Proposed Placing

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GCP Student Living plc

(the "Company", together with its subsidiaries, the "Group")

Proposed Placing

GCP Student Living plc, the UK's first REIT focused on student residential assets, today announces a non-pre-emptive placing of ordinary shares ("Placing Shares") in accordance with the terms and conditions of the Placing Programme set out in the prospectus issued on 29 April 2016 (the "Prospectus").

Placing highlights:

* The Placing price will be 136.10 pence per ordinary share, which represents a discount to the closing mid price per ordinary share on 9 May 2016 of 136.75 pence, and a premium to the Company's unaudited ex-income EPRA net asset value per ordinary share as at 31 March 2016 of 134.06 pence. The issuance costs of this Placing will be covered by this premium.

* A non-pre-emptive placing targeting gross proceeds in excess of £50 million to acquire an attractive investment opportunity in the immediate short term and in respect of which the Company is in advanced negotiations.

* The Investment Manager, Gravis Capital Partners LLP, is currently negotiating and conducting due diligence on assets located in a number of locations, including London, and subject to the outcome of such negotiations and due diligence the Company may target gross proceeds of up to approximately £88 million, through the issuance of up to 65 million ordinary shares, representing the maximum number of shares allowed under the Placing Programme.

* The Investment Manager believes the investment opportunities under negotiation will benefit from attractive and sustainable rental growth underpinned by supportive supply/demand characteristics.

Background and benefits of the Placing and Placing Programme

The Company was admitted to trading on the London Stock Exchange (Specialist Fund Segment) on 20 May 2013 with an investment remit to focus on owning, leasing and licensing student residential accommodation and teaching facilities to a diversified portfolio of direct let tenants and HEIs.

As at 31 March 2016, the Group's property portfolio comprised six assets (c. 2,000 modern studios and beds) with a combined valuation of £420.3 million. The 31 March 2016 unaudited ex-income EPRA NAV per ordinary share was 134.06 pence.

The Company, through its Investment Manager, continues to see high quality opportunities in the student residential accommodation market which it believes are strongly positioned to benefit from the core supply/demand imbalance characteristics which the Company seeks to identify in potential investments.

In particular, the Company is in advanced negotiations in relation to a modern student residential accommodation asset comprising 530 modern studios and beds located in a city centre position in close proximity to a globally recognised UK university with high numbers of international students. The asset benefits from a long-term nominations agreement with the university which guarantees underlying rental income.

Furthermore, on 14 April 2016 the Group entered into a conditional agreement to acquire a high specification, purpose-built, private student accommodation residence adjacent to Royal Holloway, University of London. The property is expected to be completed for the 2017/18 academic year providing approximately 170 beds. It is in the same locality as the Company's existing 'The Pad' asset.

The Investment Manager is currently negotiating and conducting due diligence on assets located in a number of locations, including London, totalling c.1,700 beds and which it believes will benefit from attractive and sustainable rental growth underpinned by supportive supply/demand characteristics. The Board of the Company believe that the Placing and the Placing Programme will have the following benefits for Shareholders:

* as the Company is actively considering a number of specific investment opportunities, the Placing will assist in matching the capital requirements of the Company to the investment opportunities identified;

* the Placing Programme will allow the Company to raise additional capital promptly, enabling it to take advantage of current and future investment opportunities, thereby further diversifying its investment portfolio;

* an increase in the market capitalisation of the Company will help to make the Company attractive to a wider investor base;

* it is expected that the secondary market liquidity in the ordinary shares will be further enhanced as a result of a larger and more diversified shareholder base.The Placing Programme will partially satisfy market demand for shares from time to time and may improve liquidity in the market for ordinary shares; and

* the Company's fixed running costs will be spread across a wider shareholder base, thereby reducing its on-going charges ratio.

Further details of the Placing

The Company is proposing to issue in excess of approximately 37 million Placing Shares at a price of 136.10 pence per share to raise gross proceeds in excess of £50 million. Subject to the outcome of negotiations in respect of other investment opportunities, the Company may issue up to 65 million Placing Shares to raise gross proceeds of approximately £88 million.

In the event that the number of applications exceeds the number of available Placing Shares, it will be necessary to scale back applications under the Placing. In such event Placing Shares will be allocated at the discretion of the Board. The Board is mindful of the support it has received from existing shareholders and will have regard for their existing shareholdings when determining the final allocations.

The Placing is being made pursuant to the terms and conditions of the Placing Programme set out in Part 9 of the Prospectus.

Subject to the terms and conditions set out in the Prospectus, investors are invited to apply for Placing Shares by contacting their usual contact at Stifel Nicolaus Europe Limited.

The Placing is expected to close at 1.00 pm (London time) on 19 May 2016, but may close earlier (or later) at the absolute discretion of the Company, in consultation with Stifel Nicolaus Europe Limited.

The Placing is not being underwritten.

Application will be made to the London Stock Exchange for the Placing Shares issued pursuant to the Placing to be admitted to trading on the London Stock Exchange (Specialist Fund Segment) ("Admission"). It is expected that Admission will become effective and that unconditional dealings in the Placing Shares will commence at 8.00 a.m. (London time) on or around 24 May 2016.

The Placing Shares, when issued, will rank pari passu with the existing ordinary shares, ranking in full for all dividends or other distributions declared after Admission and in all other respects. For the avoidance of doubt, subscribers for Placing Shares pursuant to the Placing will not be entitled to the dividend of 1.41 pence per ordinary share in respect of the quarterly period ended 31 March 2016 announced on 27 April 2016.

The Placing Shares will be issued in registered form and may be held in uncertificated form. The Placing Shares allocated will be issued to Placees through the CREST system unless otherwise stated. The Placing Shares will be eligible for settlement through CREST with effect from Admission.

Further details of the Placing and the Placing Programme are set out in the Prospectus.

Expected timetable

Placing opens	10 May 2016
Latest time and date for receipt of commitments under the Placing	1:00 p.m. on 19 May 2016
Results of Placing announced and trade date	20 May 2016
Admission and dealings in Placing Shares commence	8.00 a.m. on 24 May 2016

The dates and times specified above are subject to change without notice. References to times are to London times. Any changes to the expected timetable will be notified by the Company through a Regulatory Information Service.

Dealing codes

Ticker	DIGS
ISIN for the Placing Shares	GB00B8460Z43
SEDOL for the Placing Shares	B8460Z4

Capitalised terms used but not defined in this announcement will have the same meaning as set out in the Prospectus. An electronic copy of the Prospectus is available at www.morningstar.co.uk/uk/nsm and on the Company's website at www.gcpuk.com/gcp-student-living-plc/investor-relations/publications/all.

For further information, please contact

Gravis Capital Partners LLP
+44 20 7518 1490

Tom Ward tom.ward@gcpuk.com

Nick Barker	nick.barker@gcpuk.com	
Dion Di Miceli	dion.dimiceli@gcpuk.com	
Stifel Nicolaus Europe Limited		
Neil Winward	neil.winward@stifel.com	+44 20 7710 7600
Mark Young	mark.young@stifel.com	+44 20 7710 7600
Tom Yeadon	tom.yeadon@stifel.com	+44 20 7710 7600
Buchanan		
Charles Ryland	charlesr@buchanan.uk.com	+44 20 7466 5000
Vicky Watkins	victoriaw@buchanan.uk.com	

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The Placing Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the US Investment Company Act of 1940, as amended and may not be offered or sold directly or indirectly in or into the United States or to or for the account or benefit of any US Person (within the meaning of Regulation S under the Securities Act).

There will be no public offer of the Placing Shares in the United States. The Placing Shares are being offered and sold outside the US in reliance on Regulation S under the Securities Act. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the US or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the US.

The Placing Shares have not been registered under the applicable securities laws of Australia, Canada, Japan or South Africa and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan or South Africa or to any national, resident or citizen of Australia, Canada, Japan or South Africa.

This announcement does not constitute a prospectus relating to the Company and does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company in any jurisdiction nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with or act as any inducement to enter into, any contract therefor. Recipients of this announcement are reminded that applications for Placing Shares may be made solely on the basis of the information contained in the Prospectus.

Stifel Nicolaus Europe Limited, which is authorised and regulated by the Financial Conduct Authority, is acting only for the Company in connection with the matters described in this announcement and is not acting for or advising any other person, or treating any other person as its client, in relation thereto and will not be responsible for providing the regulatory protection afforded to clients of Stifel Nicolaus Europe Limited or advice to any other person in relation to the matters contained herein.

FCA-authorised firms conducting designated investment business with retail customers under COB Rules are reminded that securities admitted to trading on the Specialist Fund Segment will be securities that may have characteristics such as: (i) variable levels of secondary market liquidity; (ii) sophisticated corporate structures; (iii) highly leveraged structures; and (iv) sophisticated investment propositions with concentrated risks and are therefore intended for institutional, professional and highly knowledgeable investors. The Company and its advisers not subject to the COB Rules are responsible for compliance with equivalent conduct of business or point of sale rules in the jurisdiction in which they are based or in which they are marketing the securities concerned (if applicable).

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