

PRESS RELEASE



6 May 2016

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

Capco today publishes a trading update for the period 1 January 2016 to 6 May 2016.

Ian Hawksworth, Chief Executive of Capco, commented:

“Our strategy to deliver value creation from our two central London estates continues. Covent Garden remains on track to achieve an ERV of £100 million by December 2017. The quality of leasing activity has resulted in positive momentum across the estate, introducing premium brands and dining concepts such as The Watch Gallery and VyTA. The development of Kings Court is on track and will kick-start the placemaking opportunity on Floral Street.

Demolition to ground level at Earls Court continues on plan with completion on track for the end of this year. Construction of Lillie Square is progressing well and the first homes will complete later in the year as we welcome our first residents. Sales of Phase 2 of Lillie Square have continued with a notable increase in enquiries since the start of the year in this well-connected central London scheme.

The balance sheet is robust with a conservative LTV of 18 per cent.”

Covent Garden:

Driving rental growth through asset management, strategic investment and placemaking

- On track to achieve ERV target of £100 million by December 2017; since the beginning of the year, 37 new lettings have been signed representing £4.5 million of passing rent
- In line with the strategy to reposition the Royal Opera House Arcade with a luxury accessories and gifting focus, a new lease has been agreed with fine watch boutique, The Watch Gallery, where circa 50 per cent of the store will be dedicated to Rolex
- The quality and variety of dining on the estate continues to strengthen following a letting to VyTA Santa Margherita in The Market Building. The Italian restaurant is a UK first and is renowned for its high quality ingredients and selection of wines. This further builds upon the success of dining across the estate following recent lettings to SushiSamba and Aubaine
- British brand Albam is the latest new signing to Henrietta Street, reflecting the success of the street’s strategy to refocus on menswear, which is now home to seven menswear brands
- Construction of Kings Court is progressing well with positive interest from brands for the development which is on track for completion in 2017

Earls Court Properties:

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

- Demolition of the former Earls Court Exhibition Centres to ground level is on track for completion in the second half of this year de-risking this part of the scheme
- Construction of Phase 1 at Lillie Square continues on plan and first completions are expected in the second half of 2016
- Phase 2 sales at Lillie Square continue and since the last update on 24 February 2016, 9 units have been reserved or exchanged. Of the first release of 70 units for sale in Phase 2, 37 have been reserved or exchanged in total at values approximately 5 per cent higher than comparable units in Phase 1
 - Over £300 million of sales to date have been achieved across the Lillie Square scheme

Venues:

- Olympia London has had an excellent start to 2016 with over 40 events held, including established shows such as the Ideal Home Show and The London Book Fair, reflecting its excellent prospects as a central London venue

Strong financial position

- Loan-to-value of 18 per cent (based on 31 December 2015 property values) and over £450 million of liquidity. Weighted average cost of debt 2.8 per cent

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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 £3.7 billion (as at 31 December 2015): Covent Garden, which has assets valued at £2.0 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 £1.7 billion. The company is listed on the London Stock Exchange and the Johannesburg Stock Exchange.

www.capitalandcounties.com