NAV, Portfolio Update and Dividend

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GCP Student Living PLC
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GCP Student Living plc

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

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NAV, portfolio update and dividend

Net Asset Value

GCP Student, the only UK REIT focused on modern, purpose-built private student accommodation in and around London, today announces its EPRA Net Tangible Assets (NTA) per ordinary share, as set out below:

	At 31 December 2020	At 30 September 2020	% quarterly change
EPRA NTA (cum-income)	171.38 pence	171.71 pence	-0.2%
EPRA NTA (ex-income)	171.13 pence	171.46 pence	-0.2%

Portfolio and management update

Valuation

At 31 December 2020, the valuation of the Company's portfolio was £1.03 billion representing a like-for-like decrease over the quarter of 0.2%.

At that date the portfolio, of which 80% by value was located in and around London, comprised eleven operational assets with c.4,100 beds. The valuation Net Initial Yield on the operational portfolio was 4.52%.

Bookings and market update

- The Group's buildings remain operational with the Directors and Investment Manager remaining focused on ensuring the wellbeing of residents and staff by providing a safe and secure environment in-line with government regulations.
- On 5 November 2020 the Company announced that bookings across its portfolio for the 2020/21 academic year stood at 69%, with the substantial majority (c.86%) of those rooms being occupied by residents and/or subject to nominations agreements.

  The recent intensification of international and national travel restrictions and changes in government guidance has made it difficult for many of the Group's residents to occupy their rooms at the present time. This has resulted in a reduction to occupancy levels, with approximately 64% of booked rooms currently occupied and/or subject to nominations agreements. Cancellations during the quarter have slightly reduced bookings levels to 68%.
- As previously announced the Company has offered rental concessions of up to 100% to certain students for a six-week period, commencing on 5 January 2021 (subject to conditions) and which will be applied to the student's final instalment for the academic year which is due in April 2021. Based on the number of rooms which have been booked but which remain unoccupied, the Investment Manager estimates the maximum loss of rental income arising from this rent concession to be approximately £1.9 million (c.0.43 pence per share).
- The Company's academic year runs for a period of 51 weeks from mid-September. It receives direct let income in three tranches for each academic year; c.40% in each of September and January and the remaining c.20% in April. Approximately 88% of the direct let rents due on bookings for the 2020/21 academic year in respect of the September 2020 and January 2021 tranches have been collected.
- Based on the current level of contracted occupancy, reduced rental rates on direct lets and the Investment Manager's assumptions in relation to nominations agreements and long term leases across the Group's portfolio, the Company would collect between 55% and 60% of budgeted total income of £60.1 million for the 2020/21academic year.

Nominations agreements and long-term leases

- Rental income in respect of the Group's lease at Circus Street, Brighton, continues to be received in line with expectations. The Company receives c.£3 million per annum of rental income in respect of this lease.
- The Company has received a full settlement of all arrears due from INTO of £1.9 million in respect of the 2019/20 academic year. Further, it has received all payments due in respect of the 2020/21 academic year.

- Scape Shoreditch has an occupational lease of the ground and first floor offices to a WeWork subsidiary ("WeWork"), which is part-guaranteed by its US parent company WeWork Companies Inc. Rental payments are received from WeWork quarterly in advance.

  As at the date of this announcement WeWork is in arrears of £2.3 million in respect of half of the quarterly payments due to the Group in March and June 2020 and for the full September and December 2020 quarterly payments. All arrears to date and payments due through to the end of June 2021 are covered by the part-guarantee.

  The Directors and the Investment Manager remain in discussion with WeWork about the outstanding arrears on the lease as well as WeWork's ongoing commitment to the asset. The current passing rent is approximately £2.5 million per annum.

  Scape Shoreditch is a modern property located in a prime London location and a two-minute walk from Old Street underground station.

Cash and available debt facilities

- At 31 December 2020 the Company had cash resources of c.£43 million and a redrawable credit facility of which c. £16 million was available to be drawn at that date. The Company's current capital commitments, including in respect of the construction costs at Scape Brighton, are approximately £6m and will be funded through the Company's available cash resources.
- The Group's borrowings have an average weighted maturity on its drawn debt of approximately four years from the date of this announcement. The Group's Loan to Value ("LTV"), calculated as borrowings net of cash as a proportion of the Group's total portfolio value, was 24% at 31 December 2020.

Dividend

Noting the impact on the Company's revenues and the ongoing uncertainties relating to the Covid-19 pandemic, and a desire to manage the business in a prudent and conservative manner, the Directors have decided to announce a second interim dividend of 0.25 pence per ordinary share in respect of the quarter ended 31 December 2020.

The quantum of the dividend will be reviewed on a quarterly basis with a view to increasing the quarterly payment when there is greater visibility on the Company's revenue prospects.

The dividend will be paid on 26 March 2021 to ordinary shareholders on the register at 19 February 2021. The dividend will be paid as 0.25 pence per ordinary share as a REIT property income distribution ("PID") in respect of the Group's tax-exempt property rental business. No element of the dividend will be paid as an ordinary UK dividend ("non-PID").

Additional information on the Company's portfolio can be found in the factsheet for the period ended 31 December 2020, which will be published shortly and will be available at:

www.gcpstudent.com/literature

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About GCP Student

The Company is the only UK REIT focused on modern, purpose-built private student accommodation in and around London.

Its investments are located 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 operational assets with c.4,100 beds. At 31 December 2020, its property portfolio was valued at £1.03 billion.

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