



NEWS RELEASE

CBRE Announces International Expansion of Trammell Crow Company With Plans to Acquire Telford Homes Plc

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US Developer Moves into UK Multifamily Rental Market

LOS ANGELES--(BUSINESS WIRE)-- CBRE Group, Inc. (NYSE:CBRE) today announced that it intends to acquire all the issued and to-be-issued shares of Telford Homes Plc (AIM:TEF). Telford is a leading developer of multifamily residential properties in London, with a development in-process portfolio (total project cost) of \$1.66 billion (£1.32 billion).

The acquisition represents a strategic expansion of CBRE's highly successful Trammell Crow Company real estate development business, which has achieved robust earnings growth over the past five years, while producing very strong returns for its capital partners.

Telford is focused on opportunities to develop middle-market build-to-rent properties, a fast-growing component of the London housing sector. The growth of rental housing is being fueled by changing attitudes about renting versus ownership, greater affordability relative to for-sale housing and limited supply.

Telford generated approximately \$446 million (£354 million) of revenue and \$50 million (£40 million) of pre-tax profit for the 12 months ended March 31, 2019. Under the terms of the planned transaction, Telford shareholders will receive \$4.41 (£3.50) per share in cash, valuing Telford at \$336.9 million (£267.4 million). CBRE has put in place a bridge acquisition facility for purposes of confirming that resources are available to fully satisfy the offer to Telford shareholders, as required by applicable UK takeover rules, but intends to fund the acquisition through a combination of cash on hand and availability within its revolving credit facility.

"Telford gives us a compelling opportunity to build on the success of Trammell Crow Company," said Bob Sulentic,



president and chief executive officer of CBRE. “The UK is in the early stages of a secular shift toward institutionally owned urban rental housing, similar to what we have seen in the US over the last two decades. Telford is well positioned to lead this trend, and their more than 300 talented professionals operating in London are a great addition to our company.”

The acquisition of Telford also positions Trammell Crow Company to opportunistically expand its development platform over time in the UK and Europe.

“Being part of Trammell Crow Company will allow Telford to enhance its growth in the build-to-rent / multifamily market in London,” said Jon Di-Stefano, chief executive officer of Telford Homes Plc. “Our management team have found that Trammell Crow Company is aligned with both our culture and our current strategy and its platform will give Telford access to far greater resources, improved technology and wide-ranging expertise.”

Upon completion of the acquisition, which is expected in the third quarter of 2019, Telford will operate as part of the Trammell Crow Company and its financial results will be reported within CBRE’s Real Estate Investments business segment. Mr. Di-Stefano will continue to run the Telford business after the acquisition closes.

The transaction is subject to customary regulatory approvals. It also requires approval by a majority of Telford shareholders voting on the transaction and who represent at least 75% in value of the votes cast. The proposal has received the recommendation of the Board of Directors of Telford, and each member of the Telford Board has committed to voting their shares in favor of the proposal.

J.P. Morgan Securities LLC, together with its affiliate, J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove, is acting as financial advisor to CBRE Group, Inc. and Simpson Thacher is serving as legal advisor to CBRE and Trammell Crow Company in this transaction.

About CBRE Group, Inc.

CBRE Group, Inc. (NYSE:CBRE), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world’s largest commercial real estate services and investment firm (based on 2018 revenue). The company has more than 90,000 employees (excluding affiliates) and serves real estate investors and occupiers through more than 480 offices (excluding affiliates) worldwide. CBRE offers a broad range of integrated services, including facilities, transaction and project management; property management; investment management; appraisal and valuation; property leasing; strategic consulting; property sales; mortgage services and development services. Please visit our website at www.cbre.com. We routinely post important information on our website, including corporate and investor presentations and financial information. We intend to use our website as a means of disclosing material, non-public information and for complying with our disclosure obligations under Regulation FD. Such disclosures

will be included in the Investor Relations section of our website at <https://ir.cbre.com>. Accordingly, investors should monitor such portion of our website, in addition to following our press releases, Securities and Exchange filings and public conference calls and webcasts.

About Trammell Crow Company

Trammell Crow Company, founded in 1948, is one of the nation's leading developers and investors in commercial real estate. The company has developed or acquired 2,700 buildings valued at nearly \$65 billion and over 590 million square feet. As of March 31, 2019, Trammell Crow Company had \$9.7 billion of projects in process and \$2.8 billion in its pipeline.

About Telford Homes Plc

Established in 2000, AIM-listed Telford Homes Plc has grown to become one of London's largest residential developers and is dedicated to developing the homes and creating the places that London needs. The Group's customers include institutional investors, housing associations and individuals. The Group is a developer of residential-led mixed-use sites in locations across London where the need for homes far exceeds supply. In recent years Telford has undertaken a strategic shift to focus on the growing build to rent/multifamily market and is now working with a number of established investors. For more information please visit: www.telfordhomes-ir.london.

Forward-Looking Statements

Certain of the statements in this release regarding the planned acquisition of Telford Homes Plc ("Telford") that do not concern purely historical data are forward-looking statements within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are made based on our management's expectations and beliefs concerning future events affecting us and are subject to uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Accordingly, actual performance, results and events may vary materially from those indicated in forward-looking statements, and you should not rely on forward-looking statements as predictions of future performance, results or events. Numerous factors could cause actual future performance, results and events to differ materially from those indicated in forward-looking statements, including, but not limited to, our ability to successfully integrate Telford with our existing operations in the United Kingdom, to utilize Telford as a platform to expand Trammell Crow Company internationally and to leverage the expertise of Trammell Crow Company for to the benefit of Telford and the continued growth of build-to-rent housing in the United Kingdom and Telford's ability to capitalize on this trend, as well as other risks and uncertainties discussed in our filings with the U.S. Securities and Exchange Commission (SEC). Any forward-looking statements speak only as of the date of this release. We assume no obligation to update forward-looking statements to reflect actual results, changes in

assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. For additional information concerning factors that may cause actual results to differ from those anticipated in the forward-looking statements and other risks and uncertainties to our business in general, please refer to our SEC filings, including our Form 10-K for the fiscal year ended December 31, 2018 and Form 10-Q for the quarter ended March 31, 2019. Such filings are available publicly and may be obtained from our website at www.cbre.com or upon request from the CBRE Investor Relations Department at investorrelations@cbre.com.

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