Further equity raise and publication of circular

GCP Student Living plc (the "Company")

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Equity raise

Further to the announcement by the Company on 26 February 2015 in relation to a possible equity raise, the Board has today resolved to proceed with an open offer, placing and offer for subscription (the "Issue") of convertible preference shares ("C Shares") in June 2015. The Board currently envisages targeting gross proceeds of approximately £95 million (with maximum gross proceeds of approximately £130 million).

The Issue will be structured so as to not be dilutive to existing shareholders' net asset value with any costs directly attributable to such issuance being borne by subscribers of the C Share issue. Such costs are currently anticipated to be approximately 2% of gross proceeds.

The C Shares will be issued at an issue price of 100 pence each.

The Directors recognise the importance of protecting existing shareholders' interests and consequently the Issue will be structured so as to offer pre-emption rights through an open offer to shareholders on the register as at the record date. The Board currently expects that the open offer will be on the basis of one C Share for every two Ordinary Shares held by shareholders as at the record date. To the extent shareholders do not take up their entitlement to C Shares under the open offer, such C Shares would become available for purchase by investors under a placing and offer for subscription. Further, shareholders as at the record date who take up all of their entitlements under the open offer may also apply for additional C Shares under an excess application facility.

It is currently envisaged that the net proceeds of the Issue will be used to acquire Scape Surrey, The Pad 2 (located adjacent to Royal Holloway, University of London) and Scape Shoreditch (the "Target Assets"). These three developments, with an aggregate of c.800 beds, are close to completion. Subject to completion, independent valuations and available financing, the Company will seek to complete the acquisition of the Target Assets for the start of the 2015 /16 academic year.

It is currently envisaged that the Issue will proceed on the basis of the timetable set out below. A prospectus will be published in late May / early June 2015 setting out further details of the Issue.

Indicative Issue Timetable*	2015
Record date for the Open Offer	28 May
Prospectus publication and Open Offer and Offer for Subscription commence	29 May
Open Offer closes	19 June
Placing and Offer for Subscription close	24 June
Dealings in C Shares commence	30 June

* The above dates are subject to change.

Publication of circular

In order to facilitate the issuance of C Shares, the Company has today published a circular to shareholders in connection with proposals for the adoption of new Articles of Association, authority to allot C Shares and to disapply pre-emption rights in respect of 130 million C Shares (the "Circular").

The Chairman's statement in the Company's half-yearly report, published on 26 February 2015, highlighted the ongoing supply and demand imbalance for purpose-built modern student residential accommodation in and around London which has been driving the increase in the value of the Company's portfolio. The Board is aware of the risks inherent in a market where valuations are being driven up on existing student residential developments which may be suitable for the Company's portfolio and where the ability to secure investments in suitable opportunities is subject to intense competition.

The Company's existing investment policy does not permit it to invest in development assets or assets which are unoccupied or not producing income at the time of acquisition. The Board believes that the restrictions relating to investment in development or unoccupied assets may in future constrain the Company's ability to source and secure investments in suitable opportunities offering an attractive total return profile for shareholders and may further limit its ability to grow its asset base.

Accordingly, the Circular also includes a proposal to modify the Company's

investment objective and policy in order to permit investment in development and forward-funded projects which have received planning permission for student accommodation, where such investment is consistent with the objective of providing shareholders with regular, sustainable dividends. For the avoidance of doubt, the Board does not intend to use the net proceeds of the Issue for these purposes.

A copy of the Circular has been submitted to the National Storage Mechanism and will shortly be available for inspection at www.morningstar.co.uk/uk/NSM and on the Company's website at www.gcpuk.com/gcp-student-living-plc.

Copies of the Circular will also be available from the Company's registered office at 51 New North Road, Exeter EX4 4EP.

Expected timetable for General Meeting	2015
Latest time and date for receipt of forms of proxy	11.00 a.m. on 18 May
General Meeting	11.00 a.m. on 20 May

For further information, please contact:

Gravis Capital Partners LLP		
Tom Ward	tom.ward@gcpuk.com	020 7518 1496
Cenkos Securities plc		
Dion Di Miceli	ddimiceli@cenkos.com	020 7397 1921
Tom Scrivens	tscrivens@cenkos.com	020 7397 1915