

PRESS RELEASE



10 November 2015

CAPITAL & COUNTIES PROPERTIES PLC (“CAPCO”) TRADING UPDATE

Capco today publishes a trading update for the period 1 July 2015 to 10 November 2015.

Ian Hawksworth, Chief Executive of Capco, commented:

“Capco has had a positive and active second half of the year. Covent Garden continues to attract new brands, including a letting to premium brand kikki.K as well as store openings by KIKO and Kiehl’s. We remain on course to achieve our ERV target of £100 million by December 2017.

Earls Court is a hub of activity as we continue to de-risk our land holdings through demolition while construction of Lillie Square is on track with first completions due in 2016. In line with expectations, Phase 2 of Lillie Square launched positively in September with pricing approximately 5 per cent higher than comparable units in Phase 1.

We are in a strong financial position with a conservative LTV of 16 per cent and over £470 million in cash and available facilities.”

Covent Garden:

Driving rental growth through granular asset management, strategic investment and placemaking

- On track to achieve ERV target of £100 million by 2017, representing underlying annualised rental growth of circa 10 per cent
- Continued activity on James Street following a letting to Australian brand, kikki.K which will open its first London store offering premium stationery. The letting further supports a rental tone of £1,400 Zone A for James Street
- The repositioning of The Royal Opera House Arcade is underway with pop-up lettings to Harrods, which has opened its Christmas concept store, and Lulu Guinness which will bring its contemporary luxury accessories to the estate
- New openings across the estate including KIKO and Kiehl’s, while Charlotte Tilbury and the new larger Chanel store are expected to open shortly
- Continued investment in the estate with the development of Kings Court & Carriage Hall on track

Earls Court Properties:

Driving value creation through planning, land assembly, land enablement and selective development

- Continued de-risking of land holdings through demolition at Earls Court
 - Demolition of EC1 & EC2 buildings to ground level is progressing well and is on track for completion in the second half of 2016
- Plans on track at Lillie Square
 - Phase 1: construction is on track with first completions expected in 2016
 - Phase 2: 40 per cent of the first release for sale, which comprises 70 units, has been reserved at values approximately 5 per cent higher than comparable units in Phase 1
- £14 million of acquisitions around the Masterplan area in the period, enhancing implementation of the scheme

Venues:

- Following the successful transition of shows from the former Earls Court Exhibition Centres and a major refurbishment programme, Capco is conducting a strategic review which may or may not lead to a sale of its Venues business
- Olympia London continues to attract new shows including Cakes & Bakes and the Packaging Innovations show following its reinvigoration as one of London's most desirable venues

Strong financial position

- Loan-to-value of 16 per cent (based on 30 June 2015 property values) and liquidity of £470 million

	30 September 2015	30 June 2015
Gross debt	£592m	£497m
Cash balance	£72m	£66m
Net debt	£520m	£431m
Liquidity (cash and available facilities)	£470m	£570m
Property loan-to-value	16%	13%
Weighted average debt maturity	4.4 years	4.6 years
Weighted average cost of debt	3.4%	3.3%
Proportion of gross debt with interest rate protection	94%	92%

As at 30 September 2015, Capco had capital commitments of £241 million.

All figures quoted above are adjusted to include Capco's share of joint ventures and its 63 per cent interest in Earls Court Partnership Limited.

Enquiries

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About Capital & Counties Properties PLC (Capco):

Capital & Counties Properties PLC is one of the largest investment and development property companies that specialises in central London real estate and is a constituent of the FTSE-250 Index. Capco's landmark London estates are valued at £3.4 billion (as at 30 June 2015): Covent Garden, which has assets valued at £1.8 billion including the historic Market Building; and Earls Court Properties including the Empress State Building together with the Venues business with aggregate property assets of £1.6 billion. The company is listed on the London Stock Exchange and the Johannesburg Stock Exchange.

www.capitalandcounties.com