



PRESS RELEASE

19 December 2011

Conditional agreement with Kwok Family Interests to Acquire 50% Stake in Seagrave Road for £65.6m

Capital & Counties Properties PLC (“Capco”) is pleased to announce that its wholly owned subsidiary, Capital & Counties Limited, has entered into a conditional agreement with entities in which certain members of the Kwok family are interested (the “Kwok Family Interests”) to form a 50:50 joint venture in respect of Capco’s interests in and around Seagrave Road for a price that values these interests at £131.2 million. Interests of the Kwok family are major shareholders of Sun Hung Kai Properties Limited, one of the largest and highly reputable real estate companies listed on the Hong Kong Stock Exchange.

Ian Hawksworth, Chief Executive of Capco said:

“We are delighted to have attracted such an experienced development partner whose investment represents a major vote of confidence in the London property market in general, and in this scheme in particular. This joint venture will enable us to participate in the next stage of the Seagrave Road scheme which will begin the transformation of the area, creating hundreds of new homes and jobs.”

Under the terms of the agreement, Capco and the Kwok Family Interests will each own 50 per cent. of a joint venture through which Capco’s 7.5 acre site at Seagrave Road (the “Seagrave Road Site”) and other adjacent assets will be held. The agreement is subject to the satisfaction of certain conditions, including the receipt of a satisfactory planning consent immune from challenge. The Seagrave Road Site and adjacent assets were valued at £116.2 million as at 30 June 2011. On completion of the transaction Capco will receive £65.6 million in cash from the Kwok Family Interests. Any further acquisitions that are included in the joint venture or any disposals prior to closing will result in an adjustment to the consideration as appropriate. The proceeds will be used for Capco’s general corporate purposes, which may include funding Capco’s 50 per cent share of future capital commitments in the development phase of the scheme.

A detailed planning application for the Seagrave Road Site was submitted in June 2011. The proposed scheme, which covers approximately one million square feet and will replace the existing car park, provides for the delivery of a high quality, mixed tenure residential neighbourhood comprising 808 new homes and a range of amenities. The site is set within the wider Earls Court & West Kensington Opportunity Area (EOA).



Earls Court is an Olympic venue and hence the earliest that development could begin on the Seagrave Road Site would be autumn 2012. The Seagrave Road Site is currently used as a car park for the Earls Court Exhibition centre. Capco's interests in and around Seagrave Road generated EBITDA of £0.5 million in the year to 31 December 2010.

The total development costs of the scheme (excluding land) are estimated to be in the region of £300 million. It is currently envisaged that the peak capital requirement for the joint venture (excluding land) would be limited to circa £100 million by splitting construction into four phases over five years and recycling capital between phases within the project.

-Ends-

Capital & Counties Properties PLC

Ian Hawksworth, Chief Executive
Soumen Das, Finance Director
Gary Yardley, Investment Director

Tel: + 44 (0)20 3214 9150

For financial media enquires please contact:

Hudson Sandler (UK)
Michael Sandler/Wendy Baker

Tel: +44 (0) 20 7796 4133

College Hill (South Africa)
Nicholas Williams

Tel: +27 11 447 3030

For general media enquiries please contact:

Chris Rumfitt, Edelman

Tel: +44 (0) 7967 226646

A conference call for analysts and investors will be held at 9am today.

Notes to Editors:

About Capital & Counties Properties PLC (Capco):

Capco is one of the largest investment and development property companies that specialises in central London real estate and is a constituent of the FTSE-250 Index. CAPCO holds 3.2 million square feet of assets valued at £1.5 billion (as at 30 June 2011) in three landmark London estates: Covent Garden, which has assets valued at £780 million, including the historic Market Building; Earls Court & Olympia Group and 50% of the Empress State building in Earls Court amounting to aggregate property assets of £488 million; and the Great Capital Partnership, a joint venture with Great Portland Estates, which holds



prime West End properties of which Capco's share is £240 million. The company is listed on the London Stock Exchange and the JSE, Johannesburg.

About The Kwok Family Interests:

Interests of the Kwok family are major shareholders of Sun Hung Kai Properties Limited ("SHKP"), one of the largest real estate companies listed on the Hong Kong Stock Exchange. SHKP is widely recognised as a premium brand developer of residential projects, offices, shopping centres and hotels. Among its renowned developments are the International Finance Centre in Central, Hong Kong, the International Commerce Centre which is presently the tallest building in Hong Kong and the Shanghai IFC in Pudong, Shanghai.

About the proposed Seagrave Road development:

The proposed plans for the Seagrave Road site replace the existing car park with a 973,238 sq ft high quality, mixed use scheme comprising 808 new homes, 200 of which are affordable, ranging from townhouses to apartments, and centred around a 81m long garden square. The plans have been designed by John McAslan + Partners and form part of Sir Terry Farrell's 'Four Villages and a High Street' Masterplan for the area creating an integrated community of new homes, green spaces and local amenities on the site.