meeting” or “SEGRO GM”	the general meeting of SEGRO to be held at Lovells, Atlantic House, Holborn Viaduct, London EC1A 2FG at 2:00p.m. on 28 July 2009, notice of which is set out in the SEGRO Circular;
“SEGRO Group”	the Company together with its subsidiaries and subsidiary undertakings;
“SEGRO Share(s)”	ordinary shares of 1 penny each (10 pence each following the completion of the Share Consolidation) in the capital of SEGRO;
“SEGRO Shareholders”	holders of SEGRO Shares;
“SEGRO Valuers”	DTZ Debenham Tie Leung Limited, King Sturge LLP, Colliers

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“Share Consolidation”	the proposed consolidation and re-classification of the existing ordinary shares of 1 penny each in SEGRO into SEGRO Shares of 10 pence each pursuant to a resolution to be proposed at the SEGRO General Meeting, summarised in paragraph 17 of this announcement;
“subsidiary”	has the meaning given in section 1162 of the 2006 Act;
“Transaction”	the recommended acquisition by SEGRO of all of the issued and to be issued ordinary Brixton Shares to be effected by means of the Scheme or, should SEGRO so elect, by means of an Offer on the terms and subject to the conditions set out in the Scheme Document or, if applicable, the Offer Document;
“UBS” or “UBS Investment Bank”	UBS Limited, joint financial adviser and joint sponsor to SEGRO and joint underwriter to the Placing and Open Offer;
“UK” or “United Kingdom”	United Kingdom of Great Britain and Northern Ireland;
“UK Listing Authority” or “UKLA”	the Financial Services Authority acting in its capacity as the competent authority for listing under Part VI of the FSMA;
“United States” or “US”	the United States of America (including the states of the United States and the District of Columbia), its possessions and territories and all areas subject to its jurisdiction; and
“US Securities Act”	the US Securities Act of 1933, as amended.
"Wider Brixton Group"	Brixton and its subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Brixton and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or the equivalent; and
"Wider SEGRO Group"	SEGRO and its subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which SEGRO and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or the equivalent.

Unless otherwise stated, all times referred to in this document are references to London time.

Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.