

Aberdeen Property Nordic Fund I SICAV-FIS



This material is intended for use by professional investors.

A special fund (SICAV-FIS) for institutional investors intending to invest in Nordic commercial properties.

Investment objective and strategy

Aberdeen Property Nordic Fund I SICAV-FIS (the "Fund") is an open-ended fund intended to invest in a well-diversified portfolio of Nordic commercial property. The Fund is optimised for, although not limited to, German institutional investors, and qualifies as a special fund. Its shares are imputable to the premium reserve of German insurance companies.

The Fund is pursuing a core to core-plus strategy, focusing on established property locations in Finland, Sweden, Norway and Denmark, with high value growth potential. Its investment strategy has been generated using Aberdeen's portfolio analysis methodologies to optimise risk diversification by country and sector. The main investment focus is on office and retail properties in major economic centres, potentially supplemented by hotel and logistics properties. The maximum investment per property is restricted to 20% of the Fund's net asset value.

The target return (IRR) is above 7%, before individual tax per annum (leveraged). The dividend target is a minimum of 4.5% before individual tax per annum. The Fund's investments will be diversified both geographically, in the top five cities of each of the target countries, and across the retail, office and logistic sectors, in order to achieve an ideal risk/return profile.

Fund Manager's comment

Markets have been calm throughout the year, with only few transactions made public. However, more transactions were recorded in the second half of 2009, one of which was the Fund's acquisition of a prime CBD office property in Malmö, Sweden. In the first quarters of 2010, market and investment activity is anticipated to increase further, albeit relative to a very low level whereby market activity stopped almost completely – the levels of activity expected are still not at all comparable with previous years.

Notwithstanding the market environment, the Fund was able to complete the acquisition and financing of three additional properties, representing a total investment volume of €65 million. Each of the newly contracted properties is fully let and multi-let, on leases of varying durations of between 4 and 10 years.

The overall occupancy rate within the Fund's portfolio has slightly increased to 96%, with a well-diversified tenant portfolio comprising 122 tenants from various industries and sectors. The average duration of remaining lease contracts, based on rental income, is approximately six years – this can be considered exceptional, as common practice in the Nordic markets is to close short to medium-term contracts with an average duration of three years.

In line with the most recent economic and property market outlooks, the current bias in the Fund's investment strategy is to favour retail properties over office properties, due to the prospects for higher growth and better stability. Since the Fund's office property portfolio is already well-diversified, additional investments in this sector shall only take place in specific locations, for example, Oslo and Helsinki CBD, where vacancy rates are low and rental levels are considered stable compared to other market segments.

With an already well-diversified portfolio, the Fund will seek additional opportunities to increase the number of assets held. The current market situation still offers opportunities due to over-corrections in pricing, even though some market cycles have turned the corner towards recovery, or are about to do so. Acquisitions in the first quarters of 2010 will therefore, be carefully selected, to ensure that they further enhance the Fund's risk/ return profile and will be beneficial in the context of a market recovery expected to begin in the medium term.

Key information

Legal structure	SICAV-FIS
Domicile	Luxembourg
Term	Open-ended
Investment universe	Finland, Sweden, Norway, Denmark
Risk profile	Core to core-plus
Target size (GAV)	Initially EUR 400 million
Current size (GAV)	EUR 283 million
Minimum commitment	EUR 25 million
Target returns ^A	>7% IRR per annum (Leveraged)
Target dividend distribution ^A	≥ 4.5% per annum
Currency	EUR
Current leverage	52%
Maximum leverage	60%
Liquidity	Redemption on demand subject to liquidity
Launch	Q4 2006
Next closing	TBA

^A There can be no guarantees that target returns will be achieved.

Investment universe



Further information

For further information please contact:

Alexander Tannenbaum, Fund Manager

Phone: +49 (0)69 768072 364

Email: alexander.tannenbaum@aberdeenpropertyinvestors.com

For further information please contact:

Marc Pamin, Fund Manager

Phone: +49 (0)69 768072 351

Email: marc.pamin@aberdeenpropertyinvestors.com

www.aberdeenpropertyinvestors.com

Aberdeen Property Nordic Fund I SICAV-FIS

Investment plan

The Fund intends to further increase its investment portfolio and has currently not reached the hard concentration limits in any of the target markets. The focus for future investment is on access to high quality assets, with strong cash flows, that have already undergone a correction in market pricing. Additionally, regarding the construction of the portfolio, retail assets are currently favoured over office properties. The Fund's completed acquisitions in Sweden bring it close to reaching the targeted investment allocation, thus additional assets in the Swedish market would only be considered on the basis of outstanding potential contribution to the portfolio return. Danish and Norwegian retail assets are in the immediate focus of the Fund's investment plan, since investment in these sectors would strongly contribute to a balanced risk/ return allocation.

Investors

Recipients of the Fund prospectus and purchasers of its shares are restricted to legal entities qualifying as institutional investors, pursuant to the Luxembourg law of 13 February 2007 (formerly law of 19 July 1991). The minimum investment is €25 million and the Fund may have a maximum of 30 shareholders.

Leverage

In order to optimise return on equity, the Fund is leveraged at a target gearing of 50%, calculated as a yearly average of gross asset volumes, on a portfolio basis. The Fund may temporarily exceed this target, to a level of up to 60%, for reasons such as bridge financing of major transactions or share redemptions. External financing is generally sourced in local currencies.

Distribution policy

The intention is to distribute the largest possible amount of the annual net cash flow from operations to investors during the first half of the following year. However, additional distributions can be decided during Advisory Board Meetings which occur half yearly.

ABERDEEN PROPERTY INVESTORS IN BRIEF

Aberdeen Property Investors is the dedicated property investment division of Aberdeen Asset Management PLC, a global investment management group listed on the London Stock Exchange, which manages €161.8 billion* of assets in equities, fixed income and property. Aberdeen Property Investors manages some €25 billion* of property assets in Europe, Asia and North America through property funds and separate account mandates. Clients are solely third party clients and primarily institutional investors. They are served by some 600 people at offices in 13 European countries, and in Singapore. We provide domestic and international investment exposure to property by offering a wide range of investment products and services. These are all supported by rigorous investment processes, independent inhouse research and local active management.

www.aberdeenpropertyinvestors.com

* 31 December 2009

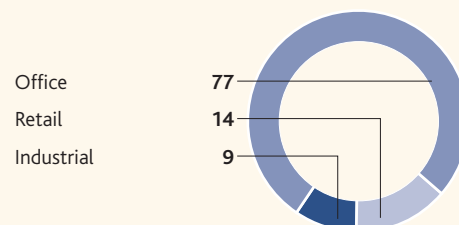
FOR PROFESSIONAL USE ONLY

This document is strictly for information purposes only and should not under any circumstances be considered as an offer or solicitation to deal in the property market. Accordingly no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the reader acting on any information, opinion or estimate contained in this document. The product is not for sale in any jurisdiction in which such sale would be prohibited. Prospective investors must rely on their own examination of the legal, taxation and investment matters. The value of investments and any income from them may go down as well as up; they can be affected by exchange rate movements between currencies and it is possible that investors may not get back the full amount invested. Physical property assets are illiquid in nature and, under adverse market conditions, the sale of such assets may take a considerable time. Delays in selling underlying assets may lead to similarly lengthy constraints being placed on the sale of shares by investors in a fund. Past performance is no guarantee of future performance. No part of this document may be copied or duplicated in any form or by any means or redistributed without the written consent of Aberdeen Property Investors.
© 2010 Aberdeen Property Investors. All rights reserved.

UK INVESTOR INFORMATION

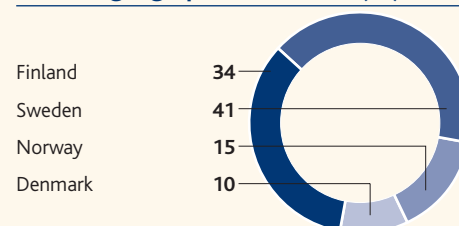
Issued and approved by Aberdeen Property Investors UK Limited which is authorised and regulated in the UK by the Financial Services Authority.

Current sector allocation (%)



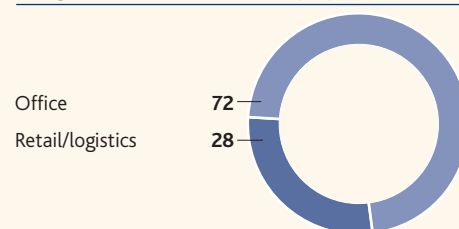
As at 31 December 2009

Current geographic allocation (%)



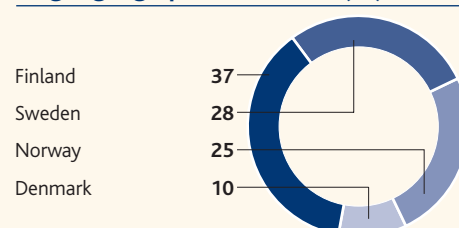
As at 31 December 2009

Target sector allocation (%)



As at 31 December 2009

Target geographic allocation (%)



As at 31 December 2009

