

Press Release



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GPE Creates Hanover Square Joint Venture

Great Portland Estates plc ("GPE") announces that it has formed a new 50/50 joint venture, the GHS Limited Partnership ("GHS"), with the Hong Kong Monetary Authority ("HKMA") to own and develop the Hanover Square Estate in the heart of London's West End.

GPE has transferred properties forming part of the Hanover Square Estate to GHS for £202.0 million and the Partners intend to develop the site in accordance with an existing planning permission for Grade A office, retail and residential accommodation with a target delivery date of 2018. Part of the site is owned by Crossrail who are developing the eastern ticket hall of the Bond Street Crossrail station. GHS has the benefit of an agreement to acquire long-leasehold interests in this element of the site once Crossrail has completed construction of the station structure, currently anticipated to be during 2016.

GPE was granted planning permission in 2011 for a 208,000 sq. ft. redevelopment incorporating the new Crossrail station. Once completed, the scheme will provide 163,500 sq. ft. of Grade A office accommodation across three buildings, the majority of which will be in a new Grade A building above the Crossrail station, fronting Hanover Square. In addition, the development will deliver 32,700 sq. ft. of prime retail and restaurant space predominately fronting New Bond Street and 6 residential units totalling 11,800 sq. ft. at the junction of New Bond Street and Brook Street. The entire development has been planned around a large new public piazza, accessible from New Bond Street, Hanover Square, Brook Street and Tenterden Street.

The site was assembled by GPE in a series of acquisitions between mid-2006 and mid-2007. Following site assembly, GPE worked closely with Crossrail and Westminster to enhance the potential of the site, the station and the public realm and, in March 2011, signed a revised agreement with Crossrail to this effect and subsequently secured planning permission.

The sale will result in a small increase to the group's most recently published NAV per share. GPE will act as both asset and development manager to GHS.

Toby Courtauld, GPE Chief Executive commented "Our Hanover Square holdings represent one of the most exciting development opportunities in the West End and our partnering with an organisation of the calibre of HKMA is a strong endorsement of this project's potential. We look forward to working with the HKMA team to deliver this world class development."

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