



ASSET MANAGEMENT

UK Commercial Property Trust Limited

2013 Interim Results Presentation

21 August 2013

DATA PACK



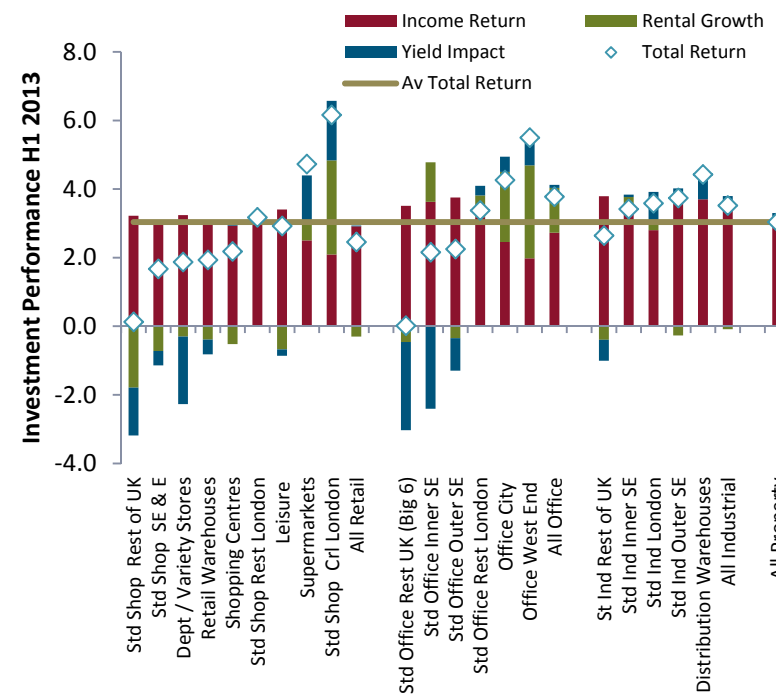
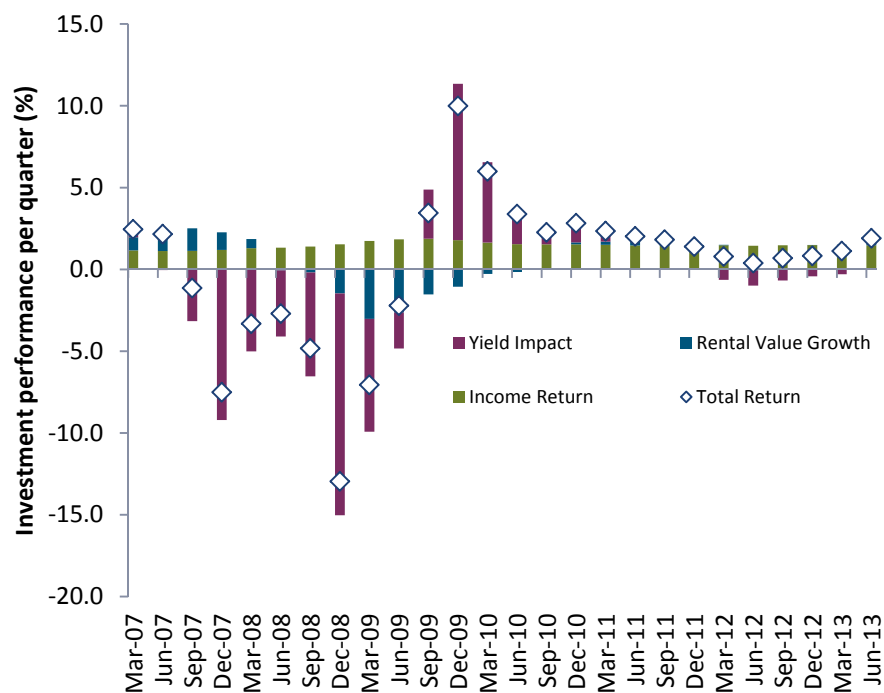
**UK COMMERCIAL
PROPERTY TRUST**



Income: Key driver of returns in a polarised market



ASSET MANAGEMENT



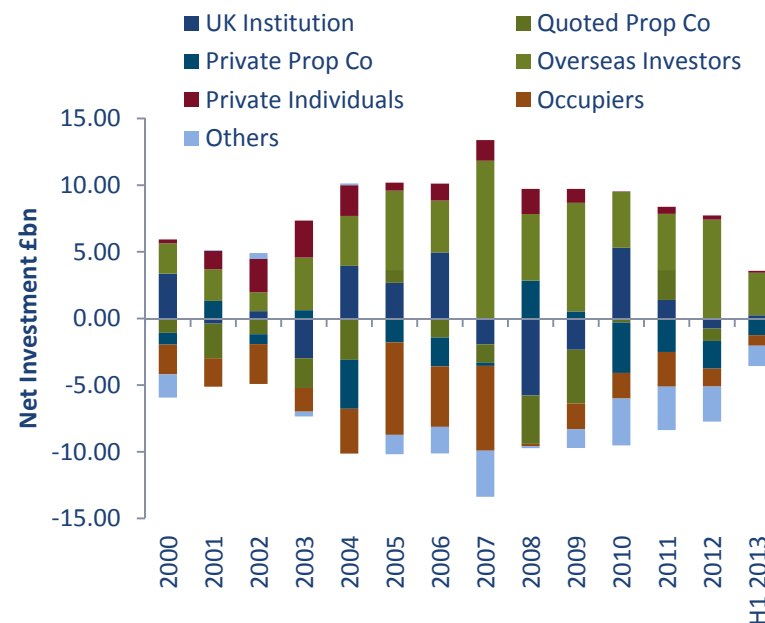
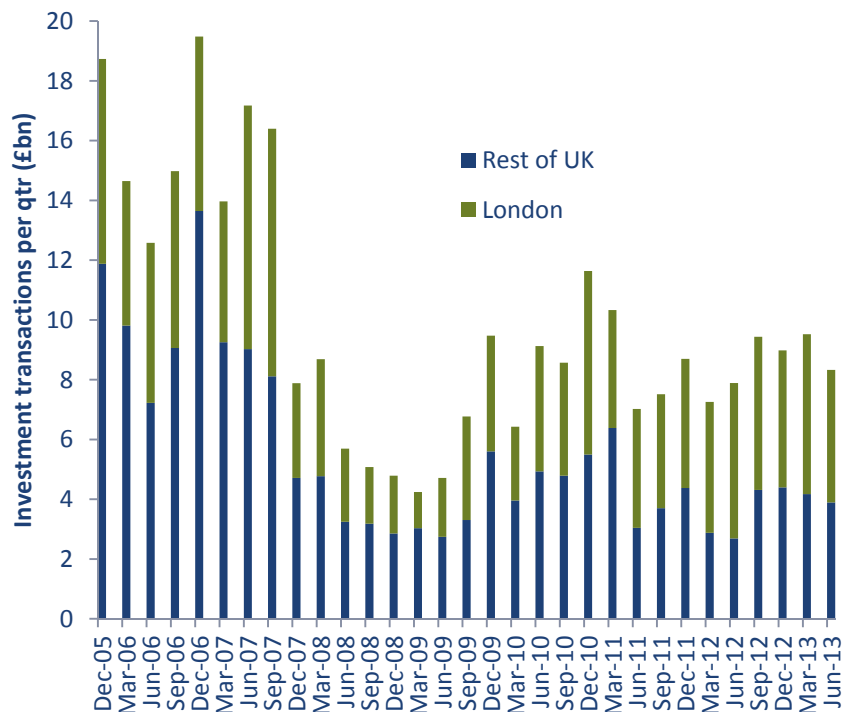
- The IPD Quarterly Index recorded a total return of 3.0% in H1 2013;
- Performance was driven entirely by income return of 3.0% although capital values recovered to grow by 0.4% in Q2;
- Central London shops, West End offices and supermarkets delivered the strongest total returns in 2013;

- Offices outside London and shops outside the South East were at the other end of the spectrum;
- The performance and immediate prospects of prime and secondary assets remain polarised;
- The income return property continues to deliver should offer investors some comfort. Whilst maintaining that income at the present time is challenging, the attractions of property as an asset class are now feeding through to increased investor demand.

Investment Volumes



ASSET MANAGEMENT



- Investment volumes stand at circa £18bn for H1 2013 with a further £5bn already traded in Q3;
- Global investors remain the major net buyers and continued to favour Central London against the wider UK markets;
- There remains a dearth of good quality prime or investment grade stock coming to the market as owners opt to retain their strongest assets, especially those located inside London and the South East;
- There are substantial amounts of capital now targeting the asset class, attracted by the high income yield available.

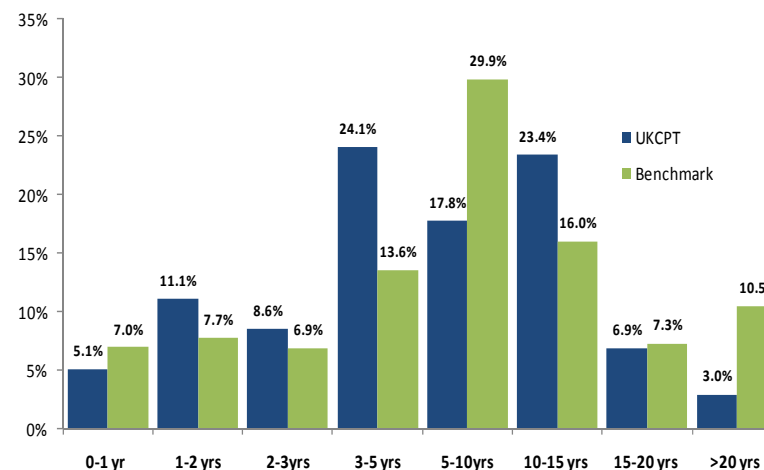
Portfolio Structure



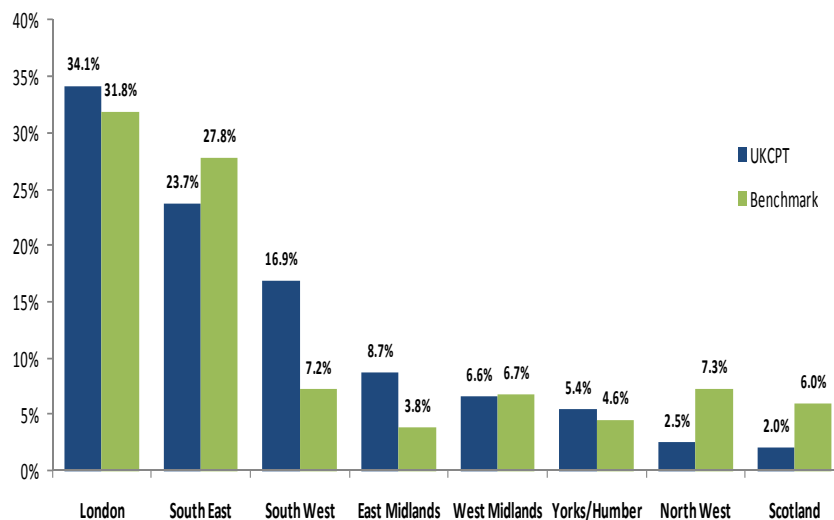
ASSET MANAGEMENT

	Jun 2013	Dec 2012
■ Direct portfolio value	£1,025.2m	£1,021.7m
■ No of properties	43	43
■ No of tenancies	342	342
■ Annualised Rental income*	£70.1m	£72.0m
■ Estimated rental value (ERV) **	£72.8m	£71.8m
■ Net Initial Yield	6.2%	6.5%
■ Reversionary yield***	6.7%	6.7%
■ Void levels (% of income and excl dev)	5.6%	4.8%
■ Gearing (Investment Policy limit 25%)	21.6%	21.3%
■ Weighted Average Lease Length	8 yrs 3mths	8yrs 3mths

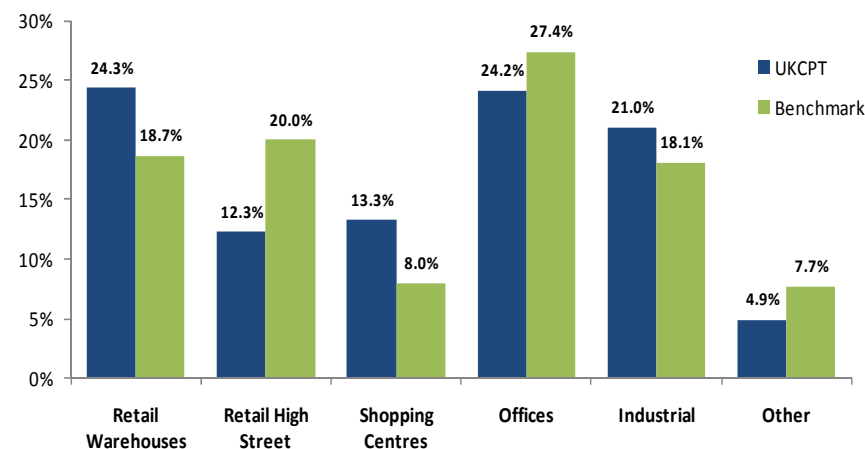
Lease Expiry Profile by Income #



Geographical breakdown by Value #



Sector breakdown by Value #



* After Rent Free Periods **Reversionary income: A change in income that will arise following a rent review or renewal of a lease or re-letting of a property.

***Reversionary yield is the anticipated yield which the initial income yield will move to once the rent reaches the estimated rental value; it is calculated by dividing the ERV by the valuation.

Source: all figures Ignis Real Estate at Q 2 2013 and IPD Quarterly & Monthly Benchmark Report Jun 2013

Top 10 Properties



ASSET MANAGEMENT

Property	Sector	Value Range
The Parade, Swindon	Shopping Centres	£60-70m
Great Lodge Retail Park, Tunbridge Wells	Retail Warehouse	£50-60m
Junction 27, Birstall, Leeds	Retail Warehouse	£50-60m
176/206 Kensington High Street, London	South East High Street Retail	£50-60m
The Rotunda Leisure Scheme, Kingston upon Thames	Leisure	£50-60m
Kew Retail Park, Richmond, London	Retail Warehouse	£40-50m
St George's Retail Park, St George's Way, Leicester	Retail Warehouse	£40-50m
15 Great Marlborough Street, London	Office – West End	£30-40m
Ocado Distribution Unit, Hatfield	Distribution Warehouse	£30-40m
Darwin Centre, Raven Meadows, Shrewsbury	Shopping Centres	£30-40m
Dolphin Estate, Sunbury-on-Thames	Industrial	£30-40m



Top 10 Tenants



ASSET MANAGEMENT



Tenant	%	IPD IRIS Category	Average Weighted Lease Expiry
GOVERNMENT	6.3%	Negligible	Mar-20
B & Q PLC	5.8%	Negligible	Dec-27
SONY COMPUTER ENTERTAINMENT EUROPE LTD	4.0%	Low	May-16
DSG RETAIL LIMITED	3.9%	Negligible	Dec-23
OCADO LIMITED	3.7%	Low	Sep-32
ARGOS LIMITED	2.8%	Negligible	Jan-18
ODEON CINEMAS LTD	2.7%	Negligible	Sep-27
MARKS & SPENCER PLC	2.6%	Negligible	Mar-18
NEXEN PETROLEUM UK LIMITED	2.3%	Negligible	Jun-15
BT PLC	2.2%	Negligible	May-18



Portfolio Valuation – Top 5 Performers



ASSET MANAGEMENT

Property	Sector	Capital Growth		Total Return		Comment
		Fund	B'Mark*	Fund	B'Mark*	
176/206 Kensington High Street, London, W8	South East (Central London) High Street Retail	6.3%	1.4%	10.2%	4.1%	Positive yield shift and asset management for a well located asset in a strong sub-sector.
Craven House, Fouberts Place, London, W1	West End Office	25.2%	3.3%	28.2%	5.4%	Positive yield shift and ERV growth for a well located asset in a strong sub-sector.
13 Great Marlborough Street, Soho, London, W1	West End Office	10.4%	3.3%	13.4%	5.4%	Positive yield shift and ERV growth for a well located asset in a strong sub-sector.
15 Great Marlborough Street, Soho, London, W1	West End Office	4.8%	3.3%	7.5%	3.3%	Positive yield shift and ERV Growth for a well located asset in a strong sub-sector.
Dolphin Ind Estate, Sunbury on Thames	South East Industrials	5.8%	0.5%	7.5%	3.7%	Successful asset management initiatives.

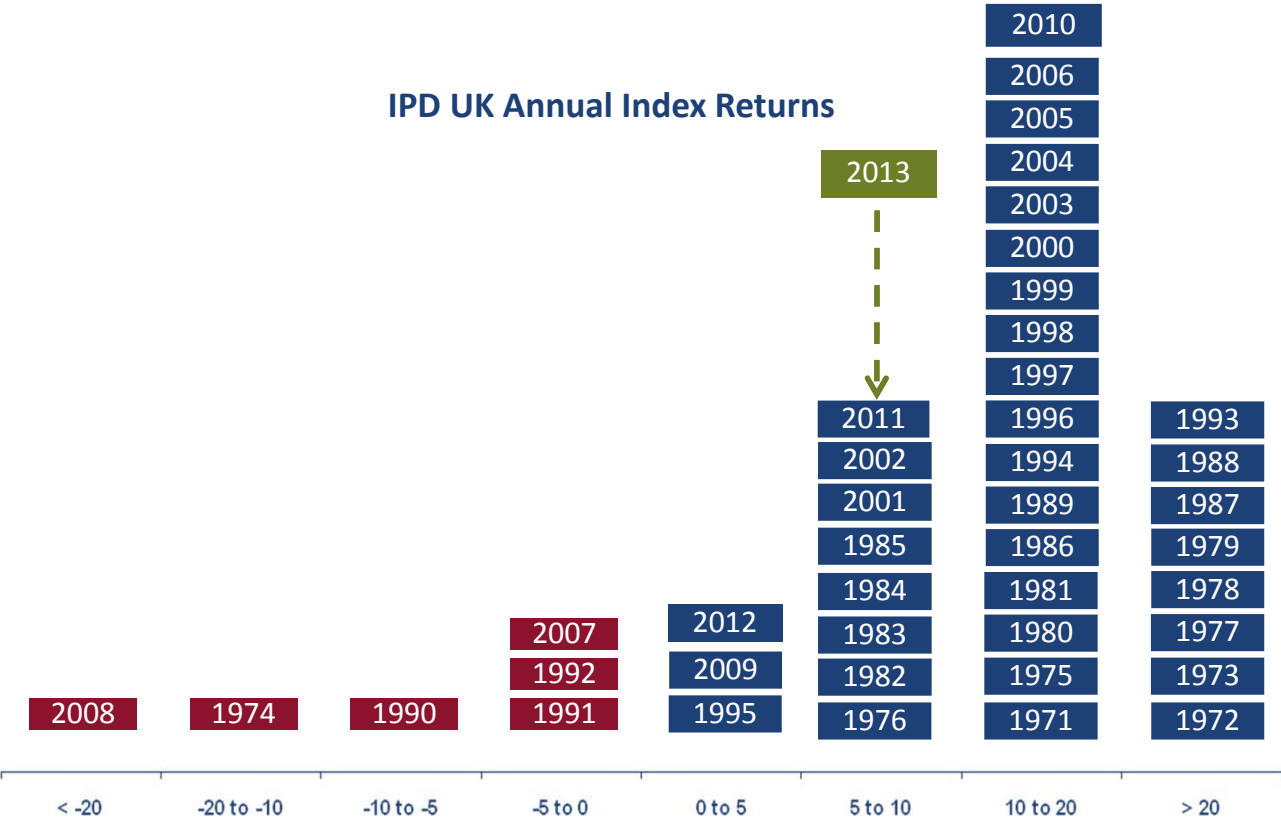
* IPD Quarterly & Monthly Benchmark Report June 2013

2013: positive performance to continue



ASSET MANAGEMENT

36 of last 42 years delivered positive total returns



Source: Ignis and IPD Annual Index/Schroders (to end 2012).

UKCPT Debt



ASSET MANAGEMENT

Lloyds Facility

- £80m facility agreed with Lloyds TSB Banking Group in June 08;
- Current Margin - 60 bps above Libor;
- Matures June 2015;
- Fully drawn down with interest rates swaps covering full £80m to mitigate interest rate risk;
- All covenants comfortably met.

Barclays Facility

- £150m seven year facility agreed in May 2011;
- Ratcheted margin depending on LTV levels of between 160-200 bps above Libor;
- Fully drawn down at a margin of 170 bps above Libor;
- Interest rate swaps covering full £150m to mitigate interest rate risk;
- All covenants comfortably met.

Lowly geared at an attractive blended interest rate

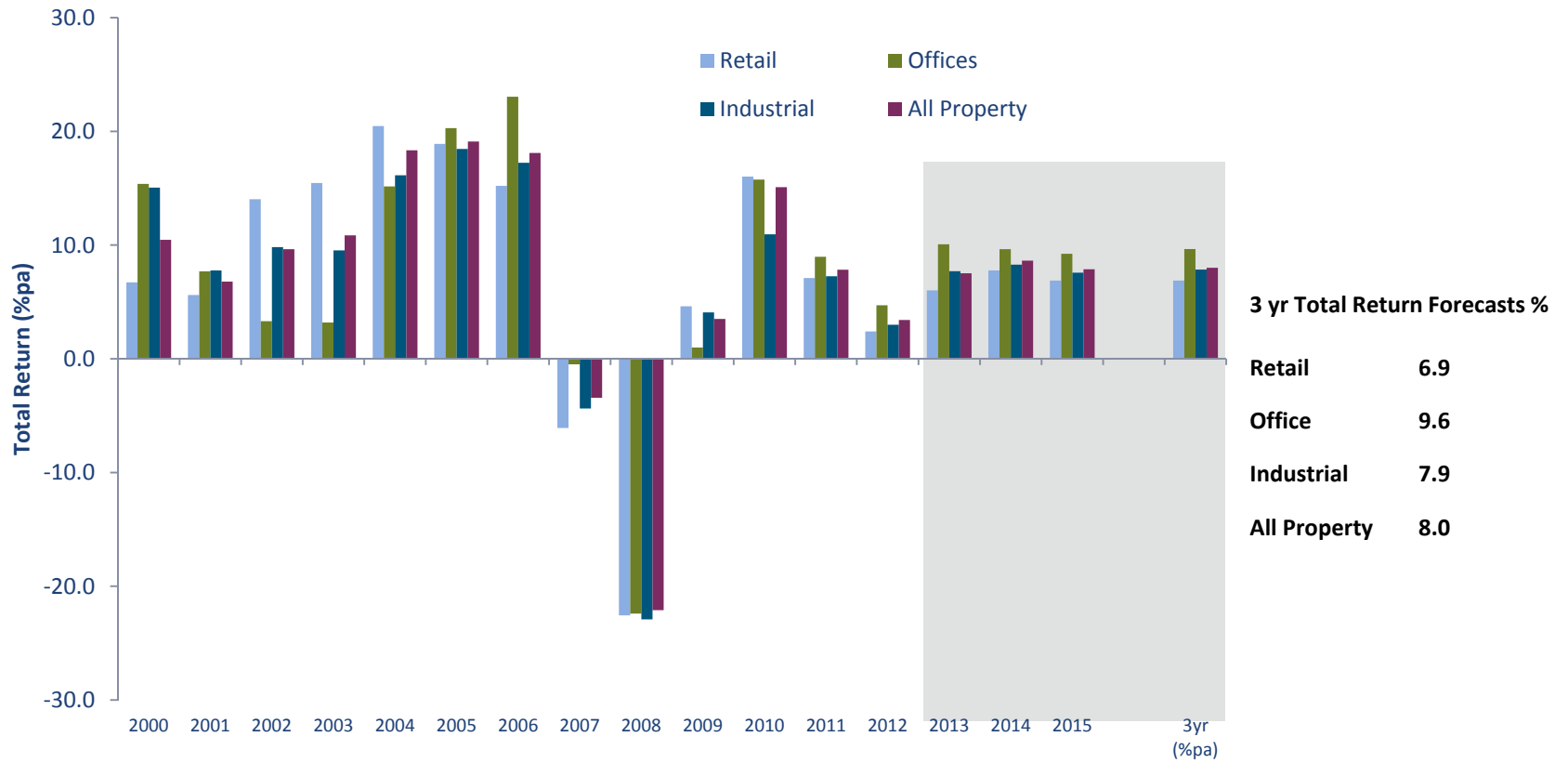


**UK COMMERCIAL
PROPERTY TRUST**

Forecasts



ASSET MANAGEMENT



Average forecasts driven by income return



ASSET MANAGEMENT

All Property (%pa)	Rental Value Growth			Capital Value Growth			Total Return		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
Ignis*	1.3	1.8	2.6	1.9	3.0	2.3	7.5	8.6	7.9
IPF Consensus	0.3	1.2	1.9	-0.2	1.4	2.1	5.7	7.4	8.2

Ignis Forecasts (%pa)	2013	2014	2015
Rental Value Growth			
Retail	0.8	1.2	2.0
Industrial	0.2	1.4	2.0
Offices	3.4	3.3	4.2
Total Return			
Retail	6.0	7.8	6.9
Industrial	7.7	8.3	7.6
Offices	10.1	9.6	9.2

Portfolio Performance driven by Asset Management



ASSET MANAGEMENT

	3 months		12 months		3 years		5 years	
	Fund	IPD B'Mark	Fund	IPD B'Mark	Fund	IPD B'Mark	Fund	IPD B'Mark
Total Return	1.8	1.9	3.5	4.4	5.3	5.9	3.6	2.1
Income Return	1.6	1.5	6.8	6.0	6.7	6.0	7.0	6.3
Capital Growth	0.2	0.4	-3.1	-1.6	-1.3	-0.1	-3.2	-4.0
Fund Percentile Rank	54		61		53		20	

Shorter term performance undermined by acquisition costs and shopping centre exposure

	5 years Total Return (% pa)			Attribution of Relative Returns v IPD	
	Fund	IPD B'Mark	Relative	Sector allocation	Property performance
Retail	3.1	2.0	1.0	0.0	0.0
Office	4.5	2.0	2.4	-0.4	1.4
Industrial	4.5	2.0	2.5	0.0	0.4
All Property	3.6	2.1	1.4	-0.4	1.8

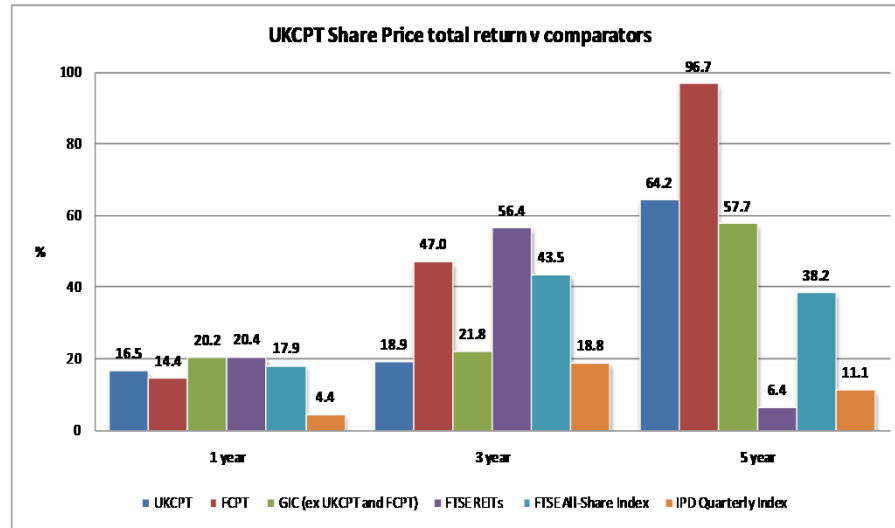


UK COMMERCIAL
PROPERTY TRUST

Share Price and NAV Performance

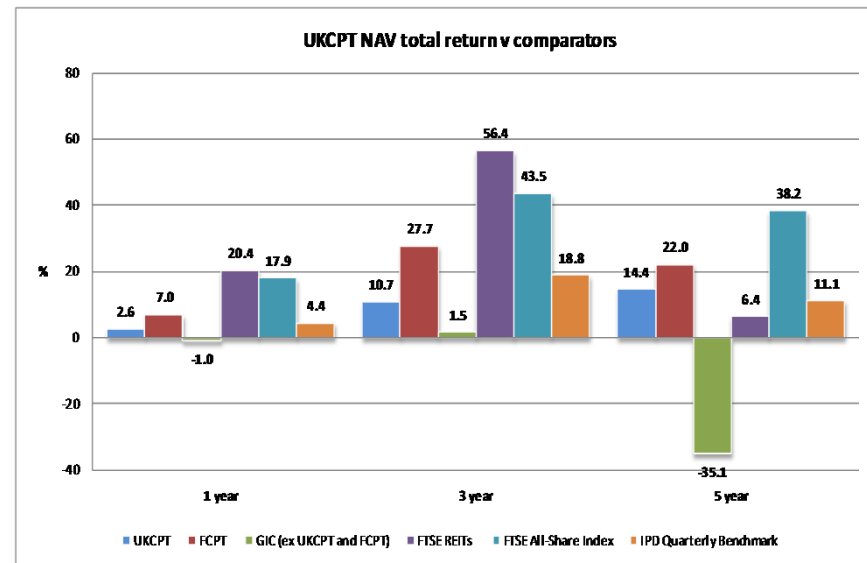


ASSET MANAGEMENT



- Strong share price performance over all periods.

- Positive NAV performance over difficult economic cycle.



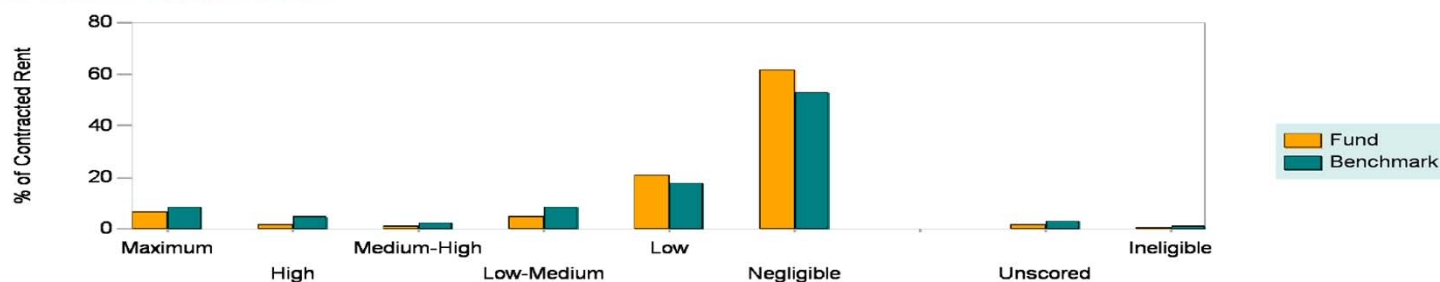
Rent Collection Performance & Covenant Strength



ASSET MANAGEMENT

UKCPT*	Q2 Jun 11	Q3 Sept 11	Q4 Dec 11	Q1 Mar 12	Q2 Jun 12	Q3 Sept 12	Q4 Dec 12	Q1 Mar 13	Q2 Jun 13
Within 7 Days	94.81%	99.33%	99.57%	93.93%	95.24%	99.33%	97.75%	97.28%	95.59%
Within 28 Days	99.18%	99.91%	99.77%	99.91%	96.99%	99.90%	99.92%	99.70%	99.53%

% of Income by Risk Band



	Maximum	High	Med-High	Low-Med	Low	Negligible	Unscored	Ineligible	Percentile Rank	Wtd Risk Score
Fund	6.83	1.91	1.41	5.23	21.09	61.81	1.70	0.02	14.26	86.29
Benchmark	8.71	4.83	2.56	8.67	18.00	52.88	2.94	1.41	48.60	79.20

- Average rent collection over last 24 months – 99.42%**
- Portfolio ranked in top quartile for covenant strength.



**UK COMMERCIAL
PROPERTY TRUST**

*Source :JLL/IPD Iris 30 June 2013

** Within 28 days

Directors & Advisors



ASSET MANAGEMENT

Directors

- Christopher Hill, Chairman
- Christopher Fish, Audit Committee Chairman
- Ken McCullagh
- John Robertson
- Andrew Wilson

Investment Manager

Ignis Investment Services Limited

Robert Boag

robert.boag@ignisasset.com - Telephone 0141 222 8011

Graeme McDonald

graeme.mcdonald@ignisasset.com -Telephone 0141 222 8606



**UK COMMERCIAL
PROPERTY TRUST**

Directors & Advisors (cont)



ASSET MANAGEMENT

Administrator, Secretary and Registrar	Investment Manager	Property Valuer
Northern Trust International Fund Administration Services (Guernsey) Limited	Ignis Investment Services	CB Richard Ellis Limited
Independent Auditors	Guernsey Legal Advisors	UK Legal Advisors
Ernst & Young LLP	Ozannes	Dickson Minto W.S. Maples Teesdale
Principal Banker	Principal Lenders	Corporate PR Advisor
Barclays Bank Plc	Barclays Bank Plc and Lloyds Banking Group	FTI Consulting
Corporate Broker	Marketing Advisors	Registered Office
JP Morgan Cazenove	GR Consulting	Trafalgar Court Les Banques St Peter Port Guernsey



**UK COMMERCIAL
PROPERTY TRUST**



This presentation is for professional clients and investment professionals only and should not be relied upon by retail clients.

This document does not constitute or form part of any offer or solicitation to issue, sell, subscribe or purchase any investment, nor shall it or the fact of its distribution form the basis of, or be relied on in connection with, any contract for the same.

Past performance is not a guide to future performance.

The value of the investments and any income from them can fall as well as rise and is therefore not guaranteed.

Property investments are relatively illiquid compared to bonds and equities and can take a significant length of time to trade. Under exceptional circumstances this could lead to a temporary suspension of dealing in the fund. The value of property is determined by independent experts and is based on opinion rather than fact. Its value and any income from it can fall as well as rise and is not guaranteed.

Ignis Asset Management is the trading name of the Ignis Asset Management Limited group of companies which includes Ignis Asset Management Limited, *Ignis Investment Services Limited and *Ignis Fund Managers Limited. Issued by Ignis Investment Services Limited. Registered in Scotland Number SC101825. Registered Office: 50 Bothwell Street, Glasgow

G2 6HR

***Authorised and regulated by the Financial Conduct Authority.**