



Sirius Real Estate Limited Year end results – March 2011

Providing space for business

key highlights

- New lettings in period of 159,292 sqm (rate psm: €4.41) compared to 106,647 sqm (rate psm: €4.89) for last year
- Occupancy at 76% at 31 March 2011 while average rate per sqm is €4.13 per sqm
- Improved cost recoveries and reductions of €1.8m in the year
- Recurring PBT: €2m* (excluding prior year write-offs)
- Conference & Catering contribution increased by over 160% to €776k
- Adjusted NAV per share 72.85c**
- EBITDA from recurring revenues excluding prior period write-offs was €20.7m (2010: €18.0m)

* Excluding property revaluation, change in fair value of derivative financial instruments, costs relating to the requisitioned EGM and write-downs relating to prior period service charge collections and tenant debtors.

** Excludes deferred tax and financial derivative instruments

72.85c

adjusted NAV per share

159,292

sqm lettings

76%

occupancy

- 159,292 sqm let for period to 31 March 2011 at an average rate of €4.41 per sqm, creating an annualised rent roll of additional €8.4m
- 123,768 sqm of move outs in period (Siemens; 24,121 sqm)
- Currently now averaging more than 950 fresh enquiries per month compared to 521 in previous period
- Post year end lettings of more than 16,500 sqm at an average rate in excess of €5.50 psm (additional €1.1m income) *

* For period 1st April – 31st May 2011

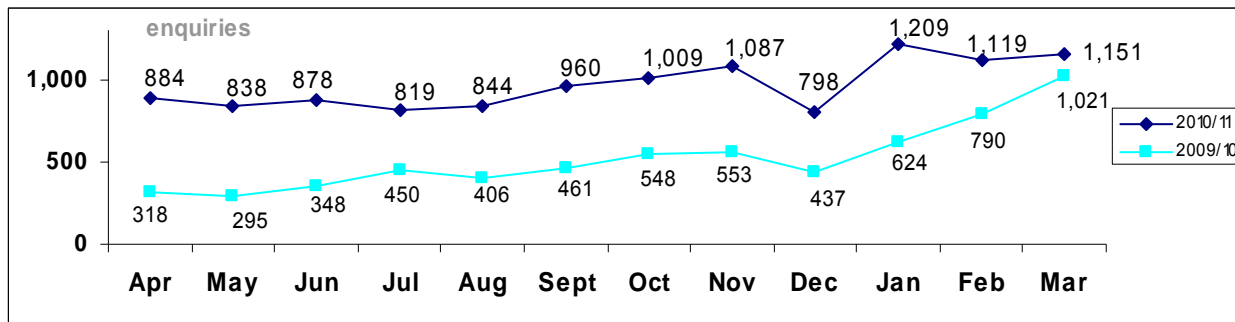
49%

increase in the number of
new lettings compared to
same period last year

>950

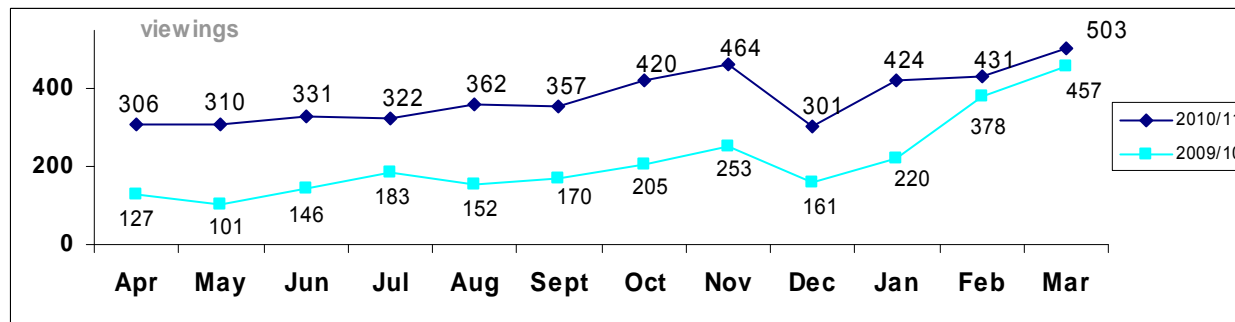
enquiries per month

enquiry & viewing stats



enquiries

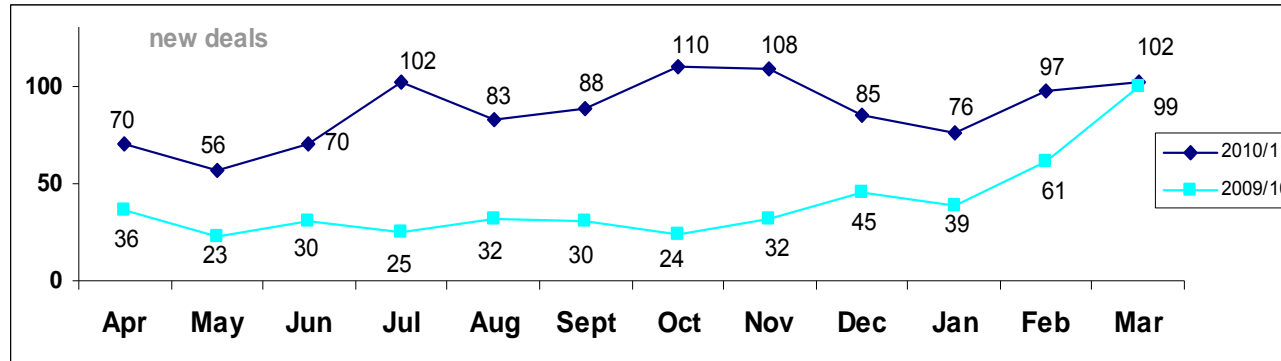
average per month	
12 months to Mar 10	521
12 months to Mar 11	966



viewings

average per month	
12 months to Mar 10	213
12 months to Mar 11	378

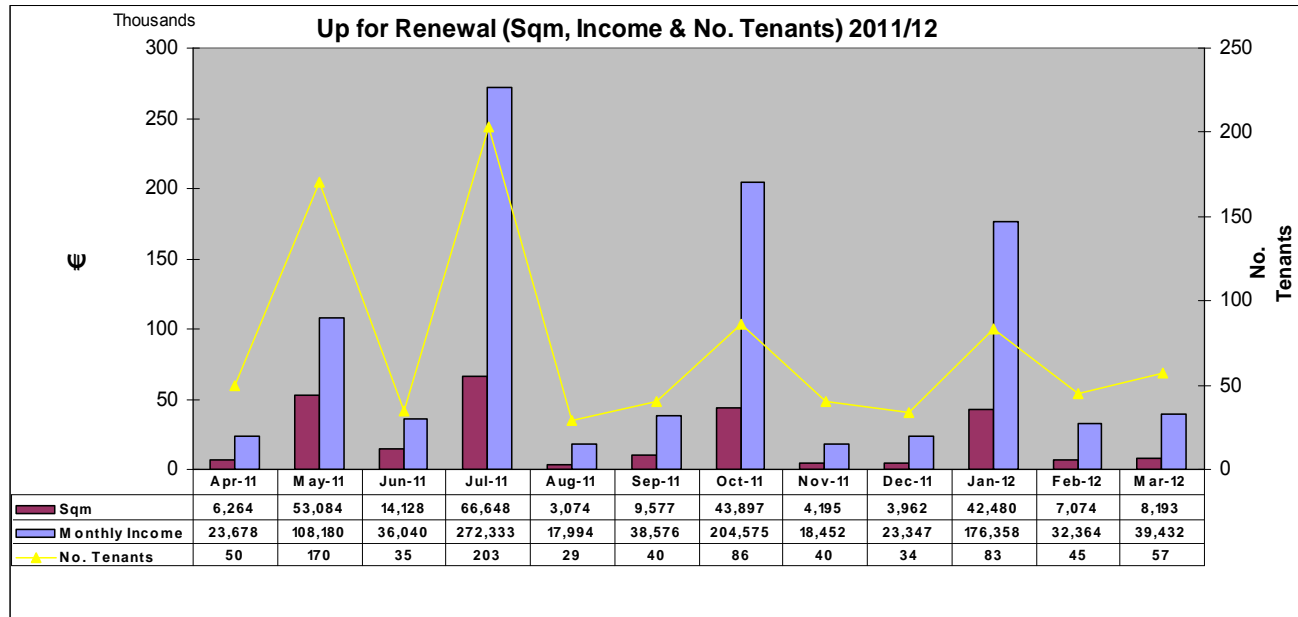
new deals analysis



new deals

average per month	
12 months	12 months
to Mar 10	to Mar 11
40	87

renewals analysis → 2011/12



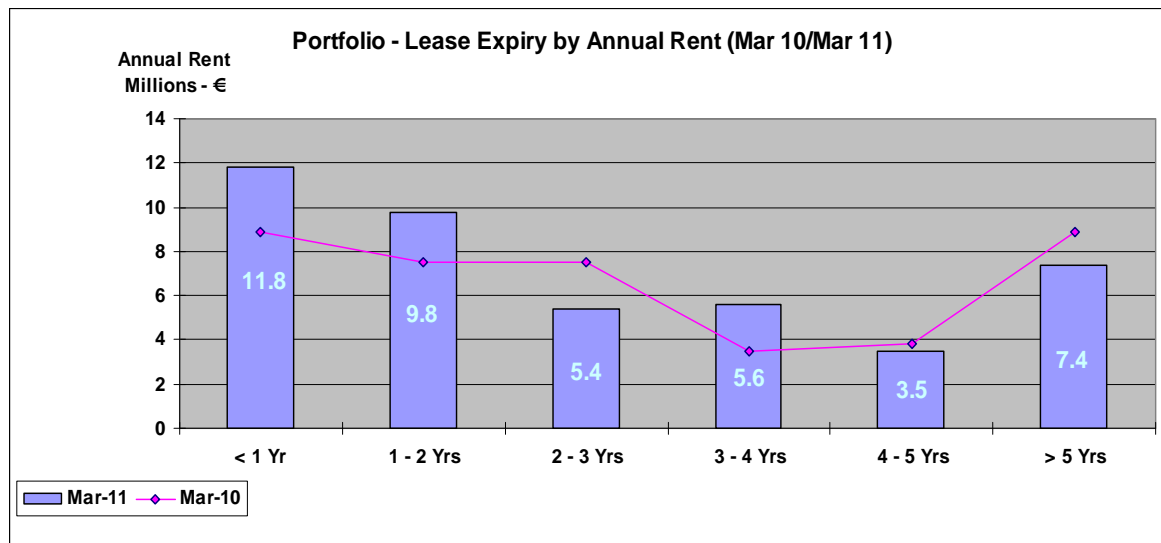
up for renewals

Sqm:
262,576

Annual Income:
€11,841,874

No. tenants:
872

portfolio analysis – lease expiry



Rent Roll as @ 31 Mar 11:
€43.6m (Mar 10: €41.9m)

Total no. of tenants: 1,521

Average lease length
remaining: 3.1 yrs

Average space let per tenant:
883 sqm*

Total portfolio sqm: 1.15m

41% increase in the number of
customers since April 2009 **

* Excluding smartspace tenants, car parking, outside space

** Excluding smartspace tenants

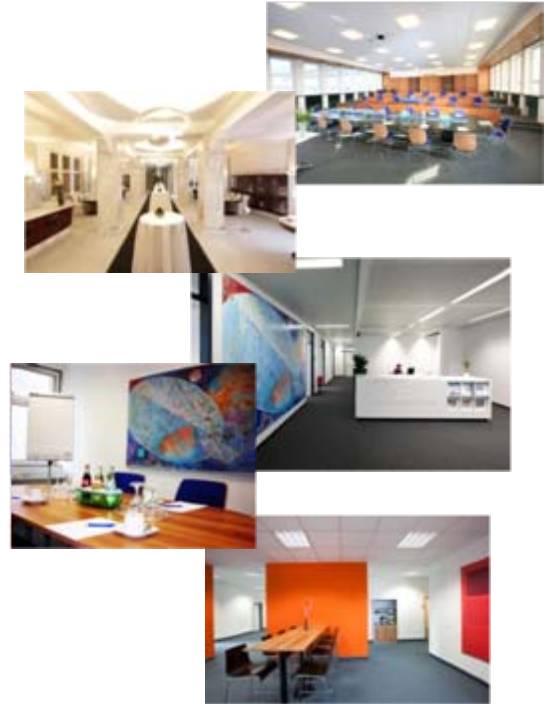
smartspace update

- smartspace product now available on 17 sites (Mar 10: 12 sites)
- 16,364 sqm now let (Mar 10: 5,500 sqm) at an average rate of €9.01 psm (Mar 10: €9.11)
- 32,199 sqm now converted to smartspace (Mar 10: 10,200 sqm)
- A new low cost storage solution – Flexilager



conferencing & catering

- 4,482 sqm of conferencing space across 18 sites
- Generated €776k annual net income in period (Mar 2010: €296k)
- Secured deals with five blue chip companies for 2011 with expected income of circa €200k (including: Commerzbank AG, Siemens Enterprise, AXA AG)
- Significant potential to increase revenues by fully leveraging this business opportunity



cost saving initiatives

- Significant reductions on facility management & utilities negotiated
- €1.8m savings generated in the period and €1.0m expected next period through:
 - Service charge prepayments increased
 - Facility management allocation matrix introduced
 - Heating metering programme completed
- Overheads reduced

irrecoverable service charge €m		
	2011	2010
Prepayments	26.0	20.8
balancing	0.6	4.0
costs	(35.4)	(34.1)
Not recovered	8.4	9.4

financials – recurring adjusted profit before tax



	12 months to March 11	12 months to March 10	Movement
	€m	€m	€m
rental income	44.7	43.8	0.9
s/charge irrecoverable costs	(8.4)	(9.4)	1.0
non-recoverable maintenance	(1.2)	(1.0)	(0.2)
net rental income	35.0	33.3	1.7
management fees	(4.6)	(4.6)	0.0
corporate costs and overheads	(9.6)	(10.4)	0.8
recurring EBITDA	20.7	18.3	2.4
net financial expense	(17.9)	(17.6)	(0.3)
depreciation	(0.9)	(0.6)	(0.3)
profit before tax exc. prior year costs	2.0	0.1	1.8
prior year write off & s/charge balancing	(3.0)	0.6	(3.5)
recurring (loss)/profit before tax*	(1.0)	0.7	(1.7)

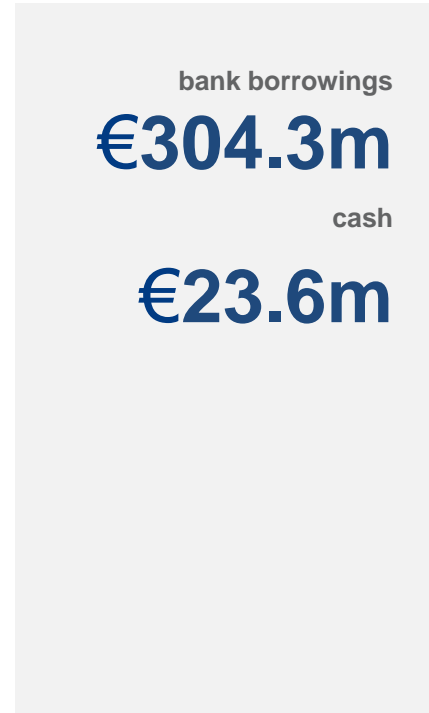
* Excluding property revaluation, change in fair value of derivative financial instruments, costs relating to the requisitioned EGM

financials – statement of financial position

	As at March 11 €m	As at March 10 €m	Movement €m
non-current assets			
investment properties	505.5	500.0	5.5
other fixed assets	4.7	4.8	(0.1)
	<u>510.2</u>	<u>504.8</u>	<u>5.4</u>
current assets			
trade and other receivables	7.5	12.2	(4.7)
cash and other equivalents	23.6	33.4	(9.8)
	<u>31.1</u>	<u>45.6</u>	<u>(14.6)</u>
total assets	<u>541.3</u>	<u>550.4</u>	<u>(9.1)</u>
current liabilities			
trade and other payables	(17.9)	(18.8)	1.0
bank loans	(7.7)	(6.9)	(0.8)
	<u>(25.5)</u>	<u>(25.7)</u>	<u>0.1</u>
non-current liabilities			
bank loans	(294.5)	(300.9)	6.4
other non-current liabilities	0.0	(0.5)	0.5
	<u>(294.5)</u>	<u>(301.4)</u>	<u>6.8</u>
total liabilities	<u>(320.1)</u>	<u>(327.1)</u>	<u>7.0</u>
adjusted net assets	<u>221.2</u>	<u>223.3</u>	<u>(2.2)</u>
non-controlling interest	(1.0)	(0.8)	(0.2)
adj net assets att.to equity holders	<u>220.2</u>	<u>222.5</u>	<u>(2.4)</u>
adjusted NAV per share	<u>72.85c</u>	<u>73.63c</u>	

banking

- Bank borrowings as at 31 March 2011: €304.3m
- Weighted average interest rate of this debt: 5.3%
- Cash at 31 March 2011: €23.6m
- Total consolidated LTV (ex cash): 60.2%
- Unencumbered assets of €40.2m



bank borrowings
€304.3m
cash
€23.6m

property valuations

- Portfolio valued at €505.5m at 31 March 2011 (2010: €500.0m)
- Capex reduced to €5.9m in the year (2010: €27m)
- Valued on an average net yield of 7.0%
- Value per m² of €438 (2010: €434)

revaluation
€505.5m
occupancy
76%

bank loan covenants

	DTZ Valuation*	Net Rent	Current Loan	Annual Interest	LTV		ICR	
					Current	Covenant	Current	Covenant
<u>RBS</u>								
<i>Consolidated</i>	130,700,000	7,379,777	92,837,712	5,501,893	71%	85%	1.34	1.25

	DTZ Valuation**	Net Rent	Current Loan	Annual Interest + Amortisation	LTV		DSCR	
					Current	Covenant	Current	Covenant
<u>BerlinHyp</u>								
<i>Portfolio / +//+ ///</i>	332,600,000	26,262,954	210,961,816	17,696,464	63%	77%	1.48	1.10

* DTZ Bank Valuation Sept 10

** DTZ Valuation Mar 11

- Continued strong letting performance driven occupancy to 76% with potential further increases
- Excellent progress on cost reduction and improved recoverability
- Successfully extended range of services to meet tenants' requirements
- German economy looking robust for 2011