



RNS Disposal

£68M Disposal of BCA asset 11% ahead of book value

LXI REIT PLC

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LXi REIT plc

(the "Company" or the "Group")

£68 MILLION DISPOSAL OF BCA FACILITY 11% AHEAD OF LATEST BOOK VALUE

The Board of LXI REIT plc (ticker: LXI), the specialist inflation-protected very long income REIT, is pleased to report that it has exchanged contracts unconditionally for the sale of the Group's BCA facility in Corby for £68 million, reflecting a low exit yield of 4.45%, to a UK pension fund. Completion will occur on 30 November 2020.

The sale price represents an 11% premium to the latest book value of £61 million (31 March 2020) and generates an attractive geared 14% pa IRR.

The sale follows the Company's proactive re-gear of the BCA lease in July 2020 - which increased the remaining term from 16 years to 25 years, at no cost to the Company - and reflects the Company's view that the asset's value has been maximised.

The Company is under offer and in solicitors' hands on a range of pre-let forward funding and built asset acquisitions which will fully deploy in short order the proceeds of the BCA sale across a number of long-let, index-linked assets secured to strong tenant covenants in robust sectors at a materially higher entry yield. Further details will be provided shortly.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The Company's LEI is: 2138008YZGXOKAXQVI45

NOTES:

LXI REIT plc invests in UK commercial property assets let, or pre-let, on very long (typically 20 to 30 years to expiry or first break), inflation-linked leases to a wide range of strong tenant covenants across a diverse range of robust property sectors.

The Company may invest in fixed-price forward funded developments, provided they are pre-let to an acceptable tenant and full planning permission is in place. The Company will not undertake any direct development activity nor assume direct development risk.

The Company is targeting a quarterly dividend of 1.35 pence per ordinary share for the quarter that commenced on 1 July 2020* and a quarterly dividend of 1.44 pence per ordinary share for the quarter that commenced on 1 October 2020.*

The Company, a real estate investment trust ("REIT") incorporated in England and Wales, is listed on the premium listing segment of the Official List of the UK Listing Authority and was admitted to trading on the main market for listed securities of the London Stock Exchange in February 2017.

The Company is a constituent of the FTSE 250, EPRA/NAREIT and MSCI indices.

Further information on the Company is available at www.lxireit.com

* These are guidance levels or targets only and not a profit forecast and there can be no assurance that they will be met.

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