

07 November 2018

Tritax EuroBox plc
ACQUISITION OF LOGISTICS ASSET NEAR BOCHUM IN RHINE-RUHR
REGION OF GERMANY FOR €35.7 MILLION



The Board of Tritax EuroBox plc (tickers: EBOX (Sterling), BOXE (Euro)), which invests in Continental European logistics real estate assets, is pleased to announce that it has acquired a prime, modern logistics warehouse asset near Bochum, in the Rhine-Ruhr region of Germany, a core, established logistics location.

The total consideration payable by the Company is €35.7 million for the corporate acquisition (excluding purchaser's costs), reflecting a net initial yield of 4.9%.

This new, well-specified unit, purpose-built in January 2018, is in an established logistics location with excellent road, motorway and railway connectivity. Located in Bochum, in the heart of the Rhine-Ruhr region of Germany, with direct access to the A40 and A43 motorways, the area benefits from excellent logistics links and continues to see high occupier demand, a low vacancy rate and limited availability both of logistics buildings and land for development. The Rhine-Ruhr region is the third-largest in Europe, with a population of 11.3 million. Given the region's dense population and high incomes, consumption and e-commerce are driving demand for warehouses and logistics facilities.

The property has a gross internal area of 36,400 sqm and is divided into four units, with an eaves height of 12 metres with significant yard area and parking. The site cover is approximately 58%.

This investment is fully income producing and offers attractive scope for value and income enhancing opportunities.

One unit is leased to SVH Handels GmbH ("SVH Handels") for a fixed term of seven years, with 6.4 years unexpired. SVH Handels is a subsidiary of the Würth Group, a worldwide wholesaler of 125,000 products for the trade and craft industry, with annual turnover of over €12 billion.

A second unit is leased to WM Group GmbH ("WM Group") for a fixed term of five years, with 4.6 years unexpired. WM Group, a logistics service provider, is part of LB GmbH, which employs over 800 people across nine locations in Germany, Austria and the UK.

The remaining vacant space, with a combined gross internal area of 17,664 sqm, currently benefits from a five-year rental guarantee to the Company provided by Dietz AG (“Dietz”), the Company’s asset manager in Germany. Noting the sought-after logistics location, which benefits from strong occupier demand and constrained supply, the Manager will be seeking to let these two units in the near term.

This acquisition is the second for the Company arising from its relationship with Dietz. Dietz has retained a small interest in the acquired asset.

Nick Preston, Fund Manager of Tritax EuroBox, commented:

“We are delighted with this asset, our sixth investment for Tritax EuroBox plc since IPO in July 2018, bringing our total amount invested to just over €476 million. This off-market acquisition, developed by Dietz AG, of a new, purpose-built asset is at an attractive yield which also offers opportunities to add value. The asset is in a prime logistics location in the Rhine-Ruhr region of Germany, the largest population centre in the country and an area which benefits from excellent transport connectivity and strong supply/demand fundamentals.”

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NOTES:

Tritax EuroBox plc intends to acquire and manage a well-diversified portfolio of well-located Continental European logistics real estate assets that are expected to deliver an attractive capital return and secure income to shareholders. These assets will fulfil key roles in the logistics and distribution supply-chain focused on the most established logistics markets and on the major population centres across core Continental European countries.

Occupier demand for Continental European logistics assets is in the midst of a major long-term structural change principally driven by the growth of e-commerce. This is evidenced by technological advancements, increased automation and supply-chain optimisation, set against a backdrop of resurgent economic growth across much of Continental Europe.

The Company's Manager, Tritax Management LLP, has assembled a full-service European logistics asset management capability including specialist "on the ground" asset and property managers with strong market standings in the Continental European logistics sector. The appointed asset managers Logistics Capital Partners ("**LCP**") and Dietz AG ("**Dietz**") are logistics specialists and offer the Company exposure to high quality asset management expertise and access to their respective development pipelines, providing acquisition opportunities across Continental Europe.

The Company is targeting, on a fully invested and geared basis, an initial Ordinary Share dividend yield of 4.75% p.a.¹, which is expected to increase progressively through regular indexation events inherent in underlying lease agreements, and a total return on the Ordinary Shares of 9.0% p.a.¹ over the medium-term. The Company intends to pay dividends on a quarterly basis with shareholders able to receive dividends in Sterling or Euro. Further information on Tritax EuroBox plc is available at www.tritaxeurobox.co.uk

1. Euro denominated returns, by reference to IPO issue price. These are targets only and not profit forecasts. There can be no assurances that these targets will be met and they should not be taken as indications of the Company's expected or actual future results. Accordingly, potential investors should not place any reliance on these targets in deciding whether or not to invest in the Company and should decide for themselves whether the targets are reasonable or achievable.