



Press Release 13 December 2006

JER MAKES €39 MILLION ACQUISITION IN ITALY

JER Partners ("JER") has acquired an Italian portfolio of five retail showrooms from Mete SpA (Mete), Italy's fifth largest household furniture retailer for €39 million in a sale-leaseback transaction for 12 years

The portfolio, which is located throughout Italy, comprises approximately 30,000 m² of mainly retail space. JER has also agreed in principle to acquire further retail assets, including broader retail schemes, currently controlled by Mete.

Malcolm Le May, President, JER Europe commented:

"The immaturity of the retail warehousing market in Italy means that portfolio transactions are rare and much sought after. We are therefore delighted to have the opportunity to work with Mete and to leverage on its capacity to originate such opportunities."

Bill Hancock, Director, JER Europe stated: "JER has specifically targeted the Italian retail market for some time and is pleased to have been able to secure this excellent opportunity which will allow us to further develop this platform in the future."

Vittorio Bozzolini, Managing Director of Mete said: "Mete's agreement with JER will allow us to continue to exploit our capabilities in the real estate sector together with JER whilst releasing capital to our core furniture retailing business".

Mete typically sources well-located, industrial type assets that are coming out of distressed situations, then applies for a change of zoning use to retail and refurbishes the assets. The properties are available to buy once permission to change the zoning has been granted.

The acquisition was financed by Unicredit Banca d'Impresa.

JER was assisted in technical aspects by Abaco Consulting and by Gianni, Origoni, Grippo and Partners as legal counsel.

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NOTES TO EDITORS

About JER Partners

JER Partners is the private equity investment arm of J.E. Robert Companies, a real estate investment management company with 25 years of experience in sourcing, underwriting and managing a broad spectrum of real estate, debt products and equity.

JER Partners has been active in Europe since 1995. As European President of JER Partners, Malcolm Le May heads a team of 30, based at Berkeley Square, London.

In Europe, JER Partners has invested in the United Kingdom, France, Germany, Italy, Sweden, Finland and Italy. Since 2003, JER Partners has made six investments in regional offices in the United Kingdom, acquired the Great Eastern Hotel and a site for residential development on the River Thames in Greenwich, London. In France, JER has acquired an hotel and an apartment building in Paris. In Germany, JER has made several investments, including a portfolio of offices and a number of residential portfolios. In Finland, JER has so far acquired one portfolio of commercial assets. In Sweden, JER has bought and subsequently sold a portfolio of supermarkets across the country. In Italy, JER has acquired a retail portfolio.

For more information on JER, please visit www.jer.com.