

Press Release

4 MAY 2016

INTU PROPERTIES PLC

AGM TRADING UPDATE FOR THE PERIOD FROM 1 JANUARY 2016 TO 4 MAY 2016

Highlights of the period:

- **Remain on target to deliver growth in like-for-like net rental income for the year in the range of 2 per cent to 3 per cent**
- **Continued active retailer demand with 43 new long term leases agreed for £7 million of new annual rent, 10 per cent above previous passing rent**
- **Year-on-year footfall to date is up 1.4 per cent and occupancy is 95.3 per cent (March 2015: 94.3 per cent), marginally reduced from 95.8 per cent at 31 December 2015 (December 2014: 95.0 per cent) reflecting seasonal fluctuations since Christmas**
- **UK development pipeline on track with 11 new restaurants opened at intu Metrocentre and the main contractor now on site for the intu Watford extension**
- **Meaningful improvement in in-centre customer satisfaction measure from 12 months ago and website traffic has grown by 30 per cent in 2016**
- **Growth in footfall and sales at both our Spanish centres, Puerto Venecia and intu Asturias, along with encouraging lettings**
- **Cash and available facilities of over £750 million and debt to asset ratio of 41 per cent at 31 March 2016**

David Fischel, Chief Executive, commented:

“Encouragingly we have seen little impact on customer flow into our shopping centres or tenant interest for space which remains very positive despite financial markets being volatile ahead of the EU referendum vote on 23 June 2016.

Global investors continue to look actively at prime regional shopping centres in the UK, focussing on the quality income streams provided by this asset class.”

Optimising asset performance

The Group's operating metrics remain strong. 43 new long term leases were signed in the quarter, representing £7 million of new passing rent, in aggregate 10 per cent above previous passing rent. Signings in the period include:

- Danish retailer Sostrene Grene opened its first UK store at intu Victoria Centre, choosing to make its debut outside London. New Look Men continued its store roll out at intu Potteries. Both lettings highlight the improved demand in the centres where we undertook investment in 2015
- Next agreed an enlarged unit at intu Lakeside, increasing their space by 10,000 sq. ft. to 71,000 sq. ft.
- Hollywood Bowl and Paradise Island Adventure Golf have taken leases at intu Derby for the 42,000 sq. ft. leisure development

We settled 38 rent reviews in the period for new rents totalling £14 million, an average uplift of 9 per cent on the previous rents.

BHS (ten units) and Austin Reed (two units) entered administration in the period. These administrations amount in total to one per cent of intu's rent roll and we have plans for many of these stores should they be vacated.

UK development momentum

- At intu Metrocentre we opened 11 new restaurants extending the Qube leisure area. This £17 million redevelopment brings new brands such as Five Guys, TGI Fridays and Barburrito to the centre and delivered a stabilised initial yield on cost of over 8 per cent. The intu Eldon Square restaurant development is scheduled for opening in October this year with 92 per cent of the project let to high quality names such as Ask, The Alchemist and Chaophraya
- At intu Watford, we have completed the demolition of the outdated Charter Place precinct adjacent to the centre and have commenced the fixed cost building contract for the £180 million extension. Nearly 60 per cent of the new space is under offer

Making the brand count

- The level of customer satisfaction continues to grow, with the net promoter score in the first quarter measured at 75 compared with 60 for the same period in 2015, helped by our range of customer events such as film launches. In addition, our measure of unprompted brand awareness has increased to 19 per cent from 16 per cent in the quarter
- Website traffic has increased by 30 per cent on the same period last year, with over 400 retailers now available for our customers to shop online. In-centre, the number of individual wi-fi registrants has passed three million

Seizing the growth opportunity in Spain

- Our centres continue to perform well in the improving Spanish economy and we have achieved quality new lettings at both centres at improved rental levels. Year-on-year, footfall and retailer sales are up 2 per cent and 4 per cent respectively

Conference call

A conference call for analysts and investors will be held today at 08:00 BST

A copy of this press release is available for download from our website at intugroup.co.uk

ENQUIRIES

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NOTES FOR EDITORS

intu is the UK's leading owner, manager and developer of prime regional shopping centres with a growing presence in Spain.

We are passionate about creating uniquely compelling experiences, in centre and online, that attract customers, delivering enhanced footfall, dwell time and loyalty. This helps our retailers flourish, driving occupancy and income growth.

A FTSE 100 company, we own many of the UK's largest and most popular retail destinations, including nine of the top 20, with super regional centres such as intu Trafford Centre and intu Lakeside and vibrant city centre locations from Newcastle to Watford.

We are focused on four strategic objectives: optimising the performance of our assets to provide attractive long term total property returns, delivering our UK development pipeline to add value to our portfolio, leveraging the strength of our brand and seizing the opportunity in Spain to create a business of scale.

We are committed to our local communities, our centres support over 120,000 jobs representing about 4% of the total UK retail workforce, and to operating with environmental responsibility.

Our success creates value for our retailers, investors and the communities we serve.