KENNEDY WILSON
EUROPE REAL ESTATE PLC

Half-year results

For the period ended 30 June 2016

5 August 2016

Agenda

Overview	Mary Ricks
Financial review	Fraser Kennedy
Portfolio review	Peter Collins
UK portfolio	Mike Pegler
Summary	Mary Ricks

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EUROPE REAL ESTATE PLC

Overview

Mary Ricks, CEO

KWE investment proposition

Unlocking value of under-resourced real estate

1 Diversified cash flows underpin robust dividends

£165.4m
Topped-up NOI[1]

7.0 / 9.0
H1 16 WAULT (years) (first break) / (to expiry)

24p
H1 16 DPS paid

2 Growing income through asset management

+4.7%
Ahead of passing rent on previously occupied space[2]

+2.7%
Ahead of valuers' ERV[2]

£16.0m
Target incremental NOI from selected asset management

3 Creating value through asset management and selective recycling

240bps
Spread between YOC and exit yield

+25.6%
Disposals ROC (to date)

+5.3%
Premium to BV on completed disposals

Notes
1 Topped-up NOI includes expiration of rent-free periods and contracted rent steps over the next two years. Annualised NOI of £161.4m
2 Including PPE

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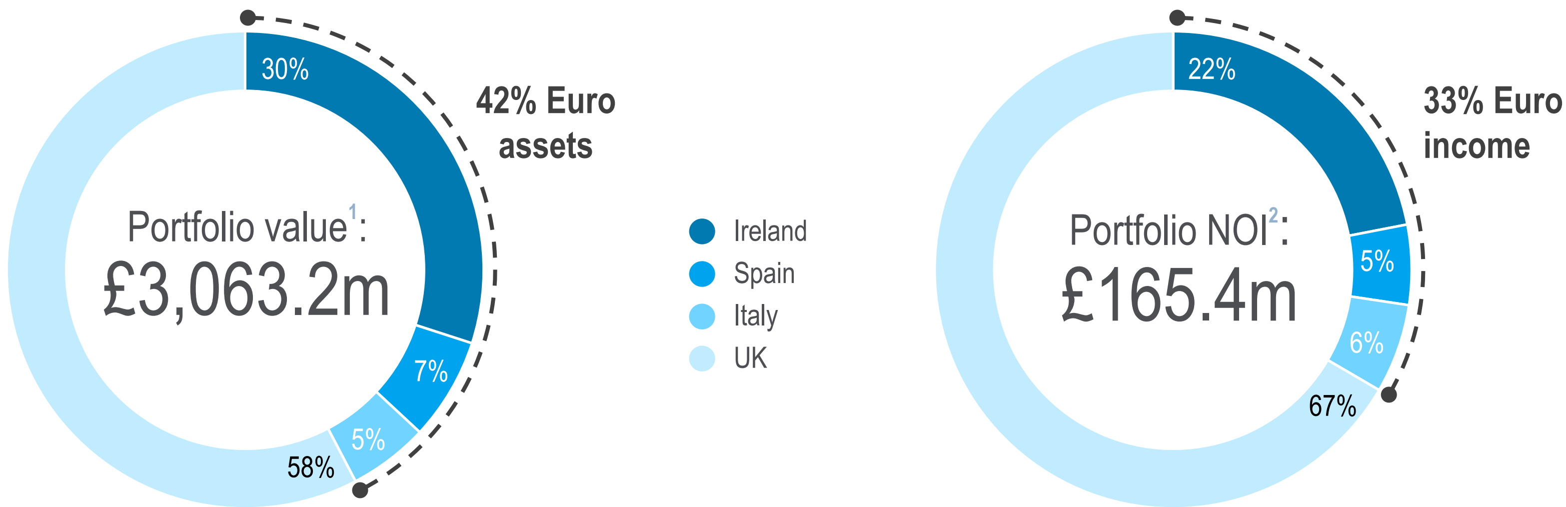
1 Diversified cash flows underpin robust dividends

Asset base and income diversified across Europe



Notes
1 Refer to property valuations paragraph on page 57. Third party valuations carried out by CBRE, the principal valuer, noted that it was not possible to gauge the effect of the UK's EU membership referendum held on 23 June 2016 by reference to transactions and market comparables.
2 Topped-up

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2 Growing income through asset management

Completed redevelopment of Baggot Plaza, Dublin 4

NOI of £5.1m, 20 year term certain FRI lease to Bank of Ireland

Before

After

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3 Creating value through AM and selective recycling

Disposals: £165.5m

Smaller properties with limited future upside

96%
Occupancy

£5.5m
Average lot size (Sales price)

Acquisitions: £172.8m

Strong locations with good covenants and asset management upside

88%
Occupancy

£28.8m
Average lot size (Purchase price)

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Highlights

Financial

1,234p +5.1%
Adjusted NAV per share
(H1 16)

7.1%
Accounting return
(H1 16)

+34.7%
NOI growth
(H1 16 vs H1 15)

£47.3m +1.6%
Valuation uplift
(H1 16)

2.9%
Cost of debt
(H1 16)

26.8p +17%
Adjusted earnings per share
(H1 16 vs H1 15)

Net investments

£315m 17 mths
Disposals (to date, incl PPE) Hold period

5.8%
Exit yield
(to date)

£173m
Acquisitions
(H1 16)

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Operational achievements

Portfolio

£3,063m
Portfolio value
2015: £2,793m

8.8%
Under-rented portfolio[1]
(Based on 30 Jun 16 ERVs)

95%
Occupancy
2015: 96%

278
Number of assets[2]
2015: 302

AM transactions

+4.3%
Ahead of passing rent on previously occupied space

+1.8%
Ahead of valuers' ERV[3]

85
Number of commercial AM transactions

420,000
sq ft

Notes
1 Excluding development assets, hotels and loans
2 H1 2016: including 10 loan collateral assets; 2015: including 20 loan collateral assets
3 Over all commercial leasing transactions including letting of vacant space, re-letting and renewals

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Finance review

Fraser Kennedy, Head of Finance

Strong liquidity and solid earnings

Income statement highlights

	H1 2016	H1 2015	YoY change (%)
Net operating income (£m)	78.7	58.4	35
Adjusted earnings[1] (£m)	36.2	31.0	17
Adjusted earnings[1] (p per share)	26.8	23.0	17
Dividends (p per share)	24.0	15.0	60

Notes
1 Adjusted earnings are defined as EPRA earnings adding back any performance fee expense (capital in nature)

Accounting return of 7.1% for six months to Jun-16

Balance sheet highlights

	H1 2016	FY 2015	Six-month change (%)
Portfolio value (£m)	3,063.2	2,792.7	**9.7%**
Cash (£m)	459.0	326.5	**40.6%**
Secured debt (£m)	905.8	841.3	**7.7%**
Unsecured debt (£m)	834.0	594.8	**40.2%**
LTV (%)	41.8%	39.7%	**2.1 pp**
Adjusted NAV[1] (p per share)	1,233.8	1,174.5	**5.1%**

Notes
1 Adjusted NAV is defined as EPRA NAV deducting fees accounted for in the share-based payments reserve

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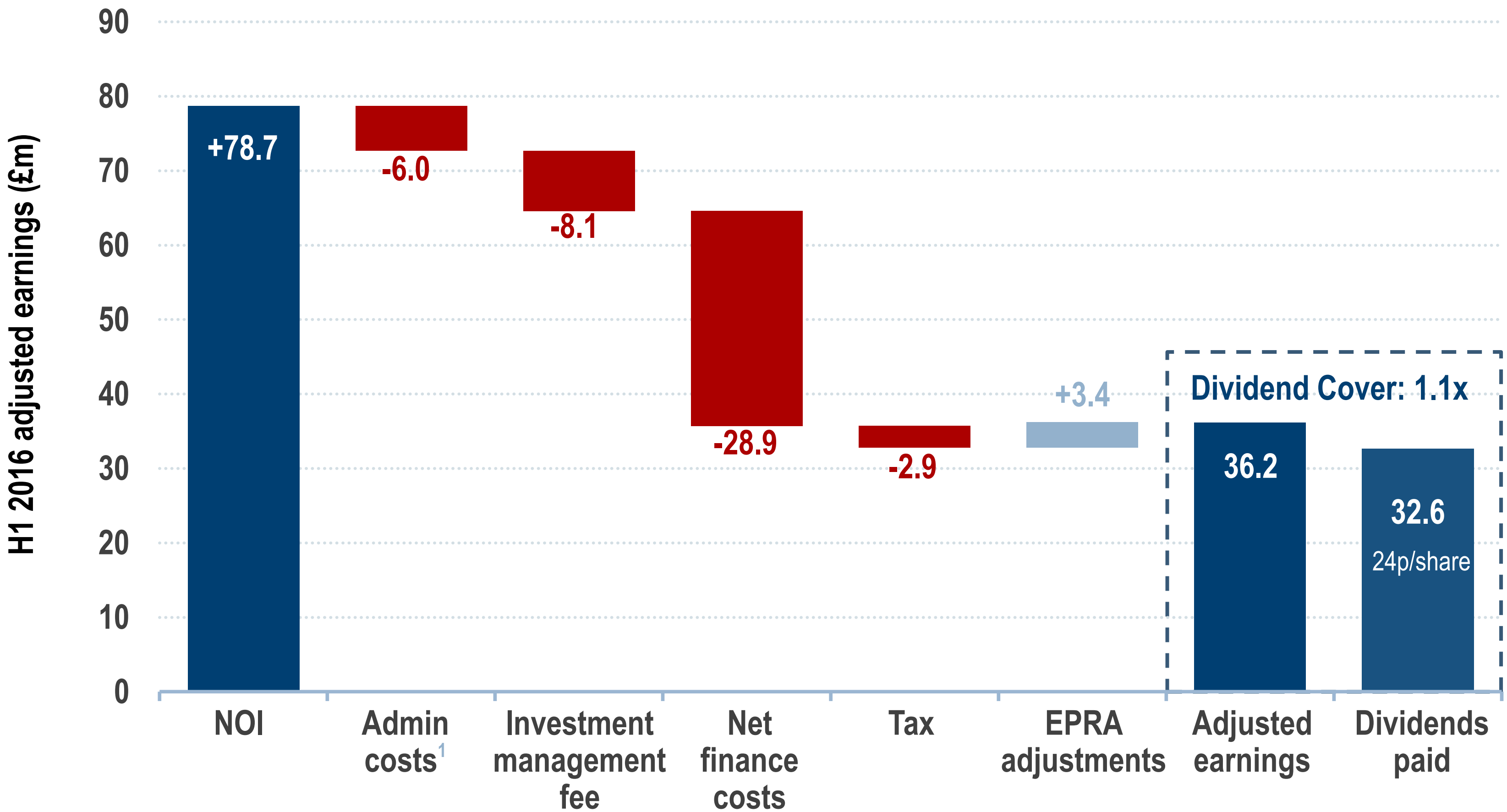
Strong NOI underpins sustainable dividends



Notes
1 Admin costs include items such as administrator and adviser costs, expensed acquisition costs and legal fees

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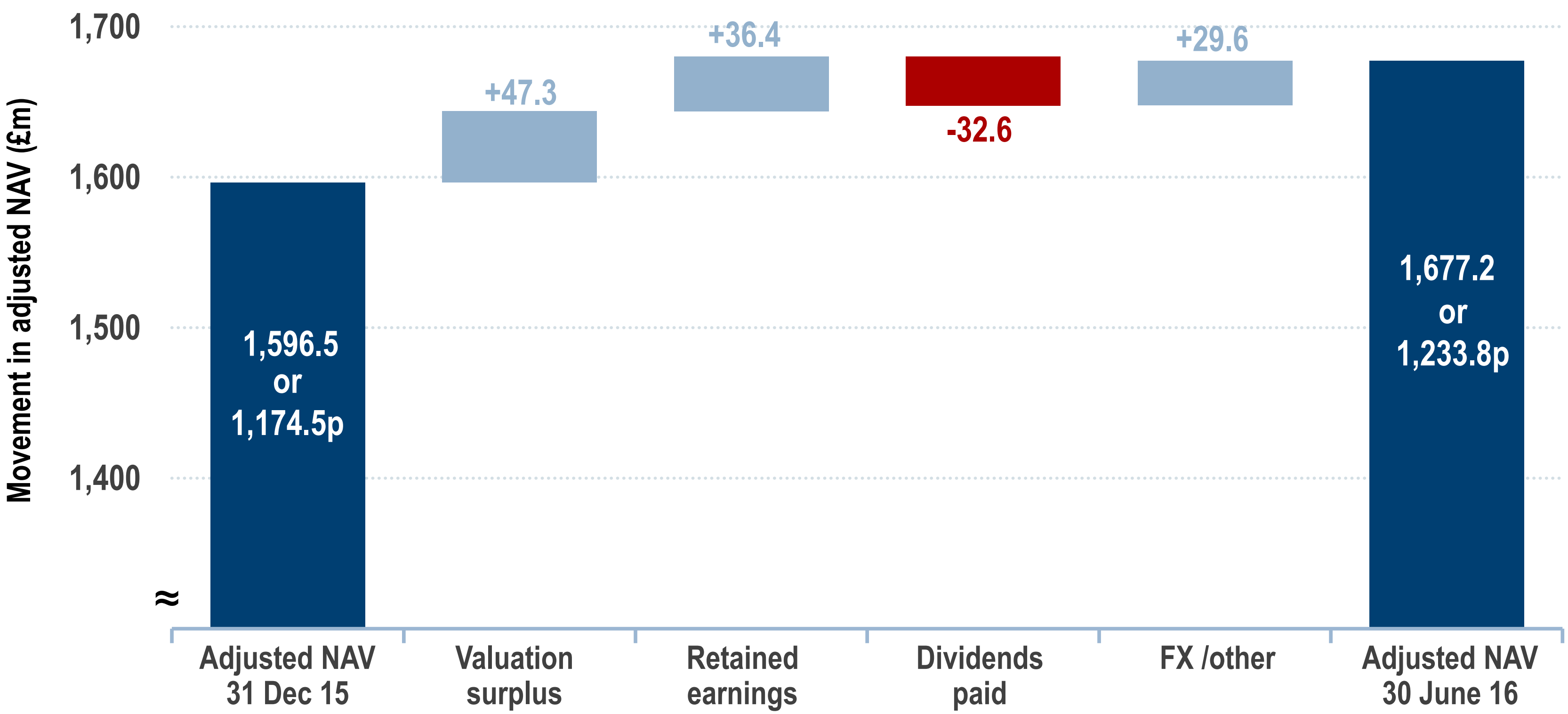
5.1% adjusted NAV growth



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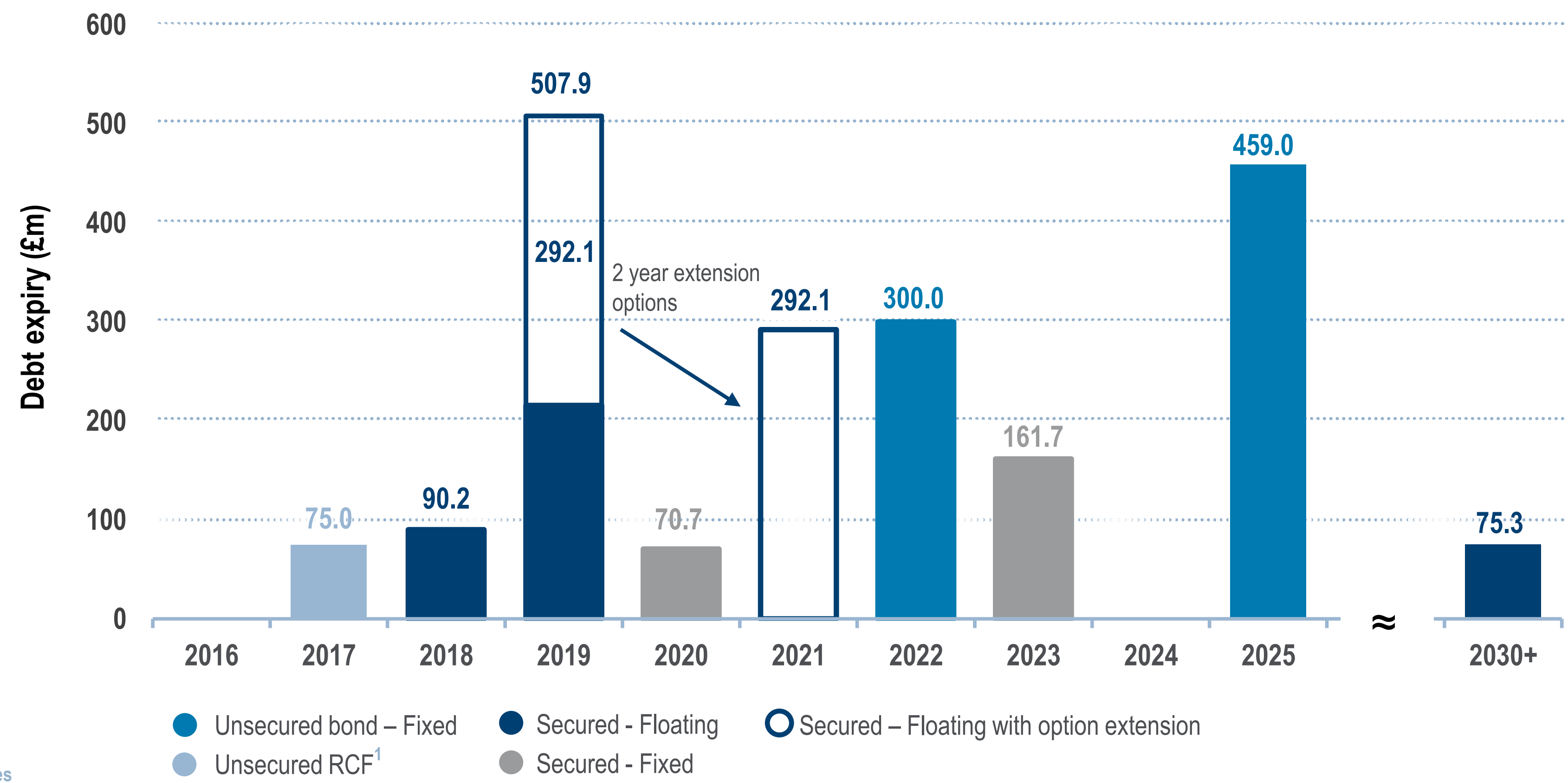
Well staggered debt maturities

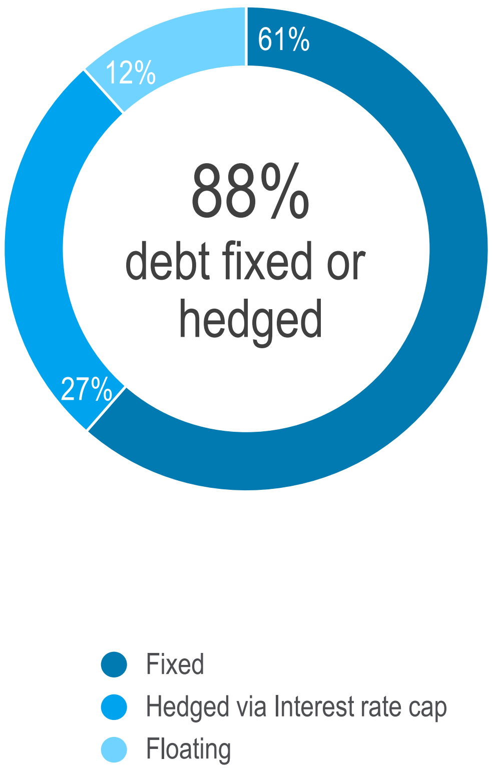
Facilities		£m	Margin	Total cost	Term (years)
Fixed	57%	994.0	Na	321bps	7.1
Floating	43%	745.8	204bps	235bps	4.4
Total	**100%**	**1,739.8**	**204bps**	**288bps**	**6.0**



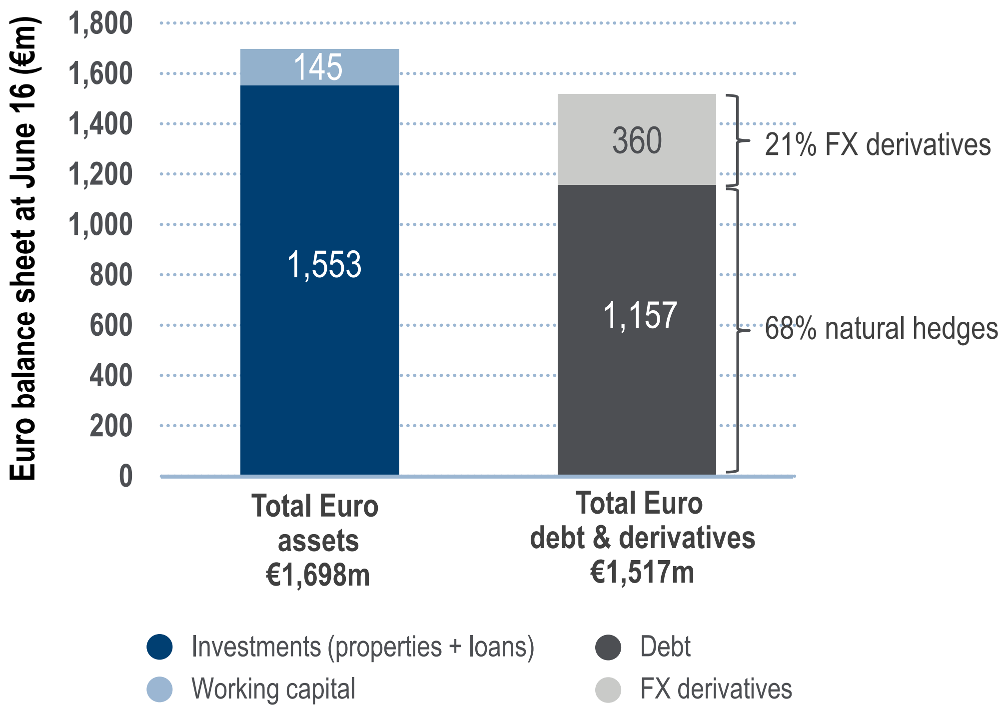
Notes
1 RCF £150m undrawn

Hedging reduces volatility

88% fixed interest debt



89% Euro balance sheet FX hedging



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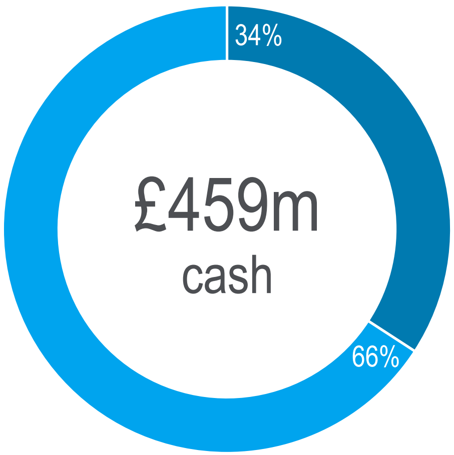
Significant liquidity



EUR cash: €188.1m
GPB cash: £302.0m

(£m)	FY 2015	H1 2016
Cash	326.5	**459.0**
Undrawn facilities	225.0	**150.0**
Total liquidity	551.5	**609.0**

Portfolio review

Peter Collins, COO

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Asset management focus H1 16

Intensive day to day AM ↔ Progressing key projects, development & refurbs ↔ Smart recycling of capital

Moraleja Green, Madrid

Hambridge Lane, Newbury

Block K, Dublin

Baggot Plaza, Dublin

Lakelands RP, Cavan

Gatsby, 25 assets

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Portfolio assembly 2016: £173m

Towers Business Park
Manchester: £82.0m (May 2016)

The Chase
Dublin: £49.5m (May 2016)

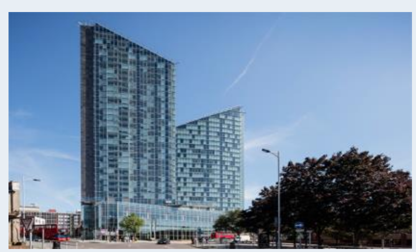
Leisureplex
Dublin: £11.9m (Apr 2016)

Dukes Park Industrial
Chelmsford: £10.5m (June 2016)

Blackrock Business Park
Dublin: £11.2m (Mar 2016)

Schoolhouse Lane
Dublin: £7.7m (Feb 2016)

AVL: Pioneer Point, Ilford
(loan converted to direct real estate)
Feb 2016



Suburban office acquisitions, South Dublin

€76.9m
Purchase price

€340 psf
Purchase price

14
Tenants

3
Buildings

c.44%
Day 1 reversion

74%
Occupancy

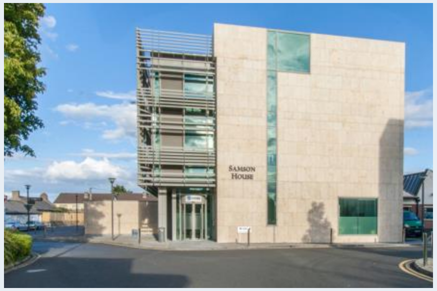
3.9
WAULT (years)

226,000
Area (sq ft)

4.6%
Yield on cost

7.0%
Target yield on cost

The Chase, South Dublin



Blackrock, South Dublin

Key tenants

MARS, LOBO LEASING, FINCAD, dun & bradstreet, HRBR Hair Restoration Blackrock, Service Source

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£300m disposal programme complete

	No. of assets	Area (000 sq ft)	Gross sale proceeds (£m)	Premium to BV (%)	Return on cost (%)	Hold period (months)
Disposals[1]						
Office	15	955	80	6%	45%	17
Retail	14	215	44	12%	35%	13
Industrial	1	407	17	3%	37%	21
Leisure	11	164	20	15%	16%	13
Loans	24	na	131	3%	10%	18
As of H1 16	**65**	**1,741**	**292**	**5%**	**24%**	**17**
PPE	3	112	23	–	58%	18
TOTAL incl PPE	**68**	**1,853**	**315**	**5%**	**26%**	**17**

(all figures are estimates)						
Future disposals			200		c.15%	

Notes
1 From January 2015

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Key projects driving significant value growth

Practical completion
2 assets

Baggot Plaza, Dublin 4

Block K, Vantage, Dublin 18

Work in progress
5 assets

111 BPR, Victoria, London

Stillorgan, Co. Dublin

Pioneer Point, Ilford

Portmarnock, Co. Dublin

Fairmont, St. Andrews

In planning
2 assets

9 Puerta del Sol, Madrid

Friars Bridge Court, London

Concept & design
4 assets

La Moraleja Green SC, Madrid

Leisureplex, Co. Dublin

Eton House, Maidenhead

Norfolk House, Croydon

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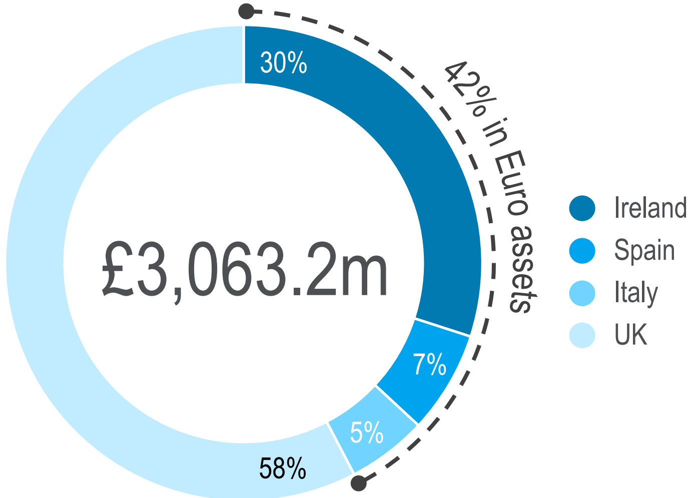
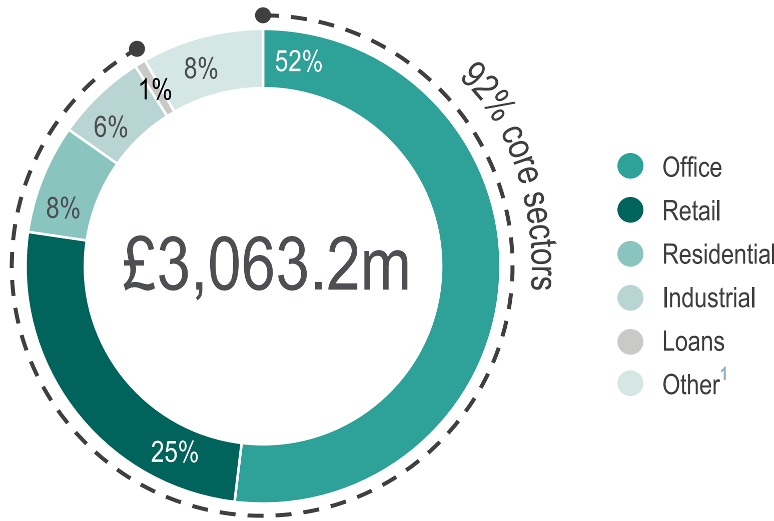
42% of portfolio from Euro assets





Notes
1 Includes hotel and leisure assets and Park Inn NPL

Secure income with upside

c. 560 tenants diversifying cash flows

Top 10 tenants represent 30% of rent

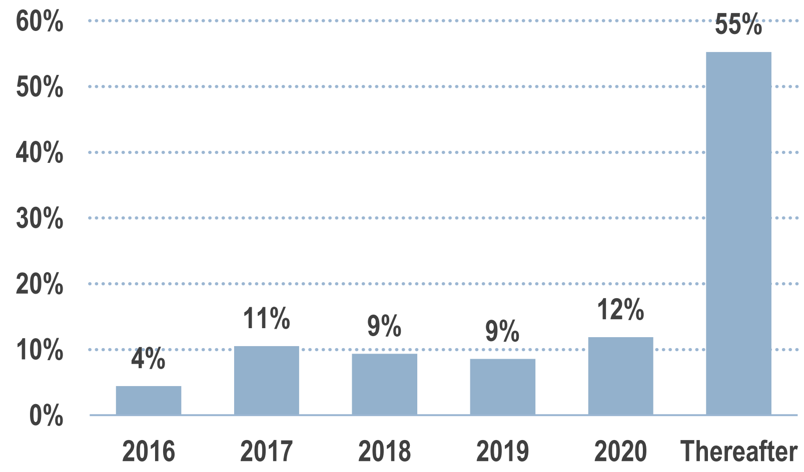
Strong occupancy 95%

Long-term cash flows 7.0 yrs / 9.0 yrs WAULT (to first break / expiry)

Portfolio 9% under-rented

	Under/ (over) rented[1]
Office	15%
Retail	-2%
Industrial	9%
Residential	4%
Other[2]	15%
TOTAL	**9%**

Well staggered lease breaks and expiries



Notes
1 Based on 30 June 2016 ERV's
2 Excludes hotels and real estate loans

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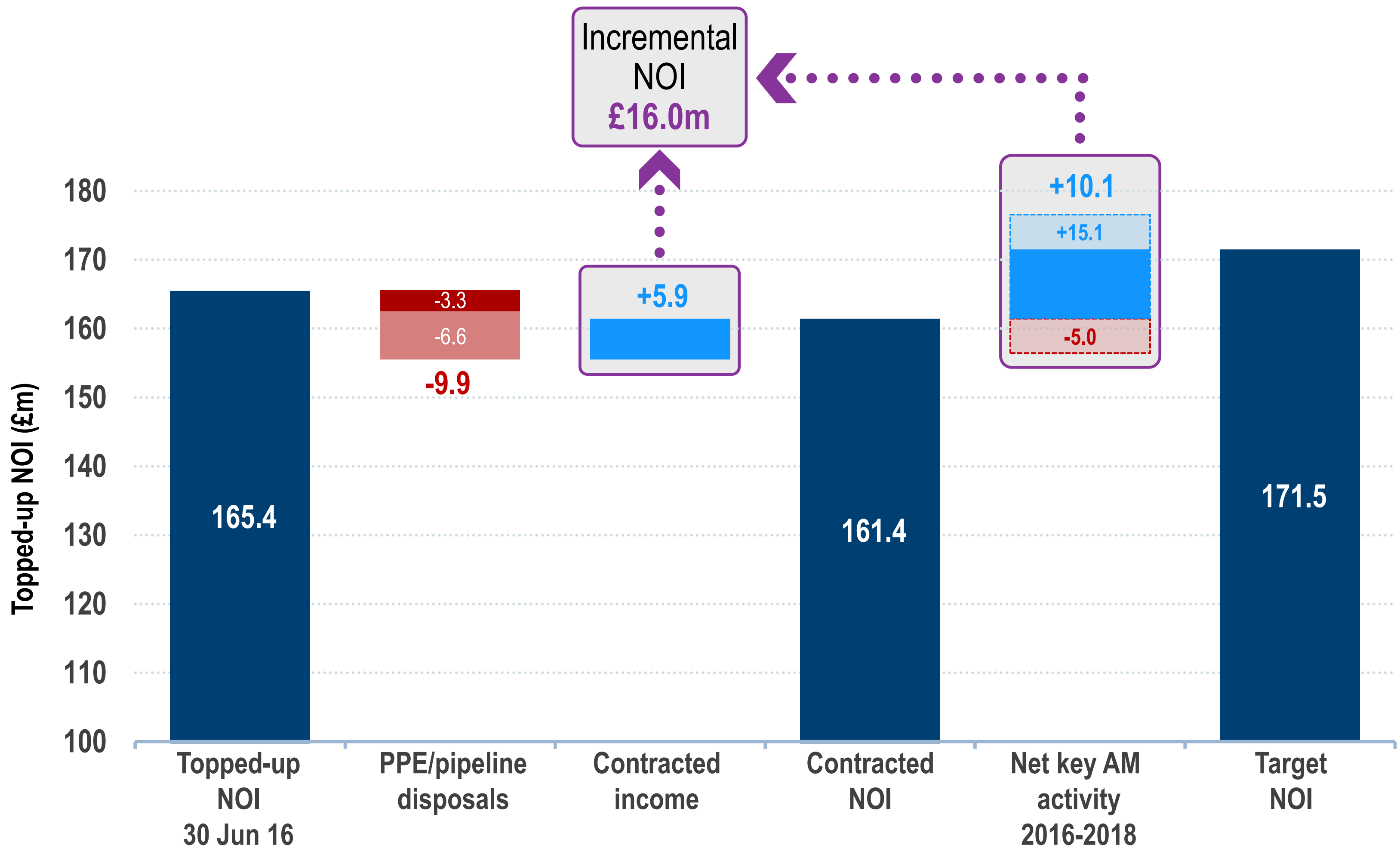
Target incremental NOI



- Includes disposals completed PPE, exchanged and under offer
- Includes disposals on market / pipeline

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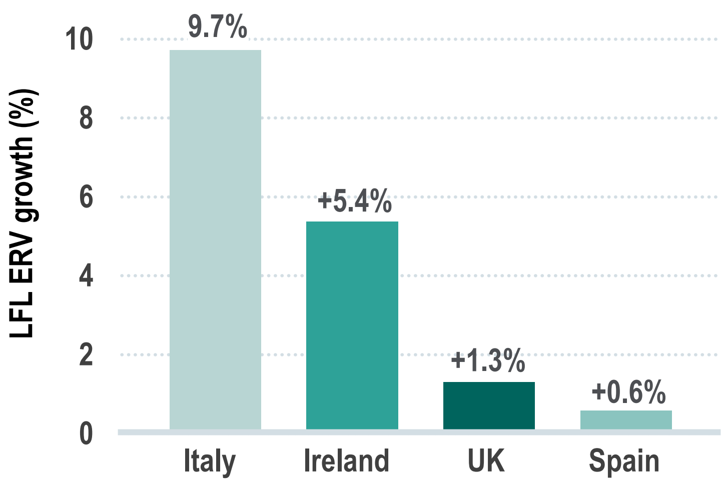
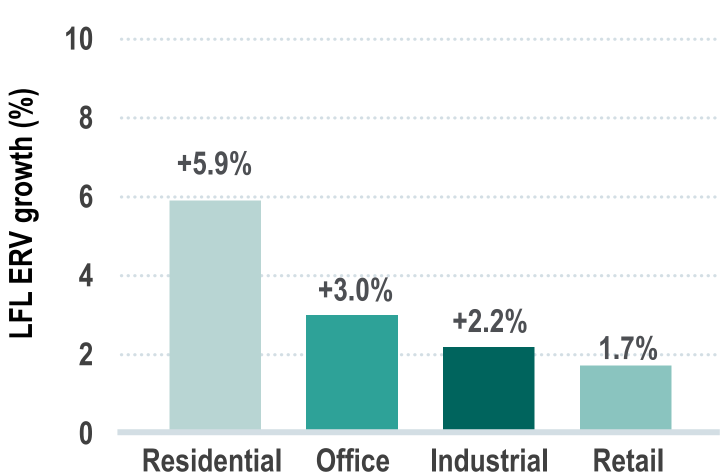
Strong ERV growth across Euro assets

+2.6% LFL ERV growth across the portfolio





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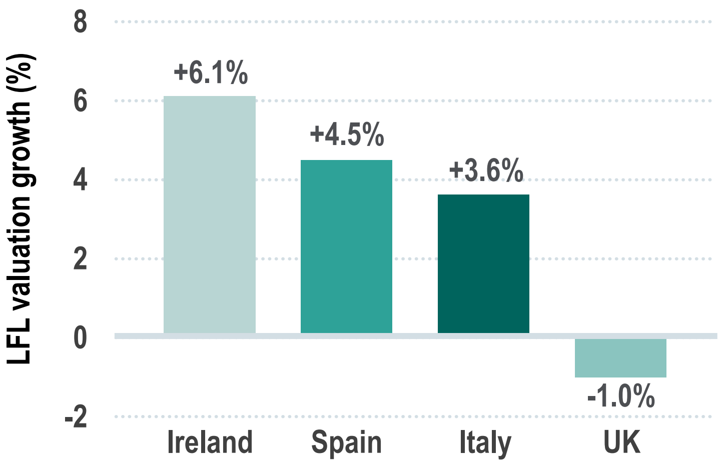
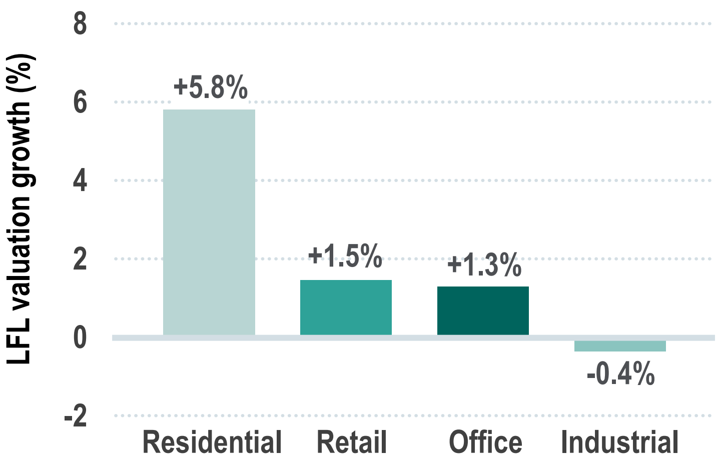
Strong Euro asset valuations

+1.6% LFL valuation uplift across the portfolio





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UK portfolio

Mike Pegler, Head of AM – UK, Spain & Italy

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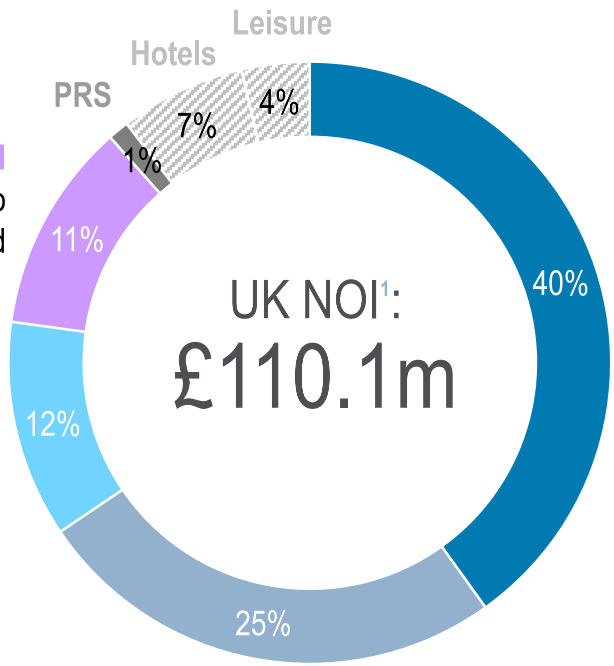
UK portfolio highly diversified across sectors



Industrial
Strong fundamentals to drive NOI forward

Central London office
2 major offices with strong reversionary potential

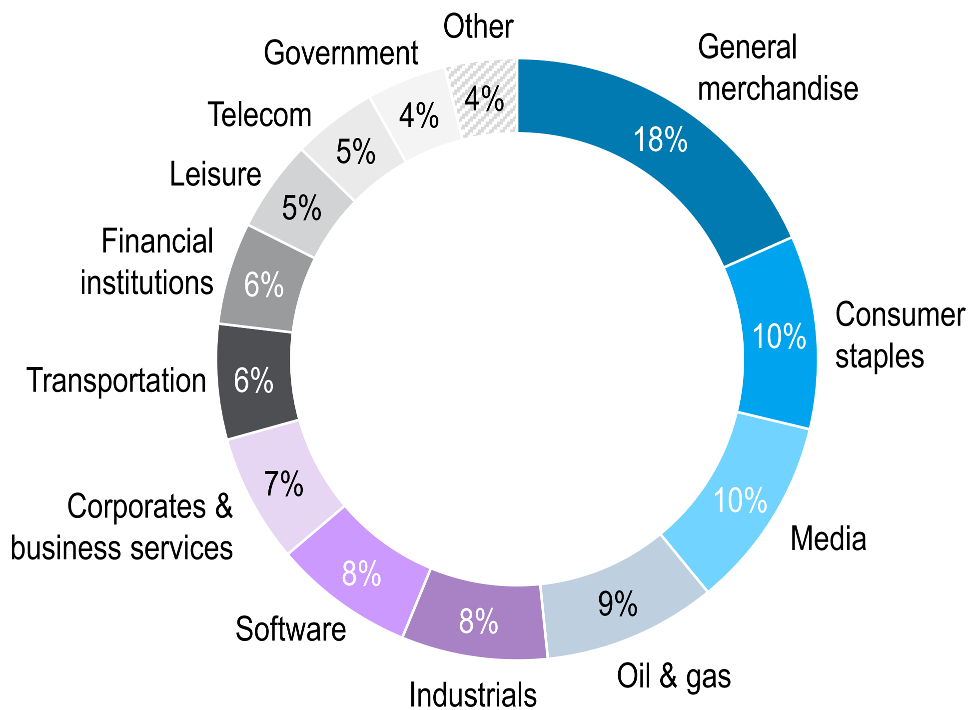
Regional offices
Diversified, high quality portfolio

Retail
Long WAULT and liquid portfolio

Notes
1 Topped-up

Broad income diversity across UK tenants & industries

Top 10 UK tenants represent 20% of total portfolio rent[1]



Notes

1 Based on commercial leases only, numbers shown as % of topped-up rent

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Delivering on UK leasing

63 leases signed in 2016[1]

63
Number of commercial leases signed

500,700
Area (sq ft)

+4.1%
Ahead of passing rent on previously occupied space

+3.1%
Ahead of valuers' ERV

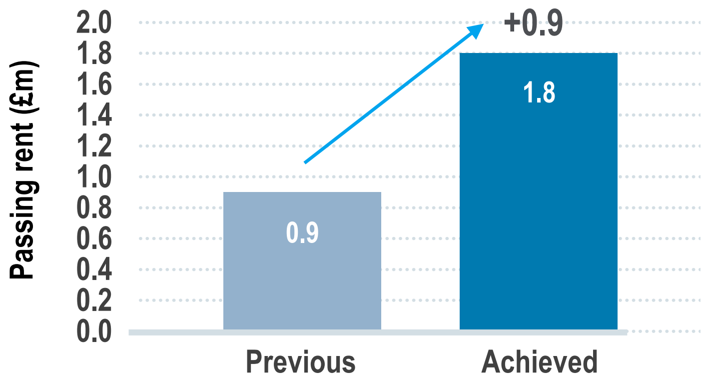
Strong activity post Referendum

12
Number of commercial leases signed

167,800
Area (sq ft)

+£0.9m
Additional income

+6.1%
Ahead of valuers' ERV



Notes
1 Includes PPE activity

Leasing activity continues to drive income

Apex House, Birmingham

Odyssey portfolio

Big Lottery Fund	Renewal
Tenant	Transaction type

Key terms:

£521,190
Rent p.a.

5 years
Term certain

+9.2%
Ahead of valuers' ERV

Portlethen RP, Aberdeen

Gatsby portfolio

B&M	New letting
Tenant	Transaction type

Key terms:

£310,500
Rent p.a.

15 years
Term certain

8.7%
YOC

Eley Road, Edmonton

Gatsby portfolio

SIG Trading	Re-gear
Tenant	Transaction type

Key terms:

£225,000
Rent p.a.

10 years
Term certain

+74.0%
Uplift on passing rent

Delivering on non-core UK disposals

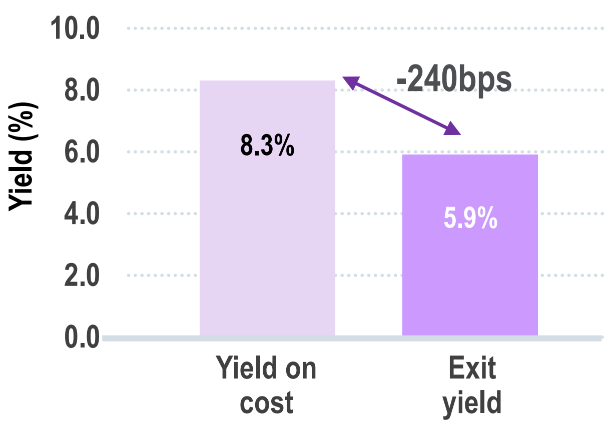
£298m disposals completed since January 2015[1]

55
Number of assets

5.9%
Exit yield

25.9%
ROC

17 mnths
Hold period



£24m disposals completed post Referendum

4
Number of assets

5.9%
Exit yield

56.3%
ROC

18 mnths
Hold period

Notes
1 Includes PPE activity

Asset management achievements driving disposals

Imperial House (Tiger portfolio)

Birmingham office

£11.2m Purchase price

£186 £psf

Achievements over 22 month hold:
- 23% increase in occupancy
- NOI growth +69%

£16.5m Sale proceeds

49.8% ROC

Icon (Tiger portfolio)

Stevenage office

£7.3m Purchase price

£75 £psf

Achievements over 23 month hold:
- Worked up residential scheme
- Achieved premium on sale

£13.0m Sale proceeds

93.0% ROC

Gatsby, 25 UK assets

Maidenhead high street retail

£35.1m Purchase price

£160 £psf

Achievements over avg. 11 month hold:
- Exit to special purchasers at 5.5% yield

£43.0m Sale proceeds

17.3% ROC

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Summary

Mary Ricks, CEO

KENNEDY WILSON
EUROPE REAL ESTATE PLC

Significant progress meeting goals

1 Income growth	**£7.9m** Baggot Plaza & Block K NOI to come	**£1.8m** Rent signed post 23 June
2 Solid dividend	**+60%** H1 16 dividend growth over H1 15	**24p/share** H1 16 dividend growth
3 Recycling capital	**25.6%** ROC on disposals to date	**£315m** Disposals to date
4 Opportunistic investors	**Liquidity + opportunity**	

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Appendix

Adjusted earnings

Adjusted EPS 26.8p, (June 15: 23.0p)

	Half year to 30 June 2016 (£m)	(p)	Half year to 30 June 2015 (£m)	(p)
Profit for the period after taxation	**78.7**	**57.9**	**149.3**	**110.2**
Net change in fair value	(45.7)	(33.6)	(119.5)	(88.2)
Fair value loss on interest caps	0.9	0.7	-	-
Time value of foreign exchange zero premium options	2.4	1.8	-	-
Gain on purchase of a business and acquisition related expenditure	0.1	0.1	1.2	0.9
Gain on sale and other gains	(0.2)	(0.1)	(5.5)	(4.0)
EPRA EARNINGS	**36.2**	**26.8**	**25.5**	**18.9**
Performance fee	-	-	5.5	4.1
ADJUSTED EARNINGS	**36.2**	**26.8**	**31.0**	**23.0**

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Summary balance sheet

EPRA net assets

	30 Jun 2016 (£m)	31 Dec 2015 (£m)
Investment property[1]	2,981.3	2,613.5
Loans secured by real estate	81.9	179.2
PORTFOLIO VALUE	**3,063.2**	**2,792.7**
Cash and cash equivalents	459.0	326.5
Borrowings	(1,739.8)	(1,436.1)
NET DEBT	**(1,280.8)**	**(1,109.6)**
Other net liabilities	(102.8)	(53.9)
IFRS NET ASSETS	**1,679.6**	**1,629.2**
EPRA adjustments	(0.3)	(0.9)
EPRA NET ASSETS	**1,679.3**	**1,628.3**
Performance fee	-	(29.7)
Investment management fee	(2.1)	(2.1)
ADJUSTED NAV	**1,677.2**	**1,596.5**

Notes

1 Third party valuations (RICS Red Book) have been undertaken by CBRE on direct property assets (other than FIP which was completed by Colliers); loan portfolios have been fair valued by Duff & Phelps

Balanced debt structure

£834.0m
Unsecured debt

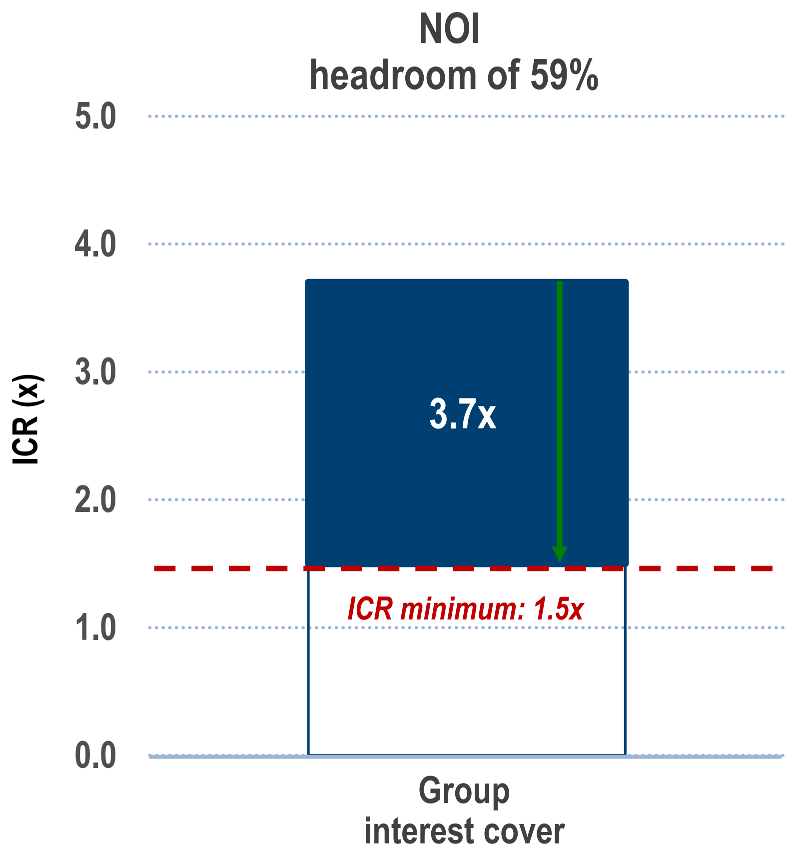
TTM[1]:	7.4 years
Total fixed cost:	3.3%
Fixed debt:	100%

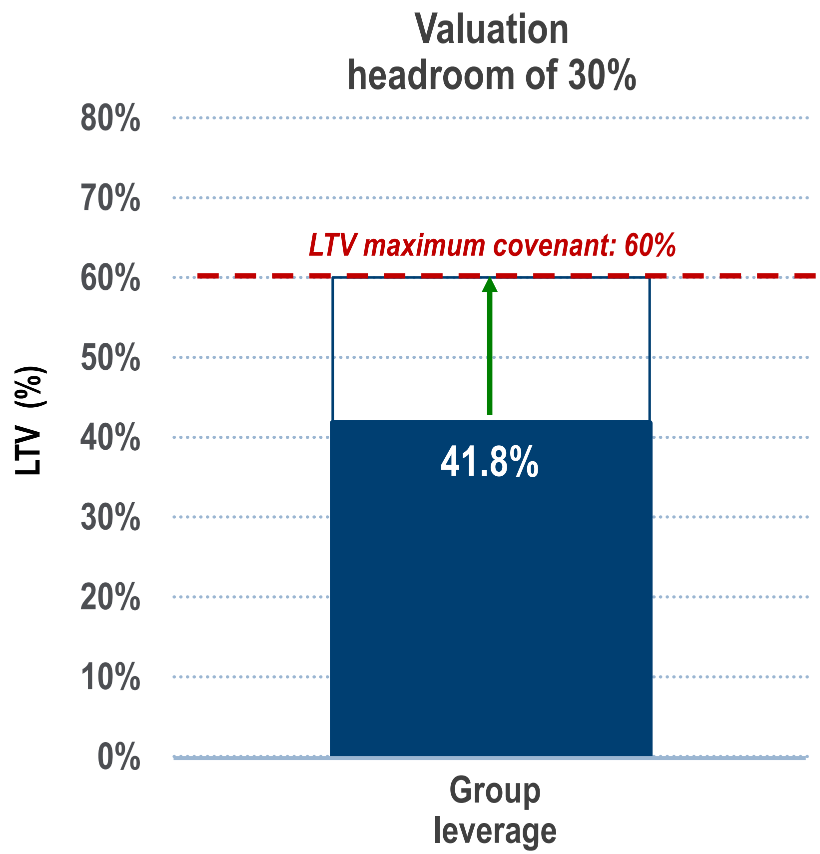
£905.8m
Secured debt

TTM[1]:	4.7 years
Total cost :	2.5%
Total fixed/hedged debt:	78%

Notes
1 TTM = term to maturity

Good covenant headroom





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June 2016 portfolio

Top ten office & retail tenants

Top 10 office tenants	Topped -up rent (£m)	% of total	Top 10 retail tenants	Topped -up rent (£m)	% of total
Italian Government	11.5	13.1	Carrefour	4.3	8.9
Telegraph Media Group	5.8	6.6	Marks & Spencer	1.7	3.5
BT	4.6	5.3	Debenhams	1.5	3.0
KPMG	3.8	4.3	Pendragon	1.4	2.9
Bank of Ireland	3.8	4.3	Snax	1.2	2.5
HSBC Plc	3.4	3.9	Tesco	1.2	2.5
Conoco (UK)	3.0	3.4	Superdrug	0.9	1.9
UK Government	3.0	3.4	Cine-UK	0.9	1.9
Mason Hayes & Curran	2.8	3.2	Matalan	0.9	1.8
Chevron North Sea	2.5	2.8	Wilko	0.8	1.7
Top 10 tenants	**44.2**	**50.3**	**Top 10 tenants**	**14.8**	**30.6**
Remaining tenants	43.7	49.7	Remaining tenants	33.7	69.4
Total office	**87.9**	**100.0**	**Total retail**	**48.5**	**100.0**

Top ten assets

Asset	UK/ Ireland	City	Sector	Area ('000 sq ft)
Buckingham Palace Road	UK	London	Office	224
Baggot Plaza	Ireland	Dublin 4	Development	129
40/42 Mespil Road	Ireland	Dublin 4	Office	118
Russell Court	Ireland	Dublin 2	Office	139
Towers	UK	Manchester	Office	289
Vantage/ Central Park	Ireland	Dublin 18	PRS[1]	260
Stillorgan S.C.	Ireland	Co. Dublin	Retail	142
Pioneer Point	UK	London	PRS[1]	152[2]
Friars Bridge Court	UK	London	Office	99
LMG	Spain	Madrid	Retail	325
TOTAL				**1,877**

Notes
1 Private rented sector residential
2 Excludes area of vacant south tower

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June 2016 sector break down

UK portfolio summary

Sector	Area (m sq ft)	No. of assets	Portfolio value[1] (£m)	NOI[2] (£m)	EPRA NIY (%)	Acq'n YOC (%)	WAULT (years)	EPRA Occup'y (%)
Office	2.8	32	879.3	54.4	5.8%	6.9%	4.6	95.1%
Retail	2.1	131	411.3	27.9	6.2%	6.9%	8.3	96.7%
Industrial	2.9	34	190.0	12.3	5.9%	7.3%	6.2	94.2%
Leisure	0.6	12	113.5	6.9	5.5%	7.0%	12.1	96.9%
Residential	0.1	1	76.0	1.2	1.5%	2.9%	-	87.5%
PROPERTY TOTAL	**8.5**	**210**	**1,670.1**	**102.7**	**5.6%**	**6.7%**	**6.3**	**95.3%**
Development	-	-	-	-	-	-	-	-
Hotel	-	1	38.5	1.7	4.2%	5.8%	-	-
Loans	-	7	58.8	5.7	9.2%	9.6%	-	-
TOTAL / AVERAGE	**8.5**	**218**	**1,767.4**	**110.1**	**5.7%**	**6.8%**	**6.3**	**95.3%**

IRELAND portfolio summary

Sector	Area (m sq ft)	No. of assets	Portfolio value[1] (£m)	NOI[2] (£m)	EPRA NIY (%)	Acq'n YOC (%)	WAULT (years)	EPRA Occup'y (%)
Office	0.8	13	434.2	19.7	4.3%	5.4%	8.1	93.9%
Retail	0.5	7	159.1	9.7	5.8%	6.4%	16.8	98.0%
Industrial	-	-	-	-	-	-	-	-
Leisure	0.0	1	3.1	0.2	4.5%	6.9%	17.0	100.0%
Residential	0.3	2	98.1	4.4	4.3%	4.4%	-	96.9%[3]
PROPERTY TOTAL	**1.6**	**23**	**694.5**	**34.0**	**4.7%**	**5.6%**	**10.9**	**94.5%**
Development	-	4	168.9	-	-	-	-	-
Hotel	-	1	30.5	1.3	4.1%	5.1%	-	-
Loans	-	3	23.1	1.0	4.1%	4.0%	-	-
TOTAL / AVERAGE	**1.6**	**31**	**917.0**	**36.3**	**4.6%**	**5.5%**	**10.9**	**94.5%**

Notes
1 Third party valuations (RICS Red Book) have been undertaken by CBRE on direct property assets; loan portfolios have been fair valued by Duff & Phelps in each case at 30 June 2016
2 Topped-up
3 Excludes commercial

KENNEDY WILSON EUROPE REAL ESTATE PLC

June 2016 sector break down (cont'd)

SPAIN portfolio summary

Sector	Area (m sq ft)	No. of assets	Portfolio value[1] (£m)	NOI[2] (£m)	EPRA NIY (%)	Acq'n YOC (%)	WAULT (years)	EPRA Occup'y (%)
Retail	0.9	17	138.1	9.0	6.1%	6.7%	3.3	83.3%
Development	-	3	74.6	-	-		-	-
TOTAL / AVERAGE	**0.9**	**20**	**212.7**	**9.0**	**6.1%**	**6.7%**	**3.3**	**83.3%**

ITALY portfolio summary

Sector	Area (m sq ft)	No. of assets	Portfolio value[1] (£m)	NOI[2] (£m)	EPRA NIY (%)	Acq'n YOC (%)	WAULT (years)	EPRA Occup'y (%)
Office	1.1	9	166.1	10.0	5.8%	6.3%	6.4	100.0%
TOTAL / AVERAGE	**1.1**	**9**	**166.1**	**10.0**	**5.8%**	**6.3%**	**6.4**	**100.0%**

TOTAL portfolio summary

Sector	Area (m sq ft)	No. of assets	Portfolio value[1] (£m)	NOI[2] (£m)	EPRA NIY (%)	Acq'n YOC (%)	WAULT (years)	EPRA Occup'y (%)
Office	4.7	54	1,479.6	84.1	5.3%	6.4%	5.6	95.4%
Retail	3.5	155	708.5	46.6	6.1%	6.8%	8.9	93.6%
Industrial	2.9	34	190.0	12.3	5.8%	7.3%	6.2	94.2%
Leisure	0.6	13	116.6	7.1	5.4%	7.0%	12.2	96.9%
Residential	0.4	3	174.1	5.6	3.1%	3.6%	-	93.9%[3]
PROPERTY TOTAL	**12.1**	**259**	**2,668.7**	**155.7**	**5.4%**	**6.4%**	**7.0**	**94.6%**
Development	-	7	243.5	-	-	-	-	-
Hotel	-	2	69.0	3.0	4.1%	5.6%	-	-
Loans	-	10	81.9	6.7	7.7%	8.2%	-	-
TOTAL / AVERAGE	**12.1**	**278**	**3,063.2**	**165.4**[4]	**5.5%**	**6.5%**	**7.0**	**94.6%**

Notes
1 Third party valuations (RICS Red Book) have been undertaken by CBRE on direct property assets (other than FIP which was completed by Colliers); loan portfolios have been fair valued by Duff & Phelps in each case at 30 June 2016
2 Topped-up
3 Excludes commercial
4 Annualised NOI: £161.4m

2016 portfolio assembly

Towers Business Park
Manchester, UK

Purchase date	4 May
No. of buildings	10
Purchase price (£m)	82.0
YOC (%)	6.7
Cap value (£ psf)	284
WAULT (years)	5.0
Occupancy (%)	96.3

Dukes Park
Chelmsford, UK

Purchase date	8 Jun
No. of assets	1
Purchase price (£m)	10.5
YOC (%)	6.8
Cap value (£ psf)	66
WAULT (years)	2.9
Occupancy (%)	100.0

The Chase
Dublin 18, Ireland

Purchase date	3 May
No. of assets	1
Purchase price (£m)	49.5
YOC (%)	3.8
Cap value (£ psf)	282
WAULT (years)	3.4
Occupancy (%)	68.2

Blackrock Business Park
Co. Dublin, Ireland

Purchase date	4 Mar
No. of buildings	2
Purchase price (£m)	11.2
YOC (%)	6.8
Cap value (£ psf)	222
WAULT (years)	5.2
Occupancy (%)	98.5

Leisureplex
Co. Dublin, Ireland

Purchase date	21 Apr
No. of assets	1
Purchase price (£m)	11.9
YOC (%)	na
Cap value (£ psf)	na
WAULT (years)	na
Occupancy (%)	na

Schoolhouse Lane
Dublin 2, Ireland

Purchase date	24 Feb
No. of assets	1
Purchase price (£m)	7.7
YOC (%)	na
Cap value (£ psf)	na
WAULT (years)	na
Occupancy (%)	na

Loans converted to direct real estate

Pioneer Point
Ilford

Conversion date	5 Feb
No. of assets	1
YOC (%)	na
Cap value (£ psf)	456
WAULT (years)	na
Occupancy (%)	87.5

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£71.6m of capex spend

Scheme name	Description	Location	Sector	Current area (sq ft)	New area (sq ft)	CTC[1] (£m)	PC timing[2]	Occ'y
Completed development schemes								
Block K, Vantage	Ground up resi development	Dublin	PRS[3]	-	166 units	£8.2	27-Jul	–
Baggot Plaza	Office redevelopment	Dublin	Office	91,600	129,315	£5.3	1-Jul	100%
Subtotal						**£13.5**		
Value enhancing refurbishments update								
Pioneer Point	Internal & external remedial works to units glazing, refurb tenant amenity space	Ilford	PRS[3]	294 units	294 units	£16.5	1Q17	88%
Stillorgan SC	Refurb canopy, external cladding & store extension	Co Dublin	Retail	142,300	153,200	£16.1	4Q17	98%
9 Puerta del Sol	Retail redevelopment to flagship spec	Madrid	Retail	-	36,600	£7.7	4Q17	–
Fairmont, St Andrews	Refurb common areas and bedrooms	Scotland	Hotel	209 rooms	209 rooms	£6.0	2Q17	64%
Schoolhouse Lane	Full internal refurb and expansion of floor area	Dublin	Office	13,300	15,700	£2.6	2Q17	–
111 BPR	Refurb & extend of reception and escalators	London	Office	227,200	227,200	£2.4	3Q16	100%
Portmarnock	Refurb common areas, bedrooms & improve sense of arrival	Co Dublin	Hotels	135 rooms	135 rooms	£2.3	3Q16	84%
Theta, Lyon Way	Internal refurb of VM Ware space	Camberley	Office	50,800	50,800	£2.0	3Q16	33%
The Horizon Centre	Internal refurb of Deloitte space	Epsom	Office	29,500	29,500	£1.7	2Q17	33%
The Chase	Reception refurb, Landlord spec fit-out & acquisition DD items	Dublin	Office	175,600	175,600	£0.8	4Q16	69%
Subtotal						**£58.1**		
TOTAL						**£71.6**		

Notes
1 Estimated cost to complete
2 Projected completion date
3 Private rented sector residential

Kennedy Wilson Europe Real Estate Plc

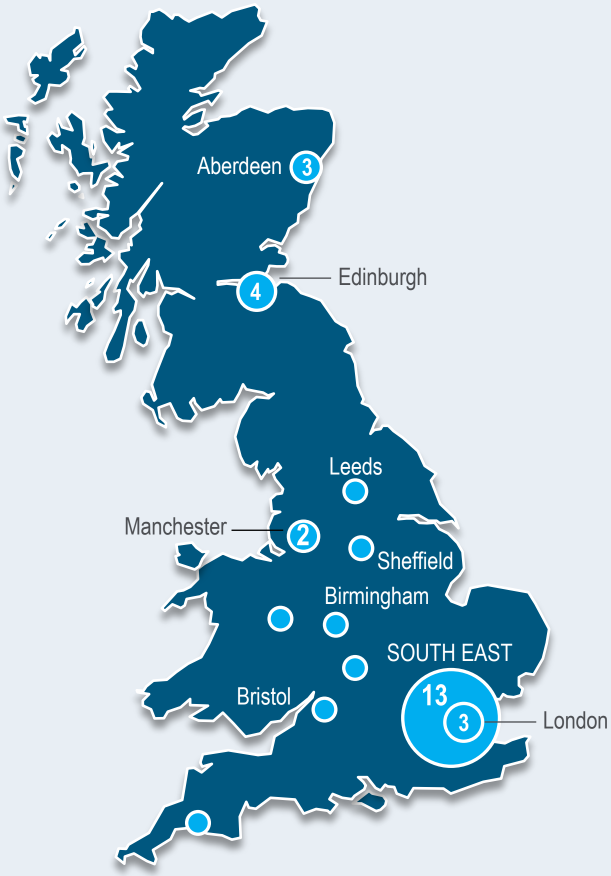
Office

UK

£879m 55%
Valuation

2,778
Area ('000 sq ft)

32
Assets



IRELAND[1]

£545m 34%
Valuation

798
Area ('000 sq ft)

15
Assets

ITALY

£166m 11%
Valuation

1,068
Area ('000 sq ft)

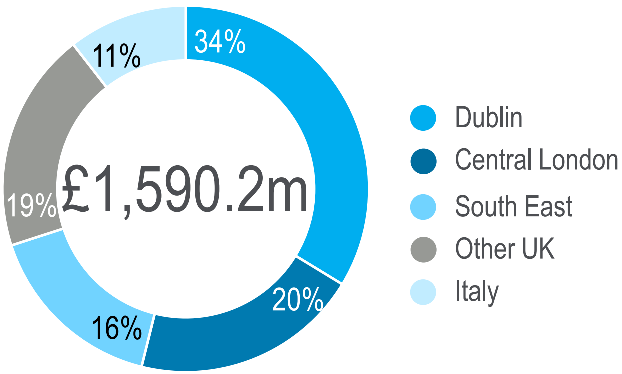
9
Assets

Notes
1 Includes Baggot Plaza and Schoolhouse Lane

KENNEDY WILSON EUROPE REAL ESTATE PLC

KWE office portfolio summary

70% Dublin, C. London & SE[1]



	Total[1]
Passing rent (£m)	85.9
Topped-up NOI (£m)	84.1
Portfolio valuation (£m)	1,590.2
Portfolio valuation (£psf)	342.4
Valuation uplift (£m)	20.2
Occupancy (%)	95.4
WAULT break (years)	5.6
WAULT expiry (years)	6.8

H1 16 office asset management wins

	Re-gear/ renewal	New lease	Rent review	Total
No. of transactions	2	3	4	**9**
Area (000 sq ft)	34.7	11.7	26.7	**73.1**
NOI uplift (£m)	-0.1	0.1	0.2	**0.2**
Term to break (years)	5.1	7.3	–	**5.6**

Via Spegazzini
Rome

Eton House
Maidenhead

Notes
1 Includes Baggot Plaza and Schoolhouse Lane

Towers Business Park, Manchester

£82m
Purchase price

£284 psf
Purchase price

21
Tenants

10
Buildings

c.20%
Day 1 reversion

96%
Occupancy

5.0
WAULT (years)

289,100
Area (sq ft)

6.7%[1]
Yield on cost

c.8.0%
Target yield on cost

Worthington House

Scotscroft

Key tenants

BRITISH AIRWAYS
Honeywell
ROPER
CISCO
ORACLE
John Lewis
syngenta
BROADCOM
SPX

Notes
1 Based on topped-up rent as at 30 June

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EUROPE REAL ESTATE PLC

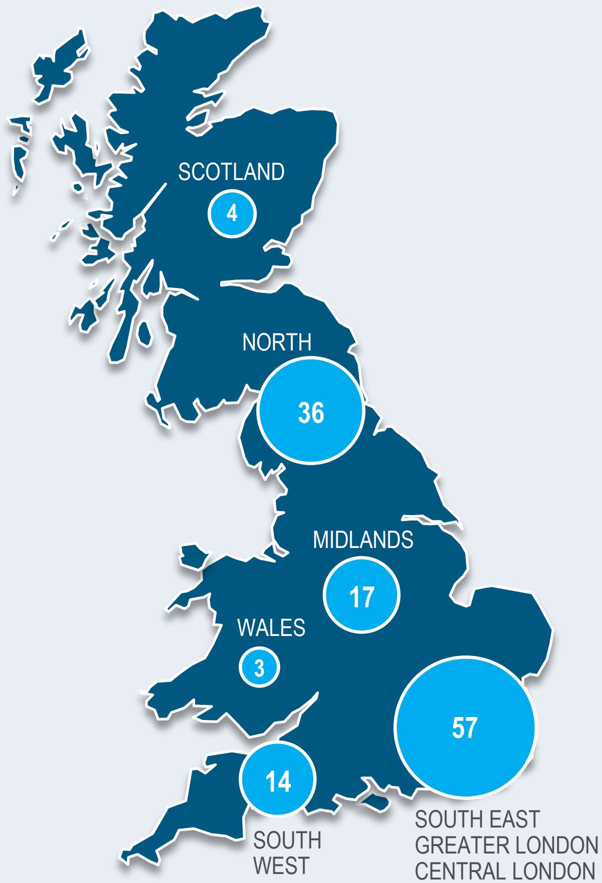
Retail

UK

£411m 54%
Valuation

2,097
Area ('000 sq ft)

131
Assets

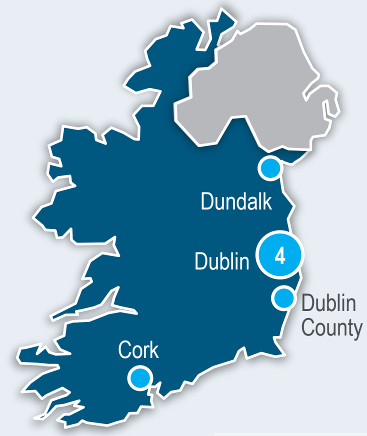


IRELAND

£159m 21%
Valuation

516
Area ('000 sq ft)

7
Assets



SPAIN[1]

£195m 25%
Valuation

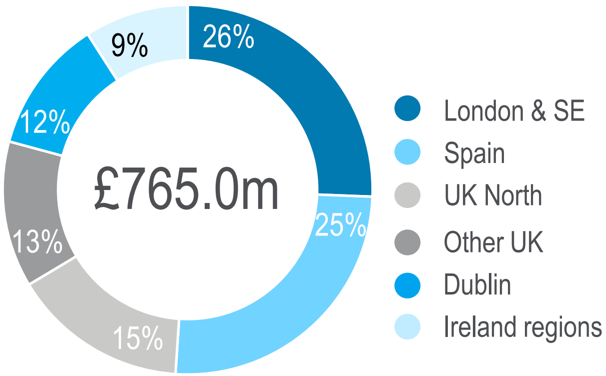
918
Area ('000 sq ft)

18
Assets

Notes
1 Includes 9 Puerta del Sol

KWE retail portfolio summary

63% London/SE, Dublin, Spain[1]



	Total[1]
Passing rent (£m)	47.5
Topped-up NOI (£m)	46.6
Portfolio valuation (£m)	765.0
Portfolio valuation (£psf)	216.6
Valuation uplift (£m)	10.9
Occupancy (%)	93.6
WAULT break (years)	8.9
WAULT expiry (years)	12.7

H1 16 retail asset management wins

	Re-gear/ renewal	New lease	Rent review	Total
No. of transactions	29	8	23	**60**
Area (000 sq ft)	70.6	9.1	91.7	**171.4**
NOI uplift (£m)	-0.1	0.1	0.3	**0.3**
Term to break (years)	7.1	7.7	–	**7.5**

Marshes shopping centre
Dundalk, Co Louth

Carrefour
Barcelona

Notes
1 Includes 9 Puerta del Sol

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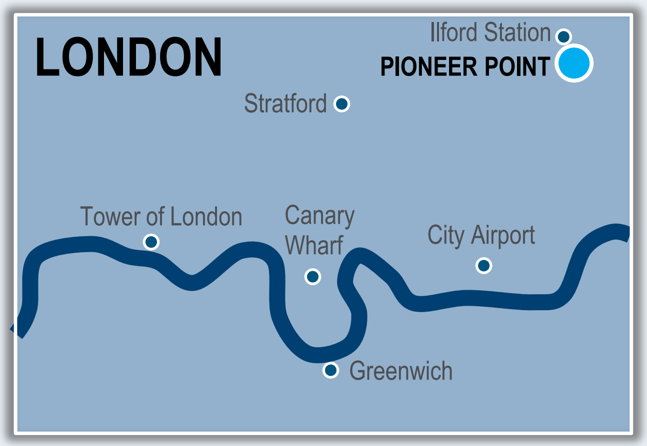
PRS

UK
PRS

£76m 35%
Valuation

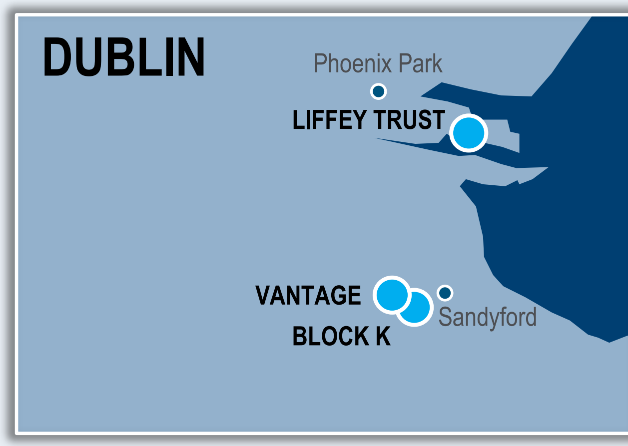
294
Potential units



IRELAND[1]
PRS

£144m 65%
Valuation

523
Potential units

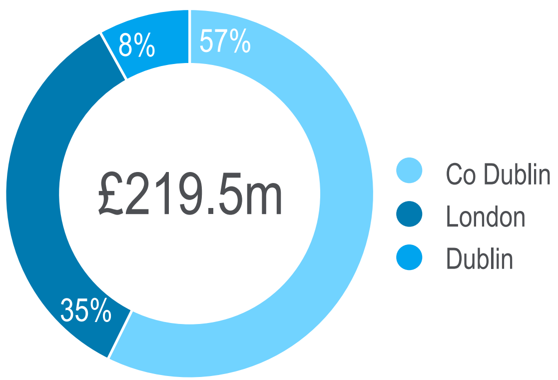


Notes
1 Includes Block K

KENNEDY WILSON EUROPE REAL ESTATE PLC

KWE PRS portfolio summary

100% London, Dublin & Co Dublin[1]



	Total
Jun-16 lettable units	516
No. of units once fully developed	953[2]
Topped-up NOI (£m)	5.7
Portfolio valuation (£m)	219.5[1]
Valuation (£ per lettable unit)	268,665[1]
Valuation uplift (£m)	12.6[1]
Occupancy of lettable (%)	93.9[1]

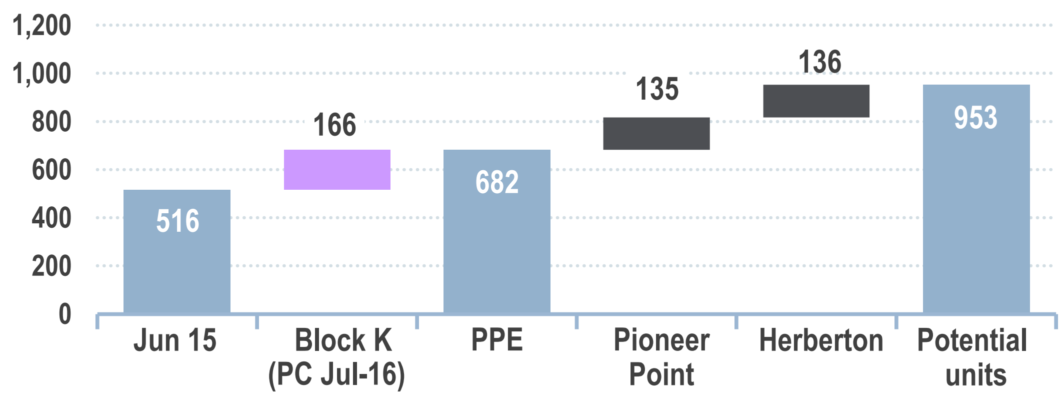
Notes
1 Includes Block K
2 Includes loan assets
3 Excludes commercial units

Key AM wins

Vantage, Central Park, 276 units
Refurb of tenant amenities completed

Block K, 166 units
PC July 16, on time and on budget

437 new units to be brought on stream in the next 18 months



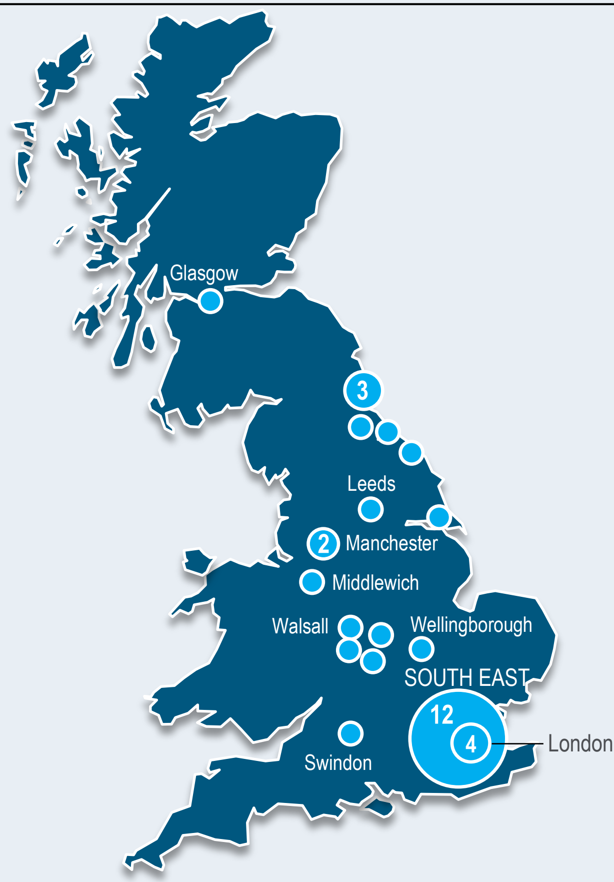
Industrial

UK

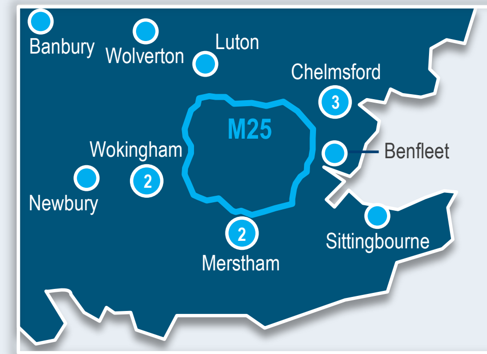
£190m 100%
Valuation

2,929
Area ('000 sq ft)

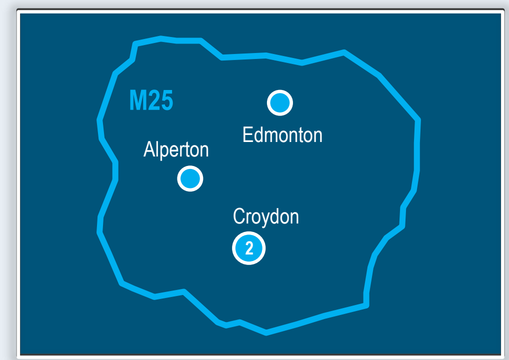
34
Assets



SOUTH EAST



LONDON



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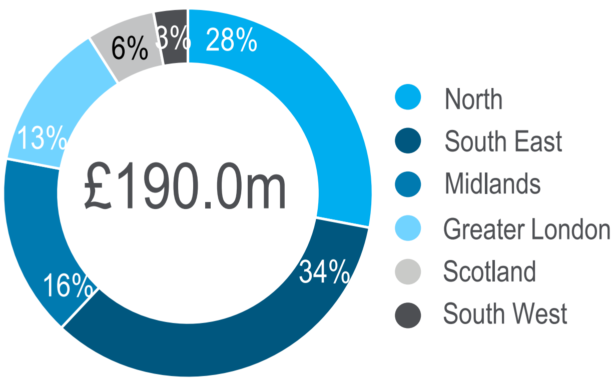
KWE industrial portfolio summary

87% in institutional markets



	Total
Passing rent (£m)	12.1
Topped-up NOI (£m)	12.4
Portfolio valuation (£m)	190.0
Portfolio valuation (£psf)	64.9
Valuation uplift (£m)	-1.3
Occupancy (%)	94.2
WAULT break (years)	6.2
WAULT expiry (years)	7.2

H1 16 industrial asset management wins

	Re-gear/ renewal	New lease	Rent review	Total
No. of transactions	3	6	3	**12**
Area (000 sq ft)	50.0	75.2	49.5	**174.7**
NOI uplift (£m)	0.0	0.3	0.0	**0.3**
Term to break (years)	15.1	7.4	–	**9.7**

Colossus 1
Wincanton, Glasgow

Fishponds Industrial Estate
Wokingham

Summary of Investment Management Agreement

Base fee	**1% of EPRA NAV** Paid quarterly in arrears	**50% in shares** **50% in cash**
Performance fee	**20% of total shareholder return above 10% hurdle rate** Subject to annual high watermark	**100% in shares** 3-year lock-up, 1/3 each year
Contract	**Minimum 3 years** **Post 3 years, termination subject to:** 75% of independent shareholders voting to terminate **On change of control of the investment manager, termination subject to:** 50% of independent shareholders voting to terminate, no fee payable	

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All property valuations in this presentation at 30 June 2016 have been undertaken by third party external valuers' under RICS Red Book. CBRE have valued the direct property assets (other than FIP which was completed by Colliers) and the loan portfolios have been fair valued by Duff & Phelps, in each case at 30 June 2016. Unless stated otherwise, information presented "to date" is information as at 4 August 2016 or for the period from 1 January 2016 to 4 August 2016, and any PPE information presented under "PPE" is information for the period from 1 July 2016 to 4 August 2016. Following the result of the UK's EU membership referendum held on 23 June 2016, CBRE, the principal valuer, has noted in its valuation that it has not been possible to gauge the effect of this decision on property valuations at 30 June 2016 by reference to transactions and market comparables. We are now in a period of uncertainty in relation to many factors that may impact the property investment and letting markets.

Unless stated otherwise, where balance sheet amounts in this presentation are presented in both £ and €, the £ amount has been calculated based on an exchange rate of €1:£0.83458, which was the rate on 30 June 2016. Income Statement amounts were translated at the average rate for the year.