

Halladale Presentation



HALLADALE GROUP plc

David Lockhart – Chief Executive
Ken Lindsay – Property Director

March 2007





“the creation of value through active and entrepreneurial management, risk controlled development and co-investment in commercial property assets”



Business Model

	£m	£m
Asset management		
Directly owned	68	
Co-investment	434	502
Development		
Directly owned	35	
Co-investment	50	85
Co-investment fund management		
CReAM	245	
Nelson	30	
Rynda	83	358
		945



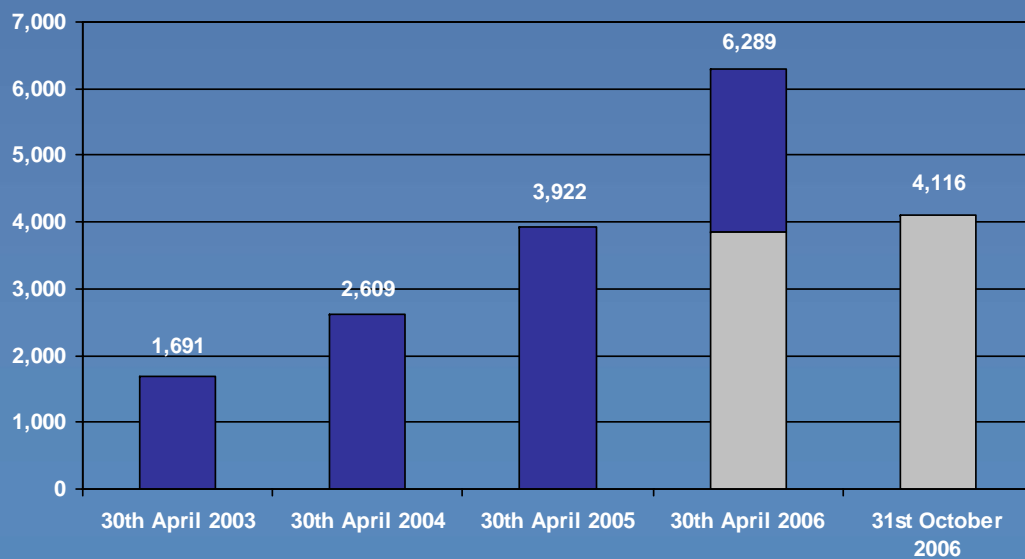
Track Record

- Founded in 1991
- 3i invested in 1997
- Admitted to AIM 2001 at 50p per share
- Corporate equity raisings totalling £58m
- Project equity fund raisings totalling £250m
- Total portfolio under management approaching £1bn
- Total development programme end value in excess of £650m
- Consistent geared project IRRs in excess of 20%
- Consistent growth in PBT, DPS and EPS
- Total shareholder return since Admission in excess of 25% pa

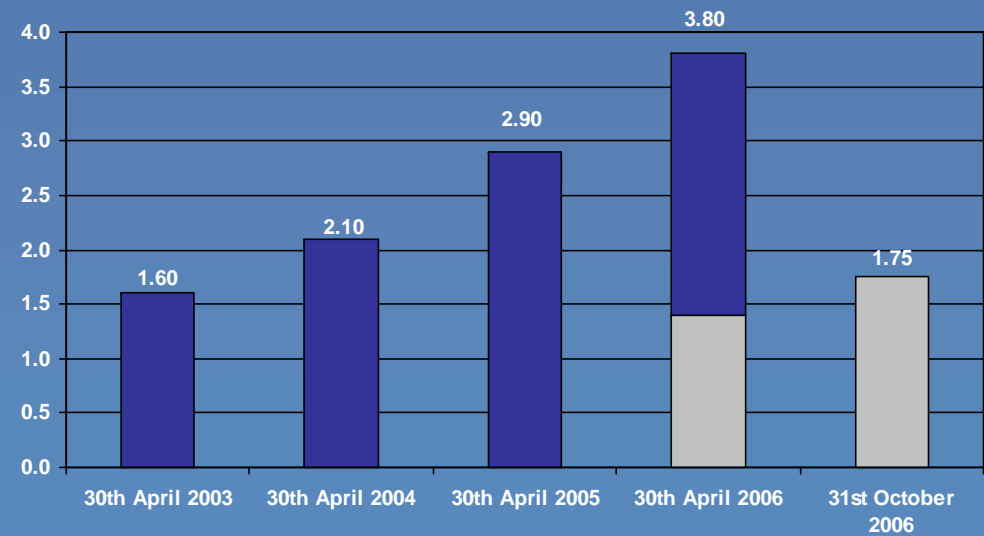


Track Record

Profit before tax (£'000)



Dividend per share (pence)

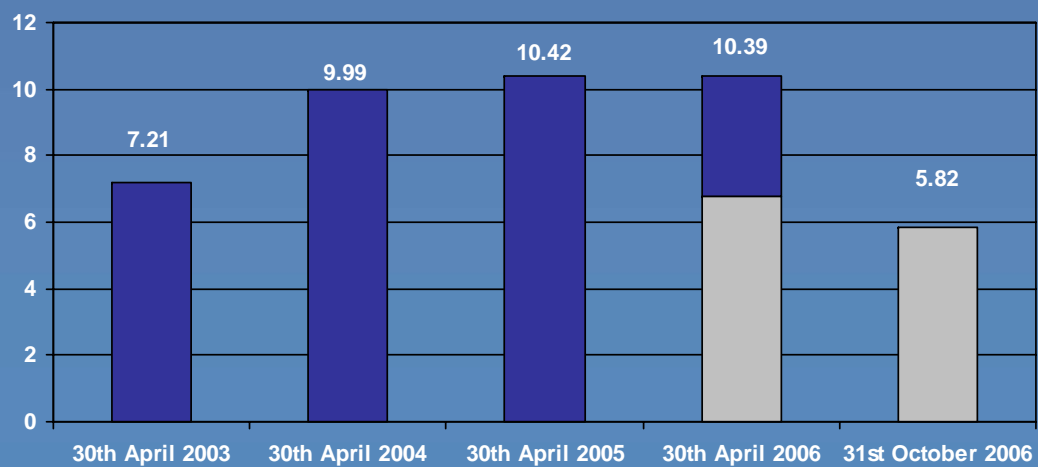


■ Final
■ Interim

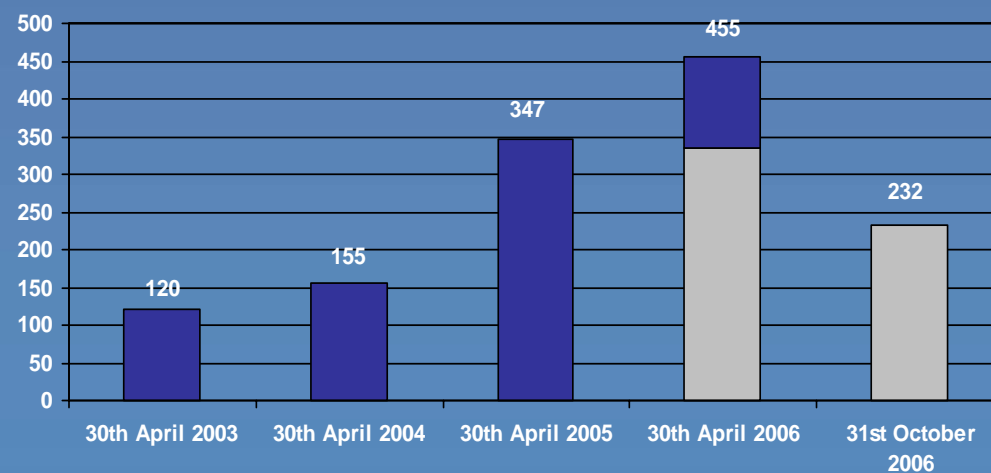


Track Record

Basic Earnings per share (pence)



Total Transactions (£m)

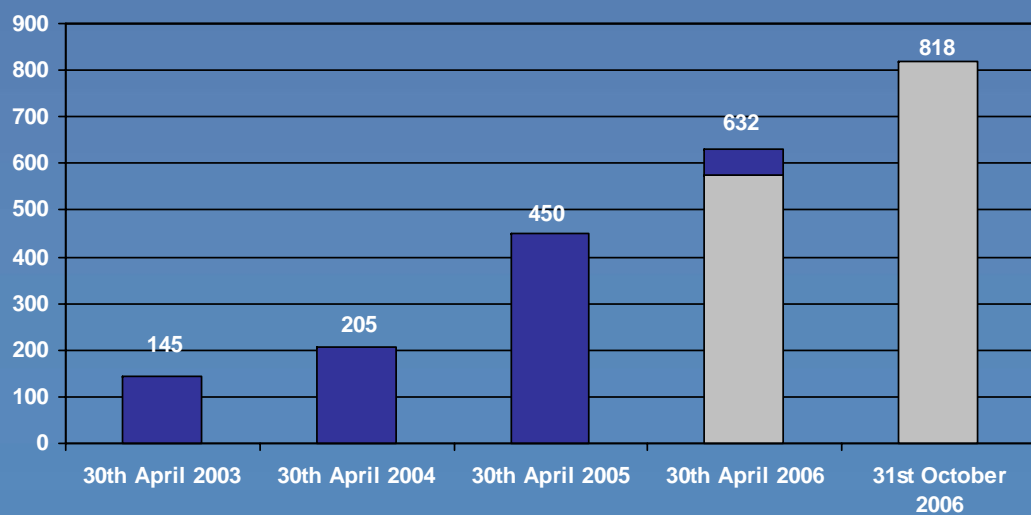


■ Final
■ Interim

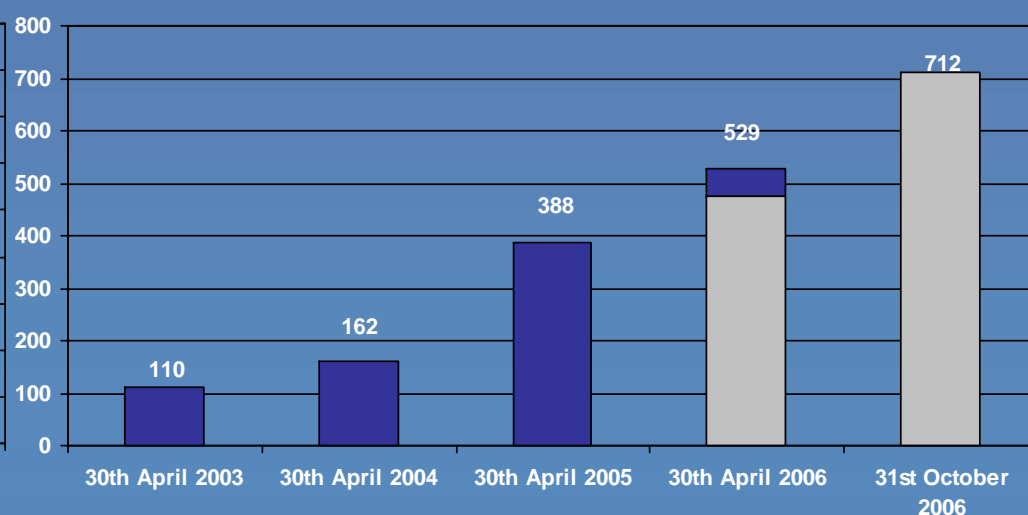


Track Record

Total Portfolio (£m)



Co-investment portfolio (£m)



■ Final
■ Interim



Co-investment Activities

Partners include:

- Bank of Scotland
- Citigroup
- Tyburn Lane Private Equity
- Anglo Irish Private Equity
- Carlyle Group
- Kodak Pension Fund

Provide:

- access to larger projects
- growing recurring fee income
- spreading of financial risk
- effective use of equity
- improved returns to Halladale shareholders



Co-investment Funds

	£m
• CReAM	245
• Nelson	30
• Rynda	83
	<hr/>
	358
	<hr/> <hr/>



Executive Board



David Lockhart - Chief Executive

is a Solicitor and Chartered Accountant with over 25 years experience in commercial property



Ken Lindsay - Property Director

is a Chartered Surveyor with over 25 years experience in commercial property



Mark Harkin - Finance Director

is a Chartered Accountant with over 15 years experience in commercial property



Simon Taylor - Director of Structured Finance

is a Chartered Surveyor with over 15 years experience in property finance



Senior Property Team



**Allan
Lockhart**
(Retail
Director)



**David
Petrie**
(Business Space
Director)



**Douglas
Harper**
(Project
Manager)



**Bryan
Sherriff**
(Development
Director)



**Alistair
McGill**
(Business Space
Director)



**Ewan
Black**
(European
Asset Manger)



**Alison
Robertson**
(Fund Management
Director)



**Ewan
Cameron**
(Asset Manager)



**Mike
Wimble**
(Retail Asset
Manager)



**John
McLaughlin**
(Finford)



**Matthew
Rhodes**
(Project
Manager)



**Graham
McPhail**
(Business Space
Asset Manager)



Active Approach

- Opportunistic, neither sector nor geographic specific
- Entrepreneurial and active asset management
- Strong risk controlled development programme
- Financial model for each project
- Rapid profit realisation
- Asset backed income streams
- Strong national network of surveying contacts



Recent Activity

- March 2007 - Rynda's en Primeur fund attracts €75m investment from GIC Real Estate
- February 2007 - £26m acquisition of shopping centre in Nailsea
- January 2007 - £41m acquisition of office and retail in Croydon and Harlow
- January 2007 - €17m acquisition of office in Rennes through Rynda Fund
- January 2007 - £41m disposal of Shopping Centre in Brentwood, Essex
- January 2007 - £9m acquisition of office building in London, EC3
- October 2006 - €99m French portfolio acquisition through Rynda Fund
- October 2006 - £72m acquisition of five London offices
- October 2006 - £15m acquisition of shopping centre in Billingham
- August 2006 - £26m acquisition of shopping centre in Eastbourne
- May 2006 - £74m acquisition of office block in Hammersmith W14
- April 2006 - £14m forward sale of phase one retail development in Isle of Wight
- February 2006 - £45m acquisition of office block in Hammersmith W14
- January 2006 - £33m disposal of shopping centre in Great Yarmouth
- November 2005 - £25m acquisition of mixed use building in London EC4
- October 2005 - £10m acquisition of office in Edinburgh
- October 2005 - £54m disposal of retail park in Warrington



Key Projects

On Balance Sheet

- Office at Tudor Street, London EC4
- Office at Moorgate, London EC2
- Office/retail at Shaftesbury House, Glasgow
- Office at Fountain House, Edinburgh
- Retail development at Newport, Isle of Wight
- Shopping Centre at Bingley
- Shopping Centre at Billingham
- Foodstore development at Dalgety Bay, Fife
- Residential/retail at Cochrane Square, Glasgow
- Retail Development at William Hunters Way, Brentwood

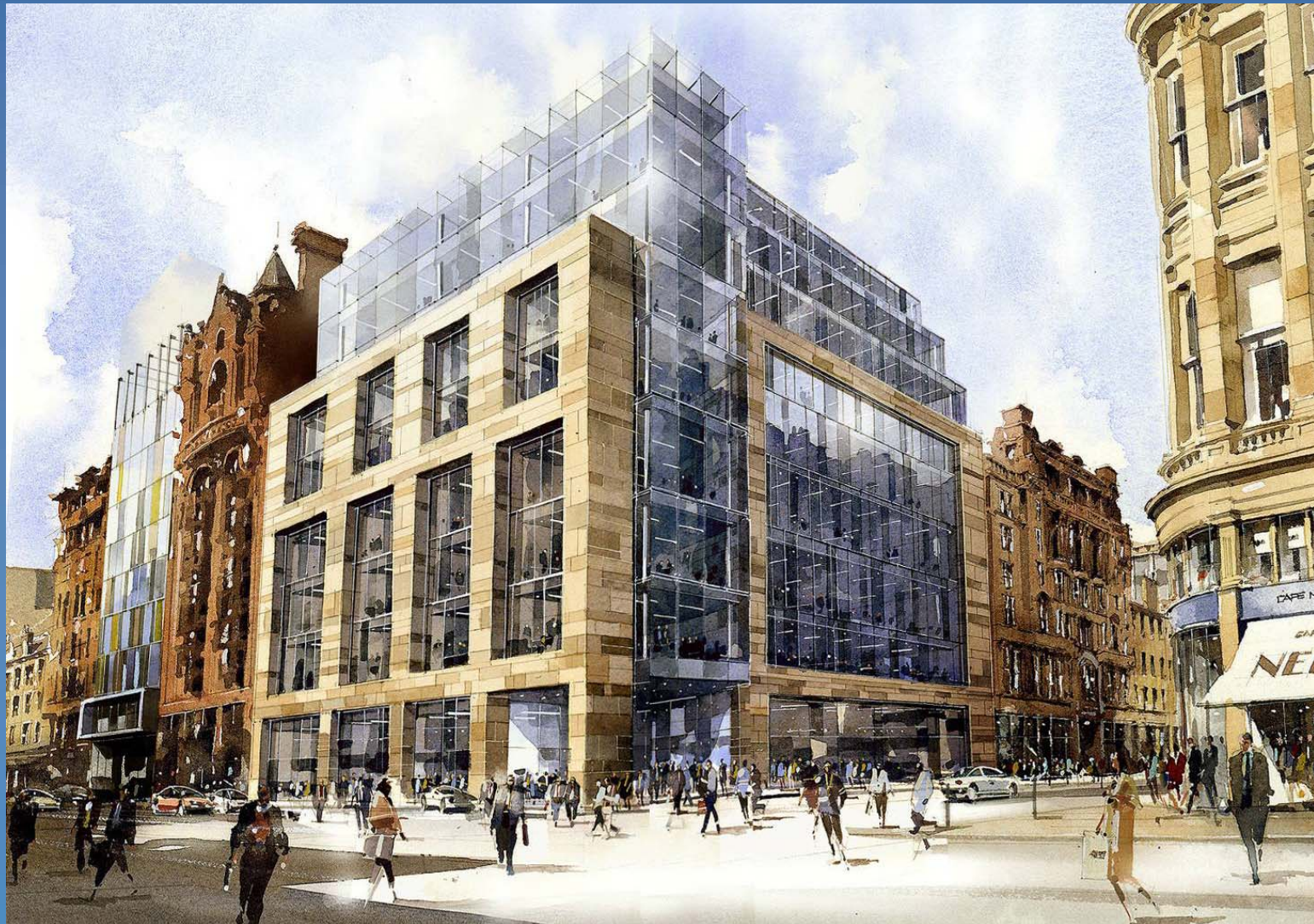


Tudor Street, London EC4





Shaftesbury House, Glasgow





Cochrane Square, Glasgow





William Hunters Way, Brentwood





Key Projects

In Co-investments

- Office at Gracechurch Street, London EC3
- Offices at Hammersmith, London W14
- Office at Aldermay House, London EC4
- Office/retail at Strand, London WC2
- Office/retail at Sunbury-on-Thames
- Offices at five locations in London
- Offices at Carolyn and Philip House, Croydon, London
- Langney Shopping Centre, Eastbourne
- Queens Square Shopping Centre, West Bromwich
- Queen Street Shopping Centre, Darlington
- Retail at Broadwalk, Harlow
- Retail warehouse development at Cumbernauld
- Retail at Crown Glass Shopping Centre, Nailsea
- 70 acres office/industrial development site in Aberdeen



Gracechurch Street, London EC3





Hammersmith Grove, W14





Queens Square, West Bromwich



Westway Retail Park, Cumbernauld





UK Property Portfolio Details

Total UK Portfolio (£m)	862
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Number of Properties	63
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Number of Tenants	930
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Total annual rent roll (£m)	42
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Total square footage	
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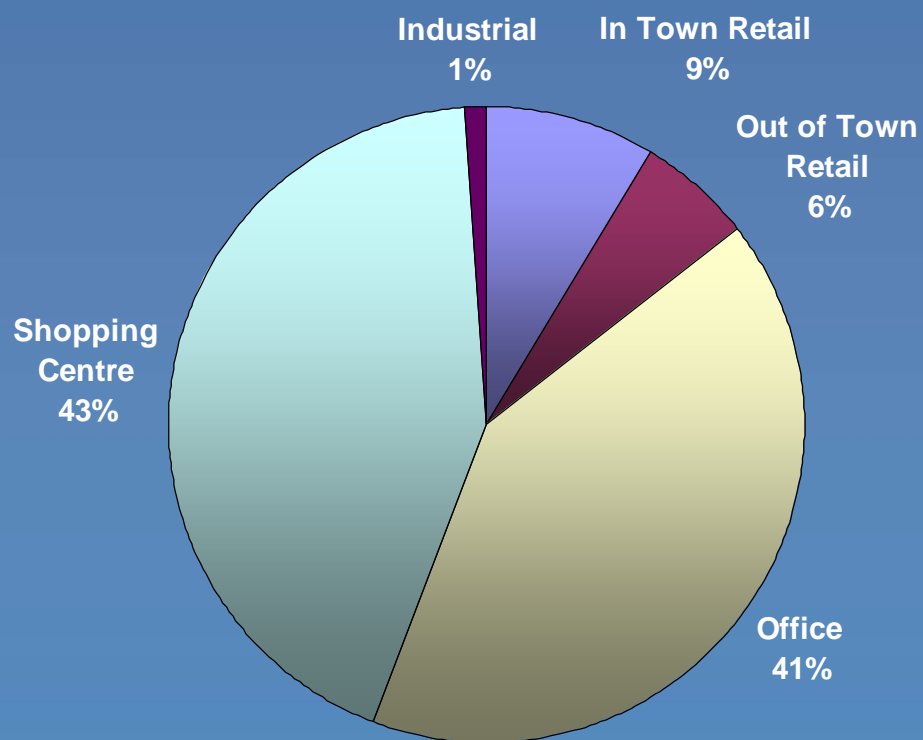
Retail	2,450,000
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Office	1,150,000
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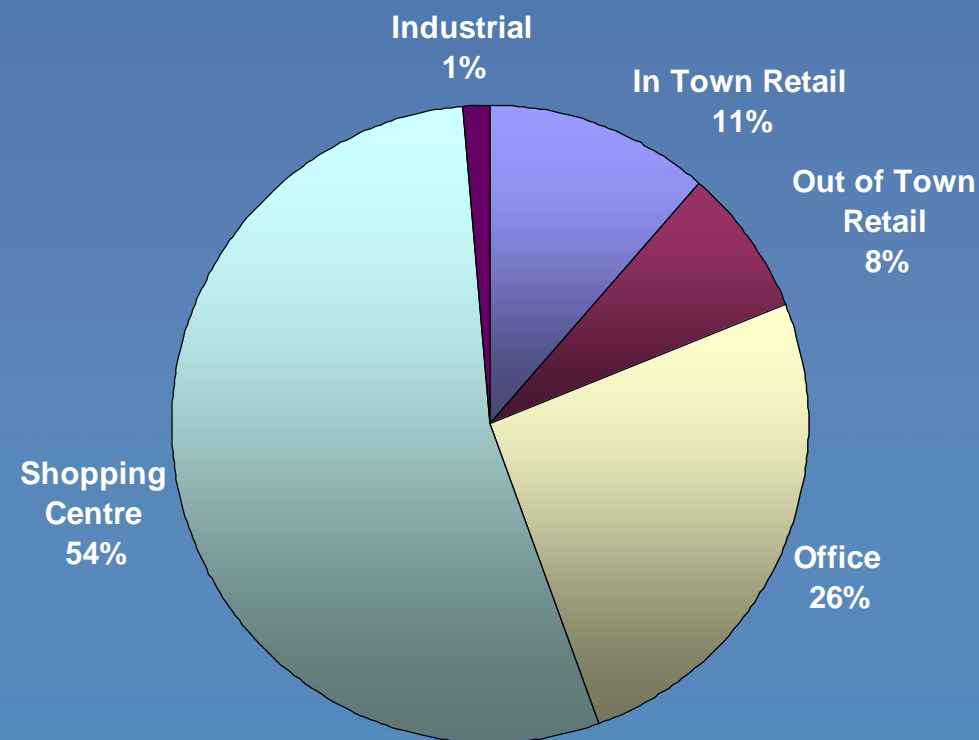
Industrial	118,000
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Sector Analysis by Value



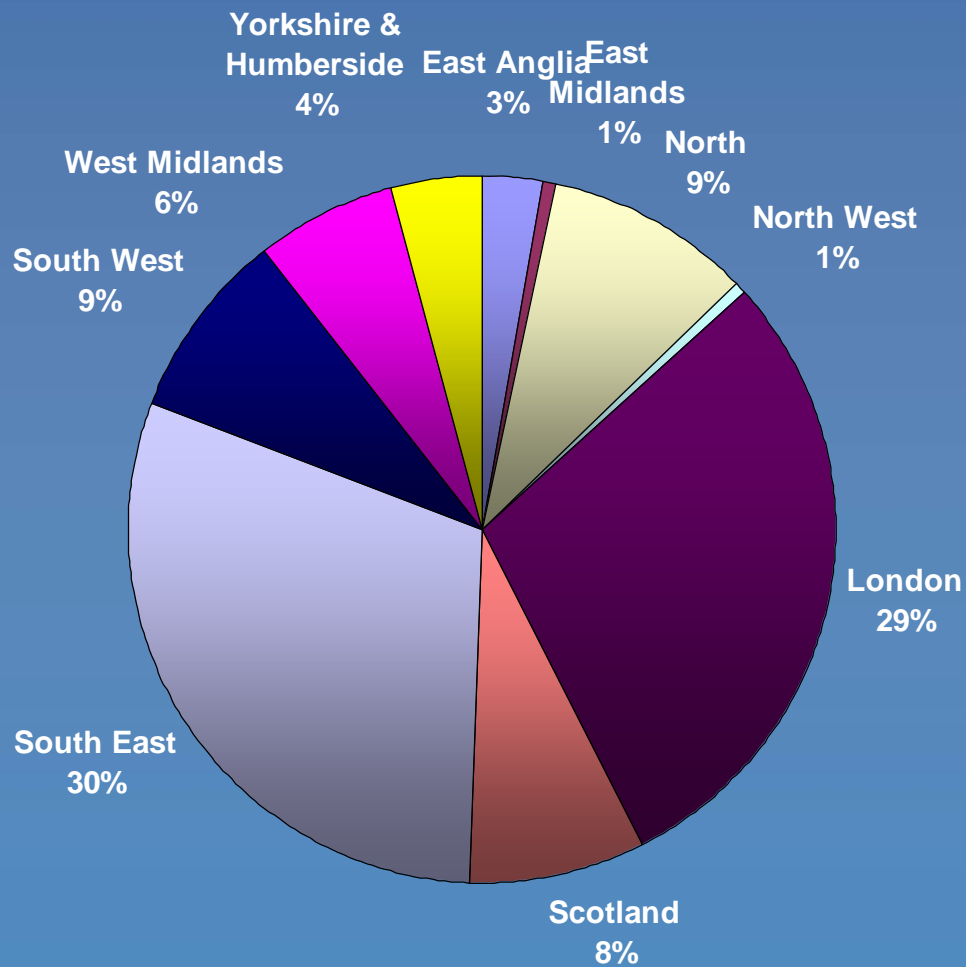
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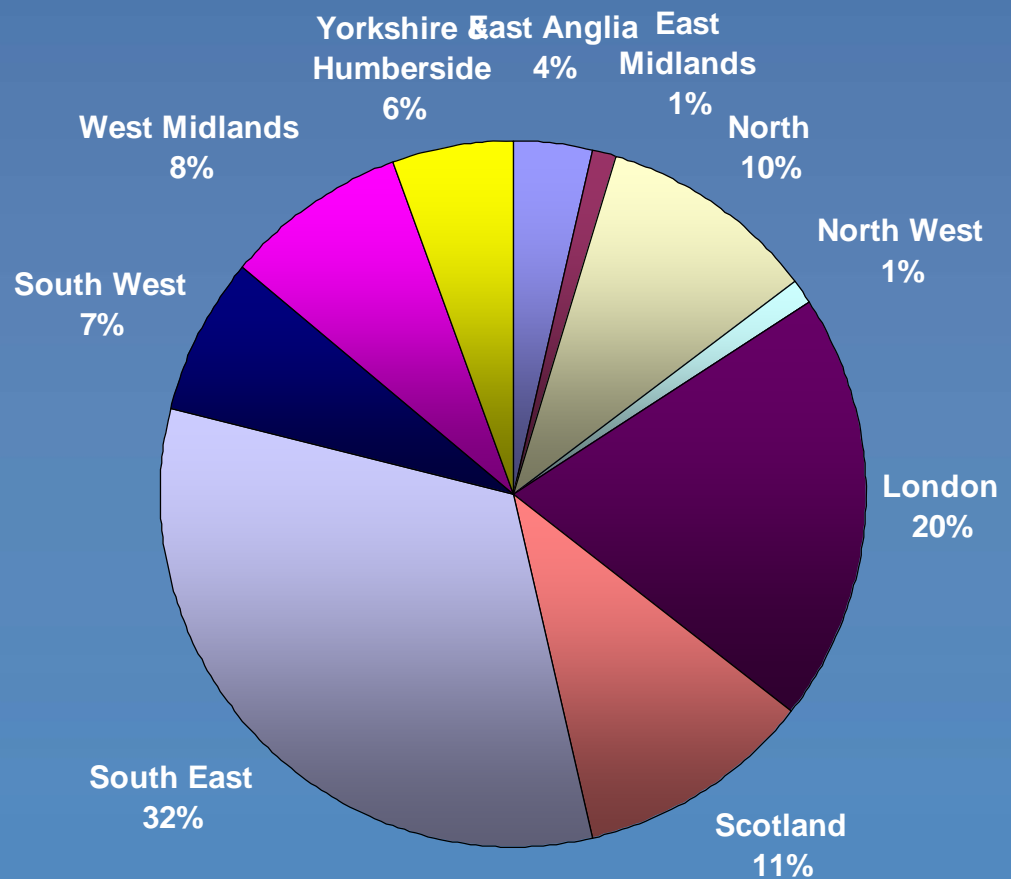
April 06



Geographical Analysis by Value



March 07



April 06



Key Properties under Management

Offices

- 1 Shaftesbury House, Glasgow
- 2 The Strand, London WC2
- 3 Becket House, Cheapside, London EC2
- 4 Moorgate, London EC2
- 5 Chubb Tower, Sunbury-on-Thames
- 6 Aldermay House, London EC4
- 7 Tudor Street, London EC4
- 8 Hammersmith, London W14
- 9 Fountain House, Edinburgh
- 10 Hammersmith Grove, London W14
- 11 Portfolio of 5 London offices
- 12 Gracechurch Street, London EC3
- 13 Carolyn and Philip House, Croydon

Office/Industrial

- 14 70 acre site in Aberdeen

Retail

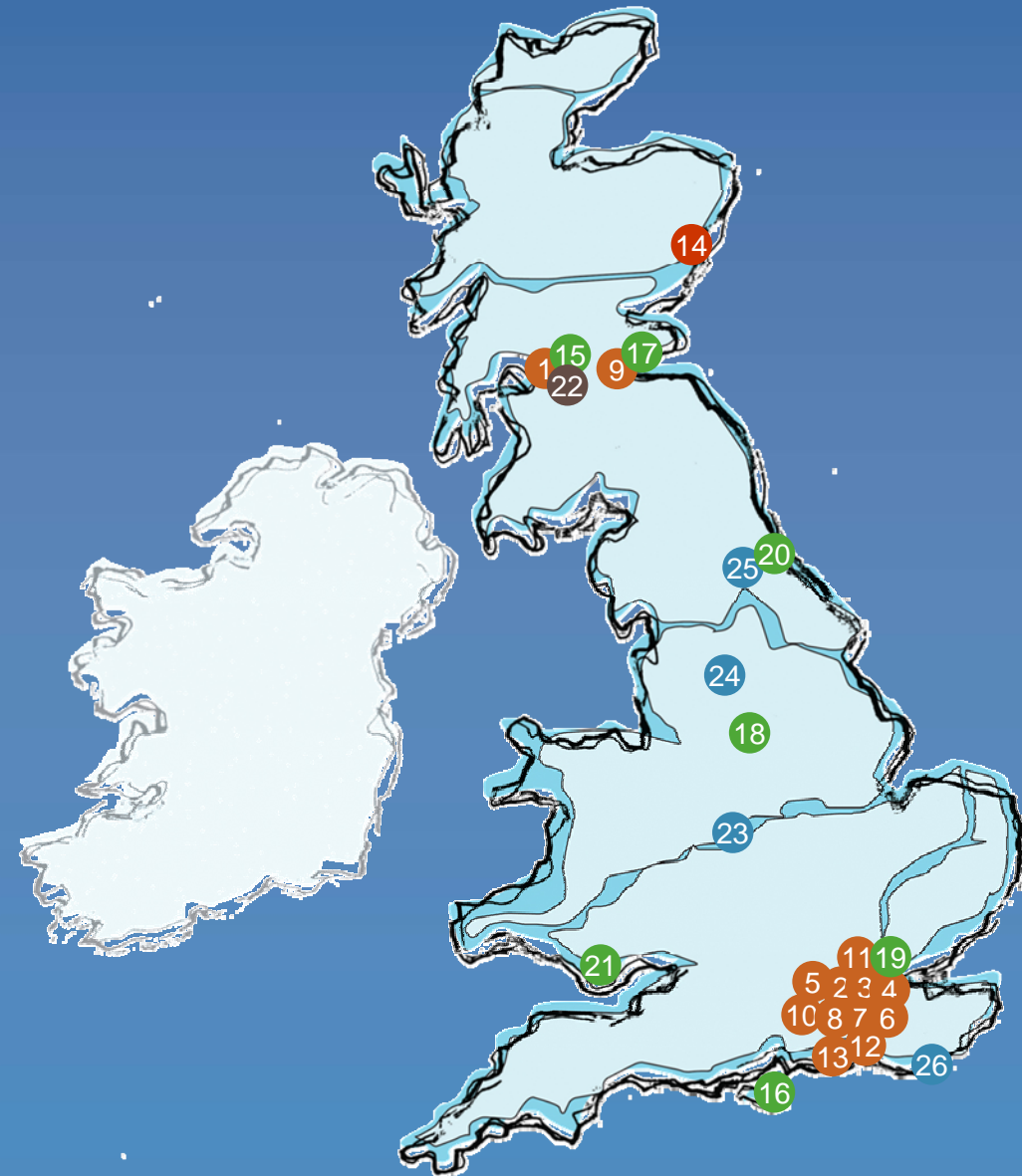
- 15 Westway Retail Park, Cumbernauld
- 16 South Street, Newport, Isle of Wight
- 17 Dalgety Bay, Fife
- 18 St Mary's Gate, Sheffield
- 19 Broadwalk, Harlow
- 20 Billingham Town Centre
- 21 Crown Glass, Nailsea

Retail/Residential

- 22 Cochrane Square, Glasgow

Shopping Centres

- 23 Queens Square, West Bromwich
- 24 Myrtle Walk, Bingley
- 25 Queens Street, Darlington
- 26 Langney Shopping Centre, Eastbourne





Next Steps

- Transaction closing 30th April 2007
- Rebranding Stockland Halladale
- Business as usual – deliver results
 - Value created through active asset management and development
 - Opportunistic approach
 - Expansion of risk-controlled development programme
- Strategic repositioning run in parallel
 - Joint Venture relationships extended
 - Fund management – Australian investors
 - Residential capability – mixed use focus
 - Expansion of European activities



Halladale Group plc
Prince Frederick House
37 Maddox Street
London
W1S 2PP
Telephone 0845 070 4633
Facsimile 020 7659 9775

39 George Street
Edinburgh
EH2 2HN
Telephone 0845 070 4633
Facsimile 0131 225 8373

93 West George Street
Glasgow
G2 1PB
Telephone 0845 070 4633
Facsimile 0141 204 4655

Email: all@halladale.co.uk
Web: www.halladale.co.uk