

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, TO US PERSONS OR IN OR INTO THE UNITED STATES, OR INTO OR FROM CANADA, THE REPUBLIC OF SOUTH AFRICA, JAPAN OR AUSTRALIA.

This announcement is an advertisement and not a prospectus. This announcement does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any shares in the Company (the "Shares") or securities in any other entity, in any jurisdiction, including the United States, nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract or investment decision whatsoever, in any jurisdiction. This announcement does not constitute a recommendation regarding any securities.

Any investment decision must be made exclusively on the basis of the final prospectus published by the Company dated 8 March 2010 and any supplement thereto in connection with the admission of Ordinary Shares of the Company to the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities (the "Prospectus").

19 March 2010

Metric Property Investments plc

METRIC EXCEEDS FUNDRAISING TARGET

RAISING GROSS PROCEEDS OF £175 MILLION

The Board of Metric Property Investments plc ("Metric" or the "Company"), a UK-incorporated specialist retail property investment company, today announces that it has raised gross proceeds of £175 million (before the exercise of the Over-allotment Option) at a price of 100 pence per share (the "Issue Price") by means of a Placing and Offer for Subscription of Ordinary Shares in the Company (the "Issue"). This exceeds the Company's initial target to raise gross proceeds of £150 million, as announced on 8 March 2010.

Metric has applied for admission to trading on the main market of the London Stock Exchange (the "LSE") ("Admission"), which is expected to take place on 24 March 2010. The Company will be a real estate investment trust ("REIT") on Admission.

Conditional dealings in Metric's Shares are expected to begin today at 8.00 a.m. and unconditional dealings in Metric's Shares are expected to commence on 24 March 2010 at 8.00 a.m. under the ticker METP.

Oriel Securities and J.P. Morgan Cazenove are acting as joint sponsors, financial advisers and bookrunners.

DETAILS OF THE PLACING AND ADMISSION

- Subject to, inter alia, Admission, Metric has raised gross proceeds of £175 million (before exercise of the Over-allotment Option relating to 15 million Shares)
- This exceeds Metric's original target, as announced on 8 March 2010, to raise gross proceeds of £150 million
- The Placing and Offer is expected to comprise the issue of 175 million new Shares (before any exercise of the Over-allotment Option)
- At the Issue Price, the expected market capitalisation of Metric on Admission will be £175 million (before any exercise of the Over-allotment Option)
- The gross proceeds of the Issue include the proceeds of the investment of £6.5 million on a pari passu basis by the Directors (including members of their families and family trusts)

- In connection with the Placing, Metric has granted J.P. Morgan Cazenove or any of its agents, as stabilisation manager, the right to over-allot up to an additional 15 million Shares at the Issue Price. The Over-allotment Option will be exercisable for a period of up to 30 days from the commencement of conditional dealings

Defined terms used in this announcement are set out (unless the context requires otherwise) in the Prospectus.

Andrew Jones, Chief Executive of Metric, commented:

“The strong support we have received from institutional investors, which has resulted in the Issue being over-subscribed and exceeding our original target to raise £150 million, underlines the compelling investment proposition we consider Metric offers the market at this time.

“We believe that the extensive re-pricing and re-financing pressures in the retail property market will present opportunities for Metric to utilise its occupier-led approach, active asset management strategy and strong retailer, property investor and banking relationships to generate attractive returns for shareholders. We also look forward to capitalising upon our status on Admission as one of the UK’s first new REITs for the benefit of our investors.”

For further information, please contact:

Metric Property Investments plc

Andrew Jones
Tel: +44 (0)20 7355 6230

Oriel Securities Limited

Mark Young / Sapna Shah / James Nevin
Tel: +44 (0)20 7710 7600

J.P. Morgan Cazenove

Robert Fowlds / Bronson Albery / Paul Hewlett
Tel: +44 (0) 20 7588 2828

Financial Dynamics

Stephanie Highett / Rachel Drysdale /Olivia Goodall
Tel: +44 (0) 20 7831 3113

This announcement, and the information contained therein, is not for viewing, release, distribution or publication, directly or indirectly, in or into the United States, Canada, Australia, the Republic of South Africa, Japan, or any other jurisdiction where applicable laws prohibit its release, distribution or publication, and will not be made available to any national, resident or citizen of the United States, Canada, Australia, the Republic of South Africa, or Japan. The distribution of this announcement in other jurisdictions may be restricted by law and persons into whose possession this document comes must inform themselves about, and observe, any such restrictions. Any failure to comply with the restrictions may constitute a violation of the federal securities law of the United States and the laws of other jurisdictions.

The ordinary shares of the Company (the "**Ordinary Shares**") have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**"). The Ordinary Shares cannot be offered, re-sold, pledged or otherwise transferred, directly or indirectly, in or into the United States or to, or for the account or benefit of, any US Person (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Ordinary Shares are being offered or sold outside the

United States in reliance on Regulation S, and within the United States pursuant to an exemption from the registration requirements of the Securities Act. There will be no public offering of the Ordinary Shares in the United States.

The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended (the "**Investment Company Act**") and investors will not be entitled to benefits under the Investment Company Act.

All investments are subject to risk, including the loss of the principal amount invested. Past performance is no guarantee of future returns. All investments to be managed by the Company involve a substantial degree of risk, including the risk of total loss. **You should always seek expert legal, financial, tax and other professional advice before making any investment decision.**

Where this announcement refers to past trends or activities this should not be taken as a warranty or representation that such trends or activities will necessarily continue in the future. Neither the Company, Oriel Securities, J.P.Morgan Cazenove, their affiliates nor any other person (including, without limitation, the directors, officers, employees, partners, agents, representatives, members and advisers of the Company, Oriel Securities, J.P. Morgan Cazenove and their affiliates) undertakes any obligation to update or revise any statement made in this announcement, whether as a result of new information, future events or otherwise.

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements relate to matters that are not historical facts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are not guarantees of future performance. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, changes in general market conditions and in the UK property market specifically, legislative or regulatory changes, changes in taxation regimes or development planning regimes, the Company's ability to invest its cash and the proceeds of the offer of Ordinary Shares in suitable investments on a timely basis, the Company's ability to manage its property assets by identifying and retaining appropriate retailers on satisfactory terms, the availability and cost of capital for future investments and the availability of suitable financing.

These forward-looking statements speak only as at the date of this announcement. The Company (subject to its legal obligations) expressly disclaims any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

In connection with the Issue, J.P. Morgan Cazenove as stabilising manager or any of its agents may, to the extent permitted by law, over-allot Ordinary Shares with an aggregate value (at the Issue Price) of up to £15 million and/or effect other transactions with a view to stabilising or supporting the market price of the Ordinary Shares at a level higher than that which might otherwise prevail in the open market. Such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise. There is no obligation on J.P. Morgan Cazenove or any of its agents to undertake stabilisation transactions. Stabilising measures, if commenced, may be discontinued at any time, may be taken up at any time on or after the commencement of conditional dealings in the Ordinary Shares on the London Stock Exchange, and will end no more than 30 days thereafter. Save as required by law or regulation, neither J.P. Morgan Cazenove nor any of its agents intend to disclose the extent of any over-allotments and/or stabilisation transactions in connection with the Issue. In undertaking such stabilisation transactions, J.P. Morgan Cazenove may act as principal.

For the purposes of allowing J.P. Morgan Cazenove to cover short positions resulting from any such over-allotments made by it during the stabilising period, the Company has granted J.P. Morgan Cazenove an Over-allotment Option, pursuant to which J.P. Morgan Cazenove may require the Company to issue additional Ordinary Shares with an aggregate value (at the Issue Price) up to £15 million. The Over-allotment Option is exercisable, in whole or in part, upon notice by J.P. Morgan Cazenove, at any time on or after the date of commencement of conditional dealings in the Ordinary Shares on the London Stock Exchange and will expire no more than 30 days thereafter. Any Ordinary Shares issued by the Company pursuant to the Over-allotment Option will rank *pari passu* with the Ordinary Shares, including for all dividends and other distributions declared, made or paid on Ordinary Shares, will be issued on the same terms and conditions as the other Ordinary Shares and will form a single class for all purposes with all the other Ordinary Shares.

BACKGROUND INFORMATION

THE INVESTMENT PROPOSITION

The Directors believe that an opportunity has been created in the UK quoted property sector by the withdrawal and consolidation of a number of key specialist retail property companies and the Company intends to fill that gap. The Company's strategy is to create a retail property investment portfolio in the UK which aims to deliver rental growth and attractive returns to Shareholders through an occupier-led approach, by delivering the right space in profitable locations.

The Company is internally managed by a specialist team, led by Andrew Jones (previously an executive director and head of retail at British Land), Valentine Beresford (previously European director at British Land), Mark Stirling (previously asset management director at British Land) and Sue Ford (formerly finance director of Ingenious Media and the Channel 4 Group). The Property Directors have a track record of assembling retail investment portfolios, which consistently outperformed relevant IPD benchmarks. The Board intends to leverage upon the Property Directors' extensive experience in the retail property sector, in particular their strong property investor, retailer and banking relationships to assist in delivering attractive returns for the Company's Shareholders. The Property Directors have worked together for approximately 15 years and have concentrated their focus on the retail sector, during which time they have been responsible for running two of the largest UK retail property portfolios by value. At Pillar, they ran the UK's largest retail warehouse portfolio and, following its takeover by British Land in 2005, they became responsible for running British Land's entire retail portfolio within the UK and Europe.

The Executive Directors have, in aggregate, subscribed or agreed to subscribe at Admission for 5,625,000 Ordinary Shares at the Issue Price on pari passu terms which will be subject to lock-up arrangements for a period of three years following Admission.

In addition to the Executive Directors, the Board includes independent non-executive directors with significant experience, namely Andrew Huntley (non-executive director of Liberty International) (Chairman), Alec Pelmore (member of the supervisory board of Unibail-Rodamco) (Senior Independent Director), Andrew Varley (an executive director of NEXT Group plc) and Philip Watson (chief investment officer of Mirabaud Investment Management Limited). They have committed to acquire 325,000 Ordinary Shares in the Issue, which will be subject to lock-up arrangements for a period of two years following Admission.

THE OPPORTUNITY AND BUSINESS STRENGTHS

The Company's strategy will be to take advantage of the significant opportunities for value creation that the Directors believe exist in the retail sector as a result of the current cyclical downturn and structural repricing. The Company's objective is to generate attractive returns with sustainable income and strong capital appreciation through its occupier-led, active management strategy and the Property Directors' strong retailer, property investor and banking relationships.

Property markets in the UK have undergone a period of structural re-pricing and prices are now close to levels not seen since 1999. According to IPD, there was a "peak-to-trough" fall of approximately 46 per cent. in property values between June 2007 and June 2009. According to IPD, yields have begun to contract and, since

July 2009, the IPD All Retail Index has shown positive returns each month and this has narrowed the decline from the “peak” to 39 per cent. as at January 2010. UK retail warehousing pricing has begun to rebound, although prime initial yields were still approximately 250 basis points below the June 2007 “peak” as at January 2010.

The Directors believe that the Company has the following key business strengths:

- *the Property Directors are one of the most experienced UK retail property management teams with a track record of delivering attractive returns and a previously demonstrated ability to outperform portfolio benchmarks;*
- *each of the Property Directors has over 20 years’ experience in the retail sector developing strong and extensive relationships and pro-actively managing assets together with experience in building and running portfolios and large scale joint ventures through on market and off market transactions; and*
- *the Executive Directors have subscribed or agreed to subscribe at Admission for 5,625,000 Ordinary Shares, firmly aligning their interests with those of the Shareholders. Through this investment in the Company and a remuneration structure strongly linked to long-term Shareholder value, the Executive Directors’ interests will be further aligned to those of the Shareholders.*

The Company currently is, and will in the future be, engaged in negotiations with vendors regarding potential investment opportunities. The current negotiations, which involve several vendors, relate to the possible acquisition of a number of properties in the Company’s preferred sub-sectors in the UK. In a number of these cases, prospective vendors have agreed to negotiate on an exclusive basis for a limited period. As at today, the Company has not yet undertaken substantive due diligence nor reached agreement on principal terms nor signed binding agreements to acquire any of these properties. The current negotiations may not result in the execution of binding acquisition agreements nor result in any investment by the Company in these properties.

SUMMARY OF INVESTMENT POLICY

The Company aims to assemble a portfolio of freehold and long leasehold retail properties throughout the UK. The Company will invest principally in the retail property markets, but may also consider investing in multi-let leisure schemes.

The Company will employ an occupier-led approach with a view to extracting long-term value from investment properties through opportunistic acquisitions, joint ventures, active asset management, limited risk development and timely disposals. The Company will focus on assets that the Property Directors believe have enduring occupier appeal and that provide opportunities for management to improve rental values, longevity and security of income.

The Company may choose to invest in properties indirectly in a variety of structures with other investors.

The Company will seek to use gearing to enhance returns over the long-term. Gearing, represented by borrowings as a percentage of the Company’s total assets, will not exceed 65 per cent., at the time of any investment.

The Company may manage other investment companies or funds within the retail property sector. However, the focus of the Company’s investment will be the ownership and active management of retail property.

The Company is permitted to invest cash held by it for working capital purposes and awaiting investment in cash deposits, gilts and money market funds.

Risk diversification and management

The Company will seek to spread its investment risks through investing in a range of properties across the retail sub-sectors. The Company will seek to further manage risk by focusing on the covenants and quality of tenants, the terms of leases and the length of income streams.

The Company also intends to hedge its interest rate exposure through the use of forward contract options, swaps or other forms of derivative instruments.

The Company will focus on the UK.

INVESTMENT STRATEGY

At Admission, the Company will not own any retail properties and therefore does not have portfolio legacy issues that might otherwise dilute performance. The Company currently owns 30 small investment properties that were acquired for an aggregate purchase price of £107,474 and are therefore not significant investments. The Company will source investment opportunities primarily through the Property Directors' extensive network of relationships within the retail commercial property market. The Company expects that its investments will primarily be made via a combination of the following five core avenues: open market purchases; off market purchases; sales motivated by refinancing pressures and banks' efforts to reduce their property sector exposure; joint ventures; and sale and leaseback transactions.

The Company will initially target investments in certain sub-sectors of the retail property market: retail parks, large space retail units, shopping centres and convenience shopping stores which it believes will benefit from its occupier-led strategy. Within the chosen sub-sectors the Property Directors will seek to target those assets that benefit from:

- underlying retailer demand;
- low levels of obsolescence;
- limited capital expenditure requirements unless value enhancing;
- the ability to create high levels of occupier contentment;
- long, secure and sustainable income flows;
- a demand/supply imbalance resulting from a restrictive planning regime; and
- active asset management which will result in a positive yield shift.

FINANCING

The Company intends to secure debt financing on an asset by asset (or portfolio) basis and via a revolving corporate facility. Notwithstanding the investment policy limit of 65 per cent., it is the Directors' current intention that the Company's borrowings will have an LTV of approximately 50 per cent.

DIVIDEND POLICY

The Directors intend the Company's dividend policy to reflect the Directors' view on the outlook for sustainable recurring earnings with a prudent level of dividend cover. The Company will be required to distribute to Shareholders at least 90 per cent. of the income profits arising from the Tax-exempt Business.

STRUCTURE AS A REAL ESTATE INVESTMENT TRUST

As a REIT, the Company will have a tax efficient corporate structure. The Company has acquired 30 small investment properties for an aggregate purchase price of £107,474 which will enable it to satisfy the criteria to be a REIT on Admission. Having been given clearance on specific interpretations of parts of the relevant tax legislation by HMRC, the Company will elect to become a REIT on the day of Admission. The properties acquired are freehold reversionary interests with an aggregate rent roll of £4,360 per annum.

PROPERTY DIRECTORS' TRACK RECORD

The Property Directors each have over 20 years' experience in the retail property sector. At British Land they were responsible for managing one of the UK's largest retail portfolios (valued at £4.8 billion as at 30 September 2009). They have been involved in approximately £8 billion worth of retail property disposals and acquisitions and were responsible for a total of 4.8 million sq. ft. of new lettings and lease renewals, in the last five years. Both of the portfolios that they were responsible for at Pillar and subsequently at British Land consistently outperformed relevant IPD benchmarks from March 2001 to September 2009 and April 2005 to September 2009, respectively.

Pillar was acquired by British Land in July 2005 for £811 million and at that time it was recognised as the leading investment manager and owner of retail parks in the UK with six million sq. ft. valued at £4.6 billion, either owned or under management. Pillar achieved average annual returns for its shareholders of approximately 22 per cent. during the 10 year period to 31 December 2004, which was significantly higher than the average returns from the FTSE 350 property sector of 11.9 per cent. over the same period.

Whilst at Pillar and British Land, the Property Directors were responsible for the investment management of HUT, which was launched in September 2000. As at 30 September 2009, it was valued at £1.33 billion.

The Directors believe that the Property Directors have strong and extensive relationships with leading operators such as Arcadia, Asda, Boots, DSGi, Marks & Spencer, NEXT, Primark, River Island, Tesco and Sports World.

UK RETAIL PROPERTY MARKET OPPORTUNITY

The UK commercial property market's emergence from its "peak-to-trough" decline into a more restrictive lending environment has led banks to offer property loans with more restrictive covenants and to raise the margin on loans in line with the general repricing of credit risk. The recent modest increase in property pricing has been led by a limited supply of stock and strong investor demand. The Directors believe that distressed and highly motivated sellers will emerge from a range of sources and that, with an estimated £280 billion of debt secured against property, borrowers will have difficulty refinancing, particularly in the short term where over £150 billion of debt is due to mature before the end of 2012.

The retail sector witnessed a significant imbalance resulting from, historic strong occupier demand for limited available out of town retail space which historically caused a rapid rise in rents. However over the last 24 months considerable “over renting” (whereby current market rent achievable would be less than currently contracted rent) has occurred. Despite this, the Directors believe that the retail sector remains dynamic and whilst some retailers are contracting, others are expanding or “right-sizing” and new entrants continue to emerge and seek representation in profitable locations. It is the dynamic nature of the retail sector that attracts the Directors, as they believe that their occupier-led approach enables them to identify retailers seeking to expand their store numbers and those who wish to rightsize. The Directors believe this also enables them to clearly target property schemes where retailers trade profitably and where there remains enduring occupier appeal.