

240 BLACKFRIARS ROAD, SE1  
AND 30 BROADWICK STREET, W1

# Crystallising profits

Financial discipline is at the heart of how we manage our portfolio. We are deeply analytical and every building we own needs to earn its place in the portfolio. We review the forward look returns from each and every building quarterly and, where our hurdles are not met, they are often sold. In December 2017, after completing our business plans, we sold 240 Blackfriars Road, SE1 and 30 Broadwick Street, W1 in two separate transactions, taking advantage of the supportive investment market to crystallise a combined whole life surplus of £145 million.

Our developments at 240 Blackfriars Road, SE1 and 30 Broadwick Street, W1 are located in the attractive central London sub-markets of Southwark and Soho, both benefiting from significant investment in public transport infrastructure and local cultural amenity. In both cases, we created landmark buildings of 235,900 sq ft and 94,300 sq ft respectively, providing grade A office and retail space which was fully let at record rents to a diverse range of occupiers on long leases.

Having delivered our business plans and with continued strong investment demand for prime commercial London property, we sold the buildings in December 2017 to overseas purchasers.

240 Blackfriars Road, held in our GRP joint venture, was sold to a subsidiary of the Dubai based Al Gurg Family for a headline price of £266.5 million, reflecting a record net initial yield of 3.94% and a capital value of £1,176 per sq ft. 30 Broadwick Street was sold to an Asian client of Savills Investment Management for a headline price of £190.0 million, representing a net initial yield of 4.0% and capital value of £1,971 per sq ft.

Together the sales crystallised a whole life surplus of £145 million (our share) and net sales proceeds to GPE of £306.0 million.

▶ See investment management on pages 36 and 37

## Returning capital

Together the sales of 30 Broadwick Street and 240 Blackfriars Road crystallised £306 million in net proceeds, all of which was returned to shareholders in April 2018.



240 Blackfriars Road, SE1  
Sold for £266.0 million,  
reflecting a record low  
net initial yield of 3.94%  
and a capital value of  
£1,176 per sq ft.

## What they say...

"240 Blackfriars Road is iconic in its design and an instantly recognisable feature of the London skyline. It perfectly fits within our strategy of owning best in class commercial buildings in prominent London locations."

Abdulla Al Gurg,  
Group General Manager of WAML

## What we say...

"The sale of 240 Blackfriars Road is the culmination of an exceptional development project and continues our strategy of recycling capital out of assets where we have created value"

Hugh Morgan,  
Head of Investment Management

