

KEY FACTS – FY19 Q2
Fund Manager

Richard Shepherd-Cross MRICS

Launch date

26 March 2014

Market

 London Stock Exchange
 Premium segment of the official list

Market Cap

£454.05m*

Share Price

114.60p*

Net Asset Value

108.1p per share (31 December 2018)

Target Dividend

6.55pps from 31 March 2018

Dividends fully covered by income

5.72%* dividend yield as at date below

Dividend Payments

February, May, August, November

Ongoing Charges Ratio (OCR)

1.1%

PORTFOLIO FACTS
Number of assets

156*

Number of tenancies

269*

Weighted unexpired lease term to first break

5.65 yrs*

Void rate

4.33%*

Gearing – Loan to Value

Target – 25%

Actual – 24.7%

* As at 8 April 2019

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INVESTMENT STRATEGY

- Diversified UK commercial property portfolio
- Income focused strategy
- High residual value, low obsolescence properties
- £2m to £10m lot sizes
- Diverse tenant, region and sector mix
- Minimises cash drag

AIM

'REIT of choice for private and institutional investors seeking high and stable dividends from well-diversified UK real estate'.

INVESTMENT MANAGER – CUSTODIAN CAPITAL

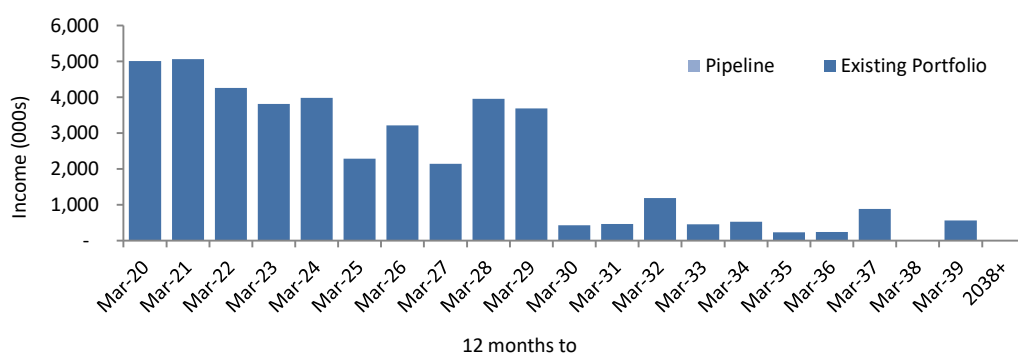
- Authorised and regulated by the FCA as an Alternative Investment Fund Manager (AIFM)
- Subsidiary of Mattioli Woods plc
 - £8.8 billion of assets under management or advice
- Experienced property management team
- Investing for 17 years; total property investments of over £0.6 billion

DIFFERENTIATION

Custodian REIT plc aims to identify 'value' in the UK commercial property market by focusing on sub-£10m regional properties where there is less competition from other funds. Custodian REIT targets a relatively high dividend, fully covered by earnings, secured against a good quality, diverse, regional portfolio with a broad range of robust tenants.

RECENT ACQUISITIONS (SINCE March 2018)

| LOCATION | TENANT | SECTOR | PRICE | NIY |
|--------------|---|---------------|-------------|-------|
| Birmingham | Starbucks Coffee UK Limited (under development) | Retail | £1,750,000 | 6.43% |
| Gateshead | Worthington Armstrong (UK) Limited | Industrial | £3,900,000 | 6.73% |
| Bellshill | Yodel Delivery Network Limited | Industrial | £3,720,000 | 6.94% |
| Lincoln | Total Fitness Health Clubs Limited | Other | £4,300,000 | 7.64% |
| Shrewsbury | TJ Vickers & Sons Limited | Other | £1,670,000 | 6.75% |
| Shrewsbury | VW Group UK Limited | Other | £2,825,000 | 6.58% |
| Stafford | VW Group UK Limited | Other | £4,550,000 | 6.29% |
| Derby | Daher Aerospace Limited | Industrial | £5,585,000 | 6.72% |
| Sheffield | The Secretary of State for Communities and Local Government operating branches of the Home Office and the Health and Safety Executive | Office | £3,560,000 | 9.79% |
| Stratford | Foxton's Estate Agents and The Incorporated Trustees of the Universal Church of the Kingdom of God ("UCKG") | Retail/Office | £2,100,000 | 6.78% |
| Evesham | Next, M&S, Boots, Argos and Poundstretcher | Retail | £14,200,000 | 6.04% |
| Weymouth | B & Q, Halfords, Sports Direct | Other | £10,800,000 | 6.97% |
| Loughborough | Lister Group Limited | Other | £2,360,000 | 6.37% |

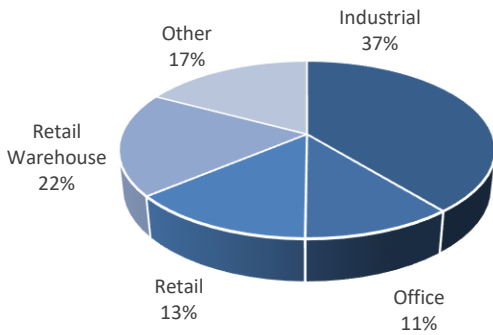
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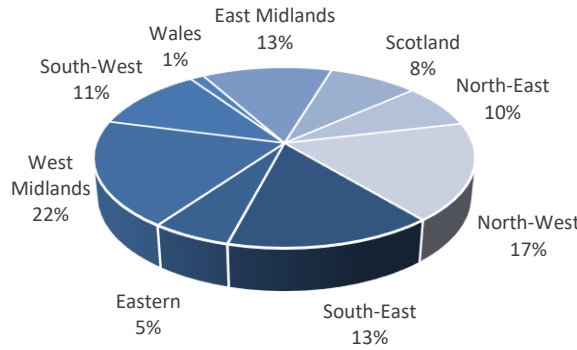
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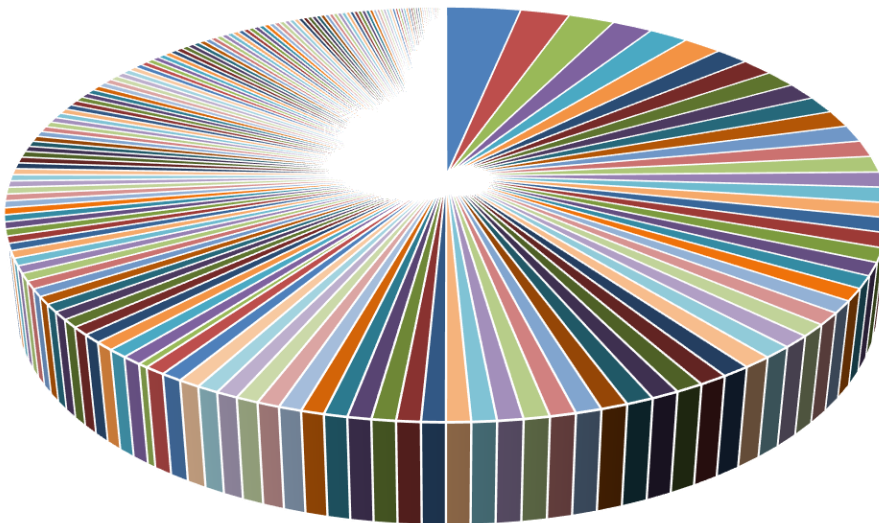
SECTOR SPLIT BY INCOME



REGIONAL SPLIT BY INCOME



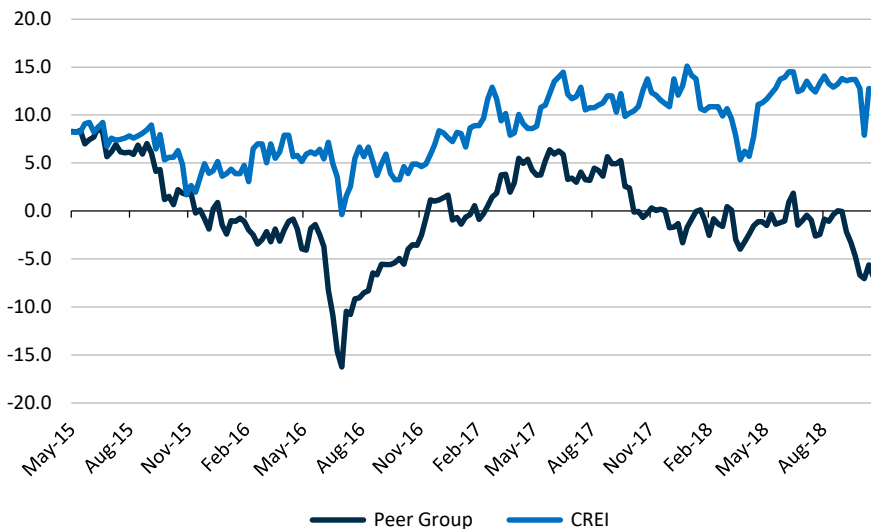
DIVERSE INCOME – TENANT SPLIT BY PERCENTAGE OF INCOME



TOP TEN TENANTS

| | | | |
|--------------------------|-------|------------------------------------|-------|
| B & Q plc | 3.34% | Benham (Specialist Cars) Ltd | 1.83% |
| B&M Bargains Limited | 3.00% | Regus (Maidstone West Malling) Ltd | 1.57% |
| VW Group UK Ltd | 2.08% | First Title Ltd | 1.55% |
| Superdrug Stores plc | 1.98% | Next plc | 1.38% |
| Wickes Building Supplies | 1.94% | Teleperformance Ltd | 1.32% |

SHARE PRICE VOLATILITY



CREI v Peer Group – premium and discount to NAV over 2 years. Source: Numis Research/Data Stream

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