

For immediate release 19 April 2012

Hammerson plc

Interim Management Statement for the period from 1 January 2012 to 19 April 2012

David Atkins, Chief Executive, said:

“Hammerson has again performed well despite the challenging economic backdrop and continued pressure on household incomes. We are attracting leading retailers to our shopping centres and retail parks. During the quarter, we agreed leases with rents in excess of ERV and occupancy remains ahead of our 97% target. I believe our focus on being the best owner-manager and developer of retail property within Europe will deliver industry-leading returns for shareholders.”

Operations

Overall occupancy in the portfolio remains high at 97.1% (31 December 2011: 97.9%). This is ahead of our occupancy target of 97%, and the equivalent figure of 96.7% at 31 March 2011.

Occupancy (%)	UK Retail	France	UK Office	Group
31 March 2012	96.6	98.1	98.3	97.1

We signed 56 new leases in the period representing 16,800m², and worth £3.5 million of rental income per annum. In the UK we signed long-term leases in the retail portfolio with rents, overall, 3.3% above ERV as at December 2011. In France, long-term leases were signed at levels 0.4% above ERV.

Footfall in our UK shopping centre portfolio declined 1.9% compared to Q1 2011, with the UK index falling 2.9%. UK tenants' sales fell 1.7%, versus the BRC non-food index which was down 0.4%. Tenants' sales improved each month throughout the quarter, and were positive in March. In France, reflecting weakness at anchor stores, footfall in our shopping centres was down 4.3%, against a flat benchmark. French tenants' sales were down 1.6% over the period.

Portfolio

In March, we sold the freehold interest of 54-60 rue du Faubourg Saint-Honoré in Paris' 8th arrondissement to Ramsbury AB for €165 million (£138 million), slightly above its December 2011 valuation. The disposal crystallised a substantial profit on cost.

Our major retail development at Les Terrasses du Port, Marseille, is now 65% pre-let. During the quarter, pre-letting agreements were exchanged with Mauboussin, Kaporal and Starbucks. Construction is progressing on schedule with the project expected to complete in spring 2014.

We are making good progress with the extensions and redevelopments that we identified within our portfolio. We recently started on site with the redevelopment of the 10,000m² (110,000ft²) Monument Mall, Newcastle, with the first reconfigured unit due to open for trading later this year. In Cramlington, Marks & Spencer Simply Food and Vue Cinema have signed to anchor the 13,500m² (145,000 ft²) redevelopment of Manor Walks Shopping Centre and the neighbouring Westmorland Retail Park. Construction is expected to start later this month. At Queensgate



shopping centre, Peterborough, we are extending and reconfiguring the centre to include a new 5,000m² Primark, and are on schedule for units to be handed over to tenants in July 2012.

Earlier this month we were selected by the majority leaseholders as preferred development partner for the Whitgift centre, Croydon. This important scheme is directly adjacent to our Centrale shopping centre for which we have submitted a planning application for its reconfiguration and introduction of a cinema. There is an opportunity to create a combined south London shopping hub which will significantly enhance the retail offer in the area.

In line with our revised strategy, we are making good progress working up business plans for the sale of our London office portfolio. As anticipated, there has been a high level of interest in our assets, and we are now evaluating these approaches.

Financing

Borrowings were £2.1 billion at 31 March 2012 and cash balances were £76 million, to give net debt of £2.0 billion (31 December 2011: £2.0 billion). Cash and committed unutilised bank facilities totalled £704 million. Loan-to-value and gearing ratios at 31 March 2012 (based on 31 December portfolio values) were 35% and 52% respectively. Including proceeds for the sale of 54-60 rue du Faubourg Saint-Honoré, the pro forma figures are 33% and 50% respectively.

Today we announced a tender offer to acquire up to €200 million of the company's €700 million 4.875% unsecured bonds due in 2015. This transaction will use available liquidity to manage near-term debt maturities and achieve a lower running cost of debt.

Outlook

Global macro uncertainty will continue to have a major influence on our property markets. We believe, however, that occupier and investment demand for retail space will continue to be concentrated on modern, well maintained properties in the best locations. Our regionally dominant shopping centres and convenient retail parks continue to generate strong demand from international and domestic retailers that are reshaping estates to winning retail destinations such as those owned by Hammerson.



Conference call

There will be a conference call for investors and analysts at 07.45 GMT today. To participate in the call, please dial:

UK	+44 (0)20 3147 4972
USA	+1 212 444 0891
Netherlands	+31 (0)20 713 9244
France	+33 (0)1 70 79 31 95

The participant code is 141390

For a replay of the conference call, please visit: www.hammerson.com

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Financial information

The financial information contained in this statement is based on unaudited management accounts for the three months ended 31 March 2012. The exchange rate used in preparing this statement is £1 = €1.200

Forward-looking statements

This document contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking in nature and are subject to risks and uncertainties. Actual future results may differ materially from those expressed in or implied by these statements. Many of these risks and uncertainties relate to factors that are beyond Hammerson's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including inflation and consumer confidence, on a global, regional or national basis. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Hammerson does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this document. Information contained in this document relating to the Company should not be relied upon as a guide to future performance.