

Alpha Pyrenees Trust Limited

19 May 2009

Alpha Pyrenees Trust Limited (the "Trust")

Interim Management Statement

Alpha Pyrenees Trust Limited today publishes its interim management statement for the quarter ending 31 March 2009 and the period up until the date of this announcement. The information contained herein has not been audited.

KEY POINTS

- **DIVIDEND OF 1.75 PENCE PER SHARE FOR THE QUARTER TO 31 MARCH 2009**
- **VALUATION YIELD OF 8.3% AT 31 MARCH 2009**
- **ADJUSTED NAV* 53.1p PER SHARE AS AT 31 MARCH 2009**
- **83% OF PORTFOLIO INCOME COMES FROM GRADE A TENANTS**
- **WEIGHTED AVERAGE LEASE LENGTH OF 8.3 YEARS TO EXPIRY AND 4.5 YEARS TO NEXT BREAK**
- **NET LEVERAGE (AFTER CASH) OF 69.7%**
- **LOAN TO VALUE COVENANTS AT 85% OR HIGHER**
- **ALL DEBT FIXED LONG TERM AT A WEIGHTED AVERAGE INTEREST RATE OF 5.26% PER ANNUM; 91% OF DEBT MATURES IN 2015**
- **LEASES ARE SUBJECT TO ANNUAL INDEXATION**
- **7,460 SQUARE METRES OF NEW LEASE AGREEMENTS IN FRANCE AND SPAIN**

DIVIDEND

The Board is declaring a dividend of 1.75 pence per share for the first quarter of 2009. The dividend will be paid on 22 June 2009, with an associated ex-dividend date of 27 May 2009 and record date of 29 May 2009.

PORTFOLIO YIELD AT VALUATION OF 8.3%

The Trust's investment portfolio was valued at £295.4m (€317.9m) on 31 March 2009 representing an average yield of 8.3%.

ADJUSTED NAV* 53.1p PER SHARE

As at 31 March 2009, Alpha Pyrenees' investment portfolio decreased in value on a like for like basis by 3.6% from its value at 31 December 2008.

**Adjusted NAV – unaudited, after adjustments for the unrealised mark-to-market of the currency hedge, fixed rate loans and deferred taxation.*

Registered office
Second Floor
Albert House
South Esplanade
St. Peter Port
Guernsey

FINANCING

The Trust's total borrowings of £226.7m (€244m) and portfolio value of £295.4m (€317.9m) gives a net leverage after cash of 69.7%.

Interest rates on the euro-denominated bank loans have been fixed until 2013 (9% of the debt) and 2015 (91% of the debt) at a weighted average of 5.26% per annum.

PROPERTY UPDATE

As anticipated in the Annual report, the trend in indexation increase is now moderating in the INSEE Construction Cost Index applicable to leases in France and to the Spanish Consumer Price Index applicable to leases in Spain and this moderation will become evident on future lease indexations during the year. However, due to the lag in publication of the indices and the application of these to the Trust's portfolio, in the quarter to 31 March 2009, 59% of the portfolio income was subject to indexation and the average indexation increase applied to these leases remained high at approximately 8.2%.

The Trust's Investment Manager has continued to pursue the goals of:

- preserving existing lease income,
- extending lease terms, and
- letting vacant units within the portfolio.

FRANCE

The following new lettings of vacant units occurred in the period:

- Vitry – A new 3/6/9 year lease was signed with Maugein Freres on a 330 square metre warehouse unit from 1 January 2009 in addition to the new 3/6/9 yr lease that was signed with Societe des Cendres on a 525 square metre warehouse unit from 12 January 2009.

The Trust's Investment Manager is actively involved in a re-letting campaign for the vacant 6,340 square metre office property at St Cyr and there are a number of active leads being followed up at present. St Cyr represents around 4.1% of the portfolio by value and 2.4% by floor area.

SPAIN

A programme of lease extensions has been undertaken at the Connecta Retail Park in Cordoba in the period.

- A new 30 year lease with minimum 3 year term was signed with McDonalds; a new 30 year lease with minimum 5 year term was signed with Elefante Azul; a new 25 year lease with minimum 5 year term was signed with Norauto; a new 20 year lease with minimum 5 year term was signed with the cinema tenant UCC; and DIA now hold a lease with 24 years unexpired and a minimum 3 year term.

During the period a vacant unit of 205 square metres within the retail park was let to restaurant operator, El Meson de Bien Comer on a new 5 year lease from 1 April 2009.

The total space covered by these new lease arrangements is 6,600 square metres and represents 39% of the space in the centre. As a result of this initiative the park's overall lease profile has improved significantly.

Alpha Pyrenees Trust Limited

For further information:

Dick Kingston, Chairman, Alpha Pyrenees Trust Limited

01481 735 541

Paul Cable, Fund Manager, Alpha Real Capital LLP

020 7268 0300

For more information on the Company, please visit www.alphapyreneestrust.com.

FORWARD-LOOKING STATEMENTS

This interim management statement contains forward-looking statements which are inherently subject to risks and uncertainties because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are based on the Board's current view and information known to them at the date of this statement. The Board does not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this interim management statement should be construed as a profit forecast.