



rugby estates plc

www.rugbyestates.plc.uk

Results: Six months to 31st July 2009

David Tye

Andrew Wilson

Steve Jones

Executive Chairman

Chief Executive

Finance Director

Shareholder and analyst presentation
October 2009

Our Objective

31st July 2009

This is to maximise shareholder value. We aim to achieve this through the growth of our asset management business and through returning cash to shareholders following the disposal of our directly held property portfolio by 2013/2014.

The logo for rugbyCapital, featuring the word "rugby" in a lowercase, thin, sans-serif font, followed by "Capital" in a larger, uppercase, thin, sans-serif font.The logo for ram rugby asset management, featuring the lowercase letters "ram" in a bold, blue, sans-serif font. Below "ram" is the text "rugby asset management" in a smaller, blue, sans-serif font.

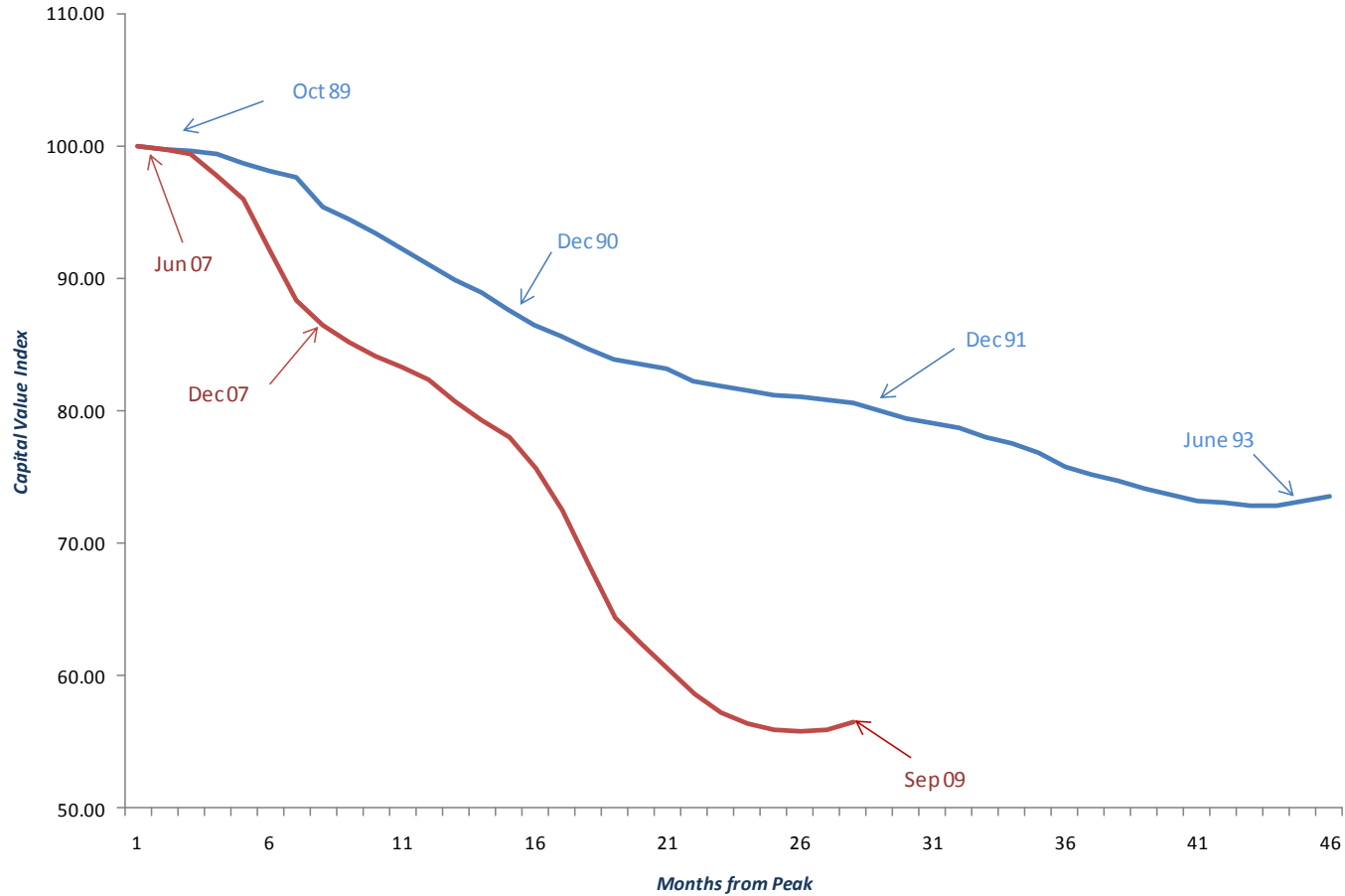
How We Operate

31st July 2009

- Based at the heart of the property industry in Mayfair, London
- Focused team of 14 people
- Two business divisions— directly held portfolio and third party asset management appointments
- Day to day operational asset management outsourced to experienced advisers
- Close monitoring of assets, projects and risk
- Prudent cost management and financial controls
- Executive Directors closely involved with the day to day running of the business each with a significant and important personal shareholding (17% in total), aligning interests with shareholders
- Advice from specialists taken when required
- Management always available to shareholders, tenants and clients
- Careful appraisal of opportunities to expand our asset management business
- Focus on income and cash flow maximisation to deliver shareholder value

The Market - A Comparison

31st July 2009



Source: IPD/Rugby Estates

Six Month Review

31st July 2009

- Gearing — 0%
- Cash: £4.3m (freely available: £1.5m, restricted balances: £2.8m)
- Revenue profit: £1.085m before impairment charges (£1.8m)*
- Fee income: £1.2m (£4.2m)*
- Pre-tax loss: £116,000 (£15.8m)*
- Profits from property disposals: £123,000 (£0.9m)*
- Unrealised impairment losses on co-investments: £1.117m (£7.3m)*
- £8.5m, 50p per share, returned to shareholders
- Share capital consolidated on the basis of four new ordinary shares of 12.5p for five old ordinary shares of 20p
- Triple net assets per share — 354p (464p restated)* This is based on the underlying share of the estimated net assets of the co-investment vehicles
- Triple net assets per share based on balance sheet value of co-investment: 338p (443p restated)*
- Reduction in NNNAPS attributable to the return of capital of shareholders is 62.5p per share

* Bracketed figures for year to 31st January 2009

Six Month Review

31st July 2009

- **Rugby Capital:**
 - Market value of portfolio: £41.5m (£46m)*
 - Two properties sold realising £1.6m
 - Portfolio value decline of 7.1%
 - UK commercial property market over the same period fell by 10.6%

- **Rugby Asset Management:**
 - Fee income: £1.2m (£4.2m)*
 - Three co-investment management mandates:
 - ING Covent Garden Limited Partnership
 - O Twelve Estates Limited
 - Rugby Estates Investment Trust Plc
 - Circa £350m under management
 - No acquisitions or disposals

* Bracketed figures for year to 31st January 2009

Financial Review

31st July 2009

	Half Year Ended 31/07/09 (£m)	Year Ended 31/01/09 (£m)
Sales of Properties	1.624	2.4
Rental Income	1.808	3.9
Fees Receivable	1.200	4.2
Revenue	4.632	10.5
Revenue Items	1.085	1.8
Portfolio Sale Profit	0.123	0.9
Portfolio NRV write-downs	-	(11.2)
Impairment losses on co-investments	(1.117)	(7.3)
Return of capital costs	(0.207)	-
(Loss) before taxation	(0.116)	(15.8)
Net Cash	4.320	10.9
Net assets — per balance sheet	51.5	60.0
Triple net assets	48.3	62.5
Triple net assets per share	354p	464p (restated)

rugbyCapital





Leeds

Cranleigh

Bath

London, SE21

Bridgwater

London, W3

Staines

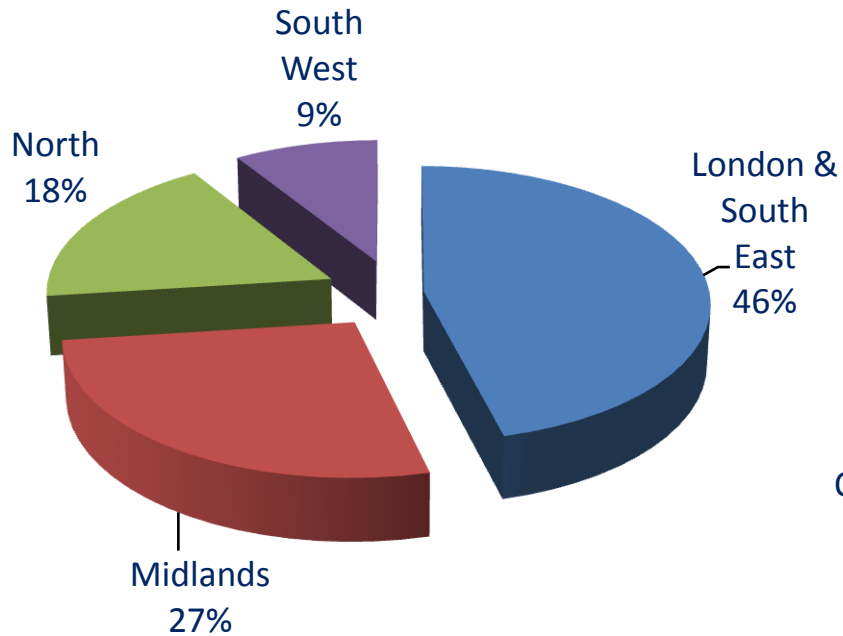
Birmingham

- No acquisitions
- Two disposals in Birmingham and Bridgwater
- Valuation of retained portfolio: £41.5m (£46m)*
- Valuation of portfolio decreased by 7.1%
- UK commercial property market fell 10.6% over the same period
- Portfolio initial yield: 8.35%
- Portfolio reversionary yield: 9.3%
- Current contracted rental income: £3.7m pa ERV: £4.1m pa
- Voids: 6.93% of ERV

* Bracketed figures as at 31st January 2009

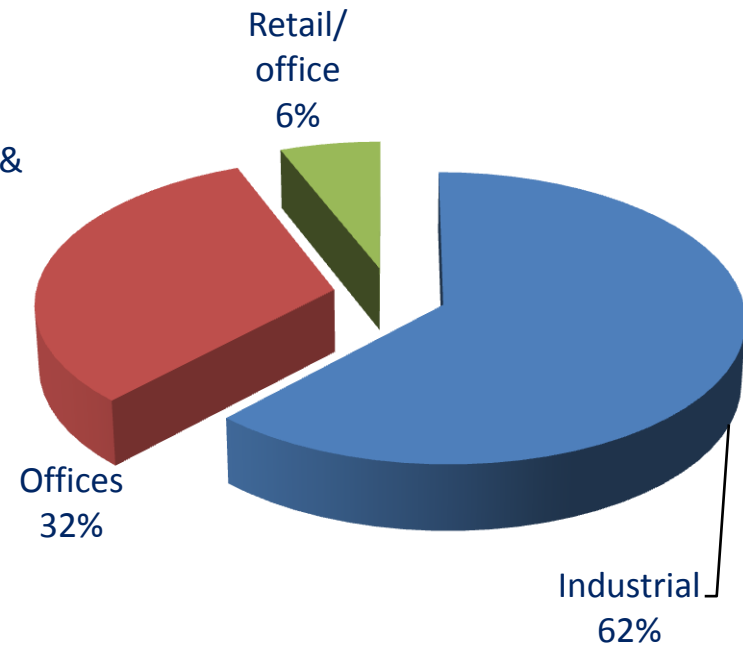
Location

Capital Value: £41.5m

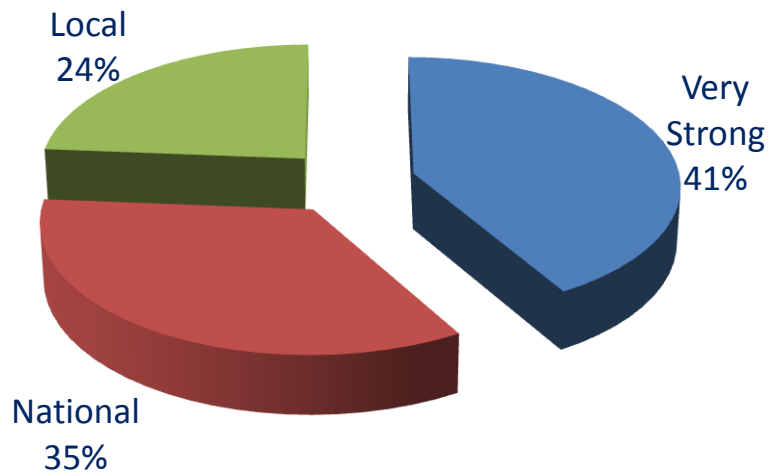


Sector

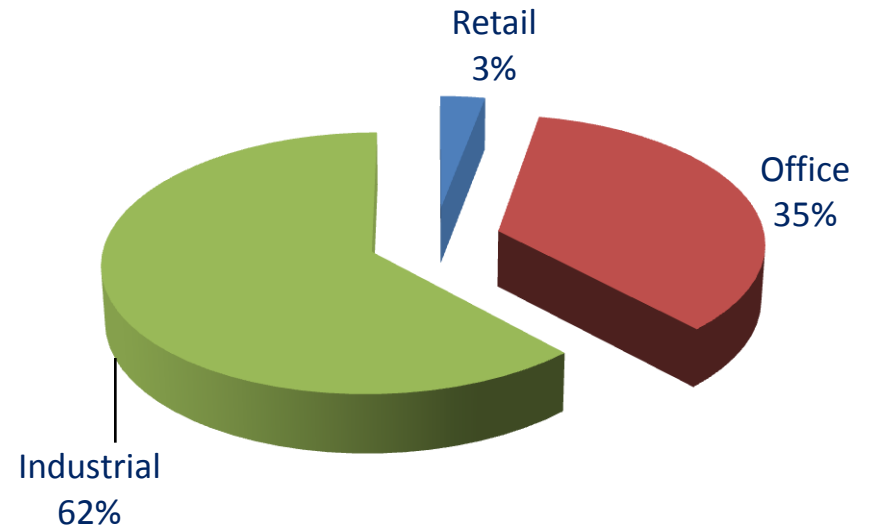
Rental Value: £4.1m pa



Tenant Strength by Contracted Rent

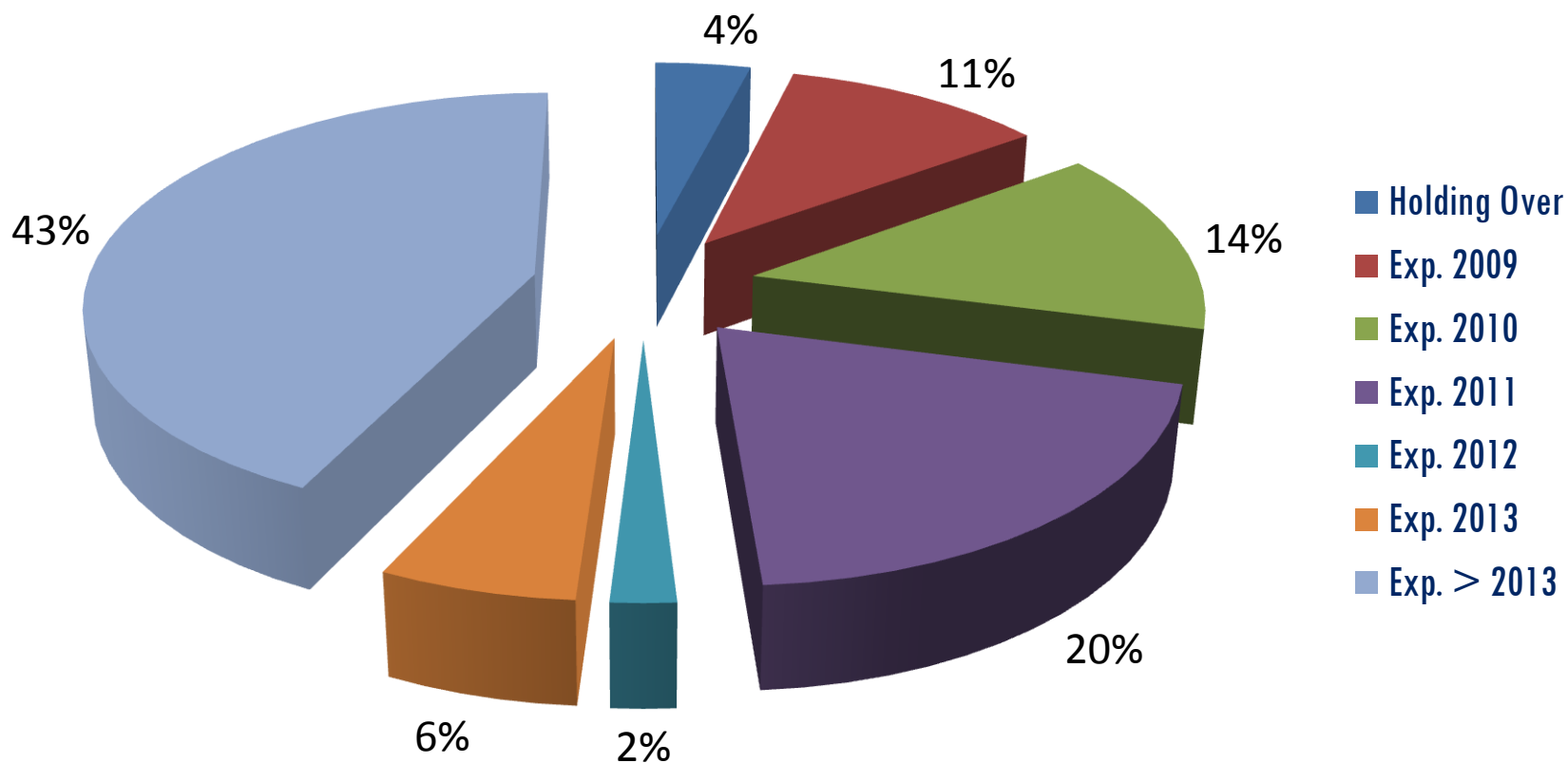


Contracted Rent by Use



Income Expiry Profile

31st July 2009





rugby asset management

Co-Investor & Property Adviser

31st July 2009

- **ING Covent Garden Limited Partnership (6.46%)**

- Balance sheet value: £1.0m
- Triple net assets value: £1.8m
- Winding down



- **O Twelve Estates Limited (5.46%)**

- Balance sheet value: £0.2m
- Triple net assets value: £ nil
- Market value at 10p/share: £0.7m
- Fully invested



- **Rugby Estates Investment Trust Plc (8.47%)**

- Balance sheet value: £1.5m
- Triple net assets value: £3.0m
- Market value at 42.5p/share: £2.1m
- Property acquisition potential



- **Fee income for the half year: £1.2m (year end 31.01.09: £4.2m)**

ING Covent Garden Limited Partnership

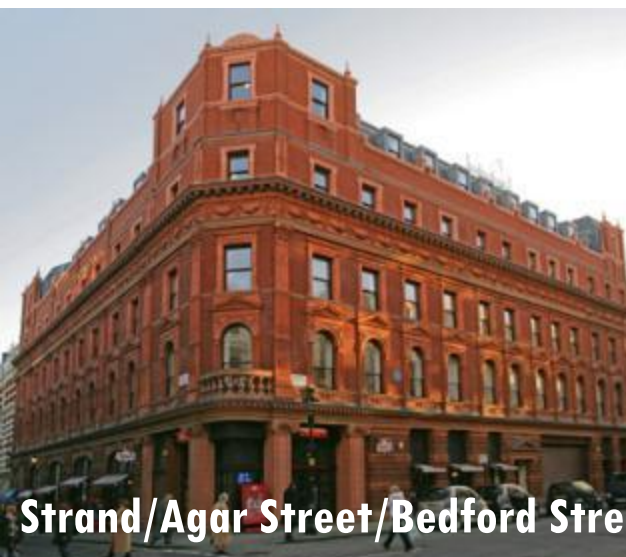
31st July 2009

- Established in March 2002 for 7 years
- Portfolio value: £121m (June 2009)
- Portfolio value: £123 m (September 2009)
- 11 properties, 77 tenants, 86 lettable units, in 211,205sq ft of accommodation
- No acquisitions or disposals
- St Martin's Lane: mixed use development due for completion shortly



ING Covent Garden Limited Key Assets

31st July 2009



Strand/Agar Street/Bedford Street



St Martins Lane



Strand



Strand/Southampton Street



Southampton Street



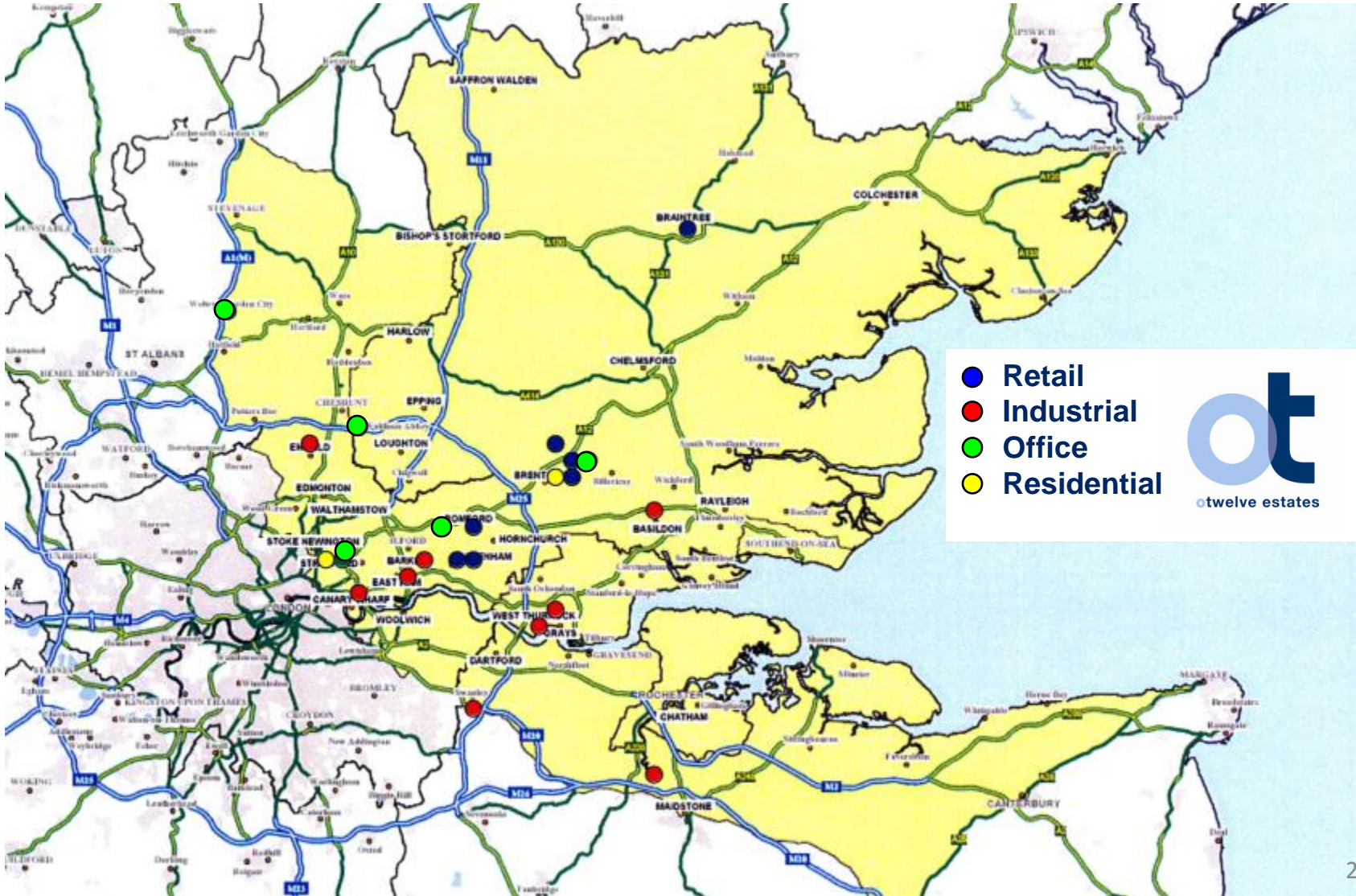
Strand

- Aim listed Guernsey company
- Raised £122m in March 2006
- Target area — East London & neighbouring counties
- Year end results to 31st March 2009:
 - Portfolio value: £173.6m
 - Net liability per ordinary share: 6.03p
- Half year end 30th September 2009: reporting December
- 22 properties, 147 tenants, 205 lettable units in 1.7m sq ft of accommodation
- Successfully restructured loan facilities during period
- Agreed reduction in Rugby management fee to £200,000 per quarter



Target Area

31st July 2009



O Twelve Estates Limited Portfolio

31st July 2009



Romford



West Thurrock

Brentwood



Brentwood



Stratford

Swanley



Aylesford



Rugby Estates Investment Trust Plc

31st July 2009

- Main market listing — May 2007
- Raised £50m in blind fund raising
- Converted into a REIT in January 2008
- Three private property companies acquired in 2007
- Property portfolio diversified by location, sector, capital lot size
- Proven business model
- Half year end results to 30th June 2009 published
 - Portfolio value: £57.1m (30th June 2009)
 - Net asset value per share: 60p (30th June 2009)
- 34 properties, 104 tenants, 138 lettable units, in 405,000 sq ft of accommodation
- Additional financing successfully secured during period
- Rugby management fee: 1% of gross asset value



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Rugby Estates Investment Trust Plc Portfolio

31st July 2009



London, E16



Leeds



London, EC4



Reading



London, WC2



Epsom



Kingston upon Thames

Summary

31st July 2009

	CGLP*	OTE**	REIT Plc***	Total
No. Of Properties	11	22	34	67
No. Of Tenants	77	147	104	328
Floor Area (sq ft)	211,205	1,700,000	405,000	2,316,205
Capital Value (£m) – latest valuation	123.4	173.6	57.1	354.1
Contracted Rent (£m pa)	8.6	14.1	4.5	27.2
ERV (£m pa)	9.1	17.5	5.3	31.1
Rugby's Holding (%)	6.46	5.46	8.47	-

* September 2009

** March 2009

*** June 2009



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Principal Shareholders as at October 2009

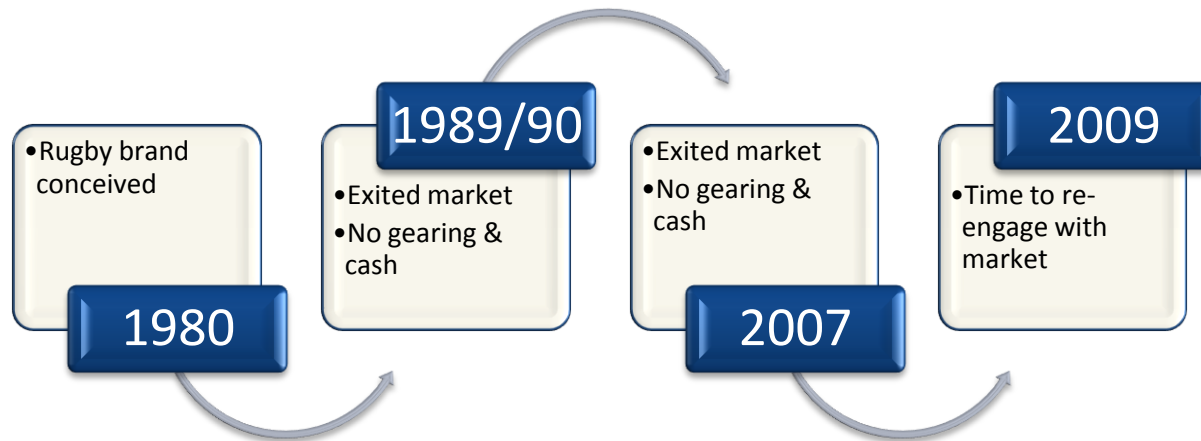
31st July 2009

Investor	Share (%)
Laxey Partners	27.6
Directors (inc. Benefit Scheme)	17.3
M&G Asset Management	8.2
Aberdeen Asset Management	6.6
Thames River Capital/TR Property IT Plc	6.5
F&C Asset Management	5.4
Majedie Asset Management	4.9

Prospects for Rugby

31st July 2009

- Expertise, not balance sheet, to expand our asset management business
- Increasing opportunities with the declining market, particularly with the **rugby**London initiative
- Experience of previous property cycles



- Strength and depth of management team
- Continuing capital distribution to shareholders – disposals pending

Contact

31st July 2009

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