



RAVEN PROPERTY GROUP LIMITED

Results for the 6 months ending 30 June 2018





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RESULTS HIGHLIGHTS

NET OPERATING
INCOME

\$79.3 MILLION

UNDERLYING EARNINGS
AFTER TAX

\$3.2 MILLION

BASIC
UNDERLYING EPS

0.5 CENTS

IFRS
BASIC EPS

(6.3) CENTS

INTERIM DISTRIBUTION
PER ORDINARY SHARE

1.25 PENCE

INVESTMENT
PROPERTY (SQM)

1.8 MILLION

INVESTMENT
PROPERTY VALUE

\$1.6 BILLION

REVALUATION
DEFICIT

\$(34.4) MILLION

YEAR END
CASH BALANCE

\$198 MILLION

DILUTED NAV
PER SHARE

76 CENTS

KEY FINANCIALS

Income Statement for the 6 months ended:

| | 30 June 2018 | 30 June 2017 |
|--|--------------|--------------|
| Net Rental and Related Income (\$m) | 79.3 | 69.9 |
| Revaluation (deficit) / surplus (\$m) | (34.4) | 11.6 |
| IFRS (Loss) / Earnings after tax (\$m) | (41.1) | 9.2 |
| Underlying Earnings after tax (\$m) | 3.2 | 15.5 |
| Basic EPS (cents) | (6.3) | 1.4 |
| Distribution per share (pence) | 1.25 | 1.0 |

Balance Sheet at:

| | 30 June 2018 | 31 December 2017 |
|--|--------------|------------------|
| Investment property Market Value (\$m) | 1,557 | 1,593 |
| Adjusted fully diluted NAV per share (cents) | 71 | 77 |
| IFRS fully diluted NAV per share (cents) | 76 | 80 |

PORTFOLIO SUMMARY

AT 30 JUNE 2018

| Operating properties | | | | | |
|----------------------------|---------------|------------|----------------|----------------|------------|
| Location | | Land | GLA | Area let | Occupancy |
| | | Ha | '000 sqm | '000 sqm | % |
| Grade A warehouses | | | | | |
| Moscow | Pushkino | 35 | 213.6 | 191.0 | 89% |
| | Istra | 33 | 206.0 | 189.8 | 92% |
| | Noginsk | 44 | 203.8 | 189.6 | 93% |
| | Sever | 34 | 194.8 | 149.9 | 77% |
| | Klimovsk | 26 | 157.2 | 113.1 | 72% |
| | Krekshino | 22 | 117.8 | 117.1 | 99% |
| | Nova Riga | 13 | 68.0 | 26.2 | 38% |
| | Lobnya | 10 | 51.7 | 51.1 | 99% |
| | Sholokhovo | 7 | 44.9 | 35.3 | 79% |
| | Southern | 2 | 14.0 | 10.8 | 77% |
| | | 226 | 1,271.8 | 1,073.9 | 84% |
| St Petersburg | Shushary | 26 | 147.9 | 137.1 | 93% |
| | Gorigo | 19 | 86.3 | 69.5 | 81% |
| | Pulkovo | 5 | 36.8 | 31.4 | 85% |
| | | 50 | 271.0 | 238.0 | 88% |
| Regions | Novosibirsk | 18 | 121.0 | 116.9 | 97% |
| | Rostov on Don | 19 | 101.4 | 94.6 | 93% |
| | | 37 | 222.4 | 211.5 | 95% |
| Sub-Total Warehouse | | 313 | 1,765.2 | 1,523.4 | 86% |
| Offices | | | | | |
| St Petersburg | Kellerman | 2 | 22.0 | 21.6 | 98% |
| | Constanta | 1 | 15.8 | 15.8 | 100% |
| | Primium | 0 | 11.1 | 11.1 | 100% |
| Sub-Total Office | | 3 | 48.9 | 48.5 | 99% |
| Total Let | | 316 | 1,814.1 | 1,571.9 | 87% |

| Land Bank* | | |
|--------------------------|---------------|------------|
| Location | | Land |
| | | Ha |
| Additional Phases | | |
| Moscow | Lobnya | 6 |
| | Noginsk | 26 |
| | Nova Riga | 25 |
| Regions | Rostov on Don | 27 |
| | | 84 |
| Land Bank | | |
| Regions | Omsk | 19 |
| | Omsk II | 9 |
| | N. Novgorod | 44 |
| | | 72 |
| Total | | 156 |

*Leasehold on the land at Ufa expired on 31 March 2018.
 Remaining land bank is freehold apart from the leasehold on
 10ha in Nova Riga expiring in 2055.

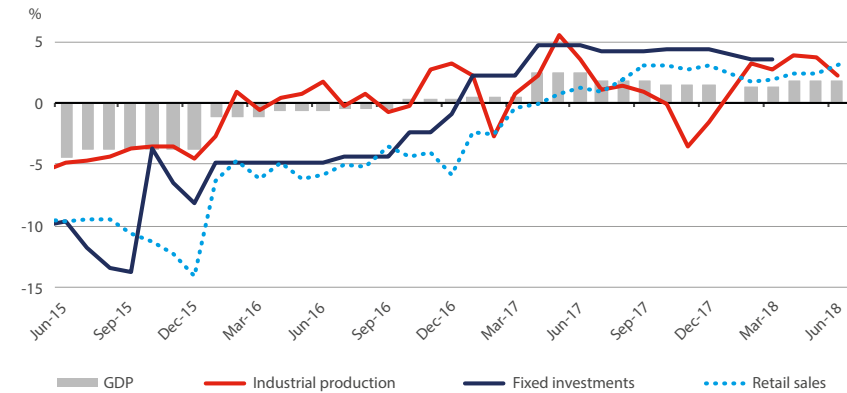


RUSSIAN ECONOMIC UPDATE

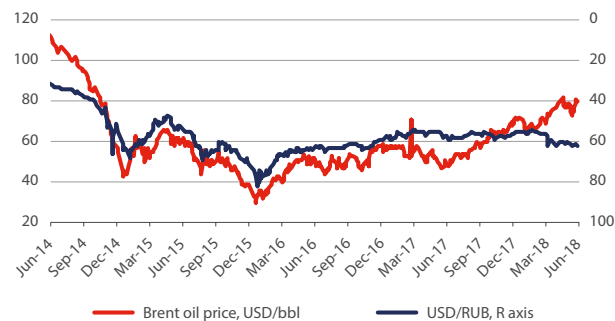
Highlights:

- Low inflation
- Central Bank rates on hold
- Brent trading range over the past 6 months \$62.6 to \$79.8 bbl
- Sanctions impacting rouble

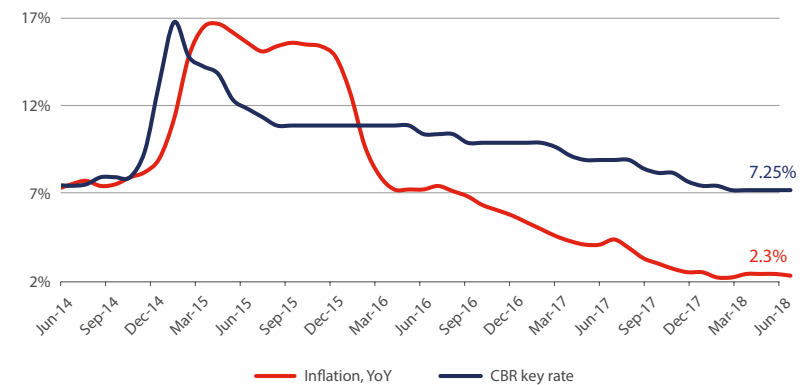
Economic indicators



USD/Rub and Brent



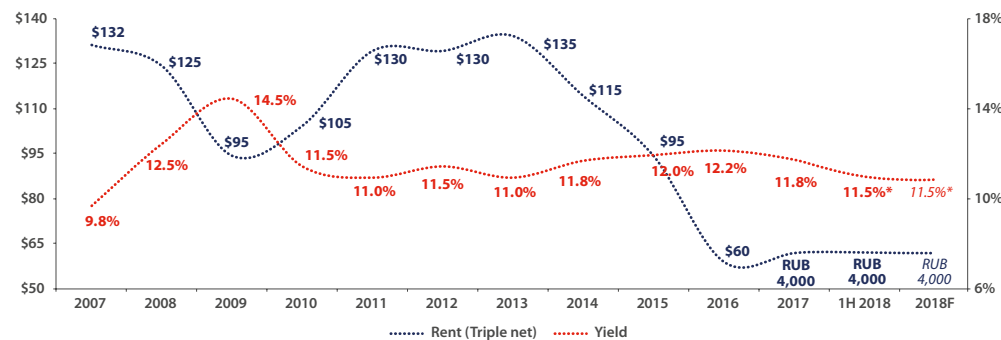
Russian CPI and Policy Rate



PRIME WAREHOUSE MARKET UPDATE

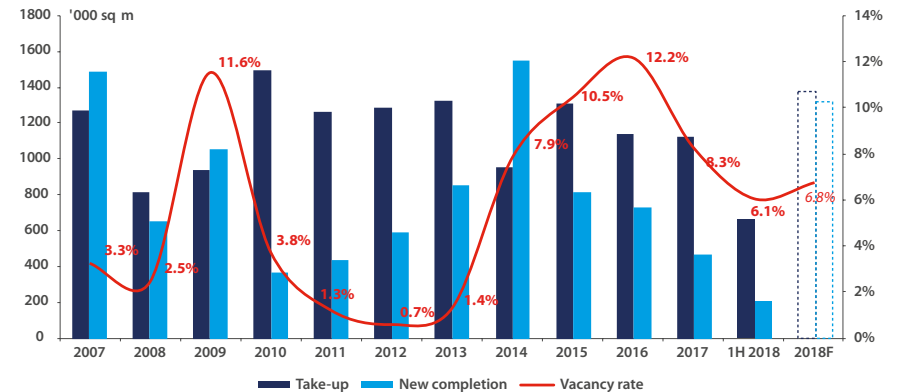
Moscow

Rents and Yields



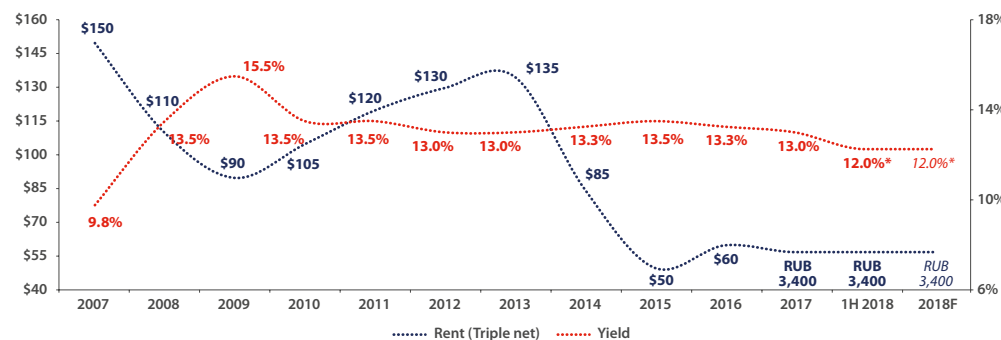
*Average of JLL's yield range of 10.75% - 12.25%

Supply vs Demand and Vacancy dynamics



St Petersburg

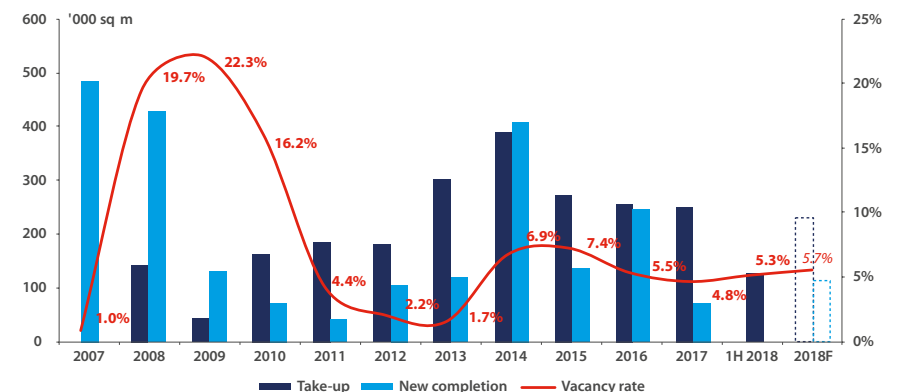
Rents and Yields



*Average of JLL's yield range of 11.25% - 13.25%

Source: JLL Research, H1 2018

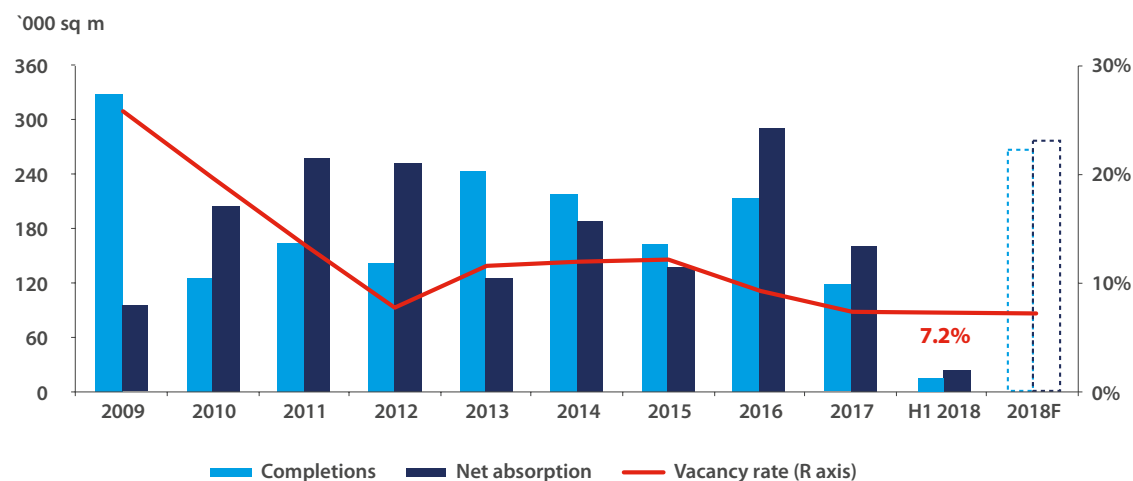
Supply vs Demand and Vacancy dynamics



OFFICE MARKET UPDATE, ST PETERSBURG

| | Class A | Class B | Total |
|--------------------------------------|-------------|-----------|-----------|
| Modern office stock, sqm | 932,350 | 2,215,090 | 3,147,440 |
| Completions, H1 2018, sqm | – | 15,000 | 15,000 |
| Net absorption, H1 2018, sqm | 6,430 | 16,850 | 23,280 |
| Availability, sqm | 50,300 | 177,560 | 227,860 |
| Vacancy rate, % | 5.4% | 8.0% | 7.2% |
| Average rent, RUB/sqm/month (All in) | 1,720 | 1,204 | – |
| Prime yields | 9.25-11.25% | | |

Supply vs Demand and Vacancy dynamics



Source: JLL – St Petersburg Office Market, H1 2018

RESULTS FOR THE 6 MONTHS ENDING 30 JUNE 2018

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LEASING HIGHLIGHTS

- 🐦 Portfolio occupancy of 87% at 30 June 2018
- 🐦 Warehouse GLA denomination: 54% in RUB and 29% in USD
- 🐦 Weighted average term of RUB leases of 3.6 years
- 🐦 Weighted average term of USD leases of 2.6 years
- 🐦 Average RUB rent of 4,900 per sqm

LEASING UPDATE: MATURITIES

Warehouses

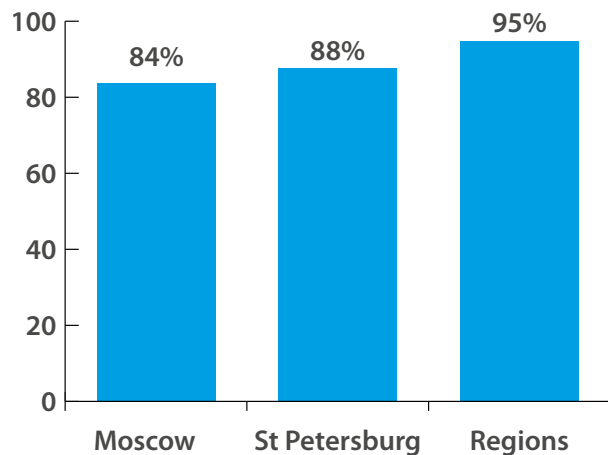
| '000 sqm | 2018 | 2019 | 2020 | 2021-2027 | Total |
|---|------------|------------|------------|------------|--------------|
| Maturity profile at 1 January 2018 | 159 | 247 | 308 | 710 | 1,424 |
| Renegotiated and extended | (28) | (7) | (44) | (37) | (116) |
| Maturity profile of renegotiations | 0 | 13 | 4 | 99 | 116 |
| Vacated/terminated | (33) | 0 | (10) | (11) | (54) |
| New Lettings | 34 | 9 | 0 | 110 | 153 |
| Maturity profile at 30 June 2018 | 132 | 262 | 258 | 871 | 1,523 |
| Maturity profile with breaks | 194 | 332 | 329 | 668 | 1,523 |

Offices

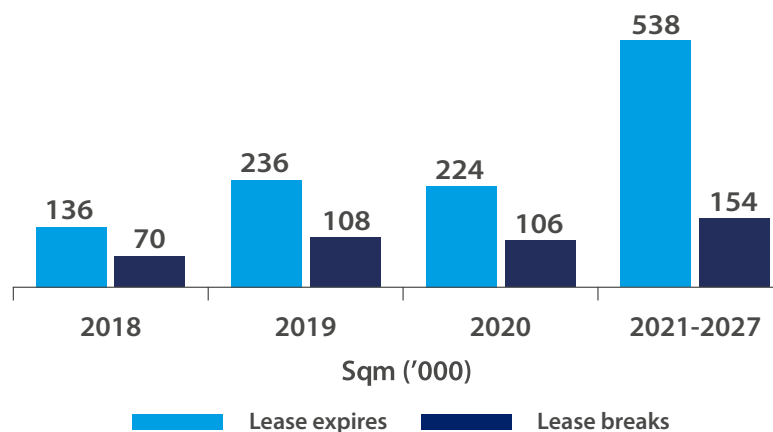
| '000 sqm | 2018 | 2019 | 2020 | 2021-2027 | Total |
|---|-----------|-----------|----------|-----------|-----------|
| Maturity profile at 1 January 2018 | 10 | 13 | 6 | 20 | 49 |
| Renegotiated and extended | (3) | (0) | 0 | 0 | (3) |
| Maturity profile of renegotiations | 0 | 0 | 1 | 2 | 3 |
| Vacated/terminated | (4) | (0) | 0 | 0 | (4) |
| New Lettings | 1 | 1 | 0 | 2 | 4 |
| Maturity profile at 30 June 2018 | 4 | 14 | 7 | 24 | 49 |
| Maturity profile with breaks | 12 | 12 | 1 | 24 | 49 |

LEASING UPDATE

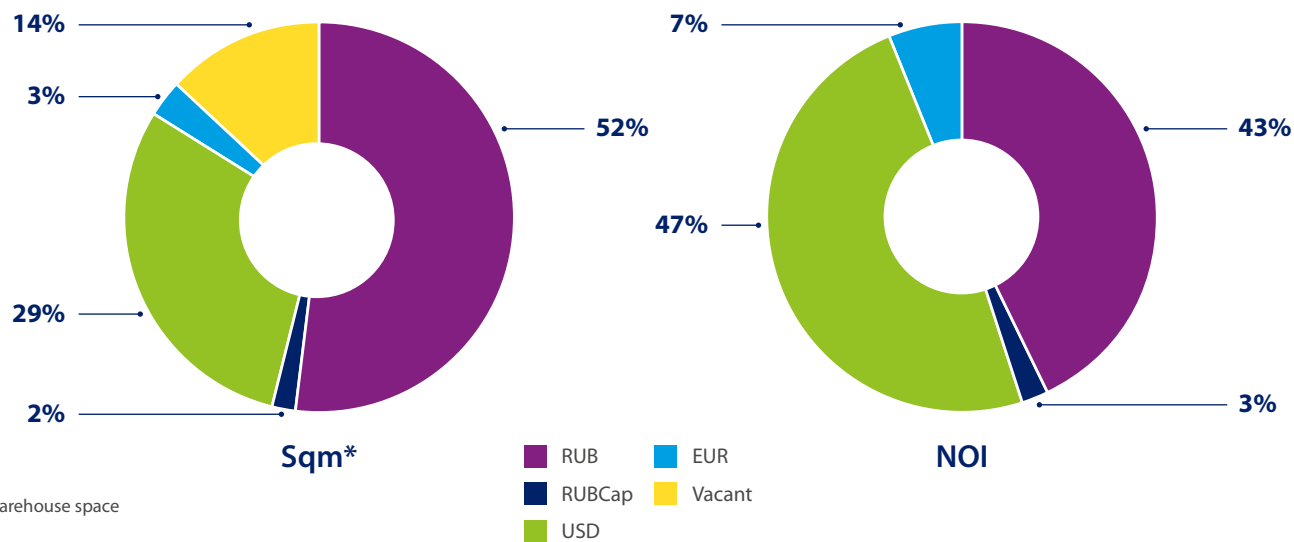
Occupancy by region



Lease Expiries, Space ('000 sqm)



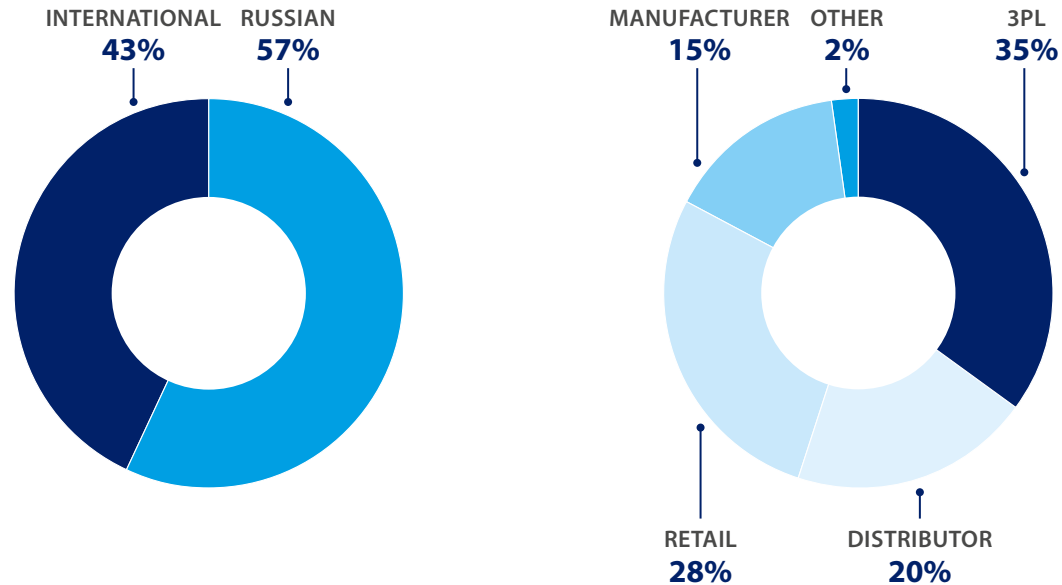
Currency exposure of leases



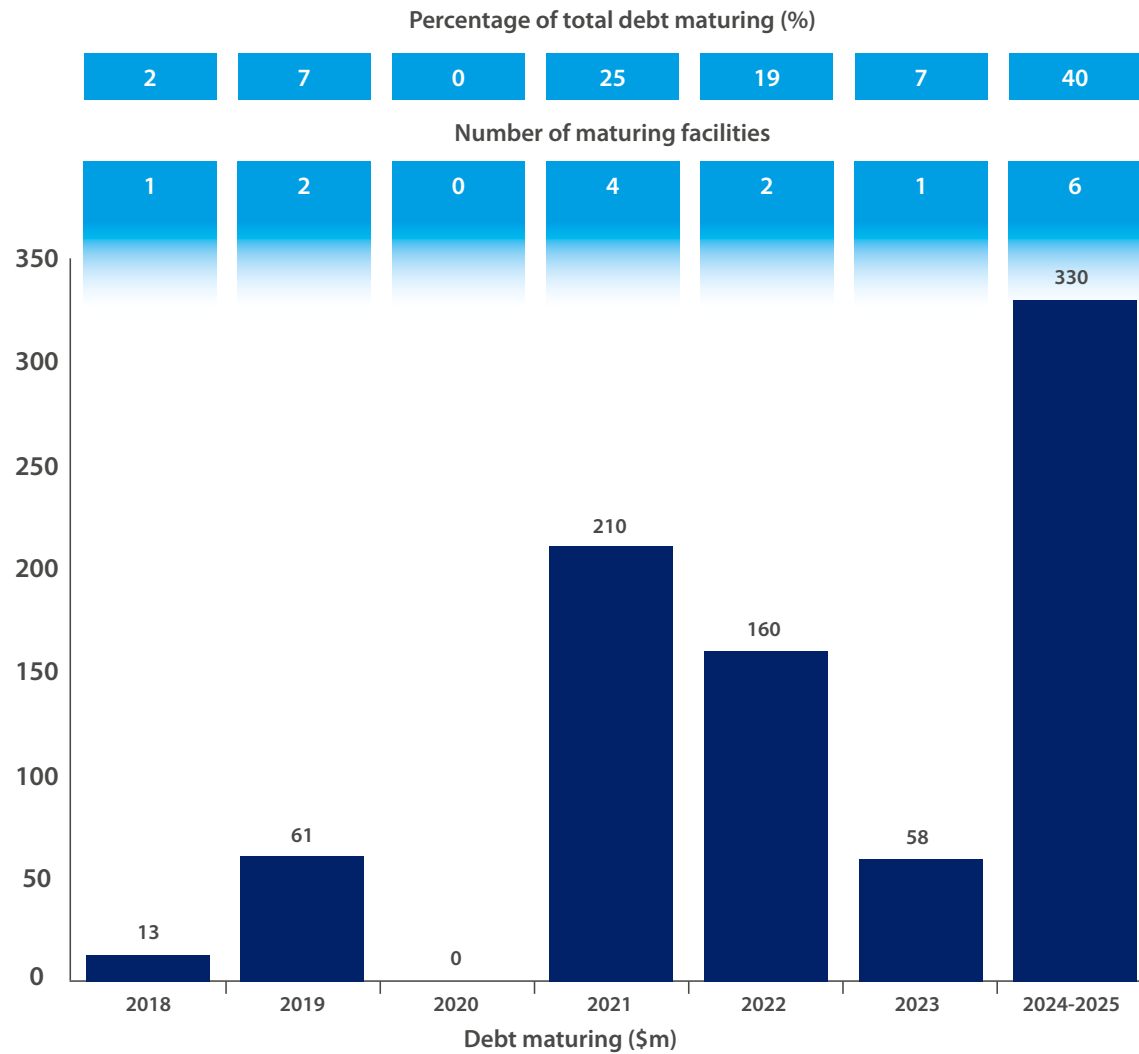
WAREHOUSE TENANT MIX

AT 30 JUNE 2018

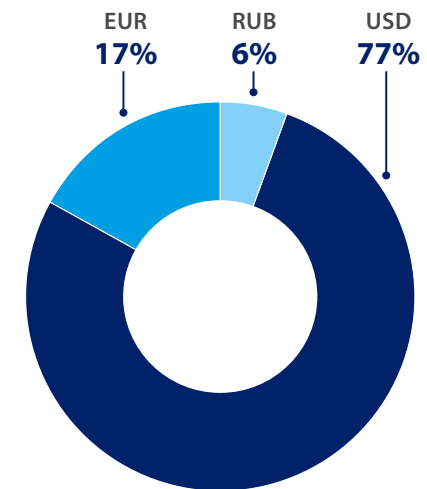
By Sector



DEBT SUMMARY



Facilities' currency breakdown



- Average cost of debt 7.4%
- Weighted average term to maturity of 4.4 years

CAPITAL STRUCTURE AT 30 JUNE 2018

| | |
|---|-------------|
| Ordinary Shares | 637,114,010 |
| Irredeemable Preference Shares (12p annual dividend) | 99,299,603 |
| Convertible Redeemable Preference Shares (6.5p annual dividend) | 198,189,014 |
| Warrants (strike @ 25p, expiry in 2019) | 3,095,004 |

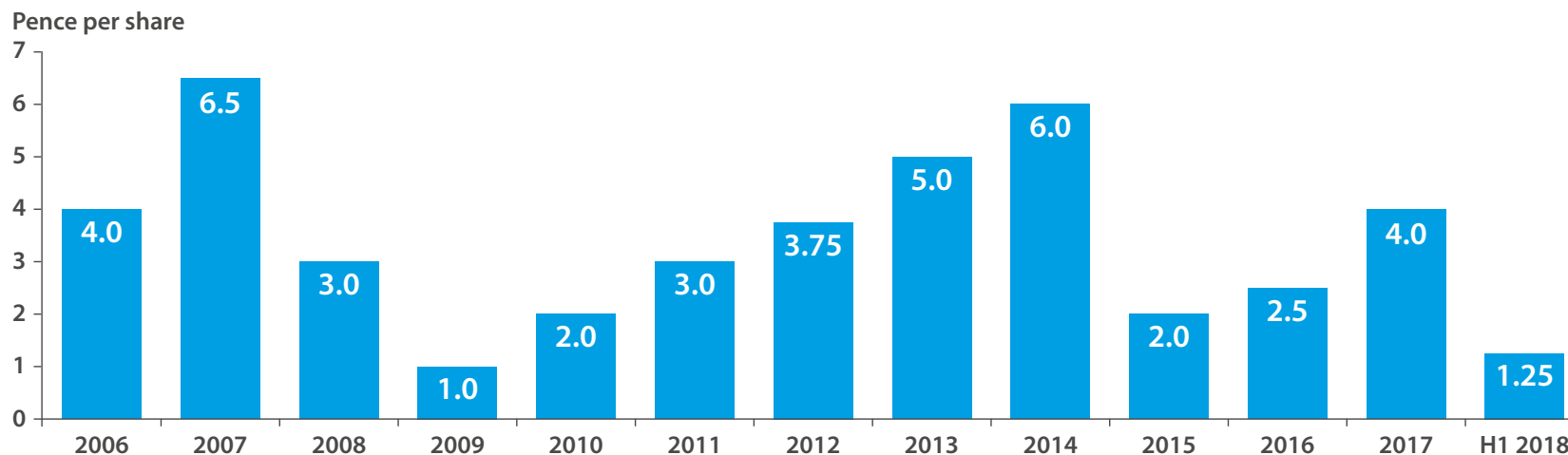
| Institutional and Directors' Shareholdings | Ordinary | | Preference | | Convertible Redeemable Preference | | Warrant | |
|--|--------------------|-------------|-------------------|-------------|-----------------------------------|-------------|------------------|-------------|
| | number | % | number | % | number | % | number | % |
| Invesco Perpetual | 209,685,606 | 32.9 | 41,803,518 | 42.1 | 42,118,860 | 21.2 | | |
| Woodford IM | 83,069,632 | 13.0 | 8,196,481 | 8.3 | 87,719,298 | 44.3 | | |
| JO Hambro | 65,869,269 | 10.3 | | | | | | |
| Raven Property Group Directors & EBT | 58,968,630 | 9.3 | 9,740,092 | 9.8 | 9,986,075 | 5.0 | | |
| Schroder Investment | 56,388,127 | 8.9 | | | | | | |
| Old Mutual Global Investors | 32,109,831 | 5.0 | 12,438 | 0.0 | 46,048,941 | 23.2 | | |
| Progressive Capital Partners | 16,109,686 | 2.5 | | | 2,900,000 | 1.5 | | |
| NBIM | 9,316,695 | 1.5 | | | | | | |
| Legal & General | 8,218,606 | 1.3 | | | | | | |
| Black Rock | 7,339,288 | 1.2 | 256,409 | 0.3 | | | | |
| Aberdeen AM | 4,526,739 | 0.7 | | | | | | |
| Hargreaves Lansdown | 3,437,156 | 0.5 | 5,003,423 | 5.0 | 118,527 | 0.1 | 272,883 | 8.8 |
| Subtotal | 555,039,265 | 87.1 | 65,012,361 | 65.5 | 188,891,701 | 95.3 | 272,883 | 8.8 |
| Others | 82,074,745 | 12.9 | 34,287,242 | 34.5 | 9,297,313 | 4.7 | 2,822,121 | 91.2 |
| TOTAL | 637,114,010 | 100% | 99,299,603 | 100% | 198,189,014 | 100% | 3,095,004 | 100% |

DISTRIBUTIONS

Ordinary and Preference shares cash payments per annum, US\$ '000

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | H1 2018 | Total |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Ordinary | 17,075 | 31,081 | 50,923 | 4,048 | 11,996 | 25,107 | 30,740 | 38,581 | 68,928 | 41,906 | 7,988 | 14,337 | 27,021 | 369,731 |
| Preference | | | | 19,226 | 24,599 | 25,973 | 31,570 | 36,424 | 18,225 | 17,156 | 15,088 | 14,732 | 7,895 | 210,888 |
| Convertible preference | | | | | | | | | | | 4,349 | 13,143 | 8,836 | 26,328 |
| Total | 17,075 | 31,081 | 50,923 | 23,274 | 36,595 | 51,080 | 62,310 | 75,005 | 87,153 | 59,062 | 27,425 | 42,212 | 43,752 | 606,947 |

Distributions declared on Ordinary shares, pence per share



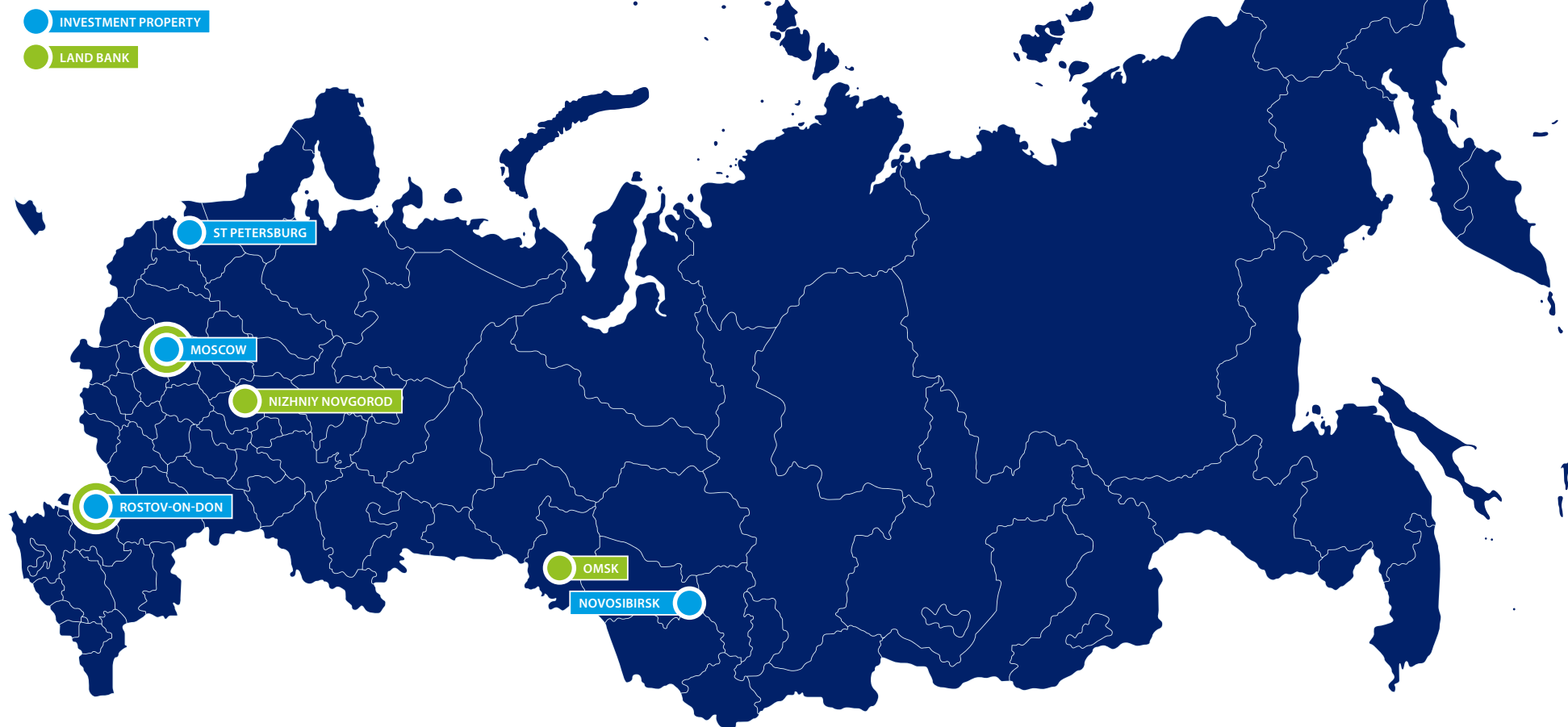
| Share buy backs | Oct-10 | Nov-11 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | H1 2018 | Total to date |
|-------------------------------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|--------------------|
| Number of ordinary shares purchased | 8,677,910 | 4,406,122 | 27,293,896 | 32,194,378 | 52,062,521 | 37,495,681 | 14,705,997 | 21,817,729 | 39,311,181 | 237,965,415 |

ACQUISITION

- 🏢 Contracts signed on 13 August 2018 for the acquisition of Grade A warehouse of 58,851 sqm adjacent to the existing asset, Sever Logistics park. Together, the complex will comprise 253,983 sqm
- 🏢 Consideration, to be satisfied in cash, totals RUR 2.45 billion
- 🏢 Currently 78% let with an unexpired weighted average lease term of 9 years
- 🏢 Current annualized lease income, before indexation, is RUR 231.2 million rising to RUR 271.7 million when fully let
- 🏢 Annual indexation of 6%
- 🏢 Key tenant is a major Russian food retailer

THE PORTFOLIO

RUSSIAN FEDERATION

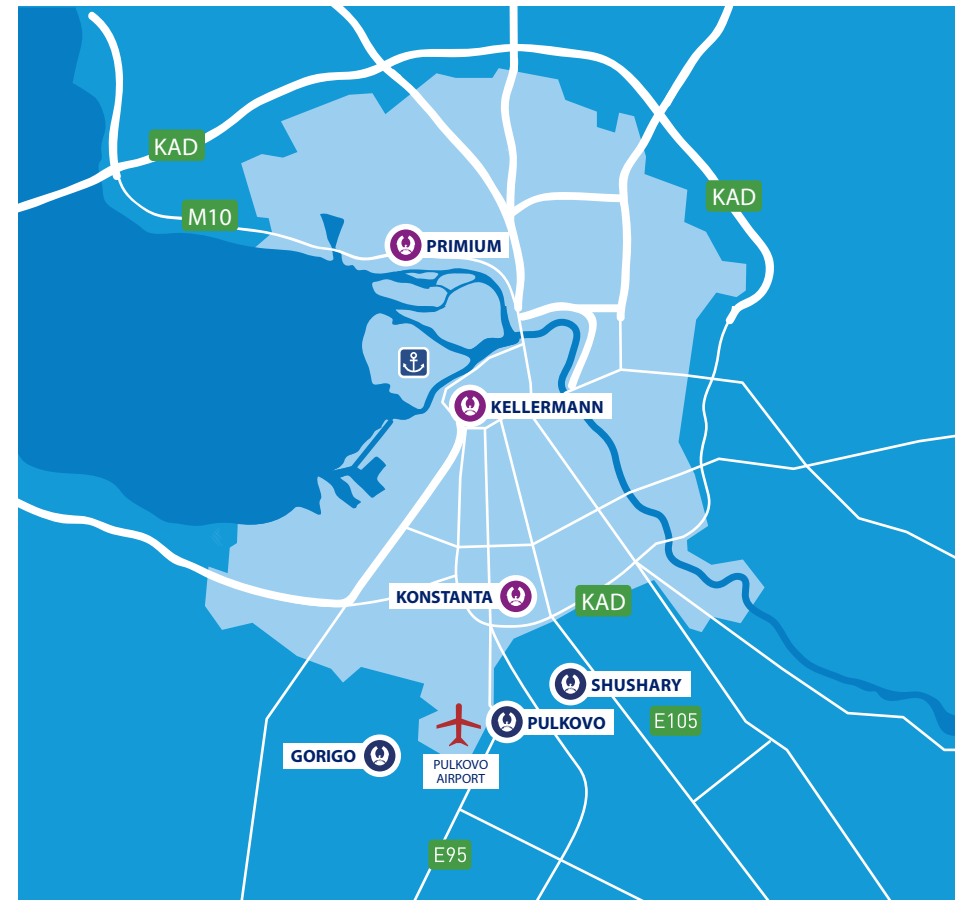


PORTFOLIO REVIEW

Moscow



St Petersburg



Warehouses



Pushkino, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- DHL
- Itella
- Makita
- Megapolis

GLA

213,600 sqm

LOCATION

The property is located on the Yaroslavskoe Highway, approximately 15km from the MKAD in the northeastern part of Moscow Region.





Istra, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- DSV Solutions
- Azbuka Vkusa
- Major Terminal
- Danom
- Bacardi

GLA

206,000 sqm

LOCATION

The property is directly adjacent to the Nova Riga highway, approximately 50km from Moscow city centre, 41km from the MKAD and 8km from the Betonka A107 motorway.





Noginsk, Moscow

DESCRIPTION

Grade A Logistics Warehouse
Complex with 26ha of land suitable
for construction

KEY TENANTS

- X5 Retail Group
- Dixy
- Sportmaster
- ID Logistics

GLA

203,800 sqm

LOCATION

The property is located approximately 55km from the city centre, 44km from the MKAD and 3km from the Betonka A107 motorway. Access is from the Volga highway, which links Moscow to Nizhniy Novgorod. A rail spur serves the site.





Sever, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- R-Pharm
- OBI
- Miratorg
- O'Key
- Major Terminal

GLA

194,800 sqm

LOCATION

The property is located north of Moscow city centre, 35km from the MKAD, 0.5km from the Betonka A107 motorway and 1.5km from the new Moscow-St Petersburg toll highway.





Klimovsk, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- Gradient
- Private Trade (Kupi VIP)
- TM Project (Marvel)
- Danone
- FARM

GLA

157,200 sqm

LOCATION

The property is located to the south of Moscow, approximately 21km from the MKAD in the town of Klimovsk. The project is a short distance from the M2 Simferopolskoye highway, a major route to the south of Moscow.





Shushary, St Petersburg

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- RosLogistics
- Dixy
- Officemag Sbp
- Bbraun
- Amway

GLA

147,900 sqm

LOCATION

The property is located in the Shushary District of St. Petersburg, approximately 15km south of the city centre and 5km from the St Petersburg ring road (KAD) on a motorway linking St. Petersburg to Moscow, close to Pulkovo International airport.





Novosibirsk

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- Pepsi
- Sportmaster
- Wildberries
- Roust Russia
- Elektrosystem
- OSG
- Metro

GLA

121,000 sqm

LOCATION

The property is located on Petukhova Street in the south of the city of Novosibirsk, close to the M51 highway to Moscow, with a rail spur serving the site.





Krekshino, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- Itella
- Gorenje
- S-Import

GLA

117,800 sqm

LOCATION

The property is located in Moscow about 40km to the south west of the city centre, 24km from the MKAD, between the Minsk and Kiev highways. Vnukovo airport, one of the largest airports in Moscow, is located within 15km of the complex.





Rostov-on-Don

DESCRIPTION

Grade A Logistics Warehouse Complex with 27ha of land suitable for construction

KEY TENANTS

- Auchan
- Elektrosystem
- Mars
- Mir Instrumenta
- Mobis Parts CIS
- Tarkett

GLA

101,400 sqm

LOCATION

The scheme is located on the Federal Highway M4 to Moscow, approximately 10km from the city centre and 7km from the airport.





Gorigo, St Petersburg

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- DB Schenker
- Simba Toys
- Orimi

GLA

86,300 sqm

LOCATION

The property is located south of St Petersburg close to Pulkovo International Airport, just 2 km away from the Ring Road and Tallin highway, which provides easy access to the city.





Nova Riga, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex with 25ha of land suitable for construction

KEY TENANTS

- Pernod Ricard
- McKenzie
- Vadan

GLA

68,000 sqm

LOCATION

The property is directly adjacent to the Nova Riga highway allowing easy access to the centre of Moscow, 25km from the MKAD and 5km from the Betonka A107 motorway.





Lobnya, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- Nippon Express
- RosLogistics

GLA

51,700 sqm

LOCATION

The property is located on the Rogachevckoe highway approximately 35km to the north of the Moscow city centre, 20km from the MKAD and 10km north-east of Sheremetyevo airport.





Sholokhovo, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANT

- RosLogistics

GLA

44,900 sqm

LOCATION

The property is located in Myitischensky District of the Moscow Region, on the Dmitrovskoe highway, approximately 16km from the MKAD, and 15km from Sheremetyevo airport.





Pulkovo, St Petersburg

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- SKL
- OSG
- Edil Import
- UPM

GLA

36,800 sqm

LOCATION

The property is located to the south of the city centre on Pulkovskoe highway forming part of the Finland-Russia-Ukraine corridor and in close proximity to the Ring Road (KAD) and 2km from Pulkovo International airport.



Southern, Moscow

DESCRIPTION

Grade A Logistics Warehouse Complex

KEY TENANTS

- Lindex
- A&D Rus
- L'Occitane
- Stomatorg

GLA

14,000 sqm

LOCATION

The property is located in an industrial area of the Southern administrative district of Moscow, approximately 10km from the city centre, around 1km from the Varshavskoye highway and 5km from the MKAD.

Offices



Kellermann, St Petersburg

DESCRIPTION

High quality Office Complex

KEY TENANTS

- Oracle Development
- Baltiyskiy Leasing
- Melon Fashion
- MAERSK

GLA

22,000 sqm

LOCATION

The property is located in historical centre of St Petersburg in Admiralteyskiy district, 15 min drive from the Nevskiy prospect.





Primium, St Petersburg

DESCRIPTION

Class A Office Complex

KEY TENANT

- YIT

GLA

11,100 sqm

LOCATION

The property is located north-west of St Petersburg in Primorskiy district, close to the new Gazprom headquarters.



Konstanta, St Petersburg

DESCRIPTION

Grade B+ office building

KEY TENANT

- LenEnerg

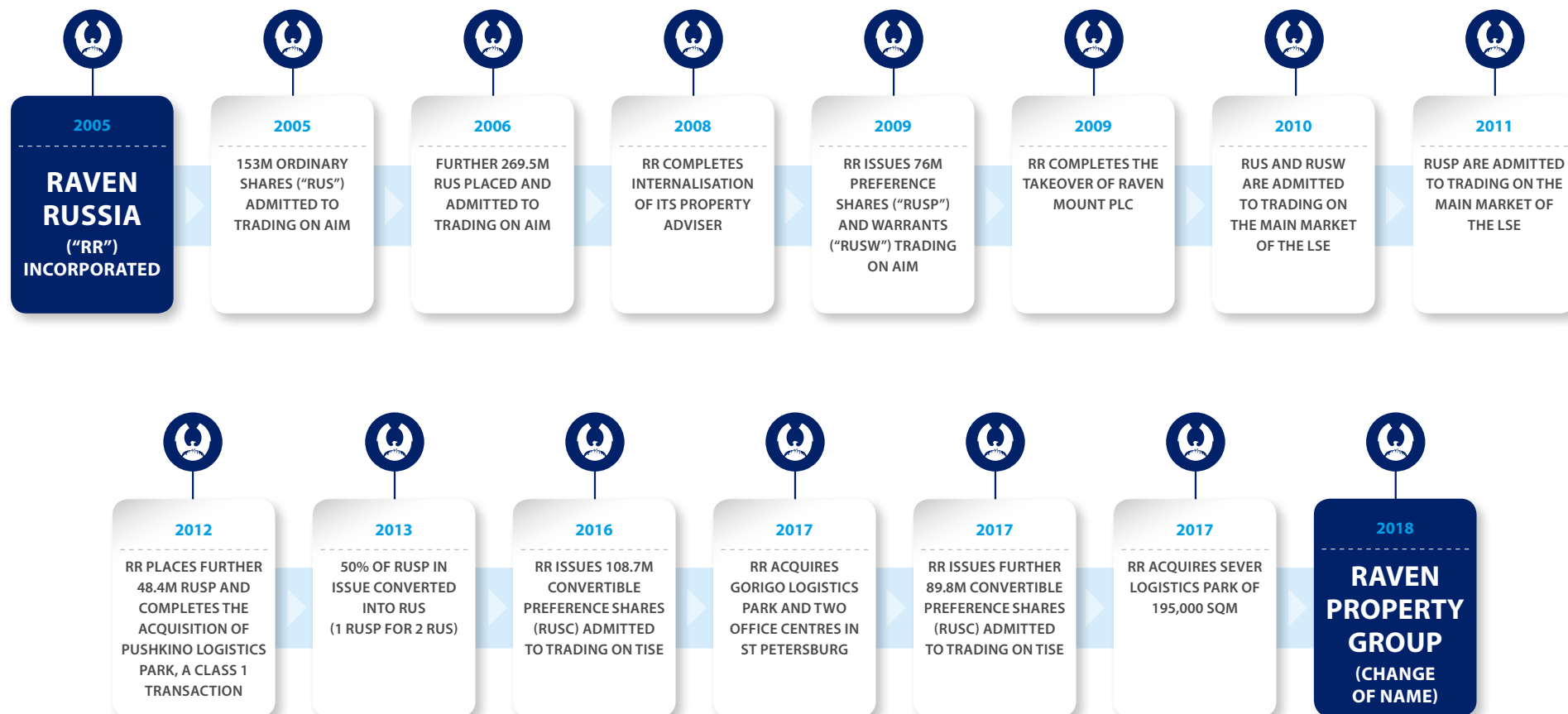
GLA

15,800 sqm

LOCATION

The Konstanta office is located on Leninsky Prospekt in the Moskovskiy district of St. Petersburg, approximately 8km to the south of the city centre. The property is a modernised administrative building, which was converted in 2005 to provide an eight storey, self contained office building for Lenenergo.

CORPORATE HISTORY



Disclaimer

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