

# Picton Property Income

## Strategic review and formal sale process

Picton Property Income (PCTN) has announced a comprehensive strategic review to consider a range of options to maximise value for shareholders, under the framework of a sale process. This proactive step will take into account the views of shareholders and other stakeholders. Options may include mergers, corporate transactions and asset sales. The board notes that despite upper quartile property returns since launch in 2005, a strong financial position and recent asset sales to third parties in line with book value, the share price fails to adequately reflect the intrinsic value of the company and its portfolio of assets. Immediately ahead of the announcement, PCTN shares closed at a c 24% discount to the September 2025 EPRA net tangible assets (NTA) of 102p per share. With debt at fair value, the discount to EPRA net disposal value (NDV) of 106p was c 27%

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	4.3	0.81
3/24	37.9	21.7	4.0	3.55	0.96	4.3	0.85
3/25	37.7	22.8	4.2	3.70	1.00	4.5	0.82

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

PCTN provides investors with a diversified exposure to the UK property market, investing in all core sectors with an unconstrained mandate. This has enabled the company to proactively adapt its portfolio to the evolving market conditions over time rather than being restricted by sector or geography. Through a combination of asset allocation and proactive income-focused asset management, PCTN has delivered consistent property level outperformance while successfully navigating often challenging macroeconomic conditions. Up to the date of [the announcement](#), PCTN's portfolio total return has been upper quartile against the MSCI UK Quarterly Property Index since launch in 2005 and across three-, five- and 10-year periods, ranking seventh out of 70 property portfolios that have been in the index over the last 20 years. The release also provides details of a strong shareholder total return (share price and dividends) in absolute terms (307% since internalisation in 2012) and significantly ahead of the main UK REIT index over one, three and five years.

PCTN's portfolio has significant income growth potential through unlocking reversion, mainly in the industrial sector (68% of the portfolio value at end-September 2025), and occupancy improvement, focused on office sector assets (20% of the portfolio by value), where Picton has continued to invest in improving quality to meet occupier requirements and enhance potential rental values.

As at 30 September 2025, PCTN had £209m of debt at nominal value (£186m at the fair value reflected in NDV), wholly fixed at a weighted average interest rate of 3.7% for 6.2 years, with a net loan-to-value ratio of 22%.

The UK REIT sector has seen a significant level of corporate transaction activity and, by way of background, in 2023, PCTN unsuccessfully sought a merger with UK Commercial Property REIT. Among other considerations, PCTN aimed to leverage its experienced management team, strong performance record and internal management structure.

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## Announcement of strategic review

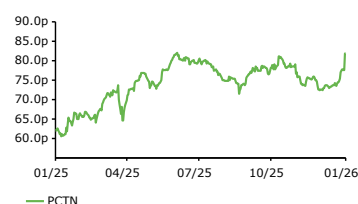
Real estate

14 January 2026

**Price** 81.80p  
**Market cap** £398m

Net (debt) as at 30 September 2025 £(155.3)m  
Shares in issue 514.1m  
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](mailto:financials@edisongroup.com)  
[Edison profile page](#)

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