

NAV, Dividend Declaration And Trading Update

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Impact Healthcare REIT PLC
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Impact Healthcare REIT plc

("Impact" or the "Company" or, together with its subsidiaries, the "Group")

NET ASSET VALUE, DIVIDEND DECLARATION AND TRADING UPDATE

The Board of Directors of Impact Healthcare REIT plc (the "**Board**") (ticker: IHR), the real estate investment trust which gives investors exposure to a diversified portfolio of UK healthcare real estate assets, in particular care homes, is pleased to provide the following update for the quarter ended 30 September 2018.

Highlights

- Unaudited Net Asset Value ("**NAV**") at 30 September 2018 of £196.6 million, 102.30 pence per share (NAV at 30 June 2018: £196.1 million, 102.03 pence per share).
 - NAV at IPO in March 2017 of 98 pence per share.
 - Total NAV return since IPO has been 12.4%, 8.7% annualised.
- The Board has today declared an interim dividend of 1.50 pence per ordinary share for the period from 30 June 2018 to 30 September 2018, payable on 23 November 2018 to shareholders on the register on 2 November 2018. The ex-dividend date will be 1 November 2018. This dividend will be a Property Income Distribution ("**PID**").
 - This will be the Company's sixth quarterly dividend of 1.5 pence per share since IPO on 7 March 2017, delivering on its dividend target, and we remain on track to deliver an annual dividend of 6.0 pence per share for the current year⁽¹⁾.
 - The incremental investments delivered in the quarter continue to be accretive to shareholder returns and set the Company on a clear course to a fully covered dividend.
- The Group's property portfolio ("**Portfolio**") value increased by 7.3% or £13.6 million to £197.9 million in the period from 30 June 2018 to 30 September 2018 (valuation as at 30 June 2018: £184.3 million), which includes £9.9 million of acquisitions and £2.6 million in capital expenditure funding on capital improvements to the Portfolio. There were no rent reviews in the quarter and correspondingly only a marginal increase in the underlying market value of the Portfolio of 0.6%, or £1.1 million. Investments yields have been left broadly unchanged.
 - The Portfolio comprised 67 residential care homes (3,139 beds) let to five tenants⁽²⁾ on fixed-term leases of 20 to 25 years (no break clauses), subject to annual upward-only Retail Price Index-linked rent reviews (with a floor and cap at 2% p.a. and 4% p.a., respectively).
 - The Portfolio has an annualised contracted rent roll of £15.8 million up from £14.5 million last quarter as a result of capital expenditure commitments and the completed acquisitions detailed below.
 - The Group committed to two acquisitions announced in the quarter and at the quarter end has three assets which have exchanged and are due to complete in the near future. These will bring the Group's annualised rent roll to £16.8 million, across 70 residential care homes (3,351 beds) with five tenants.
 - In August, the Group exchanged contracts for five purpose-built high-quality care homes in the North-East of England leased to Careport, a new tenant. Four of these completed shortly before the quarter end contributing 159 of the 218 beds.
 - In September, the Group exchanged contracts to acquire a single asset, Yew Tree, with 76 beds, which will be leased to Prestige Care Group, one of our existing tenants. We are awaiting CQC registration prior to completing on this asset.
 - In October, just after the end of the quarter, regulatory approvals were received which enabled the Group to complete on the acquisition of a 77-bed home, which is now our third home leased to Prestige.
- Our current loan to value is 11.2%, similar to our position in June 2018. The Company has invested or committed the majority of the £240 million of equity and debt capital raised since its IPO in March 2017 and is now substantially fully invested. The Group is continuing to make good progress on its strong identified pipeline of care home portfolio investment opportunities.

Rupert Barclay, Chairman of Impact Healthcare REIT plc, commented:

"The Group continues to add additional attractive assets to its portfolio which we expect will deliver growth in income alongside capital appreciation from asset management opportunities. We continue to make progress on and grow a strong identified pipeline of exciting new investment opportunities in the care home sector in line with our investment criteria and returns profile."

¹ This is a target only and not a profit forecast. There can be no assurance that the target will be met and it should not be taken as an indicator of the

Company's expected or actual results.

² Minster, Croftwood (both subsidiaries of Minster Care Group), Prestige, Welford and Careport.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Further information on Impact Healthcare REIT is available at www.impactreit.uk.

NOTES:

Impact Healthcare REIT plc is a real estate investment trust ("REIT") which aims to provide shareholders with an attractive return, principally in the form of quarterly income distributions and with the potential for capital and income growth, through exposure to a diversified portfolio of healthcare real estate opportunities, in particular residential care homes. The Group's investment policy is to acquire, renovate, extend and redevelop high quality healthcare real estate assets in the UK and lease those assets primarily to healthcare operators providing residential healthcare services under full repairing and insuring leases.

The Group has declared or paid six quarterly dividends of 6.0 pence per share since IPO on 7 March 2017.

The Group's Ordinary Shares were admitted to trading on the main market of the London Stock Exchange, Specialist Fund Segment, on 7 March 2017.

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