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17 February 2020

**Warehouse REIT plc**  
**(the "Company" or "Warehouse REIT")**  
**Pipeline Update and Potential Equity Raise**

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 and a potential equity raise.

Driven by structural demand from the rise in e-commerce, occupational take-up remains robust. The Company has recently completed a number of successful portfolio initiatives and continues to extract strong operational performance from the Company's portfolio. In the period from 1 October 2019 to 31 January 2020 Warehouse REIT has:

- Completed 28 new lettings and 28 lease renewals across 209,000 sq ft of space, achieved at 5.5% ahead of 30 September 2019 ERVs and generating £1.2 million per annum of contracted rent, reflecting the reversionary nature of the portfolio;
- Completed or exchanged on the sale of 13 smaller non-core assets for a combined price of £17.6 million at an average of 7.6% ahead of 30 September 2019 book values and 10.1% ahead of cost, reflecting a blended 6.7% net initial yield; and
- Increased total occupancy in the portfolio to 92.7% from 91.5% at 30 September 2019 (with effective vacancy only 2.9% excluding units under refurbishment or under offer to let).

These portfolio initiatives follow the acquisition of the 29-acre Midpoint Estate in October 2019 for a purchase price of £15.5 million, representing a net initial yield of 6.6%.

Furthermore, as announced on 24 January 2020, Warehouse REIT has entered into a new five year £220 million debt facility to replace the existing £210 million HSBC facility. The new facility extends the term of the debt and reduces the margin by 14 basis points from a blended 2.14% above LIBOR to 2.00% above LIBOR, and reflects the positive impact that Warehouse REIT's increasing scale has when accessing debt markets.

Following the successful deployment of the funds raised in April 2019 and its positive outlook on earnings, the Company announced a third quarterly dividend for the financial year ending 31 March 2020 of 1.6 pence per ordinary share, representing a 6.7% increase on the two interim dividends paid to date of 1.5 pence per ordinary share each. As a result the dividend target for the year ending 31 March 2020 has been increased to 6.2 pence per share from 6.0 pence per ordinary share.

Tilstone Partners Limited (the "Investment Adviser") continues to see good 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.

The Investment Adviser currently has in advanced negotiations, or has identified, a pipeline of investment opportunities with a target investment yield in excess of 6% amounting to approximately £352 million, of which approximately £72 million are in exclusive or final negotiations or have solicitors instructed and approximately a further £280 million are in detailed negotiations.

The Company believes that the acquisition of assets identified in this 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 limited capital resources available to complete acquisitions, the Company is contemplating an equity fundraising to benefit from 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, yet supply remains constrained giving rise to rental growth.

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.

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***Forward-looking statements***

*This announcement contains forward-looking statements, including, without limitation, statements containing the words "believes", "expects", "intends", "may", "will", or "would" or in each case, their negative or other variations or similar expressions. Such forward-looking statements involve unknown risk, uncertainties and other factors, which may cause the actual results of operations, performance or achievement of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.*

*Given these uncertainties, prospective investors and shareholders are cautioned not to place any undue reliance on such forward-looking statements. These forward-looking statements speak only as at the date of this announcement. Subject to its compliance with its legal and regulatory obligations (including under the Listing Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the Prospectus Rules), the Company undertakes no obligation to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.*

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