



Retail Parks - Where Next?

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About Hammerson

- £4.7 billion real estate portfolio in the UK and France
- Focus on retail (85% of portfolio)
- 14 prime shopping centres in UK and France
- 18 retail parks
- Major office buildings in the City of London and Paris

Retail Parks



Abbey Retail Park, Newtownabbey



Brent South Retail Park, London

- o Active in sector since 2002
- o Accommodating over 200 retailers
- o Convenient family shopping destinations
- o Asset management opportunities



Orchard Centre, Didcot



Cyfarthfa Retail Park, Merthyr Tydfil

Four schemes completed in 2009



Union Square, Aberdeen



Cleveland Retail Park, Middlesbrough

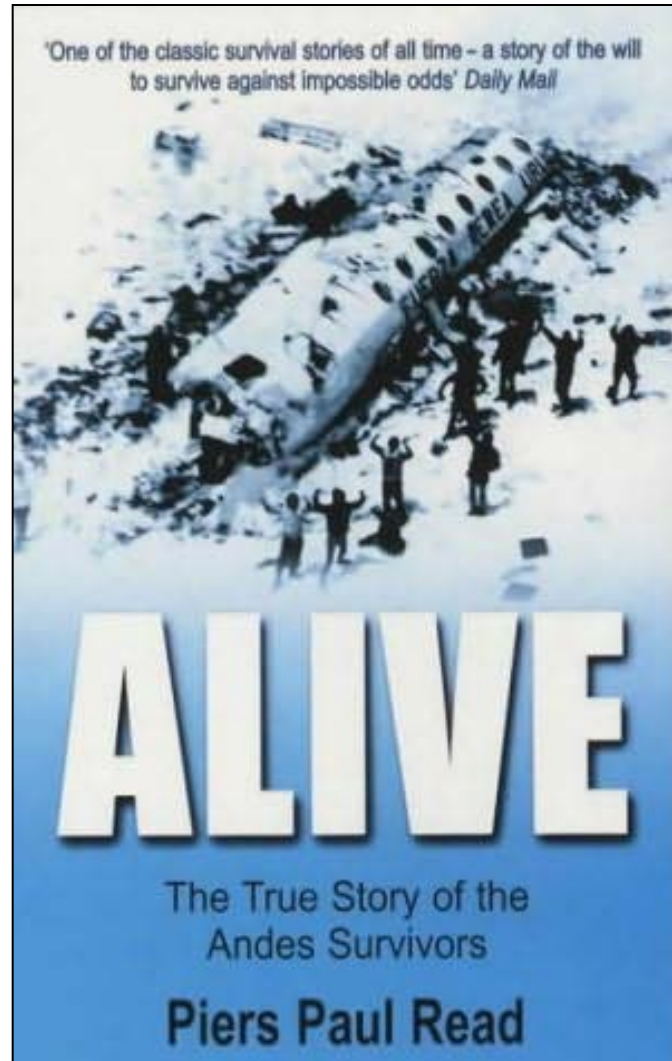


Fife Central Retail Park, Kirkcaldy

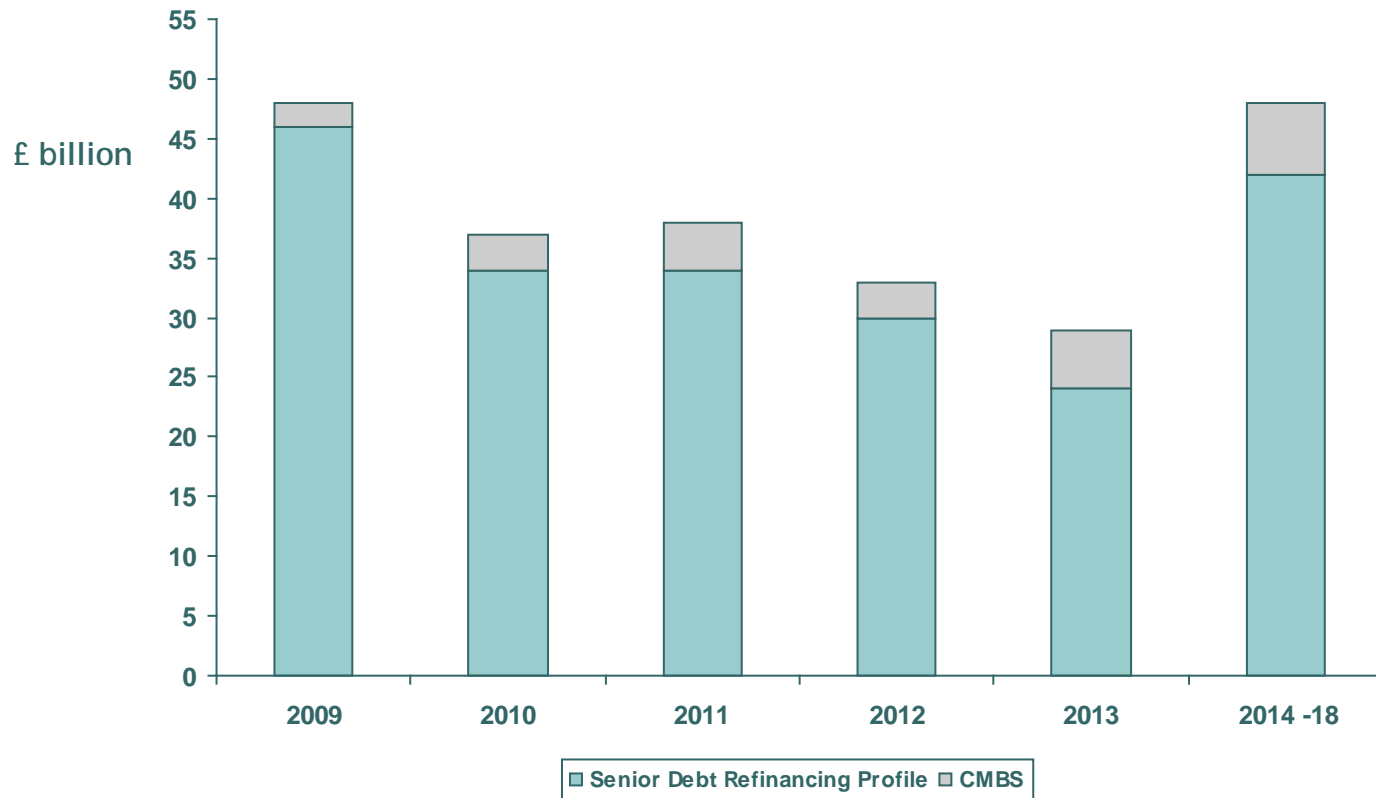


East Kent / Westwood Retail Parks, Thanet

● ● ● | What next?

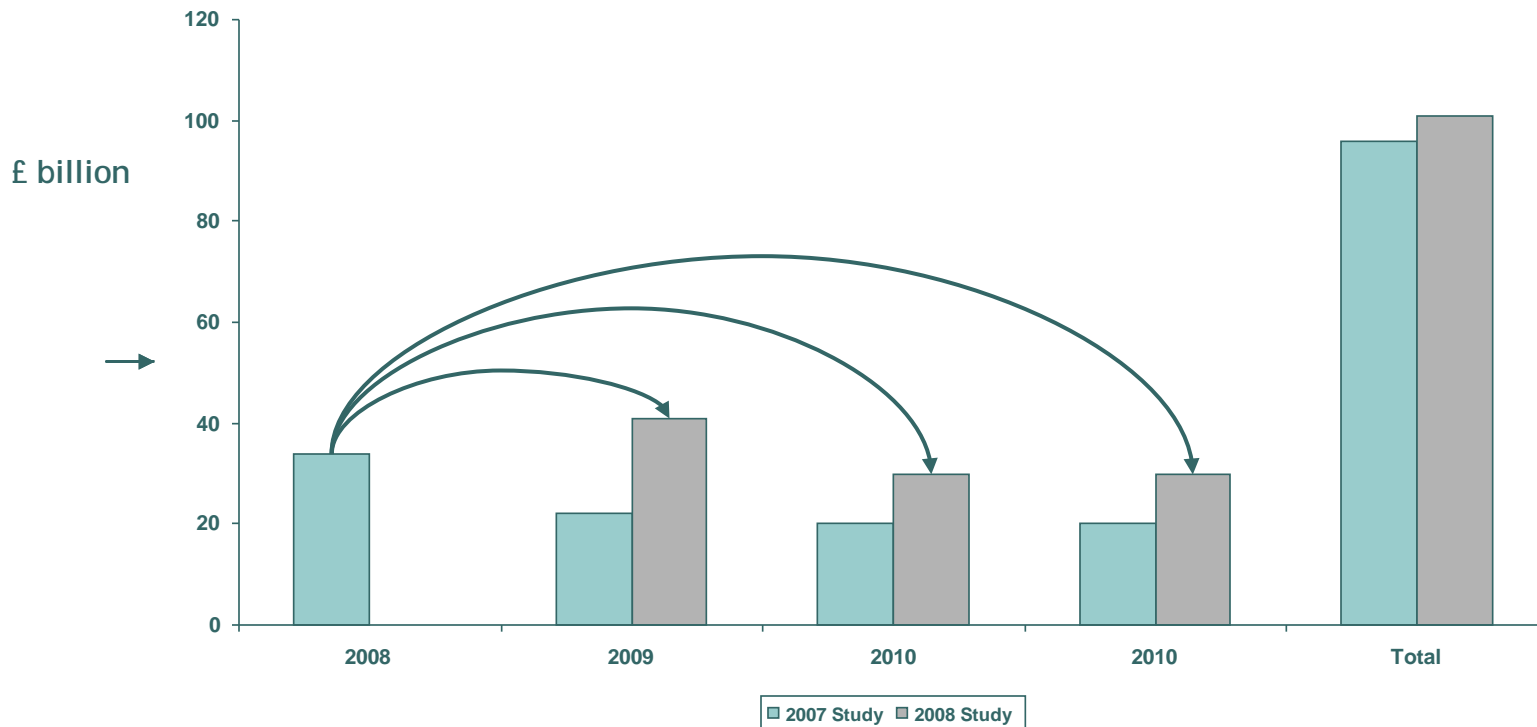


UK Real Estate refinancing profile



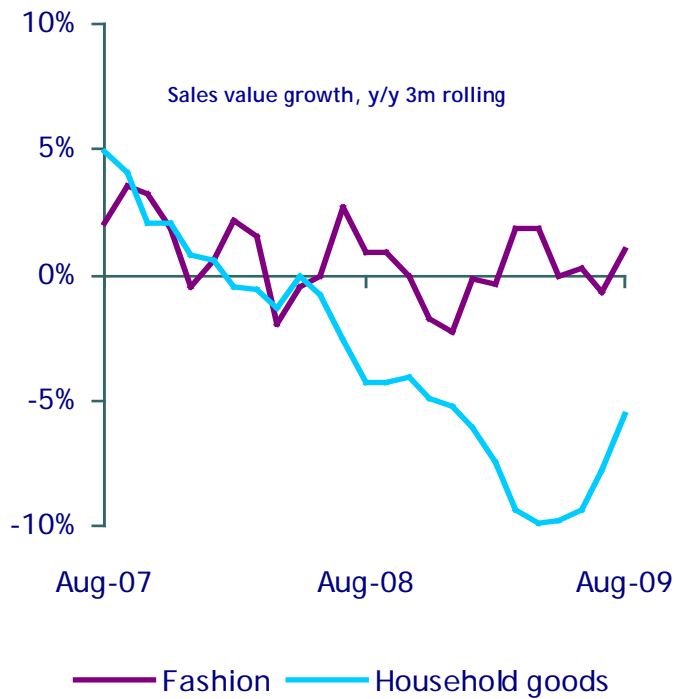
Source: De Montfort Banking Survey

Debt due to mature in 2008 rolled over (£ billion)



Source: De Montfort Banking Survey

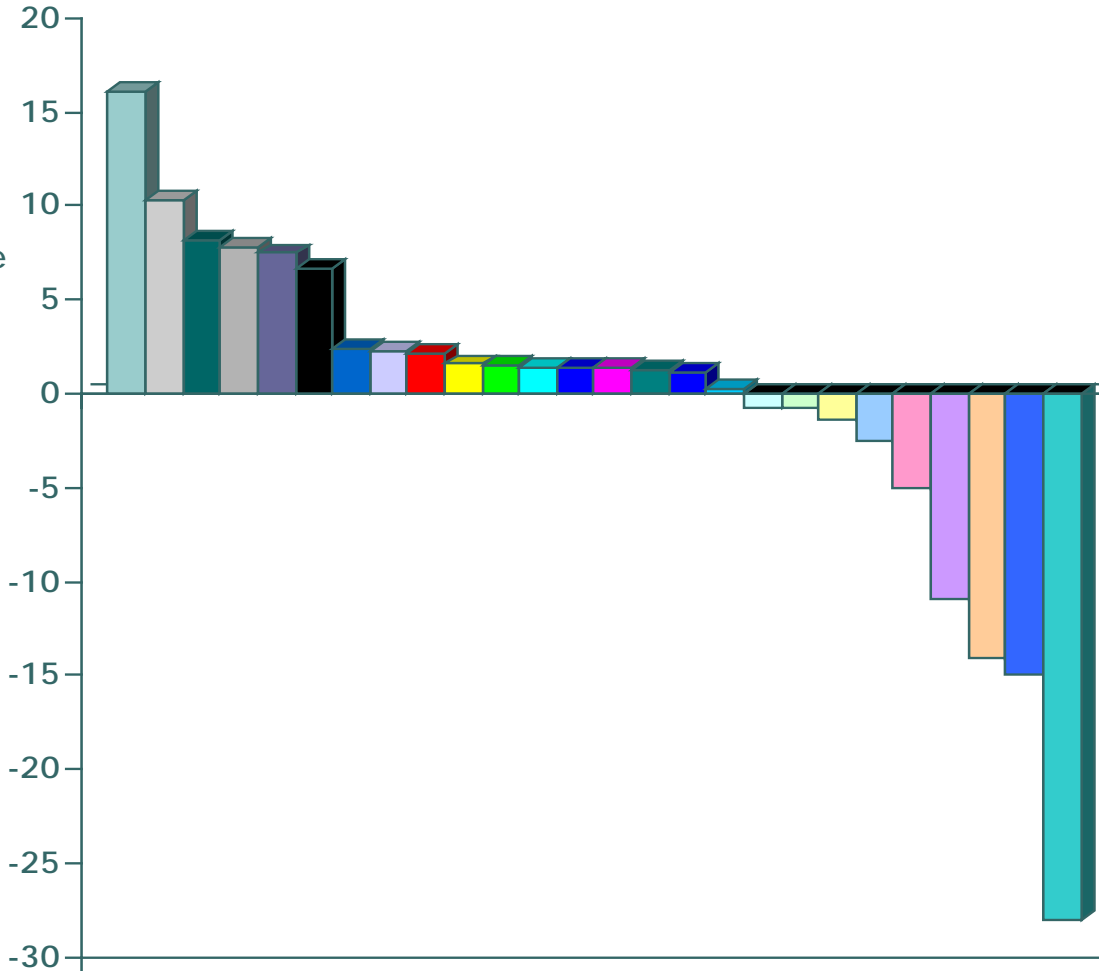
Retail sales - a turning point?



Source : ONS

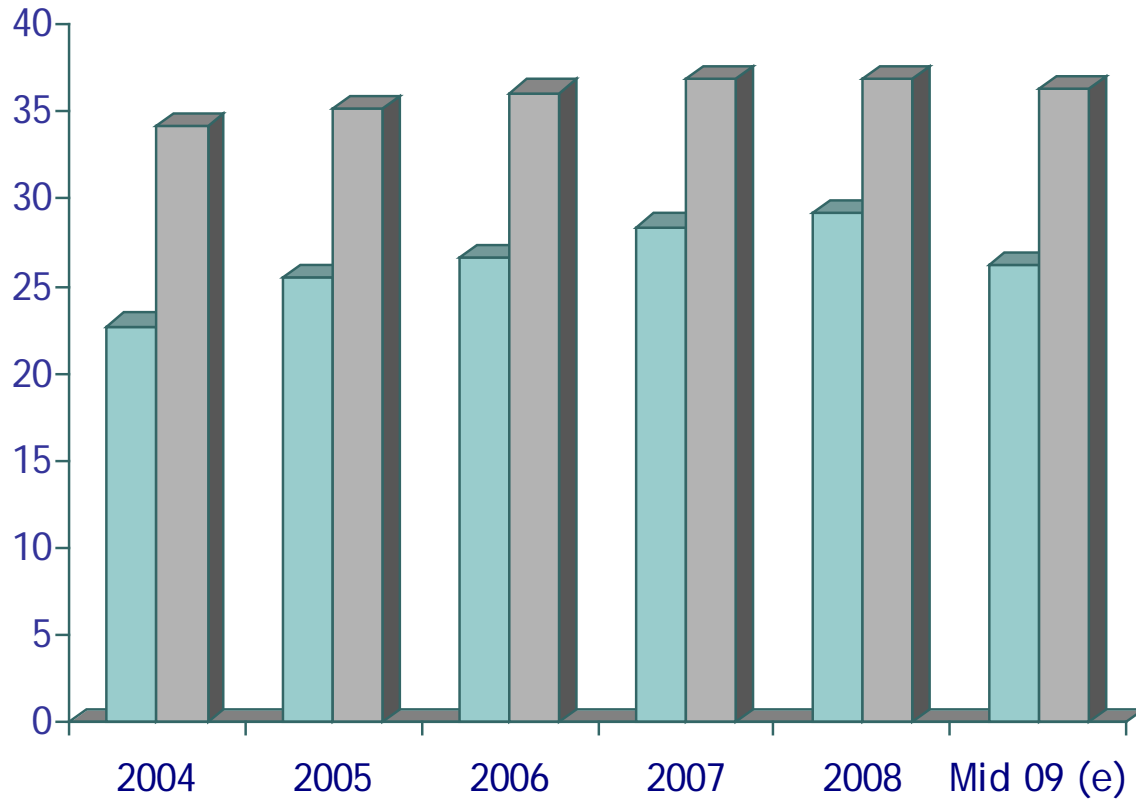
Winners and losers

Like-for-like trading performance (%)



- Dunelm
- Hobbycraft
- Matalan
- Wickes
- Pets at Home
- Laura Ashley
- Furniture Village
- Maplin
- Halfords
- Homebase
- Dreams
- B&Q
- Carpetright
- Mothercare
- Boots
- United Carpets
- Comet
- In-store
- Marks & Spencer
- Argos
- Next
- WH Smith
- Topps Tiles
- DSG UK Electricals
- DSG UK Computing
- JJB

Rental affordability



■ Open A1 retail park rent - average across PMA catchment ■ Equivalent zone A

Changing retailer landscape

CVAs v. pre-pack administrations

Increased market share for survivors

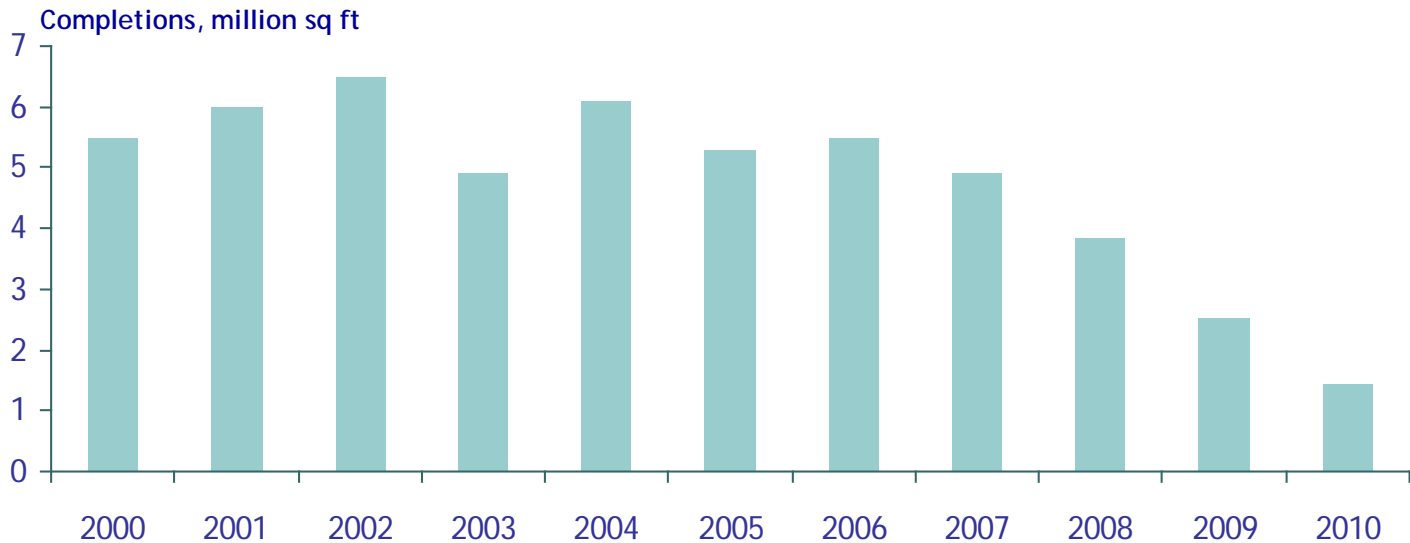
New entrants to market

Bulky goods sector is back!

Prime space limited going forward



Development pipeline hits all-time low

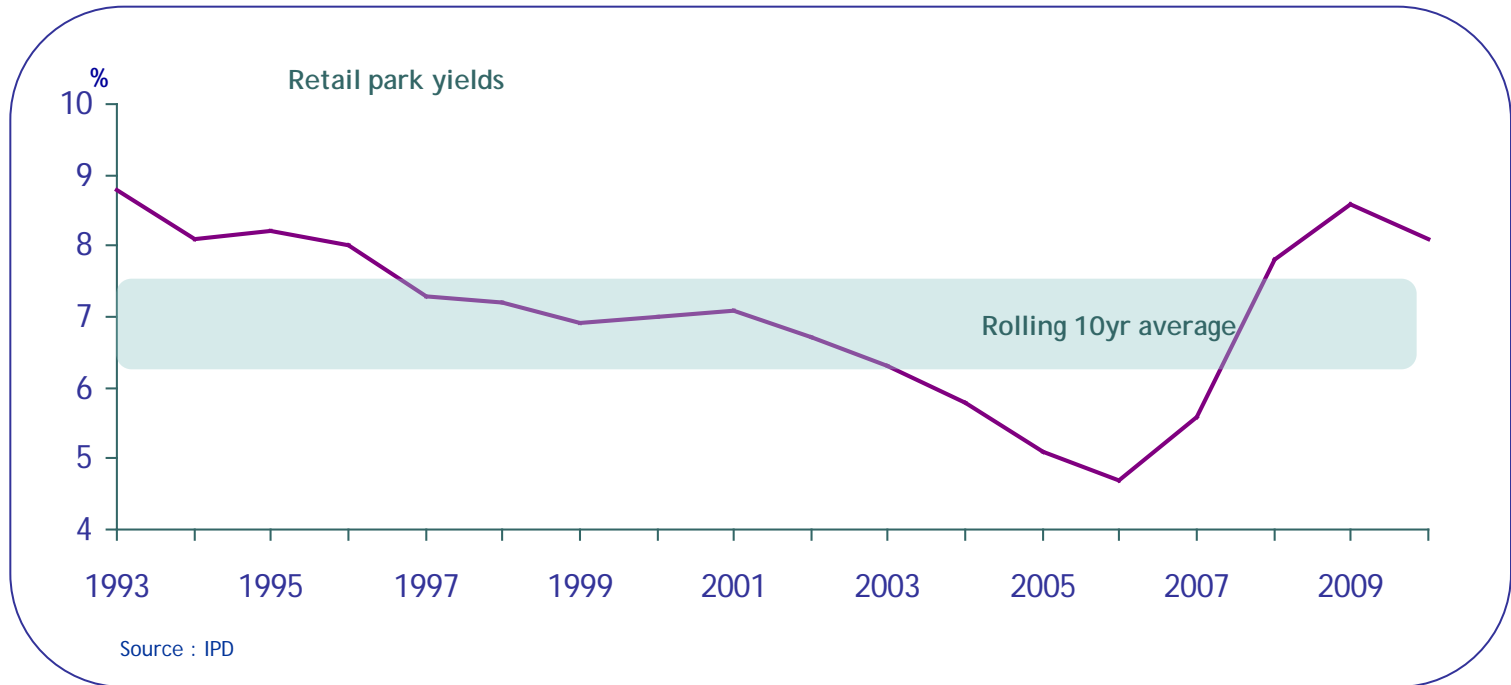


Source : CBRE, PMA

Investment activity increased



Yield profile





Summary

- Environment remains challenging and recovery will be slow
- Strong players will emerge stronger - both retailers and investors
- Affordability remains good
- Retailers will need to be realistic on rents as availability of prime space decreases
- More normalised investment market



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