

Invista Foundation Property Trust Limited

Quarterly Factsheet – 31 December 2009

FOR INVESTMENT PROFESSIONALS ONLY



Key Highlights

- Net Asset Value ('NAV') of 49.5 pence per share reflecting a quarter-on-quarter increase of 15.4%
- Interim dividend of 0.88 pence per share to be paid on 19 February 2010
- Securitised debt repayment of £40 million
- Following disposal of Portman Square House, London W1 in March 2010 the Company will have a loan-to-value ratio of 38.3%¹

¹ Assuming no further changes and based on the 31 December 2009 valuation

Key Statistics

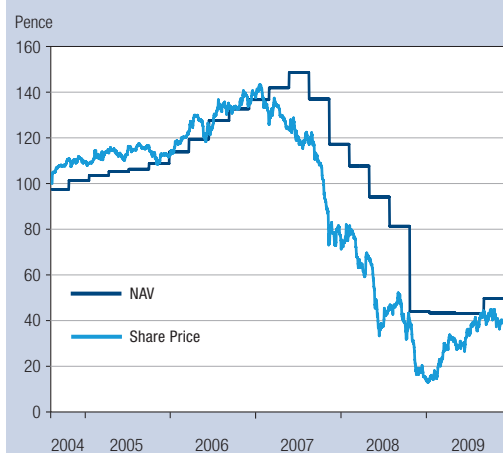
	31/12/2009 £m	30/09/2009 £m	3 month change £m	3 month change %
Direct property independent valuation*	293.3	297.9	(4.6)	(1.5)
Valuation of sales	–	(20.5)	–	–
Capital expenditure during the quarter	–	1.1	–	–
Like-for-like direct property	293.3	278.5	14.8	5.3
Joint venture investments	1.7	0.0	1.7	100.0
Market value – of interest rate swap	(25.2)	(26.5)	1.3	4.9
Net current assets	112.4	89.2	23.2	26.0
On-balance sheet loan	(221.9)	(221.7)	(0.2)	(0.1)
Net Asset Value	160.3	138.9	21.4	15.4
Net Asset Value per share (pps)	49.5	42.9	6.6	15.4
Net Asset Value per share – excluding swaps (pps)	57.3	51.1	6.2	12.1

Both net current assets and on-balance sheet loan increased by £11.2 million following draw down of the Liquidity Facility. The Liquidity Facility cash is held in a blocked account and the loan is excluded from related securitised financial covenants. *Excluding Portman Square House.

Investment Objective

Invista Foundation Property Trust aims to provide shareholders with an attractive level of income together with the potential for income and capital growth from investing in UK commercial property.

NAV and Share Price (since inception)



Source: Thompson Datastream and Invista, as at 31 December 2009.

Company Performance Overview

Net Asset Value

As at 31 December 2009 the Company announced a NAV of £160.3 million reflecting a 6.6 pps quarter-on-quarter increase of 15.4%. An uplift in the value of the direct property portfolio of 6.4% during Q4 2009, a successful restructuring of one of the joint ventures and an average payment relating to a prior proposal contributed to the increase in NAV.

Property Portfolio and Performance

As at 31 December 2009 the direct property portfolio comprised 57 properties valued at £316.5 million, including Portman Square House. The direct property portfolio produces a rent of £23.1 million per annum, reflecting a net initial yield of 6.9%, increasing to 7.2% following expiry of rent free periods over the next 12 months. The latest available IPD data shows that over 12 months to 30 September 2009 the direct property portfolio produced a total annual return of -14.6% compared with its benchmark of -18.9%.

Transactions and Asset Management

Key asset management initiatives continues across the portfolio with a focus on new lettings to reduce the void rate and enhance income. At Hinckley where the Company secured a 100,000 sq ft outline retail warehouse planning consent in 2007, an initial phase of development is being considered and discussions are ongoing for a possible pre-let of approximately 30,000 sq ft.

The Company is actively seeking new accretive acquisitions that combine an above average yield with strong property fundamentals.

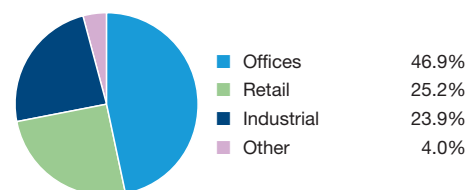
During the period the Company exchanged unconditional contracts to sell its 21.6% share in the joint venture that owns Portman Square House, London W1 for £23.11 million. The price reflects an uplift of £3.13 million or 16.0% compared with the end Q3 2009 independent valuation. Completion of the transaction is expected on 24 March 2010. The disposal follows the successful completion of a significant rent review in October 2008 which resulted in a rental uplift of 83% over the four year period of ownership.

Finally, following the disposal of National Magazine House, London W1 in April 2009, the outstanding rent review has been settled which has triggered an additional payment to the Company of £1.8 million.

Portfolio Structure

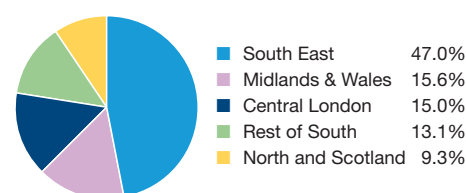
Sector Split by Valuation

As at 31 December 2009 prior to the Portman disposal



Geographical Spread by Valuation

As at 31 December 2009 prior to the Portman disposal



The source for all figures throughout this factsheet is Invista and IPD unless otherwise stated.

Company Performance Overview (continued)

Market Background

The recovery in UK commercial property values is continuing with the Investment Property Databank ('IPD') Monthly Index producing a positive total return for the calendar year 2009 of 2.18%. Despite the fall in capital values of 5.61% over the year 2009, values actually increased by 8.84% from July 2009 to December 2009 according to IPD. However, rental values between July 2009 and December 2009 fell by 2.32% and voids over the same period increased from 10.8% to 11.3% as a percentage of market rental value. Furthermore, the recovery in capital value has been largely focused on prime property, and transaction volumes remain relatively low with institutional and international funds dominating activity.

At a wider macro-economic level there are concerns over the possible impact of a reduction in quantitative easing on asset prices together with the risk of increasing interest rates. Both of these could have a negative effect on the recovery in UK commercial property values and consequently a cautious approach is being taken to new acquisitions. The outlook for the property market in 2010 will broadly depend on whether rental levels stabilise as well as banks and other 'forced' sellers offer a significant additional supply of investments to satisfy demand and release upward pressure on values.

Finance

On 15 January 2010 the Company repaid £40 million of its securitised debt at par, incurring a swap break cost of £3.95 million. Following the debt repayment the Company has on-balance sheet securitised borrowings of £173.5 million at an average interest rate of 5.69% per annum and £38.4 million of cash, increasing to £61.1 million on completion of the Portman Square House disposal. The debt repayment increases the Company's net income by approximately £2.1 million per annum and underpins the strategy of increasing income and dividend cover.

Joint Ventures

The Company successfully restructured the Merchant Property Unit Trust ('MPUT') joint venture in which it holds a 19.5% share. This was previously held at nil value. As at 31 December 2009 the Company's NAV included £1.75 million in MPUT, which comprises 32 properties let to Travis Perkins. The increase in value follows a successful lease restructuring with the tenant simultaneously with a debt restructuring and new banking terms.

The Company continues to hold Crendon Industrial Partnership Limited (50% share) and Plantation Place, London EC3 (28.2% share) at nil value.

Details of the Company's debt and two swaps are set out in the table below:

	Amount £m	Interest Rate	Margin %	Total Interest Rate %	Expiry	Mark to Market 15/01/2010 (post £40 million repayment) £m	Mark to Market 30/09/2009 £m	Mark to Market 30/06/2009 £m
Loan	62.5	5.099% Fixed	0.20	5.299	15/07/2014	(5.9)	(10.1)	(8.2)
Loan	111	5.713% Fixed	0.20	5.913	15/07/2016	(15.5)	(16.4)	(13.9)
Loan Total	213.5	5.420% Fixed	0.20	5.622		(21.4)	(26.5)	(22.1)
Liquidity Facility	11.2	0.54 Libor**	0.662	1.202*		n/a	n/a	n/a

*Securitised debt facility has a Liquidity Facility of £11.2 million provided by Lloyds Banking Group ('Lloyds'). Liquidity Facility Agreement requires the provider to have a minimum Standard & Poor's ('S&P') to A1+, which Lloyds breached in March 2009 when they were downgraded by S&P to A-1. Breach requires the Liquidity Facility to be drawn down in full and placed in a blocked deposit account or alternatively a new provider put in place. Accordingly, on the 23 September 2009 the Liquidity Facility was drawn down. **Libor as at 25 January 2010.

Further Information and Contacts



Visit our website
www.ifpt.co.uk

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10 Largest Holdings by Value

Location	Value (£)	Weighting
Minerva House, Montague Close, London SE1 ¹	24,500,000	7.7%
Portman Square House, 43/45 Portman Sq, London W1 ²	23,110,000	7.3%
Victory House, Trafalgar Place, Brighton	18,000,000	5.7%
106 Oxford Road, Uxbridge	13,250,000	4.2%
Retail Park, Churchill Way West, Salisbury, Wiltshire	12,900,000	4.1%
The Galaxy, Luton	12,600,000	4.0%
Olympic Office Centre, Fulton Road, Wembley	11,750,000	3.7%
Reynard Business Park, Brentford	11,250,000	3.6%
Churchill Way, Basingstoke	10,000,000	3.2%
The Gate Centre, Syon Gate Way, Brentford	9,300,000	2.9%
Total (as at 31 December 2009 prior to the Portman disposal)	146,660,000	46.4%

¹ Figures based on 50% ownership of Minerva House

² Figures based on 21.6% ownership of Portman House

10 Largest Tenants by Income

Tenant/Group	Rent per annum (£)	Weighting
Cushman & Wakefield Finance Limited	1,183,617	4.9%
Wickes Building Supplies Limited	1,092,250	4.5%
Synovate Limited ¹	950,000	3.9%
Mott MacDonald Ltd ²	940,000	3.9%
The British Broadcasting Corporation	918,250	3.8%
The Buckinghamshire New University ³	900,000	3.7%
Recticel SA	713,538	3.0%
Winkworth Sherwood LLP ⁴	663,095	2.7%
Partners of Irwin Mitchell LLP	555,000	2.3%
Booker Limited	550,000	2.3%
Total (as at 31 December 2009 prior to the Portman disposal)	8,465,750	35.0%

¹ Aegis Group plc are guarantor. Figures based on 50% ownership of Minerva House

² Mott MacDonald Group Limited is guarantor

³ The Buckinghamshire New University began paying 50% of their rent equating to £450,000 per annum from March 2009 and will increase to £900,000 per annum in June 2012

⁴ On assignment from Reed Smith Rambaud Charot LLP. Figures based on 50% ownership of Minerva House