

WE KNOW **AIRPORT** **PROPERTY**

Managing property takes knowledge and expertise, particularly when it's based at an international airport. It takes specialist skills and understanding to ensure businesses that choose our buildings and locations get the most from them. MAG Property knows how to do this. We know airport property.



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WE KNOW OUR AIRPORTS

MAG Property started life as part of the UK's largest airport operator. Now, we help businesses from all sectors make the most of the knowledge and connections we've built at our four international airports: Manchester, London Stansted, East Midlands and Bournemouth.

£603M

PROPERTY ASSETS ACROSS OUR FOUR AIRPORTS

1,000

ACRES OF DEVELOPMENT LAND

175

PROPERTIES IN OUR PORTFOLIO

11.9M

SQUARE FEET OF COMMERCIAL PROPERTY

6,000

ACRES OF LAND IN OUR OWNERSHIP

1,000+

PARTNERS OCCUPYING OUR BUILDINGS

OUR AIRPORT PROPERTY IN NUMBERS





IT'S BEEN ANOTHER STRONG YEAR FOR MAG PROPERTY. OUR ON-GOING COMMITMENT TO INVESTING IN AND DEVELOPING THE PROPERTY AND LAND AT OUR AIRPORTS HAS ENABLED THE SUCCESSFUL EXPANSION OF A RANGE OF NEW AND EXISTING OCCUPIERS THERE.

VIEW FROM THE CEO

The last 12 months have proved an interesting time for the UK. Economic and political uncertainty post-Brexit has meant companies across the globe are taking time to assess the changing business landscape we find ourselves in. It is essential we continue to harness the strength and diversity of the assets and skills we have in the UK to ensure the future of the economy is safe.

Without question, airports are vital to the country's success and their importance is reinforced by their position as kingpins of inward investment, tourism and trade; as well as continuing to serve as exceptional places from which to do business, no matter what the economic outlook.

With this in mind, I'm delighted to write that it's been another strong year for MAG Property. Our on-going commitment to investing in and developing the property and land at our airports has enabled the successful expansion of a range of new and existing occupiers there. In doing so, this year we have achieved a profit (EBITDA) of £27.5 million and the value of our portfolio is £603 million.

Lynda Shillaw
CEO, MAG Property



FLEXIBILITY LIKE THIS IS INTEGRAL TO OUR OFFERING AND HELPS OUR PARTNERS GROW WITHOUT THEM HAVING TO LOOK ELSEWHERE, PARTICULARLY WHERE BESPOKE NEW BUILD IS REQUIRED. OUR RECENT DEVELOPMENT ACTIVITY IS TESTAMENT TO THIS.



Radisson Blu Hotel,
Manchester Airport

This success has been made possible by a clear and focused approach at MAG Property; defined by quality property management, forging closer partner relationships, investing in the skills and expertise of our people, and making the most of the development opportunities across our UK portfolio. Within these 175 buildings, we have helped many of our 1,000 occupiers, including Handelsbanken, BCEGI, Swissport, dnata and Jet2 expand in property that meets their business needs; in the same building, across multiple sites and even at our other airports.

Flexibility like this is integral to our offering and helps our partners grow without them having to look elsewhere, particularly where bespoke new build is required. Our recent development activity is testament to this, with MAG Property helping facilitate brand new property solutions for a number of high-profile international businesses.

At Airport City Manchester, Amazon opened its 654,000 sq ft fulfilment centre at Global Logistics, where DHL's facility was sold to HPPUT for £7.7 million and the £12.2 million forward sale and completion of ALPHA also took place. Elsewhere in our logistics portfolio, DHL created 244,000 sq ft of additional space at East Midlands Airport. This state-of-the-art facility at their £90 million UK and Ireland logistics hub takes their occupation to nearly 700,000 sq ft, helping strengthen the airport's position as the UK's largest express freight operation.

The team continues to harness the potential of London Stansted and Bournemouth airports too, with a development model tailored to the strengths of the specific site, occupiers and region in which they sit. By using our insight and knowledge to maximise the unique benefits and strategic locations of our airports means businesses from across the globe choose specifically to base their operations here.



President of The People's Republic of China launches the "China Cluster" at Airport City Manchester

At Bournemouth Airport's Aviation Business Park, AIM Altitude has made a long-term commitment with a brand new £11 million manufacturing and office facility, as well as Stoford developing a 160,000 sq ft, advanced manufacturing facility for global engineering company Curtiss-Wright. At London Stansted Airport we helped Ryanair move into their brand new £1 million training facility, as well as enabling the creation of a £45m Hampton by Hilton Hotel with 357 beds.

Across the portfolio our facilities management team continue to strengthen their service offering for the benefit of both our customers and property. Most recently we entered into a five year partnership with ISS, who is now responsible for the delivery of a total facilities management solution, as well as a 24 hour, 365 days a year, customer call centre. The result is a consistent and high standard of facilities management delivery and maintenance that aligns with our commitment to occupier satisfaction and retention.

Looking forward, we are confident our airports are well placed to accommodate further occupier expansion and development for many years to come. By nurturing close relationships with our partners and leveraging our knowledge and expertise, we will continue to harness the power of our airports to ensure businesses from across the industry spectrum can confidently embrace the changing future we face.

This growth potential, driven by our ability to meet the conventional and specialised requirements of companies from across the globe, helps reinforce our position as airport property experts. As such, the MAG Property brand is now stronger than ever within the marketplace, something that stands my team and me in good stead for another busy and prosperous year.

Lynda Shillaw
CEO, MAG Property

WE ARE THE AIRPORT PROPERTY EXPERTS

The solid foundations we've built during the past 16 years as MAG's property and development division mean we are well placed to harness the existing success of our brand. Now, we are focused on developing this reputation and our people by capitalising on the unique place we have within the property industry.



Meeting with dnata at the World Freight Terminal



Making engagement matter

By aligning our brand proposition with this distinct market position means we are delivering and communicating the benefits of being a MAG Property partner better than ever, both internally and externally. This is all guided by a clear and engaging vision of where our strengths and the opportunities meet for our partners and the wider economy.

Investing in expertise, talent and skill

Crucial to this approach is ensuring we have the right people for the job. This sees us continually investing in our staff through training and development, as well as recruiting high-calibre expertise to the team where a number of key appointments have recently been made. In doing so, we can be confident we have the talent and skills to successfully grow our position as airport property experts.

MAG Property staff at East Midlands Airport



AS A GLOBAL FIRM RAMPING UP OUR PRESENCE IN THE NORTH OF ENGLAND, WE WERE LOOKING FOR A STRATEGIC LOCATION WITH GREAT TRANSPORT LINKS. MANCHESTER AIRPORT WAS AN OBVIOUS ANSWER.

PARTNER PROFILE:

**CAF RAIL
VOYAGER
MANCHESTER AIRPORT**

CAF Rail UK, the UK subsidiary of Construcciones y Auxiliar de Ferrocarriles, a Spanish based rolling stock manufacturer, recently moved into the Voyager office building at Manchester Airport. After an extensive property search, CAF Rail chose to occupy high quality office space here because the location offered the best in quality of business climate, connectivity and property options for their business.

The company recently signed a deal to supply new stock across the Northern rail and TransPennine Express franchises. CAF has been active in the UK for over twenty years and has also built trains for the Heathrow Express, as well as trams in Edinburgh and Birmingham. During this time, its UK headcount has grown to more than 80 with plans for this to increase to 200 by 2018.



WE KNOW AIRPORT PROPERTY

Successfully managing and investing in the commercial property and available land across our four international airports means being diligent about the detail, particularly the numbers. In doing so, we ensure everything in our ownership is run and developed as effectively and efficiently as possible for both us and our partners.



LYNDA'S SPECIALIST TEAM CONTINUE TO USE THEIR COMBINED EXPERTISE AND KNOWLEDGE TO ENSURE THE INCREASINGLY STRONG PERFORMANCE OF MAG PROPERTY; GROWTH THAT IS CRITICAL TO MAG'S OVERALL SUCCESS.

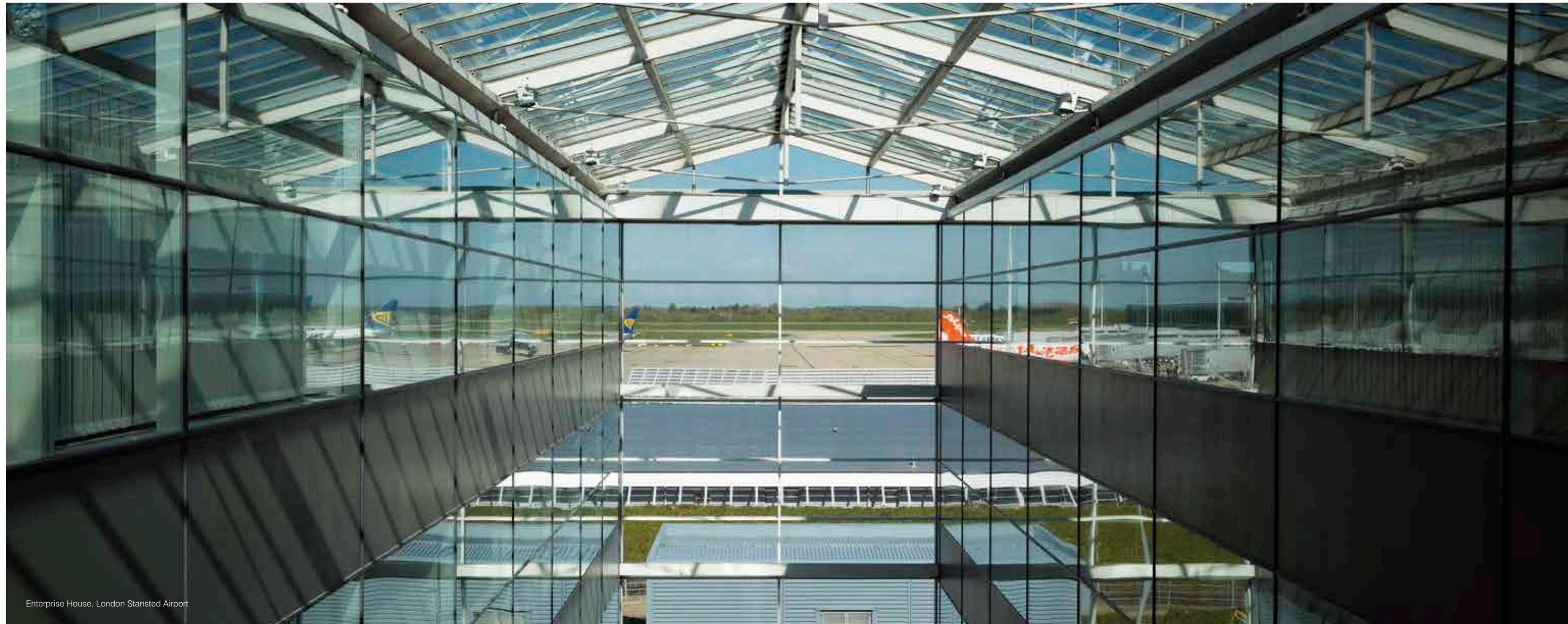
Charlie Cornish
Group CEO, MAG

The difference is our expertise

We provide high-quality space in offices, terminals, hangars, warehouses and hotels. But we do so much more than just own and let property. We understand the complexities of the infrastructure and services that make airports work, so we know how to help businesses from across the industry spectrum based there take full advantage of them.

Helping businesses benefit

Locating at our airports brings unique benefits in logistics, security and infrastructure. It also provides the advantages of being amongst world-leading businesses, at an address that gives a competitive edge. Plus, with 55.9 million passengers and 702,000 tonnes of cargo passing through every year, the commercial opportunities are considerable.



WE KNOW WHY OUR LOCATIONS WORK

Our airports are natural hubs, creating connections between people, places and the businesses that locate there. This is why our partners enjoy unrivalled transport benefits as standard; as well as many advantages unavailable in a city centre, business park or industrial estate. Self-contained, compact and easy-to-access, our airports are always open and provide a security infrastructure not ordinarily found in other business locations.



Providing strategic connections

With over 50 million people within two hours' drive and serving 75% of the UK's population, the strategic positions of our airports mean they are close to a wealth of local and regional skills and talent. Flights to over 270 international destinations via more than 80 airlines, also means access to global business couldn't be easier.



Great company, greater opportunity

Because of these benefits, our airports are home to some of the world's leading organisations, all of whom are in very good company. By making this choice they can enjoy the credibility of a prestigious address, as well as all the opportunities afforded by locating amongst a range of like-minded and successful neighbours.



ANOTHER YEAR AT OUR AIRPORTS



**WE HAVE HELPED MANY OF
OUR OCCUPIERS EXPAND
WITHIN OUR PORTFOLIO IN
THE SAME BUILDING, ACROSS
MULTIPLE SITES AND EVEN
AT OUR OTHER AIRPORTS.**

Lynda Shillaw
CEO, MAG Property

WE KNOW MANCHESTER AIRPORT

The UK's global gateway in the North, Manchester Airport contributes £1.9bn GVA to the North West economy through the 26 million passengers and 117,000 tonnes of cargo it serves annually, as well as in its capacity as a prosperous business destination.

Choosing to locate at Manchester Airport means easy access to skilled staff, graduate talent and quality of life, as well as vital links to the major businesses and knowledge industries of the area. This unparalleled connectivity and economic strength cannot be underestimated, especially at an airport that sits at the heart of the Northern Powerhouse agenda and funnels 60% of business travel into the north.



PARTNER SPOTLIGHT: AMAZON

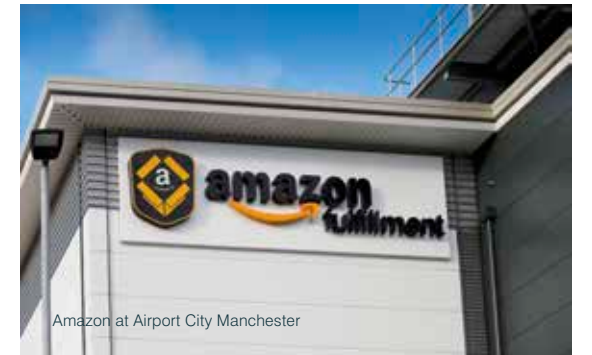
Online retail giant Amazon has moved into its brand new warehouse at Airport City Manchester, which comprises 654,000 sq ft warehousing and office facilities; a development that has created more than 1,900 jobs in the region.

“

This development shows how attractive a location close to the airport, with its extensive connections, is for occupiers who require a global reach. It follows on from previous examples of investor confidence in the enterprise zone, such as DHL relocating their overseas delivery logistics hub to here. There's every reason to believe that Airport City Manchester will go from strength to strength.

Sir Richard Leese

Leader, Manchester City Council



Amazon at Airport City Manchester

ANOTHER YEAR AT MANCHESTER AIRPORT

Manchester Airport has reinforced its position as a strategic business location, with a number of high-profile companies expanding into new and existing property. Occupiers including Handelsbanken, BCEGI, Swissport, dnata and Jet2 are thriving here, each taking more space because of our ability to provide property that meets their growing needs.

At the £1bn Airport City Manchester development, where DHL moved to in 2014, a similar pattern of success is also emerging. Internet giant Amazon recently opened its brand new 654,000 sq ft fulfilment centre and combined with the completion of the neighbouring ALPHA logistics facility will result in thousands of jobs being created for the region.

Enabling growth as substantial as this is only made possible because we make the most of the available land and continued infrastructure investment across our airports. Most notably at Manchester, the £1bn terminal transformation programme means more opportunities will exist for partners at an airport that has the capacity to double its passenger numbers.



Passenger numbers reach 26m at Manchester Airport



**MANCHESTER AIRPORT'S
£1BN TERMINAL
TRANSFORMATION
PROGRAMME MEANS
MORE OPPORTUNITIES
FOR PARTNERS AT AN
AIRPORT THAT HAS THE
CAPACITY TO DOUBLE
PASSENGER NUMBERS.**

Emily Speak
Asset Manager,
MAG Property



Jet2 at Manchester Airport



Amazon at Airport City Manchester



MAG Property partner, BCEGI, at Voyager

WE KNOW EAST MIDLANDS AIRPORT

East Midlands Airport is the UK's busiest for pure freight, and the second largest cargo airport in the country. It handles over 326,000 tonnes of cargo every year and is home to the UK's largest express freight operation where partners including DHL, TNT, UPS and Royal Mail all benefit from locating their operations.

The site is located in a 'sweet spot' for national transport and logistics that connects 90% of England and Wales within 4 hours' drive. This central location unites air, road and rail transport capability and proximity to Derby, Nottingham and Leicester means East Midlands Airport is a critical driver of economic growth in a region that hosts leading companies specialising in healthcare, design and advanced manufacturing.



PARTNER SPOTLIGHT: DHL

As part of DHL's £156 million infrastructure investment in the UK, we have helped them expand their existing operations at East Midlands Airport. This £90 million state-of-the-art facility now provides them with increased capacity to support the growing international shipping requirements of UK businesses.



This investment demonstrates our confidence and commitment to enterprise and British export businesses. Developing our infrastructure is integral to supporting growth in the UK export market and will allow us to cater for future demand. International trade is a golden opportunity for many businesses in the UK and through this major investment, we can partner with and help facilitate success for them.

Ken Allen
Global CEO, DHL Express



DHL at East Midlands Airport

Cargo loading at DHL's brand new £90m facility

ANOTHER YEAR AT EAST MIDLANDS AIRPORT

With continued logistics growth paramount to the prosperity of UK plc, East Midlands Airport has the capability to strengthen its position as the UK's most important express freight hub through extensive property development connected directly to the airport. The result being a diversified and connected place of business and innovation that helps the region deliver on its aspirations for growth and employment.

Within Pegasus Business Park, 50 acres of land is allocated for over 400,000 sq ft of brand new, high-quality accommodation, including offices, warehousing and hotels. All are designed to complement the mix of property and businesses already on-site, providing a range of significant opportunities for new and existing partners.

DHL has been quick to capitalise on this opportunity, having completed construction of the 244,000 sq ft expansion of their £90 million UK and Ireland logistics hub. This state-of-the-art facility takes their occupation there to nearly 700,000 sq ft and provides them with increased capacity to support the growing international shipping requirements of UK businesses.



East Midlands Airport flies to over 80 international destinations



Meeting on-site with Royal Mail



The busiest airport in the UK for pure freight

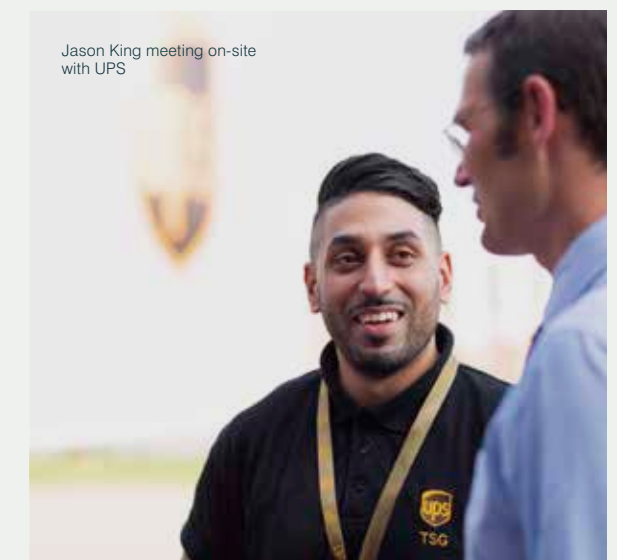


FROM EXPANDING OPERATIONS AT OUR FOUR UK AIRPORTS, TO CREATING BRAND NEW COMMERCIAL SPACE BESPOKE TO THEM, WE HAVE THE PROPERTY, LAND AND EXPERTISE TO DELIVER WHATEVER OUR PARTNERS REQUIRE.

STAFF PROFILE:
JASON KING
ESTATES MANAGER
MAG PROPERTY

East Midlands Airport is the largest express air freight operation in the UK. Maintaining this position means my colleagues and I must ensure all of the property at the airport matches the fast moving needs of the industry. The airport is home to many of the major international cargo, freight and logistics operators, including DHL, Royal Mail, UPS and TNT.

Our long-standing relationships with each of these partners enables us to respond quickly to their ever changing requirements. From expanding operations at any of our four UK airports, to creating brand new commercial space bespoke to them, we have the property, land and expertise to deliver whatever our partners require.



Jason King meeting on-site with UPS

WE KNOW LONDON STANSTED AIRPORT

MAG's acquisition of London Stansted Airport in 2013 marked a transformational point for MAG Property and the wider group. Serving London and the South East of England, the UK's most affluent geographical region, the airport is the 4th busiest airport in the UK, offering flights to over 180 destinations across 30 countries.

Being the closest major airport to Canary Wharf, and connecting London in 35 minutes via the Stansted Express, reinforces London Stansted's importance as an essential gateway for the city region from where 25 million people can be reached within a 2 hour drive time. The airport also forms a crucial part of the London Cambridge corridor, offering access to thriving logistics, biotechnology and electronic industries and The University of Cambridge, which is home to over 30,000 students.

PARTNER SPOTLIGHT: HAMPTON BY HILTON HOTEL

Construction of the £45 million, 357-room, Hampton by Hilton hotel is now complete at London Stansted Airport. The largest Hampton by Hilton in Europe, the eight-storey hotel is located on a two acre plot and offers direct terminal access by a covered walkway and helps support any future expansion of the airport's main terminal.



The introduction of Hampton by Hilton to London Stansted Airport is consistent with our strategy of developing focused service properties sufficiently close to the airport so that guests can access the terminal without a shuttle bus. This strategy has proven successful for our hotels in a number of locations and is integral to our development here in Stansted.

Patrick Fitzgibbon

Senior Vice President, Development,
Hilton World Wide

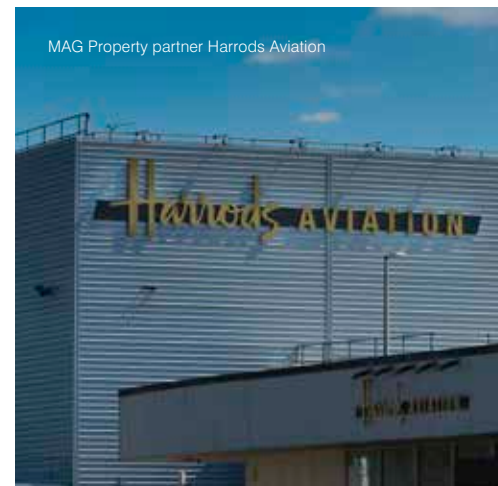


The 357 bed Hampton by Hilton Hotel

ANOTHER YEAR AT LONDON STANSTED AIRPORT

London Stansted Airport forms a crucial part of the economy and offers access to the thriving industries of the London Stansted Cambridge Corridor via the UK's fastest growing airport. Consequently, the airport's business park thrives as an important commercial address where occupiers including Harrods, Sodexo, Ryanair and Titan Airways have the ability to grow.

Here we are able to offer new and existing partners bespoke design and build opportunities with a range of commercial uses in mind. Having secured planning consent for industrial, warehouse and offices from 10,000 to 400,000 sq ft, we have enabled the construction of a 357-bed, Hampton by Hilton Hotel, as well as the completion of Ryanair's brand new £1m training facility.



MAG Property partner Harrods Aviation



Enterprise House at London Stansted Airport



The UK's fastest growing airport,
London Stansted Airport



LONDON STANSTED AIRPORT IS THE CLOSEST MAJOR AIRPORT TO CANARY WHARF AND CONNECTS LONDON IN 35 MINUTES VIA THE STANSTED EXPRESS.

Matt Brazier
Estates Manager,
MAG Property



Terminal and piers at the
4th busiest airport in the UK

WE KNOW BOURNEMOUTH AIRPORT

As well as operating as a commercial and private transport hub for the south coast region, Bournemouth Airport is a successful business destination that supports over 200 individual businesses in a range of mixed-use accommodation at Aviation Business Park.

This established business park has a strong reputation as a specialist aerospace and manufacturing hub for companies needing bespoke and high-specification property to help them deliver their specific quality products and services including high-profile partners such as AIM Altitude, Cobham, Meggitt, Babcock International Group and Honeywell.



PARTNER SPOTLIGHT: AIM ALTITUDE

Long-term MAG Property partner AIM Altitude has created a new £11 million, purpose built, 160,000 sq ft advanced manufacturing and office facility on Aviation Business Park at Bournemouth Airport. This is part of an overall progression strategy to provide AIM Altitude with the best possible facilities for their cabin interior division.



Having the whole team under one roof in one of the most advanced facilities of its kind in Europe will greatly enhance our ability to meet customers' demand for reduced time-to-market and best value. In addition, this exciting project will allow AIM Altitude to have a modern facility in keeping with the high quality of product it supplies. We are delighted to be investing in Bournemouth.

Colin Thornton

Managing Director,
AIM Altitude's Cabin Interiors Division



AIM Altitude's Cabin Interior

ANOTHER YEAR AT BOURNEMOUTH AIRPORT

Further to the airport's £45 million redevelopment we are now focused on investing in Aviation Business Park. This will result in 60 hectares of prime, well-connected development land at the airport being transformed into high-quality and flexible business premises for the region.

New and existing partners now have the ability to take advantage of the opportunities we have created here. AIM Aviation has benefitted from this opportunity having recently completed their £11 million advanced manufacturing facility, as well as Stoford who created a brand new, 160,000 sq ft manufacturing facility for Curtiss-Wright.

In tandem, we are working with the Dorset Local Enterprise Partnership and Bournemouth International Growth Programme, who are investing £40 million to improve transport infrastructure around the business park, as well as looking at ways to support businesses in the area through skills development, simplified planning and business support.



MAG Property partner Av8Jet



Curtiss-Wright's brand new 160,000 sq ft manufacturing facility



More than 200 businesses operate from Aviation Business Park



MAG PROPERTY IS A KEY STAKEHOLDER IN DORSET LEP'S BIG PROGRAMME, WHICH HAS BEEN ESTABLISHED TO DELIVER MAJOR GROWTH FOCUSED ON EMPLOYMENT AND DEVELOPMENT AROUND THE AIRPORT.

**STAFF PROFILE:
HARVEY GREENMAN
ESTATES MANAGER
MAG PROPERTY**

By using our property expertise at each of our airports, we can realise their potential with an investment and development model that's tailored to the strengths of the site and location in which it sits. Aviation Business Park at Bournemouth Airport, the largest employment site in Dorset, is a great example of this and offers one of the most significant opportunities in the south of England.

To leverage this, MAG Property is a key stakeholder in Dorset LEP's Bournemouth International Growth (BIG) Programme, which has been established to deliver major growth focused on employment and development around the airport. Now the BIG Programme is set to invest £40m in a range of strategic economic, transport and infrastructure benefits to support our expansion plans at Aviation Business Park for the benefit of existing and new businesses, as well as the wider community.



Harvey Greenman
Estates Manager, MAG Property

WE KNOW HOW TO TAKE A LONG-TERM VIEW

With public as well as private ownership, we take a balanced view of our future growth. We're known as a sound, reliable business with a measured, thoughtful approach to development. We have bold plans, based on solid foundations.

Working in partnership

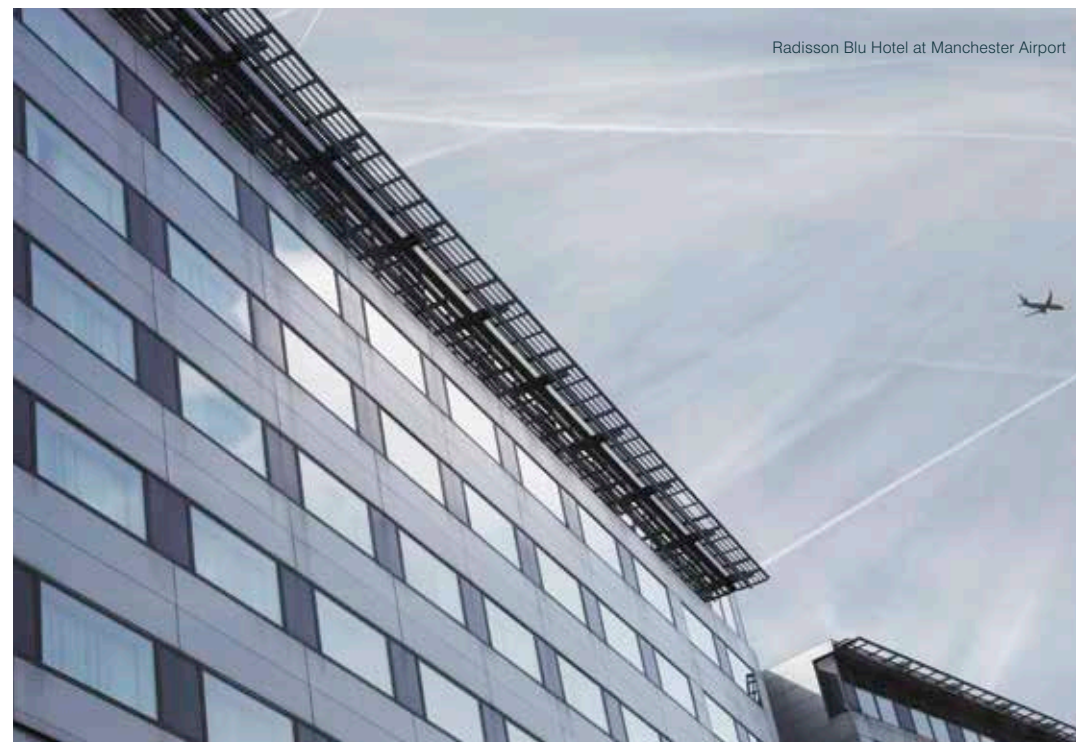
Our reputation as a long-term business is central to our strategy. Our partners, investors and suppliers value our record of steady, sustainable growth, driven by our detailed knowledge of airport property. We intend to continue building on this strong, unique position. Our financial performance shows just how strong our position is, created and reinforced by the consistent returns our properties provide. From here, we can look forward to exploring the full potential of all our assets, and make the most of the opportunities they present.

A stable business with long-term vision

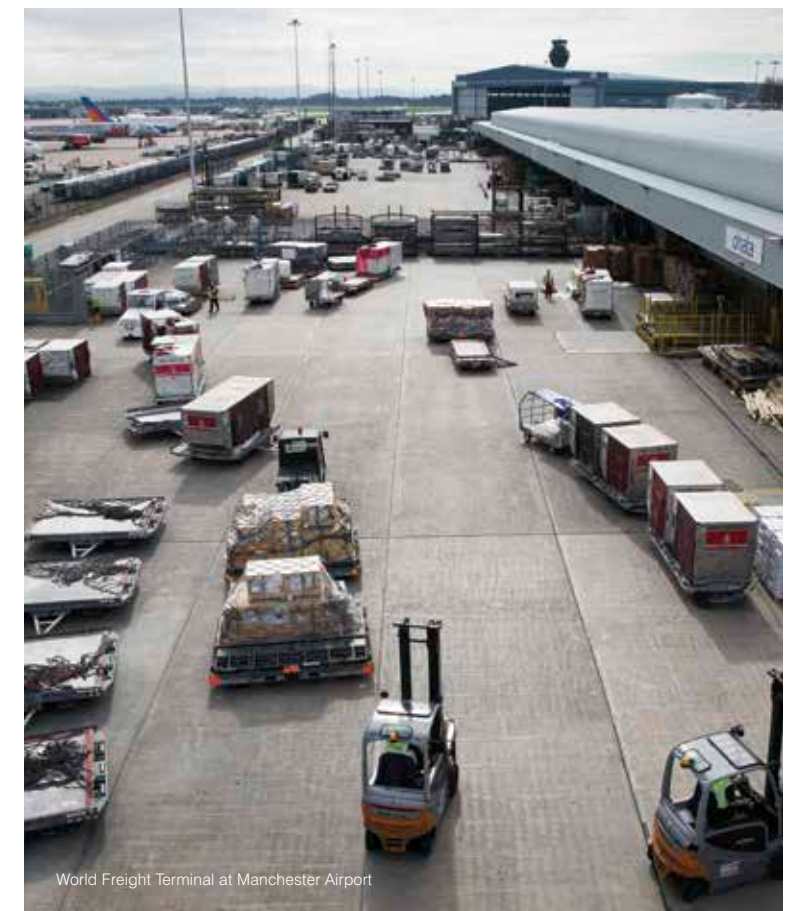
Alongside IFM Investors' 35.5% investment, our other shareholdings include 35.5% with Manchester City Council and 29% with the nine remaining Greater Manchester local authorities. With around 65% of our shareholders involved in public services, we can take time and care over developing our property assets, rather than focusing on short-term returns.



London Stansted Airport



Radisson Blu Hotel at Manchester Airport



World Freight Terminal at Manchester Airport

WE KNOW HOW THE NUMBERS WORK

Successfully managing property at airports relies on a thorough understanding of the numbers that make them work. Through careful financial planning, we are able to manage the value of our assets in a way that ensures our shareholders and partners have the confidence MAG Property is a long-term business built on solid foundations.

FINANCIAL RESULTS TO
31ST MARCH 2017



INVESTMENT PROPERTY VALUE

£603M



OCCUPANCY RATE

92.9%



PROPERTY INCOME

£49.1M

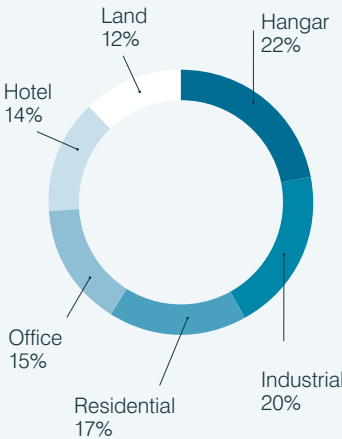


PROFIT (EBITDA)

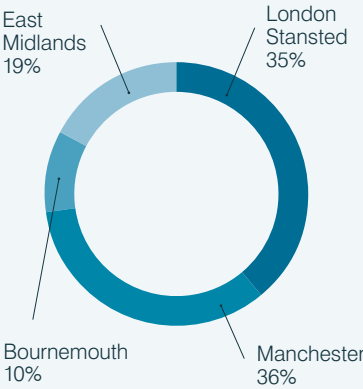
£27.5M

PROPERTY
INVESTMENT PORTFOLIO

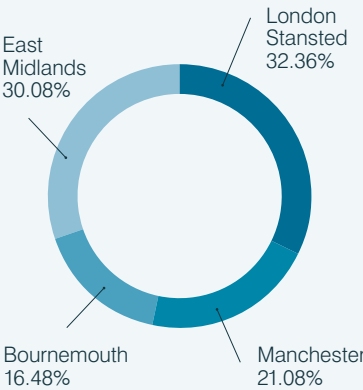
BY PRODUCT TYPE



INVESTMENT PROPERTY
BY AIRPORT

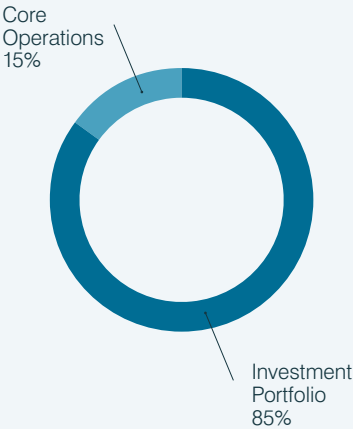


DEVELOPMENT LAND
BY ACRES

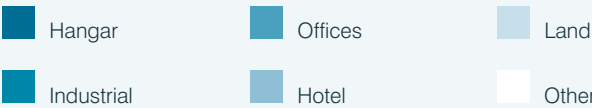
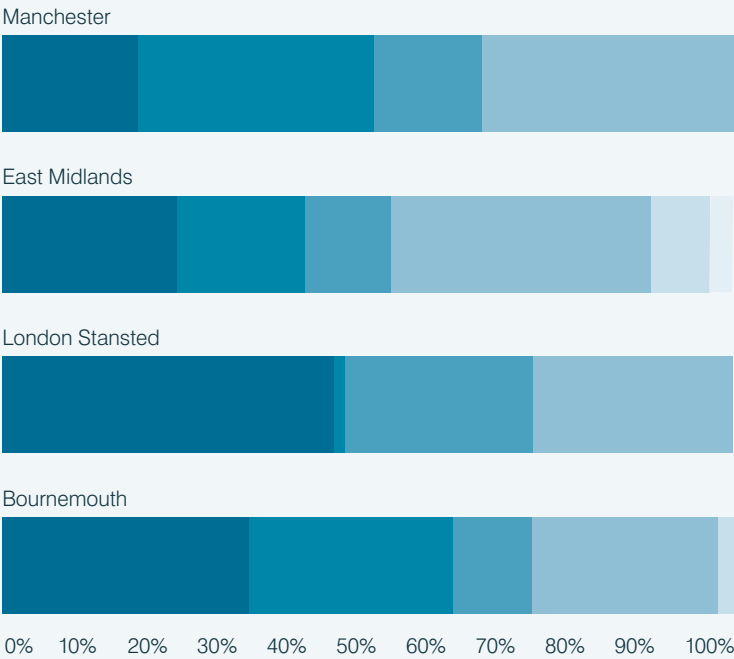


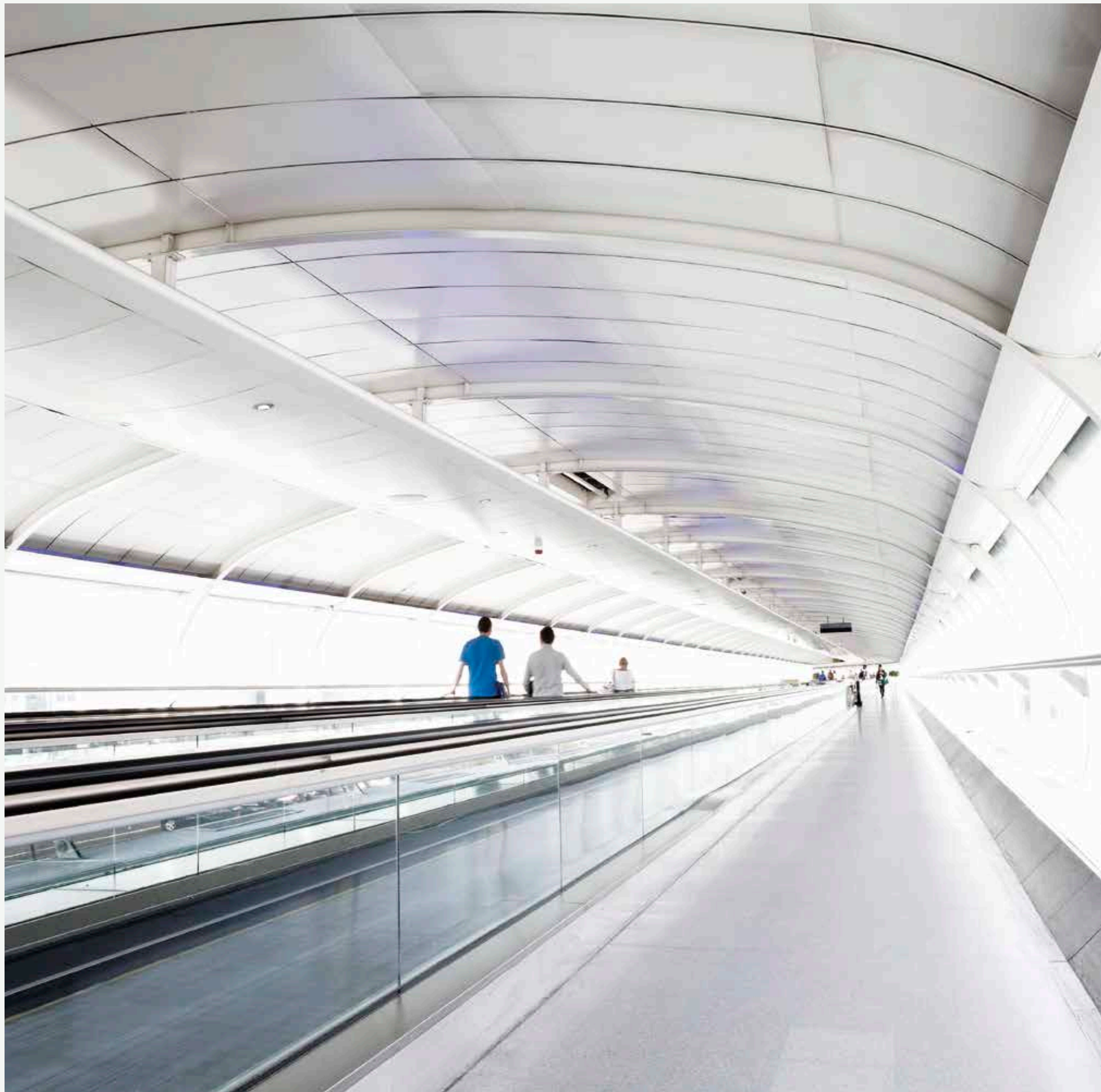
BREAKDOWN
OF TURNOVER

BY OPERATION



PRODUCT TYPE
BY AIRPORT





**WE KNOW
HOW AIRPORT
PROPERTY CAN
WORK FOR YOU.
TALK TO ONE
OF OUR EXPERTS
TODAY.**

**EMAIL
ENQUIRIES@MAGPROPERTY.CO.UK
OR CALL US ON
0800 8499 747**

**WE KNOW HOW AIRPORT PROPERTY
CAN WORK FOR YOU. TALK TO ONE
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