

*Passionate about
adding value*

Global Offices



London

Dublin

Mumbai

Munich

Stockholm

Passionate about adding value



Leo Noé, Executive Chairman

“We are relentless in the pursuit of returns for our clients. We are committed to buying well, enhancing values and selling to maximise returns. We understand that success comes from the quality of our ideas and our tenacity in seeing them through.”

About Us

Welcome to F&C REIT, a leading European real estate manager.

Formed through the combination of F&C Asset Management's property business and REIT Asset Management in 2008, F&C REIT is an entrepreneurial, institutionally-partnered force in commercial property investment management. We are responsible for a £7.6* billion (as at 31/12/2010) global portfolio of assets under management.

We offer a comprehensive, integrated range of real estate fund management services with a network of offices around the world.

Performance lies at the heart of our business philosophy. Our aim is to deliver above average returns to all of our investors – private clients, publicly listed investment companies, corporate and local authority pension schemes, insurance funds, joint venture partners and specialist investment vehicles.

Our focus is on enhancing the value of each and every property within our portfolios – using experience based on an outstanding long-term track record combined with a commitment to innovation, and complemented by highly skilled “hands on” implementation.

London

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*Source F&C REIT. 52.9% of the assets under management are recorded at their acquisition cost, reflecting the basis on which income is generated for F&C REIT by these assets.

King Street, Manchester



82 King Street, Manchester

*82 King Street, Manchester – 85,000 sq ft
multi let, City centre office building
purchased in 2005 and developed by
Friends Provident.*

Why F&C REIT?

F&C REIT is a major entrepreneurial and institutionally-partnered force in commercial property investment management, formed through the combination of F&C Asset Management's property business and REIT Asset Management in 2008. F&C REIT is a specialist real estate investment manager; our sole purpose is to create and manage successful property investment portfolios on behalf of our diverse range of clients.

We have an excellent performance track record and our aim is to provide superior returns for each client. We are not limited to any property sector, location or market, we are simply committed to delivering outstanding results that is evidenced by our recent performance awards including the 2010 EG Awards, where F&C REIT was judged by IPD to be the top performing property asset management house based on total returns over a three year period.



Our highly experienced investment team has in-depth market and sector knowledge and extensive contacts both in the UK and overseas – providing us with access to the best stock, the expertise to maximise its value and the ability to identify the right time to sell. This, together with an integrated, sophisticated investment model, makes us a recognised market leader.

Understanding the needs and expectations of our clients lies at the core of our approach. Our business culture is based on a partnership mind-set with a team fully aligned to its clients and focussed on delivering exemplary client service. We have built our reputation on creating innovative investment structures designed to meet the requirements of a wide range of client types.

Key Facts:

- £7.6bn under management globally (as at 31 December 2010)
- 125 people working across five offices globally
- Top quartile performance over three and five years for a hypothetical “house” Fund aggregating all F&C REIT managed, IPD monitored funds
- Average 67% IRR and 4.1x equity multiple on opportunistic realised UK transactions
- Average 43.2% Net IRR on German completed transactions

Grafton Street



71 Grafton Street, Dublin, Ireland

Grafton Street – over 11,600 sq ft and is single-let to Disney. The prime retail shopping street in Dublin runs from St Stephens Green to College Green and obtains the highest retail rents in Ireland.



Nick Criticos,
Chief Executive

“Finding the right property, in the right place, at the right time and at the right price is key. But you also need to know how to structure the deal, how you can enhance its value and ultimately which signals tell you it’s time to sell.”

Our Investment Approach

Property markets are complex and this can lead to opportunities to benefit from mispricing. Identifying which areas are ripe for investment requires expert judgement.

We utilise both detailed proprietary and external research, sophisticated forecasting and strategic analysis to find market inefficiencies and opportunities - across property sectors, countries, types and tenants – for the immediate benefit of our clients.

We believe that stock specific factors are the key to long-term, consistent out-performance. Our philosophy has five key components.

- 1. Access to quality stock.** Exceptional market and financing relationships combined with in-depth sector knowledge means that we are ideally placed to gain access to the best off and on market opportunities.
- 2. Buying well.** The right property, in the right place, at the right time and at the right price. Rigorous stock selection focuses on appraising the value drivers of each property – yield, security of income, tenancy and lease expiry, as well as the potential for value enhancement.
- 3. Proactive asset management.** Extracting the maximum value from every asset in a portfolio. We believe each property has unique value characteristics, which can be enhanced by active and intensive management including surrender and re-letting, restructuring leases, securing change of use, tenant mix management and refurbishment.
- 4. Innovation.** Making use of appropriate, innovative loan and corporate structures, matched to the needs of our investors and a property’s individual characteristics.
- 5. Knowing when to sell.** Our objective hold/sell discipline, focused on each property’s business plan, is constantly reviewed in the light of local knowledge, research and timing.

Our investment process involves teamwork, continuous review and careful risk management. But what makes us different?

- We are a **specialist** real estate asset management house, able to draw on the resources of majority shareholder F&C where appropriate;
- We can **blend entrepreneurial flair with experience** in fund management to deliver a wide range of investment options to clients;
- We are often **contra-cyclical**;
- We have **breadth and depth in our sourcing** supported by the resource to identify opportunities to add value and undertake detailed due diligence;
- We **look beyond the obvious** in the detailed work we do to assess value and risk both on acquisition and in micro-management of each asset;
- Finally the benefits we get from our **sector specialism** in asset management gives us exceptional in house knowledge that ensures we can identify and move early and quickly on opportunities as they arise.

These combined aspects give us a unique approach to investing in and deriving value from property.

St. Christopher's Place



St. Christopher's Place, London

A retail oasis in the heart of central London's shopping district. A true mixed use property investment in London's West End, combining retail, restaurants, offices and residential.

Our Services

F&C REIT's robust and sophisticated real estate investment model combines market analysis, stock selection, intelligent financing and intensive asset management to deliver above average returns while controlling risk.

Our services include:

Fund management. Our integrated approach to fund management is centred on portfolio optimisation via a process of continuous review. By being forward-looking, proactive, and sometimes contra-cyclical, we can take advantage of market cycles and opportunities. We offer investors a number of routes to invest with us including fund investments, segregated accounts, joint ventures, club investments and co-investing opportunities.

Asset management. Dedicated sector-specific teams of asset managers – each with specialist market perspective and a thorough understanding of key value drivers – work to ensure maximum value is extracted from every property.

Project management & planning. Property requires constant attention to ensure it is delivering optimum value and return on capital. Our project & planning team ensures that planning consents, property refurbishment and re-developments are undertaken when required.

Property management. Day-to-day property management and service provision is co-ordinated by a specialised in-house team, with a network of site-based managers and external managing agents. We recognise the value of the tenant and believe in a partnership approach to achieve economic benefits for both clients and tenants.

Research. High quality, in-depth market information is necessary in order to maximise returns. Intelligence from our sector specialists is supplemented by data from expert research companies and property agents. Our in-house team produces proprietary research that consistently predicts market cycles while also ensuring that individual transactions are consistent with portfolio strategies and enabling fund managers to maintain portfolio diversification while controlling risk.

Financing. F&C REIT manages both geared and ungeared portfolios, suited to the requirements of each client. We have extensive experience in identifying appropriate financing strategies, suitable lenders and lending terms. With a rigorous approach to financial management, years of experience and extensive contacts in the finance world, we are able to secure the best possible finance terms and advise on the most efficient tax structure for each investor.

Finance & fund administration. F&C REIT's dedicated finance team provides a range of business support services designed to deliver timely and accurate information to support fund and property management, property and fund accounting as well as management and corporate reporting. The processes in place meet best practice risk management and we have stringent reporting and governance procedures.

Muensterplatz



Muensterplatz, Bonn, Germany

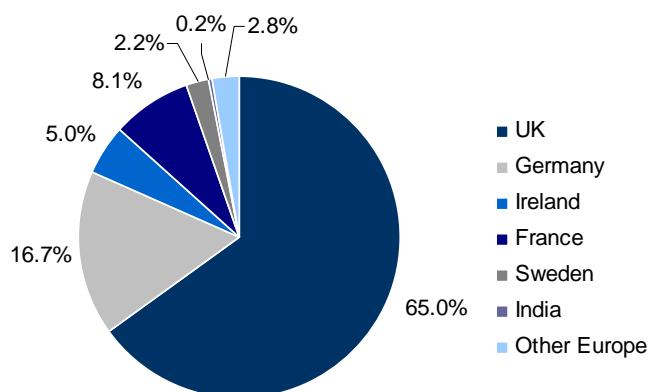
Muensterplatz – 125,000 sq ft of high quality mixed use retail and office space in the prime location of Bonn.

Purchased in June 2006 for €38 million.

Assets Under Management

A market leader

We are a leading global property asset manager operating in both developed and emerging markets. We manage assets of £7.6* billion (as at 31/12/2010) on behalf of a wide range of individuals, professional investors, property trusts and institutional clients.



We have exposure to all the major property sectors, and expect our asset-building focus to underpin further expansion of the products and services we offer.

Our product offering is exhibited below **:

	Value Add / Opportunistic	Core / Core Plus
UK - £ 4.9bn	<ul style="list-style-type: none"> ▪ Funds: Devonshire UK Opportunities Fund ▪ Joint Ventures ▪ Segregated Accounts 	<ul style="list-style-type: none"> ▪ Listed Companies: <ul style="list-style-type: none"> – F&C Commercial Property Trust – IRP Property Investments – ISIS Property Trust ▪ The F&C UK Property Fund (OEIC) ▪ Friends Provident Life Funds ▪ Segregated Mandates
Germany - £ 1.3bn	<ul style="list-style-type: none"> ▪ Joint Ventures ▪ Segregated Accounts 	<ul style="list-style-type: none"> ▪ Funds: German Best Value Fund 1 ▪ Segregated Accounts
France - £ 0.6bn	<ul style="list-style-type: none"> ▪ Joint Ventures 	<ul style="list-style-type: none"> ▪ JV with OFI-REIM French Office Fund <ul style="list-style-type: none"> – FOSCA I – FOSCA II
Ireland - £ 0.4bn	<ul style="list-style-type: none"> ▪ Joint Ventures ▪ Segregated Accounts 	<ul style="list-style-type: none"> ▪ Segregated Accounts
Sweden - £ 0.2bn	<ul style="list-style-type: none"> ▪ Joint Ventures ▪ Segregated Accounts 	
India - £ 0.02bn	<ul style="list-style-type: none"> ▪ Joint Ventures ▪ Segregated Accounts 	
Rest of Europe - £ 0.2bn	<ul style="list-style-type: none"> ▪ Joint Ventures ▪ Segregated Accounts 	

*Source F&C REIT. 52.9% of the assets under management are recorded at their acquisition cost, reflecting the basis on which income is generated for F&C REIT by these assets.

** Source: F&C REIT as at 31 December 2010

Vinters Place



Vinters Place, London

Vinters Place – a high quality London city office building totalling 269,000 sq ft.

Purchased in 2004 for £121.5 million and sold in 2007 for £172.5 million producing an IRR of 50.1% pa.



“I was once asked what I thought our greatest assets were. St. Christopher’s Place, Eden City, St. Katharine Docks, Tag Heuer Buildings...? It gave me great pleasure to be able to say “it’s our people, they are truly our greatest assets.””

Ivor Smith,
Partner

Our People

We employ talented individuals drawn from diverse business backgrounds and we incentivise them to align their interests with those of our clients.

The intellectual capital and property asset management expertise of our investment professionals is one of the most important factors in our success. Local knowledge, expertise and experience allow us to deliver above average returns and investment solutions for our clients.

The combination of our professional teams and international offices gives us both a breadth of vision and an in-depth view of local markets together with excellent access to property investment stock. We have a highly co-ordinated approach to all aspects of investment strategy, financing, asset and property management, development, planning, research and fund administration.

The running and day-to-day management of F&C REIT rests with the Executive Committee consisting of Leo Noé, Nick Criticos, Ivor Smith, Kevin McGrath, Richard Kirby and Ian McBryde.



Leo Noé



Nick Criticos



Ivor Smith



Kevin McGrath



Richard Kirby



Ian McBryde

Alhambra House, Glasgow



Alhambra House, Glasgow

*Alhambra House, Glasgow – 96,000 sq ft
office multi let, City centre building
purchased in 2005 and developed by
Friends Provident.*

Our Performance

As a hypothetical “house” we can show top quartile performance in the UK independently verified by the IPD on a three and five year basis across all our benchmarked vehicles. On an absolute basis for all our realised opportunistic transactions we can show a track record in the UK over 15 years of 67% IRR and 4.1x average equity multiple on all realised deals, and in Germany we can show a track record over 10 years of 43% IRR.

Our track record has been validated by a number of awards:



IPD European Property Investment Awards 2011
UK Balanced Fund - (Highest total return relative to the appropriate national all property benchmark, annualised over 3 years to Dec 2010)
FPLP With Profits Fund (managed by F&C REIT)



IPD/IPF UK Property Investment Awards 2011
UK Balanced Fund – Highest total return annualised over 3 years to Dec 10
FPLP With Profits Fund (managed by F&C REIT)



Investment Week's Property Investment Trust of the Year Award 2010
F&C Commercial Property Trust Ltd



IPD/IPF UK Property Investment Awards 2010
Balanced Pooled & Traditional Funds (above £100m and below £500m, Dec 09) – Highest 3 year annualised return **IRP Property Holdings Ltd**



IPD European Property Investment Awards 2010
UK Balanced Fund – Highest total return annualised over 3 years to Dec 09
FPLP With Profits Fund (managed by F&C REIT)

St. Andrew Square, Edinburgh



28 St. Andrew Square, Edinburgh

*28 St Andrew Square, Edinburgh –
49,000 sq ft prime location office
building purchased in 2007.*

Company Offices

F&C REIT Asset Management

5 Wigmore Street
London
W1U 1PB
Tel: +44 207 499 2244
Fax: +44 207 499 7700

F&C REIT Asset Management GmbH & Co. KG

Oberanger 34-36
80331 München
Germany
Tel: +49 89 61 46 51 0
Fax: +49 89 61 46 51 56

F&C REIT Ireland

4th Floor
Block 5
Harcourt Centre
Harcourt Road
Dublin 2
Ireland
Tel: +353 1 436 4016
Fax: +353 1 436 4001

F&C REIT Property Management India Pvt. Ltd

Grand Hyatt, Suite 5323
Off Western Express Highway
Santacruz (E)
Mumbai 400 055
India
Tel: +91 22 6676 1636
Fax: +91 22 6676 1235

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