

# PRESS RELEASE

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## AEW UK REIT sells AEW UK Core Property Fund holding

AEW UK REIT plc (LSE: AEWU) (the “Company”), which owns a diversified portfolio of 31 regional UK commercial property assets, announces the sale of its remaining units in the AEW UK Core Property Fund (the “Core Fund”) for total proceeds of £7.62 million.

The Company has held an ownership in the Core Fund since IPO in May 2015, originally investing £9.75 million for the purpose of expediting its investment period. Having disposed of c 21% of the Company’s holding in February 2017, the remaining units have now been sold at a price in excess of the Core Fund’s latest published NAV, with the resulting equity to be invested directly into UK real estate assets in line with the Company’s strategy.

Commenting on the transaction, Alex Short, the Company’s Portfolio Manager at AEW UK Investment Management LLP, said, “As previously stated, it has always been our intention to exit from the Core Fund at the right time and the sale now allows us to focus on investment in direct assets which fulfil the Company’s investment strategy. We have a healthy pipeline of potential acquisitions and expect to make further announcements very shortly as we invest the proceeds from the Core Fund sale.”

## ABOUT AEW UK REIT

AEW UK REIT plc (LSE: AEWU) aims to deliver an attractive total return to shareholders by investing predominantly in smaller commercial properties (typically less than £10 million), on shorter occupational leases, in strong commercial locations across the United Kingdom. The Company was listed on the Official List of the UK Listing Authority and admitted to trading on the Main Market of the London Stock Exchange on 12 May 2015, raising £100.5m. Since IPO it has raised a further £23m.

Since its IPO in May 2015, AEWU has invested a total of £146 million across 31 regional commercial property assets. It is currently invested in office, retail, industrial and leisure assets, with a focus on active asset management, repositioning the properties and improving the quality of the income stream. Whilst occupational demand in strategic locations remains, securing tenants on shorter leases allows AEWU to crystallise value through rent reviews and lease re-gears.

AEWU is currently paying a dividend of 8p per share p.a. and targets a total annual return, over the medium term, in excess of 12% on the IPO issue price, net of all fees.

Real estate investment specialist AEW UK Investment Management LLP is a joint venture between the management team, which together has an average of 25 years of real estate experience, and AEW Europe, which has €19.1 billion of real estate assets under management. AEW UK Investment Management LLP has a strong and expert asset management team, with a proven record of identifying and delivering value from real estate assets across all sectors.

[www.aewukreit.com](http://www.aewukreit.com)

### Enquiries

#### AEW UK

Alex Short

[alex.short@aeweurope.com](mailto:alex.short@aeweurope.com)

+44(0) 20 7016 4880

Nicki Gladstone

[nicki.gladstone-ext@aeweurope.com](mailto:nicki.gladstone-ext@aeweurope.com)

+44(0) 20 7016 4880

#### Company Secretary

Benjamin Hanley, Capita Company Secretarial Services

[Benjamin.Hanley@capita.co.uk](mailto:Benjamin.Hanley@capita.co.uk)

+44(0) 1392 477 653

#### FTI Consulting

Richard Sunderland, Claire Turvey, Richard Gotla

[aewuk@fticonsulting.com](mailto:aewuk@fticonsulting.com)

+44(0) 2037 271 000