Issue of equity and publication of prospectus

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Any investment decision must be made exclusively on the basis of the Prospectus (defined below) which has been published today by the Company and any supplement thereto in connection with the admission of Shares of the Company to the Premium Listing segment of the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities.

Issue of equity and publication of prospectus

2 February 2017

GCP Student Living, the UK's first REIT focussed on student residential assets, has today published a prospectus (the "Prospectus") in relation to a placing programme (the "2017 Placing Programme") and initial issue (the "Initial Issue ") of new ordinary shares.

The Initial Issue, which opens with immediate effect, will be conducted by way of an Offer for Subscription and Initial Placing of new ordinary shares targeting gross proceeds in excess of £60 million.

Initial Issue highlights:

* The issue price of the Initial Issue will be 140.0 pence per Share, which represents a discount to the closing mid-price per ordinary share on 1 February 2017 of 143.0 pence. The Initial Issue will be NAV accretive for existing shareholders.

* It is currently intended that the net proceeds of the Initial Issue be used to acquire a private student residential accommodation asset in a prime central London position and in respect of which the Company has entered into an exclusivity arrangement (the "Target Asset"), as announced on 25 January 2017.

* The Company, through its Investment Manager, continues to see high quality opportunities in the student residential accommodation market and is currently reviewing and conducting due diligence on assets in the Company's core markets totaling c.2,800 beds and in respect of which c.980 beds in and around London are under future contractual arrangements.

* Shares acquired pursuant to the Offer for Subscription under the Initial Issue should be eligible for inclusion in an ISA (and SIPP).

Background to and benefits of the Initial Issue and Placing Programme

The Company was admitted to trading on the London Stock Exchange (Specialist Fund Segment) on 20 May 2013 as the UK's first REIT focused on student residential assets.

In order to broaden its investor base and meet the liquidity requirements of a wider audience of Shareholders and potential investors, the Company migrated its listing to the premium segment of the Official List and transferred to trading on the London Stock Exchange's main market for listed securities on 16 September 2016. Following this migration, in December 2016, the Company joined the FTSE All-Share Index.

As at 31 December 2016, the Group had a total asset value of c.£530 million including six standing assets, providing c.2,000 modern studios and beds, and one forward funded development asset which will provide a further c.580 beds on completion.

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

To provide it with the operational flexibility to take advantage of such investment opportunities as and when they arise in a competitive market, the Company announced on 31 January 2017 that it had obtained shareholder authority to issue and allot up to 200 million Shares on a non-pre-emptive basis, by way of a series of placings and/or open offers and/or offers for subscription, at the discretion of the Directors. The Initial Issue and any placings under the 2017 Placing Programme are being conducted under the shareholder authorities

described above.

Benefits of the Initial Issue and the 2017 Placing Programme

The Directors believe the Initial Issue and the 2017 Placing Programme will have the following benefits for Shareholders:

* the Company will be able to raise additional capital promptly, enabling it to take advantage of investment opportunities as and when they arise;

* selective acquisitions of assets with attractive rental growth characteristics will further diversify the Company's investment portfolio and reduce portfolio concentration risk;

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

* it is expected that the secondary market liquidity in the Shares will be further enhanced as a result of a larger and more diversified shareholder base.The Initial Issue and the 2017 Placing Programme will partially satisfy market demand for Shares from time to time and may improve liquidity in the market for Shares; and

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

Further details of the Initial Issue

The Company is targeting raising gross proceeds in excess of £60 million through a non pre-emptive Offer for Subscription and Initial Placing pursuant to the Initial Issue. The Initial Issue Price is 140.0 pence per Share.

The Company may accept applications from investors under the Initial Issue to raise gross proceeds equal to a maximum of £90 million. The maximum gross proceeds reflects the Directors current view on the potential opportunities available to the Company, including the Target Asset, and should help ensure that the Company remains conservatively leveraged. The Initial Issue is conditional on, inter alia, gross proceeds in excess of £42.5 million being raised.

In the event that commitments under the Initial Issue exceed the maximum number of Shares available, applications under the Initial Issue will be scaled back.

In such event the Shares will be allocated at the discretion of the Board, in consultation with its sponsor.

The Initial Issue is being made pursuant to the terms and conditions set out in Part 3 and Part 10 (Initial Placing) and Part 11 (Offer for Subscription) of the Prospectus published today.

Subject to the terms and conditions set out in the Prospectus, investors are invited to apply for Shares pursuant to the Initial Placing by contacting their usual contact at Stifel Nicolaus Europe Limited. Applicants under the Offer for Subscription are instructed to refer to the Application Form appended to the Prospectus.

The Initial Issue is expected to close on 21 February 2017, but may close earlier (or later) at the discretion of the Company, in consultation with Stifel Nicolaus Europe Limited.

The Initial Issue is not being underwritten.

Application will be made to the London Stock Exchange for the Shares issued pursuant to the Initial Issue to be admitted to the Premium Listing 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 dealings in the new Shares will commence at 8.00 a.m. (London time) on 24 February 2017.

Shares issued pursuant to the Initial Issue will rank pari passu with the Shares then in issue (save for any dividends or other distributions declared, made or paid on the Shares by reference to a record date prior to the allotment and issue of the relevant Shares). For the avoidance of doubt, subscribers for new Shares pursuant to the Initial Issue will not be entitled to the dividend of 1.43 pence per ordinary share declared in respect of the quarterly period ended 31 December 2016, as announced on 31 January 2017.

The Shares will be issued in registered form and may be held in uncertificated form.

Shares allotted and issued pursuant to the Initial Issue may be issued in un-certificated form and settled through CREST from Admission or issued in certificated form. It is expected that share certificates for Shares issued in certificated form would be dispatched approximately one week after Admission.

Further details of the Initial Issue and the 2017 Placing Programme are set out in the Prospectus. Capitalised terms used but not defined in this announcement will have the same meaning as set out in the Prospectus.

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.

Expected

timetable 2017

Initial Issue opens	2 February
Latest time and date for receipt of completed Application Forms in respect of the Offer for Subscription	1:00 p.m. on 21 February
Latest time and date for receipt of commitments under the Initial Placing	3:00 p.m. on 21 February
Publication of results of Initial Issue announced and trade date	22 February
Admission and dealings in new Shares commence	8.00 a.m. on 24 February

The dates and times specified above are subject to change. 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 new ordinary shares	GB00B8460Z43
SEDOL for the new ordinary shares	B8460Z4

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.

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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 including six standing assets, providing c.2,000 modern studios and beds, and one forward funded development asset which will provide a further c.580 beds on completion.

The Investment Manager is currently reviewing and conducting due diligence on assets in the Company's core markets totalling c.2,800 beds and in respect of which c.980 beds in and around London are under future contractual arrangements The Company's 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.

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 Initial Issue and/or the 2017 Placing Programme 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 Shares have not been registered and will not be registered in the United States under the U.S. Securities Act or under any other applicable securities laws and the Shares may not be offered, sold, exercised, resold, transferred or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction in the United States. There will be no public offer of the Shares in the United States. The Shares are being offered or sold outside the United States to non U.S. Persons in offshore transactions in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S thereunder.

The 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 Shares or the accuracy or adequacy of this announcement. Any representation to the contrary is a criminal offence in the US.

The 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 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.

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