



FTSE EPRA/NAREIT Global Real Estate Index

April proves attractive for Global Real Estate

The FTSE EPRA/NAREIT Global Real Estate Index posted a strong gain of 4% in April. Year to date, the global index now stands on positive ground (+3.4%). In April, the Global Equity market lost 1.5% and Global Bonds added 1.3%. All three real estate regions ended the month up. Asia added 2%, Europe climbed 3.3%, and North America pushed forward strongly 5.3%. All returns are expressed in EUR.

Using compounded annual returns, over a five-year period, Global Real Estate outperformed Global Equities and Global Bonds significantly. On average, Global Real Estate returned 9.2% annually, Global Equities declined 8.6% in comparison, and Global Bonds added 6.5%. As a result, over the total five-year period, Global Real Estate returned 55.4%, Global Equities lost 36.3%, and Global Bonds added 37.2%.

Asset Classes (EUR)	Apr 2005 Return %	2004 Return %	Rolling 5 Yrs Return %	Average Annual Return %
Global Real Estate	+ 4.0	+ 28.0	+ 55.4	+ 9.2
Global Equities	- 1.5	+ 6.9	- 36.3	- 8.6
Global Bonds	+ 1.3	+ 5.5	+ 37.2	+ 6.5
Europe Real Estate	+ 3.3	+ 41.7	+ 103.8	+ 15.3
N. America Real Estate	+ 5.3	+ 23.9	+ 79.1	+ 12.4
Asia Real Estate	+ 2.0	+ 27.0	+ 20.7	+ 3.8

Source: EPRA/MSCI/JP Morgan

Asia / Pacific

In the Asia/Pacific region, the majority of countries moved forward. The EPRA/NAREIT Japan Index was the only country to fall behind, ending the month down 5.1%. In a fairly quiet month for the Australian market, the EPRA/NAREIT Australia (AUD) finished up 40bps. EPRA/NAREIT Singapore leapt ahead 7.4%, and EPRA/NAREIT Hong Kong scored an impressive +5.5%. Asia is the most volatile of the three regions at just under 16%.

Country	Apr 2005 Return %	2004 Return %	Rolling 5 Yrs Return %	Average Annual Return %
Asia (EUR)	+ 2.0	+ 27.0	+ 20.7	+ 3.8
Australia (AUD)	+ 0.4	+ 34.4	+ 82.4	+ 12.8
Hong Kong (HKD)	+ 5.5	+ 35.2	+ 46.9	+ 8.0
Japan (JPY)	- 5.1	+ 31.2	+ 27.2	+ 4.9
Singapore (SGD)	+ 7.4	+ 32.4	+ 35.2	+ 6.2

Source: EPRA

Diamond City, the Japanese retail investor jumped 15.6% in April. The company announced that it expected net income to rise 26% for the current business year, helped by newly opened shopping centres. Hong Kong office developer Great Eagle Holdings advanced 13.6% during the month. Office investor, Singapore Land, posted a gain of 10.3% in April. The shares advanced amid optimism that the company's joint acquisition of a property in Singapore may boost profit. Singapore Land, United Industrial Corp and United Overseas Land jointly acquired a freehold property in Singapore for \$143 million for redevelopment, the company said in a statement.

Shares in Capitaland (+ 8.5%) and Keppel Land (9.5%) advanced strongly during the month on the news that the Singapore government is planning to allow two casinos to be included in convention resorts in the city-state will encourage development and raise property prices. Capitaland is bidding with billionaire Kirk Kerkorian's MGM Mirage to develop a downtown

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site and with Kerzner International for the site on the island of Sentosa. Keppel Land's investment unit tied up with Harrah's Entertainment to bid for projects in both locations.

At the bottom end of the performers, Hong Kong residential developer K Wah International, finished the month down 12.8%. The company sold 146 million shares at HK\$8 per share. The share sale had to be cut by two-fifths to meet Hong Kong stock exchange rules.

The Link REIT's CFO Alfred Li announced he had resigned in April for personal reasons. Hong Kong's Court of Appeal said it will allow Lo Siu Lan, a public housing tenant whose challenge delayed the government's IPO of the Link REIT, to submit a final appeal to the city's highest law court. The Hong Kong Housing Authority, run by the government, planned to use the sale's proceeds to plug a deficit it projected in July will amount to \$707 million in the 12 months to March 2006. The property trust manages 950,000 square metres of retail space. Michael Suen, Hong Kong's secretary for housing, planning and lands, said the earliest date for the case to be settled is after the summer. He stated that the timing depends on the grounds of Lo's appeal and 'if she chooses a route which would take a lot of time then it will be well beyond our control'.

Europe

In April, the EPRA/NAREIT Europe Index gained 3.3% to add to the good work year to date (+ 4.6%). Of the major countries in Europe, EPRA/NAREIT Sweden (SEK) led the way, for the second consecutive month, with an increase of 8.7% in April. EPRA/NAREIT France added 4.5% and EPRA/NAREIT Netherlands pushed on 2.6%. EPRA/NAREIT UK (GBP) was fairly quiet over the course of the month, adding 50bps. Investors seem frustrated at the slow progress by the UK Government in adopting REIT type legislation so far this year (YTD – 4.9%). Broad European volatility stands at approximately 13%.

Country	Apr 2005 Return %	2004 Return %	Rolling 5 Yrs Return %	Average Annual Return %
Europe (EUR)	+3.3	+ 41.7	+ 103.8	+ 15.3
UK (GBP)	+ 0.5	+ 46.0	+ 115.9	+ 16.6
Netherlands (EUR)	+ 2.6	+ 29.5	+ 126.6	+ 17.8
France (EUR)	+ 4.5	+ 41.9	+ 170.4	+ 22.0
Sweden (SEK)	+ 8.7	+ 48.8	+ 224.7	+ 26.6

Source: EPRA

The top performer in Europe, for the third month running, came from Sweden – diversified investor, Castellum leapt ahead 14.1% in April. Hufvudstaden, the Swedish office investor was not far behind, with an impressive advance of +13.5%. Nordicom, the Danish office developer pushed forward 12.6% closely followed by Aedes (+12.4%). Klovern, the third Swedish stock in the top five, finished up +11.4% during the month.

Metrovacesa, Spain's largest real estate company, bid € 5.5 billion for Gecina in March, plans to borrow € 7.57 billion from more than 25 banks to finance the deal and use the remaining € 2.07 billion to refinance the existing debt of Gecina and itself. The banks, led by the Royal Bank of Scotland and Morgan Stanley met on 13 April in Madrid to discuss the transaction. In addition, Metrovacesa announced plans to sell two Madrid buildings for € 650 million. Metrovacesa Chairman Joaquin Rivero said he wants to expand in France to access some of the highest office rents in Europe and take advantage of the tax breaks. Metrovacesa advanced 1.7% during the month and Gecina fell back 34bps.

Industrial Funds Ltd, a company owned by Warner Estates and Anglo Irish Bank agreed to buy UK industrial investor Ashtenne Holdings for GBP 170 million. The bid will offer Ashtenne shareholders GBP 4.70 a share in cash, including a special dividend of GBP 1.40. Philip Warner, Chairman of Warner Estates said, "Its been our stated strategy to boost our asset-management business and Ashtenne has a very big asset management business." The acquisition of Ashtenne will boost Warner's assets under management to GBP 750

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million. Property Week reports that approximately 35 UK real estate companies have gone private since 2000. Ashtenne crept ahead 11 bps in April.

North America

Over the Atlantic, US real estate stocks posted a pleasing month (+ 5%) in USD terms, but are still 3.6% behind year to date. EPRA/NAREIT Canada (CAD) also hit a positive note, with a gain of 2.9%. The EPRA/NAREIT North America Index (USD) pushed on 4.6% during the month. Volatility in North America is 14.7%.

Country	Apr 2005 Return %	2004 Return %	Rolling 5 Yrs Return %	Average Annual Return %
North America (USD)	+ 4.6	+ 33.5	+ 143.7	+ 19.5
United States (USD)	+ 5.0	+ 33.8	+ 142.6	+ 19.4
Canada (CAD)	+2.9	+ 18.7	+ 138.6	+ 19.0

Source: EPRA

Diversified investor Universal Health Realty (+15.9%) topped the North American performers list in April, following a positive set of results for Q1 2005. General Growth Properties was the first of three retail investors in the top five. The company advanced 15.8% in April. The Macerich Company added 13.2% during the month. The company announced the completion of the acquisition of Wilmorite Properties for \$ 2.3 billion. The Wilmorite portfolio included interests in 11 regional malls and two open-air community centres. Federal Realty (retail) and Gables Residential both added 10.7%.

At the bottom end, hotel investor Starwood Hotels dropped 9.5%, to hold up the North American stocks. Starwood joined with Lehman Brothers and Starwood Capital Global to propose buying the Le Meridien Hotel company. The group would gain from Le Meridien a collection of 130 hotels in cities including New York, Paris and Tokyo as hotel occupancies and rates rise. The proposed acquisition will be presented to the Le Meridien board as part of a restructuring agreement for the hotel chain.

Cornerstone Realty Trust was deleted on 4 April from the FTSE EPRA/NAREIT Global Real Estate Index following its merger with Colonial Property Trust.



The following table highlights the performance of regions and countries over a number of time periods:

Total Return							
Index Description	Curr	Close Value 30-Apr	Div Yld (%) 30-Apr	Total Rtn (%) QTD	Total Rtn (%) Apr-05	Total Rtn (%) YTD	36 Mths Vlty (%)
Global	EUR	1,731.32	4.07	3.96	3.96	3.37	12.62
Asia	EUR	1,202.08	3.31	1.98	1.98	3.15	15.75
Europe	EUR	2,142.21	3.30	3.25	3.25	4.66	12.99
North America	EUR	2,135.45	4.77	5.33	5.33	3.04	14.69
Global Ex-Asia	EUR	2,106.40	4.36	4.74	4.74	3.49	12.81
Global Ex-Europe	EUR	1,617.51	4.26	4.14	4.14	3.04	13.69
Global Ex-North America	EUR	1,558.85	3.31	2.51	2.51	3.77	12.96
Asia	EUR	1,202.08	3.31	1.98	1.98	3.15	15.75
Pure Asia	EUR	1,192.97	3.13	1.95	1.95	2.41	15.73
Japan	JPY	1,644.13	1.41	-5.13	-5.13	-2.50	24.19
Australia	AUD	1,901.12	6.00	0.43	0.43	-1.84	8.34
Pure Australia	AUD	1,876.27	1.41	0.64	0.64	-4.36	8.85
Hong Kong	HKD	1,225.77	2.47	5.48	5.48	-2.33	27.80
Singapore	SGD	962.99	2.83	7.39	7.39	13.05	23.36
New Zealand	NZD	1,036.04	6.39	1.77	1.77	3.60	-NA-
Europe	EUR	2,142.21	3.30	3.25	3.25	4.66	12.99
Europe Net Index	EUR	1,352.88	2.48	3.01	3.01	4.35	-NA-
Euro Zone	EUR	2,268.17	4.43	3.75	3.75	8.82	11.14
Euro Zone Net Index	EUR	1,384.92	3.32	3.30	3.30	8.26	-NA-
Europe Ex UK	EUR	2,376.29	4.21	4.23	4.23	9.92	10.68
Europe Ex UK Net Index	EUR	2,363.48	3.16	3.81	3.81	9.36	10.63
Europe Liquid 40	EUR	2,098.23	3.28	3.34	3.34	3.98	13.13
Europe Liquid 40 Net Index	EUR	2,074.76	2.46	3.11	3.11	3.68	-NA-
Europe Liquid 40 Ex UK	EUR	2,491.81	4.10	4.21	4.21	9.71	11.09
Europe Liquid 40 Ex UK Net Index	EUR	2,439.93	3.08	3.80	3.80	9.15	-NA-
UK	EUR	1,954.57	2.37	2.26	2.26	-0.42	16.75
UK Net Index	EUR	1,293.28	1.78	2.21	2.21	-0.49	-NA-
Netherlands	EUR	2,235.71	5.93	2.61	2.61	2.96	12.29
France	EUR	2,584.96	4.65	4.47	4.47	11.20	12.99
Sweden	EUR	3,208.19	3.57	8.17	8.17	20.82	18.27
Spain	EUR	3,809.96	2.41	3.77	3.77	28.83	20.14
Switzerland	EUR	1,442.42	2.40	3.06	3.06	4.90	7.20
Germany	EUR	896.68	3.83	4.41	4.41	13.56	30.23
Belgium	EUR	1,390.29	0.00	1.00	1.00	0.85	3.84
Austria	EUR	1,684.06	6.15	4.19	4.19	5.52	6.01
Italy	EUR	3,043.23	2.19	8.82	8.82	15.20	19.45
Finland	EUR	2,865.75	5.95	5.96	5.96	9.44	17.97
Denmark	EUR	240.68	4.67	8.23	8.23	25.62	61.65
Greece	EUR	946.51	2.22	-0.15	-0.15	15.39	-NA-
UK	GBP	2,134.99	2.37	0.50	0.50	-4.93	16.96
Switzerland	CHF	1,388.78	2.40	2.25	2.25	4.30	6.48
Sweden	SEK	3,465.35	3.57	8.70	8.70	23.04	17.52
Denmark	DKK	241.20	4.67	8.18	8.18	25.76	61.58
Nth America	USD	2,631.50	4.77	4.62	4.62	-2.13	15.45
United States	USD	2,624.77	4.72	4.97	4.97	-2.20	15.71
Canada	CAD	2,536.03	5.63	2.87	2.87	4.81	11.32

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The EPRA Monthly Statistical Bulletin is available for EPRA members from www.epra.com.

Notes:

The FTSE EPRA/NAREIT Global Real Estate Index consists of the largest and most heavily traded real estate stocks in Asia, Europe and North America. As at 29 April, there were a total of 274 stocks in the index.

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