

RNS Miscellaneous



VALUATION UPDATE AND NOTICE OF HALF YEAR RESULTS

[SUPERMARKET INCOME REIT PLC](#)

Released 07:00:07 23 February 2023

RNS Number : 7748Q
Supermarket Income REIT PLC
23 February 2023

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SUPERMARKET INCOME REIT PLC
(the "Company")
LEI: 2138007FOINJKAM7L537

VALUATION UPDATE AND NOTICE OF HALF YEAR RESULTS

Supermarket Income REIT plc (LSE: SUPR), the real estate investment trust providing secure, inflation-linked, long income from grocery property in the UK, announces an update to the Company's unaudited valuation of its Direct Portfolio¹ as at 31 December 2022.

- The Direct Portfolio has been independently valued as at 31 December 2022 at £1,625 million, representing a decline of 13.3% on a like-for-like basis over the six month period.
- The valuation reflects a net initial yield of 5.5% as at 31 December 2022 (30 June 2022: 4.6%)².

The decline in valuation reflects the outward shift in property yields applied by valuers as a result of higher interest rates and the overall macroeconomic environment. However, the valuation decline has been partially mitigated by our contractual inflation-linked rental uplifts. The average increase in rent from rent reviews performed during the six month period to 31 December 2022 was 3.7%³.

Ben Green, Director of Atrato Capital Limited, the Investment Adviser to Supermarket Income REIT plc, said:

"Supermarket property has been less volatile than the broader UK property market but has not been immune to the outward yield shift experienced across investment markets.

We have the advantage of operating in the non-discretionary spend grocery sector which continues to outperform the wider economy.

Our high quality, future proof, omnichannel supermarket property portfolio will continue to deliver stable, long term, inflation-linked income for our shareholders."

Notice of Results

The Company will announce its half year results for the six month period ended 31 December 2022 on 30 March 2023. An in-person presentation for sell-side analysts and investors will be held at 8.30 a.m. on the day of the results. The presentation will also be viewable via a webcast with a Q&A function for those unable to attend in-person.

Those wishing to attend in-person or virtually via the webcast should contact FTI Consulting using the details below.

Further information regarding the results and presentation will also be made available on the Supermarket Income REIT website here: <https://www.supermarketincomereit.com/financial-publications>.

FOR FURTHER INFORMATION

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NOTES TO EDITORS:

Supermarket Income REIT plc (LSE: SUPR) is a real estate investment trust dedicated to investing in grocery properties which are an essential part of the UK's feed the nation infrastructure. The Company focuses on grocery stores which are omnichannel, fulfilling online and in-person sales. All of the Company's supermarkets are let to leading UK supermarket operators, diversified by both tenant and geography.

The Company provides investors with attractive, long-dated, secure, inflation-linked, growing income with the potential for capital appreciation over the longer term and targets a 7% to 10% p.a. total shareholder return over the medium term⁽⁴⁾. The Company has increased its dividend every year since IPO.

The Company is listed on the premium segment of the Official List of the UK Financial Conduct Authority and its Ordinary Shares are traded on the Main Market of the London Stock Exchange, having listed initially on the Specialist Fund Segment of the Main Market on 21 July 2017.

Atrato Capital Limited is the Company's Investment Adviser.

Further information is available on the Company's website www.supermarketincomereit.com

¹ Direct portfolio valuation as at 31 December 2022 excludes one supermarket property presented as a financial asset at amortised cost under IFRS, valued at £10.6m. The Company owns 50 supermarkets in total, with a weighted average unexpired lease term (WAULT) of 14 years, of which 80% of rent reviews are inflation-linked. The Direct Portfolio excludes the Company's investment in the Sainsbury's Reversion Portfolio.

² Cushman & Wakefield valued the Direct Portfolio as at 31 December 2022, in accordance with the RICS Valuation - Global Standards which incorporate the International Valuation Standards and the RICS UK Valuation Standards edition current at the valuation date. The properties were valued individually without any premium/discount applying to the portfolio as a whole.

³ Average annualised increase for rents subject to an inflation-linked review during the period 1 July 2022 to 31 December 2022.

⁴ There is no certainty that these illustrative projections will be achieved.

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