



EPRA

EUROPEAN PUBLIC
REAL ESTATE ASSOCIATION

Global Listed Real Estate Market

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EPRA

Global Real Estate Market

Region	Underlying (\$bn)	Listed (\$bn)	%	Stk Mkt	%
Europe	8,790	272	3.1	13,580	2.1
Nth America	6,975	434	6.2	16,237	2.6
Asia-Pacific	4,884	473	9.8	16,546	2.9
LATAM	1,115	2	0.2	2,613	0.7
Africa/ME	170	27	15.7	776	3.5

Global	21,951	1,208	5.5	48,753	2.5
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Gbl Ex-Europe	13,161	936	8.1		
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Global Institutional Property Market

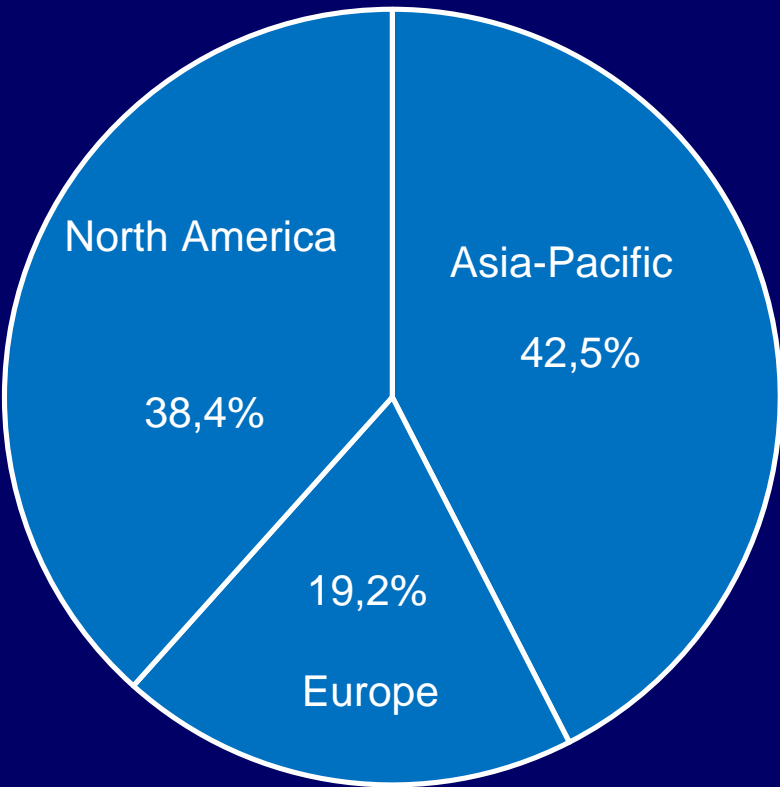
	Public	Private	Total
Equity	FTSE EPRA/NAREIT Global Real Estate Index (Gross Assets approx. \$2 Trn) (Full Mkt Cap approx. \$1 Trn) (Free Float Cap approx. \$800 Bn)	Direct Property Market IPD/NACREF (Gross Assets approx. \$6 Trn) (Private Equity = \$3 Trn)	Total Equity = \$4 Trn
Debt	FTSE EPRA/NAREIT Global Real Estate Bonds Index (Open value approx. \$250 Bn)	Commercial Property Lending Provided by Banking sector (Traditional Lending: \$3.75 Trn)	Total Debt = \$4 Trn
Total	Total Public \$1.25Trn	Total Private \$6.75 Trn	GAV = \$8 Trn

Source: EPRA & IPD

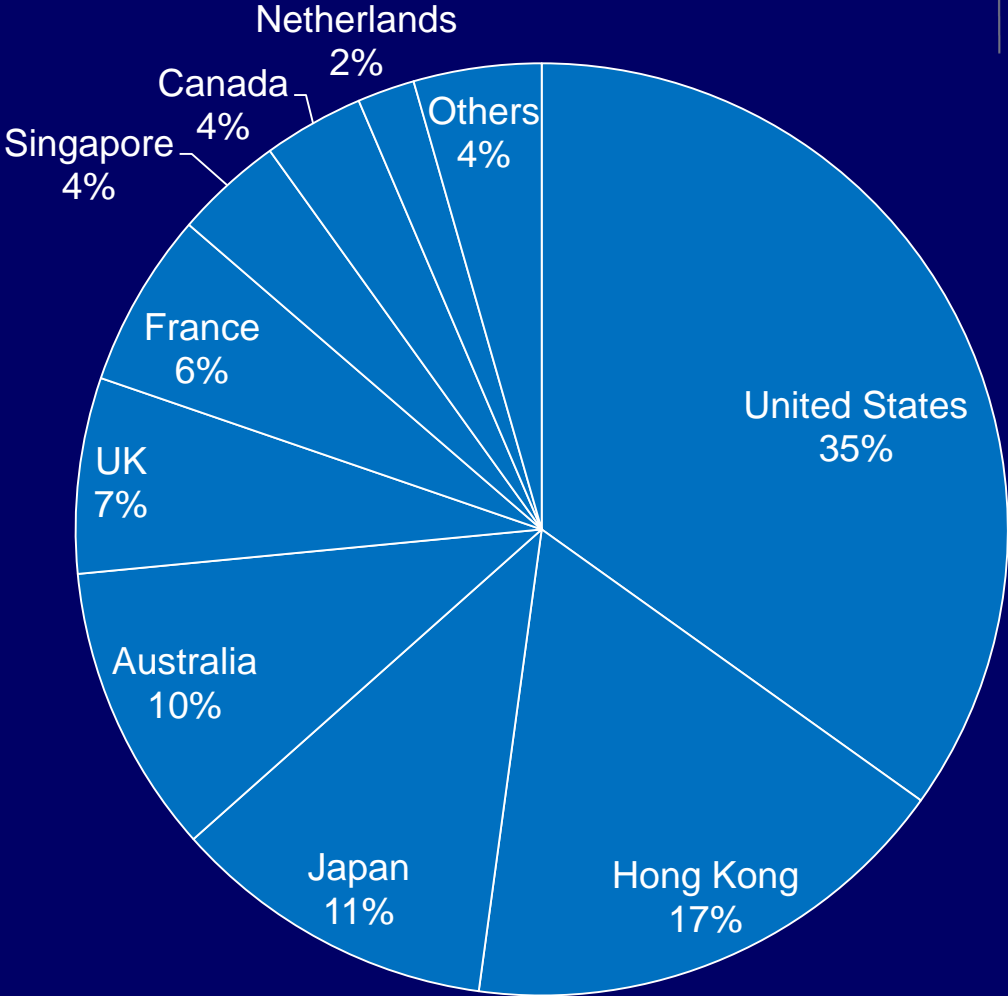
Key Themes & Opportunities

- Broad diversification – countries & sectors
- Exposure to top quality assets & locations
- Attractive cash-flow / yield
- Good transparency
- Quality management teams
- Excellent liquidity
- Strong long term performance
- Flexible capital structure
- Listed - a proxy for direct property investment

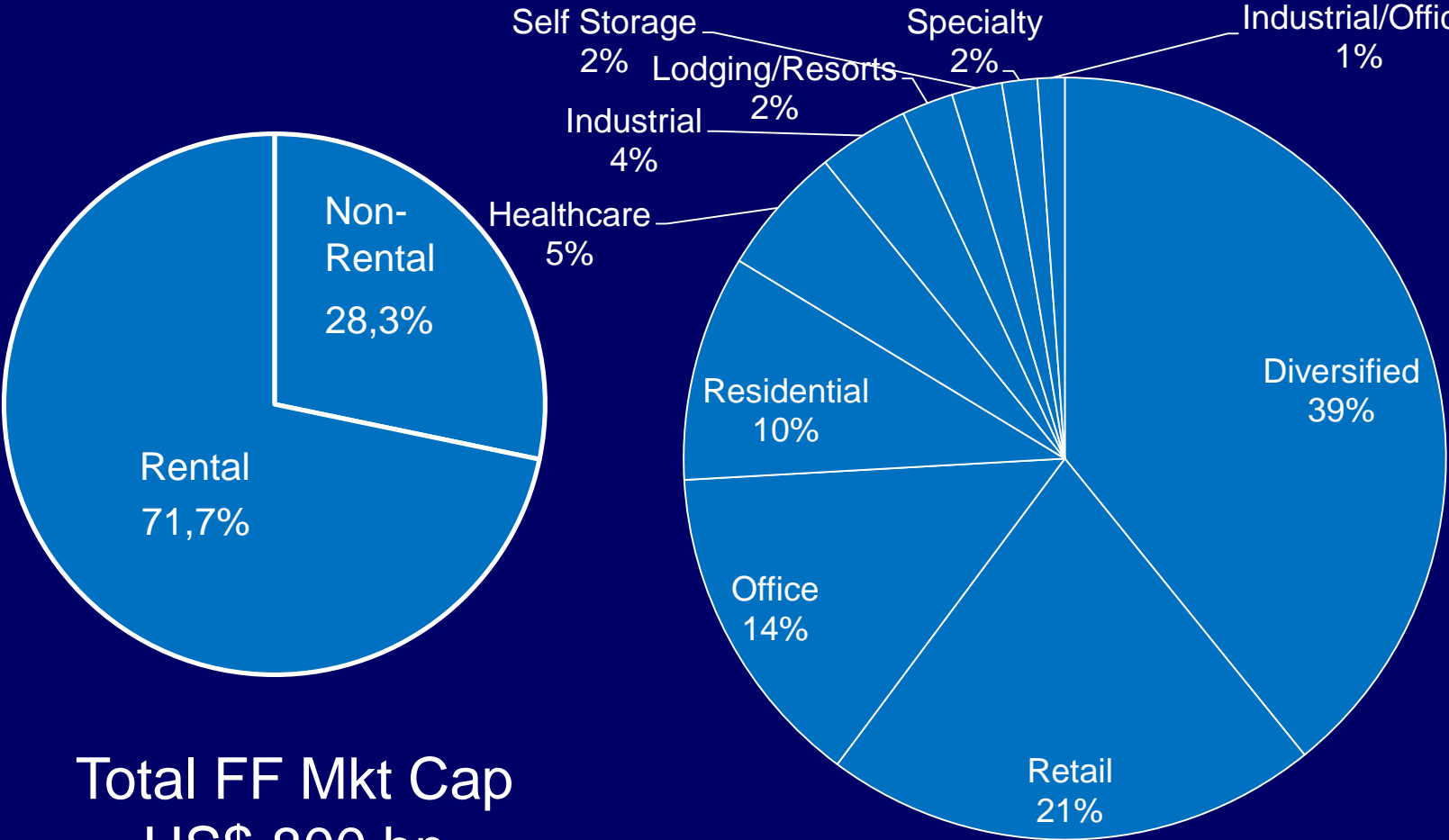
Broad Diversification - Countries



Total FF Mkt Cap
US\$ 800 bn



Broad Diversification – Sectors



Total FF Mkt Cap
US\$ 800 bn

European Retail Diversification - Unibail

Exposure to 77 Shopping Centres across Europe



Paris Office Diversification - Unibail



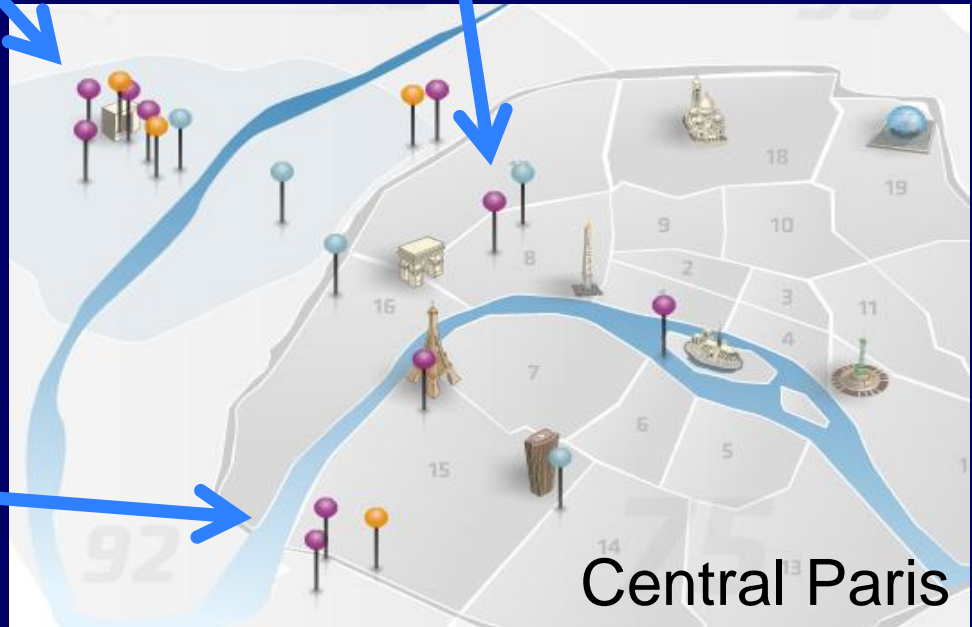
Ariane Tower, La Defense



Capital 8,
CBD



Issy Guynemer, 15th District



Central Paris

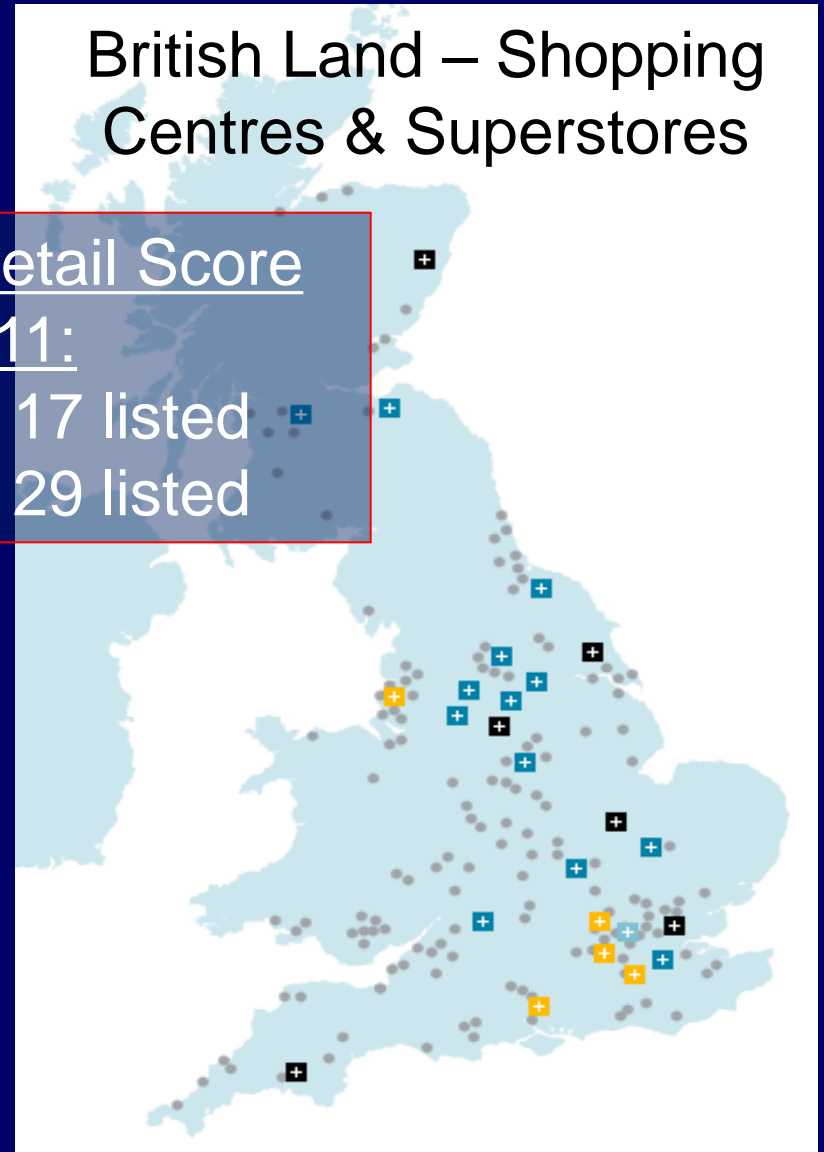
UK Retail Diversification

Land Securities - Retail Parks & Shopping Centres

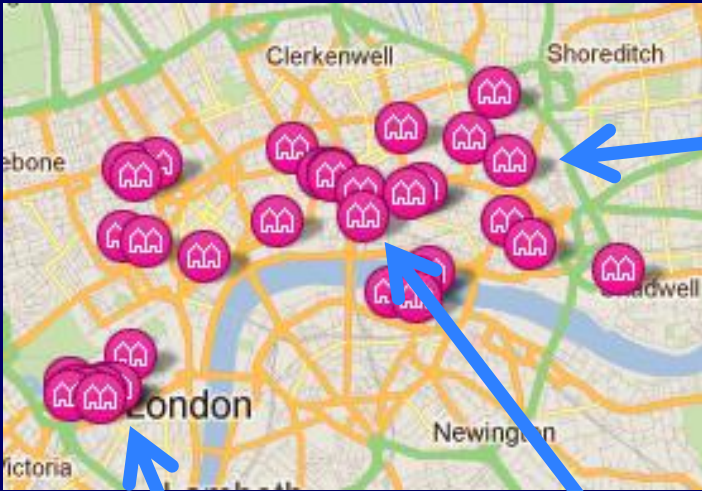


PMA UK Retail Score
2011:
Top 20 = 17 listed
Top 35 = 29 listed

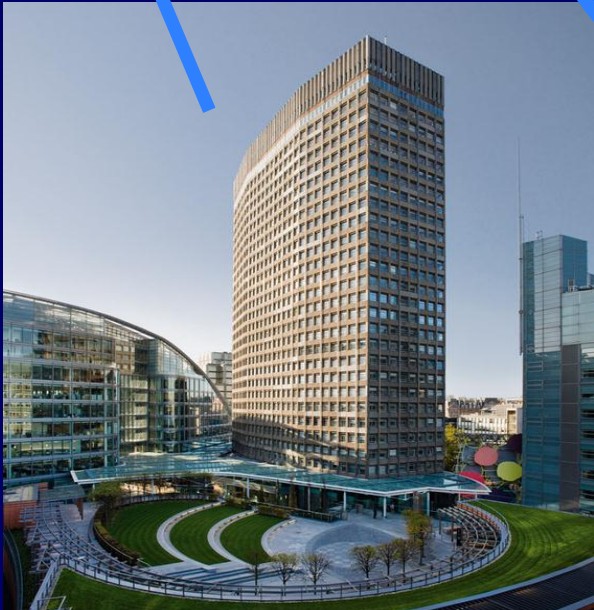
British Land – Shopping Centres & Superstores



Offices – Land Securities



One New Change, EC4



Portland House, SW1



Piccadilly Lights, W1

City of London Offices – British Land

Broadgate, London EC2



BROADGATE IS THE PREMIER CITY OF LONDON OFFICE ESTATE

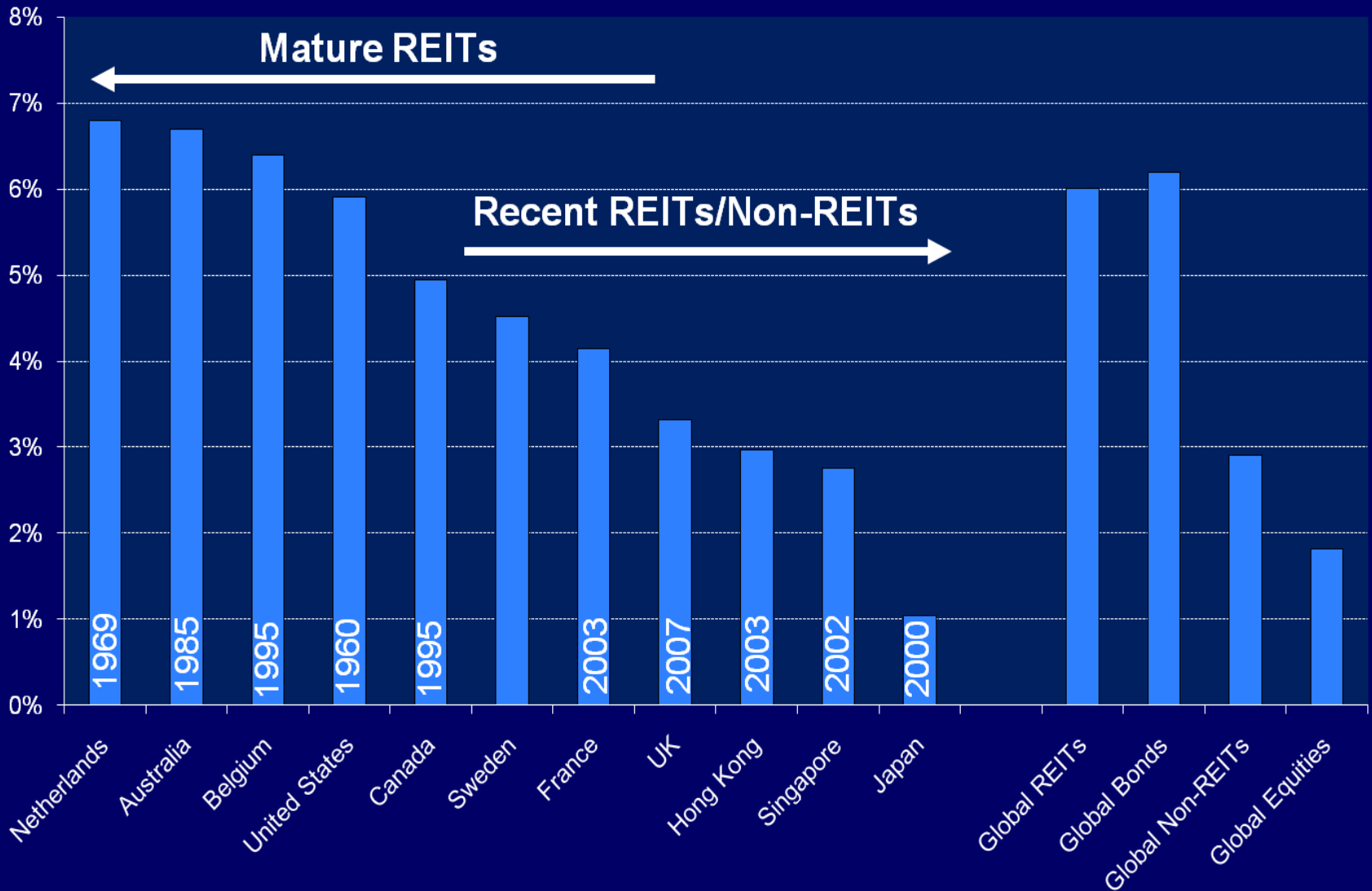
Ropemaker Place, London EC2



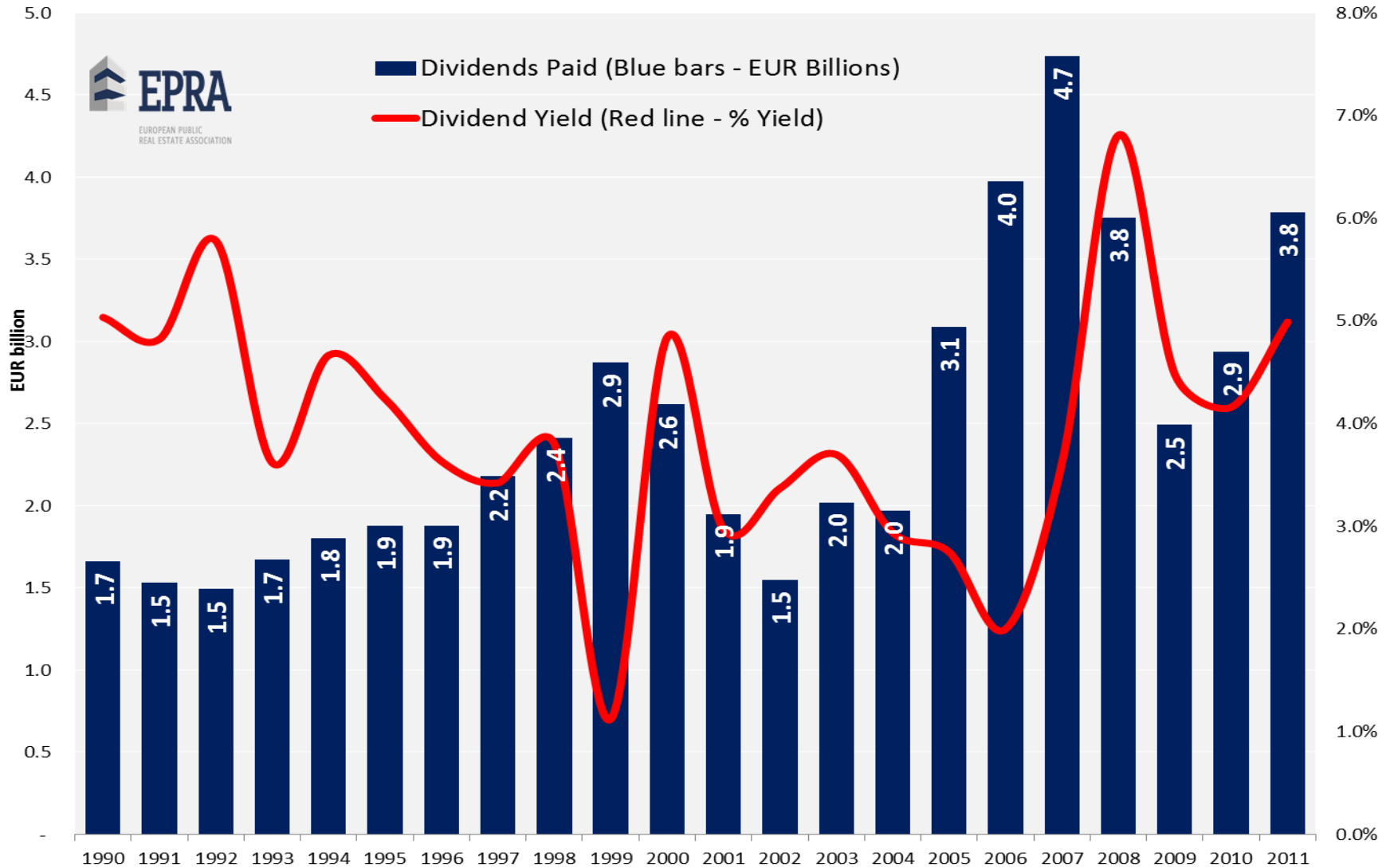
ROPEMAKER PLACE IS ONE OF THE CITY OF LONDON'S MOST ATTRACTIVE YET SUSTAINABLE BUILDINGS

“Exposure to Prime assets in world class locations”

Cash-flow - 10 Years Yields



Europe Cash-flow & Yield



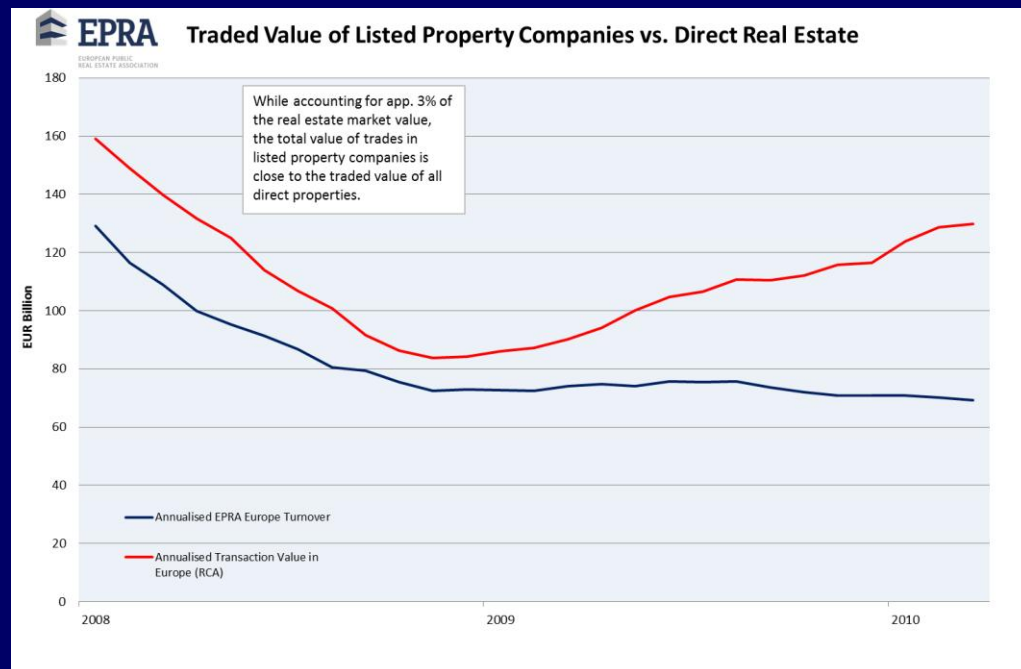
Excellent Transparency

- 80% use EPRA BPR guidelines
- 95% of listed property companies report at fair value
- Only 4% don't use external valuations
- 2 EPRA members are among top 25 in corporate governance rankings -
- “Listed property companies show much better environmental performance than do their private counterparts.larger investors are significantly more likely to have a strong environmental performance.” - GRESB 2009 Benchmark
- 2011: EPRA Sustainability Reporting BPR

Excellent Liquidity

- Safeguarded by Index requirements

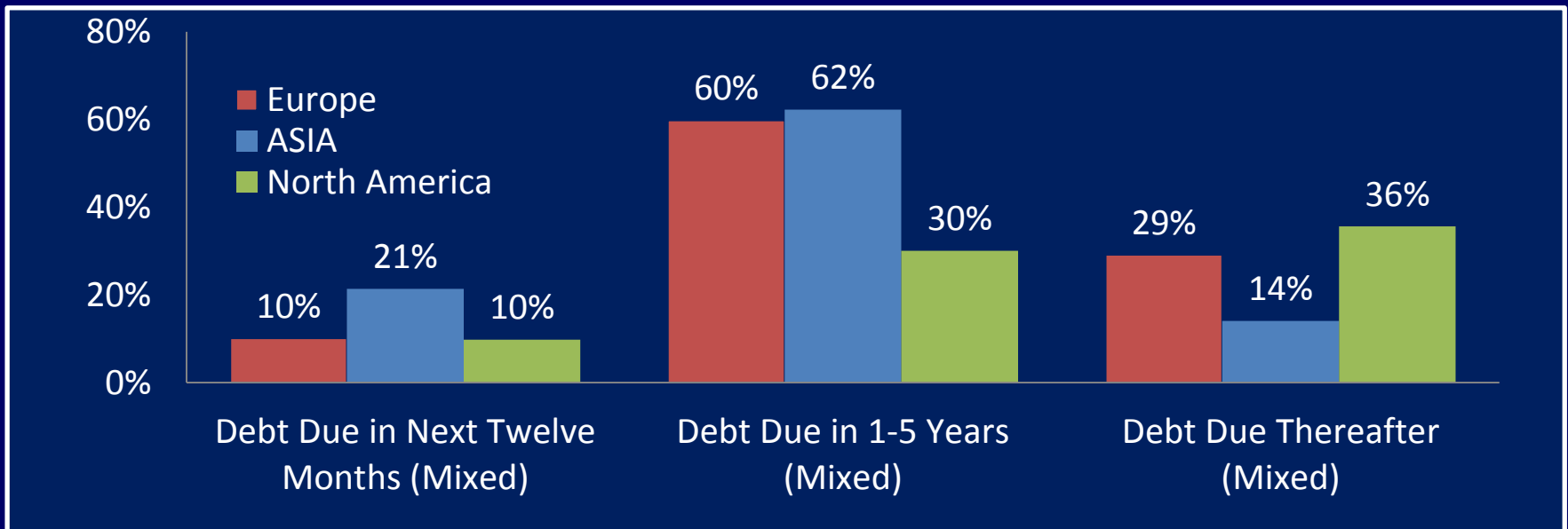
Company	FF MC EUR	Velocity
Unibail	13.9	106%
Land Secs	6.3	86%
British Land	5.5	91%
Corio	4.5	88%
Hammerson	3.6	80%
Cap Shop	2.8	82%
Swiss Prop	2.8	68%
SEGRO	2.7	65%
Klepierre	2.7	85%
PSP	2.7	54%



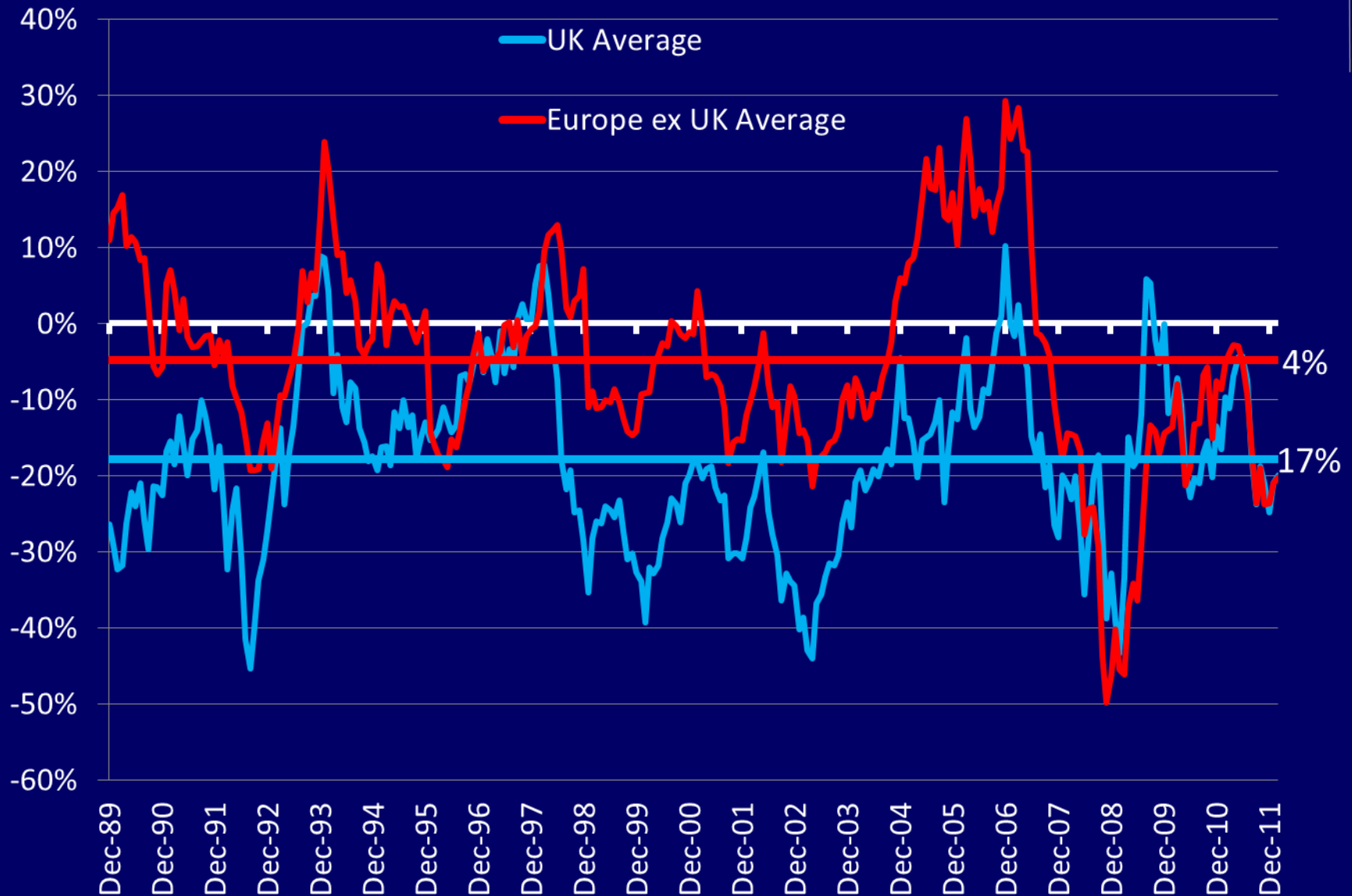
On average approx. EUR 70-80
traded value annualised

Global Leverage

Region	< 12 Mths \$Bn	Total \$Bn	Full Mkt Cap \$Bn
Asia-Pacific	31	155	385
Europe	14	140	154
Nth America	29	313	469
Global	74	608	1,008



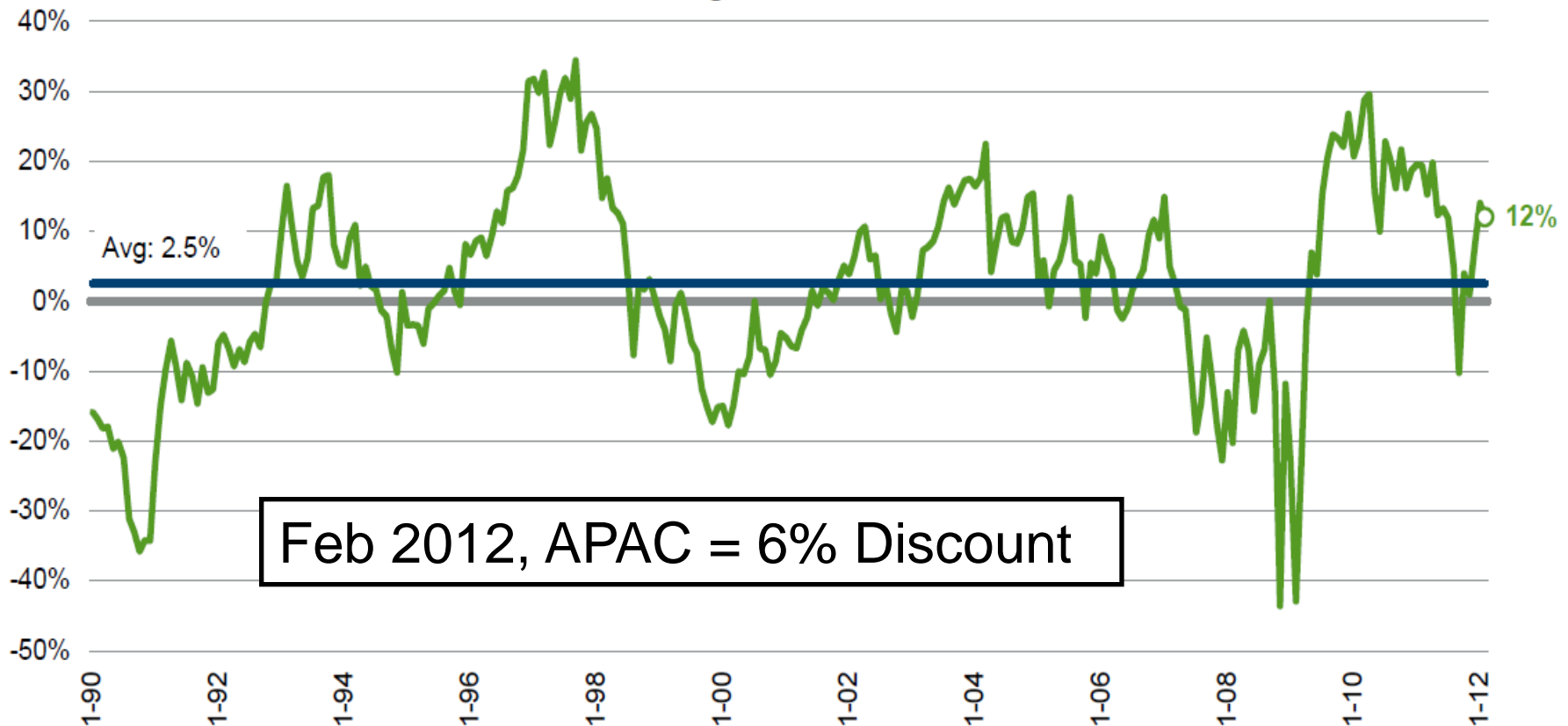
Global NAVs - Europe



Global NAVs – US & APAC

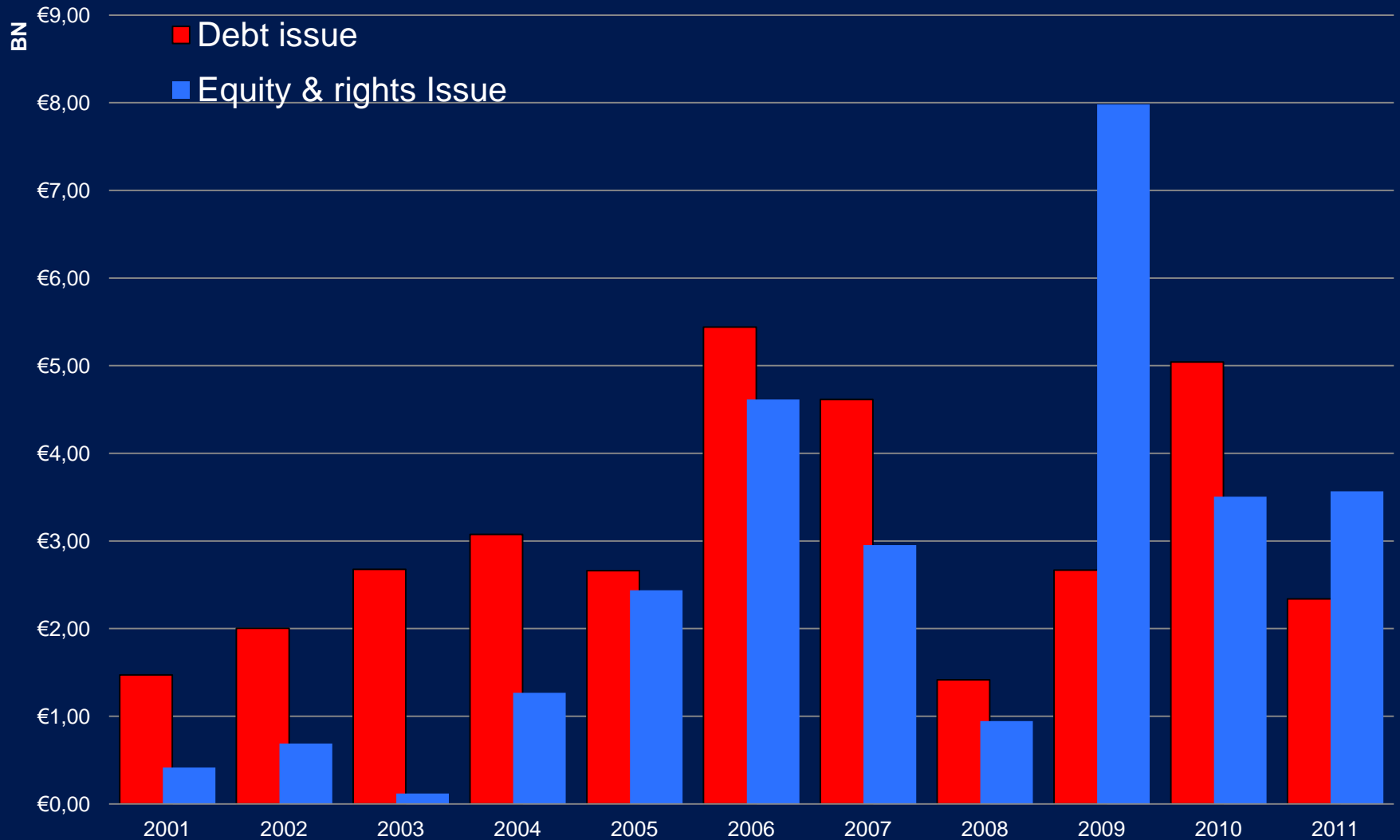
NAV Premiums: Observed NAV premiums/discounts in the public market have historically been reliable predictors of future changes in private-market prices. While false signals can occur, large premiums usually precede rising property values, and vice versa.

Average Premium to NAV



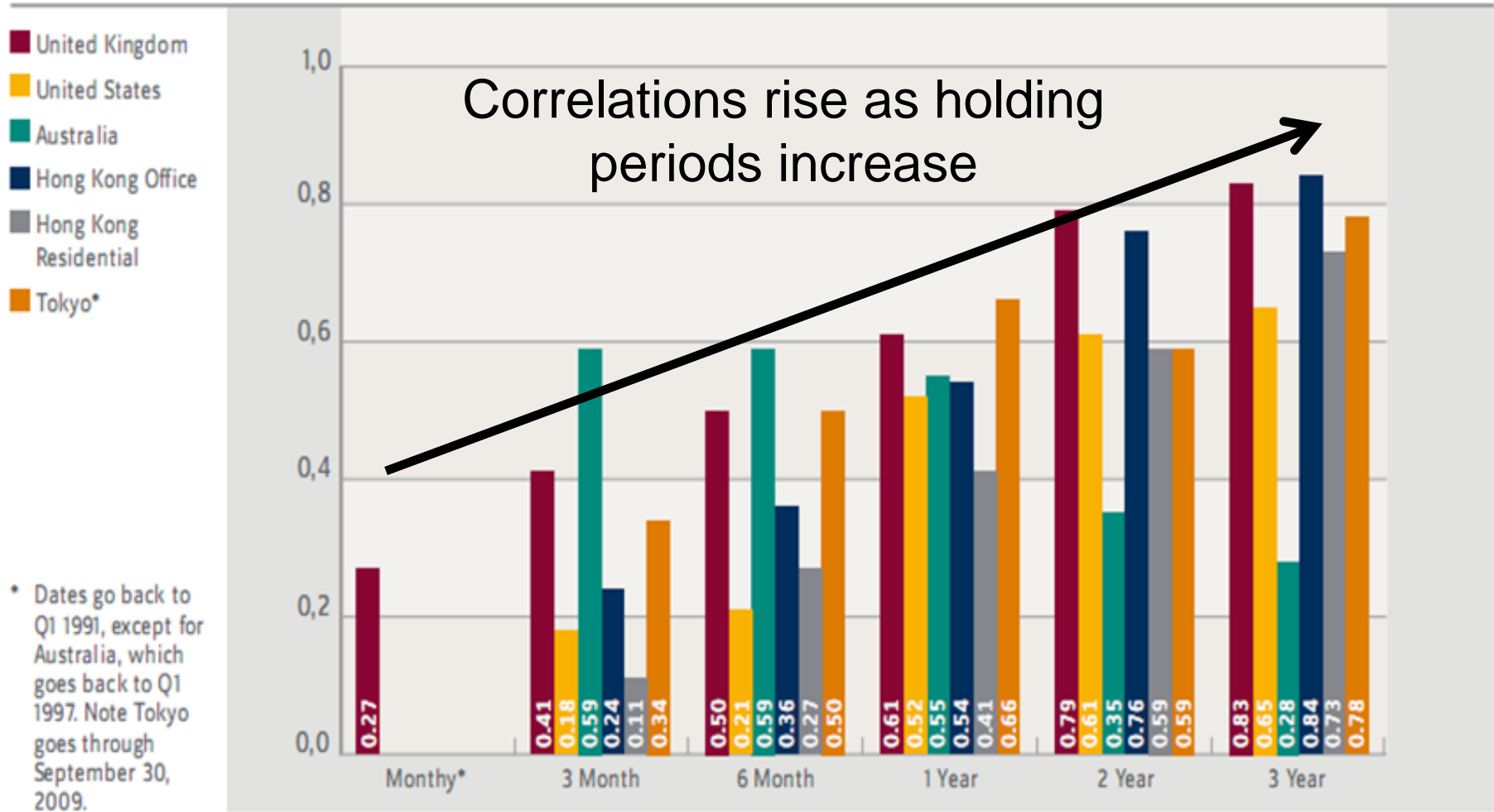
Feb 2012, APAC = 6% Discount

Europe Capital Raised – 2001 to Date



Listed is a Proxy - Correlations

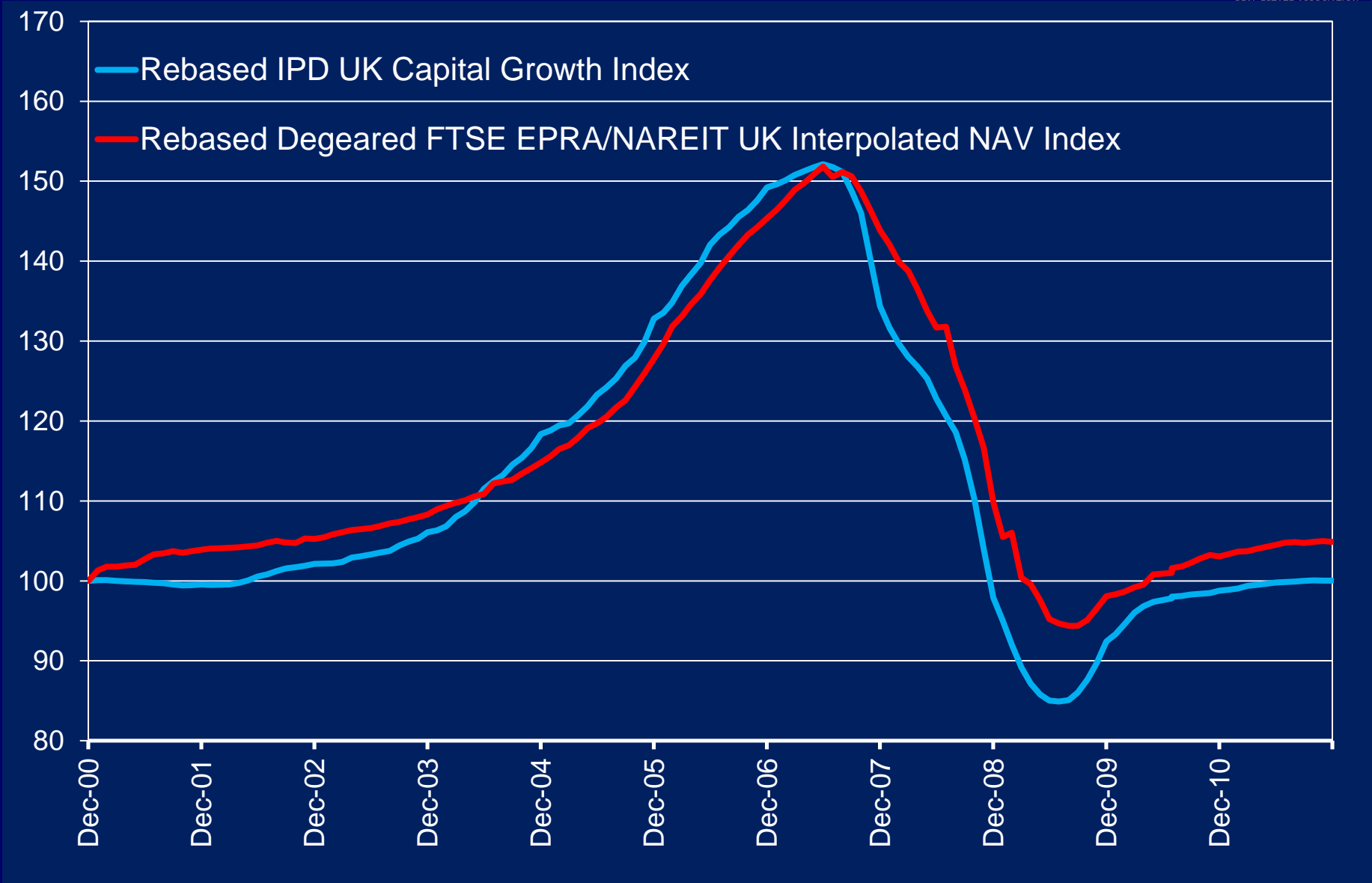
Exhibit 1: Correlations Between Listed Property and Direct Real Estate Across Holding Periods, 1991-2009



Listed is a Proxy - Regensburg Report

- Econometric procedure
 - Vector error correction models (VECM)
 - Variance decompositions
- Results:
 - Listed property in UK & US impacted significantly by direct property
 - Longer the time period – the stronger the influence of direct property
 - Short-term susceptibility to trends in stock market

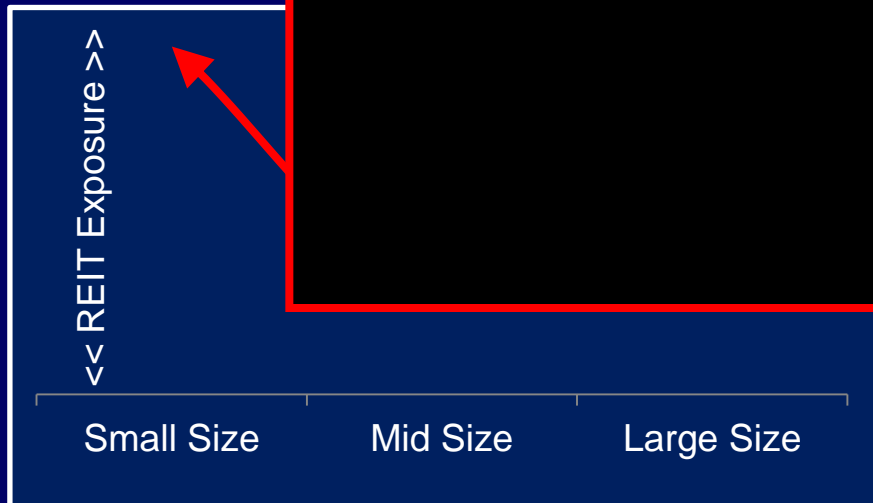
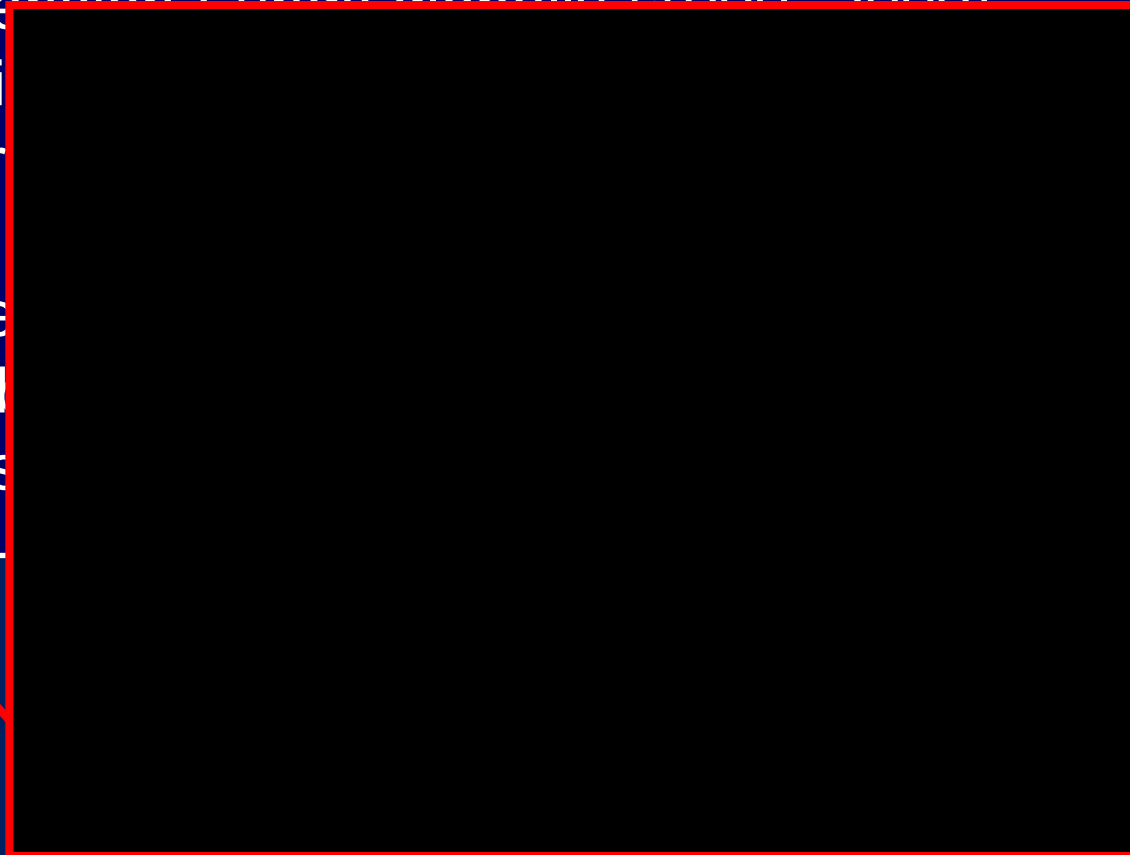
Listed is a Proxy – UK Underlying NAVs



Source: IPD & EPRA

Pension Funds in Real Estate

- 885 Pension Funds globally (1000 - 2000)
- Combined
- Larger pension funds invest in REITs
- Smaller pension funds invest in real estate returns



Consider full
s
should
consider REITs and re-
evaluate fund of funds

Global Assets Performance

Hldg	Bds	Eq	RE
18 Yrs	5.45	4.05	6.89
15 Yrs	5.01	2.94	6.07
12 Yrs	4.80	-0.46	8.75
10 Yrs	4.42	1.97	8.19
8 Yrs	4.07	2.47	5.99
5 Yrs	4.82	-2.89	-5.97
4 Yrs	4.61	-2.69	-1.38



Summary

- Diversification –
 - Country focus – offices/residential
 - Sectors – clearer lines
- Cash-flow – Global REITs @ 5-6% p.a.
- Transparency – BPR, Sustainability, IASB, Green
- Liquidity > 80% Velocity
- Attractive Long mid/long term Performance –
 - Attractive income
- Leverage < 50%
 - More liquid corporate bonds market
- Increasingly listed/REITs are viewed as a proxy