

PROPERTY VALUATION COMMITTEE REPORT

ROGER LEWIS



The Property Valuation Committee is chaired by Roger Lewis. The other members of the Committee are Nicholas Thompson, Mark Batten and Maria Bentley.

Terms of reference

The Committee shall review the quarterly valuation reports produced by the independent valuers before their submission to the Board, looking in particular at:

- Significant adjustments from previous quarters;
 - Individual property valuations;
 - Commentary from management;
 - Significant issues that should be raised with management;
 - Material and unexplained movements in the valuation;
 - Compliance with applicable standards and guidelines;
 - Reviewing findings or recommendations of the valuers; and
 - The appointment, remuneration and removal of the Company's valuers, making such recommendations to the Board as appropriate.
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Activity

The Committee met four times during the year ended 31 March 2019. Members of the Property Valuation Committee, together with management, met with the independent valuer each quarter to review the valuations and considered the following matters:

- Property market conditions and trends;
- Movements compared to previous quarters;
- Yields on properties within the portfolio;
- Letting activity and vacant properties;
- Covenant strength and lease lengths;
- Estimated rental values; and
- Comparable market evidence.

The Committee was satisfied with the valuation process throughout the year.

External valuer

CBRE Limited was appointed as the external valuer to the Group, effective from 31 March 2013, and carries out a valuation of the Group's property assets each quarter, the results of which are incorporated into the Group's half year and annual financial statements, and the net asset statements.

The Committee reviewed the performance of the valuer and recommended that the appointment be continued for a further 12 months.

Roger Lewis

Chair of the Property Valuation Committee