

PROPOSED OFFER FOR THE ADVANTAGE PROPERTY INCOME TRUST LIMITED

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FOR IMMEDIATE RELEASE

29 May 2009

THE CONYGAR INVESTMENT COMPANY PLC

Proposed Offer

by

THE CONYGAR INVESTMENT COMPANY PLC

for

THE ADVANTAGE PROPERTY INCOME TRUST LIMITED

The Board of The Conygar Investment Company PLC ("Conygar") is pleased to announce a proposed offer to be made by Conygar to acquire the entire issued and to be issued share capital of The Advantage Property Income Trust Limited ("TAP"), subject to the pre-condition, conditions and further terms set out below.

Under the Proposed Offer, if made, the consideration would comprise, at the option of TAP Shareholders, either:

- one New Conygar Share for every five TAP Shares held (the "Ordinary Share Offer"); or
- one unlisted 25 pence Conygar Zero Coupon Preference Share for each TAP Share held, redeemable on 31 December 2011 and convertible at any stage into one New Conygar Share for every five Conygar Zero Coupon Preference Shares (the "Preference Share Alternative"); or
- 15 pence in cash per TAP Share (the "Cash Alternative").

The Ordinary Share Offer values each TAP Share at 21.8 pence and values the entire issued share capital of TAP at approximately £31.1 million, based on the closing price of 109 pence of a Conygar Share on 28 May 2009 being the last Business Day prior to this announcement and represents a premium of approximately 6.3 per cent. to the closing price of 20.5p per TAP Share on 28 May 2009, being the last Business Day prior to this announcement.

Conygar has received an irrevocable undertaking and letters of intent to accept the Proposed Offer in respect of approximately 33.7 million TAP Shares, representing approximately 23.6 per cent. of the existing issued share capital of TAP. Further details of this irrevocable undertaking and letters of intent are set out below. These shares, when taken together with the TAP Shares already held by Conygar, would represent approximately 52.5 per cent. of TAP's current issued share capital.

This announcement does not constitute an announcement of a firm intention to make an offer under Rule 2.5 of the City Code. Conygar would like to emphasise that there can be no certainty that an offer for TAP will be forthcoming and no certainty as to whether any offer will be made on the terms described herein even if the pre-condition set out herein is satisfied or waived. A further announcement will be made in due course as appropriate.

Background to, strategic rationale for and benefits of the Proposed Offer:

- Conygar acquired its 28.9 per cent. shareholding in TAP during the period from December 2008 to February 2009. The Board of Conygar has identified a number of

areas where it believes the management expertise and financial strength of Conygar could add value to the business of TAP. The Board of Conygar has been concerned at the pace at which it believes the financial concerns created by the current economic downturn have been dealt with by TAP, in particular, it is noted that TAP has only recently temporarily suspended its dividend. The Board of Conygar believes that this action should have been taken some time ago. TAP has been paying dividends which, in the view of the Board of Conygar, would have been better conserved in the business in the current economic environment.

- The Board of Conygar believes that swift and effective action is required to prevent further loss of value for all of TAP's shareholders and in particular the Board of Conygar believes that the following actions are required:
 - total focus upon need to conserve cash flow and repay high debt levels;
 - more active asset management, using Conygar resources and expertise;
 - cutting overheads to a more appropriate level; and
 - the reduction in reliance upon external advisers for core strategic and financial mattersall of which, the Board of Conygar believes, are core skills of Conygar's management.
- It is the view of the Board of Conygar that, in time, a properly financed and internally managed TAP business will produce significant positive cash flows and be well positioned to take advantage of other expansion opportunities not presently available, for the benefit of all shareholders in the Enlarged Conygar Group. At present, the Board of Conygar believes that TAP has limited surplus financial resources available and is having to deal with a difficult financial position. As part of the Enlarged Conygar Group, funds would be available to add value to existing assets and to pursue other opportunities. In the view of the Board of Conygar, TAP shareholders would benefit from accepting the Proposed Offer, if made, rather than facing an uncertain future as TAP continues to address its debt position during the uncertain times ahead for the commercial property market.

Pre-condition, certain other conditions and further terms of the Proposed Offer

The Proposed Offer, if made, is pre-conditional on final approval by the Board of Conygar following the completion of on-going due diligence on TAP.

The Proposed Offer would be conditional, *inter alia*, on Conygar receiving such number of valid acceptances which, together with any other TAP Shares held or acquired by Conygar, represent at least 50.1 per cent. of TAP's issued share capital and would be subject to terms and conditions customary for an offer for a public company governed by the City Code.

The Proposed Offer would also be classified as a reverse takeover under Rule 14 of the AIM Rules for Companies and therefore, if made, would be subject to shareholder approval at the Conygar General Meeting and would be conditional on the admission of the Enlarged Conygar Group to trading on AIM. It is anticipated that the Proposed Offer would also require the preparation and publication by Conygar of a prospectus in accordance with the Prospectus Rules published by the FSA.

Conygar reserves the right to make an offer for TAP at a lower price or on less favourable terms with the agreement or recommendation of the board of TAP and/or in the event that TAP announces a "whitewash" proposal or a reverse takeover. Conygar also reserves the right to waive any of the conditions and/or the precondition set out above and to vary the form and/or mix of consideration of the Proposed Offer.

The Proposed Offer would extend, subject to the terms and conditions of such offer, to any TAP Shares unconditionally allotted or issued on the date an offer is made and to any further TAP Shares unconditionally allotted or issued while that offer remains open for acceptance (or such earlier date as Conygar may, subject to the City Code, decide).

Irrevocable commitment and letters of intent

Conygar has received an irrevocable commitment and letters of intent from TAP Shareholders to accept the Proposed Offer (if made). Such irrevocable commitment and letters of intent are in respect of the following TAP Shares:

TAP Shareholder (* indicates letter of intent)	Number of TAP Shares	Percentage of existing issued TAP Shares (approx)
Maple Lodge Properties Limited	28,705,743	20.1%
Gartmore Investment Limited*	3,625,000	2.5%
Laxey Partners Ltd*	1,409,382	1.0%

The irrevocable commitment set out above will continue to be binding in the event that the Proposed Offer is implemented by way of a scheme of arrangement and in the event of a higher competing offer for TAP. The irrevocable commitment will cease to be binding if an announcement in respect of the Proposed Offer pursuant to Rule 2.5 of the City Code is not made by 31 August 2009 or the Proposed Offer (if made) has not been declared unconditional by 31 December 2009.

Laxey Partners Ltd and Gartmore Investment Limited, who have provided letters of intent to accept the Proposed Offer, if made, as set out above are also 10.9% and 8.6% shareholders respectively in Conygar. These shares, when taken together with the Conygar Shares already held by the Board of Conygar, would represent approximately 29.2 per cent. of Conygar's current issued share capital.

For the purposes of Note 14(d) to Rule 8 of the City Code, the value (and other material terms) of the Proposed Offer in respect of which the above irrevocable commitment and letters of intent have been procured are those of the Proposed Offer.

Information on Conygar

Conygar is a property trading and development group dealing primarily in UK property. The Conygar Group aims to invest in property assets where it can add significant value using property management, development and transaction structuring skills.

Conygar's results for the six months ended 31 March 2009 showed unaudited net assets of £66.9 million including cash of £32.6 million and no debt.

The shares of Conygar are admitted to trading on AIM.

Information on TAP

TAP is a property investment company focused on investment in a diversified portfolio of income-producing commercial property in the United Kingdom and the Channel Islands.

TAP's accounts for the year ended 31 December 2008 showed net assets of £80.9 million and bank debt of £111.8 million, equivalent to 56.9 per cent. of gross property assets. The net loss for the year amounted to £50.6 million. The unaudited net asset value as at 31 March 2009 was

£66.1 million. Bank debt remained at £111.8 million, equivalent to 61.9 per cent. of gross property assets.

The shares of TAP are admitted to trading on the main market of the London Stock Exchange.

Robert Ware, Chief Executive of Conygar, said, "We believe that the terms of the Proposed Offer are attractive for TAP's shareholders, providing them with the benefit of Conygar's financial strength and operational expertise given TAP's leveraged position and the uncertain times ahead for the commercial property market. We believe that the acquisition of TAP will be an excellent strategic fit for Conygar and our core skills and financial strength will enable us to maximise the opportunity and enhance value for shareholders in the enlarged group going forwards."

Enquiries

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A copy of this announcement will shortly be available on the Company's website: www.conygar.com.

General

Oriel Securities, which is regulated by the Financial Services Authority, is acting for Conygar in connection with the Proposed Offer and no-one else and will not be responsible to anyone other than Conygar for providing the protections afforded to customers of Oriel Securities or for providing advice in relation to the Proposed Offer.

Disclosure in accordance with Rule 2.10 of the City Code

In accordance with Rule 2.10 of the City Code, Conygar confirms that it currently has in issue 41,647,906 ordinary shares of 5 pence each. Conygar does not hold any shares in treasury. The International Securities Identification Number for the ordinary shares is GB0033698720.

Dealing Disclosure Requirements

Under the provisions of Rule 8.3 of the Takeover Code (the "Code"), if any person is, or becomes, "interested" (directly or indirectly) in 1% or more of any class of "relevant securities" of Conygar or TAP, all "dealings" in any "relevant securities" of that company (including by means of an option in respect of, or a derivative referenced to, any such "relevant securities") must be publicly disclosed by no later than 3.30 pm (London time) on the London business day following the date of the relevant transaction. This requirement will continue until the date on which the offer becomes, or is declared, unconditional as to acceptances, lapses or is otherwise withdrawn or on which the "offer period" otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an "interest" in "relevant securities" of Conygar or TAP, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the Code, all "dealings" in "relevant securities" of Conygar or TAP by the offeror or the offeree company, or by any of their respective "associates", must be

disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

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

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

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

Overseas territories

The distribution of this announcement in jurisdictions other than England and Wales may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than England and Wales should inform themselves about, and observe, any applicable requirements. In particular, no offer will be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, internet, email, telex or telephone) of interstate or foreign commerce of, or any facility of a national state or other securities exchange of, the United States, Canada, Australia, the Republic of South Africa or Japan or any other Restricted Jurisdiction and subject to certain exceptions no offer will be capable of acceptance by any such use, means instrumentality or facility or from within those territories. Copies of this announcement and any related offer documentation are not being, will not be, and must not be, mailed or otherwise distributed or sent in or into the United States, Canada, Australia, the Republic of South Africa or Japan or any other Restricted Jurisdiction.

This announcement is not intended to, and does not, constitute or form any part of an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of an offer to buy or subscribe for any securities nor shall there be any sale, issuance or transfer of the securities referred to in the announcement in the United States or any jurisdiction in contravention of applicable law.

The New Conygar Shares and the Conygar Zero Coupon Preference Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state, district, province or other jurisdiction of the United States, Canada, Australia, the Republic of South Africa or Japan or any other Restricted Jurisdiction. No regulatory clearances in respect of the New Conygar Shares or the Conygar Zero Coupon Preference Shares have been, or will be, applied for in any state, province, territory or jurisdiction other than the United Kingdom. Accordingly, unless an exemption under relevant securities laws is applicable, the New Conygar Shares and the Conygar Zero Coupon Preference Shares are not being, and may not be, offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States, Canada, Australia, the Republic of South Africa or Japan or any other Restricted Jurisdiction or to or for the account or benefit of any resident of the United States, Canada, Australia, the Republic of South Africa or Japan or any other Restricted Jurisdictions.

The availability of an offer to TAP Shareholders who are not resident in, and citizens of, the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Such persons should inform themselves of, and observe, any

applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be made available in due course as appropriate.

This announcement has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England and Wales.

Forward-looking statements

*This document may contain “**forward-looking statements**” concerning Conygar and TAP. Generally, the words “**anticipate**”, “**believe**”, “**estimate**”, “**expect**”, “**forecast**”, “**intend**”, “**may**”, “**plan**”, “**project**”, “**should**” and similar expressions identify forward-looking statements. Such statements reflect the relevant company’s current views with respect to future events and are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the companies’ abilities to control or estimate precisely, such as changes in general economic and business conditions, changes in currency exchange rates and interest rates, lack of acceptance of new exchange rates and interest rates, introduction of competing products or services, lack of acceptance of new products or services, changes in business strategy and the behaviour of other market participants and therefore undue reliance should not be placed on such statements. Conygar does not intend or assume any obligation to update these forward-looking statements other than as required by law.*

DEFINITIONS

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

“AIM”	the AIM market operated by London Stock Exchange plc
“Board of Conygar”	the directors of Conygar
“Business Day”	any day other than a Saturday or Sunday or public holiday or bank holiday on which banks are open for normal business in the City of London
“City Code”	the City Code on Takeovers and Mergers
“Conygar” or “the Company”	The Conygar Investment Company PLC
“Conygar General Meeting”	the general meeting of Conygar (and any adjournment thereof) convened for the purpose of approving the Proposed Offer (if made)
“Conygar Group”	Conygar and its subsidiaries and/or (where the context requires) any one or more of them
“Conygar Shares”	Ordinary shares of 5 pence each in the capital of Conygar
“Conygar Zero Coupon Preference Shares”	the unlisted zero coupon preference shares of 25 pence each proposed to be issued by Conygar pursuant to the Preference Share Alternative under the Proposed Offer (if made)
“New Conygar Shares”	the new Conygar Shares proposed to be issued by Conygar pursuant to the Ordinary Share Alternative under the Proposed Offer (if made)
“Enlarged Conygar Group”	the Conygar Group following completion of the Proposed Offer (if made)
“FSA”	the Financial Services Authority
“Oriel Securities”	Oriel Securities Limited
“Proposed Offer”	a proposed offer to be made by Conygar to acquire the entire issued and to be issued share capital of TAP
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information is made available to TAP shareholders in that jurisdiction

“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers
“TAP”	The Advantage Property Income Trust Limited, a private limited company incorporated in Guernsey with company number 42048
“TAP Shares”	the ordinary shares of 1 pence each in the capital of TAP
“TAP Shareholders”	registered holders of TAP Shares
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland and its dependant territories
“United States” or “US”	the United States of America (including the states of the United States and the District of Columbia) its possessions and territories and all other areas subject to its jurisdiction

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender