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LONDONMETRIC PROPERTY PLC

LONDONMETRIC TO DEVELOP 1 MILLION SQ FT PRE-LET DISTRIBUTION CENTRE

LondonMetric Property Plc ("LondonMetric") has exchanged contracts to develop a 1.06 million sq ft retail distribution centre on the A14 in Islip, Northamptonshire.

The 70 acre site was acquired from Greatline Developments and already has an outline planning consent. Construction of the main works is expected to commence late summer with practical completion targeted for summer 2015.

LondonMetric has exchanged contracts to let the development in its entirety to a Top 25 retailer, on a new 25 year lease at an initial rent of £5 per sq ft. The total cost of the development, including the site purchase, is anticipated at £77 million, reflecting a yield on cost of 6.9%.

Following completion of the development, LondonMetric's distribution assets will increase to 33% of its property portfolio, by value.

Andrew Jones, Chief Executive of LondonMetric, commented:

"This is one of the UK's largest ever pre-let developments and an integral part of our strategy to deliver well let short cycle developments in partnership with our key operators. The distribution market is evolving very quickly with take-up forecast at 50 million sq ft over the next five years. We are a partner of choice to many of the UK's leading operators and look forward to delivering this latest generation distribution centre which will materially enhance our existing portfolio and significantly grow our contracted rental income."

CBRE advised LondonMetric on the site acquisition.

-Ends-

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Notes to editors:

LondonMetric (ticker: LMP), a UK REIT, aims to deliver attractive returns for shareholders through a strategy of increasing income and improving capital values. It invests across the UK in Retail and Distribution properties as well as Greater London real estate opportunities. It employs an occupier-led approach to property investments through opportunistic acquisitions, joint ventures, active asset management and short cycle developments. The asset focus is on properties with enduring occupier appeal providing opportunities to improve both rental values and the security and longevity of income; and limited risk redevelopments with the aim of enhancing shareholder returns.

Further information on LondonMetric is available at www.londonmetric.com.