



McKAY SECURITIES PLC ("the Group" or "McKay")

McKAY REACHES PRACTICAL COMPLETION AT PRE-LET 30 LOMBARD STREET, EC3

McKay Securities PLC, the only UK REIT specialising exclusively in the London and South East office and industrial markets, has achieved practical completion of 30 Lombard Street, EC3. As a result, the pre-let to St James's Place PLC (St James's Place) announced last year is now unconditional and will commence on 24th January 2019.

St James's Place, the FTSE 100 wealth manager, has committed to a 15 year lease (without break) of the whole of the high quality 58,000 sq ft office scheme in this core City location.

The contracted net rental income of £3.40m pa, equivalent to £65.00 per square foot, was agreed in line with ERV and includes five-yearly upward only rent reviews. The pre-let has added to a successful leasing period across McKay's portfolio which still retains a portfolio reversion of 23.1%, equivalent to £6.29m pa.

McKay acquired the long leasehold interest of the site in 1999 with a 36,000 sq ft 1960's office building generating a rental income of £1.11m pa and a planning consent in place for 53,500 sq ft. Income was retained from the building while an improved planning consent was achieved for the current scheme, securing a 62% increase in lettable area. Capital investment and the decision to speculatively redevelop the property in 2015 was unlocked through McKay's successful capital raising in 2014, which provided additional financial resources to implement this unique market opportunity.

Knight Frank and Savills acted on behalf of McKay while Doherty Baines acted for St. James's Place.

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Date: 14th January 2019

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About McKay Securities

McKay Securities PLC is a commercial property investment company with Real Estate Investment Trust (REIT) status, listed on the main market of the London Stock Exchange. It specialises in the development and refurbishment of good quality office and industrial buildings within established and proven markets of central London and South East England. The portfolio, which is valued at over £478.00 million, comprises 33 properties in strong and established areas which deliver diversity in terms of both sector and location.