ISIS Property Trust 2 Limited

2006

Annual report and accounts for the year to 30 June 2006

F&C Investments

Contents

This document is important and relates to certain matters on which voting action is required. Shareholders who are in any doubt as to what action to take should consult an appropriate independent adviser immediately.

If any shareholder has sold or transferred all their shares in the Company, he or she should pass this document to the person through whom the transfer or sale was effected for onwards transmission to the transferee or purchaser.

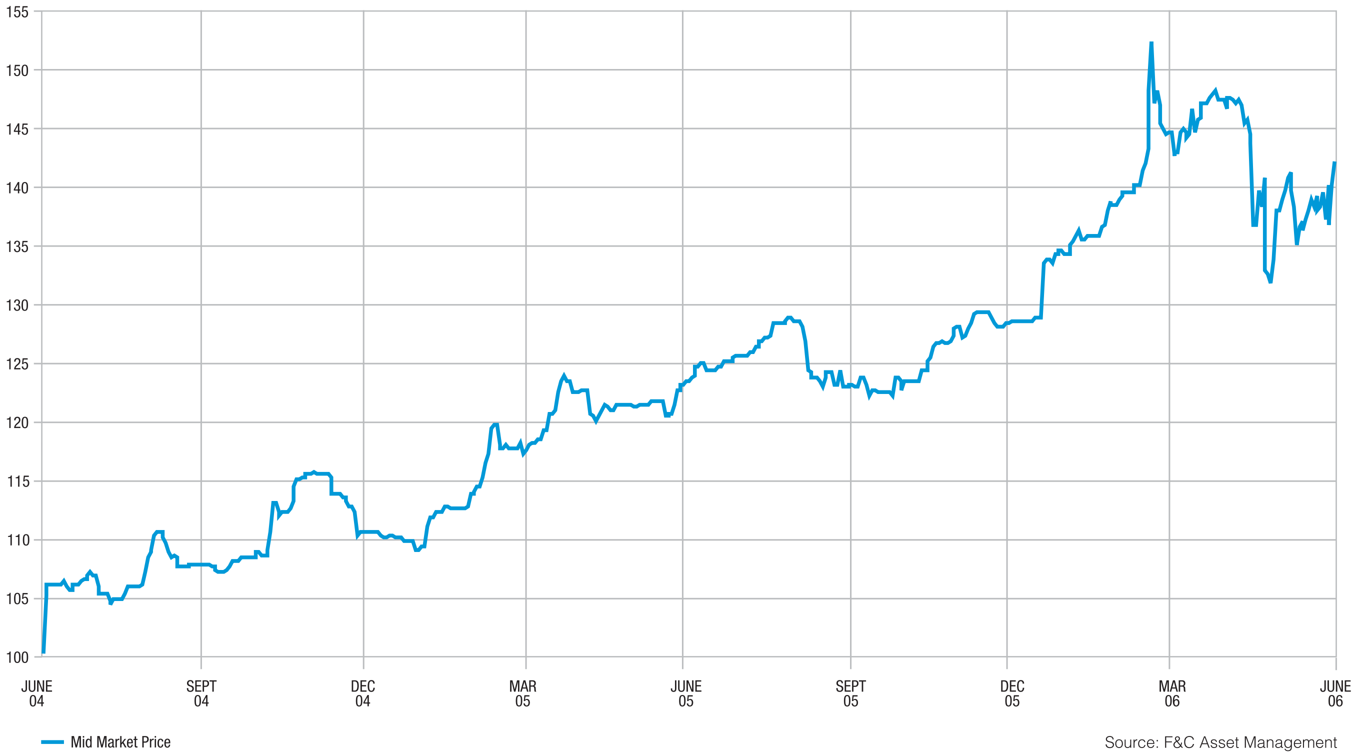
Company Summary

The Company	The Company is a closed-ended Guernsey registered investment company and its shares are listed on the Official List of the UK Listing Authority and on the Channel Islands Stock Exchange, and traded on the London Stock Exchange and the Channel Islands Stock Exchange. It was incorporated on 10 May 2004 and launched on 1 June 2004. At 30 June 2006 total assets less current liabilities were £231.1 million and shareholders' funds were £157.1 million.
Objective	The investment objective of the Company is to provide ordinary shareholders with an attractive level of income together with the potential for capital and income growth from investing in a diversified UK commercial property portfolio.
Management	At launch the Board appointed F&C Asset Management plc as Investment Managers. The investment management agreement is for a fixed initial three year period ending on 1 June 2007 and, with effect from 1 June 2006, may be terminated by either party by giving not less than 12 months' notice. Further details of the management contract are provided in the Notes to the Accounts.
Capital Structure	At launch on 1 June 2004, the Company had a capital structure comprising approximately 60 per cent Ordinary Shares and 40 per cent bank debt. Ordinary shareholders are entitled to all dividends declared by the Company and to all the Company's assets after repayment of its borrowings. Borrowings consist of a loan of £70.7 million drawn down for a period of 10 years to 30 May 2014. The loan carries interest at 0.74 per cent over LIBOR for the first three years and 0.65 per cent thereafter; this variable rate has been fixed through an interest rate swap which matures on 1 June 2014 and results in a weighted average interest rate of 6.29 per cent per annum.
ISA/PEP Status	The Company's shares are eligible for ISAs and PEP transfers.
Website	The Company's internet address is: www.isispropertytrust2.com

Financial Highlights

- Net asset value total return of 32.9 per cent compared to a return of 21.3 per cent from the Investment Property Databank All Monthly Valued Funds.
- Dividends of 6.75p per share in respect of the year.
- Increase of 2.5 per cent in future rate of dividend.

ISIS Property Trust 2 Limited Share Price from Launch



Source: F&C Asset Management

Performance Summary

Total Return

	Year ended 30 June 2006	Period from 10 May 2004 to 30 June 2005
Net asset value per share*	**32.9%**	23.2%
Ordinary Share price*	**20.3%**	32.6%
Investment Property Databank All Monthly Valued Funds†	**21.3%**	21.3%
FTSE All-Share Index	**19.7%**	20.5%

Capital Values

	30 June 2006	30 June 2005	% Change
Total assets less current liabilities £000's	**231,118**	202,007	14.4%
Net asset value per share	**142.2p**	112.6p	26.3%
Ordinary Share price	**142.5p**	124.5p	14.5%
FTSE All-Share Index	**2,967.6**	2,560.2	15.9%
Premium to net asset value per share	**0.2%**	10.6%	
Gearing ‡	**30.9%**	35.3%	

Earnings and Dividends

	Year ended 30 June 2006	Period from 10 May 2004 to 30 June 2005
Earnings per Ordinary Share	**33.1p**	26.2p
Dividends paid per Ordinary Share	**6.750p**	5.615p
Dividend yield**	**4.7%**	5.4%

Total Expenses Ratio

As a percentage of average total assets less current liabilities ¶***	**1.3%**	1.2%
As a percentage of average shareholders' funds ¶	**2.0%**	3.2%

Highs/Lows

	2006 Highs	2006 Lows
Net asset value per share	142.2p	119.5p
Ordinary Share price	152.8p	122.3p
Premium/(discount)	20.1%	(2.6)%

† Excludes revenue costs.
‡ Bank debt ÷ total assets less current liabilities.
* Total return assuming gross dividends reinvested.
** Calculated on annualised dividends of 6.75p per share. An analysis of dividend payments is contained in note 6 on page 23.
*** 2005 excludes set up costs of £1,528,000.
¶ Calculated on an annualised basis and including non-recoverable property expenses.
Sources: F&C Asset Management, Investment Property Databank ('IPD') and Datastream.

Chairman's Statement

Quentin Spicer
Chairman

The year to 30 June 2006 was another strong year for the commercial property sector. The Company's net asset value total return was 32.9 per cent which compares favourably to a return of 21.3 per cent from the Investment Property Databank ('IPD') All Monthly Valued Funds. The net asset value per share at the year end was 142.2 pence and the share price was 142.5 pence per share.

Since launch on 1 June 2004, the Company's share price has increased by 42.5 per cent, and shareholders have earned a further 12.4 per cent of the issue price from dividends paid.

There was a good level of demand for the Company's shares during the year with investors continuing to be attracted to the income and diversification benefits of investing in commercial property, underpinned by the quality of the portfolio. It was also pleasing that the Company was admitted to the FTSE All-Share Index in March 2006 following changes to the rules which now make Guernsey registered companies eligible for the UK FTSE Series.

Property Market and Portfolio

The trend of strong demand from institutions, private individuals and overseas investors continued during the year, leading to yield compression and increased capital values. Shortage of quality stock was also a contributing factor as was the announcement of proposed legislation for UK Real Estate Investment Trusts ('REITs').

Against this background it is pleasing to report that all of the Company's properties increased in value during the year under review. The overall market valuation of the portfolio increased from £201.1 million as at the end of the previous year to £228.5 million (*) as at 30 June 2006, representing an un-geared increase of 15.6 per cent and a total return of 22.2 per cent.

The biggest gain came from the Company's largest property, at Echo Park, Banbury. The lease was restructured during the year and its market value, after payment of the lease premium, increased by 26.4 per cent to £20.5 million. Significant gains were also made at 48/49 St James Street, London SW1 and 99/103 Long Acre, London WC2.

As previously reported to shareholders, at the beginning of December 2005 the property at Hemel Gateway, Boundary Way, Hemel Hempstead was severely damaged as a result of the fuel explosion at the neighbouring Buncefield fuel terminal. This property is fully insured and the Board does not expect there to be any material capital or income loss to the Company.

One property, at Pincents Lane, Reading, was sold during the year for £5.0 million (7.2 per cent above valuation). There were no purchases during the year.

Dividends

Since launch, it has been the Board's intention to pay a gross annual dividend yield of 6.75 per cent on the issue price of 100p per share.

In this respect, three interim dividends, each of 1.6875 pence per Ordinary Share, have been paid in relation to the financial year, on 16 December 2005, 31 March 2006 and 30 June 2006. The Board has declared a fourth interim dividend of 1.6875 pence per Ordinary Share which will be paid on 29 September 2006 to shareholders on the register on 15 September 2006.

This brings the total dividends for the year to 6.75 pence per Ordinary Share. It remains the Board's intention to pay interim dividends quarterly in December, March, June and September each year.

As a result of the strong performance of the Company since launch, the Board has declared an increase of 2.5 per cent in the first interim dividend in respect of the year ending 30 June 2007. The dividend, of 1.73 pence per share, will be paid on 22 December 2006 to shareholders on the register on 8 December 2006. The Board hopes to maintain this level of dividend for subsequent dividend payments.

Gearing

As a result of the continuing rise in the value of the property portfolio, the level of gearing as at 30 June 2006 was 30.9 per cent, which compares to 35.3 per cent as at 30 June 2005 and 40.0 per cent at launch on 1 June 2004.

The Company's borrowings are represented by a £70.7 million ten year bank loan which is repayable on 30 May 2014. More detailed information about the terms of the loan can be found in note 12 to the accounts.

Chairman's Statement

Outlook

The Company has benefited from very good returns from the commercial property sector since its launch in June 2004 and, with returns approaching 10 per cent for the first half of 2006, another good year is in prospect. However, at current valuation levels there seems little scope for further rises and we would therefore expect returns to revert to more sustainable levels in the year ahead.

Quentin Spicer

Chairman

18 September 2006

* The market value of the portfolio as at 30 June 2006 was £228.5 million. The fair value, as stated in the accounts, was £227.3 million. The difference of £1.2 million is represented by the lease premium paid in relation to the property at Echo Park, Banbury which, under International Financial Reporting Standards, is required to be recorded as a current asset and amortised over the period from the date of lease commencement to the earliest termination date.

Investment Managers

Ian McBryde
(Investment Manager)

Ian McBryde joined F&C Asset Management plc in 1982 and is a director of F&C Property Asset Management. He is a fellow of the Royal Institute of Chartered Surveyors.

F&C Asset Management plc ('F&C') is the diversified asset management business created on 11 October 2004 following the merger of ISIS Asset Management plc and F&C Group (Holdings) Limited. The combined business has £107 billion of funds under management (as at 30 June 2006) and is a leading asset manager in both the UK and Europe. The shares of F&C are traded on the London Stock Exchange.

F&C provides investment management and other services to a range of investment companies. In addition, it is one of the top ten property managers in the UK, with property funds under management of £5.2 billion (as at 30 June 2006), and manages property investments on behalf of a wide range of clients including ISIS Property Trust Limited, ISIS Property Trust 2 Limited and F&C Commercial Property Trust Limited.

The F&C property team has a strong investment performance track record of achieving out-performance of relevant benchmarks over short, medium and long term periods.

Manager's Review

Property Market Review

The property market has continued its strong performance, delivering total returns of 21.3 per cent in the year to 30 June 2006 according to the Investment Property Databank ('IPD') Quarterly Index.

Despite the considerable volatility seen in financial markets towards the end of the financial year, property continued to perform well, with total returns of 4.9 per cent recorded during the final quarter.

Property remains in favour with investors for its stability and diversification benefits. More than £53 billion has been invested in property over the past year, up from £48 billion in the previous year. Overseas buyers, institutions and private individuals have all been net investors over the period.

Quality stock has been in short supply and the weight of money coming into property has led to further yield compression across the board. IPD figures show that initial all property yields fell by 0.9 per cent during the year, to 4.7 per cent. The all property yield has reached a very low level, below the key five year swap borrowing rate and barely ahead of the gilt rate.

Rental growth of 2.9 per cent has been recorded over the past year, with rental levels moving forward in all sectors.

All sectors saw faster growth than in the previous year but the office market has drawn ahead of the retail and industrial sectors, helped by stronger rental growth and limited new supply. IPD figures show total returns for the year of 24.1 per cent for offices, 20.4 per cent for retail and 19.5 per cent for industrial.

IPD Quarterly Index

	Rental Growth	Capital Growth	Total Returns
12 month average	2.9	15.2	21.3
3 year average per annum	2.0	11.1	17.8
5 year average per annum	1.0	7.2	14.1

Portfolio Review

During the year the capital value of the Company's properties increased significantly, benefiting from the strong investment market for commercial property. The value of the portfolio increased from £201.1 million as at 30 June 2005 to £228.5 million as at 30 June 2006, an overall uplift of 15.6 per cent (net of transactions during the year). The total return from the portfolio was 22.2 per cent for the year.

The largest capital movement came from Unit 3663, Echo Park, Banbury where the market value rose by £5.5 million to £20.5 million reflecting an initial yield of 5.1 per cent, mainly as a result of the restructuring of the lease for which the tenant received a reverse premium of £1.2 million. The value of 48/49 St James Street, London SW1 continued to improve in value on the strength of the West End occupational and investment markets, and increased by £4.2 million to £16.6 million (increase of 33.7 per cent) reflecting a net initial yield of 3.9 per cent and an increase in the estimated rental value ('ERV') from £50 to £55 psf. The property at 99/103 Long Acre, London WC2 increased in value by £3.9 million to £16.4 million (increase of 31.1 per cent) helped by the settlement of the outstanding 2005 rent review. All the Company's properties returned positive capital movements.

During the year the Company sold its retail warehouse at Pincents Lane, Reading for £5.0 million, in excess of the valuation of £4.6 million and the original cost of £4.4 million. The property was sold with vacant possession following the tenant, Allders plc, going into administration.

Twelve rent reviews or lease renewals were completed during the year, with an increase of £165,200 or 5.5 per cent on existing rents of £3.0 million. The total ERV of the Company's portfolio increased by 2.1 per cent.

The average lease length of the portfolio is 10.1 years, principally maintained by the restructuring of the lease of Unit 3663, Echo Park, Banbury, with 83.3 per cent of the Company's income received from tenants in the low-medium or better risk category as rated by Experian and Investment Property Databank. The current void rate on the portfolio is 3.2 per cent by ERV.

Since launch in June 2004, the Company has sold one property. We continue to be mindful of the need to maintain a broad sector balance and to exploit opportunities for sales and new purchases, as and when they occur.

Manager's Review

Outlook

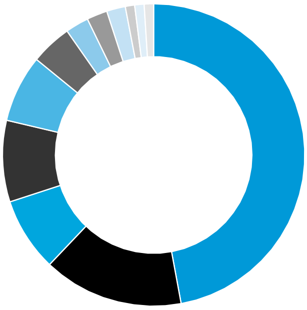
With total returns approaching 10 per cent for the first half of 2006, another calendar year of strong returns looks to be in prospect. However, the scope for further yield compression is very limited especially given a possibly less benign interest rate environment. We would therefore expect returns from property to revert to more sustainable levels in the year ahead, with performance becoming more income driven.

Ian McBryde
Investment Manager

18 September 2006

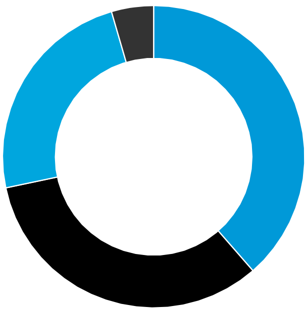
Portfolio Statistics

Geographical Analysis as at 30 June 2006



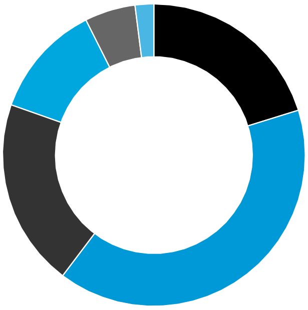
South East	47.2%
West Midlands	15.1%
London – West End	8.8%
Scotland	8.0%
London – Mid Town	7.3%
Yorkshire and Humberside	4.5%
East Midlands	2.6%
London – Eastern	2.3%
Rest of London	2.1%
North East	0.7%
North West	0.7%
South West	0.7%

Sector Analysis as at 30 June 2006



Retail	38.6%
Industrial	33.1%
Offices	23.8%
Retail Warehouse	4.5%

Covenant Strength as at 30 June 2006



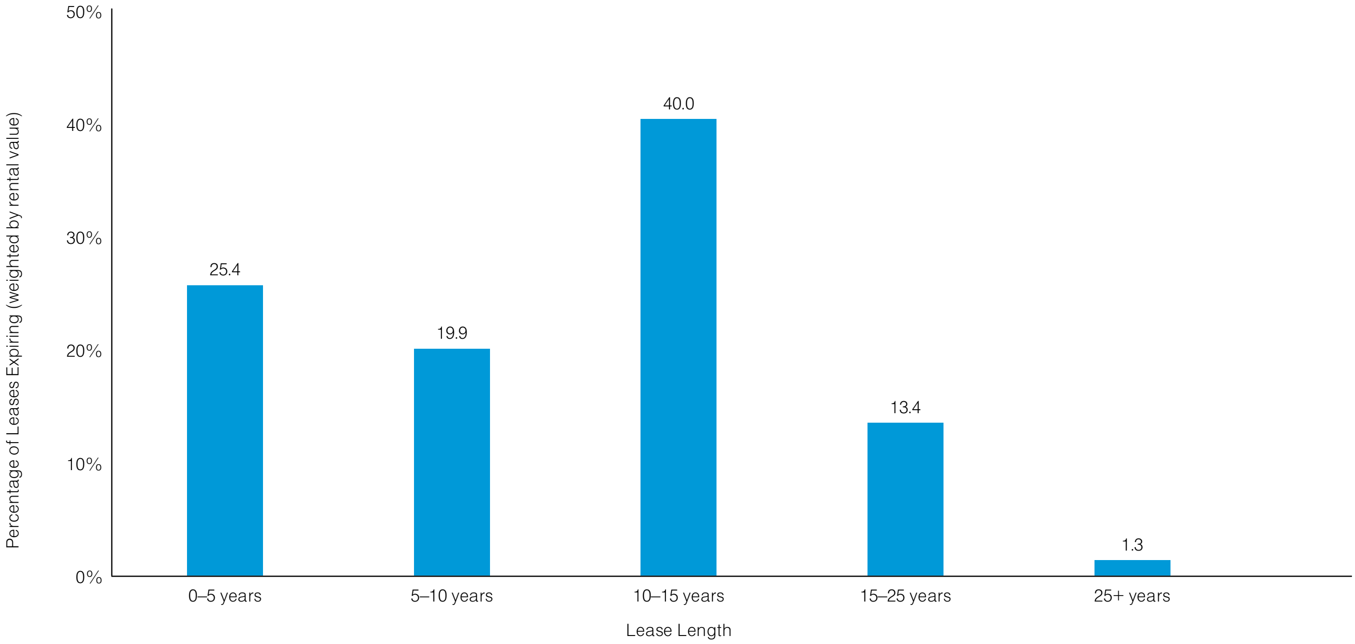
Negligible and Government Risk	20.2%
Low Risk	40.1%
Low-Medium Risk	20.1%
Medium-High Risk	12.2%
High Risk	5.4%
Unmatched	2.0%

As measured by: Investment Property Databank ('IPD').

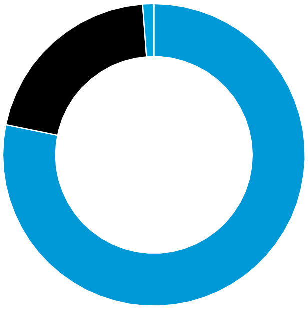
Portfolio Statistics

Lease Expiry Profile

At 30 June 2006 the average lease length for the portfolio, assuming all break options are exercised, was 10.1 years (2005: 10.1 years).



Tenure Analysis as at 30 June 2006



Freehold	**78.2%**
Leasehold	**20.6%**
Mixed Freehold/Leasehold	**1.2%**

Property Portfolio

Property	Sector	Book Cost £'000	Fair Value £'000	Initial Yield†	% of Total Assets (less Current Liabilities)
Banbury, 3663 Unit, Echo Park	Industrial	13,850	19,338‡	5.1%	8.4
London SW1, 48/49 St James Street & 161 Piccadilly	Offices	10,000	16,650	3.9%	7.2
London WC2, 99/103 Long Acre*	Retail	10,800	16,425	3.9%	7.1
Bellshill, Mercury House, Strathclyde Business Park	Offices	11,680	14,350	5.7%	6.2
Colnbrook, Units 1-8, Lakeside Road	Industrial	10,750	14,050	5.0%	6.1
Eastleigh, Southampton International Park	Industrial	11,375	14,000	5.7%	6.1
Leamington Spa, 30/40 The Parade & 47/59A Warwick Street	Retail	9,340	12,150	4.9%	5.3
Hemel Hempstead, Hemel Gateway, Boundary Way	Industrial	8,510	11,150	5.8%	4.8
York, Clifton Moor Gate*	Retail Warehouse	8,550	10,250	5.5%	4.4
Rugby, Swift House, Cosford Lane*	Industrial	6,700	8,625	5.7%	3.7
Ten largest property holdings		**101,555**	**136,988**		**59.3**
Milton Keynes, Genesis House, Midsummer Boulevard	Offices	6,000	6,820	7.0%	3.0
Brookwood, The Clock Tower	Offices	5,160	6,325	6.3%	2.7
Winchester, 7-8 High Street & 50 Colebrook Street	Retail	4,720	6,200	4.7%	2.7
Nottingham, Standard Hill, No 1 Royal Standard Place	Offices	4,710	5,900	6.0%	2.5
Milton Keynes, Crown House, Chippenham Drive	Industrial	4,730	5,675	6.7%	2.5
Sutton Coldfield, 63/67 The Parade	Retail	4,330	5,450	4.5%	2.4
Southampton, Units 1, 2 & 3, Above Bar*	Retail	4,161	5,250	4.7%	2.3
Guildford, 51/53 High Street	Retail	3,940	4,960	4.6%	2.1
Marlow, Unit GP9, Globe Park	Offices	3,780	4,300	6.6%	1.9
Leamington Spa, 88/90 The Parade	Retail	2,890	3,800	4.6%	1.6
Twenty largest property holdings		**145,976**	**191,668**		**83.0**
London SW1, 24 Haymarket & 1/2 Panton Street*	Retail	2,974	3,725	5.1%	1.6
Croydon, 17/21 George Street	Retail	2,980	3,625	5.2%	1.6
Guildford, 7/11 Bridge Street	Retail	2,300	3,450	4.3%	1.5
Rayleigh, 81/87 High Street	Retail	1,770	3,000	5.2%	1.3
Edinburgh, 100A Princes Street	Retail	2,222	2,875	0.0%	1.2
Nuneaton, 1-2 Church Street	Retail	1,890	2,580	5.1%	1.1
Sunningdale, 53/79 Chobham Road	Retail	1,907	2,400	4.9%	1.0
Wickford, 12/20 High Street	Retail	1,310	2,150	6.3%	0.9
Brighton, 2-3 Pavilion Buildings*	Retail	1,760	2,000	7.4%	0.9
Hereford, 9 High Street	Retail	1,470	2,000	5.0%	0.9
Thirty largest property holdings		**166,559**	**219,473**		**95.0**
South Shields, 67/69 King Street	Retail	1,120	1,650	0.0%	0.7
Swindon, Unit 5, Newcombe Drive	Industrial	1,280	1,640	5.8%	0.7
Sutton, 97 High Street	Retail	910	1,200	4.8%	0.5
Edinburgh, 114 Princes Street	Retail	710	950	4.3%	0.4
Rochdale, 40 Yorkshire Street	Retail	730	900	5.2%	0.4
Newbury, 25 Northbrook Street*	Retail	630	815	4.6%	0.3
Rochdale, 42 Yorkshire Street	Retail	570	665	5.4%	0.3
Total property portfolio		**172,509**	**227,293**		**98.3**
Net current assets			**3,825**		**1.7**
Total assets less current liabilities			**231,118**		**100.0**

*Leasehold property

†Based on market value

‡The market value of Banbury is £20,500,000. The difference between the market value and the fair value is the reverse lease surrender premium of £1,162,000 which is recorded in the accounts as a current asset.

Board of Directors

Quentin Spicer
(Chairman)
Aged 61, is a resident of Guernsey. He is an English solicitor and was the head of the property department of Wedlake Bell in London before moving to head the Guernsey office. He is chairman of a number of companies including the Guernsey Housing Association LBG, RAB Special Situations Company Limited and European Value and Income Fund Limited, and is a non-executive director of PINE Trustee (Jersey) Limited and of a number of property investment funds.

Andrew Gulliford
Aged 59, is a UK resident. He is a chartered surveyor and was, until 1 January 2006, deputy senior partner of Cushman & Wakefield Healey & Baker. He joined one of its predecessor firms in 1972 and was head of the firm's investment group for twelve years until the end of 2002. He advises a number of institutions on property matters and is also a non-executive director of Helical Bar plc and McKay Securities plc, UK listed property companies.

Christopher Sherwell
Aged 58, is a resident of Guernsey. He worked with the *Financial Times* for thirteen years before becoming a Far East Regional Strategist for Smith New Court Securities in 1990. In 1993 he joined Schroders in the Channel Islands as investment director of Schroders (C.I.) Limited and was managing director from April 2000 to January 2004. He is still a non-executive director of Schroders (C.I.) Limited and is non-executive chairman of Consulta (Channel Islands) Limited, a fund management business, and Hermes Absolute Return Fund (Guernsey) Limited, a fund of hedge funds. He is also a non-executive director of various other investment companies.

Christopher Spencer
Aged 56, is a resident of Guernsey. He is a chartered accountant and was managing director of Pannell Kerr Forster (Guernsey) Limited until 2000. He is a member of the Guernsey Gambling Control Commission. He is also a non-executive director of a number of listed companies, including Bear Stearns Private Equity Limited, Queen's Walk Investment Limited, Dexion Trading Limited, Advance Focus Fund Limited and Ruffer Investment Company Limited.

Giles Weaver
Aged 60, is a UK resident. He is a chartered accountant and was, until 2000, managing director and chairman of Murray Johnstone Limited. He has over 25 years' experience as a fund manger. He is chairman of Charter Pan-European Trust plc and Helical Bar plc, and is a non-executive director of Aberdeen Asset Management plc, Henderson Far East Income Trust plc, Anglo & Overseas Trust plc, Investec High Income Trust plc and Isotron plc.

Report of the Directors

The Directors present their report and accounts of the Group for the year ended 30 June 2006.

Results and Dividends

The results for the year are set out in the attached accounts.

The Company has paid interim dividends during the year ended 30 June 2006 as follows:

	Payment date	Rate per share
Fourth interim for prior year	30 September 2005	1.6875p
First interim	16 December 2005	1.6875p
Second interim	31 March 2006	1.6875p
Third interim	30 June 2006	1.6875p

It is the policy of the Directors to declare and pay dividends as interim dividends. The Directors do not therefore recommend a final dividend. A fourth interim dividend of 1.6875p will be paid on 29 September 2006 to shareholders on the register on 15 September 2006.

Principal Activity and Status

The Company is a Guernsey registered company and during the year carried on business as a property investment company.

A review of the business during the year is contained in the Chairman's Statement and the Manager's Review.

Listing Requirements

Throughout the year the Company complied (and intends to continue to comply) with the conditions applicable to property investment companies set out in paragraph 15.5.15R of the Listing Rules.

Directors

The Directors who held office during the year and their interests in the shares of the Company as at 30 June 2006 (all of which were beneficial) were:

	As at 30 June 2006 Ordinary Shares	As at 1 July 2005 Ordinary Shares
Q Spicer	**20,000**	20,000
A E G Gulliford	**25,000**	25,000
C W Sherwell	**20,000**	20,000
C P Spencer	**25,000**	25,000
C G H Weaver	**50,000**	50,000

There have been no changes in the above interests between 30 June 2006 and 18 September 2006.

The Directors are also directors of IPT2 Property Holdings Limited, the Company's wholly owned subsidiary undertaking.

Biographical details of each of the Directors are shown on page 12.

Mr Q Spicer retires from the Board by rotation and, being eligible, offers himself for re-election at the Annual General Meeting.

The Board confirms that, following formal performance evaluations, Mr Spicer's performance continues to be effective and demonstrates commitment to the role, and believes that it is therefore in the interests of shareholders that he is re-elected.

During the year the Directors received the following emoluments in the form of fees:

	Year ended 30 June 2006	Period from 10 May 2004 to 30 June 2005
Q Spicer	**£18,000**	£20,460
A E G Gulliford	**£12,000**	£13,640
C W Sherwell	**£12,000**	£13,640
C P Spencer	**£12,000**	£13,640
C G H Weaver	**£12,000**	£13,640
Total	**£66,000**	£75,020

There are no service contracts in existence between the Company and any Directors but each of the Directors was appointed by a letter of appointment which sets out the main terms of his appointment.

Management

F&C Asset Management plc provides management services to the Company. A summary of the contract between the Company and F&C Asset Management plc in respect of management services provided is given in Note 2 to the accounts.

Since the year end, the Management Engagement Committee has reviewed the appropriateness of the Investment Managers' appointment. In carrying out the review the Committee considered the investment performance of the Company and the capability and resources of the Investment Managers to deliver satisfactory investment performance. It also considered the length of the notice period of the investment management contract and the fees payable to the Investment Managers, together with the standard of the other services provided.

Following this review, it is the Directors' opinion that the continuing appointment of the Investment Managers on the terms agreed is in the interests of shareholders as a whole.

Substantial Interests in Share Capital

At 18 September 2006 the following holdings representing more than 3 per cent of the Company's issued share capital had been notified to the Company.

	Number of Ordinary Shares Held	Percentage Held
Friends Provident Group	**23,056,750**	**20.9**
Scottish Widows Investment Partnership Ltd	**10,000,000**	**9.0**

Report of the Directors

Corporate Governance

Guernsey does not have its own corporate governance code and, as a Guernsey registered company, the Company is not required to comply with the Combined Code on Corporate Governance ('the Code'). However, it is the Company's policy to comply with best practice on good corporate governance that is applicable to investment companies.

Arrangements in respect of corporate governance have therefore been made by the Board, which it believes are appropriate for the Company. Except as disclosed in the following paragraph, the Company complied throughout the year with the provisions of the Code. Since all the Directors are non-executive the provisions of the Code in respect of Directors' remuneration are not relevant to the Company except in so far as they relate to non-executive Directors. The Company does not have a Remuneration Committee.

In view of its non-executive nature and the requirement of the Articles of Association that all Directors retire by rotation at least every three years, the Board considers that it is not appropriate for the Directors to be appointed for a specified term as recommended by provision A.7.2 of the Code, nor for a Senior Independent Director to be appointed as recommended by provision A.3.3 of the Code.

The Board consists solely of non-executive Directors of which Mr Q Spicer is Chairman. All Directors are considered by the Board to be independent of the Company's Managers. It should be noted that Mr A E G Gulliford and Mr C G H Weaver are both directors of Helical Bar plc. However, in the opinion of the Board, this relationship does not affect their independence in any way. New Directors receive an induction from the Investment Managers and Secretary on joining the Board, and all Directors receive other relevant training as necessary.

The Company has no executive Directors or employees. A management agreement between the Company and its Investment Managers, F&C Asset Management plc, sets out the matters over which the Investment Managers have authority and the limits beyond which Board approval must be sought. All other matters, including strategy, investment and dividend policies, gearing, and corporate governance procedures, are reserved for the approval of the Board of Directors. The Board currently meets at least quarterly and receives full information on the Company's investment performance, assets, liabilities and other relevant information in advance of Board meetings.

Throughout the year a number of committees have been in operation. The committees are the Property Valuation Committee, the Audit Committee, the Management Engagement Committee and the Nomination Committee.

The Property Valuation Committee, chaired by Mr A E G Gulliford, comprises the full Board and is convened for the purpose of reviewing the quarterly independent property valuation reports prior to their submission to the Board.

The Audit Committee, chaired by Mr C P Spencer, operates within clearly defined written terms of reference which are available on request and comprises all of the Directors. The duties of the Audit Committee in discharging its responsibilities include reviewing the Annual and Interim Accounts; the system of internal controls; and the terms of appointment of the auditors together with their remuneration. It is also the forum through which the auditors report to the Board of Directors and meets at least twice yearly. The objectivity of the auditors is reviewed by the Audit Committee which also reviews the terms under which the external auditors are appointed to perform non-audit services. The Committee reviews the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditors, with particular regard to non-audit fees. Such fees amounted to £21,000 for the year ended 30 June 2006 (period ended 30 June 2005 – £224,000) and related principally to the provision of taxation services and a review of the interim financial information. Notwithstanding such services the Audit Committee considers Ernst & Young LLP to be independent of the Company.

The Management Engagement Committee, chaired by Mr Q Spicer, comprises the full Board and reviews the appropriateness of the Investment Managers' continuing appointment together with the terms and conditions thereof on a regular basis.

The Nomination Committee, chaired by Mr Q Spicer, comprises the full Board and is convened for the purpose of considering the appointment of additional Directors as and when considered appropriate.

During the year the performance of the Board, committees and individual Directors was evaluated through an assessment process, led by the Chairman. The performance of the Chairman was evaluated by the other Directors.

The table below sets out the number of Board and Committee meetings held during the year and the number of meetings attended by each Director.

Individual Directors may, at the expense of the Company, seek independent professional advice on any matter that concerns them in the furtherance of their duties. The Company maintains appropriate Directors' and Officers' liability insurance.

	Board of Directors		Property Valuation Committee		Audit Committee		Management Engagement Committee		Nomination Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Q Spicer	4	4	4	4	2	2	1	1	–	–
A E G Gulliford	4	4	4	4	2	2	1	1	–	–
C W Sherwell	4	4	4	4	2	2	1	1	–	–
C P Spencer	4	4	4	4	2	2	1	1	–	–
C G H Weaver	4	4	4	4	2	2	1	1	–	–

Report of the Directors

Going Concern

After making enquiries, and bearing in mind the nature of the Company's business and assets, the Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Environmental Policy

The Investment Managers acquire, develop and manage properties on behalf of the Company. It is recognised that these activities have both direct and indirect environmental impacts.

The Board has endorsed the Investment Manager's own environmental policy, which is to work in partnership with contractors, suppliers, tenants and consultants to maintain those impacts, seeking continuous improvements in environmental performance and conducting regular interviews.

Internal Controls

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. The Board has therefore established an ongoing process designed to meet the particular needs of the Company in managing the risks to which it is exposed, consistent with the guidance provided by the Turnbull Committee. The process is based principally on the Investment Managers' existing risk-based approach to internal control whereby a test matrix is created that identifies the key functions carried out by the Investment Managers and other service providers, the individual activities undertaken within those functions, the risks associated with each activity and the controls employed to minimise those risks. A residual risk rating is then applied. The test matrix is regularly updated and the Board is provided with regular reports highlighting all material changes to the risk ratings and confirming the action which has been, or is being, taken. A formal annual review of these procedures is carried out by the Audit Committee and includes consideration of FRAG 21 and similar reports issued by the Investment Managers and other service providers.

Such review procedures have been in place throughout the year and up to the date of approval of the Annual Report, and the Board is satisfied with their effectiveness. By their nature these procedures can provide reasonable, but not absolute, assurance against material misstatement or loss. At each Board meeting the Board monitors the investment performance of the Company in comparison to its stated objective and against comparable companies. The Board also reviews the Company's activities since the last Board meeting to ensure that the Investment Managers adhere to the agreed investment policy and approved investment guidelines and, if necessary, approves changes to such policy and guidelines. In addition, at each Board meeting, the Board receives reports from the Secretary in respect of compliance matters and duties performed on behalf of the Company.

The Board has reviewed the need for an internal audit function. The Board has decided that the systems and procedures employed by the Investment Managers and the Secretary, including their internal audit functions and the work carried out by the Company's external auditors, provide sufficient assurance that a sound system of internal control, which safeguards shareholders' investments and the Company's assets, is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

Relations with Shareholders

The Company welcomes the views of shareholders and places great importance on communication with its shareholders. The Board receives regular reports on the views of shareholders and the Chairman and other Directors are available to meet shareholders if required. The Annual General Meeting of the Company provides a forum, both formal and informal, for shareholders to meet and discuss issues with the Directors and Managers of the Company.

Directors' Authority to Buy Back Shares

The Company did not purchase any shares for cancellation during the year.

The current authority of the Company to make market purchases of up to 14.99 per cent of the issued Ordinary Share Capital expires at the end of the Annual General Meeting and Resolution 5, as set out in the notice of the Annual General Meeting, seeks renewal of such authority until the Annual General Meeting in 2007. Any buy back of Ordinary Shares will be made subject to Guernsey law and within any guidelines established from time to time by the Board and the making and timing of any buy backs will be at the absolute discretion of the Board. Purchases of Ordinary Shares will only be made through the market for cash at prices below the prevailing net asset value of the Ordinary Shares (as last calculated) where the Directors believe such purchases will enhance shareholder value. The price paid will not be less than the nominal value of 1p per share. Such purchases will also only be made in accordance with the rules of the UK Listing Authority which provide that the price to be paid must not be more than 5 per cent above the average of the middle market quotations for the Ordinary Shares for the five business days before the shares are purchased. Any shares purchased under this authority will be cancelled. The Directors have no current intentions to utilise the share buy back authority.

Auditors

Ernst & Young LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Approved by the Board on 18 September 2006.

Q Spicer	**C P Spencer**
Director	Director

Consolidated Income Statement

For the year to 30 June 2006

	Notes	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
Revenue			
Rental income		**12,547**	13,410
Gains on investment properties			
Realised gain on disposal of investment property		**611**	–
Unrealised gains on revaluation of investment properties	8	**30,547**	24,237
Total income		**43,705**	37,647
Expenditure			
Investment management fee	2a	**(1,883)**	(1,772)
Set up costs		**–**	(1,528)
Other expenses	3	**(913)**	(805)
Total expenditure		**(2,796)**	(4,105)
Net operating profit before finance costs		**40,909**	33,542
Net finance costs			
Interest revenue receivable		**201**	270
Finance costs	4	**(4,508)**	(4,859)
		(4,307)	(4,589)
Net profit from ordinary activities before taxation		**36,602**	28,953
Taxation on profit on ordinary activities	5	**–**	–
Net profit for the year		**36,602**	28,953
Earnings per share	7	**33.1p**	26.2p

The accompanying notes are an integral part of this statement.

Consolidated Balance Sheet

As at 30 June 2006

	Notes	2006 £'000	2005 £'000
Non-current assets			
Investment properties	8	**227,293**	201,050
Current assets			
Trade and other receivables	10	**2,939**	1,304
Cash and cash equivalents	11	**5,051**	4,100
		7,990	5,404
Total assets		**235,283**	206,454
Non-current liabilities			
Interest-bearing bank loan	12	**(71,330)**	(71,362)
Interest rate swap	12	**(2,652)**	(6,167)
		(73,982)	(77,529)
Current liabilities			
Trade and other payables	13	**(4,165)**	(4,447)
Total liabilities		**(78,147)**	(81,976)
Net assets		**157,136**	124,478
Represented by:			
Share capital	14	**1,105**	1,105
Share premium account	14	**–**	–
Special distributable reserve	14	**103,288**	105,303
Capital reserve	14	**55,395**	24,237
Other reserve	14	**(2,652)**	(6,167)
Revenue reserve	14	**–**	–
Equity shareholders' funds		**157,136**	124,478
Net asset value per share	15	**142.2p**	112.6p

The accounts on pages 16 to 27 were approved and authorised for issue by the Board of Directors on 18 September 2006 and signed on its behalf by:

Q Spicer
Director

C P Spencer
Director

The accompanying notes are an integral part of this statement.

Consolidated Statement of Changes in Equity

For the year to 30 June 2006

	Share Capital £'000	Special Distributable Reserve £'000	Capital Reserve £'000	Other Reserve £'000	Revenue Reserve £'000	Total £'000
At 1 July 2005	1,105	105,303	24,237	(6,167)	–	124,478
Net profit for the year	–	–	–	–	36,602	36,602
Dividends paid	–	–	–	–	(7,459)	(7,459)
Transfer in respect of gains on investment properties	–	–	31,158	–	(31,158)	–
Transfer from special distributable reserve	–	(2,015)	–	–	2,015	–
Gain on cash flow hedge	–	–	–	3,515	–	3,515
At 30 June 2006	**1,105**	**103,288**	**55,395**	**(2,652)**	**–**	**157,136**

For the period from 10 May 2004 to 30 June 2005

	Share Capital £'000	Share Premium Account £'000	Special Distributable Reserve £'000	Capital Reserve £'000	Other Reserve £'000	Revenue Reserve £'000	Total £'000
Issue of ordinary share capital, net of issue costs	1,105	106,792	–	–	–	–	107,897
Conversion of share premium account	–	(106,792)	106,792	–	–	–	–
Net profit for the period	–	–	–	–	–	28,953	28,953
Dividends paid	–	–	–	–	–	(6,205)	(6,205)
Transfer in respect of gains on investment properties	–	–	–	24,237	–	(24,237)	–
Transfer from special distributable reserve	–	–	(1,489)	–	–	1,489	–
Loss on cash flow hedge	–	–	–	–	(6,167)	–	(6,167)
At 30 June 2005	**1,105**	**–**	**105,303**	**24,237**	**(6,167)**	**–**	**124,478**

The accompanying notes are an integral part of this statement.

Consolidated Cash Flow Statement

For the year to 30 June 2006

	Notes	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
Cash flows from operating activities			
Net operating profit for the year before finance costs		**40,909**	33,542
Adjustments for:			
Unrealised gains on revaluation of investment properties		**(30,547)**	(24,237)
Realised gains on disposal of investment property		**(611)**	–
Increase in operating trade and other receivables		**(1,635)**	(1,304)
(Decrease)/increase in operating trade and other payables		**(326)**	4,353
		7,790	12,354
Interest received		**201**	270
Bank loan interest paid		**(3,927)**	(3,469)
Interest rate swap arrangement		**(569)**	(494)
		(4,295)	(3,693)
Net cash inflow from operating activities		**3,495**	8,661
Cash flows from investing activities			
Purchases of investment properties	8	**(85)**	(176,813)
Sales of investment properties		**5,000**	–
Net cash outflow from investing activities		**4,915**	(176,813)
Cash flows from financing activities			
Proceeds from issue of ordinary share capital	14	**–**	110,500
Issue costs of ordinary share capital	14	**–**	(2,603)
Draw down of bank loan	12	**–**	70,662
Issue costs of bank loan	12	**–**	(102)
Dividends paid	6	**(7,459)**	(6,205)
Net cash (outflow)/inflow from financing activities		**(7,459)**	172,252
Net increase in cash and cash equivalents		**951**	4,100
Opening cash and cash equivalents		**4,100**	–
Closing cash and cash equivalents		**5,051**	4,100

The accompanying notes are an integral part of this statement.

Notes to the Accounts

1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

(a) Basis of Accounting

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards issued by, or adopted by, the International Accounting Standards Board (the 'IASB'), interpretations issued by the International Financial Reporting Standards Committee, applicable legal and regulatory requirements of Guernsey law and the Listing Rules of the UK Listing Authority.

(b) Basis of Consolidation

The consolidated accounts comprise the accounts of the Company and its subsidiary drawn up to 30 June each year.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

(c) Functional and Presentation Currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in pounds sterling, which is the Group's functional and presentation currency. All figures in the financial statements are rounded to the nearest thousand.

(d) Revenue Recognition

Rental income, excluding VAT, arising on investment properties is accounted for in the Income Statement on a straight-line basis over the lease term of ongoing leases.

Surrender lease premiums paid are required to be recorded as a current asset and amortised over the period from the date of lease commencement to the earliest termination date.

Interest income is accounted for on an accruals basis.

(e) Expenses

Expenses are accounted for on an accruals basis. The Group's investment management and administration fees, finance costs and all other expenses are charged through the Income Statement.

(f) Taxation

The Company is exempt from Guernsey taxation on dividend income derived outside Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. A fixed annual fee of £600 is payable to the States of Guernsey in respect of this exemption. No charge to Guernsey taxation will arise on capital gains.

The Directors intend to conduct the Group's affairs such that the management and control is not exercised in the United Kingdom and so that neither the Company nor any of its subsidiaries carries on any trade in the United Kingdom. Accordingly, the Company and its subsidiaries will not be liable for United Kingdom taxation on their income or gains other than certain income deriving from a United Kingdom source.

The Company and its subsidiaries are subject to United Kingdom income tax on income arising on the property portfolio after deduction of its allowable debt financing costs and other allowable expenses.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred income tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted.

(g) Investment Properties

Investment properties are initially recognised at cost, being the fair value of consideration given, including transaction costs associated with the investment property.

After initial recognition, investment properties are measured at fair value, with unrealised gains and losses recognised in the Income Statement and transferred to the Capital Reserve. Fair value is based on the open market valuation provided by DTZ Debenham Tie Leung Limited, chartered surveyors, at the balance sheet date.

Investment properties held under finance leases and leased out under operating leases are classified as investment property and stated at fair value.

On derecognition, realised gains and losses on disposals of investment properties are recognised in the Income Statement and transferred to the Capital Reserve.

Derecognition occurs on the exchange of signed contracts between a willing buyer and a willing seller.

(h) Derivative Financial Instruments

The Group uses derivative financial instruments to hedge its risk associated with interest rate fluctuations. It is not the Group's policy to trade in derivative instruments.

Derivative instruments are initially recognised in the Balance Sheet at cost and are subsequently re-measured at their fair value. Fair value is determined by reference to market values for similar instruments.

Gains or losses arising in the fair value of cash flow hedges in the form of derivative instruments are taken directly to the Statement of Changes in Equity. Such gains and losses are taken to a reserve created specifically for that purpose, described as the Other Reserve in the Balance Sheet.

Notes to the Accounts

1. Accounting policies (continued)

On maturity or early redemption the realised gains or losses arising from cash flow hedges in the form of derivative instruments are taken to the Income Statement, with an associated transfer from the Other Reserve to the Revenue Reserve in the Statement of Changes in Equity in respect of unrealised gains or losses arising in the fair value of the same arrangement.

The Group considers its interest rate swap qualifies for hedge accounting when the following criteria are satisfied:

- The instrument must be related to an asset or liability;
- It must change the character of the interest rate by converting a variable rate to a fixed rate or vice versa; and
- It must match the principal amounts and maturity date of the hedged item.

(i) Share Issue Expenses
Incremental external costs directly attributable to the equity transaction that would have otherwise been avoided are written off against the Share Premium Account.

(j) Segmental Reporting
The Directors are of the opinion that the Group is engaged in a single segment of business being property investment business and in one geographical area, the United Kingdom.

(k) Cash and Cash Equivalents
Cash in banks and short term deposits that are held to maturity are carried at cost. Cash and cash equivalents consist of cash in hand and short term deposits in banks with an original maturity of three months or less.

(l) Trade and Other Receivables
Trade receivables, which are generally due for settlement at the relevant quarter end are recognised and carried at the original invoice amount less an allowance for any uncollectable amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

(m) Interest-Bearing Bank Loans and Borrowings
All bank loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of arrangement costs associated with the borrowing. After initial recognition, all interest bearing loans and borrowings are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any loan arrangement costs and any discount or premium on settlement.

On maturity bank loans are recognised at par, which is equivalent to amortised cost. Bank loans redeemed before maturity are recognised at amortised cost with any charges associated with early redemption being taken to the Income Statement.

(n) New Standards Not Applied
During the year the IASB have issued the following standards which are effective for periods beginning on or after 31 December 2005:

- Amendments to IAS 39 – Financial Instruments: Measurement (effective 1 January 2006);
- IFRS 7 – Financial Instruments: Disclosures (effective 1 January 2007).

The Directors do not anticipate that the adoption of these standards will have a material impact on the Group's financial statements in the period of initial application.

2. Fees

	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
(a) Investment management fee	**1,883**	1,772

The Company's Investment Managers, F&C Asset Management plc, receive a fee from the Group at an annual rate of 0.85 per cent of the total assets less current liabilities, plus an administration fee of £60,000 per annum (which will increase annually in line with inflation) (see note 3), payable quarterly in arrears. The fees of any managing agents appointed by the Investment Managers will be payable out of the investment management fee. The investment management agreement is for a fixed initial three year period ending on 1 June 2007 and, with effect from 1 June 2006, may be terminated by either party by giving not less than 12 months' notice.

The investment management agreement may be terminated earlier provided that a payment in lieu of notice, equivalent to the amount the Investment Managers would otherwise have received during the notice period, is made.

(b) Valuers' fees
The valuers, DTZ Debenham Tie Leung Limited, have agreed to provide valuation services in respect of the property portfolio. The valuation agreement is for a fixed term up to 31 March 2007 and an annual fee is payable equal to 0.03 per cent of the aggregate value of the property portfolio.

Notes to the Accounts

3. Other expenses

	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
Direct operating expenses of let rental property	**279**	162
Bad debts	**186**	85
Valuation and other professional fees	**157**	182
Directors' fees	**66**	75
Administration fee	**62**	65
Auditors' remuneration for:		
– Statutory audit	**33**	33
– interim review	**5**	3
– tax services	**13**	27
– other services	**3**	–
Other	**109**	173
	913	805

4. Finance costs

	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
Interest on principal loan amount	**3,882**	4,246
Interest in respect of rate swap arrangement	**612**	588
Other interest	**4**	15
Amortisation of loan set up costs	**10**	10
	4,508	4,859

5. Taxation

	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
Current income tax charge	**–**	–
Deferred income tax relating to origination and reversal of temporary differences	**–**	–
Total tax charge	**–**	–

A reconciliation of the income tax charge applicable to the results from ordinary activities at the statutory income tax rate to the charge for the year is as follows:

	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
Net profit before taxation	**36,602**	28,953
UK income tax at a rate of 22 per cent	**8,052**	6,370
Effects of:		
Capital gains on revaluation of investment properties not taxable	**(6,855)**	(5,332)
Income not taxable, including interest receivable	**(44)**	(58)
Expenditure not allowed for income tax purposes (including set-up costs)	**1,075**	1,302
Inter company loan interest	**(2,388)**	(2,149)
Capital allowances	**–**	(30)
Deferred tax asset not provided for	**160**	78
Permanent timing differences	**–**	(181)
Total tax charge	**–**	–

Under IAS 12, the Group is required to provide at the balance sheet date for deferred income tax on all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, regardless of whether or not those temporary differences are expected to reverse.

The Group has not recognised deferred tax assets of £238,000 (2005: £78,000) arising as a result of the tax loss carried forward. These will only be utilised if the Group has profits chargeable to income tax in the future.

Notes to the Accounts

6. Dividends

	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
Dividends on Ordinary Shares:		
Fourth interim dividend for the prior year of 1.6875 pence per share paid on 30 September 2005	**1,864**	–
First interim of 1.6875 pence per share paid on 16 December 2005	**1,865**	2,475
Second interim of 1.6875 pence per share paid on 31 March 2006	**1,865**	1,865
Third interim of 1.6875 pence per share paid on 30 June 2006	**1,865**	1,865
	7,459	6,205

A fourth interim dividend of 1.6875 pence per share will be paid on 29 September 2006 to shareholders on the register on 15 September 2006. Although this payment relates to the year ended 30 June 2006, under International Financial Reporting Standards it will be accounted for in the year ending 30 June 2007.

7. Earnings per share

The earnings per Ordinary Share are based on the net profit for the period of £36,602,000 (period ended 30 June 2005: £28,953,000) and on 110,500,000 (period ended 30 June 2005: 110,500,000) Ordinary Shares, being the weighted average number of shares in issue during the year.

8. Investment properties

	Year ended 30 June 2006 £'000	Period from 10 May 2004 to 30 June 2005 £'000
Freehold and leasehold properties		
Opening valuation	**201,050**	–
Purchases at cost	**85**	176,813
Surplus on revaluation to fair value	**30,547**	24,237
Disposals at cost	**(4,389)**	–
Closing valuation	**227,293**	201,050

DTZ Debenham Tie Leung Limited completed a valuation of Group investment properties at 30 June 2006 on an open market basis in accordance with the requirements of the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors, which is deemed to equate to fair value. Fair value is determined by reference to market based evidence, which is the amounts for which the assets could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction as at the valuation date. The market value of these investment properties amounted to £228,455,000 (2005: £201,050,000) and the fair value amounted to £227,293,000 (2005: £201,050,000).

The property valuer is independent and external to the Group. The property valuer takes account of deleterious materials included in the construction of the investment properties in arriving at its estimate of open market valuation, when the Investment Managers advise the presence of such materials.

The Group has entered into leases on its property portfolio as lessor (See note 19 for further information). No one property accounts for more than 15 per cent of the gross assets of the Group. The 10 largest properties per open market value are shown on page 11. All leasehold properties have more than 60 years remaining on the lease term.

There are no restrictions on the realisability of the Group's investment properties or on the remittance of income or proceeds of disposal. However, the Group's investments comprise UK commercial property, which may be difficult to realise as described in Liquidity risk, note 17.

The Group is under no contractual obligations to purchase, construct or develop any investment property. The majority of leases are on a full repairing basis and as such the Group is not liable for costs in respect of repairs, maintenance or enhancements to its investment properties.

9. Investment in subsidiary undertaking

The Company owns 100 per cent of the issued ordinary share capital of IPT2 Property Holdings Limited ('IPH'), a company incorporated in Guernsey whose principal business is that of an investment and property company.

In addition to its investment in the shares of IPH, the Company had lent £140,870,000 to IPH as at 30 June 2006 (2005: £140,870,000). The loan is repayable on 30 May 2014 and is unsecured. Interest is payable in arrears at a fixed rate of 7.655 per cent per annum or such other interest rate that may be agreed from time to time between IPH and the Company.

Notes to the Accounts

10. Trade and other receivables	2006 £'000	2005 £'000
Rents receivable (net of provision for bad debts)	**746**	1,089
Other debtors and prepayments	**2,193**	215
	2,939	1,304

Rents receivable, which are generally due for settlement at the relevant quarter end are recognised and carried at the original invoice amount less an allowance for any uncollectable amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

11. Cash and cash equivalents

All cash balances were held in cash, current accounts or in banks on short term deposits with an original maturity of three months or less at the year end.

12. Bank loan and interest rate swap liability	2006 £'000	2005 £'000
Facility	**70,662**	70,662
Drawn down	**70,662**	70,662
Set up costs	**(102)**	(102)
Amortisation of set up costs	**20**	10
Accrued variable rate interest on bank loan	**750**	792
Total due	**71,330**	71,362

The bank loan is secured on the property portfolio of the Group. Under the bank covenants related to the loan the Company is to ensure that at all times:

- the loan to value percentage does not exceed 60 per cent (this is defined as the ratio of the loan compared to the aggregate of the open market property valuations plus any cash deposits);
- the qualifying adjusted net rental income for any calculation period (any 3 month period) is not less than 150 per cent of the projected finance costs for that period;
- no single tenant accounts for more than 20 per cent of the total net rental income;
- the five largest tenants do not account for more than 40 per cent of total net rental income;
- no single property accounts for more than 15 per cent of the gross secured assets value (this is defined as the sum of the value of the properties as stated in the latest valuations plus any cash deposits); and
- the five most valuable properties do not account for more than 40 per cent of the gross secured assets value.

Interest rate exposure has been limited by the purchase of an interest rate swap contract. The hedge has been achieved by matching the notional amount of the swap with the loan principal and matching the swap term to the loan term. Interest on the swap is receivable at a variable rate calculated on the same LIBOR basis as for the bank loan (as detailed below but excluding margins) and payable at a fixed rate of 5.615 per cent per annum.

The fair value of the liabilities in respect of the interest rate swap contract at 30 June 2006 is a liability of £2,652,000 (2005: £6,167,000), which is based on the marked to market value.

Interest accrues on the bank loan at a variable rate based on LIBOR plus margin and mandatory lending costs. The LIBOR rate used is the screen rate available for sterling at 11 am on the date of commencement of each investment period of three months. The margin is 0.74 per cent per annum for the first three years of the facility and 0.65 per cent per annum thereafter, save that if the loan to value percentage is more than 55 per cent, the margin shall be increased in each case by 0.10 per cent per annum. The amount payable by the Company in respect of the variable LIBOR part of the bank loan is fixed through an interest rate swap on the amount drawn down arranged with The Royal Bank of Scotland plc. The interest rate swap expires on 1 June 2014. The loan is repayable on 30 May 2014.

Notes to the Accounts

13. Trade and other payables	2006 £'000	2005 £'000
Rental income received in advance	**2,550**	2,904
VAT payable	**245**	411
Investment Managers' fees payable	**505**	415
Other payables	**865**	717
	4,165	4,447

The Company's payment policy is to ensure settlement of supplier invoices in accordance with stated terms.

14. Share capital account and reserves	2006 £'000	2005 £'000
Authorised share capital:		
200,000,000 Ordinary Shares of 1 pence each	**2,000**	2,000
Issued share capital:		
110,500,000 Ordinary Shares of 1 pence each, fully paid	**1,105**	1,105
Share premium account:		
Received on the placing of Ordinary Shares	–	109,395
Less: issue costs charged to capital	–	(2,603)
	–	106,792
Conversion to special distributable reserve	–	(106,792)
Closing balance	–	–
Issued share capital and share premium account	**1,105**	1,105

On 10 December 2004 the Royal Court of Guernsey confirmed the reduction of capital by way of a cancellation of the Company's Share Premium Account. The amount cancelled, being £106,792,000, has been credited as a distributable reserve established in the Company's books of account and shall be available as distributable profits to be used for all purposes permitted under Guernsey law, including the buy back of shares and the payment of dividends.

Special distributable reserve

The special distributable reserve is a distributable reserve to be used for all purposes permitted under Guernsey law, including the buy back of shares and the payment of dividends.

Capital reserve

The following are accounted for in this reserve:
- gains and losses on the disposal of investment properties
- increases and decreases in the fair value of investment properties held at the year end.

Other reserve

The following are accounted for in this reserve:
- movements relating to the interest rate swap arrangement accounted for as a cash flow hedge.

Revenue reserve

Any surplus arising from the net profit on ordinary activities after taxation after payment of dividends is taken to this reserve, with any deficit charged to the Special Distributable Reserve.

15. Net asset value per share

The net asset value per ordinary share is based on net assets of £157,136,000 (2005: £124,478,000) and 110,500,000 (2005: 110,500,000) ordinary shares, being the number of ordinary shares in issue at the year end.

16. Related party transactions

No Director has an interest in any transactions which are or were unusual in their nature or significant to the nature of the Group.

F&C Asset Management plc received fees for its services as Investment Managers. Further details are provided in notes 2 and 3. The total charge to the Income Statement during the year was £1,945,000 (period ended 30 June 2005: £1,837,000) of which £505,000 (period ended 30 June 2005: £415,000) remained payable at the year end.

The Directors of the Company received fees for their services. Further details are provided in the Report of the Directors on page 13 and in note 3 on page 22. Total fees for the year were £66,000 (period ended 30 June 2005: £75,000) of which £16,500 (2005: £nil) remained payable at the year end.

Notes to the Accounts

17. Financial instruments

The Group's investment objective is to provide ordinary shareholders with an attractive level of income together with the potential for capital and income growth from investing in a diversified UK commercial property portfolio.

Consistent with that objective, the Group holds UK commercial property investments. In addition, the Group's financial instruments comprise a bank loan, interest rate swap, cash receivables and payables that arise directly from its operations. The Group has a bank loan as disclosed in note 12 and an interest rate swap contract which is uses to limit its exposure to interest rate risk but, does not have exposure to any other derivative instruments.

The main risks arising from the Group's financial instruments are credit risk, liquidity risk and interest rate risk. The Board reviews and agrees policies for managing its risk exposure. These policies are summarised below and remained unchanged during the year.

Fair values

Set out below is a comparison by category of carrying amounts and fair values of all the Group's financial instruments, that are carried in the financial statements.

	Carrying amount		Fair value	
	2006	2005	**2006**	2005
	£'000	£'000	**£'000**	£'000
Financial Assets				
Cash	**5,051**	4,100	**5,051**	4,100
Financial Liabilities				
Interest-bearing loans and borrowings:				
Floating rate borrowings*	**(70,662)**	(70,662)	**(70,662)**	(70,662)
Interest rate swap	**(2,652)**	(6,167)	**(2,652)**	(6,167)

* A secured loan carried at fair value as a result of the fair value hedge explained below.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group. In the event of default by an occupational tenant, the Group will suffer a rental shortfall and incur additional costs, including legal expenses, in maintaining, insuring and re-letting the property until it is re-let. The Board receives regular reports on concentrations of risk and any tenants in arrears. The Investment Managers monitor such reports in order to anticipate, and minimise the impact of, defaults by occupational tenants.

The maximum credit risk from the rent receivables of the Group at 30 June 2006 is £746,000 (2005: £1,089,000). There is no credit risk associated with the financial liabilities of the Group.

With respect to credit risk arising from other financial assets of the Group, which comprise cash and cash equivalents and certain other derivative instruments, the Group's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying value of these instruments. There are no significant concentrations of credit risk within the Group.

Liquidity risk

Liquidity risk is the risk that the Group will encounter in realising assets or otherwise raising funds to meet financial commitments.

The Group's investments comprise UK commercial property. Property and property related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where such sales occur shortly after the valuation date.

In certain circumstances, the terms of the Group's bank loan entitle the lender to require early repayment and in such circumstances the Group's ability to maintain dividend levels and the net asset value attributable to the Ordinary Shares could be adversely affected. Further details of the bank loan and associated cash flow hedge arrangement are provided in note 12.

Notes to the Accounts

17. Financial instruments (continued)

Interest rate risk

The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk.

As at 30 June 2006

Floating rate	Within 1 year £'000	1–2 years £'000	2–3 years £'000	3–4 years £'000	4–5 years £'000	More than 5 years £'000	Total £'000
Cash assets	5,051	–	–	–	–	–	5,051
Bank loan	–	–	–	–	–	(70,662)	(70,662)
Interest rate swap*	–	–	–	–	–	(2,652)	(2,652)

As at 30 June 2005

Floating rate	Within 1 year £'000	1–2 years £'000	2–3 years £'000	3–4 years £'000	4–5 years £'000	More than 5 years £'000	Total £'000
Cash assets	4,100	–	–	–	–	–	4,100
Bank loan	–	–	–	–	–	(70,662)	(70,662)
Interest rate swap*	–	–	–	–	–	(6,167)	(6,167)

* the effect of the interest rate swap is explained below.

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year.

The other financial instruments of the Group that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The Group's exposure to interest rate risk relates primarily to the Group's long term debt obligations. The Group's policy is to manage its interest rate risk using an interest rate swap, in which the Group has agreed to exchange the difference between fixed and variable interest amounts calculated by reference to an agreed-upon notional principal amount. The swap is designed to fix the interest payable on the loan. The interest rate swap contract covers the exact amount of the loan and has the same duration. Interest fixing periods are identical and on this basis the swap contract complies with IAS 39's criteria for hedge accounting.

The interest rate on the bank loan is fixed through an interest rate swap as disclosed in note 12.

Foreign currency risk

There was no foreign currency risk as at 30 June 2006 or 30 June 2005 as assets and liabilities of the Group are maintained in pounds sterling.

18. Capital commitments

The Group had no capital commitments as at 30 June 2006 (2005: £nil).

19. Lease length

The Group leases out its investment properties under operating leases.

The future income based on the unexpired lessor lease length at the year end was as follows (based on annual rentals):

	2006 £'000	2005 £'000
Less than one year	**244**	162
Between two and five years	**6,812**	5,274
Over five years	**116,740**	129,081
Total	**123,796**	134,517

The largest single tenant at the year end accounted for 9.0 per cent of the current annual rental income (2005: 8.5 per cent).

The unoccupied property expressed as a percentage of estimated total rental value was 3.2 per cent at the year end (2005: 0.2 per cent).

The Group has entered into commercial property leases on its investment property portfolio. These properties, held under operating leases, are measured under the fair value model as the properties are held to earn rentals. The majority of these non-cancellable leases have remaining non-cancellable lease terms of between 5 and 15 years.

Directors’ Responsibility Statement and Independent Auditors’ Report

Directors’ Responsibility Statement

The Directors are responsible for preparing consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year and which are in accordance with applicable laws. In preparing those financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Group will not continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and which enable them to ensure that the financial statements have been properly prepared in accordance with the Companies (Guernsey) Law 1994. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors’ Report to the Members of ISIS Property Trust 2 Limited

We have audited the Group’s financial statements for the year ended 30 June 2006 which comprise the Consolidated Income Statement, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement, and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company’s members, as a body, in accordance with Section 64 of the Companies (Guernsey) Law 1994. Our audit work has been undertaken so that we might state to the Company’s members those matters we are required to state to them in an auditors’ report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any one other than the Company and Company’s members as a body, for our audit work for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

The Directors are responsible for preparing the Annual Report, including the financial statements which are required to be prepared in accordance with applicable Guernsey law as set out in the Statement of Directors Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements, which have been prepared in accordance with international financial reporting standards, give a true and fair view and are properly prepared in accordance with the Companies (Guernsey) Law 1994. We also report to you if, in our opinion, the Directors’ Report is not consistent with the financial statements, if the Company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Company Summary, Financial Highlights, Performance Summary, Chairman’s Statement, Investment Managers, Manager’s Review, Portfolio Statistics, Property Portfolio, Board of Directors, Report of the Directors, Notice of Annual General Meeting, Shareholder Information and Corporate Information. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group’s circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view in accordance with International Financial Reporting Standards, of the state of affairs of the Group as at 30 June 2006 and of the profit of the Group for the year then ended and have been properly prepared in accordance with the Companies (Guernsey) Law 1994.

Ernst & Young LLP
Guernsey, Channel Islands

18 September 2006

Notice of Annual General Meeting

Notice is hereby given that the Second Annual General Meeting of ISIS Property Trust 2 Limited will be held at Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL on Wednesday, 8 November 2006 at 12.30 pm for the following purposes.

To consider and, if thought fit, pass the following as Ordinary Resolutions:

1. That the accounts and the reports of the Directors and of the Auditors for the year ended 30 June 2006 be received and approved.
2. That Mr Q Spicer, who retires by rotation, be re-elected as a Director.
3. That Ernst & Young LLP, be re-appointed as Auditors.
4. That the Directors be authorised to determine the Auditors' remuneration.

To consider and, if thought fit, pass the following as a Special Resolution:

5. That the Company be authorised, in accordance with section 5 of The Companies (Purchase of Own Shares) Ordinance 1998 (the ''Ordinance''), to make market purchases (within the meaning of section 18 of the Ordinance) of ordinary shares of 1p each (''Ordinary Shares''), provided that:

   (a) the maximum number of Ordinary Shares hereby authorised to be purchased shall be 14.99 per cent of the issued Ordinary Shares on the date on which this resolution is passed;
   (b) the minimum price which may be paid for an Ordinary Share shall be 1p;
   (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall be 105 per cent of the average of the middle market quotations (as derived from the Daily Official List) for the Ordinary Shares for the five business days immediately preceding the date of purchase; and
   (d) unless previously varied, revoked or renewed, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2007, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares under such authority and may make a purchase of Ordinary Shares pursuant to any such contract.

By order of the Board
Northern Trust International Fund Administration Services (Guernsey) Limited
Secretary
Trafalgar Court
Les Banques
St Peter Port
Guernsey GY1 3QL

18 September 2006

Notes:

1. A member who is entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a member of the Company.
2. A form of proxy is enclosed for use at the Meeting. The form of proxy should be completed and sent, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, so as to reach Computershare Investor Services (CI) Limited, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW not later than 12.30 pm on 6 November 2006.
3. Completing and returning a form of proxy will not prevent a member from attending in person at the Meeting and voting should he or she so wish.
4. To have the right to attend and vote at the Meeting (and also for the purposes of calculating how many votes a member may cast on a poll) a member must first have his or her name entered on the register of members not later than 12.30 pm on 6 November 2006. Changes to entries in the register after that time shall be disregarded in determining the rights of any member to attend and vote at such Meeting.
5. The Directors' letters of appointment will be available for inspection for fifteen minutes prior to the Annual General Meeting and during the meeting itself.

Shareholder Information

Dividends

Ordinary dividends are paid quarterly in March, June, September and December each year. Shareholders who wish to have dividends paid directly into a bank account rather than by cheque to their registered address can complete a mandate form for the purpose. Mandates may be obtained from Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL on request. Where dividends are paid directly to shareholders' bank accounts, dividend tax vouchers are sent directly to shareholders' registered addresses.

Share Price

The Company's Ordinary Shares are listed on the London Stock Exchange and the Channel Islands Stock Exchange. Prices are given daily in the *Financial Times* under "Investment Companies" and in other newspapers.

Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL under the signature of the registered holder.

Financial Calendar

29 September 2006	Payment of fourth interim dividend
8 November 2006	Annual General Meeting
December 2006	Payment of first interim dividend
March 2007	Announcement of interim results
	Posting of Interim Report
	Payment of second interim dividend
June 2007	Payment of third interim dividend
September 2007	Announcement of annual results
	Posting of Annual Report
	Payment of fourth interim dividend

Shareholder Enquiries

Contact Northern Trust International Fund Administration Services (Guernsey) Limited, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL. Additional information regarding the Company may also be found at its website address which is: www.isispropertytrust2.com

Historic Record

	Total assets less current liabilities £'000	Shareholders' funds £'000	Net asset value per Ordinary Share p	Ordinary Share price p	Premium %	Earnings per Ordinary Share p	Dividends paid per Ordinary share p
1 June 2004 (launch)	176,814	106,152	96.0	100.0	4.2	–	–
30 June 2005	202,007	124,478	112.6	124.5	10.6	26.2	5.615
30 June 2006	231,118	157,136	142.2	142.5	0.2	33.1	6.750

ISIS Property Trust 2 Limited PROXY

I/We (name in full)____
(BLOCK LETTERS PLEASE)

of (address in full)____
being (a) member(s) of ISIS Property Trust 2 Limited, hereby appoint the Chairman of the meeting, or*

____

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company, to be held on 8 November 2006, on the following Resolutions to be submitted to the meeting and at any adjournment thereof.

Please indicate with an 'X' in the appropriate spaces how you wish your votes to be cast. Unless otherwise instructed, the proxy will vote as he thinks fit or abstain.

Ordinary Resolutions	For	Against	Vote Withheld
1. To receive and approve the Report and Accounts for the year ended 30 June 2006.			
2. To re-elect Mr Q Spicer as a Director.			
3. To re-appoint Ernst & Young LLP as Auditors.			
4. To authorise the Directors to determine the Auditors' remuneration.			
Special Resolution			
5. To renew the Directors' authority to make market purchases of Ordinary Shares.			

Signature ____

Dated this ____________________ day of ____________________ 2006

Notes

You may, if you wish, in the space provided, after deleting the words "the Chairman of the meeting, or", insert the name(s) of the person(s) of your choice to attend and vote at the meeting on your behalf. A proxy need not be a member of the Company but must attend the meeting to represent you.

In the case of a corporation, the proxy must be either under its common seal or under the hand of an officer.

In order to have effect, the proxy must be deposited at Computershare Investor Services (CI) Limited, Ordnance House, 31 Pier Road, St Helier, Jersey JE4 8PW at least 48 hours before the time of the meeting.

In the case of a joint holding, a proxy need only be signed by one joint holder. If more than one such joint holder lodges a proxy only that of the holder first on the Register will be counted.

Any alterations made in this proxy should be initialled.

Completion of a proxy shall not prevent a shareholder from attending the Annual General Meeting.

Only shareholders or their proxies may attend the meeting. Only shareholders personally present may vote on a show of hands. A proxy may not vote on a show of hands.

Completion of a proxy shall not prevent a shareholder from attending the Annual General Meeting.

Only shareholders or their proxies may attend the meeting.

SECOND FOLD

RESPONSE LICENCE No.
JE 147

2

Computershare Investor Services (CI) Limited
Ordnance House
31 Pier Road
St Helier
Jersey JE4 8PN

FIRST FOLD

THIRD FOLD AND TUCK IN

Corporate Information

Directors (all non-executive)
Quentin Spicer (Chairman)‡
Andrew E G Gulliford†
Christopher W Sherwell
Christopher P Spencer*
C Giles H Weaver

Registered Office
Trafalgar Court
Les Banques
St Peter Port
Guernsey GY1 3QL

Secretary and Registrar
Northern Trust International Fund Administration Services (Guernsey) Limited
Trafalgar Court
Les Banques
St Peter Port
Guernsey GY1 3QL

Investment Managers
F&C Asset Management plc
80 George Street
Edinburgh EH2 3BU

Property Valuers
DTZ Debenham Tie Leung Limited
One Curzon Street
London W1A 5PZ

Auditors
Ernst & Young LLP
14 New Street
St Peter Port
Guernsey GY1 4LE

Guernsey Legal Advisers
Ozannes
1 Le Marchant Street
St Peter Port
Guernsey GY1 4HP

UK Legal Advisers
Dickson Minto WS
16 Charlotte Square
Edinburgh EH2 4DF

Bankers
The Royal Bank of Scotland plc
135 Bishopsgate
London EC2M 3UR

Marketing Adviser
G&N Collective Funds Services Ltd
14 Alva Street
Edinburgh EH2 4QG

‡Chairman of the Nomination Committee and Management Engagement Committee
†Chairman of the Property Valuation Committee
*Chairman of the Audit Committee

Website:
www.isispropertytrust2.com

Summerhall Corporate 28433