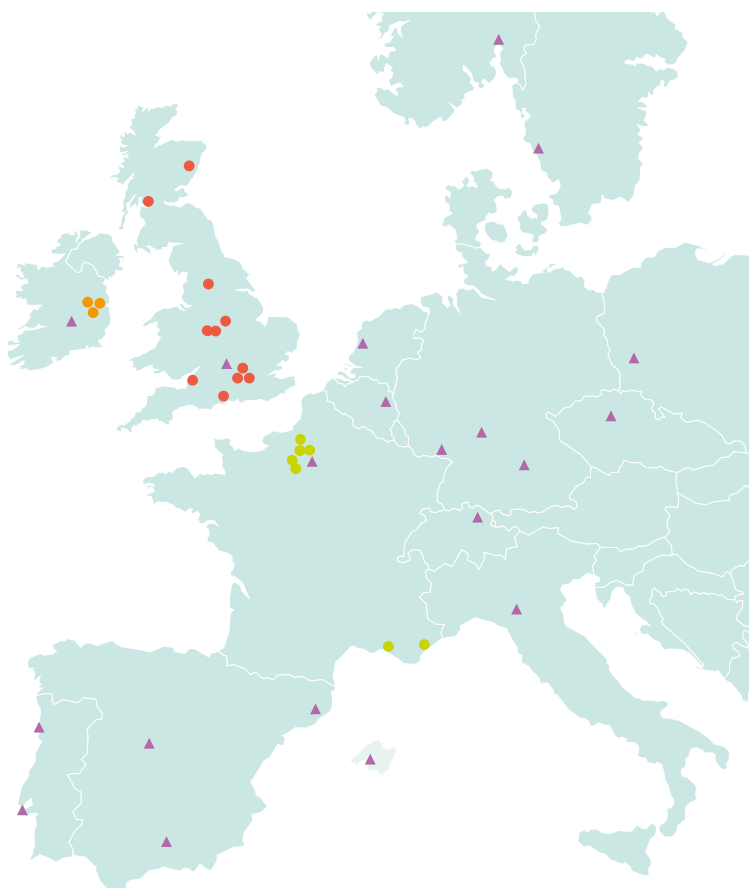




Festival of Light, Westquay, Southampton

Company overview



- UK flagship destinations
- Ireland flagship destinations
- France flagship destinations
- ▲ Premium outlets

21 flagship destinations across UK, Ireland & France

20 premium outlets across Europe

FY 2018

Key facts

48% of portfolio outside of the UK

£570m of disposals realised
(-7% below Dec 17 book value)

Net debt down £95m to £3.4bn. 2019 target of £3.0bn to strengthen balance sheet

Group LFL NRI growth of 0.3%
UK flagships -1.3%, UK Retail Parks -4.3%,
France flagships -0.9%, Ireland flagships +1.6%,
Premium outlets +5.2%

Total leasing £27.7m rent, 6% above ERV and 5% above previous passing rent

Final 2018 dividend maintained at 14.8p per share. Total dividend for the year up 1.6%

Adjusted profit £240.3m (-2.4%)

Portfolio value £9,938m (-5.9%)

Strong performance from Premium Outlets: brand sales up 8%

There are over 80,000 people visiting our flagship destinations every hour during trading hours

Near term priorities

1. Capital Efficiency

Absolute priority is to reduce debt

Solid financing position

- Net debt reduced by **£95m** in 2018
- Headline LTV **38%** (+2pp)
- **No debt maturities** in the next two years
- 2019 net debt target of **£3bn**

2. Optimised Portfolio

Committed to exiting retail parks and pursuing disposals from across portfolio

Total **£570m** disposals achieved in 2018

- 50% Highcross and four retail parks

Aim to dispose of in excess of £500m of properties in 2019

- In active discussions concerning transactions with a total value of over £900m

City Quarters: Breaking down the walls to move beyond retail

- Moving beyond retail to create vibrant city neighbourhoods
 - **97** acres
 - **6,600** residential units
 - Over **200,000** m² workspace
 - **1,200** hotel rooms
 - **9** parks and amazing public spaces

3. Operational excellence

Managing structural change in retail

Continued demand for our space

- Group flagship occupancy stable **97.6%** (above 97% target)

Experience and Events

- **55%** of new UK F&B lettings in 2018 were to independent, local or emerging brands
- **£2m** investment in experiential events in 2019

