

Press Release



7 January 2016

GPE plc exchanges on two deals with Deka Immobilien Investment GmbH

Great Portland Estates Plc (“GPE”) announces that it has simultaneously exchanged contracts on two separate transactions with Deka Immobilien Investment GmbH (“Deka”).

In the first transaction, GPE has sold 33 Margaret Street, W1 to Deka-ImmobilienEuropa fund for £216.25 million, reflecting £2,085 per sq. ft. and a net initial yield of 3.30%. 33 Margaret Street is part freehold/part leasehold and comprises 103,700 sq. ft. of predominately offices, developed by GPE in December 2012. The offices were fully let to Savills plc at practical completion for a term of 20 years at a rent of £7.004 million per annum. Including two retail units fronting Regent Street, the total net rent is £7.552 million and the sale price reflects a small premium to the September 2015 Valuation.

In the second transaction, GPE has acquired 50 Finsbury Square, EC2 from Deka-ImmobilienGlobal fund for £119.00million, reflecting £941 per sq. ft. and a net initial yield of 5.32% after costs. 50 Finsbury Square is freehold and comprises 126,500 sq. ft. of predominately offices, developed in 2000. The offices are fully let to Bloomberg until June 2020 at £5.67 million per annum reflecting an average rent of £48.24 per sq. ft. Including four retail units fronting Finsbury Pavement the total annual rent is £6.631 million.

Toby Courtauld, GPE Chief Executive said “we have a good working relationship with Deka and are delighted to have exchanged these two transactions with them. The sale of 33 Margaret Street is the culmination of six years’ of work by the team at GPE, which has seen the property acquired, consented, built, leased and now sold crystallising a healthy IRR. 50 Finsbury Square is, by contrast, an asset that will benefit significantly from GPE’s repositioning once Bloomberg vacate, as expected. In addition, the exciting transformation of this area resulting from Crossrail, and the continued growth in the Creative/TMT sector, will provide a further catalyst for growth.”

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