

Press Release

13 December 2005

**CALA Properties Increases
Development Programme by £125 million**

CALA Properties and Bank of Scotland Corporate, have entered into a Joint Venture to acquire the majority of Taylor Woodrow's Scottish commercial portfolio which will add £125 million to their development activities.

The seven year programme, which will begin in early 2006, includes the development of three Business Parks at Almondvale in Livingston and Peel Park and Phillipshill in East Kilbride, totalling approx 50 acres.

Also included are two new office buildings at Phillipshill Business Park in East Kilbride totaling 50,000 sq ft which are available for immediate occupation.

CALA Properties has embarked upon a series of acquisitions in recent months to increase the scale and mix of properties and land in its portfolio.

Alasdair MacConnell, Managing Director of CALA Properties said:

“The acquisition of these new sites is testament to identifying the right partners, the right projects and the right market conditions in which to invest. We are an ambitious company and the sites offer great potential because of their location. They fit perfectly with our strategy of building a diverse commercial property portfolio throughout the UK.”

Pam Dickson, Director of Joint Ventures at Bank of Scotland Corporate said 'We are delighted to be extending our partnership with CALA through the acquisition of this development portfolio and look forward to working alongside Alasdair and his team at CALA Properties on further acquisitions in the future.'

CALA Properties in conjunction with partners AWG Property, will shortly be submitting a planning application for a £80million office development comprising 191,000 sq ft in Edinburgh's Exchange district which will also include a subterranean extension to the Edinburgh International Conference Centre.

Ends

Further Information

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Notes to Editor:

The Carradale Building comprise 30,316 sq ft over three floors and the Colonsay Building comprise 20,174 sq ft over two floors – half of which is already let.

Philipshill and Peel Park benefit from the recently opened Glasgow South Orbital dual carriageway which links this part of East Kilbride to the M77 and provides greatly improved access to north Ayrshire, the south of Glasgow and beyond.

Agents

DTZ Debenham Tie Leung acted on behalf of CALA Properties

CALA Properties

CALA Properties is a successful and ambitious company developing, managing and investing in commercial property across the UK, focusing on office, retail, leisure, industrial and mixed-use developments. The business is established on the successful delivery of developments and effective asset management. It is directed by an experienced management team, which places integrity and performance at the heart of its business culture. 2005 has been a successful year for CALA Properties with only one floor remaining to be let at its £30 million flagship development in Glasgow, Clydesdale Bank Exchange. Crowned Commercial Development of the year at the Scottish Property Awards the building has been one of the most successful speculative builds in the City in recent years.

Bank of Scotland Corporate

Bank of Scotland Corporate Banking is part of HBOS plc, the UK's 4th largest bank by market capitalisation. HBOS is UK market leader in the provision of mortgages and savings products and has some 21 million customers and over 67,000 employees. Bank of Scotland has a reputation for excellence in the provision of corporate finance, delivering innovative funding solutions across a range of markets. It has established a strong joint venture portfolio of some £7.6 billion across 110 JV investments since setting its Joint Ventures team in 2000. Typically, the bank invests in vertical (integrated) funding opportunities (i.e. debt plus equity) and weighty equity stakes (typically 25-50%) with the Bank being pro-active in driving value. Bank of Scotland's Joint Venture team has a strong track record forming partnerships in hotels, housebuilding and commercial property.