



Press Release

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GCP sells £150m of properties to GPE

The Great Capital Partnership (“GCP”), a 50/50 joint venture between Great Portland Estates plc (“GPE”) and Capco, has exchanged contracts to sell five West End properties to GPE for a combined price of £150 million, or £75 million for the half share GPE does not already own. The properties included in this transaction are set out below.

Property	Area (sq ft)	Net Rent	Tenure	Price
Kingsland House 122/124 Regent Street, W1	8,737	£0.55m	Leasehold	£11.20m
Carrington House 126/130 Regent Street, W1	30,802	£1.77m	Leasehold	£37.50m
Walmar House 288/300 Regent Street & 13/14 Great Castle Street, W1	52,124	£0.30m	Leasehold	£35.00m
St Lawrence House 26/30 Broadwick Street, W1	72,399	£2.57m	Freehold	£46.55m
48/54 Broadwick Street & 10/16 Dufours Place, W1	29,906	£0.87m	Freehold	£19.75m

Kingsland House and Carrington House, which adjoin each other, together form a medium term redevelopment opportunity on Regent Street opposite the new Superdry and Burberry flagship stores. They produce £2.3 million of annual rent off £41.75 per sq ft for the office space and £253 per sq ft zone A for the retail premises, and yield 4.8% and 4.6% respectively.

Further up Regent Street, Walmar House, 288/300 Regent Street and 13/14 Great Castle Street, comprise a 59,240 sq ft consented refurbishment opposite GPE’s redevelopment of 33 Margaret Street (formerly Marcol House). The proposed scheme includes 37,760 sq ft of Grade A offices over six floors, the creation of a new 10,000 sq ft flagship retail unit on the corner of Regent Street and Great Castle Street, and four residential units. With the exception of two existing retail units, the remainder of the property is vacant.

St Lawrence House comprises three adjoining buildings including offices, retail and residential and extends to 72,399 sq ft on a site of 0.49 acres. In the short term, the acquisition offers GPE a good running yield at 5.4% in a prime Soho location, producing a total income of £2.57 million off an average office rent of £35.50 per sq ft. In the longer term, there is potential to develop a larger

building on this prominent corner site. 48/54 Broadwick Street & 10/16 Dufours Place sit within close proximity to St Lawrence House and comprise approximately 30,000 sq ft of office accommodation within four Grade II Listed buildings fronting Broadwick Street with a modern office building to the rear. The net initial yield is 4.3% rising to 5% on the letting of a vacant office floor.

Completion of the transaction is conditional upon approvals from both the freeholder and the lenders to GCP.

Toby Courtauld, Chief Executive of GPE said, “Whilst perhaps non-core to GCP, these are classic GPE assets so it makes good sense to buy in the half we don’t already own. The acquisition both enables the refurbishment of Walmar House and 13/14 Great Castle Street in the near term and provides medium term repositioning opportunities in both Soho and Regent Street with a solid income return in the meantime”.

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