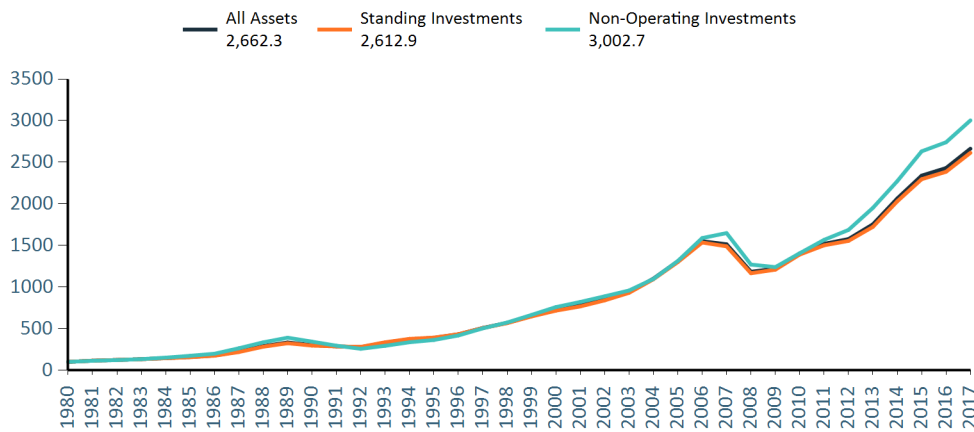


IPD® UK ANNUAL PROPERTY INDEX (GBP)

MSCI's IPD UK Annual Property Index measures unlevered total returns of directly held standing property investments from one valuation to the next. The index tracks performance of 13,225 property investments, with a total capital value of GBP 217.5 billion as at December 2017.

ANNUAL INDEX PERFORMANCE - PROPERTY RETURNS (GBP) (DEC 1980 - DEC 2017)



CALENDAR YEAR PERFORMANCE (%)

YEAR	ALL ASSETS ⁽¹⁾	STANDING INVESTMENTS ⁽²⁾	NON-OPERATING INVESTMENTS ⁽³⁾
2017	9.6	9.6	9.6
2016	3.9	3.9	4.1
2015	13.3	13.1	15.8
2014	17.7	17.8	16.5
2013	11.2	10.8	15.7
2012	3.8	3.5	7.6
2011	8.2	8.0	11.5
2010	15.0	15.1	13.5
2009	3.1	3.7	-2.4
2008	-21.8	-21.7	-23.0

INDEX PERFORMANCE - PROPERTY RETURNS (%) (DEC 2017)

	1 Qtr.	6 Mo	YTD	1 Yr	ANNUALIZED						Since Inception
					2 Yr	3 Yr	5 Yr	7 Yr	10 Yr		
All Assets ⁽¹⁾	-	-	9.6	9.6	6.7	8.9	11.0	9.6	5.8	9.3	
Standing Investments ⁽²⁾	-	-	9.6	9.6	6.7	8.8	10.9	9.4	5.8	9.2	
Non-Operating Investments ⁽³⁾	-	-	9.6	9.6	6.8	9.7	12.2	11.4	6.2	9.6	

INDEX RISK CHARACTERISTICS (%) (DEC 1980 - DEC 2017)

	ANNUAL					ANNUALIZED				
	3 Yr	5 Yr	7 Yr	10 Yr	Since Inception	3 Yr	5 Yr	7 Yr	10 Yr	Since Inception
Standard Deviation	-	-	-	-	-	-	-	5.0	11.1	9.6
Sharpe Ratio ⁽⁴⁾	-	-	-	-	-	-	-	-	0.4	0.3
Semi Deviation ⁽⁵⁾	-	-	-	-	-	-	-	-	9.1	7.0

⁴Based on ICE LIBOR 1M

⁵Below-target semi deviation

CAPITAL INVESTED (TOTAL TO DEC 2017 % OF BEGINNING PERIOD CV)

	CUMULATIVE									
	1 Qtr.	6 Mo	YTD	1 Yr	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Since Inception
Purchases ⁽⁶⁾	-	-	5.3	5.3	8.9	16.1	35.4	48.9	66.7	292.9
Sales ⁽⁷⁾	-	-	5.2	5.2	12.4	18.7	32.3	42.9	66.9	271.4

⁶Includes part purchases

⁷Includes part sales

INDEX METHODOLOGY

¹All Asset performance measures every direct property investment in MSCI's index database comprised of all property sectors, ownership structures and interests.

²The Standing Investment index subset is based on completed and lettable properties only, often described as operating properties.

³The Non-Operating Investment index subset is constructed from those properties not included in the Standing Investments index subset. Non-operating Index base dates may differ as MSCI's client confidentiality rules suppress data based on small or skewed samples.

All three direct property indexes are computed at the building level and exclude properties held indirectly through investment funds, the impact of debt, fund management fees, taxation and cash. Numbers at sector level may not necessarily sum up to the 'Total' values due to rounding.

For more details on MSCI's real estate indexes and methodology, please visit www.msci.com/real-estate

INDEX CHARACTERISTICS

Market Value (GBP m)	217,480
Number of Portfolios	276
Number of Properties	13,225
Average Property Value (GBP m)	16.4
Value Appraised %	99

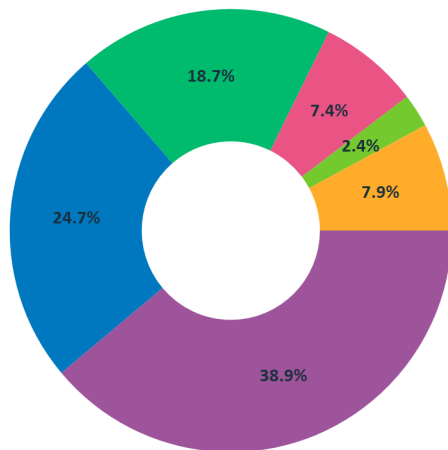
PERCENTILE DISTRIBUTION OF PROPERTY VALUES (GBP m)

95th%	58.12
75th%	16.30
50th%	6.40
25th%	2.34
5th%	0.29

INDEX TRANSPARENCY

	TOTAL MARKET VALUE (GBP m)	AVERAGE PROPERTY VALUE (GBP m)	NUMBER OF PORTFOLIOS	NUMBER OF PROPERTIES	TOP 5 PROPERTIES
Retail	84,609	23.1	224	3,670	7.6%
Office	53,803	25.1	209	2,140	4.2%
Industrial	40,575	16.0	197	2,536	4.3%
Residential	16,046	6.7	83	2,407	7.6%
Hotel	5,280	18.0	110	293	8.9%
Other	17,167	7.9	171	2,179	8.1%

PROPERTY SECTOR WEIGHTS



Sector weights are calculated by aggregating the capital value of individual assets across the main property types. This illustrates the composition of the index and whether there is a heavier concentration in a particular property sector thus having a greater impact on the overall index performance.



INDEX SPONSORS



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