



Investor and Analyst Presentation

Results: six months ended
31 March 2012

Shaftesbury PLC

Contents

Page		Page	
3	Agenda	11	Finance
4	Headlines	12	Carnaby
5	Our strategy	20	Covent Garden
6	Our portfolio	21	Chinatown
7	Portfolio valuation	22	Soho
8	Results headlines	23	Charlotte Street
9	Half year results benchmarking	24	Summary and outlook
10	NAV bridge		Appendices

Agenda

Introduction

Brian Bickell

Financial highlights

Chris Ward

Village activity

Simon Quayle and Tom Welton

Summary and outlook

Brian Bickell

Headlines

- West End remains busy and prosperous
- Profits*, earnings* and dividend growth
 - Profit before tax*: up 15% to £16.1m (31.3.2011: £14.0m)
 - Interim dividend: up 8.2% to 5.95p (31.3.2011: 5.50p)
- Increase of £2.9m in reversion over the period
- NAV* £4.70 per share (30.9.2011: £4.63), increase: 1.5%
- Acquisitions £29.4m and capital expenditure £8.5m
- Two important schemes in Carnaby to commence this year
- £120m 15 year term loan (4.43%) in our joint venture
- John Manser to retire at February 2013 AGM. Jonathan Lane to become Non-Executive Chairman

* EPRA adjusted – see Appendices

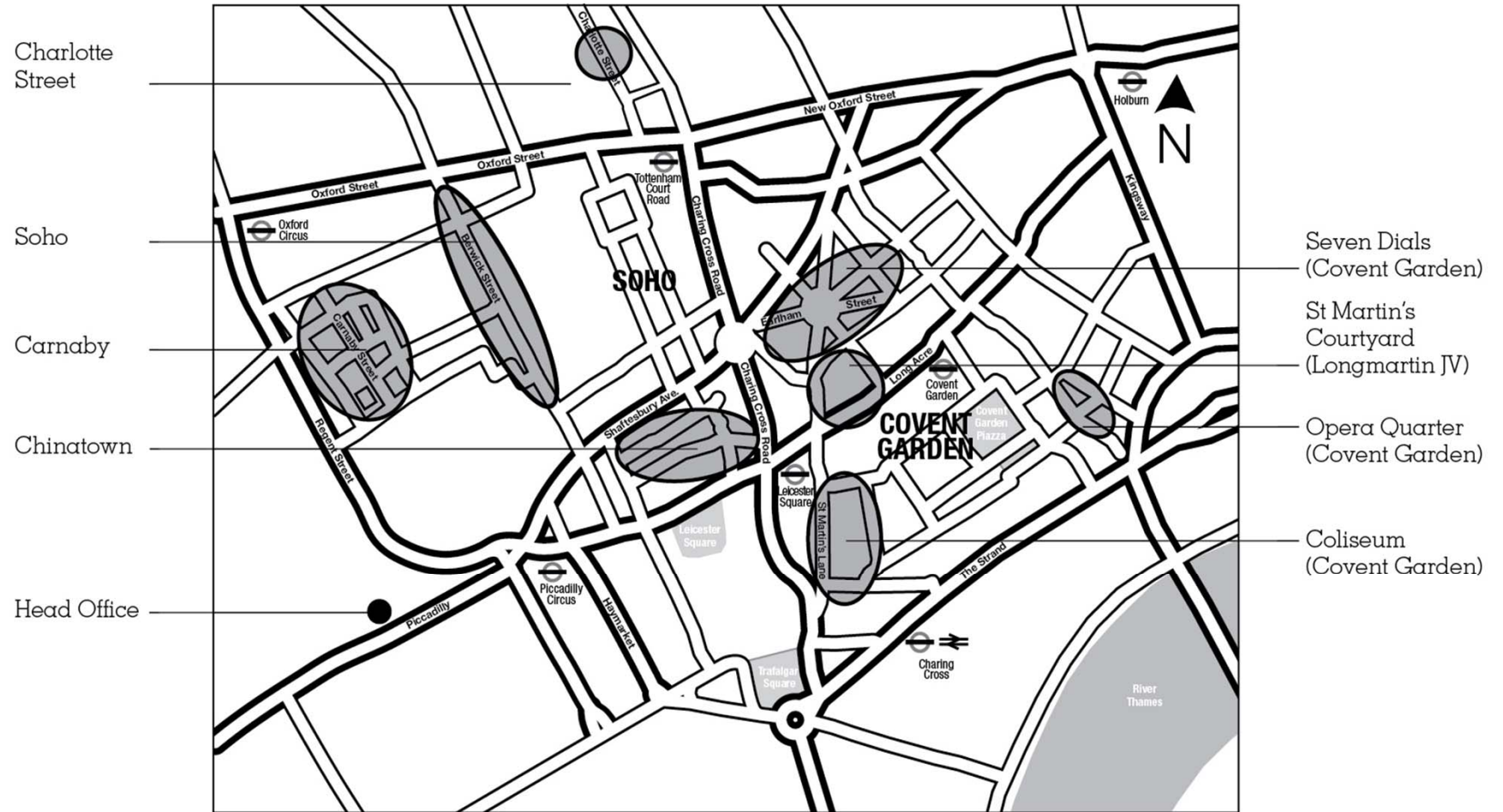
Our strategy

- Focus on shops, restaurants and leisure in London's West End
- Long term rental growth underpins sustained growth in values
- Consistent management strategies to create and maintain environments which encourage footfall and in which tenants prosper

“...an exciting programme of property investment and management which is about creating and sustaining places where people live, work and have fun by adopting bespoke solutions, while achieving economic benefit and improving the environment”

2012 Royal Town Planning Institute “Planning for Business” award – Shaftesbury PLC and Rolfe Judd.

Our portfolio



Portfolio valuation

- Valuation at 31.3.2012: £1.74 bn (30.9.2011: £1.68 bn)
- Capital value growth 1.4% (IPD: -0.8%)
- Yields virtually unchanged: wholly owned 4.92%, Longmartin 4.79%
- Growth in current gross income and ERV driven by good demand, low vacancy (2% commercial ERV available to let), schemes and acquisitions
- Reversion now stands at £17.6m, up £2.9m over the period (wholly owned portfolio up £3.7m to £15.4m)
- Two new Carnaby schemes add £2.0m to the reversion (capital cost c. £18m)
- 40 schemes in hand across the portfolio generate cumulative benefits

Results headlines

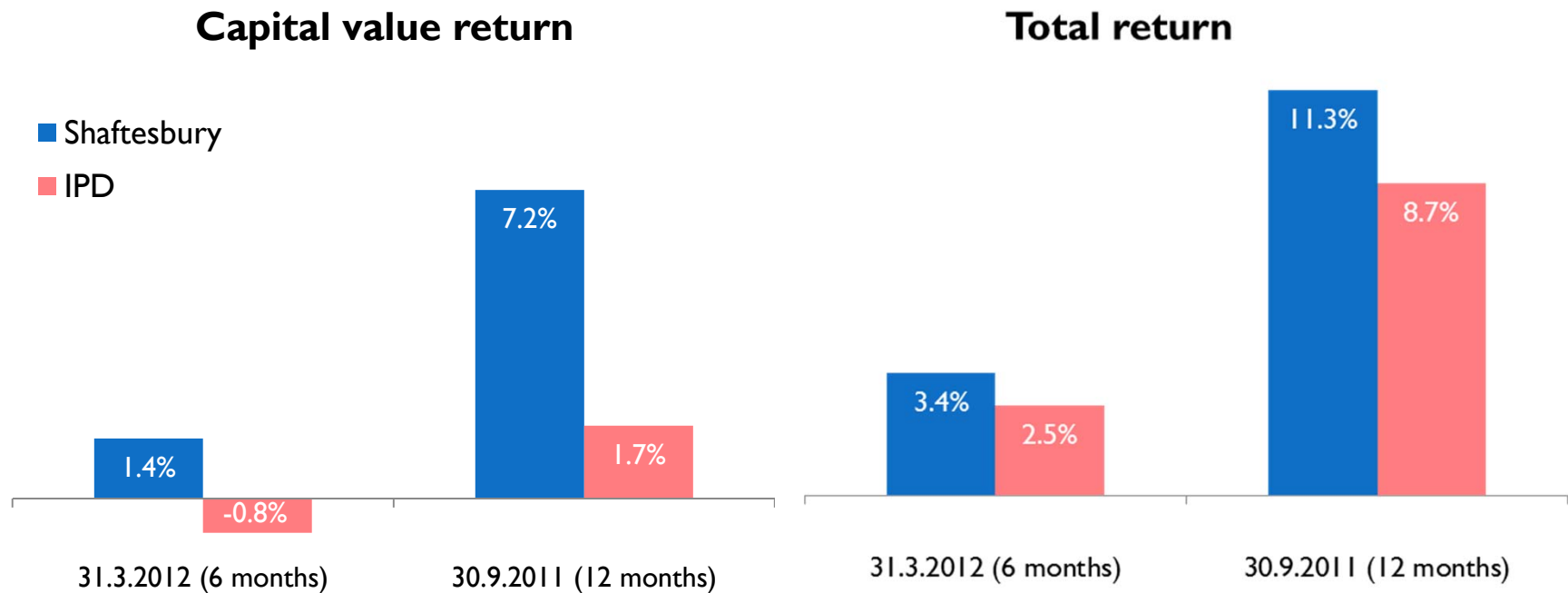
	31.3.2012	31.3.2011	Change
Net property income	£35.5m	£32.1m	+10.6%
Profit before tax*	£16.1m	£14.0m	+15.0%
Diluted EPS*	6.3p	6.0p	+5.0%
Interim dividend	5.95p	5.5p	+8.2%
Net asset value return*‡	+2.8%	+6.6%	

	31.3.2012	30.9.2011	Change
Property assets at book value	£1.74 bn	£1.68 bn	+3.6%
Diluted NAV*	£4.70	£4.63	+1.5%

* EPRA adjusted

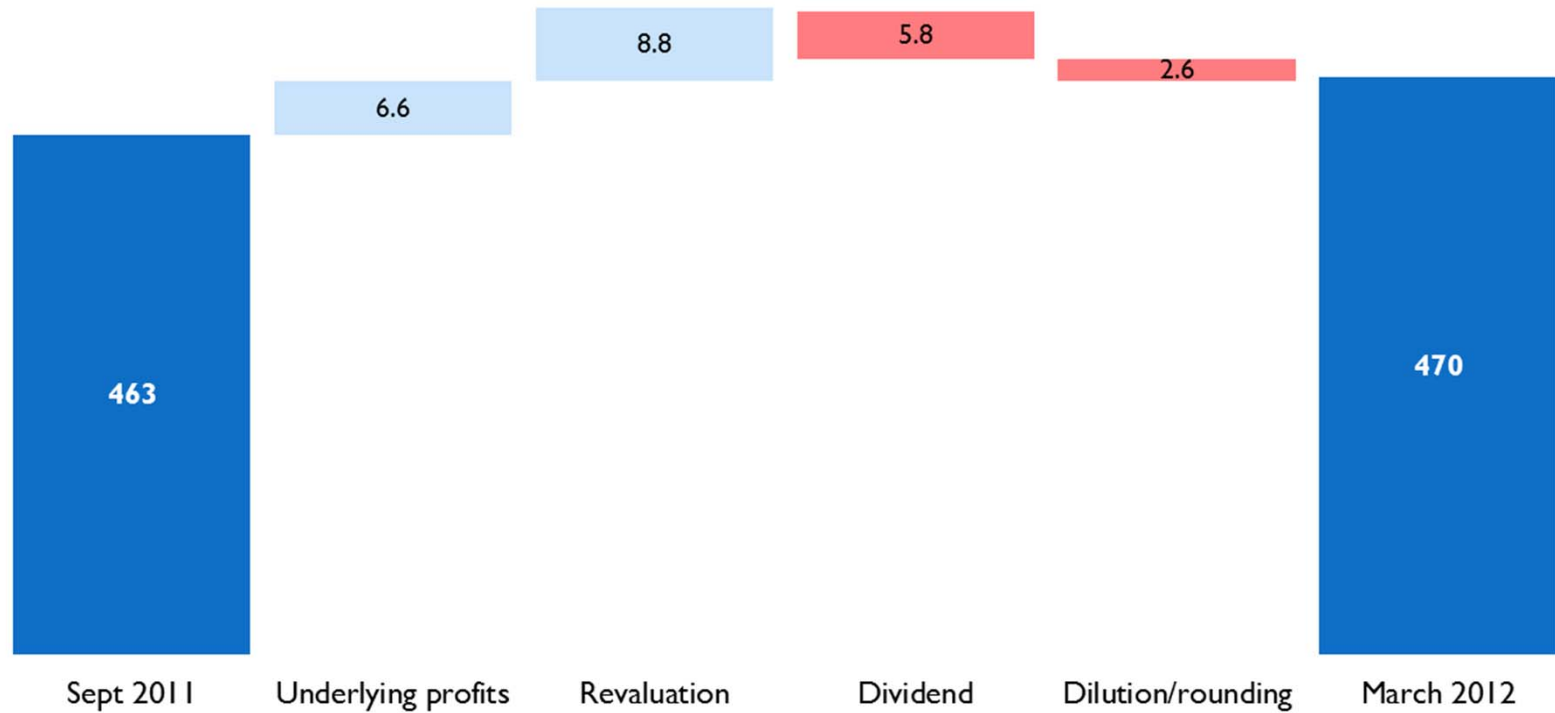
‡ Growth in net asset value + dividends as a ratio of opening net asset value

Half year results benchmarking



NAV bridge

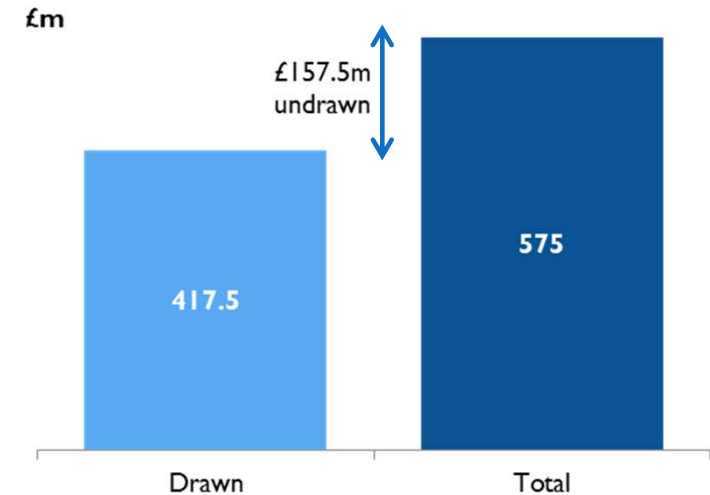
Pence per share



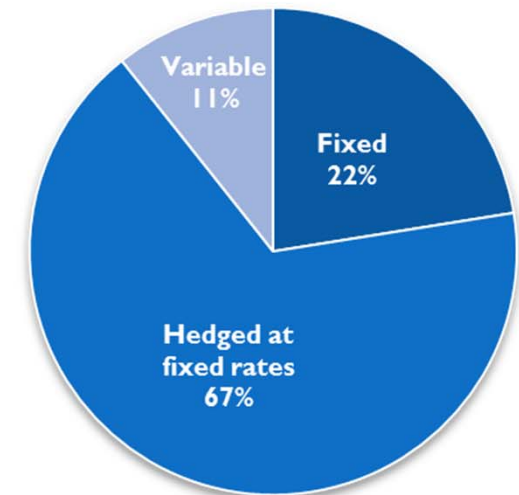
Finance

- Total debt: £538.5m, up £43.2m since September 2011
- Longmartin £120m 15 year loan, 4.43% (group share: £60m)
- LTV: 31%. Gearing: 45%
- Comfortable covenant compliance
- Weighted average interest: 5.42%
- Weighted average maturity 7.1 years. Earliest maturities: 2016
- Interest rate swaps fair value deficit: £104.9m, up £0.3m

Bank facilities at 31.3.2012



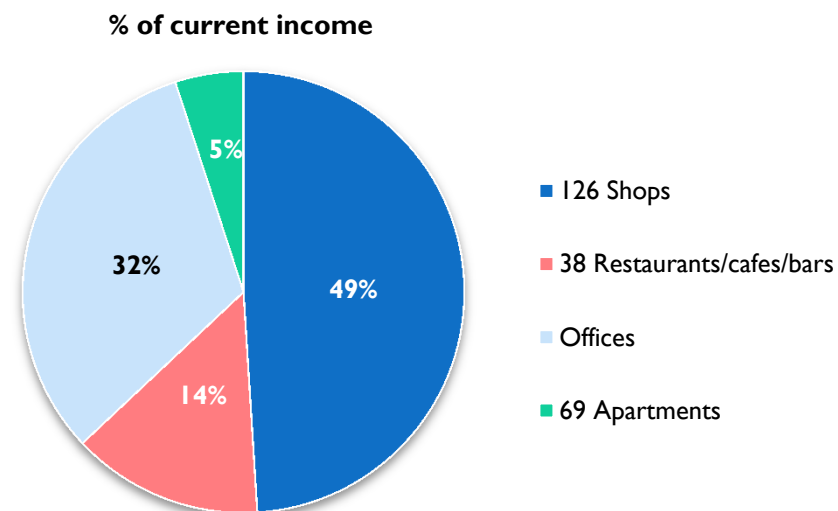
Interest rate profile



Shaftesbury PLC

Carnaby – 33% of our portfolio

- Good demand for all uses
- Continuing strong demand from retailers – many from overseas
- No large shops (>£100k p.a.) currently available but expect to secure space for new retailers later this year
- Kingly Street much improved as expected following the 2011 resurfacing works and pedestrianisation
- Demand for offices firm
- Refurbishment of 24,000 sq.ft. of offices (current income £1.1m) to commence by end of 2012



Carnaby



Carnaby Court

Lasenby House

Carnaby schemes – Lasenby House

- Securing possession of office space in Lasenby House has allowed us to advance plans to improve retail on north side of Foubert's Place
- Converting lower floors of Lasenby House to retail and linking with existing retail accommodation in Foubert's Place
- Provides 10,800 sq.ft. of retail space in 3 larger shops and 1 reconfigured unit (increase of 5,500 sq.ft)
- Commence June 2012 - shops available by early summer 2013
- New “retail street” in Little Marlborough Street
- Expect improvement in rental tone - already in discussion with number of potential retailers
- Cost £4.25m
- 15,000 sq.ft. of office space on the upper floors let to Liberty on a 30 year lease

Carnaby schemes – Lasenby House



Little Marlborough Street (rear of Lasenby House)

Carnaby schemes – Lasenby House



Little Marlborough Street – new Liberty entrance

Carnaby schemes – Carnaby Court

- Second phase of the scheme carried out at 36/39 Carnaby Street.
- Planning consent received to demolish existing structures on under-utilised land fronting Foubert's Place and Kingly Street.
- New development will:
 - Relocate the restaurant from Foubert's Place to a 6,500 sq.ft. unit on Kingly Street;
 - Create 8,200 sq.ft of retail on south side of Foubert's Place; and
 - 7,000 sq.ft. of offices and 12 apartments on upper floors
- Estimated cost £13.5m
- Start by early 2013
- First units available autumn 2014

Carnaby schemes – Carnaby Court



Foubert's Place

Carnaby schemes – Carnaby Court



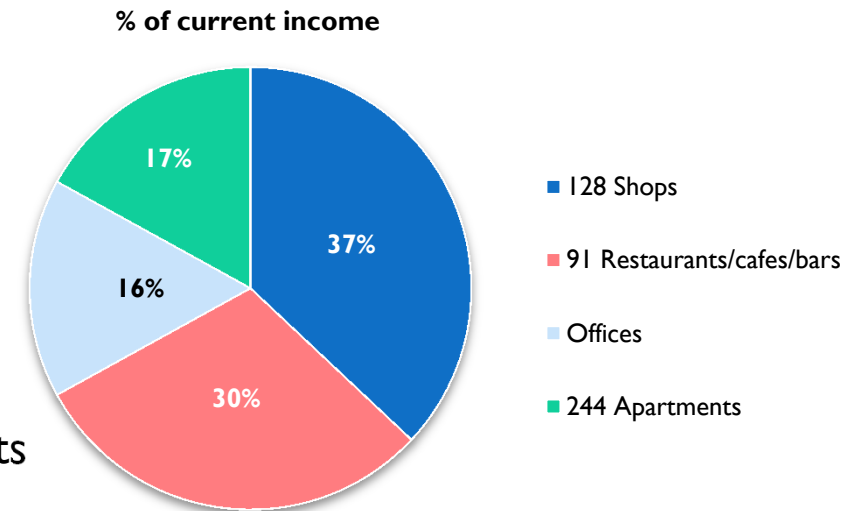
Kingly Street

19

Shaftesbury PLC

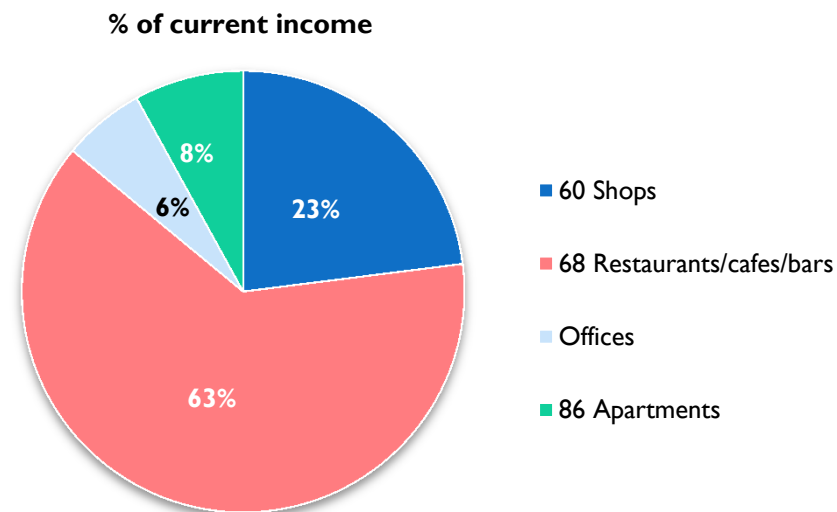
Covent Garden – 35% of our portfolio (including 50% share of Longmartin)

- Income from residential now exceeds income from offices – more residential schemes in hand
- Improving retail offer on Earlham Street and Monmouth Street in response to increasing footfall from nearby developments
- Opportunities for conversion of offices to more valuable commercial uses
- More refurbishment projects in hand in Longmartin
- Further initiatives to enhance the public realm



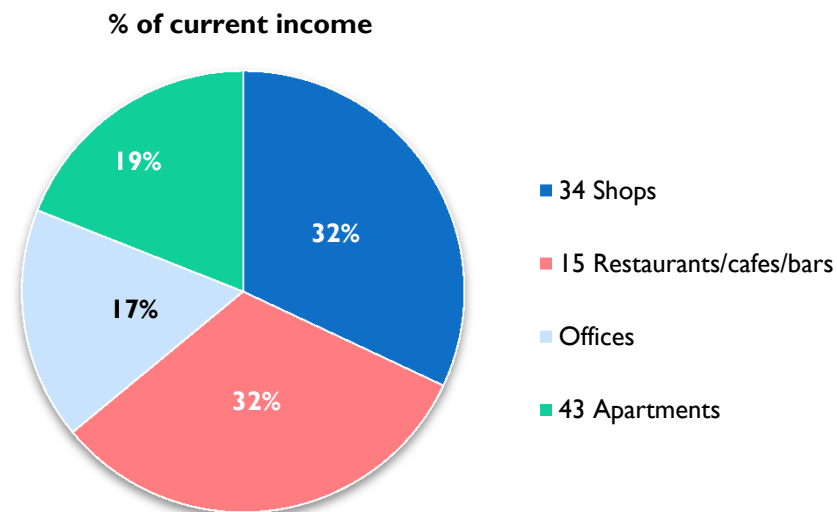
Chinatown – 24% of our portfolio

- Continues to be virtually fully let
- Introduction of higher quality and more diverse South East Asian cuisine
- Further asset management opportunities identified
- Leicester Square refurbishment complete – discussing further improvements to streets which link to Chinatown



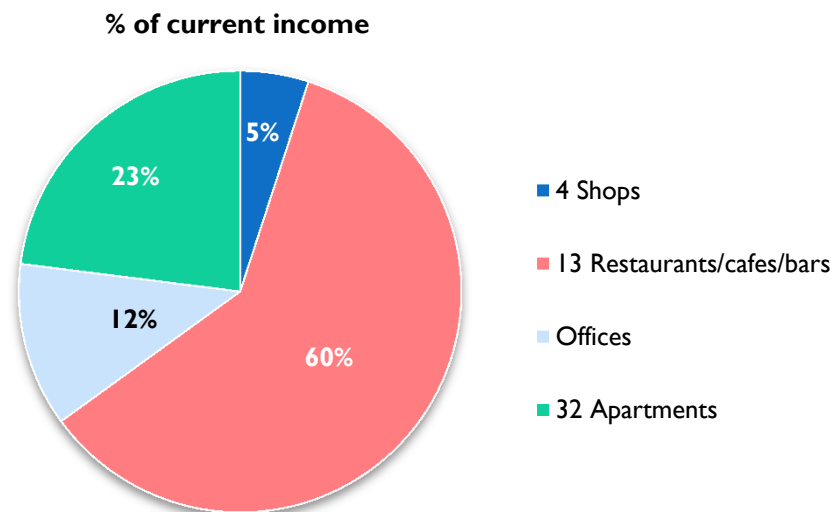
Soho – 6% of our portfolio

- Acquisitions totalled £27m in the period
 - 10 shops (13,600 sq.ft.)
 - 4 restaurants (11,500 sq.ft.)
 - 3,000 sq.ft. of offices
- Further acquisitions being investigated
- Several projects on existing properties currently in hand
- A number of important schemes under discussion in the area eg:
 - Kemp House: Westminster City Council yet to announce transaction completed with preferred bidder
 - Trenchard House scheme in Broadwick Street in planning
- Committed to our strategy to acquire more and encourage regeneration across the area



Charlotte Street – 2% of our portfolio

- Lively, cosmopolitan area
- Significant restaurant demand in the area
- Further restaurant acquisition since March
- Important developments in the area will bring long term benefits
 - Fitzroy Place
 - Royal Mail site
 - Crossrail transport hub at Tottenham Court Road



Summary and outlook

- The West End continues to prosper
- London – a global city which attracts visitors from across the world
- Jubilee and Olympics bring long term benefits
- Growing rental income and ERVs
- Progressing important new schemes in Carnaby to unlock rental potential but will temper income growth in 2013 and 2014
- Substantial financial resources to fund acquisitions
- Experienced, enthusiastic management team committed to the strategy and responding to challenges

Appendices

Number		Number	
1	EPRA adjusted profit	9	Cash flow
2	EPRA adjusted net assets	10	Finance
3	Portfolio summary	11	Key risks
4	Increase in capital values		
5	Yields at 31.3.2012		
6	Wholly owned vacant space		
7	Income and costs		
8	Balance Sheet data		

Appendix I: EPRA adjusted profit

	6 months ended 31.3.2012			6 months ended 31.3.2011			Year ended 30.9.2011		
	Profit before tax £m	Tax £m	Profit after tax £m	Profit before tax £m	Tax £m	Profit after tax £m	Profit before tax £m	Tax £m	Profit after tax £m
Reported in the Group Statement of Comprehensive Income	38.1	(0.3)	37.8	101.0	(0.9)	100.1	115.7	(1.9)	113.8
Fair value movements:									
Investment properties	(22.3)	-	(22.3)	(49.6)	-	(49.6)	(110.6)	-	(110.6)
Financial derivatives movement	0.3	-	0.3	(37.4)	-	(37.4)	24.1	-	24.1
Deferred tax*	-	-	-	-	0.8	0.8	-	1.5	1.5
EPRA adjusted profit after taxation	16.1	(0.3)	15.8	14.0	(0.1)	13.9	29.2	(0.4)	28.8

* Arising on the revaluation of investment properties and in respect of capital allowances (in Longmartin)

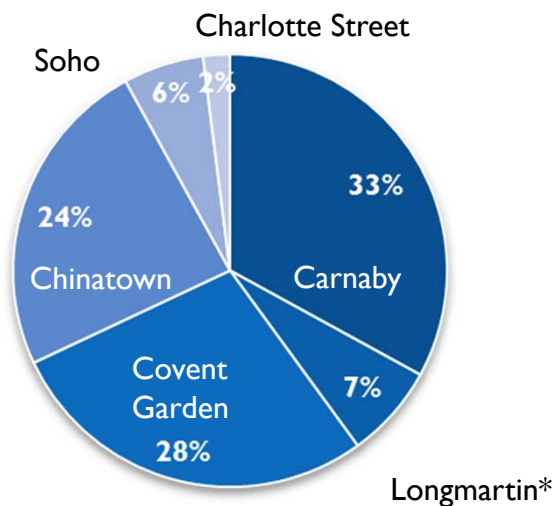
Appendix 2: EPRA adjusted net assets

	31.3.2012 £m	31.3.2011 £m	30.9.2011 £m
Net assets reported in the balance sheet	1,077.5	1,052.1	1,053.7
Adjusted for:			
Fair value adjustment in respect of financial derivatives	104.9	43.1	104.6
Deferred tax*	5.7	5.0	5.7
EPRA adjusted net assets	1,188.1	1,100.2	1,164.0
EPRA adjusted net assets per share	£4.73	£4.40	£4.65
EPRA adjusted diluted net assets per share	£4.70	£4.36	£4.63

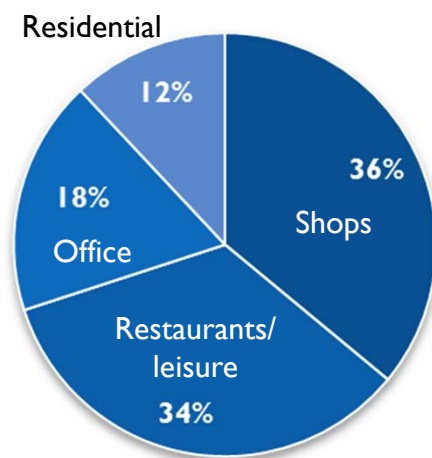
* Arising on the revaluation of investment properties and in respect of capital allowances in Longmartin

Appendix 3: Portfolio summary

Portfolio by capital value



Current income by use



* 50% share

Six months ended 31.3.2012

Acquisitions

£29.4m

Capital expenditure

£8.5m

Valuation Surplus

£22.3m

Vacancy

2% Available to let (of which 0.5% under offer)

1.9% Held for or under redevelopment

Current gross annual income

£79.3m (up £1.8m since 30.9.2011)

Reversionary potential

£17.6m (up £2.9m since 30.9.2011)

22% above current gross income

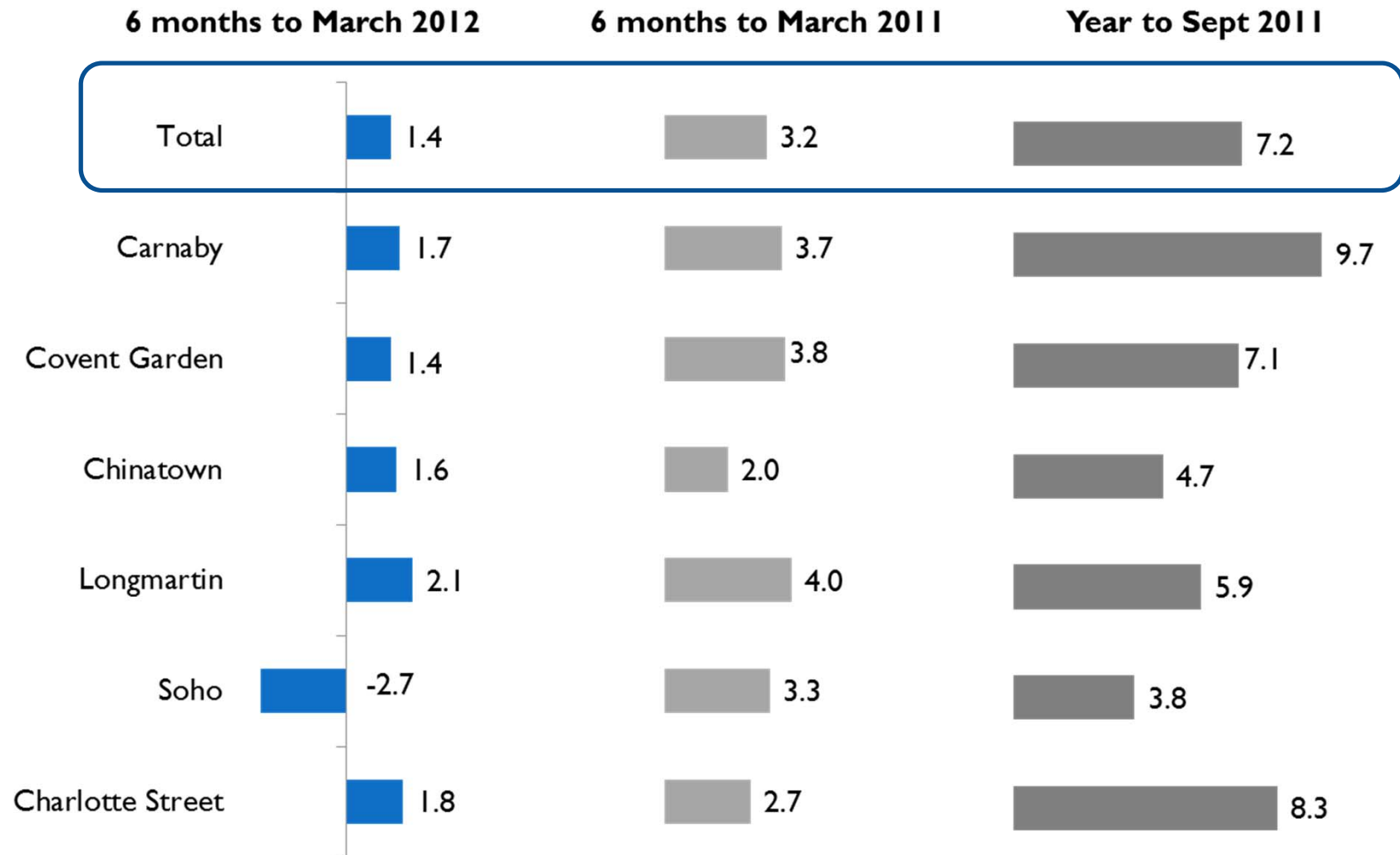
Appendix 3: Portfolio summary (cont.)

	Fair Value £m	% of portfolio	Current gross income £m	Estimated rental value £m
Wholly owned portfolio				
Carnaby	575.5	33%	25.7	35.3
Covent Garden	492.3	28%	22.7	25.9
Chinatown	408.0	24%	19.9	20.9
Soho	99.5	6%	4.3	5.5
Charlotte Street	40.0	2%	1.8	2.2
	1,615.3	93%	74.4	89.8
Longmartin joint venture (our 50%)	124.2	7%	4.9	7.1
Total	1739.5	100%	79.3	96.9

	Wholly owned portfolio			Longmartin joint venture*		
	Number	Area (sq.ft.)	% of current gross income	Number	Area (sq.ft.)	% of current gross income
Shops	329	410,000	36%	23	69,000	43%
Restaurants, cafes and leisure	216	497,000	35%	8	43,000	19%
Offices		408,000	18%		102,000	18%
Residential	399	267,000	11%	75	55,000	20%
Total		1,582,000	100%		269,000	100%

* Shaftesbury group has a 50% share in these figures

Appendix 4: Increase in capital values



Appendix 5: Yields at 31.3.2012

	Carnaby	Covent Garden	Chinatown	Soho	Charlotte Street	Wholly Owned Portfolio	Longmartin
	%	%	%	%	%	%	%
Overall Equivalent Yield	5.15	4.75	4.80	5.03	4.80	4.92	4.79
Movement since 30.9.2011	(0.03)	(0.02)	-	0.16	(0.04)	(0.01)	(0.01)
Overall Initial Yield*	4.65	4.42	4.60	4.14	4.10	4.52	4.02
Movement since 30.9.2011	0.27	(0.04)	(0.01)	0.29	(0.28)	0.08	0.08

* “topped up” initial yield, i.e. as if contracted rent free periods had ended

Appendix 6: Wholly owned vacant space

	Shops	Restaurants and leisure	Offices	Total	Percentage of total commercial ERV
Held for or under refurbishment					
Estimated rental value - £m	0.5	0.2	0.8	1.5	1.9%
Area - '000 sq. ft.	6	5	22	33	
Number of units	7	4			
Available					
Estimated rental value - £m					
Ready to let	0.5	0.1	0.6	1.2	1.5%
Under offer	-	0.2	0.2	0.4	0.5%
	0.5	0.3	0.8	1.6	2.0%
Area - '000 sq. ft.	10	6	20	36	
Number of units	12	6			

Appendix 7: Income and costs

	6 months ended		Year ended
	31.3.2012	31.3.2011	30.9.2011
Rental income	43.7	39.9	81.4
Property costs	(8.2)	(7.8)	(14.8)
Net rental income	35.5	32.1	66.6
Admin expenses	(4.7)	(4.1)	(9.6)
	30.8	28.0	57.0
Net finance costs	(14.7)	(14.0)	(27.8)
EPRA adjusted profit before tax	16.1	14.0	29.2

	6 months ended		Year ended
	31.3.2012	31.3.2011	30.9.2011
Operating costs	2.2	1.8	3.8
Management fees	0.9	0.8	1.6
Lease costs	1.2	1.4	2.5
Village promotion	0.5	0.5	0.9
Non recoverable costs	4.8	4.5	8.8
Recoverable costs	3.4	3.3	6.0
Total	8.2	7.8	14.8

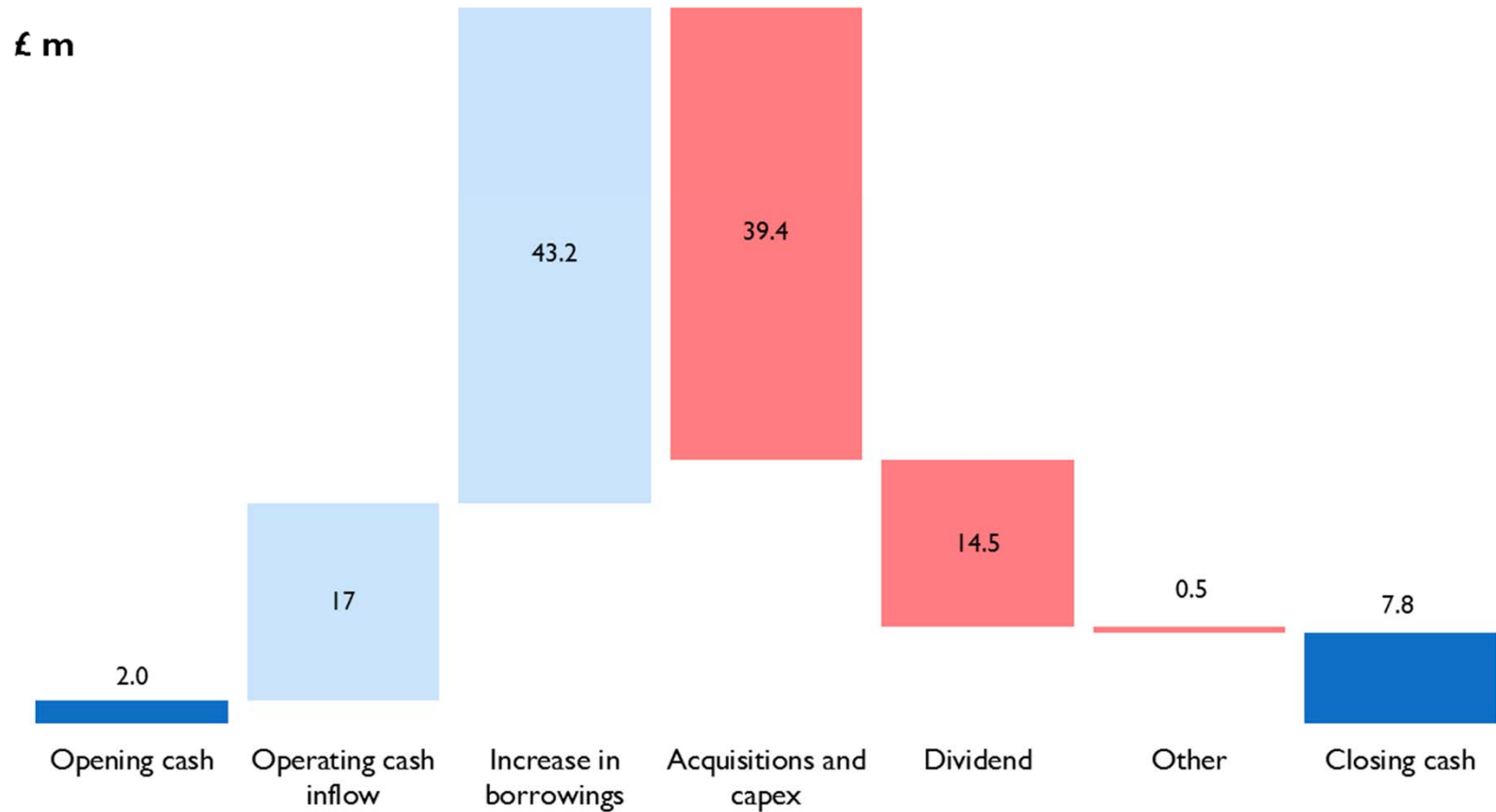
	6 months ended		Year ended
	31.3.2012	31.3.2011	30.9.2011
Admin costs	3.3	2.8	6.0
Provision for annual bonuses	0.5	0.5	2.0
Charge for equity settled remuneration	0.9	0.8	1.6
Total	4.7	4.1	9.6

Appendix 8: Balance Sheet data

	31.3.2012	31.3.2011	30.9.2011
Investment properties (value)	£1,739.5m	£1,582.2m	£1,678.5 m
Valuation surplus	£22.3m	£49.6m	£110.6 m
Capital value return	1.4%	3.2%	7.2%
Acquisitions in the period	£29.4m	£42.0m	£64.9m
Capital expenditure in the period	£8.5m	£7.8m	£19.2m
Nominal value of borrowings	£538.5m	£466.2m	£495.3m
Loan: value ratio *	31%	29%	30%
Gearing (nominal value of debt: EPRA adjusted net assets)	45%	42%	43%
EPRA adjusted diluted net asset value per share	£4.70	£4.36	£4.63

* based on nominal value of debt

Appendix 9: Cash flow



Appendix 10: Finance

	31.3.2012		30.9.2011	
	£m	Rate	£m	Rate
Debenture*	63.7	7.93%	63.8	7.93%
Term loan†	60.0	4.43%	-	-
Hedged bank loans‡	360.0	5.73%	360.0	5.72%
Variable bank loans	57.5	1.67%	74.3	1.60%
Weighted average		5.42%		5.39%
Average margin on bank loans				
- Drawn		86bps		85bps
- If all facilities are drawn		104bps		104bps
Current marginal cost of additional drawings (approx.)		1.9%		1.75%
Weighted average loan maturity (years)				
- Bank facilities		5.8		6.3
- Total debt		7.1		6.9
Maturity profile (£m)	2016	375	2016	375
	2020	125	2020	125
	2021	75	2021	75
	>2021	121‡	>2021	61‡

* Including unamortized premium

† Our 50% share

‡ Interest rate inclusive of margin

‡ Nominal value

Appendix 11: Key risks

- Concentration of assets in a high profile location
- West End dependent on visitor economy
- Visitors could be deterred by
 - safety and security issues
 - transport disruption
 - food scares
 - health epidemics etc
- Economic conditions and financial pressures – impact on our tenants and their customers (but West End has in the past and continues to be less exposed as it is an international destination)
- New environmental legislation may set unrealistic targets for older and historic buildings, and conflict with Conservation Area and Listed Buildings legislation



Disclaimer

This presentation contains forward looking statements. Although the Company believes that the estimates and assumptions on which such statements are based are reasonable, they are inherently uncertain and involve a number of risks and uncertainties that are beyond the Company's control. The Company does not make any representation or warranty that the results anticipated by such forward looking statements will be achieved and this presentation should not be relied upon as a guide to future performance.