

19 December 2013

LONDONMETRIC PROPERTY PLC
LONDONMETRIC CREATES £175 MILLION JOINT VENTURE
TO ACQUIRE PORTFOLIO OF 27 DFS ASSETS

LondonMetric Property Plc ("LondonMetric" or the "Group") announces that it has exchanged contracts to acquire a portfolio of 27 DFS assets from the administrators to Delphi Properties Limited for a purchase price of £175.0 million, reflecting a net initial yield of 9.3%. The acquisition is expected to complete on 25 March 2014.

The portfolio is to be acquired by a new joint venture which LondonMetric is forming with LVS Il Lux X S.a.r.l, called LMP Retail Warehouse JV Property Unit Trust (the "Joint Venture"). LondonMetric will own 30.5% of the joint venture.

The portfolio comprises 22 retail warehouses, four industrial units and DFS' headquarters and distribution centre, covering a total area of 903,700 sq ft. The rent roll is £17.3 million per annum and all the leases expire in March 2030, providing a WAULT of 16.3 years.

LondonMetric will be responsible for the management of the portfolio and will receive a fee equivalent to 4.0% of rents received.

The acquisition will be financed with a new debt facility which has been put in place for completion, with an LTV of 56%.

Andrew Jones, Chief Executive of LondonMetric, commented:

"Our new joint venture with LVS allows us to access both new equity and debt funding whilst leveraging our asset management platform and strong occupier relationships. We aim to grow the attractive day one cash on cash returns as we execute asset management initiatives.

"DFS is the leading UK furniture retailer and one of our strongest retail partners. The portfolio represents high quality trading assets, with 46% of the rental income derived from Open A1 consents. The portfolio is fully rented but contains significant value accretive opportunities. We look forward to working with DFS across the operational portfolio to strengthen and lengthen the sustainable income profile for our mutual benefit."

Cairn Capital and Savills advised the Joint venture on the acquisition; Cairn Capital also advised the Joint Venture on the debt.

-Ends-

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About LondonMetric Property Plc

LondonMetric (ticker: LMP) is a UK REIT admitted on the Official List and to trading on the Main Market of the London Stock Exchange on 28 January 2013 as a result of the merger between London & Stamford Property Plc (LSP) and Metric Property Investments plc (METP).

LondonMetric 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.