

M&G REAL ESTATE ACQUIRES LANDMARK BANKSIDE DEVELOPMENT FOR £122 MILLION

London, 13 January 2014 – M&G Real Estate today confirms the acquisition of the freehold interest of Riverside House on the Southbank of the Thames for £122 million, equating to a net initial yield of 5.74%. The transaction is made on behalf of the M&G Property Portfolio, which is managed by Fiona Rowley and Justin Upton of M&G Real Estate.

Riverside House is a landmark building providing 171,936 sq ft of grade A office, retail and ancillary accommodation over 14 floors. The office space is let to The Office of Communications (OFCOM), the UK regulatory body for the communications industry, on a full repairing and insuring release. The lease runs until September 2022 at a rent of £7 million per annum. The retail units are let to The Real Greek, Zizzi Ristorante and EAT at a total rent of £401,000 per annum.

The property occupies a prime central London location, on a site of approximately 0.6 acres, bounded by the River Thames to the north, Southwark Bridge Road to the east, the Bear Gardens to the west and Rose Alley to the south. It is in close proximity to key mainline and underground stations offering excellent communications. The area continues to undergo significant redevelopment making it one of Central London's leading commercial, cultural and residential districts.

Commenting on the acquisition, Fiona Rowley says: "We are very pleased with the purchase of Riverside House. Southbank is now an established central London market with a vibrant mix of uses and occupiers and we see strong rental growth and performance in the short and medium term."

Robert Rankin, Director at IVG UK, adds: "This sale realises the successful conclusion to our business plan for the property having purchased the building for £106 million in Q1, 2005."

M&G Real Estate was advised by GM Real Estate. CBRE and Knight Frank advised IVG (UK) Ltd.

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Notes to Editors

About M&G Real Estate

M&G Real Estate is the real estate fund management arm of M&G and is one of the top 25 real estate fund managers in the world by assets under management, with over £17 billion* invested in a broad spread of properties across Europe, North America and the Asia Pacific region (as of 30 September 2013). M&G is the investment arm of Prudential Plc in the UK and Europe. For more information please visit www.mandg.com/realestate

*Total assets under management plus cash

About M&G

M&G is an international active asset manager, investing on behalf of individuals and institutions for over 80 years. At 30 June 2013 the firm manages over £234 billion of assets through a wide range of investment strategies across equities, bonds, property and multi asset.

Headquartered in London, M&G employs over 1,500 people worldwide operating from offices across Europe and Asia. M&G's history is a story of investment firsts, from the UK's first mutual fund in 1931 to the Inflation Linked Corporate Bond Fund in 2010.

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