

M&G SELLS WEST END PROPERTY FOLLOWING REDEVELOPMENT

London, 28 January 2013 – The M&G Property Portfolio today announces the sale of the recently redeveloped 1-5 Poland Street, London W1. The building was purchased through a competitive bidding process realising £30.4m and reflecting a net initial yield of 4.84%. The Fund is managed by Fiona Rowley and Justin Upton of PRUPIM, the real estate investment management arm of M&G Investments.

The Fund undertook the redevelopment last year, creating high quality contemporary accommodation over six floors in London's highly attractive West End. 1-5 Poland Street spans 27,016 sq ft, providing nearly 24,000 sq ft of office space and just over 3,000 sq ft for retail and ancillary storage. The building was purchased by Orchard Street Asset Management, on behalf of St James' Place Fund.

Commenting on the sale, Michael Wood, Director, Investment Management at PRUPIM, said: "Following the successful major refurbishment and letting of Poland Street by the fund last year, we decided to take advantage of the strong West End investor demand and marketed the building prior to Christmas. We had strong interest from both UK and overseas investors and are pleased to have now completed the sale."

In August 2012, The Fund let the property in its entirety to Williams Lea Limited, the leading business process outsourcing organisation, for a term of 15 years with a tenant only break option after 10 years.

The M&G Property Portfolio was advised by H2SO and Orchard Street Asset Management was advised by CBRE.

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Notes to editors

The M&G Property Portfolio was launched in 2005, with a mandate to invest in a diversified portfolio of commercial property, predominantly in the UK. The Fund seeks to add value through strategic asset allocation, stock selection and active asset management.

- The Fund is now over £2bn in size as of 31 December 2012*
- Fund manager Fiona Rowley joined PRUPIM as an investment surveyor in 1994 and was appointed Deputy Fund Manager of the M&G Property Portfolio on its launch in 2005. She was appointed Fund Manager in 2007.
- Deputy Fund Manager Justin Upton joined PRUPIM in January 2010 as the Deputy Fund Manager of the M&G Pooled Pensions Property Fund. He is a chartered surveyor with 12 years' experience in property.
- PRUPIM, the real estate fund management arm of M&G, provides asset and investment management services for the fund.

*Source: M&G Investments as at 31 December 2012

For further information, please contact:

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