

Fund Highlights

- Acquired 15 properties for £81.30m since launch
- Secured a £40m 5 year term loan facility with RBS International
- Over 80% of capital invested



Who we are

AEW UK REIT plc (the "Company") is a real estate investment trust established in May 2015. The Company is listed on the premium listing segment of the Official List of the UK Listing Authority and the shares are traded on the Main Market of the London Stock Exchange.

The assets of the Company are managed by AEW UK Investment Management LLP ("AEW UK"). AEW UK is a 50/50 joint venture between AEW Global Limited and the AEW UK Senior Management Team. AEW Global Limited are amongst the largest real estate investment managers in the world with €44.6bn in global assets under management and are part of the Natixis Global Asset Management Group. The AEW UK Senior Management Team are an experienced team with an average of 17 years working together and manage funds and separate accounts totalling £760m of assets under management.

Alex Short, Portfolio Manager commented, "We are continuing to see a strong pipeline of attractive deals for this strategy, remembering that our approach for this Fund is to seek out mispriced assets that are well located and have strong underlying tenant demand. We are targeting lot sizes below £15m and this is delivering a significant yield advantage across all sectors. We are on target to meet the acquisition timetable as set out to investors prior to launch."

Investment Strategy

The Company currently intends to exploit what it believes to be the compelling relative value opportunities offered by pricing inefficiencies in smaller commercial properties let on shorter occupational leases. The Company intends to supplement this core strategy with asset management initiatives to upgrade buildings and thereby improve the quality of income streams.

Investment Acquisitions 31 August 2015–31 October 2015

11/15 Fargate & 18/36 Chapel Walk, Sheffield
40,128 sq ft over eight retail units with the upper floors currently providing vacant office accommodation with potential for conversion to student housing, subject to planning. The property is multi let providing a WAULT of 3.8 years to break and 5.3 years to expiry. Purchased for £5.30m, 8.3% net initial yield.



Sarus Court, Runcorn
A 56,153 sq ft industrial estate located in an established industrial location. The property is fully let to two tenants providing a WAULT of 3.8 years to break and 5.2 years to expiry. Purchased for £3.37m, 8.0% net initial yield.



Barnstaple Retail Park, Barnstaple
50,450 sq ft retail park. The property is fully let to 3 tenants providing a WAULT of 7.3 years to break and 8.6 years to expiry. Purchased for £6.79m, 8.5% net initial yield.



Post Period Acquisitions during November 2015

Eagle Road, Redditch
A 37,833 sq ft industrial warehouse located on the established North Moons Industrial Estate. The property is fully let providing a WAULT of 13 years to expiry. Purchased for £2.00m, 9.5% net initial yield.



Castlegate Business Park, Salisbury
A 43,207 sq ft industrial warehouse located on the established Castlegate Business Park. The property is fully let providing a WAULT of 1 year to break and 6 years expiry. Purchased for £2.00m, 11.3% net initial yield.



NCRC Portfolio
Three single let industrial warehouses totalling 65,500 sq ft located in Manchester (Swinton and Mossley) and Milton Keynes. The properties are fully let providing a WAULT of 8 years to expiry. The portfolio was purchased for £3.06m, 8.3% net initial yield.



Langthwaite Business Park, South Kirkby
Comprises two neighbouring industrial warehouses totalling 221,145 sq ft on the well-established Langthwaite Business Park. The properties are fully let to a single tenant providing a WAULT of approximately 1 year to break and 2.5 years to expiry. Purchased for £5.80m, 11.0% net initial yield.



Fund Facts as at 31st October 2015

Portfolio Manager
Alex Short

Investment Objective

The investment objective of the Company is to deliver an attractive total return to Shareholders from investing predominately in a portfolio of smaller commercial properties in the United Kingdom.

Launch date: 12 May 2015

Fund structure: UK Real Estate Investment Trust

Year end: 30 April

Fund size (Net Asset Value): £97.6m

Property valuation: £81.30m (of which £9.94m is represented by AEW UK Core Property Fund)

Number of properties acquired: 15

Property portfolio net initial yield (% p.a.): 8.79%

Property portfolio reversionary yield: 8.5%

LTV: 0%

Average weighted unexpired lease term
To break: 4.6 years
To expiry: 6.6 years

Occupancy: 97.1%*

* As a % of ERV

At 31 October 2015

Share price – 101.00

NAV per share – 97.09

Premium/(discount) to NAV +4.0%

Shares in issue: 100.5m

Market capitalisation: £101.51m

Annual management charge
0.9% per annum of invested NAV

Dividends

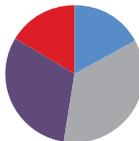
The Company intends to pay dividends on a quarterly basis with dividends declared in February, May, August and November in each year and paid within one month of being declared.

ISIN: GB00BWD24154

Ticker: AEWU

SEDOL: BWD2415

Broker: Dexion Capital plc

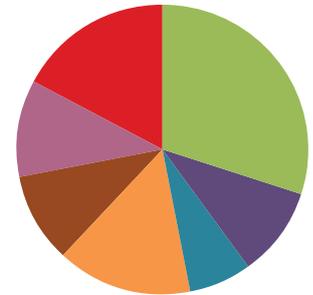


Tenant Exposure

Top Ten Tenants – Risk of Business Failure

Government Body	£625,000	17%
Minimal risk	£1,267,946	35%
Lower than average risk	£1,112,734	31%
Undeterminable risk	£590,000	16%

50% of Portfolio Income represented by top ten tenants. Top ten tenants by Income per annum. Based from D&B Risk Assessment Risk Indicator. "The D&B Rating provides a quick and clear indication of the credit-worthiness of an organisation, which helps you to identify profitable opportunities for growth, and risks that could affect" D&B

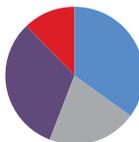


Portfolio Locations

Fund**

South East	30%
West Midlands	10%
North West	7%
Yorkshire & Humber	15%
South West	10%
Northern Ireland	11%
Scotland	17%

**As a percentage of portfolio (excluding cash and the AEW UK Core Property Fund)



Sector Weightings

Fund*

Offices	35%
Industrial	21%
Retail	32%
AEW UK Core Property Fund	12%

*As a percentage of portfolio (excluding cash)

Acquired properties to 31 October 2015*	Location	Sector	Value £m	Initial yield %	Reversionary yield %	WAULT to break/ expiry
AEW UK Core Property Fund			9.94	8.56***	8.92***	4.1/5.3**
Eastpoint Business Park	Oxford	Office	8.50	8.44	8.95	5.5/7.2
Sandford House	Solihull	Office	5.40	7.44	8.51	1.4/3.4
69–75 Above Bar Street	Southampton	Retail	9.25	8.75	5.92	5.7/5.7
Valley Retail Park	Newtownabbey	Retail	7.65	10.45	10.55	3.1/6.7
225 Bath Street	Glasgow	Office	12.20	9.15	9.24	1.9/4.1
Stoneferry Retail Park	Hull	Retail	2.16	10.00	9.21	6.3
710 Brightside Lane	Sheffield	Industrial	3.50	8.55	8.55	9.5/14.5
Vantage Point	Hemel Hempstead	Office	2.17	8.42	8.03	4.6/8.9
Fargate	Sheffield	Industrial	5.30	8.73	8.28	2.9/5.5
Barnstaple Retail Park	Barnstaple	Retail	6.79	8.66	8.14	7.2/8.4
Eagle Road	Redditch	Industrial	2.00	9.53	8.53	12.8
NCRC	Swinton	Industrial	1.28	7.64	7.64	7.8
NCRC	Mossley	Industrial	0.28	11.10	11.10	7.8
NCRC	Milton Keynes	Industrial	1.53	7.66	7.29	7.8
Sarus Court	Runcorn	Industrial	3.36	7.98	7.86	3.7/5.1
			81.30	8.79	8.50	4.6/6.6

*Figures as at Knight Frank Valuation 31 October 2015 (excluding AEW UK Core Property Fund).

Figures as at 30 September 2015 calculated by IPD. *8.3% Dividend yield as at 30 September 2015 calculated by IPD. Initial yield, reversionary yield and WAULT to break/expiry subtotals are weighted averages and exclude investment in AEW UK Core Property Fund. The Company also holds an investment in the AEW UK Core Property Fund that was valued at £9.94m at 31st October 2015.

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