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If you sell or have sold or otherwise transferred all your Ordinary Shares, please send this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer is or was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws of such jurisdiction. If you have sold only part of your holding of Ordinary Shares, you should retain these documents and consult the stockholder, bank or other agent through whom the sale was effected.

The Company has been established in Jersey as a listed fund under a fast-track authorisation process, pursuant to the Jersey Listed Fund Guide published by the JFSC, as amended from time to time, and the Collective Investments Funds (Jersey) Law 1988.

Deutsche Bank AG, which is authorised under German Banking law (competent authority: BaFin – Federal Financial Supervisory Authority) and subject to limited regulation by the Financial Conduct Authority and the Prudential Regulatory Authority in the United Kingdom, is acting exclusively for the Company and no one else in connection with the Proposed Transactions and will not be responsible to anyone other than the Company for providing the protections afforded to its clients, or for providing any advice in relation to the Proposed Transactions or any matters referred to herein, and will not regard any other person (whether or not recipient of this document) as its client in relation to the Proposed Transactions.

KENNEDY WILSON

KENNEDY WILSON EUROPE REAL ESTATE PLC

*(a public limited company incorporated in Jersey under the Companies (Jersey) Law 1991, as amended,
with registered no. 114680)*

APPROVAL OF PROPOSED RELATED PARTY TRANSACTIONS

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Your attention is drawn to the letter from the Chairman of the Company which is set out on pages 4 to 10 of this document which, amongst other matters, contains the unanimous recommendation from the Independent Directors that Independent Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting referred to below. You should, and are advised to, read the whole of this document in its entirety. This document should be read in conjunction with the enclosed Form of Proxy and the definitions set out in Part VI (*Definitions*) of this document.

A notice convening an Extraordinary General Meeting of the Company to be held at the Company’s registered office at 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands on 12 June 2014 at 10.00 a.m. is set out at the end of this document. The Form of Proxy for use at the Extraordinary General Meeting is enclosed. Whether or not you intend to attend the Extraordinary General Meeting in person, you are requested to complete, sign and return the accompanying Form of Proxy in accordance with the instructions printed thereon to the Company’s Registrar, Computershare Investor Services (Jersey) Limited, at c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom as soon as possible but, in any event, so as to be received by no later than 10 June 2014 at 10.00 a.m.. The completion and return of a Form of Proxy or submission of your proxy electronically or completing and transmitting a CREST Proxy Instruction will not prevent Shareholders from attending and, in the case of Independent Shareholders, voting by poll at the Extraordinary General Meeting in person (in substitution for your proxy vote) if you wish (and are so entitled). If you are a member of CREST you may be able to use the CREST electronic proxy appointment service. Proxies sent electronically must be sent as soon as possible and, in any event, so as to be received by not later than 10 June 2014 at 10.00 a.m. A summary of the action to be taken by Independent Shareholders is set out on page 10 of this document and in the accompanying Notice of Extraordinary General Meeting.

THIS DOCUMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITY, NOR SHALL THERE BE ANY SALE, ISSUANCE OR TRANSFER OF THE SECURITIES REFERRED TO IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

This document contains forward-looking statements which are subject to assumptions, risk and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, there can be no assurance that these expectations will prove to have been correct. As these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by those forward-looking statements. Each forward-looking statement is correct only at the date of the particular statement. The Company does not undertake any obligation publicly to update or revise any forward-looking statement as a result of new information, future events or other information, although such forward-looking statements will be publicly updated if required by the Listing Rules, the Prospectus Rules, the Disclosure and Transparency Rules, the rules of the London Stock Exchange or by law.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	23 May 2014
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 10 June 2014
Latest time and date for receipt of a CREST Proxy Instruction	10.00 a.m. on 10 June 2014
Extraordinary General Meeting	10.00 a.m. on 12 June 2014

Notes:

- (1) References to time in this document are to London and Jersey time unless otherwise stated.
- (2) The dates and times given in this document are based on the Company's current expectations and may be subject to change.
- (3) If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through the Regulatory Information Service of the London Stock Exchange.

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Charlotte Valeur (<i>Chairperson</i>) Mark McNicholas Mary Ricks Simon Radford William McMorrow
Administrator and Company Secretary	Crestbridge Fund Administrators Limited 47 Esplanade St Helier Jersey JE1 0BD Channel Islands
Registered Office	47 Esplanade St Helier Jersey JE1 0BD Channel Islands
Sponsor	Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom
Legal advisers to the Company as to English law	Ashurst LLP Broadwalk House 5 Appold Street London EC2A 2HA United Kingdom
Legal advisers to the Company as to Jersey law	Carey Olsen 47 Esplanade St Helier Jersey JE1 0BD Channel Islands
Legal advisers to the Company as to Irish law	William Fry Fitzwilton House Wilton Place Dublin 2 Ireland
Registrar	Computershare Investor Services (Jersey) Limited Queensway House Hilgrove Street St Helier Jersey JE1 1ES Channel Islands

PART I

LETTER FROM THE CHAIRPERSON OF KENNEDY WILSON EUROPE REAL ESTATE PLC

(Incorporated and registered in Jersey under the Companies (Jersey) Law 1991, as amended, with registered no. 114680)

Directors:
Charlotte Valeur (Chairperson)
Mark McNicholas
Mary Ricks
Simon Radford
William McMorro

Registered office:
47 Esplanade
St Helier
Jersey JE1 0BD
Channel Islands

23 May 2014

Dear Shareholder,

Proposed acquisitions of the Central Park Portfolio and the Opera Portfolio as related party transactions

1. Introduction

It was announced on 9 May 2014 that the Company, through its wholly-owned subsidiaries, had entered into a conditional agreement to acquire a portfolio of residential and commercial properties located in Dublin (as further described in paragraph 3(a) of this Part I (*Letter from the Chairperson*), the “**Central Park Portfolio**”) from KW EU Investors X, LLC by acquiring the entire participating share capital issued by KW Real Estate plc, in respect of its sub-fund, KW Irish Real Estate Fund IX, for a total consideration of approximately €88.1 million (approximately £71.4 million), comprising approximately €30.7 million (approximately £24.9 million) of cash and approximately €57.4 million (approximately £46.5 million) of assumed non-recourse debt (the “**Central Park Acquisition**”), and a separate conditional agreement to acquire a portfolio of properties located across Dublin, with one in Cork (as further described in paragraph 3(b) of this Part I (*Letter from the Chairperson*), the “**Opera Portfolio**”) from VF Opera and KWF by acquiring the entire participating share capital issued by Cavalli Investments plc, in respect of its sub-fund Cavalli Real Estate Fund I, for a total consideration of approximately €391.4 million (approximately £317.0 million), comprising approximately €194.9 million (approximately £157.9 million) of cash and approximately €196.5 million (approximately £159.2 million) of assumed non-recourse debt (the “**Opera Acquisition**”). The Central Park Acquisition and the Opera Acquisition are together referred to in this document as the “**Proposed Transactions**”.

As KW is a significant shareholder in the Company, holding together with its associates approximately 12.5 per cent of the share capital of the Company, as well as other factors described below, each of the Central Park Acquisition and the Opera Acquisition is classified as a related party transaction pursuant to Chapter 11 of the Listing Rules. The Proposed Transactions are therefore conditional on, amongst other things, the approval of Independent Shareholders at an extraordinary general meeting of the Company. A notice convening the Extraordinary General Meeting to be held on 12 June 2014 is set out at the end of this document.

I am writing to you to set out the background to, and details of, the Proposed Transactions and the Resolutions to be proposed at the Extraordinary General Meeting, to explain why the Independent Directors, having been advised by Deutsche Bank, consider the Proposed Transactions to be fair and reasonable so far as the Shareholders are concerned and to be in the best interests of the Company and the Shareholders as a whole, and to recommend that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting.

2. Background to, and reasons for, the Proposed Transactions

As identified in the Prospectus, the Directors believe that there is a strong pipeline of real estate assets in Ireland, in particular with the presence of National Asset Management Agency which is expected to pursue a number of strategies, including the phased and orderly disposal of certain of its assets.

As such, and as set out in the Prospectus, in February 2014 the Investment Manager had identified for acquisition by the Group residential assets with a commercial and development component in Dublin, Ireland, which it was actively pursuing. These assets included the Central Park Portfolio which had been acquired by a member of the KW Group with the aim of transferring such assets to the Company in due course. Due to timing and other constraints, it was not possible to transfer the Central Park Portfolio to the Group at the time of the Company's initial public offering in February 2014, however the Independent Directors believe, having been advised by the Investment Manager, that the Central Park Acquisition provides a compelling investment opportunity for the Group.

The Opera Portfolio was acquired by a joint venture consisting of members of the KW Group, VF Opera and certain other equity partners in July 2013. In early 2014, KW's joint venture partners received an unsolicited offer from a third party to acquire its interest in the Opera Portfolio. After hearing of this offer and considering the investment opportunity, the Investment Manager was able to secure the acquisition of the Opera Portfolio on behalf of the Company. In the event that the Opera Acquisition is not approved by the Independent Shareholders on or before 17 June 2014, KW will acquire the interests held by its current joint venture partners on substantially similar terms (as described in paragraph 3 of Part III (*Principal Terms of the Opera Acquisition*)). The Independent Directors believe, having been advised by the Investment Manager, that the Opera Acquisition provides a compelling investment opportunity for the Group.

The Independent Directors, having been advised by the Investment Manager, consider that the Proposed Transactions will create a strong platform for growth and enhance value for Shareholders.¹ In particular, the Independent Directors believe, having been advised by the Investment Manager, that the Proposed Transactions will provide the following benefits to the Company:

- (a) the Central Park Portfolio is one of Dublin's prime residential rental schemes and offers the ability to develop a further 166 units, while the Opera Portfolio includes some of Dublin's best properties with an excellent spread of core long term income and value added asset management opportunities; and
- (b) the Central Park Portfolio and the Opera Portfolio complement and enhance the Group's existing portfolio, and will provide the Group with asset diversification, both geographically and from a tenant base perspective.

3. Information on the Central Park Portfolio and the Opera Portfolio

The Company, through its wholly-owned subsidiaries, has agreed to acquire two portfolios of assets, being the Central Park Portfolio and the Opera Portfolio. Each of the Central Park Portfolio and the Opera Portfolio is being acquired pursuant to the Company's published investment policy and is consistent with the investment objectives and strategy of the Company.

(a) *Central Park Portfolio*

The Central Park development is located in Sandyford, approximately 11km from Dublin city centre in an affluent catchment area of Dublin. The acquired properties comprise 281 residential units, 9 of which were sold prior to the acquisition by KW in March 2014, leaving 272 lettable residential units, 7 ground floor retail units with ground floor restaurant unit and 6 mezzanine level office units along with a mezzanine potential leisure unit. The residential units are a mix of 35 one bed, 185 two beds, 39 three beds and 13 penthouse apartments. Of the 272 apartments in total, 266 of the units are fully fitted out with 259 units let. Two penthouse units are completed to a shell and core standard and a further four units require fit out to enable occupation. Total commercial space extends to approximately 31,000 square feet. 'Block K' comprises a partially built development site with

¹ This statement is not meant or intended to be profit forecast, and should not be interpreted to mean that earnings per share of the Company will be a specific amount.

planning permission for 166 residential units and approximately 14,800 square feet of ground floor commercial space. At basement levels there are 362 car parking spaces in total, with 17 allocated to the commercial element of the property.

The Central Park Portfolio is freehold property, let by way of individual residential tenancies producing a current gross rent of approximately €3.8 million per annum (approximately £3.1 million). The commercial element of approximately 31,000 square feet is currently 97.4 per cent (29,914 square feet) vacant, while the remainder of the commercial element is let by way of a 15 year lease which has approximately 9.45 years to expiry and a current annual gross rent of €23,000 per annum (approximately £18,629).

The Independent Directors, having been advised by the Investment Manager, consider that the Central Park Portfolio offers an excellent investment opportunity for the Company. It is located in an affluent residential suburb of Dublin close to a number of the city's prime suburban business parks. In addition, being located close to key transport links (on site LUAS stop and 5 minutes' drive from M50 interchange), it offers residents an easy commute to Dublin city centre and other main employment nodes.

Upon completion of the Central Park Acquisition, the Company intends to significantly upgrade the residential property within the Central Park Portfolio through a number of initiatives, including, but not limited to, a full unit refurbishment program and the provision of tenant amenities, such as a dedicated leasing and management office, tenant gym and cinema room. The Independent Directors, having been advised by the Investment Manager, also considers the existing planning permission for 166 additional residential units to be favourable and it is the intention of the Company to complete this new block, bringing the total number of rental units in the Central Park Portfolio to 438. The Investment Manager will implement its proven business model for managing rented residential properties including an increase in on site personnel.

The Independent Directors, having been advised by the Investment Manager, consider that the above mentioned value added initiatives, coupled with the existing high level of demand for the Central Park Portfolio, will enable the Company to significantly grow residential rents at the asset over the next 3 years.

The Company also plans to finish the vacant commercial space and re-launch it to the market. The Independent Directors, having been advised by the Investment Manager, believe that the Company can achieve a significantly higher level of occupancy in this area which will, in addition to improving gross rent of the Central Park Portfolio, improve the overall level of amenity for the residential tenants.

CBRE has valued the Central Park Portfolio in accordance with the RICS Red Book, such valuation equating to, in aggregate, €82 million (approximately £66.4 million) as at 1 May 2014. CBRE completed its valuation on the real estate assets and such valuation did not take into account approximately €6.1 million (approximately £4.9 million) of net current assets held by the CP Target being acquired by the Company in connection with the Central Park Acquisition. The Valuation Report relating to the Central Park Portfolio is included in Part IV (*Valuation Report*) of this document. CBRE has confirmed to the Company that, as at the date of this document, there has not been any material change in the value attributed to the Central Park Portfolio as set out in the Valuation Report.

The Central Park Portfolio is managed by a wholly owned and controlled subsidiary of KW, which will continue to manage the CP Target and its assets following completion of the Central Park Acquisition. No management fee is currently payable, nor following completion of the Central Park Acquisition will be payable, to such manager in connection with such services.

(b) ***Opera Portfolio***

The Opera Portfolio comprises 7 office (one in use as a private members club) and 6 retail properties, let to tenants including Bank of Ireland, KPMG, Tesco and Mark & Spencer, located across Dublin, with one property in Cork.

As at 1 May 2014, the Opera Portfolio consisted of approximately 670,000 square feet and had an annual gross rental income of approximately €24 million (approximately £19.4 million). The top five tenants account for approximately 66 per cent of the gross rental income. The lease contracts have a weighted unexpired lease term to expiry of 14.4 years. The portfolio has an occupancy rate of 98.9 per cent.

The Independent Directors, having been advised by the Investment Manager, consider the Opera Portfolio to be one of the highest quality direct asset portfolios to be marketed in Ireland in recent years, offering the Company a high level of exposure to the Dublin office and retail market through a combination of prime long lease assets and other value added opportunities. In this regard the Independent Directors, having been advised by the Investment Manager, consider the Opera Portfolio to be well positioned to capitalise on the expected continued recovery of the Dublin market.

Specifically the Independent Directors, having been advised by the Investment Manager, consider that the properties at Mespil Road (with approximately 14 years remaining on its lease to Bank of Ireland), Russell Court (with approximately 12 years remaining on its lease to KPMG (as the main tenant)) and South Bank House, Barrow Street (with approximately 17 years remaining on its lease to Mason Hayes and Curran) are all assets on long leases to high quality tenants in prime office locations. The Independent Directors, having been advised by the Investment Manager, believe that these properties should benefit from the expected continued recovery in Dublin office rents.

The Independent Directors, having been advised by the Investment Manager, believe that the Opera Portfolio, through the planned re-development of the Baggot Street property and the planned upgrading of Stillorgan Shopping Centre, also offers a number of value added opportunities which complement the high quality income already in place. The Independent Directors, having been advised by the Investment Manager, believe that the Marks and Spencer property in Merchant's Quay Shopping Centre, Cork (with approximately 73 years remaining on the lease) offers an element of exposure to the number 2 investment market in Ireland, with signs of renewed investor interest in Cork in recent months.

The Independent Directors, having been advised by the Investment Manager, consider that the purchase price of the Opera Portfolio, which equates to 572 per square feet and an initial yield in excess of 6 per cent offers a good entry price relative to other acquisitions recently completed in the market. In addition the Independent Directors, having been advised by the Investment Manager, believe that with the KW Group managing the Opera Portfolio for the past 10 months since its initial acquisition, this significantly reduces the risk associated with new acquisition and will enable the Investment Manager to execute the business plan for the portfolio efficiently and expeditiously.

CBRE has valued the Opera Portfolio in accordance with the RICS Red Book, such valuation equating to, in aggregate, €390 million (approximately £315.9 million) as at 1 May 2014. CBRE completed its valuation on the real estate assets and such valuation did not take into account approximately €1.4 million (approximately £1.1 million) of net current assets held by the Opera Target being acquired by the Company in connection with the Opera Acquisition. The Valuation Report relating to the Opera Portfolio is included in Part IV (*Valuation Report*) of this document. CBRE has confirmed to the Company that, as at the date of this document, there has not been any material change in the value attributed to the Opera Portfolio as set out in the Valuation Report.

The Opera Portfolio is managed by a wholly owned and controlled subsidiary of KW, which will continue to manage the Opera Target and its assets following completion of the Opera Acquisition. A management fee is currently payable to such manager on a quarterly basis if certain thresholds are met. Following completion of the Opera Acquisition, the manager will continue to manage the Opera

Target and its assets however no fee shall be payable to such manager for such services (further details of which are set out in paragraph 4 of this Part I (*Letter from the Chairperson*)).

4. Principal terms of the Proposed Transactions

The principal terms of the Proposed Transactions are summarised in Part II (*Principal Terms of the Central Park Acquisition*) and Part III (*Principal Terms of the Opera Acquisition*) of this document.

Completion of the Central Park Acquisition is not conditional upon completion of the Opera Acquisition, and *vice versa*.

Central Park Acquisition

On 9 May 2014, the CP Buyer, an intermediate holding company in the Group, entered into a conditional sale and purchase agreement with the CP Seller, pursuant to which the CP Buyer agreed to acquire the Central Park Shares for a total consideration of approximately €88.1 million (approximately £71.4 million), comprising approximately €30.7 million (approximately £24.9 million) of cash and approximately €57.4 million (approximately £46.5 million) of assumed non-recourse debt.

The Central Park Acquisition is conditional on satisfaction of:

- (a) the Central Park Shareholder Consent;
- (b) the Central Park Bank Consent.

The purchase price to be paid by the CP Buyer for the Central Park Shares is based on the independent property valuation prepared by CBRE as set out in the Valuation Report.

Further details of the Central Park Acquisition and a summary of the principal terms of the Central Park Acquisition Agreement are set out in Part II (*Principal Terms of the Central Park Acquisition*) of this document.

Opera Acquisition

On 9 May 2014, the Opera Buyer, an intermediate holding company in the Group, entered into a conditional sale and purchase agreement with the Opera Sellers, pursuant to which the Opera Buyer agreed to acquire the Opera Shares, in which KW holds an equity interest of 25 per cent, for a total consideration of approximately €391.4 million (approximately £317.0 million), comprising approximately €194.9 million (approximately £157.9 million) of cash and approximately €196.5 million (approximately £159.2 million) of assumed non-recourse debt.

The Opera Acquisition is conditional on:

- (a) the Opera Shareholder Consent;
- (b) the Opera Bank Consent.

The purchase price to be paid by the Opera Buyer for the Opera Shares is based on the independent property valuation prepared by CBRE as set out in the Valuation Report.

Each of the Opera Sellers have engaged KWFM, a wholly-owned and controlled subsidiary of KW, to provide certain services in connection with their investment in the Opera Target, in connection with which, KWFM is entitled to a fee of approximately €15 million (approximately £12.1 million), calculated by reference to the final agreed or determined consideration payable to the Opera Sellers on completion of the Opera Acquisition (the “Fee”). Such Fee will be paid to KWFM by the joint venture partners (other than members of the KW Group) that were the original purchasers of the Opera Portfolio in July 2013.

In the event that the Opera Shareholder Consent has not been satisfied on or before 17 June 2014 (or such other date as agreed between the parties to the Opera Acquisition Agreement), KW (or another member of the KW Group) shall be entitled to acquire the remaining Opera Shares not already owned by it from its existing joint venture partners, including VF Opera, with effect from such date, on the terms and subject to

the conditions (save for the Opera Shareholder Consent) set out in the Opera Acquisition Agreement, and shall be substituted in the Opera Acquisition Agreement for the Opera Buyer.

The Opera Portfolio is managed by a wholly owned and controlled subsidiary of KW, which will continue to manage the Opera Target and its assets following completion of the Opera Acquisition. A fee is currently payable to such manager on a quarterly basis if certain thresholds are met. Following completion of the Opera Acquisition, the manager will continue to manage the Opera Target and its assets however no fee shall be payable to such manager for such services. The Opera Management Agreement will be amended on completion of the Opera Acquisition to reflect this arrangement.

Further details of the Opera Acquisition and a summary of the principal terms of the Opera Acquisition Agreement are set out in Part III (*Principal Terms of the Opera Acquisition*) of this document.

5. Related party nature of the Proposed Transactions

The Investment Manager is wholly owned and controlled by KW and is part of the KW Group. Each of the CP Seller and KWFM is wholly owned and controlled by KW and is part of the KW Group, and KWF is 50 per cent owned and managed by KW. Each of the CP Seller and KWF is classified as a related party of the Company and its subsidiaries entering into the Proposed Transactions, and KWFM is classified as a related party of the Company in connection with the payment of the Fee, in each case, under the Listing Rules as (a) the KW Group owns significant ownership interests in each of these entities, the Investment Manager is a member of the KW Group, and Mary Ricks and William McMorrow (each a director of the Company) are directors of the Investment Manager and KW, respectively; and (b) KW is a substantial shareholder in the Company, the ultimate parent undertaking of each of the acquiring entities, holding together with its associates approximately 12.5 per cent of the issued share capital of the Company (as at 22 May 2014, being the last practicable date prior to the date of this document).

As such, each of the Central Park Acquisition and the Opera Acquisition is classified as a related party transaction pursuant to Chapter 11 of the Listing Rules. The Proposed Transactions are therefore conditional on, amongst other things, the approval of Independent Shareholders at an extraordinary general meeting of the Company.

Due to KW's status as a related party of the Company, and as is inherent in any such related party relationship, the extent to which the Group may obtain redress against KW in relation to these transactions may be limited.

6. Financial effects of the Proposed Transactions

The consideration payable by the Company's subsidiary undertakings (the CP Buyer and the Opera Buyer) in connection with the Proposed Transactions will be provided out of the existing cash resources of the Company, to be paid in cash at completion of the Proposed Transactions by the CP Buyer and the Opera Buyer to the CP Seller and the Opera Sellers (in their relevant proportions), respectively.

The Independent Directors, having been advised the Investment Manager, believe that the Proposed Transactions will create a strong platform for growth and enhance value for Shareholders. This statement is not meant or intended to be profit forecast, and should not be interpreted to mean that earnings per share of the Company will be a specific amount.

7. Extraordinary General Meeting

Each of the Proposed Transactions is a related party transaction under Chapter 11 of the Listing Rules and is therefore conditional upon the approval of Independent Shareholders at the Extraordinary General Meeting, and neither KW nor any associate of KW will be able to vote on the Resolutions. Accordingly, set out at the end of this document is a notice convening the Extraordinary General Meeting to be held at the Company's registered office at 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands on 12 June 2014 at 10.00 a.m. at which Resolution 1 to approve the Central Park Acquisition and Resolution 2 to approve the Opera Acquisition will be proposed. The Resolutions will be proposed as ordinary resolutions. Voting on the Resolutions will be conducted by way of a poll. Each of the Resolutions must be approved by Independent

Shareholders who, in aggregate, represent a simple majority of Independent Shareholders present and voting, whether in person or by proxy, at the Extraordinary General Meeting.

8. Action to be taken

You will find enclosed with this document a Form of Proxy for use at the Extraordinary General Meeting. Whether or not you propose to attend the Extraordinary General Meeting in person, you are asked to complete and sign the Form of Proxy in accordance with the instructions printed on it and return it to the Company's Registrar, Computershare Investor Services (Jersey) Limited, at c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom, as soon as possible and so as to arrive by no later than 10.00 a.m. on 10 June 2014. If you are a CREST member, you can appoint proxies by using the CREST electronic proxy appointment service.

Completion and return of a Form of Proxy will not preclude you from attending and, if you are an Independent Shareholder, voting at the Extraordinary General Meeting in person if you so wish.

9. Further information

Your attention is drawn to the further information set out in Parts II, III, IV and V of this document relating to the Group and the Proposed Transactions. You are advised to read the whole of this document and not merely rely on the key summarised information set out in this letter.

10. Recommendation

The Board, who have been so advised by Deutsche Bank, consider each of the Proposed Transactions to be fair and reasonable so far as the Shareholders are concerned. In giving advice to the Board, Deutsche Bank has taken account of the Board's commercial assessment of each of the Proposed Transactions.

The Independent Directors consider each of the Proposed Transactions to be in the best interests of Shareholders as a whole. Accordingly, the Independent Directors unanimously recommend that Independent Shareholders vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting as set out in the Notice at the end of this document. Neither Mary Ricks nor William McMorro, who are associates of the KW Group (including the Investment Manager), have taken part in the Board's consideration of the Proposed Transactions.

Under the Listing Rules, KW and any of its associates, being related parties to the Company, are precluded from voting in relation to the Proposed Transactions. Accordingly, each of Mary Ricks and William McMorro (each a director of the Investment Manager and KW, respectively), KW Europe Investors and the KW Carried Interest Partner have undertaken to abstain, and to ensure that their respective associates will abstain, from voting on the Resolutions at the Extraordinary General Meeting in the event either it or any of them own Ordinary Shares. As at 22 May 2014 (being the last practicable day prior to the date of publication of this document), the KW Group was beneficially interested in 12,509,005 Ordinary Shares in aggregate (including the aggregate beneficial holding of the Related Party Directors of 120,000 Ordinary Shares), representing approximately 12.5 per cent of the current issued share capital of the Company.

When considering what action you should take, you are recommended to seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other professional adviser duly authorised under the FSMA.

Yours sincerely

Charlotte Valeur
Chairperson

For and on behalf of
Kennedy Wilson Europe Real Estate plc

PART II

PRINCIPAL TERMS OF THE CENTRAL PARK ACQUISITION

The principal terms of the Central Park Acquisition Agreement are set out below.

1. Introduction

On 9 May 2014, the CP Buyer and the CP Seller entered into a conditional sale and purchase agreement, pursuant to which the CP Seller conditionally agreed to sell and the CP Buyer conditionally agreed to buy the Central Park Shares, free from all encumbrances and with the rights attaching to such shares on completion of the Central Park Acquisition.

2. Conditions to completion

Completion of the Central Park Acquisition is conditional upon the satisfaction of:

- (a) the Central Park Shareholder Consent; and
- (b) the Central Park Bank Consent,

in each case, by not later than 17 June 2014, or such later date as the parties may agree. The CP Buyer shall be obliged to procure (so far as it is able) the satisfaction of the Central Park Shareholder Consent, and the CP Seller shall be obliged to procure (so far as it is able) the satisfaction of the Central Park Bank Consent. Completion of the Central Park Acquisition will occur five business days following satisfaction of both conditions. If the conditions are not satisfied on or before 17 June 2014, or such later date as the parties may agree, the Central Park Acquisition Agreement shall automatically terminate and cease to have effect.

3. Consideration

The CP Buyer has agreed to pay total consideration of approximately €88.1 million (approximately £71.4 million), comprising approximately €30.7 million (approximately £24.9 million) of cash (the “**CP Cash Consideration**”) and approximately €57.4 million (approximately £46.5 million) of assumed non-recourse debt as consideration for the transfer of the Central Park Shares, with the CP Cash Consideration being satisfied in cash by the CP Buyer upon completion of the Central Park Acquisition.

The CP Cash Consideration will be adjusted post completion to the extent the actual net asset value of the CP Target at completion of the Central Park Acquisition was higher or lower than the estimated net asset value of the CP Target, being the CP Cash Consideration paid at completion.

4. Pre-completion undertakings

In the period between signing and completion of the Central Park Acquisition Agreement the CP Seller has undertaken to procure that the directors of KW Real Estate plc manage the assets of the CP Target in the ordinary course consistent with past practice and in accordance with the investment objectives and policies of the CP Target and subject to the investment and borrowing restrictions applicable to the CP Target.

5. Warranties

Pursuant to the terms of the Central Park Acquisition Agreement, the CP Seller has given certain warranties as to its title to the Central Park Shares and its capacity to enter into the Central Park Acquisition Agreement, as well as other warranties in respect of its solvency, there being no proceedings by a governmental entity which would prevent the satisfaction of the Central Park Shareholder Consent and as to the CP Target not having carried on any business other than in respect of its ownership and management of the Central Park Portfolio.

The liability of the CP Seller under the warranties is capped (in aggregate) at the CP Cash Consideration however such warranties are not limited (other than by applicable law) as to time. If there is a material breach

of the warranties provided by the CP Seller prior to completion of the Central Park Acquisition, the CP Buyer may terminate the Central Park Acquisition Agreement on giving notice to the CP Seller.

The principal terms of the DB Facility Agreement are set out below.

DB Facility Agreement

Pursuant to the DB Facility Agreement, Deutsche Bank made available to the CP Target a term loan facility of up to €58,200,000 (approximately £47.1 million) in order to fund the acquisition of the Central Park Portfolio as well as costs associated with such acquisition.

Under the terms of the DB Facility Agreement, the CP Target is required to make quarterly interest payments, with the principal amount being repaid in quarterly instalments from July 2016 to the maturity date of 20 April 2019. The CP Target has granted certain security in favour of Deutsche Bank (as security agent for and on behalf of the finance parties), including, but not limited to, fixed and floating charges over the Central Park Portfolio and all rental payments. Upon completion of the Central Park Acquisition, the CP Buyer will, amongst other things, be required to grant security over the Central Park Shares to Deutsche Bank (in its capacity as security agent).

Under the DB Facility Agreement, the Central Park Acquisition is permitted subject to receipt of the Central Park Bank Consent. No fees will be payable under the DB Facility Agreement in respect of the Central Park Acquisition nor will it trigger any of the prepayment provisions of the DB Facility Agreement.

Central Park Bank Consent is conditional upon a number of conditions precedent being satisfied in accordance with the terms of the DB Facility Agreement which include, amongst others, grant of new share security; delivery of a legal opinion in respect of CP Buyer and the documentation effecting the sale of the Central Park Shares.

PART III

PRINCIPAL TERMS OF THE OPERA ACQUISITION

The principal terms of the Opera Acquisition Agreement are set out below.

1. Opera Acquisition Agreement

On 9 May 2014, the Opera Buyer and the Opera Sellers entered into a conditional sale and purchase agreement, pursuant to which the Opera Sellers conditionally agreed to sell their respective interests of 50 per cent each of the Opera Shares to the Opera Buyer, free from all encumbrances and with the rights attaching to such shares on completion of the Opera Acquisition. KW holds an equity interest of 25 per cent in the Opera Shares, through its ownership of a 50 per cent interest in KWF, an Opera Seller.

2. Conditions to completion

Completion of the Opera Acquisition is conditional upon the satisfaction of:

- (a) the Opera Shareholder Consent; and
- (b) the Opera Bank Consent,

in each case, by not later than 17 June 2014, or such later date as the parties may agree (such agreement not to be unreasonably withheld or delayed and provided such date is not later than 31 July 2014).

The Opera Buyer shall be obliged to procure (so far as it is able) the satisfaction of the Opera Shareholder Consent, and the Opera Sellers shall be obliged to procure (so far as they are able) the satisfaction of the Opera Bank Consent. Completion of the Opera Acquisition will occur ten business days following satisfaction of the conditions (or such earlier date as the parties may agree). If the conditions are not satisfied prior to 31 July 2014, the Opera Acquisition Agreement shall automatically terminate and cease to have effect.

3. Purchase by KW

In the event that the Opera Shareholder Consent has not been satisfied on or before 17 June 2014 (or such other date as agreed between the parties), KW (or another member of the KW Group) shall be entitled to acquire the remaining Opera Shares not already owned by it with effect from such date, on the terms and subject to the conditions (save for the Opera Shareholder Consent) set out in the Opera Acquisition Agreement, and shall be substituted in the Opera Acquisition Agreement for the Opera Buyer.

4. Consideration

The Opera Buyer has agreed to pay total consideration of approximately €391.4 million (approximately £317.0 million), comprising approximately €194.9 million (approximately £157.9 million) of cash (the “Opera Cash Consideration”) and approximately €196.5 million (approximately £159.2 million) of assumed non-recourse debt as consideration for the transfer of the Opera Shares, with the Opera Cash Consideration being satisfied in cash by the Opera Buyer upon completion of the Opera Acquisition.

The Opera Cash Consideration will be adjusted post completion to the extent the actual net asset value of the Opera Target at completion of the Opera Acquisition was higher or lower than the estimated net asset value of the Opera Target, being the Opera Cash Consideration paid at completion.

5. Pre-completion undertaking

In the period between signing and completion of the Opera Acquisition Agreement, the Opera Sellers have undertaken to procure that the business of the Opera Target and its subsidiary undertakings will be carried on in the ordinary course consistent with past practice.

6. Warranties

Pursuant to the terms of the Opera Acquisition Agreement, each Opera Seller has given certain warranties as to its respective title to the Opera Shares held by it and its capacity to enter into the Opera Acquisition Agreement, as well as other warranties in respect of its solvency, there being no proceedings by a governmental entity which would prevent the satisfaction of the Opera Shareholder Consent and as to the Opera Target not having carried on any business other than in respect of its ownership and management of the Opera Portfolio.

The liability of each Opera Seller under the warranties is capped (in aggregate) at the Opera Cash Consideration due to each Opera Seller however such warranties are not limited (other than by applicable law) as to time. If there is a material breach of the warranties provided by the Opera Sellers prior to completion of the Opera Acquisition, the Opera Buyer may terminate the Opera Acquisition Agreement on giving notice to the Opera Sellers.

Pursuant to the terms of the Opera Acquisition Agreement, the Opera Buyer has given certain customary warranties as to its capacity to enter into the Opera Acquisition Agreement.

7. Fee payment

In connection with their disposal of the Opera Shares, each of the Opera Sellers has engaged KWFM, a wholly-owned and controlled subsidiary of KW, to provide certain services in connection with their investment in the Opera Target, in connection with which, KWFM is entitled to the Fee, calculated by reference to the final agreed or determined consideration payable to the Opera Sellers on completion of the Opera Acquisition, pursuant to the terms of the Supplemental Management Fee Agreement. The Fee will be paid to KWFM by the joint venture partners (other than members of the KW Group) that were the original purchasers of the Opera Portfolio in July 2013.

Furthermore, in connection with completion of the Opera Acquisition, the Opera Management Agreement will be amended such that, with effect from Completion, no fee would be payable to the manager under its terms.

The principal terms of the Bank of Ireland Facility Agreement are set out below.

Bank of Ireland Facility Agreement

Pursuant to the Bank of Ireland Facility Agreement, Bank of Ireland has made available to, among others, the Opera Target a term loan facility of up to €199,000,000 (approximately £161.2 million) in order to fund the acquisition of the Opera Portfolio as well as costs associated with such acquisition.

Under the terms of the Bank of Ireland Facility Agreement, the borrowers are required to make quarterly payments of principal and interest, with a maturity date of 22 July 2018. Each borrower, including the Opera Target, has granted certain security in favour of Bank of Ireland (as security agent for and on behalf of the finance parties), including, but not limited to, fixed and floating charges over the Opera Portfolio and all rental income and share charges in relation to the Opera Shares. Upon completion of the Opera Acquisition, the Opera Buyer will be required to grant security over the Opera Shares to Bank of Ireland.

PART IV
VALUATION REPORT

VALUATION REPORT

Various Properties
Project Dublin

Date of Valuation: 1 May 2014



VALUATION REPORT



CBRE
 Connaught House
 Number One Burlington Road
 Dublin 4

Switchboard: +353 1 618 5500
 Fax: +353 668 8850

Report Date	1 May 2014
Addressees	Kennedy Wilson Europe Real Estate plc ("KWERE") 47 Esplanade St Helier Jersey JE1 OBD
The Properties	The properties described in Schedule A of this report, and "Property" shall be construed accordingly.
Properties Description	As described in Schedule A.
Ownership Purpose	Investment.
Instruction	To value on the basis of Market Value the freehold/long leasehold interests in the Properties as at the valuation date in accordance with our Terms of Business dated (tbc) March 2014
Valuation Date	1 May 2014
Capacity of Valuer	External and an independent expert for the purposes of The Red Book (as defined below).
Purpose of Valuation	We understand that our valuation report and the Appendices to it (together the "Valuation Report") is required for inclusion in a related party Circular which is to be published by KWERE. The Valuation Report will be relied upon by KWERE, its shareholders and its Affiliates, which term shall mean any holding company or parent undertaking of KWERE and any subsidiary of fellow subsidiary undertaking of KWERE or of such holding company of parent undertaking and the directors, officers, employees, consultants or agents of such persons and of KWERE from time to time.

Market Value

The aggregate of the individual Market Values is €472,000,000 (FOUR HUNDRED AND SEVENTY TWO MILLION EURO) exclusive of VAT.

Our opinion of Market Value is based upon the Scope of Work and Valuation Assumptions attached, and has been primarily derived using comparable recent market transactions on arm's length terms.

We have valued the Properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

For the avoidance of doubt, we have valued the Properties as real estate and the values reported herein represent 100% of the market values of the assets. No account has been taken in reporting these values of the extent of KWERE interests in the companies holding the subject Properties.

There are no negative values to report.

Compliance with Valuation Standards

The valuation has been prepared in accordance with the *RICS Valuation – Professional Standards 2014* ("Red Book"). The property details on which each valuation is based are as set out in this report.

We confirm that we have sufficient current local and national knowledge of the particular property market involved, and have the skills and understanding to undertake the valuation competently.

Where the knowledge and skill requirements of The Red Book have been met in aggregate by more than one valuer within CBRE, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of The Red Book.

Assumptions

The Properties' details on which the valuations are based are as set out in this Valuation Report. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination – as set out below.

If any of the information or assumptions on which the valuations are based are subsequently found to be incorrect, the valuation figure may also be incorrect and should be reconsidered.

Variation from Standard Assumptions	None.
Market Conditions	The values stated in this report represent our objective opinion of Market Value in accordance with the definition set out above as of the date of valuation. Amongst other things, this assumes that the properties had been properly marketed and that exchange of contracts took place on this date.
Valuer	The Properties have been valued by a valuer, acting as an External Valuer, who is qualified for the purpose of the valuations in accordance with the RICS Valuation – Professional Standards (2014) (“ the Red Book ”)
Independence	The total fees, including the fee for this assignment, earned by CBRE (or other companies which are members of the same group of companies as CBRE) from the Company (or other companies forming part of the same group of companies as the Company) is less than 5.0% of CBRE’s total Irish revenues as at March 2014. It is not anticipated that the situation will vary in the financial year to 31 December 2014.
Conflicts of Interest	It is confirmed that CBRE has previously valued properties 1 – 14, in July 2013 for David Hughes and Luke Charleton, Joint Receivers Ernst & Young. We do not consider that any conflict of interest arises for us in preparing the advice requested by the Company and the Company has confirmed this to us. We confirm that we do not have any material interest in the Company or any of the Properties.
Responsibility	Save as set out in the second paragraph of the section headed “Purpose of Valuation” on page 2, this report is for the use only of the parties to whom it is addressed together with the directors and shareholders of KWERE for the specific purpose set out in the Valuation Report under the paragraphs “Instruction” and “Purpose of Valuation” on page 2 and no responsibility is accepted to any third party for the whole or any part of its contents.

Publication

We understand that this Valuation Report is to be included within a related party Circular. Other than the Purpose of this Report (as defined) neither the whole nor any part of our Valuation Report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

We have given and not withdrawn our consent to the inclusion of this report in the related party Circular.

Yours faithfully



Bruce Campbell
Director
RICS Registered Valuer

Yours faithfully



Enda Luddy
Managing Director

For and on behalf of CBRE (Registered in Ireland)

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For and on behalf of CBRE (Registered in Ireland)

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SCOPE OF WORK & SOURCES OF INFORMATION

Sources of Information	We have carried out our work based upon information supplied to us by Jane McHugh, Jason Byers and Ali Rohan of Kennedy Wilson, with additional information from CBRE Building Surveying Department as set out within this Valuation Report, which we have assumed to be correct and comprehensive.
The Properties	Our Valuation Report contains a brief summary of the Properties details on which our valuations have been based.
Inspections	Properties 1 – 14 were inspected previously in August and September 2013. Property 15 was inspected on 24 March 2014 with a number of the residential units inspected internally.
Areas	We have not measured the Properties but have relied upon the floor areas provided. CBRE Building Surveying Department have carried out a measured survey of properties 1 – 14.
Environmental Matters	<p>We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.</p> <p>We have not carried out any investigations into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists.</p>
Repair and Condition	We have not carried out building surveys, tested services, made independent site investigations, inspected woodwork, exposed parts of the structure which were covered, unexposed or inaccessible, nor arranged for any investigations to be carried out to determine whether or not any deleterious or hazardous materials or techniques have been used, or are present, in any part of the Properties. In the absence of any information supplied to the contrary, we have assumed that no such materials or techniques have been so used or are present. We are unable, therefore, to give any assurance that the Properties are free from defect.
Town Planning	We have not undertaken planning enquiries.

Titles, Tenures and Lettings

Details of title/tenure under which the Properties are held and of lettings to which it is subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in this Valuation Report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of the Company's legal adviser.

We have not conducted credit enquiries on the financial status of any tenants. We have, however, reflected our general understanding of purchasers' likely perceptions of the financial status of tenants.

VALUATION ASSUMPTIONS

Capital Values

The valuations have been prepared on the basis of "Market Value", which is defined in the Red Book as:

"The estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The valuation represents the figure that would appear in a hypothetical contract of sale at the Valuation Date. No adjustment has been made to this figure for any expenses of acquisition or realisation - nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charge.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

Rental Values

Rental values indicated in our Valuation Report are those which have been adopted by us as appropriate in assessing the capital value and are not necessarily appropriate for other purposes, nor do they necessarily accord with the definition of Market Rent.

The Properties

Where appropriate we have regarded the shop fronts of retail and showroom accommodation as forming an integral part of the building.

Landlord's fixtures such as lifts, escalators, central heating and other normal service installations have been treated as an integral part of the building and are included within our valuations.

Process plant and machinery, tenants' fixtures and specialist trade fittings have been excluded from our valuations.

All measurements, areas and ages quoted in our Valuation Report are approximate.

Environmental Matters

We have not undertaken, nor are we aware of the content of, any environmental audit or other environmental investigation or soil survey which may have been carried out on the Properties and which may draw attention to any contamination or the possibility of any such contamination.

We have not carried out any investigation into the past or present uses of the Properties, nor of any neighbouring land, in order to establish whether there is any potential for contamination and have therefore assumed that none exists

Repair and Condition

In the absence of any information to the contrary, we have assumed that:

- (a) there are no abnormal ground conditions, nor archaeological remains, present which might adversely affect the current or future occupation, development or value of the Properties;
- (b) the Properties are free from rot, infestation, structural or latent defect;
- (c) no currently known deleterious or hazardous materials or suspect techniques have been used in the construction of, or subsequent alterations or additions to, the Properties; and
- (d) the services, and any associated controls or software, are in working order and free from defect.

We have otherwise had regard to the age and apparent general condition of the Properties. Comments made in Properties' details do not purport to express an opinion about, or advise upon, the condition of uninspected parts and should not be taken as making an implied representation or statement about such parts.

Title, Tenure, Lettings, Planning, Taxation, and Statutory & Local Authority requirements

Unless stated otherwise within this Valuation Report, and in the absence of any information to the contrary, we have assumed that:

- (a) each of the Properties possesses a good and marketable title free from any onerous or hampering restrictions or conditions;
- (b) the building(s) situate on the Properties has/have been erected either prior to planning control, or in accordance with planning permissions, and has the benefit of permanent planning consents or existing use rights for their current use;
- (c) the Properties are not adversely affected by town planning or road proposals;
- (d) the building(s) situate on the Properties complies/Comply with all statutory and local authority requirements including building, fire and health and safety regulations;

Valuation Report

- (e) only minor or inconsequential costs will be incurred if any modifications or alterations are necessary in order for occupiers of the Properties to comply with disability access requirements in Ireland.
- (f) all rent reviews are upward only and are to be assessed by reference to full current market rents;
- (g) there are no tenants improvements that will materially affect our opinion of the rents that would be obtained on review or renewal;
- (h) tenants will meet their obligations under their leases, and are responsible for insurance, payment of business rates, and all repairs, whether directly or by means of a service charge;
- (i) there are no user restrictions or other restrictive covenants in leases which would adversely affect value;
- (j) where appropriate, permission to assign the interest being valued herein would not be withheld by the landlord where required; and
- (k) vacant possession can be given of all accommodation which is unlet or is let on a service occupancy.
- (l) Stamp Duty will apply at the rate currently applicable in Ireland.

SCHEDULE A - SCHEDULE OF VALUES

Properties	Description	Tenancy	Tenure	Annual Rent	Market Value
3 College Green, Dublin 2	Retail unit arranged over ground and basement floors extending to 342.60 sq m (3,687 sq ft) and fitted out to suit the tenant's business. Busy City Centre location in the northern side of College Green in close proximity to Grafton Street.	Single Let to Costa Coffee on a 20 Year Lease from Sept 2010. Tenant Break Option Sept 2020.	Long Leasehold	€100,000	€2,010,000
40/42 Mespil Road, Dublin 4	Modern office building built 2003 comprising seven stories over double basement and extending to approximately 9,161 sq m (98,609 sq ft). High specification fit-out. Well located on the southern side of Mespil Road in the Dublin 4 office district overlooking the Grand Canal.	Single Let to the Governor & Company of Bank of Ireland on a 25 Year Lease from June 2003. No Break Options	Freehold	€4,506,000	€89,500,000
Charlemont House, Charlemont Place, Dublin 2	Stand-alone three storey office building extending to 863.50 sq m (9,296 sq ft) comprising of modern office space along with on-site car parking. The property is situated on the Grand Canal adjacent to the Charlemont stop on the LUAS Green Line.	Single Let to Frank Glennon Insurance Brokers on a 25 Year Lease from July 1995. Tenant Break Option July 2015.	Freehold	€279,450	€3,825,000
41 St Stephen's Green, Dublin 2	Mid terrace 4 storey over basement Georgian Building in central location, extending to 476.3 sq m (5,129 sq ft). Operated as an exclusive private members club and fitting out to a high standard.	Single let to Molana Ltd and trading as Residence Club on a 25 year lease from Sept 2007. No break options	Freehold	€175,000	€3,235,000
18 Fleet Street, Dublin 2	Retail unit comprising of ground and basement floors extending to 73.6 sq m (792 sq ft). Located within the Temple Bar cultural area on a pedestrianized street.	Single Let to Paddy Power Plc on a 35 year lease from November 1990 with no break options	Long Leasehold	€46,600	€1,000,000
16 Westmoreland Street, Dublin 2	Mid terrace retail unit arranged over ground, basement and first floors extending to 357.80 sq m (3,851 sq ft). Busy thoroughfare located close to O'Connell Bridge.	Single Let to KFC from October 2013 at a stepped rent of €80,000 in years 1 & 2, €180,000 in years 3 & 4 and €200,000 in year 5.	Freehold	€80,000	€3,485,000
Crescent Hall, Mount Street Crescent, Dublin 2	Situated on Mount Street Crescent in close proximity to the Grand Canal within the Georgian office core. Crescent Hall comprises a four storey over basement mock Georgian stand alone office building extending to 504.90 sq m (5,435 sq ft).	Currently vacant	Freehold	€0	€2,850,000

35 Henry Street, Dublin 1	Located on the northern side of Henry Street in close proximity to the GPO and O'Connell Street. The property comprises a four storey over basement mid terrace building in retail and office use extending to 276.70 sq m (2,979 sq ft) in total.	The property is let in its entirety to Hutchinson 3G Ireland Limited on a full repairing and insuring lease with over 17 years unexpired. The lease is for a term of twenty five years and is subject to upwards only rent reviews every five years.	Long Leasehold	€425,000	€6,615,000
Stillorgan Shopping Centre, Stillorgan, Co Dublin	Located in Stillorgan, an affluent South Dublin suburb close to the N11, a main thoroughfare north-south to Dublin City Centre. Comprises a first generation shopping centre first developed in the 1960's arranged over two open malls in an L shape and extending to 13,445.60 sq m (144,728 sq ft).Gross Internal.	Multi Let shopping centre with a number of high profile national and multi-national tenants including Tesco as anchor.	Freehold	€5,639,947	€84,150,000
Russell Court, Harcourt Street, Dublin 2	Situated on the corner of Harcourt Street and St Stephen's Green South occupying a prominent corner site in Dublin 2 and benefitting from its position adjacent to the LUAS Green Line. Comprises four second generation office buildings arranged around a courtyard with car parking on site. Accommodation extends to 12,937.30 sq m (139,256 sq ft).	Multi Let to five individual tenants on 11 separate agreements with KPMG being the main tenant occupying the majority of the accommodation.	Freehold/ Long Leasehold	€4,927,701	€76,670,000
Marks & Spencer, Patrick Street, Cork	Located along Patrick Street and within Merchant's Quay Shopping Centre with mall access as well as access from Patrick Street. The property comprises a large department store extending to 7,310.50 sq m (78,690 sq ft) arranged over ground to second floors.	Single let to Marks & Spencer Ireland Ltd on a 99 year lease with over 73 years unexpired.	Freehold	€1,640,000	€31,200,000
Baggot Building, Baggot Street Upper, Dublin 4	Located on the south western side of Baggot Street Upper in close proximity to St Stephen's Green and just south of Mespil Road. The Baggot Building comprises a seven storey over basement second generation office building extending to approximately 8,513.40 sq m (91,636 sq ft) and split into Blocks A, B and C.	Currently let on short term licence agreements to Solus (formerly Fás) and Citi Bank.	Freehold	€3,200,000	€26,960,000
The Warehouse, Barrow Street, Dublin 4	Occupying a waterfront position in the south docklands area and set back off Barrow Street. The property comprises a 19 th century three storey brick and stone warehouse building that was refurbished extensively to provide unique open office space extending to approximately 1,812.10 sq m (19,506 sq ft).	Let to three tenants (North Star Venture Mgmt Ltd, Irelandia and Orchestra Platform Ltd) on three separate agreements.	Freehold/ Long Leasehold	€219,759	€9,080,000

<p>South Bank House, Barrow Street, Dublin 4</p>	<p>South Bank House (aka MHC House) is located on the west side of Barrow Street adjacent to Grand Mill Quay in the heart of Dublin's south docklands area and comprises a modern purpose built nine storey over basement office building. Accommodation extends to approximately 5,774 sq m (62,151 sq ft) in total.</p>	<p>The property is let in its entirety to The Partners of Mason Hayes & Curran on a full repairing and insuring lease with almost 17 years unexpired.</p>	<p>Freehold/ Long Leasehold</p>	<p>€2,879,783</p>	<p>€49,420,000</p>
<p>Block F, Block L, Block K (Site) Central Park Dubin 18</p>	<p>Mostly built in 2008, comprising of 281 residential units in total, 272 of which subject to this report, 7 ground floor retail units with ground floor restaurant unit and 6 mezzanine level office units along with a mezzanine leisure unit. Total commercial space extends to 2,853 sq m (30,711 sq ft). 'Block K' comprises a partially built (to first floor concrete slab) development site with planning permission for 166 residential units and 1,375 sq m (14,800 sq ft) of ground floor commercial space. At basement levels there are 362 car parking spaces in total, with 17 allocated to the commercial element of the property.</p>	<p>The property is let by way of 259 individual residential tenancies producing a current gross rent of €3,810,000 per annum. Commercial unit FG01 is let by way of a 15 year lease from 2010 at a passing rent of €23,000 per annum. All remaining commercial space of 2,779 sq m (29,914 sq ft) is currently vacant.</p>	<p>Freehold</p>	<p>Residential €3,810,000 per annum gross Commercial €23,000 per annum</p>	<p>€82,000,000</p>
<p>Total</p>					<p>€472,000,00</p>

PART V

ADDITIONAL INFORMATION

1. The Company

The Company is a closed-ended collective investment fund and incorporated as a public company limited by shares in Jersey under the Companies Law on 23 December 2013 with registered number 114680, having an unlimited life. The Company has been established pursuant to the CIF Law and the Listed Fund Guide. The Company is regulated by the JFSC. The Ordinary Shares have been traded on the main market of the London Stock Exchange for listed securities (ticker: KWE) since 28 February 2014.

The registered office and principal place of business of the Company is 47 Esplanade, St Helier, Jersey, JE1 0BD and the telephone number is +44 (0)1534 835 600. The Company's website is www.kennedywilsonseuropeplc.com.

The Company is not regulated by the FCA or an equivalent EU regulator.

The Company has an unlimited life, subject to a special resolution being passed by Shareholders for its winding up in accordance with the Companies Law. On a winding-up, or other return of capital, Shareholders are entitled to participate in the assets of the Company attributable to their Ordinary Shares.

2. Major Shareholders

As at 22 May 2014 (being the last practicable date prior to the date of publication of this document), the share capital of the Company consists of 100,109,007 Ordinary Shares of no par value with voting rights. The Company does not hold any shares in treasury. Therefore, the total number of Ordinary Shares carrying voting rights in the Company is 100,109,007.

As at 22 May 2014 (being the last practicable date prior to the date of publication of this document), in so far as is known to the Company and except as disclosed below, no person is, or, immediately following completion of the Proposed Transactions, will be directly or indirectly interested in 5 per cent of the Company's issued share capital (being the lowest threshold for notification of interests that will apply to the Company and certain persons (including Shareholders) pursuant to Chapter 5 of the Disclosure and Transparency Rules):

<i>Name of Shareholder</i>	<i>Number of Ordinary Shares</i>	<i>% of issued Ordinary Share capital</i>
Marketfield Asset Management LLC	13,237,322	13.22
Kennedy-Wilson Holdings, Inc ⁽¹⁾	12,509,005	12.50
Quantum Partners LP	11,250,000	11.24
Wellington Management Company, LLP ⁽²⁾	10,208,200	10.20
Janus Capital Management LLC ⁽³⁾	5,378,700	5.37

(1) *Comprises 12,200,000 Ordinary Shares held by KW Europe Investors, 300,000 Ordinary Shares held by KW Carried Interest Partner (acting as nominee for certain employees of the KW Group, including the Related Party Directors) and 9,005 Ordinary Shares held by the Investment Manager.*

(2) *Held through various investment advisory clients of Wellington Management Company, LLP.*

(3) *Held through various funds and accounts managed by Janus Capital Management LLC.*

As at 22 May 2014 (being the last practicable date prior to the date of publication of this document), other than the interests of the KW Group referred to above, the Company is not aware of any person or persons who could, directly or indirectly, jointly or severally, exercise control over the Company.

3. Material Contracts

Other than the Central Park Acquisition Agreement and the Opera Acquisition Agreement, further details of which can be found in Part II (*Principal Terms of the Central Park Acquisition*) and Part III (*Principal Terms of the Opera Acquisition*) of this document (respectively), there are no material contracts, other than contracts entered into in the ordinary course of business, to which the Company or any member of the Group is a party, that in the opinion of the Company contain information that Shareholders would reasonably require to make a properly formed assessment of how to vote on the Resolutions.

4. Related Party Directors' Letters of Appointment

Each Related Party Director has entered into a letter of appointment dated 10 February 2014 but no service contract with the Company. The Related Party Directors hold their office in accordance with their letters of appointment and the Articles. The Related Party Directors' appointments can be terminated with three months' notice. The Company is entitled to make a payment in lieu of the notice period on termination. The letters of appointment provide that the office of the Related Party Director shall be terminated with immediate effect without notice or payment in lieu of notice in certain circumstances including fraud, dishonesty or serious misconduct, bankruptcy, disqualification as a director or material breach of obligations under their respective letters of appointment. Each Related Party Director has waived his or her entitlement to receive fees for services as a Director and as a participant on any committee of the Board.

5. Related Party Directors' Interest in Ordinary Shares

As at 22 May 2014 (being the latest practicable date prior to the publication of this document), the Related Party Directors were interested in Ordinary Shares as set out below:

<i>Name of Related Party Director</i>	<i>Number of Ordinary Shares</i>	<i>% of issued Ordinary Share capital</i>
Mary Ricks ⁽¹⁾	60,000	0.06
William McMorrow ⁽¹⁾	60,000	0.06

(1) Held as a beneficial interest through KW Carried Interest Partner included under paragraph 2 above.

6. Related Party Directors' Related Party Transactions

As at 22 May 2014 (being the latest practicable date prior to the publication of this document), other than the Proposed Transactions, the letters of appointment referred to in paragraph 4 of this Part V (*Additional Information*) and the Investment Management Agreement, there are no related party transactions between any of the Related Party Directors and any member of the Group.

7. Significant Change

Save for the net proceeds received by the Company in connection with the completion of its initial public offering in March 2014, the completion of the acquisitions of the Artemis Portfolio and the Tiger Portfolio (as defined in the Prospectus) in March 2014 and the completion of the acquisition of certain subordinated loans secured by the Fordgate Jupiter portfolio in May 2014, there has been no significant change in the trading or financial position of the Company since 31 January 2014, the date to which the Company's most recently published audited financial information has been prepared.

8. Consents

Deutsche Bank has given and has not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they are included.

CBRE has given and has not withdrawn its written consent to the inclusion in this document of its name, its report in Part IV (*Valuation Report*) of this document and the references thereto in the form and context in which they are included.

9. Documents available for inspection

Copies of the following documents will be available for inspection at the registered office of the Company and the offices of Ashurst LLP (legal counsel to the Company), Broadwalk House, 5 Appold Street, London EC2A 2HA, during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document up to and including the date of the Extraordinary General Meeting and for the duration of the Extraordinary General Meeting:

- (a) the Memorandum and Articles;
- (b) the Transaction Agreements;
- (c) the Valuation Report;
- (d) the consent letters referred to in paragraph 8 of this Part V (*Additional Information*); and
- (e) this document.

23 May 2014

PART VI

DEFINITIONS

The following definitions apply throughout this document and in the accompanying Form of Proxy, unless the context requires otherwise:

€ or EUR or Euro	the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community as amended
£ or Sterling or pounds or pence	the lawful currency of the United Kingdom
associate	has the meaning set out in the Listing Rules
Articles	the articles of association of the Company, in force from time to time
Bank of Ireland	The Governor and Company of the Bank of Ireland, 40 Mespil Road, Dublin 4, Ireland
Bank of Ireland Facility Agreement	means the facility agreement dated 22 July 2013 between Cavalli Limited, the subsidiaries of Cavalli Limited listed in schedule 1 thereto as the borrowers, The Governor and Company of the Bank of Ireland as arranger, agent and security trustee and the financial institutions listed in schedule 2 thereto as the original lenders, as amended and restated by an amending and restating agreement dated 5 December 2013 and to which the Opera Target acceded as a borrower and obligor pursuant to an accession letter dated 5 December 2013, as may be further amended, varied, novated, supplemented, restated or replaced from time to time
Board	the directors of the company whose names are set out on page 2 of this document
CBRE	The CBRE Group, Inc. and its subsidiaries
Central Park Acquisition	the acquisition by the Company, through its wholly owned subsidiary, of the Central Park Shares in accordance with the Central Park Acquisition Agreement and as described in this document
Central Park Acquisition Agreement	the conditional sale and purchase agreement dated 9 May 2014 between the CP Buyer and the CP Seller, further details of which are set out in Part II (<i>Principal Terms of the Central Park Acquisition</i>) of this document
Central Park Bank Consent	the consent to and approval of the sale and purchase of the Central Park Shares as contemplated by the Central Park Acquisition Agreement by Deutsche Bank to the extent required under the DB Facility Agreement or any Finance Document
Central Park Portfolio	the portfolio of residential and commercial properties held by the CP Target, as further described in paragraph 3(a) of Part I (<i>Letter from the Chairperson</i>) of this document
Central Park Shares	the entire participating share capital issued by KW Real Estate plc, in respect of its sub-fund KW Irish Real Estate Fund IX

Central Park Shareholder Consent	the approval of Resolution 1 by Independent Shareholders at the Extraordinary General Meeting
certificated or certificated form	not in uncertificated form
CIF Law	Collective Investment Funds (Jersey) Law 1988, as amended
Companies Law	Companies (Jersey) Law 1991, as amended
Company	Kennedy Wilson Europe Real Estate plc
CP Buyer	KW Investment Two Lux S.à r.l., a wholly owned subsidiary of the Company
CP Cash Consideration	approximately €30.7 million (approximately £24.9 million)
CP Seller	KW EU Investors X, LLC, a wholly owned and controlled subsidiary of KW
CP Target	KW Real Estate plc, in respect of its sub-fund KW Irish Real Estate Fund IX
CREST	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as “Operator” pursuant to the Regulations
CREST Manual	the manual, as amended from time to time, produced by Euroclear describing the CREST system and supplied by Euroclear to users and participants thereof
CREST Proxy Instruction	an appropriate and valid CREST message appointing a proxy by means of CREST
DB Facility Agreement	the term loan facility agreement dated 27 March 2014 between KW Real Estate plc acting for and on behalf of its sub-fund KW Irish Real Estate Fund IX as borrower, Deutsche Bank AG as arranger, original lender and security trustee and Situs Asset Management Limited as agent, as may be amended, varied, novated, supplemented, restated or replaced from time to time
Deutsche Bank or Sponsor	Deutsche Bank AG, acting through its London branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB
Directors	the directors of the Company from time to time
Disclosure and Transparency Rules	the disclosure rules and transparency rules made under Part VI of the FSMA
Euroclear	Euroclear UK and Ireland Limited
Extraordinary General Meeting	the extraordinary general meeting of the Company convened for 10.00 a.m. on 12 June 2014 at the Company’s registered office at 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands, notice of which is set out at the end of this document, or any reconvened meeting following any adjournment thereof
FCA	the UK Financial Conduct Authority (or its successor bodies)
Fee	approximately €15 million (approximately £12.1 million)
Finance Documents	has the meaning given to such term in the DB Facility Agreement or the Bank of Ireland Facility Agreement (as the context requires)

Form of Proxy	the form of proxy accompanying this document for use by the Shareholders in connection with the Extraordinary General Meeting
FSMA	the Financial Services and Markets Act 2000 (as amended)
Group	the Company and its subsidiary undertakings from time to time
Independent Directors	Charlotte Valeur, Mark McNicholas and Simon Radford
Independent Shareholder	a Shareholder other than KW and any associate of KW (including the Related Party Directors) as defined under the Listing Rules
Investment Management Agreement	the investment management agreement dated 25 February 2014 between the Investment Manager and the Company under which it is appointed as the Investment Manager of the Company, a summary of which is set out in the Prospectus
Investment Manager	KW Investment Management Ltd., the investment manager of the Company
JFSC	the Jersey Financial Services Commission
KW	Kennedy-Wilson Holdings, Inc., a Delaware corporation that has securities listed on the New York Stock Exchange
KW Carried Interest Partner	KW Carried Interest Partner LP
KW Europe Investors	KW Europe Investors Ltd
KWF	KWF Real Estate Venture XV, L.P.
KWFM	KWF Manager XV, LLC, a wholly-owned and controlled subsidiary of KW
KW Group	KW Holdings and its respective subsidiaries, including, for the avoidance of doubt, the Investment Manager
Listed Fund Guide	the Jersey Listed Fund Guide published by the JFSC, as amended from time to time
Listing Rules	the listing rules made by the FCA under section 73A of the FSMA
London Stock Exchange	London Stock Exchange plc
Memorandum	the memorandum of association of the Company
Notice or Notice of Extraordinary General Meeting	the notice of the Extraordinary General Meeting set out at the end of this document
Official List	the list maintained by the FCA pursuant to Part VI of the FSMA
Opera Acquisition	the acquisition by the Company, through its wholly owned subsidiary, of the Opera Shares in accordance with the Opera Acquisition Agreement and as described in this document
Opera Acquisition Agreement	the conditional sale and purchase agreement dated 9 May 2014 between the Opera Buyer, the Opera Sellers and KW, further details of which are set out in Part III (<i>Principal Terms of the Opera Acquisition</i>) of this document

Opera Bank Consent	the Bank of Ireland’s consent to, and approval of, the Opera Acquisition to the extent required under the Bank of Ireland Facility Agreement and the relevant Finance Documents
Opera Buyer	KW Investment Three Lux S.à r.l., a subsidiary of the Company
Opera Cash Consideration	approximately €194.9 million (approximately £157.9 million)
Opera Management Agreement	the investment management agreement dated 18 November 2013 between Cavalli Investments plc and an entity wholly owned and controlled by KW
Opera Portfolio	the portfolio of properties held by the Opera Target, as described in paragraph 3(b) of Part I (<i>Letter from the Chairperson</i>) of this document
Opera Sellers	VF Opera and KWF
Opera Shares	the entire participating share capital issued by Cavalli Investments plc, in respect of its sub-fund Cavalli Real Estate Fund I
Opera Shareholder Consent	the approval of Resolution 2 by Independent Shareholders at the Extraordinary General Meeting
Opera Target	Cavalli Investments plc, in respect of its sub-fund Cavalli Real Estate Fund I
ordinary resolution	a resolution passed by a simple majority of the votes of the Shareholders entitled to vote and voting in person or by proxy at the Extraordinary General Meeting
Ordinary Shares	ordinary shares of no par value in the capital of the Company issued and designated as “Ordinary Shares” and having the rights, restrictions and entitlements set out in the Articles
Proposed Transactions	the Central Park Acquisition and the Opera Acquisition
Prospectus	the prospectus relating to the Company dated 25 February 2014
Registrar	Computershare Investor Services (Jersey) Limited
Regulations	the Companies (Uncertificated Securities) Jersey Order 1990
Related Party	has the meaning set out in Chapter 11 of the Listing Rules
Related Party Directors	Mary Ricks and William McMorrow
Resolution 1	the resolution to approve the Central Park Acquisition, to be proposed at the Extraordinary General Meeting, the full text of which is contained in the Notice as the resolution numbered 1
Resolution 2	the resolution to approve the Opera Acquisition, to be proposed at the Extraordinary General Meeting, the full text of which is contained in the Notice as the resolution numbered 2
Resolutions	Resolution 1 and Resolution 2
RICS	Royal Institution of Chartered Surveyors
RICS Red Book	RICS Valuation – Professional Standards (or if it has been replaced, its equivalent) published by the Royal Institution of Chartered Surveyors

Shareholder or Shareholders	a holder or holders of Ordinary Shares from time to time
Supplemental Management Fee Agreement	the agreement dated 9 May 2014 entered into between the Opera Sellers and the KWFM
Transaction Agreements	Central Park Acquisition Agreement and the Opera Acquisition Agreement
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
uncertificated or in uncertificated form	recorded on the register of members as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
Valuation Report	the valuation reports dated 1 May 2014 prepared by CBRE in relation to the Central Park Portfolio and the Opera Portfolio, as set out in Part IV (<i>Valuation Report</i>) of this document
VF Opera	VF Opera, LLC

Other

Unless otherwise indicated, all references in this Prospectus to “€” or “Euro” are to the lawful single currency of the member states of the EU that adopt or have adopted the euro as their legal currency in accordance with the legislation of the EU relating to European Monetary Union, to “US\$” or “US Dollars” are to the lawful currency of the United States of America and to “Sterling” or “£” are to the lawful currency of the United Kingdom.

Where amounts in this document are presented in both £ and €, the € amount has been calculated based on an exchange rate of €1:£0.80996, which was the rate on 22 May 2014.

The use in this document of the words and phrases “other”, “including” and “in particular” shall not limit the generality of any preceding words, and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.

Words in this document which import the singular include the plural and *vice versa*. Words importing a gender include every gender and the neutral gender. References to a person include any individual, corporation, firm, partnership, joint venture, association, body of persons, organisation or trust (in each case, whether or not having separate legal personality).

This document includes statements that are, or may be deemed to be “forward-looking statements”. The words “believe,” “estimate,” “target,” “anticipate,” “expect,” “could,” “would,” “intend,” “aim,” “plan,” “predict,” “continue,” “assume,” “positioned,” “may,” “will,” “should,” “shall,” “risk” their negatives and other similar expressions that are predictions of or indicate future events and future trends identify forward-looking statements. These forward-looking statements include all matters that are not historical facts. In particular, the statements under the headings “Background to and reasons for the Proposed Transactions”, “Risk Factors”, “Information on the Central Park Portfolio and the Opera Portfolio” and “Financial effects of the Proposed Transactions” regarding the Company’s strategy, plans, objectives, goals and other future events or prospects are forward-looking statements. Any Shareholder or investor should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Company’s control. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company cautions investors that forward-looking statements are not guarantees of future performance and that its actual results of operations and financial condition, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this document and/or information incorporated by reference into this document. The cautionary statements set forth above should be considered in connection with any subsequent written or oral forward-looking statements that the Company, or persons acting on its behalf, may issue.

NOTICE OF EXTRAORDINARY GENERAL MEETING

KENNEDY WILSON EUROPE REAL ESTATE PLC

(a public limited company incorporated in Jersey under the Companies (Jersey) Law 1991, as amended, with registered no. 114680)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Kennedy Wilson Europe Real Estate Plc (the “**Company**”) will be held at the Company’s registered office at 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands on 12 June 2014 at 10.00 a.m. to consider and, if thought fit, pass the following resolutions, both of which will be proposed as ordinary resolutions:

1. THAT, the proposed acquisition by KW Investment Two Lux S.à r.l. (“**KW Lux 2**”), a subsidiary of the Company, of the entire participating share capital issued by KW Real Estate plc, in respect of its sub-fund KW Irish Real Estate Fund IX, pursuant to and on the terms and conditions contained in the sale and purchase agreement (the “**Central Park Acquisition Agreement**”) dated 9 May 2014 entered into between KW Lux 2 and KW EU Investors X, LLC and as described in Part II (*Principal Terms of the Central Park Acquisition*) of the circular dated 23 May 2014 relating to the Company (the “**Central Park Acquisition**”), be and is hereby approved and that the independent directors of the Company (or any duly authorised committee thereof) be and they are hereby authorised to take all such steps as they, in their absolute discretion, consider necessary or desirable to effect the same and to agree such variations or amendments to the Central Park Acquisition Agreement as the independent directors (or any duly authorised committee thereof) may, in their absolute discretion, consider necessary or desirable, provided that such variations or amendments are not material and the independent directors of the Company (or any duly authorised committee thereof) be and they are hereby authorised to do all things which they, in their absolute discretion, consider to be necessary or desirable to implement and give effect to, or otherwise in connection with, the Central Park Acquisition and any matter incidental to the Central Park Acquisition.
2. THAT, the proposed acquisition by KW Investment Three Lux S.à r.l. (“**KW Lux 3**”), a subsidiary of the Company, of the entire participating share capital issued by Cavalli Investments plc, in respect of its sub-fund Cavalli Real Estate Fund I, pursuant to and on the terms and conditions contained in the sale and purchase agreement (the “**Opera Acquisition Agreement**”) dated 9 May 2014 entered into between KW Lux 3, VF Opera, LLC, KWF Real Estate Venture XV, LP and Kennedy-Wilson Holdings, Inc. and as described in Part III (*Principal Terms of the Opera Acquisition*) of the circular dated 23 May 2014 relating to the Company (the “**Opera Acquisition**”), be and is hereby approved and that the independent directors of the Company (or any duly authorised committee thereof) be and they are hereby authorised to take all such steps as they, in their absolute discretion, consider necessary or desirable to effect the same and to agree such variations or amendments to the Opera Acquisition Agreement as the independent directors (or any duly authorised committee thereof) may, in their absolute discretion, consider necessary or desirable, provided that such variations or amendments are not material and the independent directors of the Company (or any duly authorised committee thereof) be and they are hereby authorised to do all things which they, in their absolute discretion, consider to be necessary or desirable to implement and give effect to, or otherwise in connection with, the Opera Acquisition and any matter incidental to the Opera Acquisition.

By order of the Board

Crestbridge Fund Administrators Limited

Company Secretary

23 May 2014

NOTES TO NOTICE OF EXTRAORDINARY GENERAL MEETING

1. A member entitled to attend and vote by poll at the meeting convened by this notice is entitled to appoint one or more proxies to attend, speak and vote in his place. A proxy need not be a member of the Company. A Shareholder can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy enclosed with this document. Details of how to appoint the Chairman of the meeting or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. You may not appoint more than one proxy to exercise rights attached to any one share.
2. In the case of joint holders, such persons shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them in person or by proxy, otherwise the person whose name appears first in order on the Company's register of members shall be the only person entitled to vote. Where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
3. The Form of Proxy is pre-paid and addressed. It should be sent, in accordance with its instructions, so as to be received by the Company's Registrar, Computershare Investor Services (Jersey) Limited, at c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by no later than 10.00 a.m. on 10 June 2014. Alternatively members can appoint proxies electronically by logging on to the website www.investorcentre.co.uk/je. You will need your unique voting reference numbers (the Control Number, PIN and Shareholder Reference Number shown on your Form of Proxy). For an electronic proxy appointment to be valid, the appointment must be received by no later than 10.00 a.m. on 10 June 2014.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting to be held on 12 June 2014 and any adjournment(s) of such meeting by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
5. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with Euroclear specifications and must contain the information required for such instructions, as described in the CREST Manual. The CREST Manual can be viewed at www.euroclear.com/CREST. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (3RA50) by the latest time(s) for receipt of proxy appointments specified in the notice of meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
6. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
7. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Articles 34(1) of the Companies (Uncertificated Securities) (Jersey) Order 1999.
8. A Form of Proxy must be executed by or on behalf of the Shareholder making the appointment. A corporation may execute a Form of Proxy either under its common seal or under the hand of a duly authorised officer, attorney or other representative.
9. Shareholders who return a Form of Proxy will still be able to attend the meeting and vote in person if they so wish. If you have appointed a proxy and attend the meeting in person, your proxy appointment will be automatically terminated.
10. Pursuant to Article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999, the Company gives notice that the time by which a person must be entered on the register of members in order to attend or vote at the meeting or adjourned meeting (and for calculating the number of votes such a person may cast) is 6.00] p.m. on the date which is two days before the meeting or adjourned meeting. Changes to entries on the register of securities after the relevant time will be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting or adjourned meeting.
11. To change your proxy instructions, simply submit a new proxy appointment using the methods set out in notes 2 to 6 above. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Computershare Investor Services (Jersey) Limited at c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom. If you submit more than one valid proxy appointment, the appointment last received before the latest time for the receipt of proxies will take precedence.

12. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services (Jersey) Limited, c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney or other representative of the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. No other methods of communication will be accepted. In particular you may not use any electronic address provided either in this Notice of Extraordinary General Meeting or in any related documents (including the Chairman's letter and the form of proxy).
13. The revocation notice must be received by Computershare Investor Services (Jersey) Limited at c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom by no later than 10.00 a.m. on 10 June 2014.
14. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the immediately following paragraph, your proxy appointment will remain valid.
15. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
16. The quorum for the meeting will be two persons entitled to vote upon the business to be transacted, each being a Shareholder or a proxy for a Shareholder or a duly authorised representative of a corporation which is a shareholder, but so that not less than two individuals will constitute a quorum.
17. On 22 May 2014 (being the latest practicable date before publication of this notice) the Company's issued share capital comprised 100,109,007 Ordinary Shares of no par value each. Each Ordinary Share carries the right to one vote at the Extraordinary General Meeting of the Company and, therefore, the total number of voting rights in the Company as at 22 May 2014 is 100,109,007.
18. Except as provided above, members who wish to communicate with the Company in relation to the Extraordinary General Meeting should do so using the following means: (1) by writing to the Company Secretary at the Registered Office address; or (2) by writing to Computershare Investor Services (Jersey) Limited at c/o Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom. No other methods of communication will be accepted. In particular you may not use any electronic address provided either in this notice or in any related documents (including the Chairman's letter and the Proxy Form).

SHAREHOLDER INFORMATION

Security

Persons who are not shareholders of the Company will not be admitted to the Extraordinary General Meeting unless prior arrangements have been made with the Company. Investors holding Ordinary Shares through nominees are welcome to attend provided that they bring proof of their holding with them to the Extraordinary General Meeting .

We ask all those present at the Extraordinary General Meeting to facilitate the orderly conduct of the meeting and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave.

Shareholders should note that the doors to the Extraordinary General Meeting will open at 9.30 a.m..

Shareholder Enquiries

The Company's ordinary share register is maintained by:

Computershare Investor Services (Jersey) Limited

The Pavillions
Bridgewater Road
Bristol
BS99 6ZY
United Kingdom

Telephone: 0870 707 4040.

Enquiries about the administration of holdings of Ordinary Shares, such as change of address, change of ownership or dividend payments, should be directed to Computershare Investor Services (Jersey) Limited at the address and telephone number above.

