

press release

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SLOUGH ESTATES' CAPITAL RECYCLING STRATEGY SEES FURTHER SALE AT ELSTREE AND NEW ACQUISITION IN PETERBOROUGH

Slough Estates International ("SEI"), a leading provider of flexible business space, has completed the sale to ING Real Estate of its Phase 300, **Centennial Business Park** in Elstree for £21 million.

The sale encompasses 12 production/warehousing units totalling 10,735 sqm, providing rental income of £1,338,000 per annum. The price reflects a net initial yield of 5.97%.

This latest transaction follows a phased sale of properties on the Park aimed at recycling capital. The first sale was Phases 100 and 200 to Morley Fund Management in November 2005 for £35 million, followed by the sale of Phases 600 and 700 to the Scarborough Group in January 2006 for £16 million. Phases 100 and 200 comprise 22,466 sqm of production/warehousing space in 16 units and Phases 600/700 comprise four office buildings totalling 6,285 sqm.

SEI is currently developing Centennial Business Park's Phase 400 "Northpoint" freehold-for-sale scheme, made up of 21 business units totalling 7,250 sqm and due for completion in Summer 2007. Contracts have also been exchanged with De Vere for one of its "De Vere Village" hotels, subject to planning, which will provide amenity to the businesses located in the Park.

SEI has also acquired the **Manasty Road Industrial Estate** in Peterborough for £17.5 million. This multi-let industrial estate, strategically located adjacent to Junction 17 of the A1(M), extends to 7.8 Ha and provides 28,984 sqm of business space in 45 units, used mainly for warehousing and light industrial purposes. The passing rent is £867,020 per

year and major tenants include the Inland Revenue and ChoicesUK, the home entertainment company.

The acquisition extends SEI's portfolio into a new geographic location and presents good potential for growth – already there is interest from prospective tenants, with one new letting and two further units under offer.

John Danks, Regional Director for North London and East of England commented: "These transactions demonstrate an active acquisition and disposal programme across the region. We are recycling mature assets when there is a good opportunity to realise value created, whilst investing in areas where we can add value from asset management or development. Our recent management of Centennial Business Park has realised value for the business and has enabled investment in areas such as Peterborough, which will in turn expand our presence in the North London & East region."

For Centennial Business Park, SEI were advised by Jones Lang LaSalle and ING Real Estate by Strutt and Parker. For Peterborough, SEI were advised by Drivers Jonas.

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Notes to editors

Slough Estates International (SEI)

The leading European provider of flexible business space, SEI owns business parks in Europe and North America, with property assets of £5.6bn, more than four million square metres of business space and more than 1,700 customers. SEI has an annual rent roll of £289m and a weighted average unexpired lease length of 11.9 years. Flexible business space is industrial sites or business parks put to multiple uses such as; manufacturing, light industrial, distribution (both 'small' and 'big-box'), research and development, offices and warehousing. SEI's properties are in suburban locations in close proximity to main business centres with long-term demand for business accommodation. The company continues to develop new business parks with the long-term objective of building shareholder value and enhancing its reputation for quality buildings offering excellent value to customers. (Figures quoted as at results to 30 June 2006)

www.sloughestates.com

Photographs

- Unit 370 of Phase 300 Centennial Park, leased at the beginning of 2005 to Apatech, a global leader in synthetic bone graft technologies.

http://www.sloughestates.com/seiimages/centennial_park_300_elstree.jpg

- Aerial view of the Manasty Road Industrial Estate, with boundary line marked in red

http://www.sloughestates.com/seiimages/manasty_road_aerial.jpg