

Picton Property Income

Leasing and strategic update

In the past week, Picton Property Income (PCTN) has published updates on its asset management and leasing progress, and the ongoing strategic review and formal sale process that was announced in January. The company reports continuing progress with converting its leasing pipeline, particularly in the office sector. The strategic review has attracted interest from a range of parties, covering a variety of structures and the board is in the process of shortlisting these proposals in order to determine a preferred option. As a result, it has decided to delay the release of the FY26 annual results from 21 May to a later date.

Year end	Net rental income (£m)	EPRA earnings (£m)	EPRA EPS (p)	DPS (p)	NAV/share (£)	Yield (%)	P/NAV (x)
3/23	36.3	21.3	3.9	3.50	1.00	4.4	0.79
3/24	37.9	21.7	4.0	3.55	0.96	4.5	0.83
3/25	37.7	22.8	4.2	3.70	1.00	4.7	0.79

Note: EPRA earnings exclude revaluation gains/losses and other exceptional items. NAV measure is net tangible assets (NTA), currently the same as IFRS NAV.

The [strategic review](#) was announced by the company on 13 January 2026, with the intention to consider a range of options to maximise value for shareholders, including corporate transactions, asset sales and return of capital. [The update on this process](#) follows board engagement with investors and stakeholders to gather their views and feedback and discussions with interested parties.

Throughout the strategic review, PCTN has remained focused on capturing significant rent reversion upside. The estimated rental value (ERV) of its portfolio at end-H126 was £55.7m, which was £10.1m or 22% above the end-H126 contracted rent. The opportunity to increase portfolio rental income towards ERV mainly reflected rent reversion in the industrial assets (67% of portfolio value) and occupancy improvement in the office assets (21% of portfolio value). In its [Q326](#) trading update, PCTN reported on several positive leasing developments, including the completion of eight lettings, securing annual rent of £1.1m, at an average 5% above the March 2025 (end-FY25) ERV. Meanwhile, six leases, with a combined annual rent of £0.5m, were renewed at an average increase of 47% on the previous passing rent. Additionally, terms had been agreed, subject to contract, on a pipeline of 11 additional lettings (92% in the office sector) with annual rental income totalling £1.6m.

During Q3, c £3.6m of cash in dilapidation payments and lease break penalties were received in respect of the previously disclosed hand back of space at two industrial assets, Rushden and Radlett. Although the hand back reduced portfolio occupancy, with an ERV that is 40% higher than the previous passing rent, re-letting the assets provides a significant opportunity to increase income.

PCTN confirmed this week that seven of the pipeline lettings have now completed, totalling £0.8m of annual rental income, at an average rent that was 2% ahead of December 2025 ERV. There is now a current pipeline of seven lettings (74% in the office sector) where terms are agreed, subject to contract, totalling an annual rental income of £1.2m at an average rent that is 1% above the December 2025 ERV. Refurbishment works are ongoing at Rushden and Radlett and discussions are ongoing with interested occupiers.

For the purposes of the Takeover Code, Edison is deemed to be connected

Leasing and strategic review updates

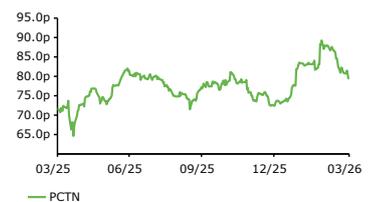
Real estate

20 March 2026

Price **79.40p**
Market cap **£414m**

Net (debt) as at 31 December 2025 £(160.4)m
 Shares in issue 513.8m
 Code PCTN
 Primary exchange LSE
 Secondary exchange N/A

Share price performance



Business description

Picton Property Income is an internally managed UK REIT that invests in a diversified portfolio of commercial property across the UK. It is total return driven with an income focus and aims to generate attractive returns through proactive management of the portfolio.

Analyst

Martyn King +44 (0)20 3077 5700

financials@edisongroup.com

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