

Press Release

Kempen Capital Management launches Kempen Real Estate Securities Index Sampling Fund

KLM pension fund and asset manager Blue Sky Group to be the first participant

Amsterdam, 30 June 2003 – Kempen Capital Management (KCM), a wholly owned subsidiary of Kempen & Co, is introducing the **Kempen Real Estate Securities Index Sampling Fund** today. This fund invests in listed European real estate companies, offering professional investors swift, efficient and secure exposure to European real estate investment.

Distinctive features of the new investment fund:

- It operates in the most liquid segments of the real estate markets.
- It invests in shares (low cost, transparent, day-to-day valuation, matches existing structures).
- It aims to reflect the performance of a leading broad total return index: the Global Property Research 250 Europe index, with adjusted weighting for the UK.

The market for indirect real estate investment is surging, prompting a renewed interest in real estate among institutional investors. Over the past ten years, the European market for listed real estate has doubled in size. As happened with the market for US Real Estate Investment Trusts, this has led to a wave of professionalisation.

The Kempen Real Estate Securities Index Sampling Fund enables professional investors to invest semi-passively in this partly illiquid market. It moreover provides investors with sufficient liquidity to operate in a flexible manner.

Semi-passive investment in listed real estate companies is an attractive option for investors who use real estate shares for the tactical or regional allocation of their entire real estate portfolio. Investors wishing to reallocate their risk budget, or those that seek limited active risk while curtailing costs, can now also make use of this form of real estate investment.

The **Blue Sky Group** is the first participant of the new fund. Jan van de Pol, Senior Fund Manager Real Estate at the Blue Sky Group: "This fund provides a perfect complement to the existing means of gaining access to European real estate. In the US we've been using passive investments in listed real estate companies for quite some time, and it's a positive development that these opportunities now also exist in Europe."

Peter Hans Budde, Director of Institutional Relations at Kempen Capital Management, adds: "This new fund is a further enhancement of our specialisation in the area of real estate investment. We're very pleased to have such a professional organisation as the Blue Sky Group as its first participant.

This type of fund is indicative of the ongoing professionalisation and expansion of the indirect real estate market. At the end of 2002 Dutch pension fund investment in the indirect real estate market exceeded investment in the direct market for the first time.”

The Kempen Real Estate Securities Index Sampling Fund is available for professional investors only. Investors are advised to read the information memorandum for further details.

*For more information about the **Kempen Real Estate Securities Index Sampling Fund**, please contact Mr P.H. Budde at Kempen Capital Management, telephone number 020-348 8700.*

NB: At your request the information memorandum will be sent to you by mail or e-mail.