



rugby estates plc

Results 31 January 2006

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**Rugby Estates Plc:** focused on strategic property holdings in London and throughout the United Kingdom, both directly and through co-investment. Our objective is to achieve sustained growth in both dividends and net assets per share.



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“I am delighted to report good progress in all aspects of our business”

**David Tye**  
**Chairman**



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## Financial Highlights

- Pre-tax profit £5.4 million
- Triple net assets per share up 16% at 420p (restated)
- Annual dividend up 10% at 5.68p
- Disposals £21m
- Acquisitions & capex £77m

(Group £23m + £14m for CGLP + £40m for LIP)



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### Portfolio £ million

	31 January 2006	31 January 2005
Directly owned	47	35
Share of associates (LIP)	6	1
Share of investments (CGLP)	11	10
	<u>64</u>	<u>46</u>



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## Portfolio Return \*

- 2005/2006: 24.4% pa
  - Top 10% ranking
  - IPD benchmark 19.4% pa
  
- 2003-2006: 27.6% pa
  - 2<sup>nd</sup> of 211 funds
  - IPD benchmark 15.8% pa

\* Directly owned and share of joint ventures



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## Portfolio Capital Value (£m)

	Total	Properties held	
		Directly	Indirectly
Completed properties	53	37	16
Developments in progress	2	2	~
For future development	9	8	1
	<u>64</u>	<u>47</u>	<u>17</u>



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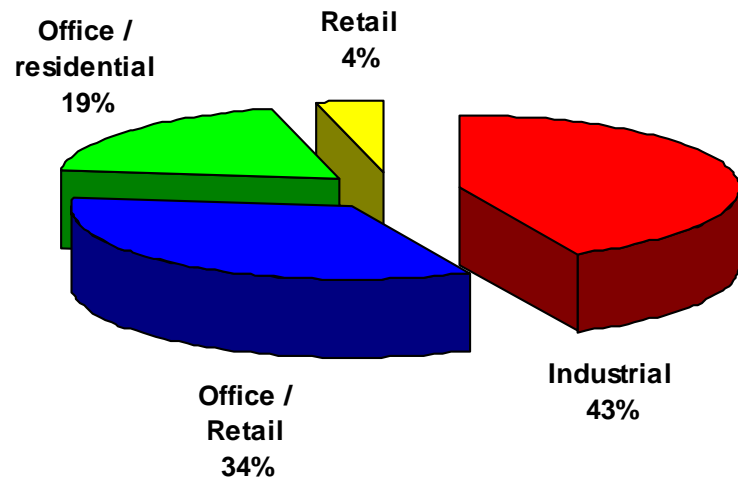
## Rental Income Analysis (£m)

(Completed properties)

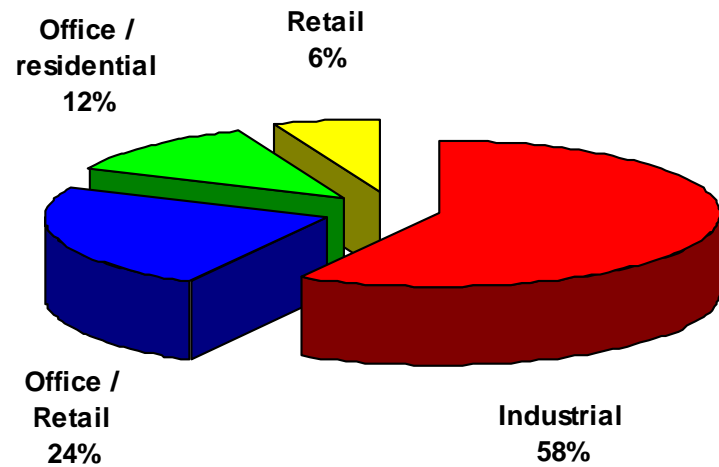
		Properties held	
	Total	Directly	Indirectly
Current income	3.0	2.1	0.9
Available for letting	0.2	0.2	~
Reversions	0.3	0.2	0.1
<b>Rental income</b>	<u>3.5</u>	<u>2.5</u>	<u>1.0</u>
Estimated net income from indirect vehicles			0.3

## Portfolio Analysis – Capital value

31 January 2006



31 January 2005





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<b>Acquisitions 2005/2006</b>	<b>£m</b>
Birmingham, Edgbaston	9
Iconic – Putney, Hackney & development costs	5
Mitcham	2
Leeds, Oxford, Acton, Chepstow	5
Craddock Road development costs	2
<b>Directly owned</b>	<b>23</b>
CGLP – Drury Lane	14
LIP – Ponders End	40
	<u>77</u>



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### Birmingham, Edgbaston

- Portfolio purchase
- £8m
- 7%
- 35,000 sq ft
- 6 tenants





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**Sales 2005/2006** **£m**

Cradock Road, Reading 3

Jewson Industrials 15

Bournemouth 3

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21

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## Cradock Road, Reading



## Rose Kiln Lane, Reading



## Old Christchurch Road, Bournemouth

- £3m
- 5%
- Rack rented
- Profit £600k



## Greyfriars Road, Ipswich

- Trade counter
- Sold to special purchaser
- 50% return on cost





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**Total Portfolio    £64m**

	<b>London</b>	<b>Other</b>
Iconic	12	~
Industrial    - Jewson	6	6
- other	2	8
Retail	3	~
Offices	~	10
CGLP	11	~
LIP	6	~
	<u>40</u>	<u>24</u>



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## Chepstow



## Staines



## Mitcham





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## Rugby Asset Management



### Co-investor and property advisor:

- O Twelve Estates Limited
- ING Covent Garden Limited Partnership
- London Industrial Partnership Limited



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## O Twelve Estates Limited

- AIM listed Guernsey company
- Raised £122m in March 2006
- Target area – East London & neighbouring counties
- RAM – Fees
  - £1.2m origination fee
  - 1% pa of gross property assets
  - Performance fee above 10% pa return





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## Solar House, E15

- Central location
- £13.5m
- 5.5%
- £275 / sq ft
- 4 tenants





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## **ING Covent Garden Limited Partnership**

- Portfolio value £165m at 31 January 2006
- Portfolio return 31%
- Rugby equity interest 6.5% at 31 January 2006
- Rugby share of net assets £5.4m at 31 January 2006
- During year
  - £14m new equity
  - £14m purchase Drury Lane
- Portfolio target £500m
- Value increase to £171m at 31 March 2006

## Drury Lane, WC2

- £14m
- 6.5%
- £400 / sq ft
- 0.6 acre





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## London Industrial Partnership Limited



- Industrial property within M25
- Rugby £2m investment for 11.8% equity
- Partners
  - Bank of Scotland
  - Merrill Lynch Global Principal Investments
- Portfolio £52m at 31 January 2006
  - Clapham £7m (sold for £7.25m in March 2006)
  - Ponders End, Enfield £45m
- Clapham acquired for £5m in November 2003
- Ponders End acquired for £40m September 2005

## Ponders End, Enfield

- £40m
- 6%
- £80 / sq ft
- 29 tenants





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## ICONIC

- Mixed use development in London
- Partner – Londonewcastle
- Project basis, no fixed financial commitment
- St John's Square, Clerkenwell, EC1
- City Road, EC1
- Putney, SW15
- Wenlock Street, N1

# ICONIC

## City Road, EC1

- Vacant office building
- Planning consent for mixed use scheme
- £11m project



# ICONIC

## St John's Square, EC1

- Office investment
- Change of use to private residential
- Development completion: Summer 2006
- £8m





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### Financing

	31 January 2006	31 January 2005
Net (debt) / cash	( £2.1m )	£3.7m
Triple net assets	£47.3m	£40.1m



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## Since 31 January 2006:

- Launch of O Twelve
- Retail consent for Bishops Court, Exeter
- CGLP 3.8% capital growth in Q1 2006
- Sale of Clapham by LIP
- Purchase Portsmouth industrial for £5m
- Purchase Solar House, London E15 for £13.5m



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## Looking forward

rugbyCapital

- Directly owned portfolio
- Iconic
- Joint ventures
- Owner-occupier transactions

ram  
rugby asset management

- Asset management
- Co-investment
- OTwelve
- CGLP
- LIP



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## Shareholders

Directors	22%
Thames River	13%
Prudential	12%
F & C	5%
Other Institutions	44%
Individuals	4%
Total	<u>100%</u>



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## Management Team

David Tye BSc FRICS - Executive Chairman

Andrew Wilson BSc FRICS - Chief Executive

Stephen Jones BSc MSc FCA - Finance Director

Neal Taylor BSc MRICS - Property Director

Alexander Wildman BSc MRICS - Property Director

Graham Elliott – Associate Director / Finance

Roger Montaut MRICS – Associate Director

Plus: 5 Support Staff and 2 non-executives



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## Contact (from 10 May 2006)

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