

5 March 2019

Warehouse REIT plc
(the “Company” or “Warehouse REIT”)

Pipeline Update

Warehouse REIT, the AIM-listed company that invests in and manages urban and ‘last-mile’ industrial warehouse assets in strategic locations in the UK, announces a pipeline update.

The Company was admitted to AIM in September 2017 (the “IPO”), raising gross investment proceeds of £150.0 million. It acquired a seed portfolio of 27 assets valued at £108.9 million on IPO. Since IPO, the Company has acquired a further £186.8 million of assets, with the largest transaction completing in March 2018 for a consideration of £116.0 million. The Company financed this activity by investing the remaining equity raised at IPO ahead of schedule and by enlarging its debt facility with HSBC. During this period, the Company increased its target dividend for the year ending 31 March 2019 to 6.0 pence per share from 5.5 pence per share as set out in the prospectus issued at IPO. At 30 September 2018, the Company’s portfolio was valued at £284.3 million, following £19.0 million of disposals in the period achieved at a 27 per cent premium to book values. The portfolio valuation reflected an increase of 6.5 per cent on the aggregate purchase price and a 1.6 per cent like-for-like increase on the 31 March 2018 valuation. Since 1 October 2018, the Company has completed two further acquisitions for £13.9 million in aggregate.

The Company continues to see opportunities to purchase assets at prices below replacement value, with the potential to secure robust and growing income streams which can be distributed to shareholders through the Company’s quarterly dividend programme. Occupational take-up remains resilient with the Company continuing to experience demand for vacant space (as referenced in the Asset Management Update RNS announced on 5 February 2019).

Tilstone Partners Limited (“the Investment Advisor”), on behalf of the Company, continually reviews the market for potential investment opportunities, typically involving a potential pipeline of £1 billion over a 12 month period, with in excess of £2.5 billion of assets screened during 2018. Location remains a key criteria when reviewing the pipeline as the Company continues to focus on economically-active geographical areas that are expected to respond (in particular, in respect of rental growth) to active asset management initiatives.

The Investment Advisor has recently witnessed an increase in the range of acquisition opportunities and believes the Company is well-placed to capitalise upon this having identified a number of assets which meet the Company’s investment policy (including off-market assets identified through the Investment Advisor’s network) giving rise to a near-term pipeline of capital deployment opportunities exceeding £100 million.

The Company believes that the acquisition of assets identified in the pipeline would further diversify the Company’s income and be accretive to shareholder returns, in addition to continuing to strengthen the portfolio’s sustainability, quality and prospects for growth.

With only limited resources available to complete acquisitions, the Company is contemplating an equity fundraising to capitalise on this pipeline of near term opportunities, which it will seek to deploy, together with debt finance where appropriate, in line with its investment strategy. Any such fundraising is expected to follow the publication of a prospectus and further details will follow in due course.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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Notes to editors:

Warehouse REIT is an AIM listed UK Real Estate Investment Trust that invests in and manages urban and 'last-mile' industrial warehouse assets in strategic locations in the UK.

Occupier demand for urban warehouse space is increasing as the structural growth in e-commerce has driven the rise in internet shopping and investment by retailers in the "last mile" delivery sector. The urban warehouse sector offers one of the highest initial yields of all UK property sectors.

The Company is an alternative investment fund ("AIF") for the purposes of the AIFM Directive and as such is required to have an investment manager who is duly authorised to undertake the role of an alternative investment fund manager. The Investment Manager is currently G10 Capital Limited.