

Schroder European Real Estate Investment Trust plc

(Incorporated in England and Wales)

Registration number: 09382477

JSE Share Code: SCD

LSE Ticker: SERE

ISIN number: GB00BY7R8K77

("Company")

EARLY REFINANCING OF LARGEST 2023 DEBT EXPIRY

Schroder European Real Estate Investment Trust plc, the Company investing in European growth cities and regions, is pleased to announce that it has completed the early refinancing of the Company's largest debt expiry in 2023, a €14 million loan with VR Bank Westerwald, secured against its Hamburg and Stuttgart office investments.

Competitive financing terms were obtained from five different lenders with VR Bank Westerwald being the most competitive. The refinancing is for 4.75 years and based on a margin of 0.85%, in line with the existing margin. Due to the competitive terms, the Company has elected to extend the facility by a further €4 million. The facility will be drawn on 1 April 2023 with expiry 30 December 2027. The total interest cost has been fixed at the time of signing at 3.80% being the 5-year euro swap rate (2.95%) plus 0.85% margin.

With this new facility, the Company's third-party debt totals €84.7 million across seven loan facilities. This represents a loan to value ("**LTV**") (see footnote 1 below) of c. 30% against the Company's gross asset value (c. 20% net of cash) and well below the LTV prospectus limit of 35% net of cash. All facilities are on a non-recourse lending basis.

Following draw down, the weighted average loan term increases by one year from 1.6 years as of December 2022 to 2.6 years. The Company's blended all-in interest rate increases around 60 basis points from 1.9% to 2.5%. The Company is in various discussions with lenders regarding its other two debt expiries which occur within the next 12 months and is confident in its ability to refinance these loans.

Jeff O'Dwyer, Fund Manager for Schroder Real Estate Investment Management Limited, commented:

"The willingness of VR Bank Westerwald and four other lenders to offer very competitive financing terms for a regear of the current loan facility, even extending the existing loan amount, is indicative of our strong relationship with existing financing partners and good reputation in the market with lenders. It is a sign of confidence that they have in our investment management team with its local multi-sector expertise and the portfolio's exposure to indexed-linked, high quality real estate in growth locations. The Company has a robust balance sheet which is well positioned to offer flexibility to both strengthen the strategy and react to changing market conditions as opportunities arise."

Footnote 1: LTV based on 30 September 2022 independent valuations.

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The Company has a primary listing on the London Stock Exchange and a secondary listing on the JSE Limited.

London

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