

11 July 2019

WORKSPACE GROUP PLC
FIRST QUARTER BUSINESS UPDATE
CONTINUED DEMAND FOR WORKSPACE'S
DISTINCTIVE FLEXIBLE OFFER

HIGHLIGHTS

- Good level of customer demand in the first quarter with enquiries averaging 1,060 per month (Q1 2018/19: 1,021) and lettings of 121 per month (Q1 2018/19: 88).
- Two new buildings, in Hoxton and Clerkenwell, and one building extension and refurbishment in Chiswick completed during the quarter.
- Pro forma LTV of 22% at 30 June 2019, based on March 2019 valuation, with cash and undrawn facilities of £134m.

Graham Clemett, Interim Chief Executive Officer, Workspace Group PLC, commented:

"It has been a busy and successful quarter for the Company. Our distinctive flexible offer continues to attract strong demand from a broad range of customers, despite the challenging economic environment.

Our completed projects are letting up well and we are progressing at pace with the delivery of our project pipeline. Alongside this we remain well positioned to take advantage of acquisition opportunities but remain rigorous on our return criteria."

Enquiries and Lettings

We have seen good levels of demand for space through the quarter at both our like-for-like properties and recently completed projects. Enquiries averaged 1,060 per month and lettings averaged 121 per month.

Average number per month	Quarter Ended				
	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018
Enquiries	1,060	1,244	907	1,019	1,021
Lettings	121	130	98	97	88

Refurbishment and Redevelopment Activity

In April 2019, we completed the refurbishment of The Light Box, Chiswick comprising a 19,000 sq. ft. roof extension and a significant upgrade to the common areas.

In June 2019, we completed two new buildings:

- Brickfields, adjacent to Hoxton Rail Station, with 57,000 sq. ft. of net lettable space comprising 98 offices and studios. The industrial design of the building features a steel-frame interior and a large central atrium.
- Ink Rooms, a former printing ink factory in Clerkenwell, has been converted and extended to provide 23,000 sq. ft. of net lettable space comprising 37 offices and studios.

We expect to complete another three refurbishment projects during the remainder of the current financial year, providing a further 104,000 sq. ft. of new and upgraded space.

Financing

Net debt reduced by £6m in the quarter to £574m, with cash balances and undrawn facilities of £134m as at 30 June 2019.

The pro forma loan-to-value ratio at 30 June 2019, based on the 31 March 2019 property valuation is 22% (31 March 2019: 22%).

Directorate Change

On 31 May 2019 Jamie Hopkins stepped down from his role as Chief Executive Officer. Graham Clemett, the Company's Chief Financial Officer, has assumed the role of Interim Chief Executive Officer, with the formal search for a permanent successor progressing well.

– ENDS –

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Notes to Editors

About Workspace Group PLC:

Workspace is focused on helping businesses perform at their very best. The Workspace Advantage is our unique customer offer and is open to all – we provide inspiring, flexible workspaces with super-fast technology in dynamic London locations.

Established in 1987, and listed on the London Stock Exchange since 1993, Workspace owns and manages 4.0 million sq. ft. of business space across 64 London properties which it lets directly to customers. We are home to thousands of businesses including some of the fastest growing and established brands across a wide range of sectors.

The way businesses work is changing. That's why we continually invest in providing the technology infrastructure that enables our customers to think and move fast, and alongside their working environment, is tailored to each individual business.

Workspace (WKP) is a FTSE 250 listed Real Estate Investment Trust (REIT) and a member of the European Public Real Estate Association (EPRA).

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For more information on Workspace, please visit www.workspace.co.uk