

Key Performance Indicators

Set out below are the key performance indicators we use to track our strategic progress.

KPI and definition	Comments	Performance				
1. Dividend						
Dividends paid to Shareholders and declared in relation to the period.	The dividend reflects our ability to deliver a growing income stream from our portfolio and is a key element of our Total Return. An attractive and progressive dividend, with the intent to pay out 90-100% of our Adjusted Earnings each year, with a minimum payout of 85% of Adjusted Earnings.	<p>4.40 cents</p> <table border="1"> <tr> <td>2020</td> <td>4.40 cents</td> </tr> <tr> <td>2019</td> <td>3.40 cents</td> </tr> </table>	2020	4.40 cents	2019	3.40 cents
2020	4.40 cents					
2019	3.40 cents					
2. Total Return¹ (TR)						
TR measures the change in the EPRA Net Reinstatement Value (EPRA NRV) over the period plus dividends paid.	TR measures the ultimate outcome of our strategy, which is to create value for our Shareholders through our portfolio and to deliver a secure and growing income stream. The Company's medium-term TR target set at IPO is 9% per annum by reference to the IPO issue price.	<p>11.3%</p> <table border="1"> <tr> <td>2020</td> <td>11.3%</td> </tr> <tr> <td>2019</td> <td>9.5%</td> </tr> </table>	2020	11.3%	2019	9.5%
2020	11.3%					
2019	9.5%					
3. Basic Net Asset Value						
Net asset value in IFRS GAAP.	Basic Net Asset Value measures the net value of the Company under IFRS.	<p>€503.91m €1.19/share</p> <table border="1"> <tr> <td>2020</td> <td>€503.9m</td> </tr> <tr> <td>2019</td> <td>€477.3m</td> </tr> </table> <p>30 September 2019 €1.13/share</p>	2020	€503.9m	2019	€477.3m
2020	€503.9m					
2019	€477.3m					
4. Adjusted earnings						
Post-tax adjusted EPS attributable to Shareholders, adjusted for other earnings not supported by cash flows. See note 12 on page 100.	Adjusted EPS reflects our ability to generate earnings from our portfolio, which ultimately underpins our dividend payments.	<p>€17.56m 4.16 cents/share</p> <table border="1"> <tr> <td>2020</td> <td>4.16 cents</td> </tr> <tr> <td>2019</td> <td>3.25 cents</td> </tr> </table> <p>30 September 2019: €10.79m</p>	2020	4.16 cents	2019	3.25 cents
2020	4.16 cents					
2019	3.25 cents					

KPI and definition	Comments	Performance				
5. Loan to value ratio (LTV)						
The proportion of our gross asset value (including cash) that is funded by borrowings.	The LTV measures the prudence of our financing strategy, balancing the additional returns and portfolio diversification that come with using debt against the need to successfully manage risk. The Company will maintain a conservative level of aggregate borrowings with a medium-term target of 45% of gross asset value and a maximum limit of 50% (in each case, calculated at the time of borrowing).	<p>39.9%</p> <table border="1"> <tr> <td>2020</td> <td>39.9%</td> </tr> <tr> <td>2019</td> <td>33.3%</td> </tr> </table>	2020	39.9%	2019	33.3%
2020	39.9%					
2019	33.3%					
6. Weighted average unexpired lease term (WAULT)						
The average unexpired lease term of the property portfolio weighted by annual passing rents.	The WAULT is a key measure of the quality of our portfolio. Long lease terms underpin the security of our income stream. The Company seeks to maintain a WAULT of greater than five years across the portfolio in accordance with typical lease lengths prevalent in continental Europe.	<p>9.1 years</p> <table border="1"> <tr> <td>2020</td> <td>9.1 years</td> </tr> <tr> <td>2019</td> <td>11.0 years</td> </tr> </table>	2020	9.1 years	2019	11.0 years
2020	9.1 years					
2019	11.0 years					
7. Dividend cover						
Dividends paid and proposed to Shareholders in relation to the financial period.	The dividend cover helps indicate how sustainable a dividend is. It measures the proportion of dividends which is supported by adjusted earnings.	<p>94.4%</p> <table border="1"> <tr> <td>2020</td> <td>94.4%</td> </tr> <tr> <td>2019</td> <td>85.3%</td> </tr> </table>	2020	94.4%	2019	85.3%
2020	94.4%					
2019	85.3%					
8. Interest cover						
The ratio of net property income to the interest incurred in the period.	It is a measure of a company's ability to meet its interest payments.	<p>4.63 times</p> <table border="1"> <tr> <td>2020</td> <td>4.63 times</td> </tr> <tr> <td>2019</td> <td>6.0 times</td> </tr> </table>	2020	4.63 times	2019	6.0 times
2020	4.63 times					
2019	6.0 times					
9. Like-for-like rental growth						
Like-for-like rental growth compares the growth of the rental income of the portfolio that has been consistently in operation and not under development at year end.	This measures the company's ability to grow its rental income over time. Rental growth will not be linear during the hold period, with different mechanisms in each lease agreement. The 0.5% this year reflects the lower inflation background.	<p>0.5%/€0.18m</p> <table border="1"> <tr> <td>2020</td> <td>€0.18m</td> </tr> <tr> <td>2019</td> <td>€0.3m</td> </tr> </table> <p>30 September 2019: 1%</p>	2020	€0.18m	2019	€0.3m
2020	€0.18m					
2019	€0.3m					

1 Total Return for 30 September 2020 was 10.9% (30 September 2019: 3.4%) using the previous EPRA NAV at 122.72 cents and 114.54 cents respectively.

EPRA Performance Measures

The table below shows additional performance measures, calculated in accordance with the Best Practices Recommendations of the European Public Real Estate Association (EPRA). We provide these measures to aid comparison with other European real estate businesses. Following the October 2019 update to EPRA's Best Practice Recommendations Guidelines, the Group has early adopted

these guidelines and has adopted EPRA NRV as its primary EPRA measure of net asset value and restates its September 2019 position in line with this change. A reconciliation of this change is provided within the Notes to the EPRA and Other Key Performance Indicators section on page 119.

Performance measures and definition	Comments	Performance				
1. EPRA Net Reinstatement Value (EPRA NRV)						
Basic NAV adjusted for mark-to-market valuation of derivatives, deferred tax and transaction costs (real estate transfer tax and purchaser's costs).	A key measure to highlight the value of net assets on a long-term basis. The metric reflects what would be needed to recreate the current portfolio of the company.	<p>€550.50m €1.30/share</p> <table border="1"> <tr> <td>2020</td> <td>€1.30</td> </tr> <tr> <td>2019</td> <td>€1.21</td> </tr> </table> <p>30 September 2019: €511.05m/€1.21/share¹</p>	2020	€1.30	2019	€1.21
2020	€1.30					
2019	€1.21					
2. EPRA Net Tangible Assets (EPRA NTA)						
Basic NAV adjusted to remove the fair values of financial instruments and deferred taxes. This excludes transaction costs.	Assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	<p>€516.31m €1.22/share</p> <table border="1"> <tr> <td>2020</td> <td>€1.22</td> </tr> <tr> <td>2019</td> <td>€1.14</td> </tr> </table> <p>30 September 2019: €481.74m/€1.14/share¹</p>	2020	€1.22	2019	€1.14
2020	€1.22					
2019	€1.14					
3. EPRA Net Disposal Value (EPRA NDV)						
Equivalent to IFRS NAV as this includes the fair values of financial instruments and deferred taxes.	Represents the Shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	<p>€503.91m €1.19/share</p> <table border="1"> <tr> <td>2020</td> <td>€1.19</td> </tr> <tr> <td>2019</td> <td>€1.13</td> </tr> </table> <p>30 September 2019: €477.27m/€1.13/share¹</p>	2020	€1.19	2019	€1.13
2020	€1.19					
2019	€1.13					
4. EPRA Earnings						
Earnings from operational activities.	A key measure of the Group's underlying results and an indication of the extent to which current dividend payments are supported by earnings.	<p>€13.80m 3.26 cents/share</p> <table border="1"> <tr> <td>2020</td> <td>3.26 cents</td> </tr> <tr> <td>2019</td> <td>2.96 cents</td> </tr> </table> <p>30 September 2019: €9.81m/2.96 cents/share</p>	2020	3.26 cents	2019	2.96 cents
2020	3.26 cents					
2019	2.96 cents					

Performance measures and definition	Comments	Performance				
5. EPRA Net Initial Yield (NIY)						
Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.	This measure should make it easier for investors to judge for themselves how the valuations of portfolios compare.	<p>4.4%</p> <table border="1"> <tr> <td>2020</td> <td>4.4%</td> </tr> <tr> <td>2019</td> <td>4.5%</td> </tr> </table>	2020	4.4%	2019	4.5%
2020	4.4%					
2019	4.5%					
6. EPRA 'Topped-up' NIY						
This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).	This measure should make it easier for investors to judge for themselves how the valuations of portfolios compare.	<p>4.6%</p> <table border="1"> <tr> <td>2020</td> <td>4.6%</td> </tr> <tr> <td>2019</td> <td>4.8%</td> </tr> </table>	2020	4.6%	2019	4.8%
2020	4.6%					
2019	4.8%					
7. EPRA Vacancy Rate						
Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.	The vacancy relates to part of the two latest acquisitions in Breda and Strykow. These buildings were acquired partly vacant with rental guarantee covering the vacant space.	<p>5.43%</p> <table border="1"> <tr> <td>2020</td> <td>5.43%</td> </tr> <tr> <td>2019</td> <td>1.2%</td> </tr> </table>	2020	5.43%	2019	1.2%
2020	5.43%					
2019	1.2%					
8. EPRA Cost Ratio						
Administrative and operating costs (including and excluding costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs. We expect the EPRA cost ratio to continue to decrease over time, as the portfolio grows and the Company benefits from economies of scale.	<p>31.3%²</p> <table border="1"> <tr> <td>2020</td> <td>31.3%</td> </tr> <tr> <td>2019</td> <td>34.5%</td> </tr> </table> <p>31.0%³ for the year ended to 30 September 2020 30 September 2019: 33.9%³</p>	2020	31.3%	2019	34.5%
2020	31.3%					
2019	34.5%					

1 EPRA NAV for 30 September 2020 was €518.78m/€1.23/share (30 September 2019: €484.21m/€1.15/share). EPRA Triple Net Asset Value (NNNAV) for 30 September 2020 was €503.91m/€1.19/share (30 September 2019: €477.27m/€1.13/share).

2 Inclusive of vacant property costs.

3 Exclusive of vacant property costs.