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 that it is seeking to raise gross proceeds of £23 million through a non pre-emptive placing of new ordinary shares (the "Placing" and the "Placing Shares" respectively) in accordance with the terms and conditions of the Placing Programme set out in the prospectus issued on 29 April 2016 (the "Prospectus").

The Placing price will be 140.0 pence per ordinary share, which represents a 6.25 pence discount to the closing mid-price per ordinary share on 1 December 2016 of 146.25 pence. The Placing will be NAV accretive for existing shareholders.

Background to the Placing

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.

In order to broaden its investor base and increase trading liquidity in the shares, the Company migrated its listing to the premium segment of the Main Market of the London Stock Exchange on 16 September 2016. Following this migration, the Company will join the FTSE All-Share Index, effective on Monday 19 December 2016.

As at 30 September 2016, the Group's property portfolio comprised six operational assets, representing approximately 2,000 modern studios and beds, with a combined valuation of £449.9 million. Additionally, the Group has successfully secured the opportunity to acquire two large scale, modern, purpose-built student residential accommodation assets in and around London. Once completed, Scape Wembley (formerly Apex House) and The Podium, Royal Holloway London will, in aggregate, provide a further c.750 modern studios and beds with communal facilities. The acquisition cost for both assets, in aggregate, is approximately £110 million.

On 20 May 2016, the Company announced it had successfully raised £60 million of gross proceeds pursuant to an oversubscribed placing of ordinary shares effected through its Placing Programme. The acquisition of land and initial construction payments in respect of Scape Wembley have been funded from the net proceeds of that placing.

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 investment.

Meanwhile, whilst the long-term implications of the result of the UK referendum remain unknown, it is the Investment Manager's current expectation that 'Brexit' will not have a material impact on the performance of its existing portfolio. The portfolio is focused on student accommodation assets in and around London, which has the largest student population of any city in the UK, and positions the Company to benefit from structural supply and demand imbalances.

The Board of Directors and Investment Manager have sought to position the portfolio, and gearing levels, in a conservative manner to offer shareholders some protection against volatile markets. Notwithstanding the ongoing availability of debt at attractive pricing levels, the Board and the Investment Manager believe it is appropriate in current markets for the Company to remain conservative as regards borrowing levels and the positioning of its portfolio, thereby providing shareholders with a property portfolio with defensive income characteristics and with strong rental growth prospects, which should offer greater resilience to the market volatility following the 'Brexit' vote, particularly relative to the wider UK commercial property sector.

Benefits of the Placing

The Investment Manager continues to see many attractive opportunities in the student accommodation market and will continue to engage and consult with existing and prospective shareholders in connection with further increasing the asset base of the Company.

The Board believes that the Placing will have the following benefits to shareholders and the Company:

* providing additional equity capital will enable the Company to continue to take advantage of its current investment opportunities, including with the forward-funding and purchase arrangements at Scape Wembley and The Podium, Royal Holloway London;

* the Company is conservatively positioned with regard to its borrowing levels (with a loan-to-value of approximately 27% as at 30 September 2016). The Investment Manager continues to conduct due diligence on a number of assets in locations which it believes will benefit from attractive and sustainable rental growth underpinned by structural supply/demand imbalances. The Placing will ensure that the Company remains conservatively leveraged and in a strong financial position to pursue new opportunities, as they arise, in the market;

* providing a larger equity base over which the fixed costs of the Company may be spread, thereby reducing the Company's ongoing costs per ordinary share; and

* further diversification of the shareholder register, potentially enhancing liquidity in the ordinary shares.

FTSE Index inclusion

On 30 November 2016, the FTSE Group confirmed that the Company meets its requirements for inclusion in the FTSE All Share Index, effective from 19 December 2016. This will result in investment in the Company by Index investors, further broadening its investor base.

Terms of the Placing

The Company is targeting gross proceeds of £23 million through a placing of 16,428,572 Placing Shares. The Placing is being made pursuant to the terms and conditions of the Placing Programme and is expected to close at 1.00 p.m. (London time) on 15 December 2016, but may close earlier (or later) at the absolute discretion of the Company, in consultation with Stifel Nicolaus Europe Limited, which is acting in its role as Sole Bookrunner for the Company.

The Placing Shares will, when issued, be credited as fully paid and rank pari passu with the existing ordinary shares, including for the Company's next quarterly dividend, which is currently expected to be declared in late January 2017.

In the event that the number of Placing Shares applied for under the Placing exceeds 16,428,572, it may be necessary to scale back applications under the Placing. In such event, Placing Shares will be allocated at the discretion of the Board.

Under the terms of the Placing Programme, as approved by shareholders on 27 April 2016, the Board has the discretion to issue up to a maximum of 20,914,768 Placing Shares.

The Placing is not being underwritten.

Applications will be made to the FCA for admission of the Placing Shares to the premium segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities (''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, 20 December 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.

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Expected Timetable

Latest time and date for receipt of Placing commitments	1.00 p.m. on 15 December 2016
Announcement of the results of the Placing	16 December 2016
Admission of the Placing Shares to the Official List and to trading on the London Stock Exchange's Main Market for listed securities	8.00 a.m. on, or around, 20 December 2016
Crediting of CREST stock accounts	20 December 2016
Share certificates dispatched (where appropriate)	Week commencing 19 December 2016 (or as soon as possible thereafter)

The Placing may close earlier (or later) than indicated above at the absolute discretion of the Company, in consultation with Stifel Nicolaus Europe Limited. In such event, the Company will notify investors by the publication of a notice 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, as amended and supplemented. Copies of the Prospectus, the supplementary prospectus published on 16 September 2016 and any future supplementary prospectuses will be available at www.hemscott.com/nsm.do and on the Company's website at www.gcpuk.com/gcp-student-living-plc.

About GCP Student Living plc

The Company was the first student accommodation REIT in the UK. The Company invests 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.

The Company currently owns and operates approximately 2,000 beds across six properties, which are fully occupied, and has secured a further c.750 beds which are currently expected to be operational for the 2017/18 academic year. Its operational assets are primarily occupied by international students and offer new high specification facilities and hotel-level concierge type services which the Investment Manager believes are attractive to overseas students.

Important Information

The content of this announcement has been prepared by, and is the sole responsibility of, GCP Student Living plc.

This announcement contains inside information in relation to the Company.

The information contained in this announcement is given at the date of its publication (unless otherwise marked) and is subject to updating, revision and amendment from time to time. Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this announcement. The distribution of this announcement and any other documentation associated with the Placing into jurisdictions other than the United Kingdom may be restricted by law. Persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws or regulations of any such jurisdiction. In particular, such documents should not be distributed, forwarded to or transmitted, directly or indirectly, in whole or in part, in, into or from the United States, Australia, Canada, Japan or the Republic of South Africa or any other jurisdiction where to do so may constitute a violation of the securities laws or regulations of any such jurisdiction.

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.

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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 will be made solely on the basis of the information contained in the Prospectus (including any supplementary prospectus published in connection therewith).

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