

1 July 2015

**LONDONMETRIC PROPERTY PLC
LONDONMETRIC TO PURCHASE AND FUND THE DEVELOPMENT
OF A 524,000 SQ FT RETAIL DISTRIBUTION WAREHOUSE**

LondonMetric Property Plc ("LondonMetric" or the "Company" or the "Group") announces that it has exchanged conditional contracts with CDP Ltd, the development arm of the Marshall Construction Group, to purchase and forward fund the development of a new 524,000 sq ft retail distribution centre in Wakefield for £39.4 million, reflecting a yield on cost to LondonMetric of 6.3%.

The warehouse has been pre-let to Poundworld Retail Ltd on a 15 year lease at a rent of £2.5 million pa, equating to £4.85 psf, subject to 5 yearly compounded RPI rent reviews to a minimum of 2.5% p.a. and a maximum of 5.0% pa.

Construction is due to commence later this summer with practical completion targeted for Autumn 2016. Funding payments will attract a rolled up coupon of 6.50% pa.

The highly prominent 30 acre site is located near J.31 of the M62 in a well-established logistics hub with adjoining occupiers including Asda, DHL, HSBC, Royal Mail and TK Maxx.

Following this acquisition, LondonMetric's distribution portfolio comprises 23 distribution centres and totals £661.6 million. The distribution portfolio has 100% occupancy, a WAULT of 13.8 years, and 57% of the income is subject to fixed or RPI linked uplifts.

Andrew Jones, Chief Executive of LondonMetric, commented:

"As our two existing distribution developments near practical completion, this acquisition replenishes our near term development portfolio and extends our currently committed and pipeline developments to c3.5 million square feet.

"The development is well located, will provide significant warehouse space, benefits from attractive contractual uplifts and is pre-let to an expanding retailer who we already enjoy a strong relationship with."

Mark Ward, Property Director at Poundworld Retail, commented:

"We have a rapid store expansion programme over the next three years and the new distribution centre will aid our expansion plans, improve efficiency and allow for a broadening of our product range in our single and multi-price format stores. We look forward to partnering with LondonMetric whom we have known for a number of years, as we bring further jobs and prosperity to the Yorkshire region."

LondonMetric was advised by JLL.

-Ends-

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Notes to editors:

LondonMetric

LondonMetric (ticker: LMP) aims to deliver attractive returns for shareholders through a strategy of increasing income and improving capital values. It invests across the UK in retail led distribution, out of town and convenience retail properties. It employs an occupier-led approach to property with a focus on strong income, asset management initiatives and short cycle development. Its portfolio is broadly split between distribution and retail with a total of 10.7 million sq ft under management. LondonMetric works closely with retailers, logistics providers and leisure operators to help meet their evolving real estate requirements. Further information on LondonMetric is available at www.londonmetric.com

Poundworld Retail Ltd

Poundworld is one of the UK's leading single-priced retailers with over 280 stores nationwide. The discounter started on a Wakefield market stall in 1974 and became Poundworld in 2004 after rebranding from 'Everything's £1'. The retailer based in Normanton, West Yorkshire now serves over two million customers per week and employs over 6,000 people. In 2013, Poundworld Retail Ltd launched multi-price brand Bargain Buys and now trades from over 50 locations nationwide. The company headed by Chris Edwards and son Chris Edwards Junior was recently the first single-priced retailer to start selling online with the launch of Poundworld Plus www.poundworldplus.co.uk. Named one of the nation's fastest growing retailers in the Sunday Times Top Track 250 2014, the discounter plans to more than double its store network in the next five years.

Poundworld

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