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Assura PLC

03 October 2016

## **Assura plc**

### **Trading Update For the first half to 30 September 2016**

#### **Continued portfolio growth and new unsecured long-term facilities agreed**

Assura plc ("Assura"), the UK's leading primary care property investor and developer, today publishes a trading update for the first half to 30 September 2016.

#### **Value enhancing investment activity**

Assura has made further progress in the first half of the year acquiring and developing assets in line with the plan outlined at the time of its October 2015 equity fundraising. During the period, Assura completed the acquisition of 41 medical centres for a gross consideration of £81 million with a passing rent roll of £4.9 million and a weighted average unexpired lease length of 13.5 years. In addition, two developments were completed with a valuation of £13.8 million and a passing rent roll of £0.7 million.

Assura has a further pipeline of individual asset acquisitions and developments currently in solicitors' hands worth £114 million.

#### **Rental income increased**

Assura now owns 363 medical centres with a total annualised rent roll of £70.0 million (31 March 2016: £63.8 million), with growth in the financial year to date driven primarily by acquisitions. Furthermore, Assura is maximising income through active asset management; the letting of vacant space has been a particular focus in the first half with £0.4 million in new lettings secured in the period.

The weighted average annual rent increase was 1.60% on the basis of 64 reviews settled in the first half, of which open market rent reviews were 1.11%.

#### **New long-term unsecured facilities agreed**

Assura has signed agreements with Pricoa Capital Group and MetLife to issue unsecured ten-year notes for a total of £100 million. The issue will be Assura's first in the US private placement market and enhances the company's capacity for further investment through a new source of long-term

funding at an attractive rate. The notes are at a fixed rate of 2.65% and the unsecured funding increases operational flexibility and reduces transaction costs associated with financing properties. The funds will be drawn on 13 October 2016.

On 18 May 2016 Assura agreed a new £200 million revolving credit facility on an unsecured basis to replace the previous facility. The initial margin was 150 basis points, which was a reduction of 20 basis points from the previous facility. Undrawn facilities, excluding the new notes referred to above, currently stand at £75 million.

At 30 September 2016, Assura's borrowings stood at £447.2 million, with a weighted average cost of debt of 4.30% (31 March 2016: 4.84%) and a weighted average debt maturity of 8.6 years. At the same date, Assura's proforma net loan to value ratio was 36% (31 March 2016: 30%), below the medium term LTV range of 40% to 50%.

Simon Laffin commented:

"In the first half of the year Assura has continued its strong growth. The Group also has a good pipeline of opportunities, and is well positioned to provide the high quality space that is so necessary for the primary care sector and the wider NHS."

- Ends -

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**Notes to Editors**

Assura plc, a constituent of the FTSE 250, is a UK REIT and long-term investor in and developer of primary care property. The company, headquartered in Warrington, works with GPs, health professionals and the NHS to create innovative property solutions in order to facilitate delivery of high quality patient care in the community. At 31 March 2016, Assura's property portfolio was valued at £1,111 million.

Further information is available at [www.assurapl.com](http://www.assurapl.com)

Pricoa Capital Group is a trading name of PGIM, Inc., the principal asset management business of Prudential Financial, Inc. Prudential Financial, Inc of the United States is not affiliated with Prudential plc, a company incorporated in the United Kingdom

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