NAV, dividend and portfolio update

RNS Number : 8159B
GCP Student Living PLC
04 February 2020

GCP Student Living plc

("GCP Student" or the "Company", together with its subsidiaries the "Group")

LEI: 2138004J4ID66FK38H25

NAV, dividend and portfolio update

Net Asset Value

GCP Student, the UK's first REIT focused on student residential assets, today announces that at close of business on 31 December 2019, the unaudited estimated EPRA net asset value per ordinary share of the Company was 174.71 pence. The EPRA net asset value includes income for the period (cum-income) and does not include a provision for an accrued dividend for the quarter to 31 December 2019.

The EPRA net asset value (ex-income) was 173.13 pence per ordinary share as at that date, representing a quarterly increase of 2.7% and an increase for the calendar year 2019 of 10.7%.

Dividend

The Board is pleased to announce a first interim dividend of 1.58 pence per ordinary share, in respect of the quarter ended 31 December 2019. The dividend will be paid on 9 March 2020 to ordinary shareholders on the register at 14 February 2020. The dividend will be paid as 1.42 pence per ordinary share as a REIT property income distribution ("PID") in respect of the Group's tax-exempt property rental business and 0.16 pence per ordinary share as an ordinary UK dividend ("non-PID").

Portfolio and management update

At 31 December 2019, the valuation of the Company's portfolio was £987.3 million, of which 85% was located in and around London, representing a like-for-like increase over the quarter of 1.9%. At that date the portfolio comprised eleven assets with c.4,100 beds, including one asset which is expected to complete construction for the 2020/21 academic year. The Net Initial Yield on the operational portfolio was 4.42% at that date.

The Company's operational portfolio is fully occupied with respect to the 2019/20 academic year, with student rental growth of 4.4% year-on-year.

On 23 May 2019, the Company announced that it had completed the acquisition of Scape Brighton, a large-scale 555-bed development located on the primary campus of the University of Brighton. The construction of Scape Brighton remains on-track to become operational for the 2020/21 academic year. The Company benefits from licensing fees which provide a 5.5% per annum coupon through the construction phase.

The Company benefits from a conditional forward purchase agreement to acquire Scape Mile End Canalside ("Scape Canalside"), a high-specification, 412-bed, new-build asset located immediately adjacent to Queen Mary University of London and in the same locality as the Group's existing 588-bed Scape East asset. Discussions with the vendor of Scape Canalside are ongoing.

On 27 December 2019, the Company issued 41,365,400 new ordinary shares at a price of 186.00 pence per share pursuant to a placing, raising gross proceeds of approximately £77 million. It is currently intended that the net proceeds of the Placing will be used towards the acquisition of Scape Canalside (if acquired) and for the purpose of the Company maintaining conservative borrowing levels, including (should Scape Canalside not be acquired) by repaying its re-drawable credit facility and funding the completion of construction of its Scape Brighton asset with equity instead of drawing on additional debt for those purposes.

Additional information on the Company's portfolio can be found in the factsheet for the period ended 30 September 2019, which will be published shortly and will be available at:

www.gcpstudent.com/literature

For further information please contact:

Gravis Capital Management Limited +44 020 3405 8500
Nick Barker
Dion Di Miceli

Stifel Nicolaus Europe Limited +44 020 7710 7600
Mark Bloomfield
Mark Young
Alex Miller

Buchanan / Quill +44 020 7466 5000
Helen Tarbet
Henry Wilson

About GCP Student

The Company was the first student accommodation REIT in the UK, investing in modern, purpose-built, private student residential accommodation and teaching facilities. Its investments are located primarily in and around London where the Investment Manager believes the Company is likely to benefit from supply and demand imbalances for student residential accommodation.

GCP Student's property portfolio comprises eleven assets with c.4,100 beds, including one asset which is expected to complete construction for the 2020/21 academic year. At 31 December 2019, its property portfolio was valued at £987.3 million.

The Company's standing properties are predominantly occupied by international students and offer high specification facilities and hotel-level concierge type services which the Investment Manager believes are attractive to overseas students.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

MSCKKNBDOBKDOBK