Exclusivity on new asset and potential fundraising

GCP Student Living plc

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

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GCP Student Living plc is pleased to announce that it has entered into an exclusivity arrangement in respect of the potential acquisition of a private student residential accommodation asset.

Located in a prime central London position, the asset is in close proximity to many of London's top universities, and benefits from excellent transport links and the local area's vibrant mix of culture, bars, restaurants, public spaces and shops.

The Investment Manager has identified multiple asset management opportunities in respect of the asset which, if acquired, will be refurbished offering c.400-500 studios and beds to the high specification typical of the Group's standing assets and the Scape Student Living brand. It is currently envisaged that the refurbishment would be completed ahead of the 2018/19 academic year.

Post the refurbishment, the asset would have a net initial yield consistent with the Group's standing assets and the Investment Manager would expect it to be, on full occupancy, earnings and dividend cover accretive.

The Investment Manager is currently conducting advanced due diligence on the asset and is in advanced negotiations with the vendor.

In addition, the Investment Manager is currently reviewing other high quality opportunities which may be suitable for the Company's portfolio and are in locations which it believes benefit from the core supply/demand imbalance characteristics which the Company seeks to identify in its potential investments.

Accordingly, the Board is considering raising additional equity capital in February 2017, targeting gross proceeds in excess of £60 million through a non-pre-emptive issue of new ordinary shares (the "Issue"). The price of the Issue will be established by reference to the prevailing net asset value per share and share price of the Company.

Any Issue would be conditional upon, inter alia, approval of the resolutions proposed at the general meeting of the Company to be held on 31 January 2017, as well as necessary regulatory approvals.

Further details as to the precise timing, price and quantum of the Issue, if the Board resolves to proceed with the same, will be announced in due course.

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About GCP Student Living plc

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.

The Group has an estimated total asset value of c.£530 million comprising six standing assets, providing c.2,000 modern studios and beds, and one forward funded development assets which will provide a further c.580 beds on completion.

The Company has successfully secured a further c.980 beds in and around London through future contractual arrangements.

Its standing assets are primarily 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.

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 for the purposes of Article 7 of EU Regulation 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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.

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