

## Asset management activity

	Events	Sq ft	Total rent £m	Premium to March 2007 ERV %
Lettings and renewals				
Completed	85	492,000	19.8	5.9
Rent reviews				
Completed	20	156,500	3.6	5.9
Total including JVs	105	648,500	23.4	5.9

## Void rate

	% of rent		Sq ft	
	March 2008	March 2007	March 2008	March 2007
Void	3.2	5.0	87,000	126,400
Refurbishment and Development	13.9	15.7	349,400	266,600
Total including JVs	17.1	20.7	436,400	393,000

In December, two buildings located in Whitfield Street, W1 were sold for £16.1 million, generating a profit of £2.1 million or 15% above their March 2007 valuation, net of transaction costs.

### Asset management

The asset management team has continued to deliver across the portfolio.

- 85 new leases completed (2007: 47 leases) generating annual rent of £19.8 million (2007: £7.2 million) or 28% of year end rent roll;
- some 5.9% ahead of our valuers' March 2007 rental levels and providing positive momentum across our portfolio;
- rent reviews of £3.6 million (2007: £3.0 million) were settled during the year;
- total space covered by new lettings, reviews and renewals was 648,500 sq ft up 137% from 273,200 sq ft in 2007; and
- voids in the investment portfolio have been kept consistently low with the March 2008 position of 3.2% compared to 5% at March 2007.

The Group (including our share of JVs) took lease surrenders worth £10.4 million per annum associated with 294,000 sq ft in the year to March 2008 (2007: £64,000 sq ft). In many cases these transactions enabled rental levels to be enhanced from the previous passing rent or to allow a refurbishment scheme to be implemented. In addition to the 53,000 sq ft vacated by the tenants at lease expiry or break, of the total, 30,400 sq ft has been re-let with the remainder taken into the rolling refurbishment programme for subsequent re-letting at higher levels.

At 160 Great Portland Street, W1 we regeared the occupational leases to Virgin Media, which were due to expire in June 2008, to new eleven year leases at slightly higher than the valuers' estimate of rental value at March 2007.

Other operational achievements during the half year included lettings at Kent House, Market Place, W1 and Elsley House, Great Titchfield Street, W1 following completion of comprehensive refurbishments at both properties. New retail and office rental evidence has been set in Regent Street, W1 and Oxford Street, W1 following judicious lease surrenders; successful refurbishment projects were also completed at Pollen House, Cork Street, W1, 67/75 Kingsway, WC2, and Carrington House, Regent Street, W1.