

Full Year Results to March 2012

31st May 2012



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Andrew Jones

Chief Executive

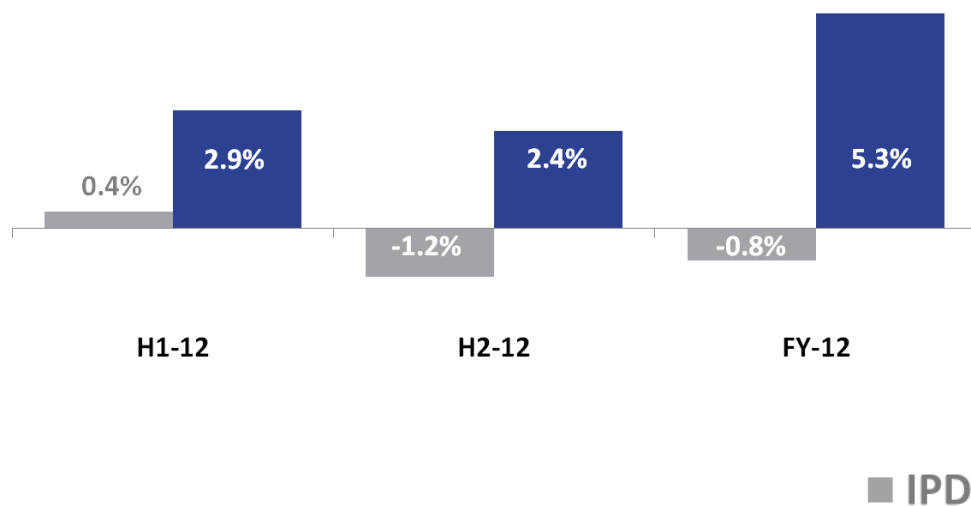
- Business Overview..... Andrew Jones, Chief Executive
- Financial Review..... Sue Ford, Finance Director
- Investment Review.....Valentine Beresford, Investment Director
- Asset Management & Development.....Mark Stirling, Retail Director
- Outlook & Prospects.....Andrew Jones, Chief Executive

- NAV up 5.9% to 107p (101p)
- PBT up 52% to £13.2m, (£8.8m), EPRA PBT up 500% to £6.6m (£1.1m)
- EPS up 600% to 3.5p (0.5p)
- DPS up 450% to 3.3p (0.6p)
- Rental income up 174% to £12.9m (£4.7m), like-for-like up 3.1%
- 25 occupier transactions
- Planning gains of c. 300,000 sq ft

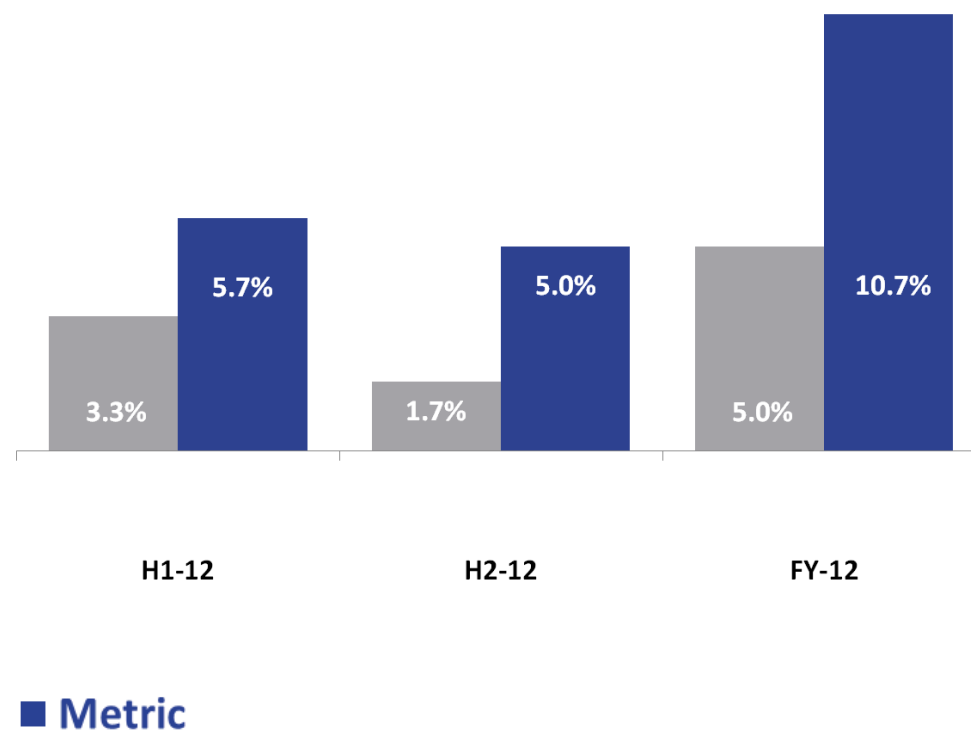
Building momentum across the business

Strong Returns Relative to IPD

Capital Return vs IPD⁽¹⁾



Property Total Return vs IPD⁽¹⁾



(1) IPD All Retail Quarterly Benchmark

570 bps outperformance against IPD benchmark

Strong Returns Relative to IPD

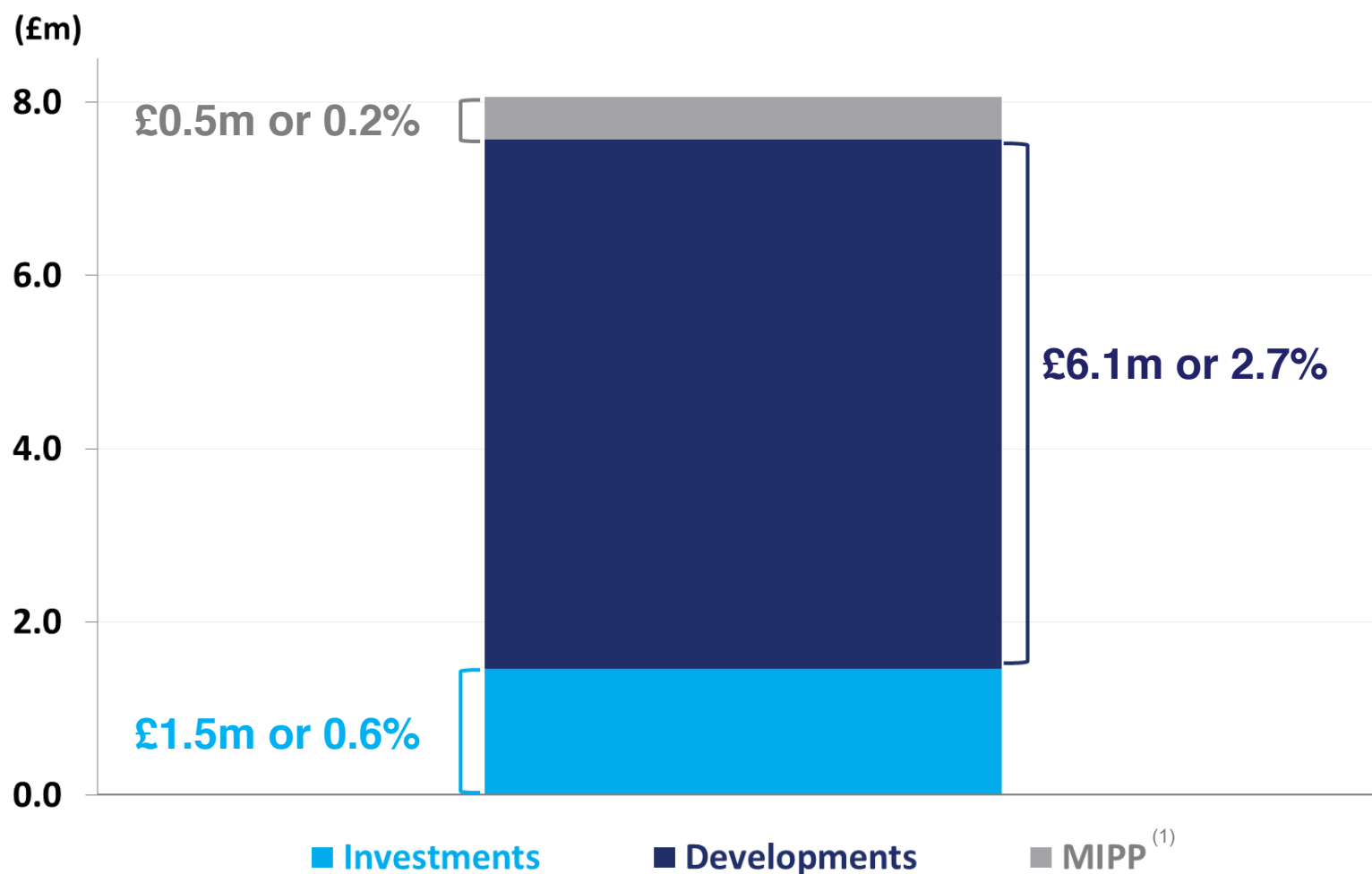
- Superior property returns

Portfolio total return (%)

	Metric	IPD ⁽¹⁾ Outperformance	
Capital return	5.3	-0.8	6.1
Income return	5.4	5.8	-0.4
Total	10.7	5.0	5.7

(1) IPD All Retail Quarterly Benchmark

Delivering Valuation Surpluses



(1) Metric's net one-third share of joint venture with USS

Robust valuation surplus of £8.1m, up 3.5%

- Continuing to deliver rental growth in challenging markets

Asset management activity			
	1H-12	2H-12	FY-12
Occupancy (%)	96.9	97.5	97.5
Number of occupier transactions	9	16	25
Like-for-like rental uplift (%)	-3.2	6.5	3.1
New lettings (sq ft)	83,700	125,200	208,900
Lease re-gears/rent reviews (sq ft)	59,500	10,900	70,400
Income secured (£m)	1.3	2.1	3.4

Material increase in occupier transactions

As at 31 March 2012

Average rent (£ psf)	14.50
Average rent at purchase (£ psf)	13.60
Rents subject to fixed uplifts (%)	15.3
Rents expiring over next 5 years (%)	6.0

Initial yield (%)	5.9
Topped up yield (%)	6.3
WAULT to expiry (years)	11.8 ⁽¹⁾
Planning - Open A1 (%)	49.0

(1) Weighted average unexpired lease term to first break 10.9 years

Long leases with only 6% expiring in the next 5 years



Sue Ford

Finance Director

Income Statement

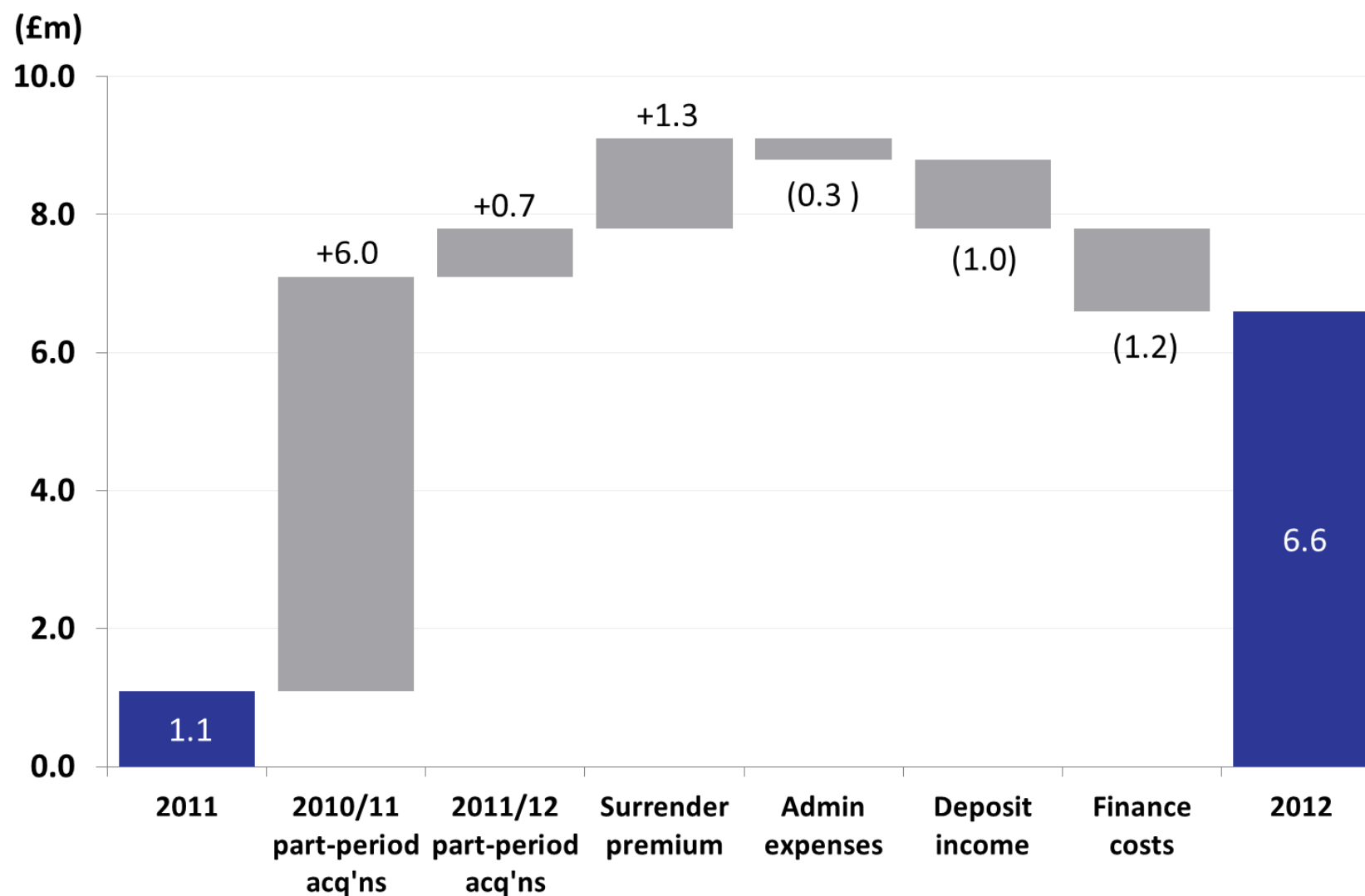
Full year to 31 March (£m)

	2012	2011	Change (%)
Net rental income - excluding surrender premium ⁽¹⁾	11.3	4.3	163
Surrender premium (one-off)	1.3	0.3	
Net rental income ⁽¹⁾	12.6	4.6	174
Administrative expenses	(4.7)	(4.4)	
Net interest	(1.3)	0.9	
EPRA PBT	6.6	1.1	500
EPRA EPS (p)	3.5	0.5	600
Underlying EPS (p) - excluding surrender premium	2.8	0.4	600
DPS (p)	3.3	0.6	450

(1) After deducting property operating costs of £0.2m (2011: £0.1m)

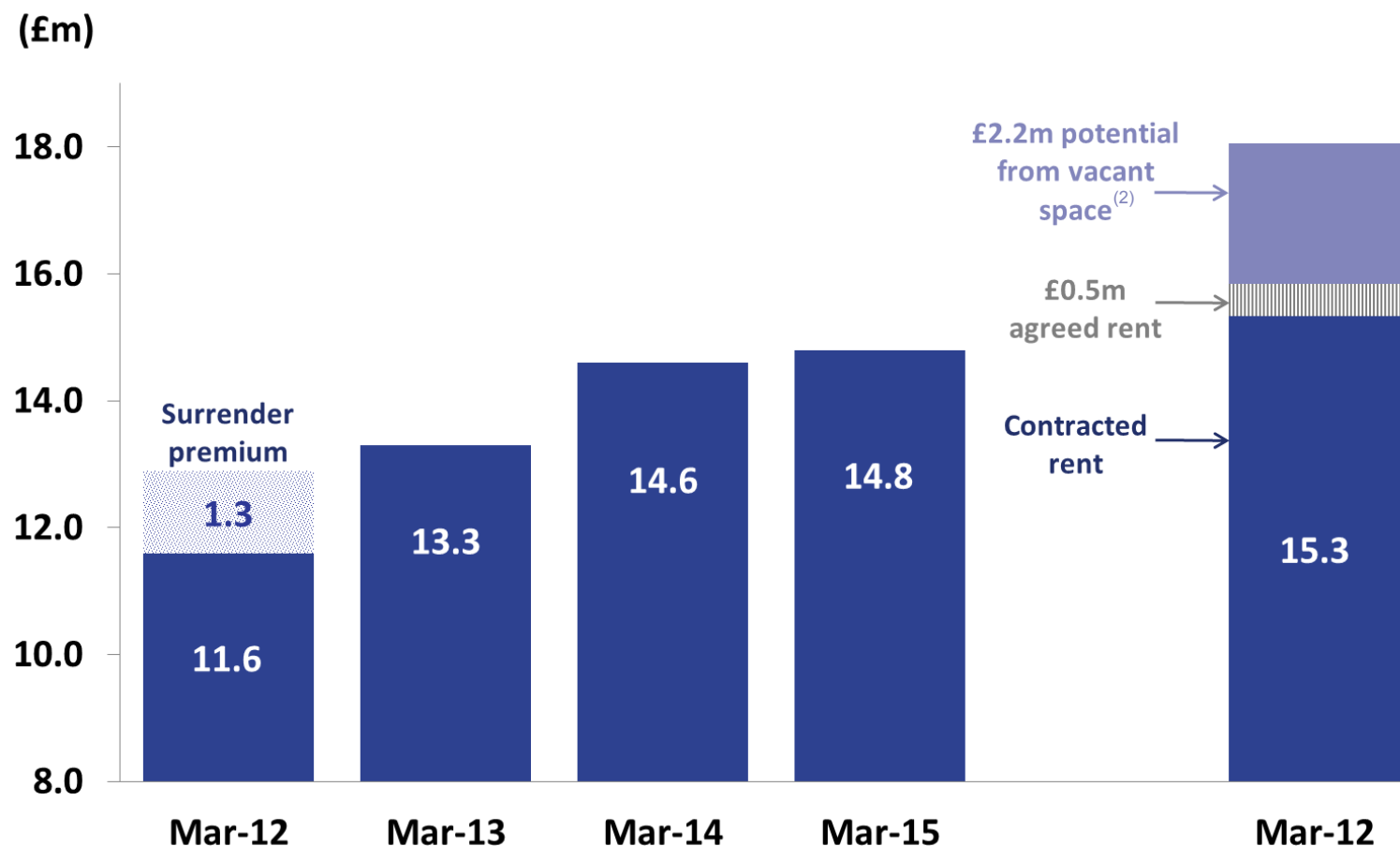
Rising income return with 2.3p dividend to be paid in July 2012

Movement in EPRA PBT



Increase in rental income driving profit improvement

■ Timing of passing rents⁽¹⁾



(1) Passing rents reflect gross rental income of Metric and its one-third net share of MIPP

(2) On existing developments, the majority coming from Kirkstall, Leeds

Note: Assumes leases due for expiry are renewed

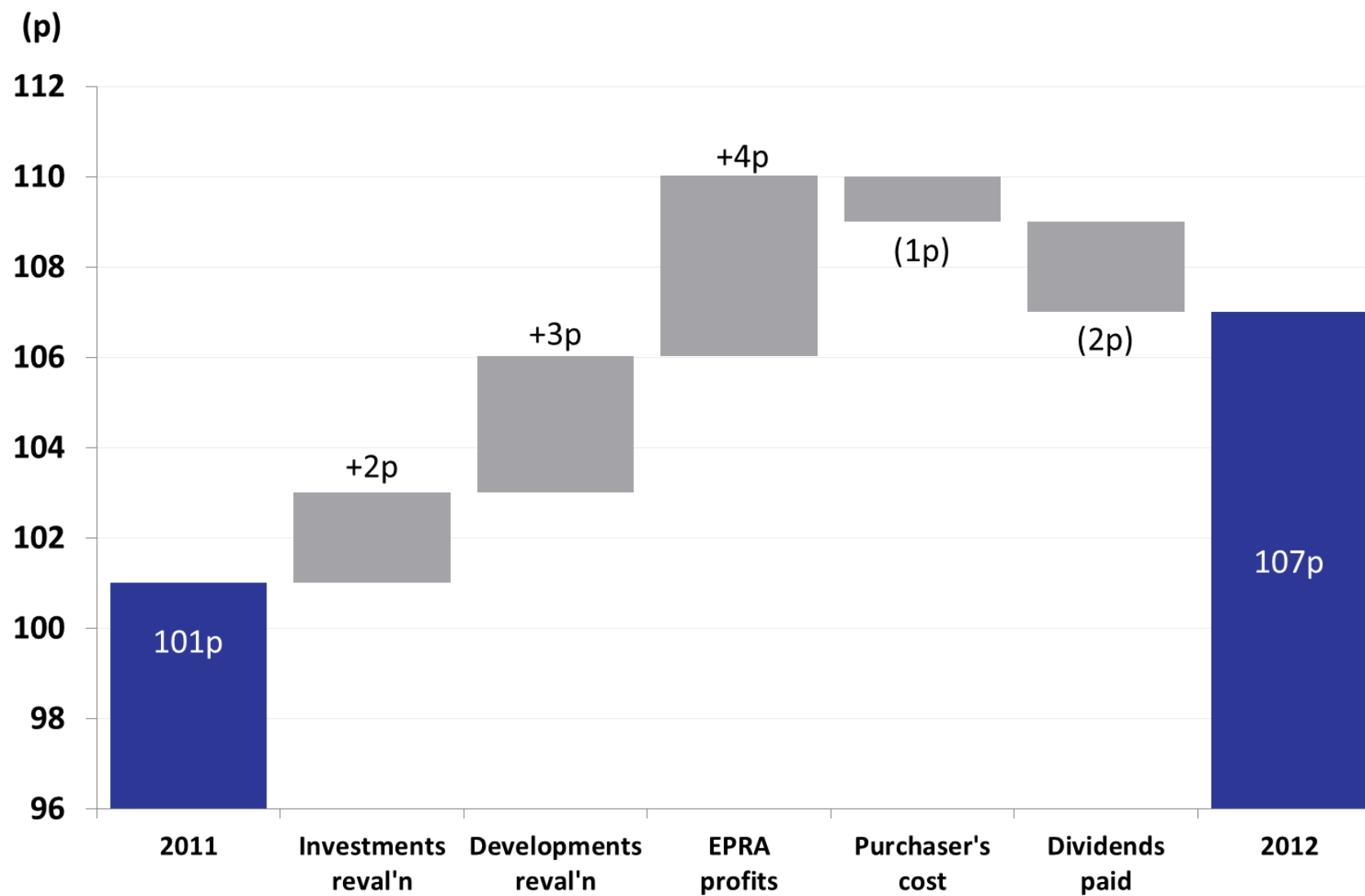
Putting in place building blocks for income growth

Balance Sheet

As at 31 March (£m)

	2012	2011	Change
Portfolio value	237.5	192.4	45.1
Investments	191.5	170.6	20.9
Developments	34.4	21.8	12.6
MIPP joint venture	11.6	-	11.6
Net current assets	(5.7)	-	
Net debt	(30.5)	-	
Net assets	201.3	191.1	10.3
EPRA NAV (p)	107.0	101.0	6.0
LTV (%)	13.0	-	

Movement in NAV



Future Capacity to Invest

Firepower (£m)

	Metric	MIPP
Cash at bank and on deposit	4.2	1.8
Undrawn committed bank facilities	80.0	
Investment in MIPP joint venture	(16.0)	48.0
Less: Capital commitments	(21.7)	(11.8)
Available firepower at 31 March 2012	46.5	38.0
Anticipated future debt facilities ⁽¹⁾		75.0
Firepower excluding earmarked developments	46.5	113.0
Earmarked development expenditure	(27.0)	
Anticipated debt on developments once completed ^{(1), (2)}	65.5	
Total anticipated firepower	85.0	113.0

(1) Based on leveraging existing and anticipated properties at a 50% LTV and the availability of funds

(2) The availability of these facilities is dependent upon the timing of completion of anticipated developments



Valentine Beresford

Investment Director

- Acquired 8 assets for £46.1m (Metric's share £31.3m)
 - Average yoc 6.6% rising to 7.8% once fully let
 - higher yielding investments
 - short cycle redevelopment opportunities
 - Total further capex commitments of £21.1m (Metric's share £19.7m)
- Sold Inverness for £9.7m generating a profit of £0.9m
- First high street acquisition in Berkhamsted, total commitment £7.5m (M&S partnering deal)
- Announced today new acquisitions in Londonderry and a further development opportunity in St Austell

Acquisitions for Metric

Partnering



Marks & Spencer, Berkhamsted

Total capex £7.5m, yoc 7.3%

Planning submitted for 21,000 sq ft

Pre-let to M&S 18,000 sq ft: 83%

Partnering



St Mary's Road, Sheffield

Total capex £5.3m, yoc 10.9%

PC'd, DFS trading well

Final unit in solicitors' hands

Partnering



Watling Street, Cannock

Total capex £6.0m, yoc 7.6%

Onsite developing 24,700 sq ft

Pre-let to DFS & Sleepright: 87%

Redevelopments



Bishop Auckland

Total capex £9.9m, yoc 8.8%

Onsite developing 49,000 sq ft

Investments



Pierpoint, King's Lynn

Total capex £15.9m, yoc 6.4%

Lease expiries commence 2014

Acquired 5 assets during the period: £24m, yoc 6.4% rising to 7.8%

Acquisitions for MIPP

MIPP



Fleming Way, Swindon

Total JV capex £10.2m, yoc 7.2%

WAULT 19.8 years

MIPP



Sevenoaks Way, Orpington

Total JV capex £6.3m, yoc 7.6%

WAULT 14.7 years

MIPP



Longwell Green, Bristol

Total JV capex £7.8m, yoc 7.6%

WAULT 18.5 years

MIPP



Faustina, Londonderry

Total JV capex £17.4m, yoc 7.5%

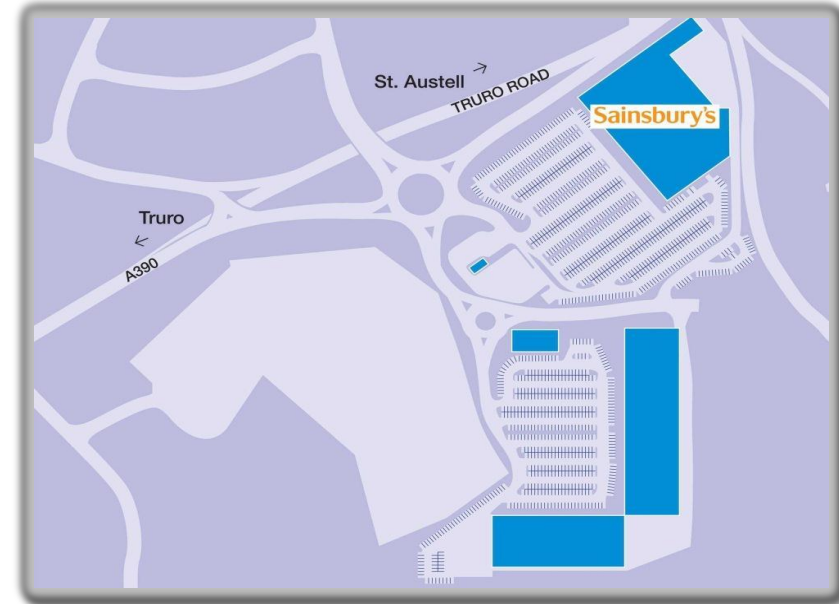
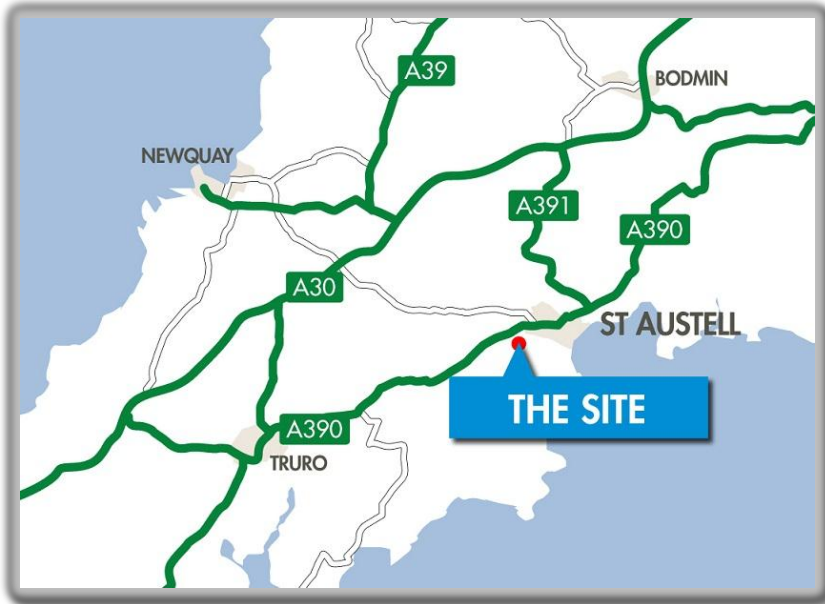
WAULT 18.2 years

Post period end purchase

(1) Metric's one third net-share represents £17.3m

5 assets with AUM £52m⁽¹⁾, yoc 7.3%

St Austell Conditional Exchange



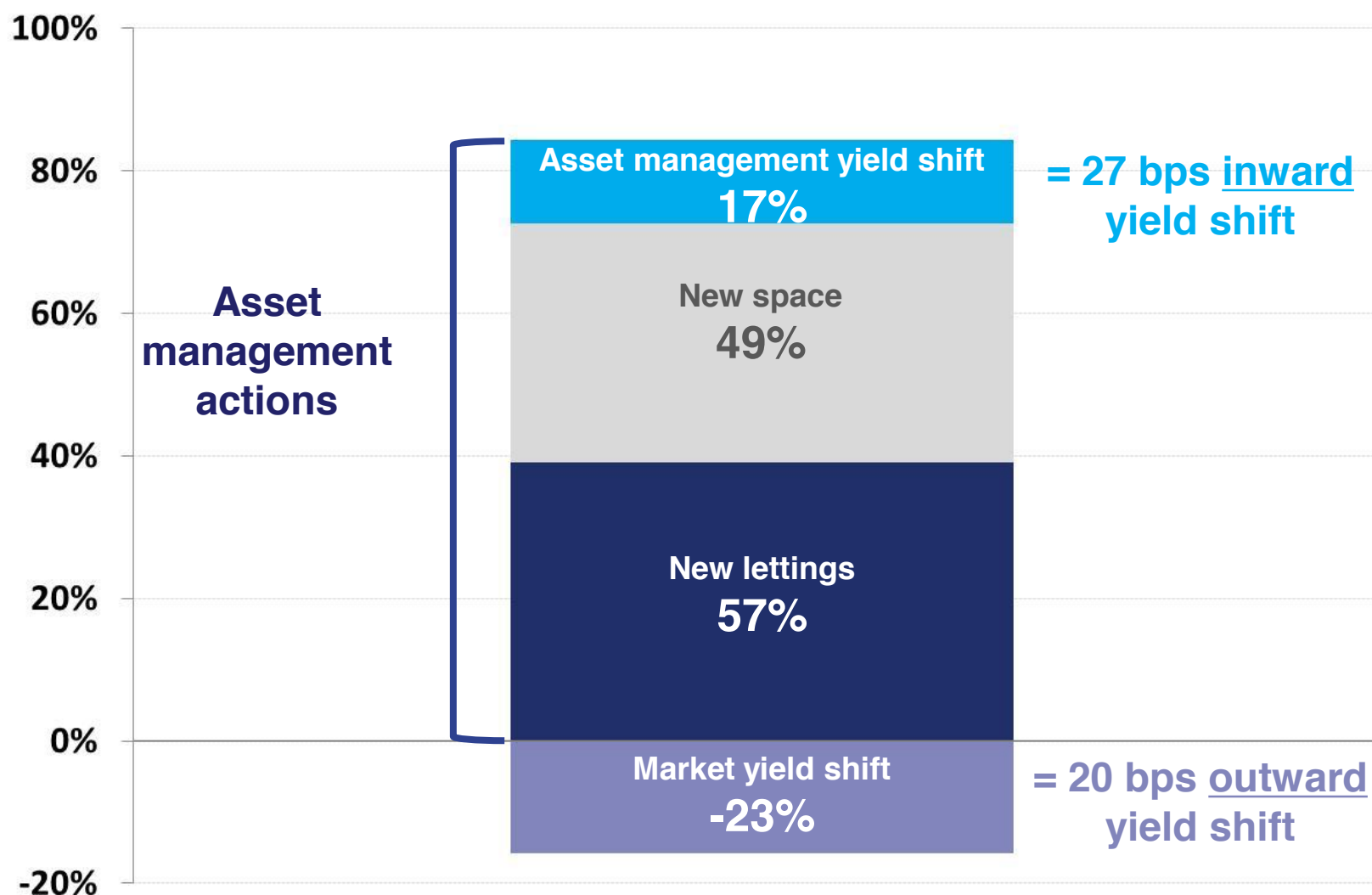
- c. 90 acres conditionally acquired on the outskirts of St Austell
- Propose to develop a new 158,000 sq ft retail park
 - Anchored by 68,000 sq ft Sainsbury's supermarket (pre sold)

Refilling our development pipeline



Mark Stirling

Retail Director



Asset management actions more than offset adverse market yield shift

	No.	Sq ft	Rent (£ psf)	WAULT (years)	
				To expiry	To 1st break
Lettings	19	208,900	16.30	14.6	13.8
Rent reviews	4	22,700	16.25	na	na
Lease re-gears	2	47,700	12.20	15.4	15.4
Total	25	279,300	15.60	14.7	14.0

- Occupancy 97.5%, rising to 98.9% including 2 lettings in solicitors' hands
- Like-for-like rental growth 3.1%, average portfolio rents £1 psf higher than at purchase
- 3 Focus units 100% re-let – B&Q, B&M, Paul Simon, Pets at Home
- Only 1 Peacocks unit in administration (£96,000 annual rent)

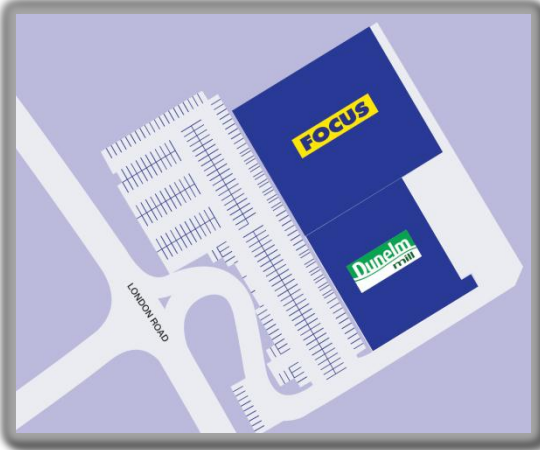
25 occupational transactions on almost 280,000 sq ft

Asset Management – Planning Gains

Scheme	Sq ft	Comment
Bedford	40,000	Subdivision of ex- Focus unit into 3 units
Congleton	6,500	Extension on ex-Focus garden centre
Hove	9,000	Hobbycraft development next to PC World
King's Lynn	7,500	Widening of consent for Open A1 use on Comet unit
Milford Haven	15,000	Widening of consent for general merchandise
Newry	2,500	New pod unit on the car park
Total	80,500	

80,500 sq ft of planning wins on existing portfolio

BEFORE



AFTER



Asset management wins:

- Former Focus unit 100% re-let at rents 20% higher than previously passing
- Dunelm re-gear on new 15-year lease at £13.25 psf (vs £9.60 psf previously)
- Substantial refurbishment of £2m
- Surrender premium of £1.25m
- WAULT increased from 3.4 years to 12.6 years
- Pod opportunity being pursued

Return on capital invested of 21%

BEFORE



AFTER



- Acquired former Uno store in May 2011
 - Vacant for 8 years prior to acquisition
- Total capital invested £5.3m
- Agreed new 15 year lease with DFS at £18.75 psf
- Commenced onsite Nov-11
- Practical completion Mar-12
- DFS opened Apr-12 and trading above expectation
- Remaining unit (35% of rental) under offer
- Anticipated yoc of 10.9% on completion of letting

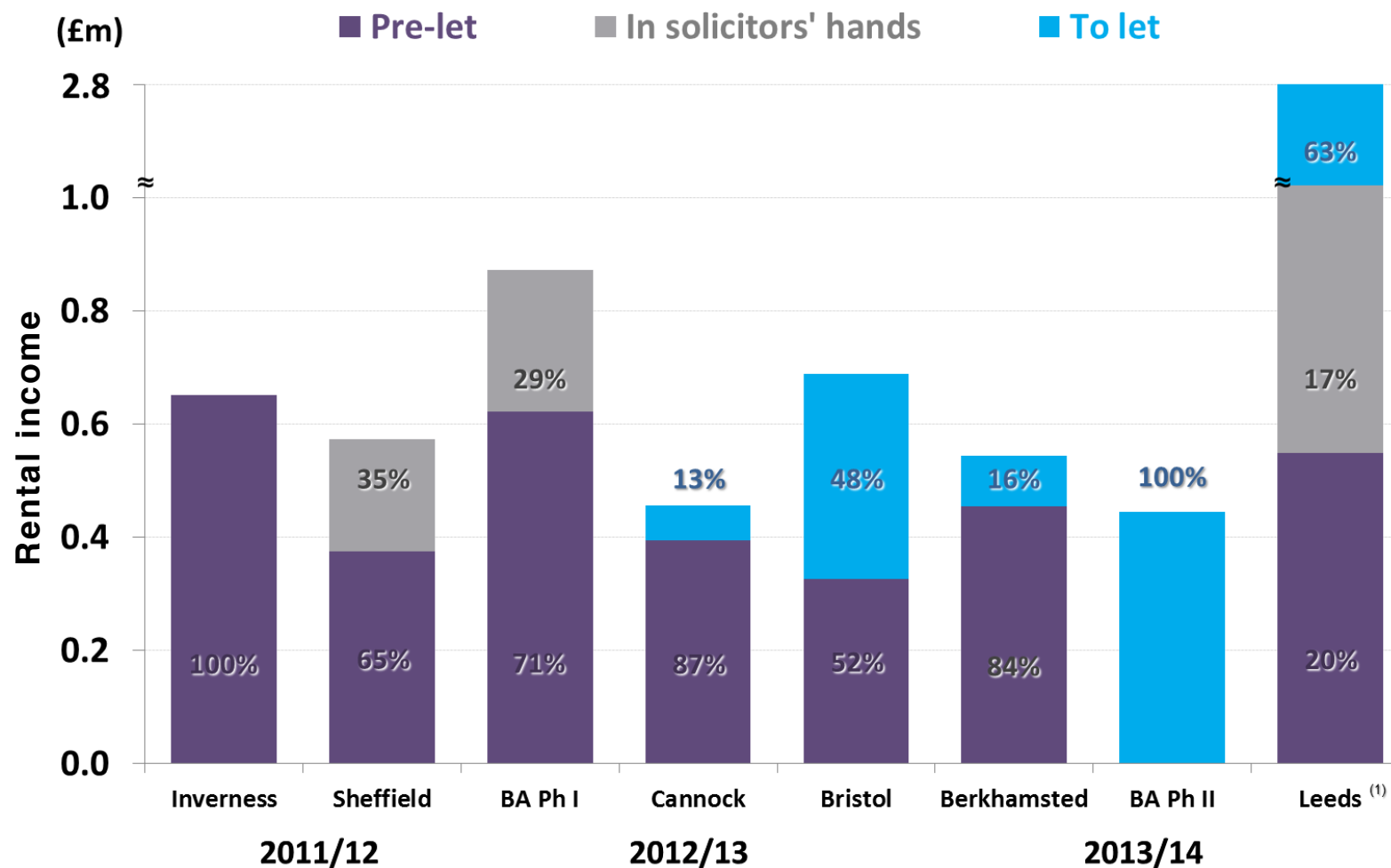
Achieving rental growth in challenging occupational market

Redevelopments – Planning Gains

Scheme	Sq ft	Comment	Status	
			Planning	Development
Sheffield	28,600	Refurbishment/reconfiguration	Received	Completed
Inverness	10,000	New development	Received	Completed/Sold
Bishop Auckland (BA)	49,000	New Open A1 retail park development	Received	Onsite
Cannock	24,700	New 3-unit redevelopment	Received	Onsite
Leeds	105,000	New Open A1 shopping park development	Received	Earmarked
Total	217,300			
BA Ph 2	27,000	New Open A1 retail park development	Pending	Conditional on planning
Bristol	30,000	Subdivision of ex-Focus unit	Pending	Conditional on planning
Berkhamsted	21,000	Food store development	Pending	Conditional on planning
	78,000	Planning applications pending consent		

Delivered 217,300 sq ft of redevelopment planning consents

Status of Redevelopments



(1) Anticipated rental income at Kirkstall, Leeds of £2.8m, of which To let comprises £1.7m or 63%

62% pre-let & in solicitors' hands

Bishop Auckland Update

BEFORE



CGI IMAGE



- Secured Open A1 planning consent
- 71% pre-let to Next, Boots, M&S, Brantano & Costa Coffee
- 29% in solicitors' hands
- Rental £16.50 - £27.50 psf
- Onsite with PC expected Nov-12
- Yield on cost 8.8%
- Phase II under option for additional 2.8 acres
- Submitted planning application to develop additional 27,000 sq ft

71% pre-let with remaining in solicitors' hands

BEFORE



CGI IMAGE



- Open A1 shopping park – 105,000 sq ft
- 20% pre-let to BHS & Outfit
- 17% in solicitors' hands with M&S, JD Sports and Costa Coffee
- Estimated rent roll £2.8m
- Cost to complete £21.7m
- Yield on cost 7.9%





Andrew Jones

Chief Executive

- Consumer disposable income under pressure
- Administrations up 38% in Q1-12: 670 vs 486 in Q4-11

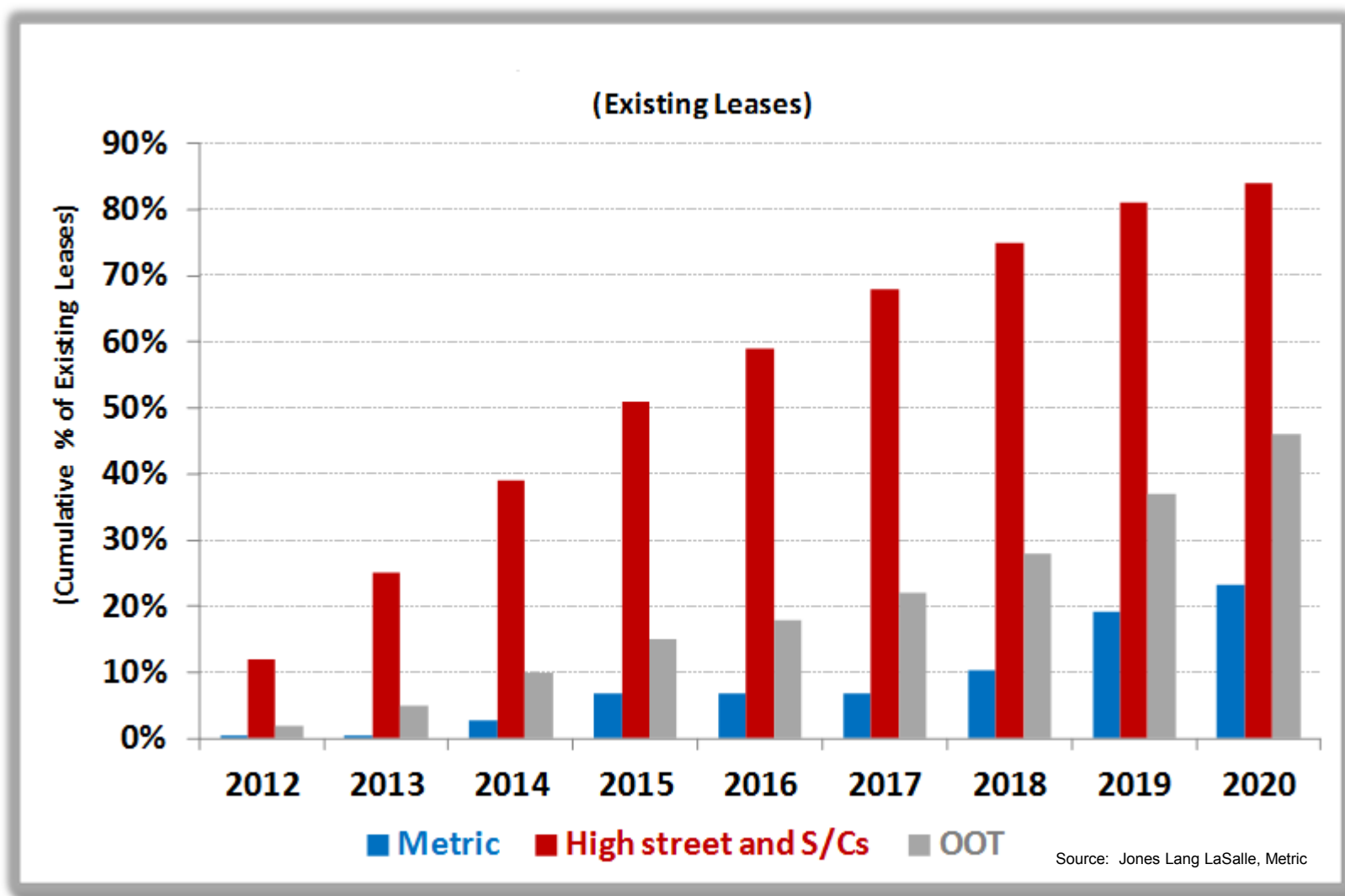


- Fewer retail destinations taking larger slice of retail sales
- Rightsizing of store portfolios is even more prevalent
 - Too many retailers have too many shops



Occupier mobility is key to rightsizing portfolios

UK Lease Expiry Profile to 2020



52% of high street and shopping centre leases will expire by 2015

Retailers Expanding

- Increasing vacancies are creating growth opportunities:

Home

John Lewis at home



Homesence

Convenience food



Private equity



Growth of the discounters

Retailer	No. of stores	Net worth (£m) ⁽¹⁾
Dunelm mill	124	993
home bargains	250	620
b&m bargains	280	487
The Range Home, Leisure & Garden	63	380
poundworld	120	80
Total	837	2,560

(1) Dunelm net worth derived from market capitalisation as at 30 May 2012, with remaining coming from 2012 Sunday Times Rich List

- Income security & longevity is the key pricing metric
- Vendor refinancing pressures are creating more opportunities
 - Banks now unloading assets and debts
 - Receivership opportunities rising
- Financing is harder and is more expensive
 - Debt buyers retreating
- Looking ahead:
 - Impending Fund expiries
 - Retail funds (redemptions/over exposure)
 - More 'short cycle' redevelopment opportunities
 - Increasing distressed/motivated vendors (debt/CMBS refinance pressures)

Receivership opportunities on the rise

- Deploy capital into accretive:
 - High income opportunities on operationally strong real estate
 - Retailer partnering positions
 - 295,000 sq ft redevelopment pipeline
 - Investments with asset management growth
- Undrawn committed facilities of £80m
- Performance driven by management induced growth

Well placed to take advantage of the current market



Appendix

Timing & Cost to Complete of Developments

Scheme	Timing ⁽¹⁾		Rent roll (£m)	CTC ⁽²⁾ YOC on PC ⁽³⁾	
	Onsite	PC		(£m)	(%)
Inverness	Q2-12	Q4-12	0.6	-	7.4
Sheffield	Q3-12	Q1-13	0.6	1.4	10.9
Cannock	Q1-13	Q3-13	0.5	3.7	7.6
Bishop Auckland (BA) Ph I	Q1-13	Q3-13	0.9	6.9	8.8
Leeds	Q4-13	Q1-15	2.8	21.7	7.9
Bristol - Channon's Hill ⁽⁴⁾	Q2-13	Q3-13	0.7	1.2	8.9
Berkhamsted ⁽⁴⁾	Q4-13	Q3-14	0.5	4.7	7.3
BA Ph II ⁽⁴⁾	Q3-13	Q1-14	0.4	4.4	10.2
Total			7.0	44.0	8.4

- (1) Based on financial year ended 31-Mar
 (2) CTC = estimated cost to complete

- (3) YOC on PC = estimated yield on cost on practical completion
 (4) Conditional on receiving planning consent

Average yield on cost at PC 8.4%

Top 10 Tenant Exposure (weighted by gross income %)⁽¹⁾

Retailer	Rent (£m pa)	% of total rent	Market cap (£m) ⁽²⁾
	2.1	13.0	534
	1.5	9.3	6,552
	1.3	7.7	Private
	1.0	6.2	6,856
	0.9	5.3	5,473
	0.8	5.0	433
	0.7	4.1	993
	0.6	3.8	635
	0.5	3.1	5,052
	0.5	3.1	23,934
Top 10 customers	9.9	60.6	
Other	6.6	39.4	
Total	16.5	100.0	

(1) Gross rental income includes £1.2m of rental income from post year end and acquisitions, deals in solicitors' hands and outstanding rent reviews

(2) Market capitalisation as at 30 May 2012

Granularity of income increasing

Current Portfolio Metrics ⁽¹⁾

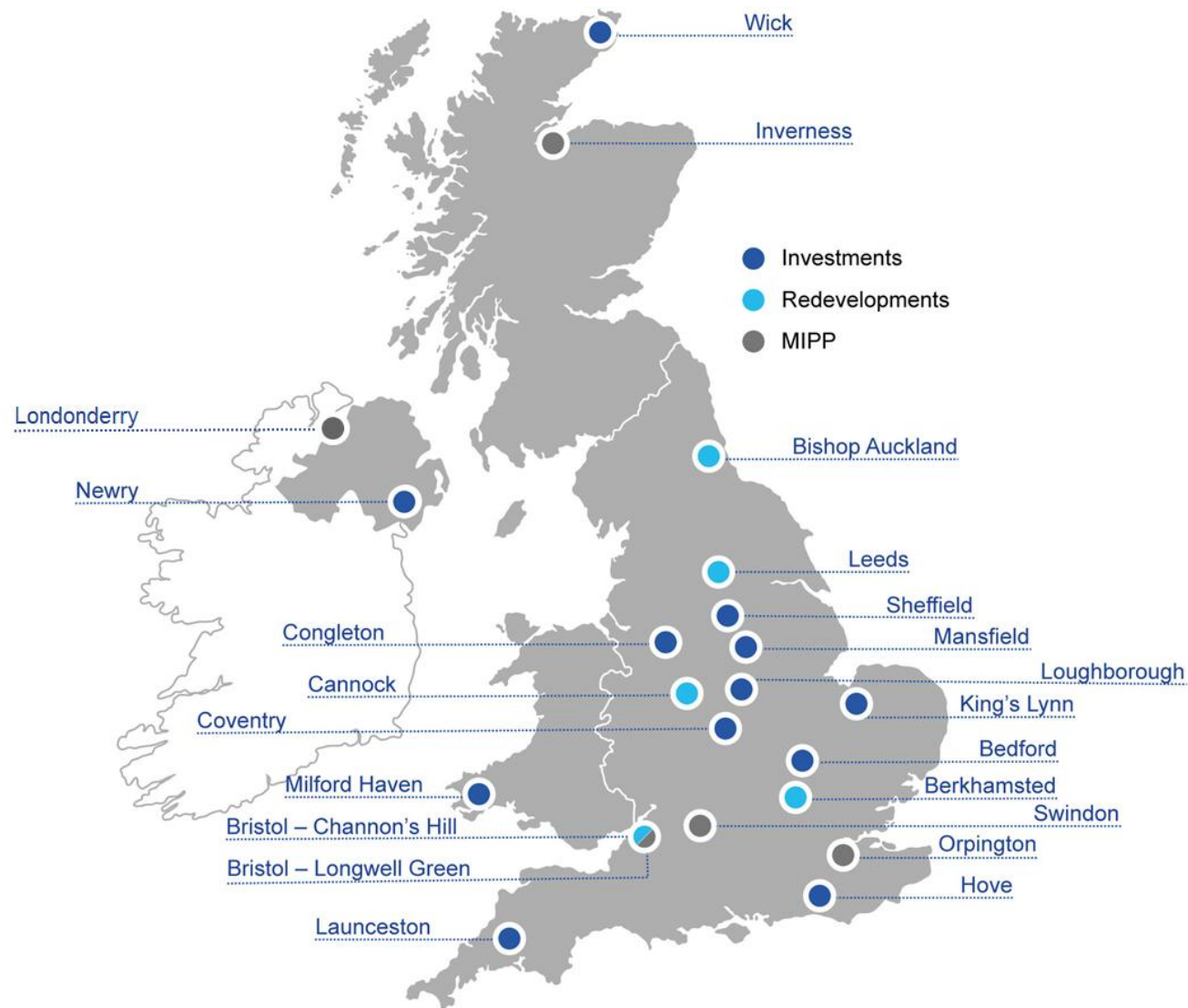
Location	Date acquired	Area (sq ft)		Purchase Price (£mn)	WAULT ⁽²⁾ (years)	At Purchase	Current	Average		% Change from acq'n	Sustainable
		At Purchase	Current			Rent roll	Rent roll	rent (£ psf)	rent ⁽³⁾ (£ psf)		
						(£mn)	(£mn)	At Purchase			Current
Investments											
Newry	07-Jul-10	148,000	164,000	31.5	13.8	1.9	2.4	13.65	14.65	7.3%	20.00
Launceston	04-Aug-10	78,100	78,100	15.0	12.9	0.9	0.9	11.20	12.95	15.6%	18.00
Loughborough	17-Sep-10	51,200	51,200	16.8	6.5	1.0	1.0	16.50	16.50	0.0%	20.00
Coventry	24-Sep-10	102,500	102,500	18.0	9.0	1.1	1.3	12.10	12.45	2.9%	18.00
Mansfield	28-Sep-10	47,100	47,100	7.3	14.0	0.4	0.8	13.30	17.00	27.8%	17.00
Congleton	24-Jun-11	64,600	64,600	14.9	9.9	0.9	1.0	14.75	15.10	2.4%	20.00
Wick	16-Nov-10	60,700	60,700	10.3	11.2	0.7	0.7	11.10	11.25	1.4%	14.00
Bedford - Alban Retail Park	26-Nov-10	65,000	64,300	9.2	12.6	0.6	0.9	9.40	13.40	42.6%	16.00
Milford Haven	13-Dec-10	85,700	85,700	14.4	12.6	1.0	1.0	11.50	11.65	1.3%	14.50
Hove	19-Jan-11	19,300	28,280	8.1	13.5	0.5	0.7	25.00	26.45	5.8%	30.00
Sheffield	10-May-11	-	28,600	2.3	15.0	-	0.4	-	18.75	n/a	21.00
King's Lynn	14-Sep-11	66,300	66,300	15.1	3.5	1.0	1.0	15.20	15.20	0.0%	20.00
Cannock	06-Feb-12	-	24,250	1.8	19.0	-	0.4	-	18.95	n/a	21.00
MIPP											
Inverness	15-May-12	6,667	10,000	3.2	16.0	0.2	0.2	21.75	21.75	0.0%	21.75
Swindon	22-Sep-11	19,200	19,200	3.4	19.8	0.3	0.3	13.45	13.45	0.0%	14.00
Orpington	30-Nov-11	16,100	16,100	2.1	14.7	0.2	0.2	10.50	10.50	0.0%	25.00
Bristol - Longwell Green	02-Mar-12	-	6,800	1.9	18.5	0.2	0.2	30.00	30.00	0.0%	32.00
Londonderry	Exchanged	34,150	34,150	5.8	18.2	0.5	0.5	13.50	13.50	0.0%	13.50
Total - Investment & MIPP		864,617	951,880	181.1	12.0	11.3	13.8	13.60	14.50	7.5%	18.50

(1) Investment and MIPP retail portfolios as at 30-May-12. Figures based on net exposure.

(2) Weighted average unexpired lease term to expiry (11.1 years to first break)

(3) Management view of sustainable rent - not tied to valuer's ERV - sustainable rent only provided on standing investments

£243.3m⁽¹⁾ Portfolio Across 22 Schemes



(1) The investment portfolio represents the valuation as at 31 March 2012 of £237.5m including post period end acquisition of Londonderry with Metric's one-third share of assets held in MIPP at £5.8m



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