



Dawnay, Day Carpathian PLC

Institutional Presentation

April 2007



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Dawnay, Day PanTerra

- Formed by Dawnay, Day Group and Paul Rogers and Massimo Marcovecchio in 2000. DDPT has been responsible for creating co-investment real estate ventures with private and institutional investors with realised IRR's in excess of 50%*
- Capital partners have included Hermes, HSBC, JP Morgan, Lehman Brothers, Barclays Bank, Patron Capital and private high net worth investors

Main products are:

- Puma Property Fund – all assets disposed, delivering returns to investors in excess of 39%*
 - Dawnay Shore Hotels, The Hotel Corporation plc – 250% plus increase in share price since IPO
 - Dawnay, Day Carpathian PLC – DDPT acts as exclusive property investment advisor
- Offices in London (Headquarters) and Warsaw (Asset Management) with future locations in Budapest, Bucharest and Riga intended to be opened in 2007 and 2008 supported by additional professional staff

Team	Number of Professionals	Services provided
Investment/Transactions	13	Property acquisitions, corporate finance, debt financing and tax structuring
Asset Management	6	Leasing, marketing, planning, design and project and facilities management
Operations	5	Treasury, investor reporting, loan administration and support

**Past performance is not indicative of future returns, which will vary. Performance figures are provided by DDPT.*



Management Team

Dawnay, Day PanTerra (“DDPT”) – exclusive strategic adviser to Dawnay, Day Carpathian PLC (“DDC”)

Paul Rogers

- Joint Managing Director, DDPT
- Overall responsibility for sourcing acquisitions and identifying asset management opportunities
- 29 years’ professional experience including 11 years in the Dawnay, Day Group, working on the accumulation and asset management of the in-house portfolio before setting up DDSF in 2000 (now DDPT)
- Formerly of Conrad Ritblat (now Colliers CRE) and partner in private consultancy partnership, specialising in retail leasing, sales, development and management, and property investment

Balazs Csepregi

- Finance Director – Property, DDPT
- Responsible for the provision of corporate and property finance, treasury, structuring and investor reporting
- 12 years’ experience in international finance, including 7 years in the real estate industry, joined DDPT in 2005
- Trained with Arthur Andersen in Hungary, then joined Man Group plc in London
- Previously set up and managed the financial functions of real estate funds in Central and Southern Europe with CERPF B.V. (co-managed by Lehman Brothers and Jones Lang LaSalle) and Pradera AM PLC

Toni Moralee

- Project Manager, DDPT – based in Warsaw
- Responsible for management of development/regeneration projects
- Qualified Chartered Architect and Project Manager, with 30 years’ experience of major commercial development projects both in mainland Europe and the UK. For the past 15 years, Toni has worked in the Central and Eastern European region
- Joined Dawnay, Day in 2006, formerly with Bovis and Hochtief Construction, specialising in design and construction co-ordination and management

Matthew Lunt

- Head of Asset Management, DDPT – based in Warsaw
- Responsible for developing and executing asset management initiatives in order to increase portfolio value
- Over 10 years’ professional experience advising international clients on shopping centre leasing, development and investment opportunities throughout Central and Eastern Europe
- Formerly of Cushman & Wakefield Healey & Baker based in the UK and latterly in Poland, and then based in the Warsaw office of CB Richard Ellis



Dawnay, Day Carpathian PLC

- Successful real estate company investing in property assets, predominantly retail/supply chain properties in Central and Eastern Europe
- Focused on total return
 - Focused on income - target 10p to December 2007 (proposed to be paid as three equal instalments) and 10p to December 2008
 - Focused on capital - 29% increase in adjusted NAV¹
 - Target property IRRs in excess of 25%
- Assembled a portfolio of 41 properties in 12 transactions in 6 countries within 18 months since IPO
- Net initial yield of 7.9% on investments (see Appendix p17)
- Achieved full (90%+) investment by committing further equity of £22.1 million in 1st quarter of 2007
 - Most recent transaction – shopping centre project in Riga
- Experienced management team with highly successful track record
- Established local presence of DDPT
 - Teams based in London and Warsaw
 - Comprehensive coverage of target regions through network of established contacts

¹ Adjusted NAV excluded deferred income tax



Performance since IPO

Track Record

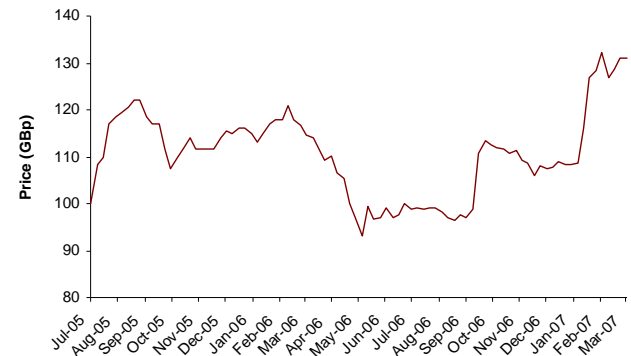
- DDC – IPO on AIM raising £140 million in July 2005
- IPO price 100p – currently 132.25p (30 March 2007); high of 135p (12 March 2007)
- 90% plus equity spent/committed as at the end of 1st quarter of 2007
- Approximately spent £106.5 million (76%), committed £21.8 million (16%) and £11.7 million (8%) is available for further acquisitions

Asset Appreciation

- DTZ independent revaluation as at 31 December 2006 announced on 1st February 2007
 - 29% increase in adjusted NAV¹ per share from 98.2p to 126.7p
 - 36% Unrealised property return on equity invested
 - Portfolio valued at £368.7 m

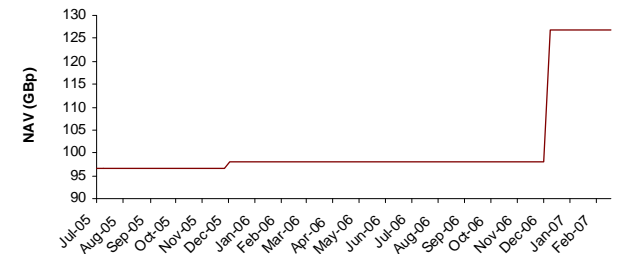
¹ Adjusted NAV excluding deferred income tax

Dawnay, Day Carpathian Total Return



Dawnay, Day Carpathian – NAV per share

Unaudited net asset value per share adjusted to exclude goodwill and any deferred tax liabilities



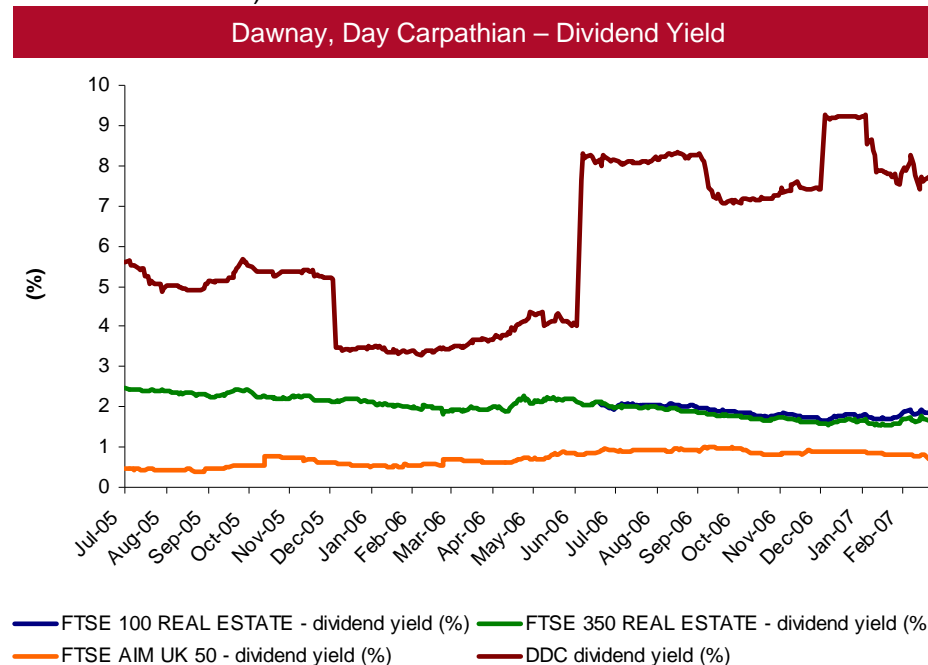
— Unaudited net asset value per share adjusted to exclude goodwill and any deferred tax liabilities



Performance since IPO

Dividends

- To Date
 - 3p December 05 (special dividend)
 - 2p September 06 (2006 Interim dividend)
 - 4p June 07 (estimated 2006 final dividend, to be paid to existing shareholders only)
- Target
 - 10p (for year ended December 2007- proposed to be paid as three equal instalments, of which existing shareholders will receive all three instalments and new shareholders will be entitled to the two final instalments)
- Target
 - 10p (for year ended December 2008)



This graph is for illustrative purposes only and represents present and future intended dividend payments



The Region and Existing Investments



■ Countries already invested in
■ Countries for future investment



Selection of Existing Investments



Babilonas
(Lithuania)
21,249m²



Promenada
(Poland)
39,498m²



Varyada
(Czech Republic)
18,234m²



Blue Knight portfolio
(Poland)
26,678m² (combined)



MacroMall
(Romania)
8,072m²



Plaza portfolio
(Hungary)
47,145m² (combined)



Reasons for Placing

- With additional funding the opportunity exists to generate significant returns through
 - Income and capital appreciation from purchasing built assets
 - Enhanced overall returns from development/regeneration projects
- Strong pipeline of approximately £1,020 (€1,500) million being progressed. The Placing of approximately £120 million will allow DDC to make further acquisitions, to be completed by the end of December 2008
- The increased size will provide optimal leverage in market relationships
- In the short and medium term the macro environment of the region provides higher GDP growth than the EU average



A Significant Pipeline of New Opportunities

Existing built assets	Est. purchase price (€ million)
Multi-jurisdiction portfolio of shopping centres, supermarkets and retail warehouses	194
Shopping centre – refurbished communist era scheme	100
3 Small convenience centres - Balkan region	45
City centre discount centre with land and mixed use development potential	43.5
Shopping centre – Baltic region	30
Shopping centre with extension potential – Baltic region	30
Town centre, large box retail - Baltic region	25
Neighbourhood convenience centre	20
City centre convenience shopping	10.5
City centre retail warehouse	7.5
Subtotal	505.5
Project Funding commitments	
Regional Mall	250
Capital City/ Regional mall – Balkan region	200
City centre fashion mall – Balkan region	80
Secondary City – central shopping centre	57
Food anchored retail park	50
Central shopping centre and convenience centre – secondary cities	44
Subtotal	681
Development/Regeneration projects	
* 6 City centre JV developments – Eastern Europe	309.6
City centre scheme – Balkan region	30
Subtotal	339.6
TOTAL	1,526.1

* Of which 4 assets controlled by DDPT. DDC not obliged to purchase, if transferred, will be at independent valuation with profits taken as shares.



Regeneration /Asset Management Services

- Non income producing projects to comprise no more than 25% of the committed capital at any one time
- DDPT (together with external property development partners, where appropriate) will provide specialist regeneration / asset management services to DDC to enable the Company to oversee and control its new development / regeneration projects
- DDC and DDPT to enter into new Development Management Agreement to cover the provision of development / regeneration management services
- The services to be provided include but not limited to:
 - Ensuring best practice management systems and controls are in place
 - Overseeing development / procurement of building permits
 - Reviewing design development and build quality
 - Ensuring delivery of the project to time, cost, specification and overall quality
 - Close co-operation and co-ordination with leasing and asset management specialists
- A project management service fee of up to a maximum of 5 per cent of construction costs to cover these services (and to be shared with local partners, where appropriate)



Summary

- Dawnay, Day Carpathian spent and committed 90% plus of the equity raised at IPO and delivering on its strategy set out at IPO
- Significant pipeline of further acquisition opportunities identified
- Regeneration projects could contribute up to a maximum of 25% of the combined equity raised
- Target 10p dividend for 2007 (proposed to be paid as three equal instalments) and 2008
- Target property IRRs to be in excess of 25%
- Experienced management team with proven track record and acquisition expertise



Offer Summary

Company

- Successful real estate company investing in property assets, predominantly retail / supply chain properties in Central and Eastern Europe

Offering

- Offer to institutional and other sophisticated investors
- Offer size: approximately £120 million

Use of Proceeds

- Pipeline of approximately £1,020 (€1,500) million being progressed with acquisitions to be completed by the end of December 2008

Timing

- Roadshow : commences 2 April 2007
- Book closes: 19 April 2007
- EGM : on or around 11 May 2007

Dividends

- Directors intend to target 10p dividend for December 2007 (10p to existing shares and 6.6p on new shares) and 10p dividend for December 2008
- Objective to distribute substantially all available income

Settlement

- To be settled on or around 14 May 2007, conditional on passing of EGM resolutions

Lock up

- 90 days Dawnay, Day Group

Appendix





Case Study – Regeneration project

Location:	Arad, Southwest Romania
Population:	173,000
Site description:	Brownfield plot located near the central bus and train stations, 1km from the city centre
Proposed scheme:	26,000 GLA retail space with parking for 700 cars
Current status:	Planning - PUD obtained in Winter (Dec) 2006, PUZ expected in Spring (May) 2007
Potential site purchase cost:	€7.3 million
DDPT projected development cost:	€54 million
Debt financing:	80% LTC
DDPT projected value on completion:	€69.7 to €74.7 million



DDC – Portfolio as at year end 2006

Property name	Country	Costs (€)	DTZ Valuation 2006 (€)	Initial Yield***	Valuation Uplift
Promenada	Poland	139,140,273	155,750,000	7.00%	11.94%
Interfruct Portfolio	Hungary	83,900,000	85,130,000	7.80%	1.47%
Geant Portfolio	Poland	65,209,500	77,910,000	8.00%	19.48%
Plaza Portfolio*	Hungary	65,624,381	75,800,000	9.00%	15.51%
EMKV	Czech Rep.	37,370,000	47,750,000	8.11%	27.78%
Babilonas	Lithuania	33,475,000	34,250,000	7.30%	2.32%
Antana	Hungary	21,210,000	22,000,000	8.36%	3.72%
Macro Mall	Romania	19,000,000	19,500,000	9.00%	2.63%
Ericcson	Hungary	16,514,000	17,000,000	9.75%	2.94%
Blaumana	Latvia	12,781,062	15,000,000	8.00%	17.36%
Slupsk	Poland	1,302,947	1,520,000	8.70%	16.66%
		495,527,163	551,610,000	7.89% **	11.32%

*includes land plot purchases

** weighted average of costs

*** net initial yield on acquisition



Corporate Structure – Existing Fee Arrangements

DDPT is paid:

- Base management fee of 0.4% of gross asset value invested (intended to cover costs, not profit)
- Carried interest calculated:
 - 8% investor returns per annum (100% to investors)
 - On realised returns between 8% to 20% per annum, DDPT receives 25%
 - On realised returns over 20% per annum, DDPT receives 40%
- DDPT does not receive any corporate finance, property or transactions fees or commissions