

SIRIUS REAL ESTATE LIMITED

(Incorporated in Guernsey)

Company Number: 46442

JSE Share Code: SRE

LSE (EUR) Share Code: ESRE

LSE (GBP) Share Code: SRE

ISIN Code: ISIN GG00B1W3VF54

("Sirius Real Estate", "Sirius" or the "Company")

RESULTS FOR THE YEAR ENDED 31 MARCH 2020 AND DIVIDEND DECLARATION

1. SALIENT FEATURES

- Profit before tax €110.8 million (2019: €144.7 million)
- Strong like for like annualised rent roll increase of 6.1% (2019: 7.1%)
- Like for like increase in rental rate per square meter of 4.1% to €6.07 (2019: €5.83)
- Excellent operational performance with funds from operations ("FFO") growing by 15.1% to €55.7 million (2019: €48.4 million)
- Like for like book value increase of 9.9% (2019: 13.3%)
- NAV per share increased by 8.9% to 77.35c (2019: 71.01c) and EPRA NAV per share increased 7.8% to 80.62c (2019: 74.82c)
- Completion of sale of seed portfolio into Titanium venture and first acquisition completed for €58.9m
- €190.0 million generated through Titanium, financing activity and asset recycling
- €120.0 million of acquisitions completed in the period
- Net LTV of 32.8% (2019: 32.4%)
- Average cost of debt reduced to 1.5% (2019: 2.0%) and first unsecured debt facility completed
- Basic earnings per share decreased by 25.3% to 9.55c (2019: 12.78c)
- Headline earnings per share increased by 4.2% to 4.51c (2019: 4.33c)
- Final dividend of 1.80c per share authorised giving total dividend for the year of 3.57c (based on blended 66% of FFO pay-out) an increase of 6.3% on the 3.36c dividend for the year ended 31 March 2019 (based on 70% of FFO pay-out)

Commenting on the Results Andrew Coombs, Chief Executive Officer of Sirius Real Estate, said:

“It’s good to be reporting another successful year, having achieved our sixth consecutive year of greater than 5 per cent annual organic growth in our rent roll and 15 per cent growth in funds from operations, our key measure of operational performance.

“While we look to the future with caution, due to the uncertainties created by Covid-19, I believe the Company is well placed to endure the economic difficulties being created by the crisis and also take advantage of opportunities with our strong balance sheet. We remain focused on delivering attractive risk-adjusted returns by way of active asset management throughout the property cycle. With our significant cash resources available to make acquisitions, further vacancy to develop and reversion potential to capture, Sirius is well positioned to meet the challenges ahead.

“We’ve acquired a further €120 million of additional assets, increasing our presence in our target cities, from which we are confident of extracting significant value by playing to the strengths of our integrated business model and track record of maximising occupation and growing rental levels.

“Taking advantage of the favourable lending conditions during the year, we optimised our capital structure with a number of initiatives that have resulted in a reduction of our average cost of debt to 1.5 per cent from 2.0 per cent.”

2. DIVIDEND

The Board has authorised a dividend in respect of the second half of the financial year ended 31 March 2020 of 1.80c per share representing 65% of FFO, an increase of 4.0% on the equivalent dividend last year, which represented 70% of FFO. The total dividend for the year is 3.57c, an increase of 6.3% on the 3.36c total dividend for the year ended 31 March 2019. The Group has not received any direct state financial assistance in connection with the Covid-19 crisis.

It is expected that, for the dividend authorised in respect of the six month period ended 31 March 2020, the ex-dividend date will be 8 July 2020 for shareholders on the South African register and 9 July 2020 for shareholders on the UK register. It is further expected that for shareholders on both registers the record date will be 10 July 2020 and the dividend will be paid on 20 August 2020. A detailed dividend announcement will be made in due course, including details of a scrip dividend alternative.

3. SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company. It contains only a summary of the information in the full announcement (‘Full Announcement’) and does not contain full or complete details. The Full Announcement can be found at:

<https://senspdf.jse.co.za/documents/2020/JSE/ISSE/SREE/Final20.pdf>

Copies of the Full Announcement is also available for viewing on the Company’s website at <https://www.sirius-real-estate.com/news/regulatory-news/> or may be requested in person, at the Company’s registered office or the office of the sponsor, at no charge, during office hours.

Any investment decisions by investors and/or shareholders should be based on consideration of the Full Announcement, as a whole.

These annual results have been audited by the Company's auditors, Ernst & Young LLP who expressed an unmodified audit opinion thereon. The audit opinion also includes communication of key audit matters. This opinion is available, along with the annual financial statements on the Company's website at www.sirius-real-estate.com.

01 June 2020

Sponsor

PSG Capital

