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Annual Results Presentation

23 March 2011

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Agenda

Introduction

Operational review

2010 results

Future strategy & outlook

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Introduction

Highlights

> Strong recovery in pre-tax profits and net asset value

> Balance sheet restructuring substantially complete following further de-gearing at fund and group level and Mall restructuring

> Recycling of cash from funds and joint ventures is gathering momentum

> Asset management skills have driven significant pick-up in letting activity and have contributed to uplift in valuation in Mall in particular

> Underlying business much improved following disposal of 18 properties in 2010

> Positioned for growth - underlined by Lincoln as first acquisition since 2007

Financial Highlights

	2010	2009
> EPRA NAV per share	£0.57	£0.47
> Profitability		
Profit / (loss) before tax	£46.4m	(£113.4m)
> Property under management	£2.8bn	£3.1bn
> Gearing (net debt to equity)	29%	48%
> See-through debt to property value	76%	86%
> See-through net debt to property value	66%	76%
> Average net initial yield UK portfolio	6.72%	7.35%

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Operational Review

Operational Highlights

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> Total UK fund property return 18.4%

> UK passing rent up £1.6m (1.0%)

> Total UK fund occupancy 95.9%, up 1.5%

> Contracted rent up £4.3m (2.5%)

> 145 lettings in The Mall, rent of £10.9m (Q4 3.5% behind ERV)

Asset Management Highlights – The Mall

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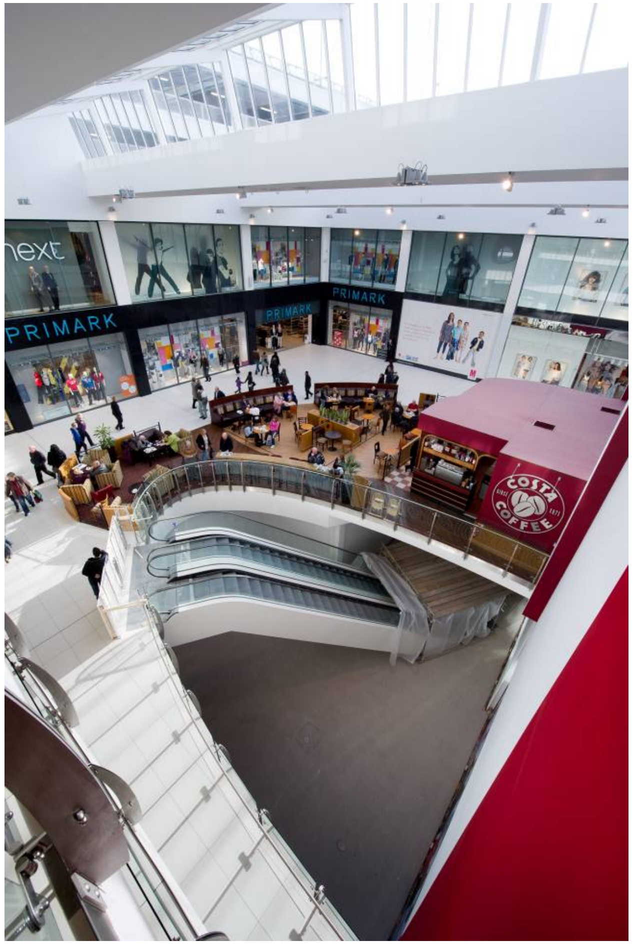
- Middlesbrough – New 20 year lease to Barclays Bank for 11,500 sq ft of long term vacant space
- Romford – Amalgamation of 3 long term vacant units and new letting of 6,500 sq ft to Poundland
- Luton – 20 year lease renewal and adjoining unit review settlement with Debenhams. Rent uplift of £295k
- Camberley – 10 year lease renewals secured with Sainsbury's, Argos and Lloyds Bank and 2 units amalgamated for a 4,000 sq ft new letting to Poundland
- Wood Green – Break removal and lease extension completed with TK Maxx together with tenant refitting obligation
- Sutton Coldfield – Letting of 22,500 sq ft unit to H&M on 10 year lease
- Norwich – Letting of 18,000 sq ft long term vacant unit on 10 year lease to Family Bargains
- 12 unit transaction with Regis UK Ltd, securing additional unexpired term of 39 years

The Mall Blackburn - Development

- £66m extension/refurbishment opened 26th July 2010
- Scheme 95% let / under offer by area by year end
  - New 50,000 sq ft Primark
  - New 60,000 sq ft council market
  - New 17,000 sq ft H&M
  - New 15,000 sq ft Next and up-sizes on Top Shop, River Island, New Look
  - New 11,000 sq ft Peacocks
  - New 9,000 sq ft unit to JD/Bank
  - Existing shopping centre refurbished
  - Other lettings to USC, Infinities, Carphone Warehouse, WH Smith, Deichmann Shoes and Costa
- Completed scheme anchored by Debenhams, BHS, Tesco, Boots and Primark



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The Mall Luton - Development

- £20m extension completed July 2010
- 70% of units let by area with further 27% under offer
- Anchored by
  - 38,000 sq ft TK Maxx
  - 14,000 sq ft Argos
- Additional letting to Costa Coffee
- Of the 5 remaining restaurant units, 4 are under offer in solicitors hands

Asset Management Highlights – The Junction

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- B&Q lease re-gear covering the three warehouse stores in the Junction portfolio - Bristol, Paisley and Swansea - extending leases and securing income to 2030; B&Q accounts for 13.5% of contracted income
- TK Maxx lease re-gear covering three stores - Swansea, Telford and Thurrock - extending leases and securing income to 2020; TK Maxx accounts for 4.5% of contracted income
- Lettings to DSG of 24,000 sq ft at Maidstone and 30,000 sq ft at Swansea
- Lettings to GAP and Boots at Thurrock
- The sale of two schemes - Aylesbury and Hull - and a further scheme in 2011 - Portsmouth - capitalising on strong asset values and allowing the fund to focus on those properties that have greater asset management or development opportunities
- Opening of the first Best Buy store in the UK of 50,000 sq ft at West Thurrock
- 5 lettings at Bristol for total rent of £497,000 - now 97% let

X-Leisure Highlights

> Leisure sector defensive and resilient to consumer spending trends despite weather related disruption at the beginning and end of the year
> Cinema sector enjoyed exceptional year in 2010 with record box office takings, restaurant trade remained resilient
> Strong defensive properties of portfolio include long leases, fixed rental uplifts and low voids (2010: 4.7%, 2009: 5.3%)
> Concentration of 50% of parks in London and the SE of England
> Prime, affordable yields - significant inward yield shift during 2010 to 7.0% (2009: 7.9%)
> During 2010 24 new lettings secured, 53 rent reviews settled at an average of 8% above ERV
> Xscape MK - 9 new lettings / lease renewals resulting in the park being 100% let by the end of 2010 – new arrivals include Pizza Express, Chimichanga and Harvester plus WH Smith
> Xscape Castleford – 6 new lettings in 2010 including a bar, a running retailer and a steak restaurant

Tenant Data - Occupancy

Occupancy levels	Mall	Junction	X-Leisure	Germany
30 December 2010	95.8%	97.3%	95.3%	96.7%
30 June 2010	93.8%	94.7%	94.3%	98.5%
30 December 2009	94.2%	94.5%	94.7%	98.1%

Tenant Data – Passing Rent

Passing rent *	Mall	Junction	X-Leisure	Germany
	£m	£m	£m	€m
30 December 2010	95.0	28.8	40.7	43.6
30 June 2010	93.2	28.5	40.0	43.9
30 December 2009	94.8	28.2	39.9	43.9

** Passing rent (gross rental income excluding rent frees, unsettled rent reviews and units in administration and closed) on a like for like basis*

Tenant Data – Contracted Rent

Contracted rent	Mall	Junction	X-Leisure	Total
	£m	£m	£m	£m
30 December 2010	100.2	30.8	41.3	172.3
30 June 2010	97.0	29.5	40.1	166.6
30 December 2009	97.9	29.7	40.4	168.0

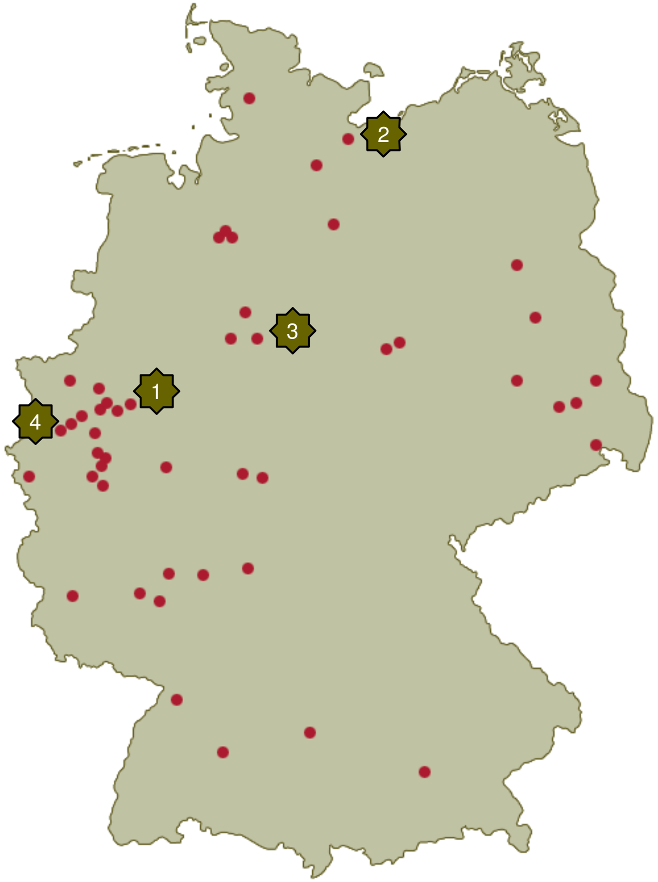
Tenant Data – Rent Reviews & New Lettings

2010

	Mall	Junction	X-Leisure	Total UK	Germany
Rent reviews					
Number	118	17	53	188	n/a
Rent	£14.7m	£6.3m	£9.6m	£30.6m	n/a
Uplift in rent	4.4%	5.0%	16.3%	8.3%	n/a
Comparison to ERV	6.5%	(1.5)%	8.3%	5.4%	n/a
New lettings*					
Number	145	14	23	182	7
Rent	£10.9m	£2.2m	£0.9m	£14.0m	€0.2
Comparison to ERV	(9.5)%	(16.0)%	(4.5)%	(10.2)%	n/a

* Excluding temporary lettings and turnover rent and options exercised in Germany

Germany - Overview



1 Dortmund

2 Lubeck

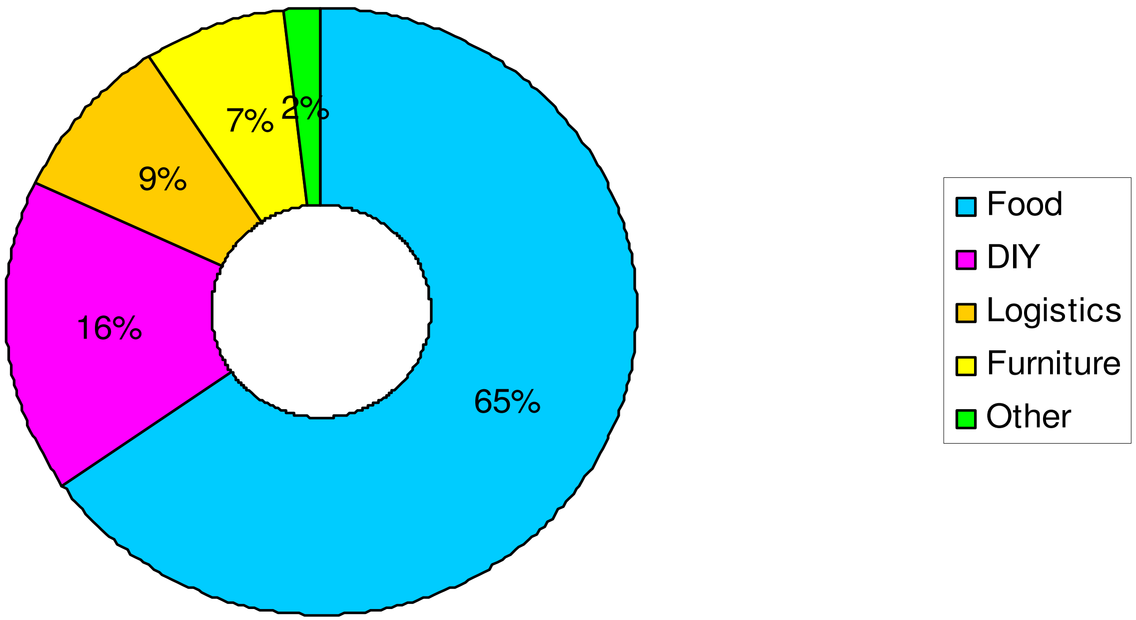
3 Hamelin

4 Tonisvorst

Germany – Key Statistics

- 48 sites comprising big box out of town retail
- Majority of rents are food (65%), next largest sector DIY (16%)
- Geographical focus on western Germany
- Total lettable area 5,008,000 sq ft
- Fund property value at 31 December 2010 €576m
- Passing rent €43.6m
- Average remaining lease length 7 years
- Structured as 6 portfolios with separate and non-recourse debt facilities

Germany – Tenant Base



The analysis above is based on the net rental income of the top 15 tenants, which represent 87% of total net rental income.

Germany – Outlook

- Sought after asset class with increasing institutional demand
- Positive return on investment of 11.4%
- Stable rental income in the short term with rent indexation expected to be offset by lease re-gears and vacancies
- Medium term expectation of rental growth
- Stable weighted average lease lengths
- Garigal asset and property management platform established
- Positive outlook on German economy

Germany – Asset Management Initiatives

- Ingelheim (Hypermarket tenant) – new 15 year lease unchanged at €1.5m rent per annum
- Stadthagen (DIY tenant) – lease extended from 11 to 21 years and rent increased from €829k to €909k per annum
- Kreuztal (Hypermarket) – lease surrender of €6.3m during 2010, unit to be subdivided and refurbished with a view to re-let in 2012 – defensive asset management to maintain value

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2010 Results

Financial Results

	December 2010	December 2009
Property under management	£2.8bn	£3.1bn
Net assets	£174.5m	£129.8m
EPRA NAV per share	£0.57	£0.47
Triple net diluted NAV per share	£0.50	£0.37
Recurring pre tax profit	£14.9m	£17.5m
Profit / (loss) before tax	£46.4m	£(113.4)m
Group debt	£70.5m	£80.4m
Adjusted see through debt	£524.4m	£660.3m
Gearing (net debt to equity)	29%	48%
See through debt to property value	76%	86%
See through net debt to property value	66%	76%

NAV Constituents

	Property assets £m	Other £m	NAV £m	% of net assets
Funds				
Mall	198.8	(141.2)	57.6	33.0%
Junction	61.0	(37.2)	23.8	13.6%
X-Leisure	62.1	(36.1)	26.0	14.9%
FIX	26.9	(25.9)	1.0	0.6%
Total	348.8	(240.4)	108.4	62.1%
JVs and other associates				
Braehead	22.6	(30.5)	(7.9)	(4.5%)
Germany	247.9	(200.5)	47.4	27.2%
Other	-	3.3	3.3	1.9%
Total	270.5	(227.7)	42.8	24.5%
Wholly –owned				
Hemel Hempstead	9.8	(8.1)	1.7	1.0%
Great Northern	72.0	(67.1)	4.9	2.8%
Total	81.8	(75.2)	6.6	3.8%
Other				
Working Capital	-	16.7	16.7	9.6%
Total	**701.0**	**(526.6)**	**174.5**	**100%**

Income Statement

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	2010 £m	2009 £m
Recurring profit before tax	14.9	17.5
Revaluation	29.6	(108.4)
Swaps	0.6	0.3
Deemed disposal	-	(7.2)
Disposals profit/(loss)	4.5	(9.4)
Impairments	(0.6)	(3.7)
Other non-recurring	(2.6)	(2.5)
Profit/(loss) before tax	46.4	(113.4)

Recurring Profit Before Tax

	2010 £m	2009 £m
Asset Management Fees	8.4	9.5
Service Charge & Other Fees	4.9	7.6
Fixed Management Expenses	(7.5)	(11.8)
Property Management	5.8	5.3
UK Property Investment	8.2	11.1
Germany Property Investment	5.1	6.1
SNO!zone	0.7	0.9
Non-segment items	(4.9)	(5.9)
Total	**14.9**	**17.5**

UK Property Disposals

Property	Date	Sales proceeds £m	Net initial yield %
The Mall			
Aberdeen	February 2010	47.4	7.9
Preston	March 2010	87.0	7.6
Ilford	June 2010	70.6	7.8
Falkirk	August 2010	47.6	7.5
Gloucester	August 2010	26.9	7.5
Southampton	August 2010	21.3	7.5
Romford	August 2010	40.0	7.5
		340.8	
The Junction			
Aylesbury	April 2010	60.4	6.0
Hull	September 2010	81.9	7.0
		142.3	
X-Leisure			
Croydon	March 2010	32.5	7.6
Birmingham	October 2010	27.0	9.0
		59.5	
Total 2010 fund disposals		**542.6**	
2011 disposals			
The Mall – Bristol	January 2011	50.2	7.0
The Junction - Portsmouth	March 2011	60.9	5.8

Group Debt

	Debt at 30 December 2010 £m	Average interest rate %	Fixed %	Duration of fixing (years)	Duration to loan expiry (years)
Core revolving credit facility	**-**	n/a	-	-	2.7
Great Northern	**63.6**	6.26	96%	2.8	2.8
Hemel Hempstead	**6.9**	3.24	-	-	1.8
Group debt	**70.5**	5.96	87%	2.8	2.7
Cash and cash equivalents	**(25.7)**				
Group net debt	**44.8**				
Cash adjustment	**5.0**				
Adjusted group net debt	**49.8**				

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Off Balance Sheet Debt

Group share	Debt 30 December 2010 £m	Net debt 30 December 2010 £m	Loan to value 30 December 2010 %	Net debt to value 30 December 2010 %	Average interest rate %	Fixed %	Weighted average duration to expiry (years)
The Mall	138.4	119.5	73%	60%	4.94%	100%	4.3
The Junction	38.4	34.8	60%	57%	6.78%	99%	3.3
X-Leisure	35.6	32.8	56%	53%	6.52%	99%	3.1
FIX UK	25.3	24.7	93%	91%	7.43%	100%	2.2
German joint venture	201.2	190.6	82%	77%	4.55%	102%	2.7
Braehead	22.8	21.6	89%	95%	6.24%	88%	3.7
Other	n/a	(1.3)	-	-	-	-	-
Off balance sheet	461.7	422.7			5.25%	100%	3.3
German debt adjustment	(7.8)	(7.8)					
Adjusted off balance sheet	453.9	414.9					

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Mall Fund Financing

- Mall bonds were refinanced and extended for 3 years in July 2010 on favourable terms for all parties
- Amortisation requirement to £800m (December 2012) and £600m (December 2014) with LTV test of 83% at December 2011 falling to 65% in December 2014
- Improvements in property valuations combined with disposals of schemes has led to de-gearing and improved net debt and LTV ratios
- Gross debt at 31 December £828m and pro-forma after Bristol sale £775m
- LTV per covenant definition at 31 December 73% and after Bristol sale 72% with property valuation headroom against first test of 13%

Germany Portfolio Financing

- Six property portfolios each with ring fenced debt
- The Germany facilities were all covenant compliant at December 2010
- Negotiations on the refinancing of Portfolio 4 (total debt €164m) expected to be successfully concluded before half year 2011
- Purchase, with AREA, of €18m junior debt at a discount in late 2010

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Future Strategy & Outlook

Strategy

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- Focus as specialist retail property company with emphasis on growth in NAV

- Structure for Lincoln acquisition shows:

  (a) our strategy of taking significant stakes in new property investments
  (b) commitment to leverage in-house property and asset management skills in support of primary focus;
  (c) access to partner capital as differentiator in ability to grow

- Recycling of capital within/and from funds will increase as lower LTVs accelerate timetable for distribution

- Strategic agenda is now focussed on increasing liquidity of stakes in funds and Germany

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Waterside, Lincoln – Acquisition

Overview

- 120,000 sq ft covered 3 level shopping centre
- Acquired Feb 2011 for £24.8m / NIY 7.68%
- Debt finance with Deutsche Postbank at 55% LTC
- Proposed 50:50 JV with Karoo (C&R shareholder vote on 1st April 2011)
- c£160k management fees and graduated performance fees above a 15% IRR

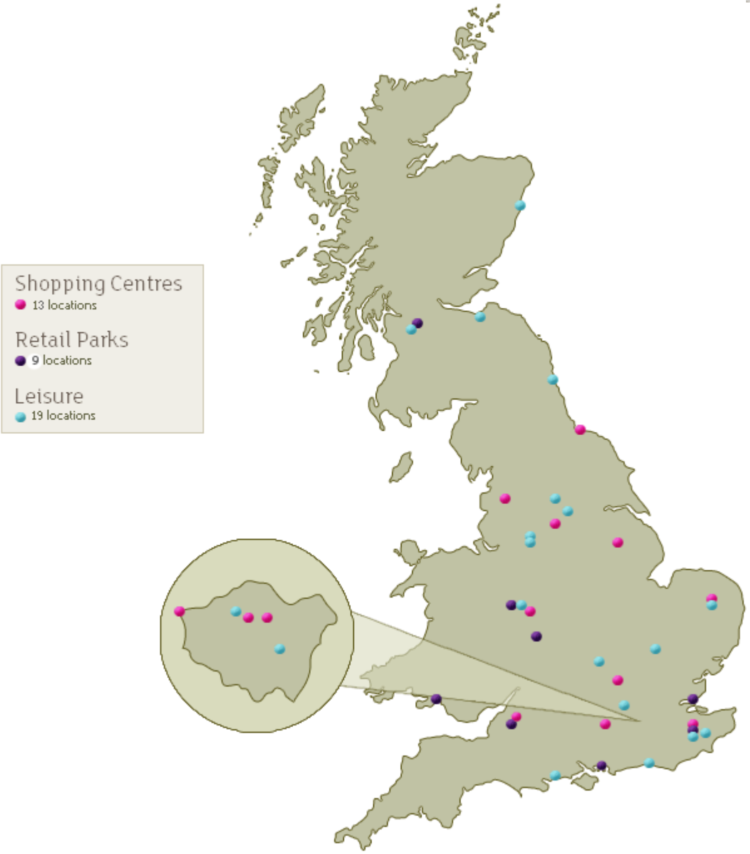
Why Lincoln

- Under-provision of retail space. National retailer demand
- Strong and affluent catchment:
    - PROMIS Top 50 retail location
    - ‘Bullseye’ catchment – no major retail centre within 35 miles
    - Above average population growth forecast
- Major tourism destination (c17m visits pa)
- Scheme is in heart of retail pitch

Waterside, Lincoln – Strategic Aims

- Create Institutional grade asset reflective of Cathedral city status
- Reconfigure rear space:
    - Satisfy proven national retailer demand
    - Reposition scheme as dominant fashion destination
    - Drive tenant mix and rental growth
- Exploit use of sterile river frontage – family catering quarter

UK Portfolio



Mall Blackburn


Junction Bristol

Xscape Braehead


Mall Luton

Mall Strategy

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- Capex / leasing reserve will be used to support asset management initiatives and working up of development opportunities
- Current expectation that income can be grown even if rental values remain flat
- Acceleration of disposals contemplated by Mall restructuring under consideration to accelerate resumption of distributions and re-rating of portfolio
- Active consideration to future strategy for fund well ahead of 2015 refinancing date

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Junction Strategy

- Disposal of further dry assets in response to strong interest for retail park assets under consideration
- Development initiatives are being progressed in Paisley, Oldbury and Thurrock
- Retail park acquisitions more likely to take form of joint ventures outside Fund

Great Northern

- Great Northern Warehouse is a 399,000 sq ft leisure destination in a prime site in Manchester city centre
- Decision taken to retain asset for medium-term (1 to 2 years)
- C&R equipped to execute asset management strategy contemplated by potential purchasers
- Asset management plan to be finalised in H1 2011
- In discussion with both leisure operators and retailers on reconfiguration of space. Introduction of new retail formats

Outlook

> Investor appetite for retail assets continues to be strong

> Q1 asset values resilient, based on disposals at a premium to valuation

> Conditions for retail tenants likely to remain challenging but, for time being, demand for larger units remains strong at close to ERV

Questions & Answers

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Forward Looking Statement

This document contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking in nature and are subject to risks and uncertainties.

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