



2 September 2009

Great Capital Partnership sells on Oxford Circus and re-gears leases at Piccadilly/Jermyn Street

The Great Capital Partnership (“GCP”) announces that it has sold Spirella House, Oxford Circus, London W1, to Calzedonia SPA for £22.9 million. The price agreed is 12.5% ahead of the 31 March 2009 book value and reflects an equivalent yield approaching 5%. Spirella House is held on a lease from The Crown Estate for a further 123 years. It comprises a retail unit over three floors with five floors of offices above and totals 13,924 sq.ft.

GCP also announces it has acquired new 125 year leasehold interests from The Crown Estate at Foxglove House, 166/168 Piccadilly; Dudley House, 169 Piccadilly; Egyptian House, 170/173 Piccadilly; Empire House, 174/175 Piccadilly; Piccadilly Arcade and 52/53 Jermyn Street; and 54/56 Jermyn Street, all in London W1 in exchange for its existing leases and £12.0 million in cash. The previous leases were for an average term of 69 years and GCP previously paid an average annual rent of 15% of rental value to The Crown Estate. Under the new leases the payment is reduced to 10%. Together, the five buildings form a single block fronting Piccadilly and Jermyn Street and currently comprise 132,500 sq. ft. The new leases provide the ability to carry out a comprehensive redevelopment in due course.

GCP is a 50:50 central London joint venture between Great Portland Estates plc (“GPE”) and Liberty International subsidiary Capital & Counties (“C&C”) and is managed by GPE.

Robert Noel, Property Director at GPE said “The sale is in line with our usual disciplined approach to recycling capital from mature assets. We bought Spirella House in 2007 and have completed its repositioning. We re-gear the headlease with The Crown Estate as part of a swap deal last year and marked the retail rent to market. We also secured possession of the upper floors, obtained planning consent, refurbished and substantially let these floors as offices.”

“We are delighted to have re-gear the leases at Piccadilly and Jermyn Street and look forward to working with The Crown Estate on our plans for the regeneration of this historic quarter.”

James Cooksey, Head of Urban Asset Management at The Crown Estate said: “We’re pleased to have consolidated our relationship with GCP in relation to the Piccadilly/Jermyn Street block and look forward to working with them as they bring forward development proposals for the block, proposals that will complement our broader strategy for regeneration in St James’s.”

Contacts:

Great Portland Estates plc

Toby Courtauld	Chief Executive	020 7647 3042
Robert Noel	Property Director	020 7647 3043

Finsbury

James Murgatroyd		020 7251 3801
Gordon Simpson		

Capital & Counties

Bob Tattar		020 7960 1235
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GREAT PORTLAND ESTATES plc is a central London investment and development company and a constituent of the FTSE 250 index. It aims to deliver superior returns to shareholders through active management, the application of development skills to create value and the maximising of equity returns through efficient capital structuring and flexible financing. GPE converted into a UK Real Estate Investment Trust (REIT) on 1 January 2007.

At 30 June 2009 GPE's portfolio, including its share of joint ventures, was valued at £1,029 million.

CAPITAL & COUNTIES held assets of £1.7 billion at 30 June 2009, amounting to 7.4 million sq.ft. in aggregate, of which £1,277 million was invested in Central London. Capital & Counties had £529 million invested in the Covent Garden area including the historic Covent Garden Market, and a further £224 million in London's West End, primarily through the Great Capital Partnership, a joint venture with Great Portland Estates plc. Capital & Counties owns 50 per cent of the Earls Court and Olympia Group and of the Empress State building in Earls Court amounting to aggregate assets of £524 million. In addition, Capital & Counties has interests in the USA amounting to £368 million (2.6 million sq.ft.), predominantly comprising retail assets in California, including the 856,000 sq.ft. Serramonte Shopping Centre, Daly City, San Francisco.

THE CROWN ESTATE is valued at over £6 billion, including over 400 commercial properties in London and elsewhere, almost 146,000 hectares of agricultural land, forests, residential and commercial property in England, Scotland and Wales, over half of the UK's foreshore, together with the seabed out to the 12-nautical-mile territorial limit. All of The Crown Estate's revenue surplus is paid directly to the Exchequer for the benefit of all UK taxpayers, and in 2008/09 this amounted to £226.5 million.