Aberdeen Standard European Logistics Income PLC

Capturing diversified returns through investment in warehouses and other logistics properties across Europe

Half Yearly Report
For the period from incorporation (25 October 2017) to 30 June 2018

Contents

The Company

Aberdeen Standard European Logistics Income PLC (the "Company") is a UK investment trust with a premium listing on the Main Market of the London Stock Exchange. The Company invests in European logistics real estate to achieve its investment objective noted below.
The Company aims to invest in a portfolio of assets diversified by both geography and tenant throughout Europe, predominantly targeting well-located assets at established distribution hubs and within population centres.

The Company was incorporated in England and Wales on 25 October 2017 with registered number 11032222 and launched on 15 December 2017 raising gross proceeds of £187.5m.

Investment Objective

The Company aims to provide a regular and attractive level of income return together with the potential for long term income and capital growth from investing in high quality European logistics real estate.

Company Benchmark

The Company does not have a benchmark.

Investment Manager

The Company has appointed Aberdeen Fund Managers Limited (the "AIFM") as the Company's alternative investment fund manager for the purposes of the AIFM Rules. The AIFM has delegated portfolio management to Aberdeen Asset Managers Limited as Investment Manager (the "Investment Manager"). Pursuant to the terms of the Management Agreement, the AIFM is responsible for portfolio and risk management on behalf of the Company and carries out the on-going oversight functions and supervision to ensure compliance with the applicable requirements of the AIFM Rules. The AIFM and the Investment Manager are both legally and operationally independent of the Company.

Website

eurologisticsincome.co.uk

Highlights and Financial Calendar

Financial Highlights

	30 June 2018
Total assets (€'000)	208,708
Equity shareholders funds (€'000)	208,245
Share price - Ordinary share (pence)	103.5
Net asset value per Ordinary share in cents (pence)	111.1 (98.3)
Premium to net asset value per Ordinary share (%)[1]	5.3

[1] Premium to net asset value is calculated using the share price (£) and net asset value (£).

Performance (total return)[2]

	Since inception to 30 June 2018
Net asset value per Ordinary share (%)	(1.7)
Share price (%)	3.5

[2] Total return represents capital return plus dividends reinvested (based on GBP NAV and share price).

Financial Calendar

26 September 2018	Announcement of unaudited half yearly results
28 September 2018	Payment of first interim dividend for year ending 31 December 2018
October 2018	Half Yearly Report posted to shareholders
December 2018	Payment of second interim dividend for year ending 31 December 2018
March 2019	Payment of third interim dividend for year ending 31 December 2018
April 2019	Announcement of Annual Financial Report for the year ending 31 December 2018
May 2019	Annual Report posted to shareholders
June 2019	Annual General Meeting in London
June 2019	Payment of first interim dividend for the year ending 31 December 2019

Interim Board Report - Chairman's Statement

Overview

I am pleased to present the Company's first half-yearly report.

The Company was launched on 15 December 2017 raising gross proceeds of £187.5 million following a Placing and Offer for Subscription of Ordinary shares (the "IPO").

In accordance with the Company's investment policy, the net proceeds of the IPO are being carefully invested into a diversified portfolio of logistics warehouses in Europe. The Company has invested with the aim of creating a portfolio of assets diversified by both geography and tenant throughout Europe, predominantly targeting good quality, well-located assets at established distribution hubs and within close proximity to cities with excellent transport links. These assets will generate durable income streams in the future and therefore enable the Company to pay an attractive yield when fully invested. At the time of writing, your Company has acquired, or contracted to acquire, five properties, with the expectation of being in a position to announce further purchases shortly. Further details on the Company's portfolio and acquisitions are provided in the Investment Manager's Report.

Financing

The Investment Manager is in the process of exploring options to introduce debt facilities into the portfolio as envisaged in the IPO Prospectus and will update shareholders in due course.

Results and Dividend

The unaudited Net Asset Value ("NAV") per share as at 30 June 2018 was €1.11, prior to adjusting for the first interim dividend of 0.7p per share, compared with the NAV per share of €1.12 immediately following the IPO. The performance for this short period under review results from the substantial cash balances held during the period as the Investment Manager commenced the important investment programme phase. The total operating loss for the Group for the period from the Company's inception date of 25 October 2017 to 30 June 2018 was €1.5m. The total loss for the period after accounting for currency translation on the initial capital proceeds was €1.1m. Net earnings per share for the period were -1.01 cents, which includes the net valuation gain, excluding purchase costs, recognised as a result of the welcome upward revaluation of the investment property in Flörsheim.

On 5 September 2018 the Directors declared a first interim dividend of 0.7p per Ordinary share, in respect of the period from initial launch to 30 June 2018. This is in accordance with the intention stated in the IPO Prospectus to target a first dividend of no less than 0.7p per Ordinary share in respect of the period from initial admission to 30 June 2018. This first interim dividend will be paid on 28 September 2018 to Ordinary shareholders on the register on 14 September 2018 (with an ex dividend date of 13 September 2018). The Company intends to declare quarterly dividends to shareholders, with dividends declared in respect of the quarters ending on the following dates: 31 March, 30 June, 30 September and 31 December in each year. The Company expects to pay, in aggregate, dividends totalling no less than 3.0p per Ordinary share in respect of the period from initial admission to 31 December 2018.

Outlook

The Company has acquired or contracted to acquire five properties which are either closed and income producing (Flörsheim and Ede) or have SPAs signed where the Company is awaiting final closing depending on the delivery date of these new projects (Erlensee, Leon and the French asset). The Company has also entered exclusivity and is in due diligence on four further transactions representing a total value of over €100 million. These assets are located in France, the Netherlands (3) and Sweden. At the same time the Company is involved in the bidding process on several others. The Board has been pleased with the deployment of capital into quality assets across Europe underlining the Investment Manager's capacity to execute such a pan-European strategy thanks to its local offices across all main investment markets in Europe. The Investment Manager's strong pipeline gives confidence that the portfolio will be fully invested within the estimated 12 month timeframe.

The Board and the Investment Manager believe the medium to long term outlook for the logistics sector remains very favourable. Given the strong tailwinds from healthy economic output and structural shifts in consumption patterns, demand drivers are likely to remain supportive, while construction levels remain relatively low. Development finance is still a barrier to a substantial increase in construction, while investors are more cautious of large scale speculative development projects.

Shareholders will be aware that the Company's prospectus contained details of a placing programme that will expire on 16 November 2018. The Board continues to consider the timing of a further fundraising and, in particular, whether a subsequent issue of new shares in this timeframe would be sufficiently beneficial to existing shareholders.

The Board is pleased with the current investment programme and the quality and diversity of the portfolio that our Investment Manager is constructing. However, it is the Board's desire to see the Company grow sensibly in size and it will continue to monitor the conditions required, including yields, quality and outlook for the sector.

I look forward to reporting to you again with the Annual Report to 31 December 2018 which will be issued in April 2019. In the meantime, shareholders can find regular updates from your Investment Manager on the Company's website eurologisticsincome.co.uk.

Pascal Duval
Chairman

26 September 2018

Interim Board Report - Investment Manager's Report

Introduction

Since the Company's launch in December 2017, we have screened more than 100 investment opportunities, including some portfolios, representing a total investment volume of almost €4.5 billion. At the moment, five deals are fully secured and either in the portfolio or have signed SPAs (Sale and Purchase Agreement) that will be closed in the short-term, representing a total net investment volume of €139.4 million with an annualised rental income of €7.9 million and a weighted average unexpired lease term (WAULT) of 8.9 years. At the same time, the Company has four more deals in due diligence which, if secured, will lead to the Company being close to fully invested. In order to close all deals the Company will need to put financing in place and we have therefore sought quotations from several banks in those markets where financing is most competitive.

Portfolio Details

Flörsheim, Germany: The Company was pleased to announce in early January 2018 that it had exchanged contracts to acquire Flörsheim Logistics Park, Frankfurt for a net value of €20.1 million from SEGRO Zehnte Grundbesitz GmbH. This first investment with modern and flexible specifications is in a central location in the Frankfurt Rhine-Main area, one of Germany's strongest economic regions where a very healthy demand for logistic space has resulted in a vacancy rate for logistics below 5%. The asset is located very close to the airport and comprises two high quality logistics warehouses newly constructed in 2015 on a freehold site, is fully let to five logistic tenants and benefits from almost full annual rent indexation (CPI).

Erlensee, Germany: In June 2018 the Company exchanged contracts to acquire a new development in a modern logistics hub located in Erlensee Langendiebach, Frankfurt for an expected net value of €33.4 million (subject to final rental conditions and full occupancy) from regional developer Ferdinand Fäth. This freehold property development will complete in October 2018 and consists of two modern multi-let logistic buildings located within the emerging logistics and distribution hub of Erlensee, on the outskirts of Frankfurt. The location's quality has been recognised by a number of major companies including DS Smith, Dachser Logistics and Wilhelm Brandenburg who have located there. It is expected to become one of the major logistics hubs in the region benefitting from a quality road infrastructure network.

France: In late July 2018 the Company was pleased to announce that it had exchanged conditional contracts to acquire a third new freehold distribution warehouse in France for an expected net value of €44.5 million. Contracts are expected to become unconditional by no later than 30 October 2018 when the Company will be able to disclose further details including its location as well as the identity of the tenant. However, the newly built facility is let to a strong tenant on a fully indexed twelve year lease in a prime location and the property has the versatility required to move to a multi-tenant scenario if required in the future. The high quality specification makes this a very desirable asset giving exposure to the French logistics market in a fast growing region, in an industry that leads regional economic growth and with a strong tenant in a state-of-the-art quality building connected to major motorways.

Leon, Spain: In July 2018 the Company confirmed the signing of an agreement to acquire a new logistics warehouse in the North of Spain for a net value of €15.3 million. The state-of-the-art warehouse is currently under development with completion expected by mid 2019. The property, which is located in a logistics park near Leon city centre and the airport, is well served by motorway connections. Other large occupiers of this park include the Spanish supermarket chain Mercadona and the global wind power solutions provider Vestas. The total size of the property once completed will be approximately 32,600 square metres. On completion, the property is to be fully let to a large international retailer on a fixed ten year lease with annual CPI indexation with the gross yield expected to be 6.9%. It has selected this location due to its central position in the Northwest of Spain, ideal for storage and distribution to its retail shops in this part of Spain.

Ede, Netherlands: In August 2018 a further acquisition was completed for a freehold logistics warehouse in Ede, the Netherlands for a net value of €26.5 million from David Hart Group. The property is let on a fully CPI indexed lease to Dutch retail and pharmacy operator Kruidvat (part of the AS Watson Group) for a period of 10 years (with no break option). A large part of the warehouse will be used to expand the company's growing e-commerce business. The estimated gross yield on the property is 6.3%. The property is located on the Heestereng Business Park, a large mixed use site encompassing logistics, wholesale and production companies. Examples of third party logistics operators located there are DB Schenker, Van de Hoef Logistiek and Alon Logistiek. Ede, which has over 110,000 inhabitants, is centrally located in the Netherlands and is well positioned for national distribution. The proximity of major roads and railways offers fast connections to the Port of Rotterdam, Schiphol airport and the Ruhr area in Germany. The site is easily accessible by road thanks to its location alongside the A12 Rotterdam to Germany autoroute and the A30 to the north.

Outlook

Demand drivers remain strong. Imports continue to rise while labour markets are tightening through six consecutive years of sustained employment growth. Such has been the growth in demand that some contract logistics providers are reporting capacity constraints, operating with very low levels of idle warehouse space – some with as little as 2% spare capacity. E-fulfilment space continues to be sought and, notably, Alibaba has leased its first unit in Germany and is reportedly looking for additional space in Europe. With estimated quality European logistics vacancies falling below 5% in Q2 2018 this reduction in vacancy rate reflects strong take-up activity and relatively limited new speculative development.

Net operating income should grow as occupancy rates rise, inflation comes through in indexation in lease terms and headline rents continue to edge upwards in supply constrained markets. We are forecasting unleveraged logistics total returns to reach mid-high single digits per annum over the next 3 years. There is no doubt, however, that yields in certain countries have seen increased compression with the very strong weight of capital targeting distribution warehouse assets.

While the overall prognosis for logistics is positive, we believe that there will be a growing differentiation between different types of logistics property. The changing drivers of demand, be it shorter supply chains resulting from greater mechanisation in the manufacturing process, or the growth in business to consumer e-commerce, will have a differentiating influence on the demand for different types of space – and ultimately income growth prospects for investors. While the 'big-box' international supply chain structure remains very valid, the demand for last-mile distribution is changing rapidly. The growing requirement from consumers to receive items within 24 hours of ordering has driven increasing demand for distribution space close to large conurbations.

Careful attention will need to be paid to units which constitute suitable urban logistics locations, with even ageing stock likely to be attractive to tenants and investors if the location is good enough. In contrast, given the growing cost pressures for contract logistics providers, increasing focus will be on the location and structural suitability of units in more peripheral locations with transport and fuel costs rising.

Furthermore, we remain focussed on environmental concerns which are rightly becoming more important to local government decision making. We expect that certain investors will avoid inefficient units in naturally sensitive areas. In time, these are likely to be penalised through a lack of tenant demand, levies on landlords owning vacant property and legislative requirements to improve inefficient properties before they can be let, as is the case in the UK.

Evert Castelein
Aberdeen Asset Managers Limited

26 September 2018

Interim Board Report - Disclosures

Principal Risks and Uncertainties

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial condition, performance and prospects. The Board has carried out a robust assessment of these risks set out in the table below together with a description of the mitigating actions taken by the Board. The principal risks associated with an investment in the Company's shares are published quarterly on the Company's factsheet and they can be found in the Company's IPO Prospectus dated 17 November 2017, both of which are on the Company's website. The Board reviews the risks and uncertainties faced by the Company regularly.

Description	Mitigating Action
Investment strategy and objectives The setting of an unattractive strategic proposition to the market and the failure to adapt to changes in investor demand may lead to the Company becoming unattractive to investors, a decreased demand for shares and a widening discount.	The Board keeps the level of premium or discount at which the Company's shares trade, as well as the investment objective and policy, under review at its regular Board meetings where the Board reviews updates from the Investment Manager, investor relations reports and the Broker on the market. In particular, the Board is updated at each Board meeting on the make up of and, any movements in, the shareholder register.
Investing in Real Estate The Company invests in unquoted European logistics real estate to achieve its objective of providing its shareholders with a regular and attractive level of income return together with the potential for long term income and capital growth. A significant or material fall in the value of the property market could affect the ability of the Company to operate. Furthermore, the Company needs to retain and in some cases procure suitable tenants for its investments.	The Board believes that the Investment Manager's ability to source suitable investments is a key competitive advantage. Investment opportunities are the subject of close scrutiny and analysis and extensive due diligence by the Investment Manager prior to an investment being made. The Company aims to hold its investments over the long term and pay a fully covered dividend from income received from its tenants. The Company seeks to put in place long term rental agreements to smooth issues associated with short term market movements.
Investment portfolio, investment management Investing outside of the investment restrictions and guidelines set by the Board could result in poor performance and an inability to meet the Company's objectives, as well as a weakening discount.	The Board sets, and monitors, its investment restrictions and guidelines, and receives regular board reports which include performance reporting on the implementation of the investment policy, the investment process and application of the guidelines. The Investment Manager attends all Board meetings. The Board also monitors the Company's share price relative to the NAV.
Financial obligations The ability of the Company to meet its financial obligations, or increasing the level of gearing, could result in the Company becoming over-geared or unable to take advantage of potential opportunities and result in a loss of value to the Company's shares.	The Company does not currently have any financial indebtedness. However, the Board has set a gearing limit and in the future, when gearing is in place, will receive regular updates on the actual gearing levels the Company has reached from the Investment Manager together with the assets and liabilities of the Company at each Board meeting. In addition, Aberdeen Fund Managers Limited, as AIFM, has set an overall leverage limit of 2x on a commitment basis (3.65x on a gross notional basis).

Description	Mitigating Action
Financial and regulatory The financial risks associated with the portfolio could result in losses to the Company. In addition, failure to comply with relevant regulation (including the Companies Act, Corporation Tax Act, the Financial Services and Markets Act, the Alternative Investment Fund Managers Directive, Accounting Standards and the listing rules, disclosure and prospectus rules) may have an impact on the Company.	The financial risks associated with the Company include market risk, liquidity risk, interest rate risk and credit risk, all of which are mitigated by the Investment Manager. The Board relies upon the AIFM to ensure the Company's compliance with applicable regulations and from time to time employs external advisers to advise on specific issues.
Operational The Company is dependent on third parties for the provision of all systems and services (in particular, those of Aberdeen Standard Investments) and any control failures and gaps in these systems and services could result in a loss or damage to the Company.	The Board receives reports from the AIFM on internal controls and risk management at each Board meeting. It receives assurances from all its significant service providers, as well as back to back assurances where applicable.

Going Concern

The Company's assets consist of cash together with a growing portfolio of real estate investments. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Directors' Responsibility Statement

The Directors are responsible for preparing this half-yearly financial report in accordance with applicable law and regulations. The Directors confirm that to the best of their knowledge:

- the condensed set of financial statements contained within the half-yearly financial report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'
- the Interim Board Report (constituting the interim management report) includes a fair review of the information required by rule 4.2.7R of the UK Listing Authority Disclosure Guidance and Transparency Rules (being an indication of important events that have occurred during the period from incorporation to 30 June 2018 and their impact on the condensed set of financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year) and 4.2.8R (being related party transactions that have taken place during the period from incorporation to 30 June 2018 and that have materially affected the financial position of the Company during that period).

Pascal Duval
Chairman

26 September 2018

Investment Portfolio

As at 30 June 2018

Name	Country	Valuation €'000	Total assets %
Flörsheim	Germany	20,400	9.8
Cash		188,147	90.1
Other net assets		161	0.1
Total assets		208,708	100

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Notes	Revenue €'000	Capital €'000	Period ended 30 June 2018 Total €'000
REVENUE				
Rental income	2	343	-	343
Other operating income	2	74	-	74
Total income		417	-	417
LOSSES ON INVESTMENTS				
Losses on investment properties		-	(909)	(909)
Total Income and losses on investments		**417**	**(909)**	**(492)**
EXPENDITURE				
Investment management fee	3	(79)	-	(79)
Direct property expenses	3	(79)	-	(79)
Property management fee	3	(5)	-	(5)
Other expenses	3	(474)	-	(474)
Total expenditure		(637)	-	(637)
Net operating loss before finance costs		**(220)**	**(909)**	**(1,129)**
FINANCE COSTS				
Finance costs	4	(382)	-	(382)
Net loss from ordinary activities before taxation		(602)	(909)	(1,511)
Taxation on loss on ordinary activities	5	-	-	-
Net loss for the period		**(602)**	**(909)**	**(1,511)**
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS				
Currency translation differences on initial capital proceeds		-	407	407
Other comprehensive income		-	407	407
Total comprehensive income for the period		**(602)**	**(502)**	**(1,104)**
Earnings per share (cents)	6	**(0.40)**	**(0.61)**	**(1.01)**

The accompanying notes are an integral part of the financial statements.

Unaudited Condensed Consolidated Balance Sheet

	Notes	As at 30 June 18 €'000
NON-CURRENT ASSETS		
Investment properties	8	20,400
		20,400
CURRENT ASSETS		
Trade and other receivables	9	161
Cash and cash equivalents	10	188,147
		188,308
Total assets		**208,708**
CURRENT LIABILITIES		
Trade and other payables	11	(463)
		(463)
NON-CURRENT LIABILITIES		
Total liabilities		**(463)**
Net assets		**208,245**
SHARE CAPITAL AND RESERVES		
Share capital	12	2,122
Special distributable reserve	14	207,227
Capital reserve	15	(502)
Revenue reserve		(602)
Equity shareholders' funds		**208,245**
Net asset value per share (cents)	7	**111.06**

The accompanying notes are an integral part of the financial statements.

Unaudited Condensed Consolidated Statement of Changes In Equity

Period ended 30 June 2018

	Notes	Share capital €'000	Share premium €'000	Special distributable reserve €'000	Capital reserve €'000	Revenue reserve €'000	Total €'000
Balance at 15 December 2017		-	-	-	-	-	-
Original share Issue	12,13	2,122	210,102	-	-	-	212,224
Share Issue costs	13	-	(2,875)	-	-	-	(2,875)
Cancellation of share premium	13	-	(207,227)	207,227	-	-	-
Net Losses for the period		-	-	-	(502)	(602)	(1,104)
Balance at 30 June 2018		2,122	-	207,227	(502)	(602)	208,245

The accompanying notes are an integral part of the financial statements.

Unaudited Condensed Consolidated Cash Flow Statement

	Notes	Period ended 30 June 18 €'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before taxation		(1,511)
Adjustments for:		
Losses on investment properties	8	909
(Increase) in operating trade and other receivables	9	(161)
Increase in operating trade and other payables	11	463
Finance costs	4	382
Cash generated by operations		1,593
Net cash inflow from operating activities		82
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment properties	8	(21,309)
Currency translation differences		407
Net cash outflow from investing activities		(20,902)
CASH FLOWS FROM FINANCING ACTIVITIES		
Liquidity fund interest paid		(382)
Proceeds from original share issue	12,13	212,224
Issue costs relating to original share issue	13	(2,875)
Net cash inflow from financing activities		208,967
Net increase in cash and cash equivalents		188,147
Opening balance		-
Closing cash and cash equivalents		188,147
REPRESENTED BY		
Cash at bank	10	9,142
Money market funds	10	179,005
		188,147

The accompanying notes are an integral part of the financial statements.

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted by the Group are set out below, all of which have been applied consistently throughout the period from incorporation (25 October 2017) to 30 June 2018.

(a) Basis of Accounting

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'), which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee ('IASC') that remain in effect, and to the extent that they have been adopted by the European Union, and the Listing Rules of the UK Listing Authority.

The unaudited Consolidated Financial Statements of the Group have been prepared under the historical cost convention as modified by the measurement of investment property and derivative financial instruments at fair value. The consolidated financial statements are presented in Euro.

(b) Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires the directors to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements and contingent liabilities. However, uncertainty about these judgements, assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods. There have been no judgements, estimates or assumptions which have had significant impact on the financial statements for the current period.

Key estimation uncertainties

Fair value of investment properties: Investment property is stated at fair value as at the balance sheet date as set out in note 8 and note 16 to these financial statements.

The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets. The estimate of future cash flows includes consideration of the repair and condition of the property, lease terms, future lease events, as well as other relevant factors for the particular asset.

These estimates are based on local market conditions existing at the balance sheet date.

(c) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries drawn up to 30 June. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

(d) Functional and Presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Company and its subsidiaries operate ("the functional currency") which is Euro. The financial statements are also presented in Euro. All figures in the financial statements are rounded to the nearest thousand unless otherwise stated.

(e) Foreign Currency

Transactions denominated in foreign currencies are converted at the exchange rate ruling at the date of the transaction. Monetary and non-monetary assets and liabilities denominated in foreign currencies held at the financial period end are translated using London closing foreign exchange rates at the financial period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss to capital or revenue in the Statement of Comprehensive Income as appropriate. Foreign exchange movements on investments are included in the Statement of Comprehensive Income within gains on investments. Gains and losses relating to the translation of share issue proceeds are allocated to capital. Gains and losses incurred relating to income and expenditure are allocated to revenue.

(f) Revenue Recognition

Rental income, excluding VAT, arising from operating leases (including those containing stepped and fixed rent increases) is accounted for in the Statement of Comprehensive Income on a straight line basis over the lease term. Lease premiums paid and rent free periods granted, are recognised as assets and are amortised over the non-cancellable lease term.

Interest income is accounted on an accruals basis and included in operating profit.

(g) Expenses

All expenses are accounted for on an accruals basis. The Group's investment management and administration fees, finance costs and all other expenses are charged through the Statement of Comprehensive Income. Service charge costs, to the extent they are not recoverable from tenants, are accounted for on an accruals basis and are included in operating profit.

(h) Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss. Positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation are periodically evaluated and provisions established where appropriate.

Deferred income tax is provided using the liability method on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward tax credits or tax losses can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. In determining the expected manner of realisation of an asset the directors consider that the Group will recover the value of investment property through sale. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss.

(i) Investment Properties

Investment properties are initially recognised at cost, being the fair value of consideration given, including transaction costs associated with the investment property. Any subsequent capital expenditure incurred in improving investment properties is capitalised in the period during which the expenditure is incurred and included within the book cost of the property.

After initial recognition, investment properties are measured at fair value, with the movement in fair value recognised in the Statement of Comprehensive Income and transferred to the Capital Reserve. Fair value is based on the external valuation provided by CBRE, chartered surveyors, at the balance sheet date. The assessed fair value is reduced by the carrying amount of any accrued income resulting from the spreading of lease incentives and/or minimum lease payments.

On derecognition, gains and losses on disposals of investment properties are recognised in the Statement of Comprehensive Income.

Recognition and derecognition occurs when the risks and rewards of ownership of the properties have transferred between a willing buyer and a willing seller.

Investment property is transferred to current assets held for sale when it is expected that the carrying amount will be recovered principally through sale rather than from continuing use. For this to be the case, the property must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such property and its sale must be highly probable.

The Group has entered into forward funding agreements with third party developers in respect of certain properties. Under these agreements the Group will make payments to the developer as construction progresses. The value of these payments is assessed and certified by an expert and capitalised in the period during which the expenditure is incurred and included within the book cost of the property.

Investment properties are recognised for accounting purposes upon completion of contract. Properties purchased under forward funding contracts are recognised at certified value to date.

(j) Distributions

Interim distributions payable to the holders of equity shares are only recognised in the Statement of Changes in Equity in the period in which they are paid. An annual shareholder resolution is voted upon to approve the Group's distribution policy.

(k) Operating Lease Contracts – the Group as Lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for leases as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

(l) Share Issue Expenses

Incremental external costs directly attributable to the issue of shares that would otherwise have been avoided are written off to the share premium reserve.

(m) Segmental Reporting

In accordance with IFRS 8 'Operating Segments', the Directors are of the opinion that the Group is engaged in a single segment of business, being property investment in Europe.

(n) Cash and Cash Equivalents

Cash and cash equivalents are defined as cash in hand, demand deposits, and other short-term highly liquid investments readily convertible within three months or less to known amounts of cash and subject to insignificant risk of changes in value.

(o) Trade and Other Receivables

Trade receivables, which are generally due for settlement at the relevant quarter end, are recognised and carried at the original invoice amount less an allowance for any uncollectable amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable, debts are over 90 days old or relate to tenants in administration. Bad debts are written off when identified.

(p) Trade and Other Payables

Rental income received in advance represents the pro-rated rental income invoiced before the period end that relates to the period post the period end. VAT payable is the difference between output and input VAT at the period end. Other payables are accounted for on an accruals basis and include amounts which are due for settlement by the Group as at the period end and are generally carried at the original invoice amount. An estimate is made for any services incurred at the period end but for which no invoice has been received.

(q) **Reserves**

Share Capital

This represents the proceeds from issuing Ordinary shares.

Special Distributable Reserve

The special reserve is a distributable reserve to be used for all purposes permitted, including the buyback of shares and the payment of dividends.

Capital Reserve

The following are accounted for in this reserve:

- gains and losses on the disposal of investment properties;
- increases and decreases in the fair value of investment properties held at the period end.

Revenue Reserve

Any surplus arising from the net profit on ordinary activities after taxation and payment of dividends is taken to this reserve, with any deficit charged to the special distributable reserve.

Share Premium Reserve

Share premium represents the excess consideration received over the par value of Ordinary shares issued and is classified as equity. Incremental costs directly attributable to the issue of Ordinary shares are recognised as a deduction from share premium.

The revenue reserve and special distributable reserves are both distributable.

(r) **New standards, amendments and interpretation not yet effective**

There are a number of new standards, amendments and interpretations that have been issued but are not yet effective for this accounting period and have not been adopted early. Those standards which may affect the Group are listed below.

IFRS 16 — Leases

IFRS 16 Leases (effective 1 January 2019) sets out the principle for the recognition, measurement, presentation and disclosure of leases for both the lessee and lessor.

The impact of this standard has not yet been assessed by the Group in full, but the Group is aware lessor accounting remains substantially unchanged and any impact is expected to be insignificant. A full impact assessment will however be concluded in due course.

Annual Improvements to IFRS

In addition to the above, Annual Improvements to IFRS 2015–2017 Cycle (effective 1 January 2019) have not been adopted early.

2. Revenue

	2018 €'000
Rental income	343
Other income	74
Total revenue	**417**

3. Expenditure

	2018 €'000
Directors' fees	106
Investment management fee	79
Direct property expenses	79
Professional fees	78
Company secretarial expense	77
Audit fees	78
Other expenses	34
Broker fees	34
Registrar fees	20
Employers NI	15
Stock exchange fees	15
Depositary fees	11
Directors' liability insurance expense	6
SPV property management fee	5
Total expenses	**637**

4. Finance costs

	2018 €'000
Liquidity fund interest paid	382
Total finance costs	**382**

5. Taxation

	2018 €'000
Taxation on profit on ordinary activities comprises:	
Release of deferred tax asset	-
Corporation tax charge	-
Total taxation	**-**

6. Earnings per share (basic and diluted)

	2018 €'000
Revenue net loss attributable to Ordinary shareholders	(602)
Weighted average number of shares in issue during the period	149,096,387
Total revenue loss per Ordinary share	**(0.40) cents**
Capital net loss attributable to Ordinary shareholders	(909)
Weighted average number of shares in issue during the period	149,096,387
Total capital loss per Ordinary share	**(0.61) cents**
Total return per Ordinary share	**(1.01) cents**

Earnings per share is calculated on the revenue and capital loss for the period (before other comprehensive income) and is calculated using the weighted average number of shares in the period of 149,096,387 shares.

7. Net asset value per share

	2018 €'000
Net assets attributable to shareholders	208,245
Number of shares in issue at 30 June 2018	187,500,001
Net asset value per share (€)	**111.06**

8. Investment properties

	2018 €'000
Opening cost	-
Purchases at cost	21,309
Losses on revaluation to fair value	(909)
Total Fair value at 30 June 2018	**20,400**
Loss on investment properties at fair value comprise	
Valuation (losses)	**(909)**
	(909)

9. Trade and other receivables

	2018 €'000
Accrued income	134
Other receivables	27
Total receivables	**161**

10. Cash and cash equivalents

	2018 €'000
Cash at bank	9,142
Money market funds	179,005
Total cash and cash equivalents	**188,147**

Cash equivalents are all held in two liquidity funds that can both be accessed same day, specifically the Aberdeen Liquidity Fund (Lux) Euro Fund and Standard Life Investments Liquidity Fund plc – Euro Liquidity Fund.

11. Trade and other payables

	2018 €'000
Accrued acquisition costs	13
Company secretarial fees payable	77
Audit fees payable	44
Investment Management fee payable	79
All other fees payable	250
Total payables	**463**

12. Share capital

	€'000
As at 25 October 2017	-
Managers shares issued in the period	56,500
Managers shares redeemed in the period	(56,500)
Ordinary shares issued on incorporation	1
Ordinary shares issued on admission	2,121
As at 30 June 2018	**2,122**

Ordinary shareholders participate in all general meetings of the Company on the basis of one vote for each share held. Each Ordinary share has equal rights to dividends and equal rights to participate in a distribution arising from a winding up of the Company. The Ordinary shares are not redeemable.

The total number of shares authorised, issued and fully paid is 187,500,001. The nominal value of each share is £0.01 and amount paid for each share was £1.00. Share proceeds were received in tranches between 15 and 18 December 2017 and converted to Euro at a rate of £1:€1.131868907.

13. Share premium

	€'000
Balance at 15 December 2017	-
Premium arising on issue of new shares at 99p	210,102
Share issue costs deducted	(2,875)
Transfer to special distributable reserve	(207,227)
Balance at 30 June 2018	**-**

The share premium was converted to EUR using the issue date exchange rate of 1.131869.

14. Special distributable reserve

	€'000
Balance at 15 December 2017	-
Transfer from share premium account	207,227
Balance at 30 June 2018	**207,227**

At a General Meeting held on 8 November 2017, a special resolution was passed authorising, conditional on the issue of Ordinary shares by the Company, the amount standing to the credit of the share premium account of the Company following issue to be cancelled. In order to cancel the share premium account the Company needed to obtain a Court Order, which was received on 13 March 2018. A Statement of Capital form was lodged at Companies House with a copy of the Court Order on 16 March 2018. With effect from that date the amount of the share premium account cancelled was credited as a special distributable reserve in the Company's books of account.

15. Capital reserve

	Realised capital reserve €'000	Unrealised losses €'000	Total capital reserve €'000
As at 15 December 2017	-	-	-
Movement in fair value losses of investments	-	(909)	(909)
Realised currency gains during the period	407	-	407
Balance at 30 June 2018	**407**	**(909)**	**(502)**

16. Contingent liabilities and capital commitments

As at 30 June 2018 the Company had capital commitments of €33.3m relating to the purchase of a modern logistics hub in Erlensee Langendiebach, Frankfurt.

17. Financial instruments and investment properties

Fair value hierarchy

IFRS 13 requires the company to classify its financial instruments held at fair value using a hierarchy that reflects the significance of the inputs used in the valuation methodologies. These are as follows:

Level 1 – quoted prices in active markets for identical investments;

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayments, credit risk, etc.); and

Level 3 – significant unobservable inputs.

The following table shows an analysis of the fair values of investment properties recognised in the balance sheet by level of the fair value hierarchy:

30 June 2018	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total fair value €'000
Investment properties	-	-	20,400	20,400

The lowest level of input is the underlying yields on each property which is an input not based on observable market data.

18. Risk management

The Company's financial instruments comprise securities and other investments, cash balances, loans and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company also has the ability to enter into derivative transactions in the form of forward foreign currency contracts, futures and options, for the purpose of managing currency and market risks arising from the company's activities. No derivatives transactions were undertaken during the year.

The main risks the Company faces from its financial instruments are (a) market price risk (comprising of (i) interest rate risk, (ii) currency risk and (iii) other price risk), (b) liquidity risk and (c) credit risk.

(a) Market price risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements - interest rate risk, foreign currency risk and other price risk.

(i) Market risk arising from interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

Interest risk profile

The interest rate risk profile of the portfolio of financial assets and liabilities at the year end were as follows:

30 June 2018	Interest rate %	Local currency €'000	Foreign exchange rate	Euro equivalent €'000
Assets:				
Euro	(0.60)	180,901	1	180,901
Norwegian krone	0.05	86	9.51600	9
Pound Sterling	0.01	6,400	0.88434	7,237
Total				188,147

The floating rate assets consist of cash deposits on call earning interest at prevailing market rates.

All of the cash is placed with financial institutions with a credit rating of -A or above. Bankruptcy or insolvency may cause the Company's ability to access cash placed on deposit to be delayed or limited. Should the credit quality or the financial position of the financial institutions currently employed significantly deteriorate, the Investment Manager would move the cash holdings to another financial institution. There are no significant concentrations of liquidity risk within the Company.

(ii) Market risk arising from foreign currency risk

The income and capital value of the Company's investments and liabilities can be affected by exchange rate movements as some of the Company's assets and income are denominated in currencies other than Euro which is the Company's reporting currency.

The revenue account is subject to currency fluctuation arising from overseas income.

Foreign currency risk profile

Foreign currency risk exposure by currency of denomination:

	As at 30 June 2018 Investment exposure €'000	Net monetary exposure €'000	Total currency exposure €'000
Danish krone		9	9
Norwegian krone	-	9	9
Pound Sterling	-	6,932	6,932
Total overseas investments	-	6,950	6,950
Euro	20,400	180,895	201,295
Total	**20,400**	**187,845**	**208,245**

The asset allocation between specific markets can vary from time to time based on the Investment Manager's opinion of the attractiveness of the individual markets.

Foreign currency sensitivity

The following table details the Company's sensitivity to a 10% increase and decrease in euro against the relevant foreign currencies and the resultant impact that any such increase or decrease would have on net return before tax and equity shareholders' funds. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates.

	As at 30 June 2018 €'000
Danish krone	0.9
Norwegian krone	0.9
Pound Sterling	693.2

(iii) Market risk arising from other price risk

Other price risks (i.e. changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments.

Other price risk sensitivity

If the investment valuation fell by 10% at 30 June 2018, the impact on net return before tax and equity shareholder funds would have been negative €2.0m. If the investment portfolio valuation rose by 10% at 30 June 2018, the impact on net return before tax and equity shareholder funds would have been positive €2.0m. Exposures vary throughout the period as a consequence of changes in the net assets of the Company arising out of the investment and risk management processes.

(b) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. All creditors are payable within three months.

The Company's liquidity risk is managed by the Investment Manager placing cash in liquid deposits and accounts. Liquidity risk is the risk that the Company will encounter in realising assets or otherwise raising funds to meet financial commitments and also includes:

- The level of dividends and other distributions to be paid by the Company may fluctuate and there is no guarantee that any such distributions will be paid.
- The Company's Target Returns are targets only and are based on estimates and assumptions about a variety of factors all of which are beyond the Company's control and which may adversely affect the Company's ability to make its Target Returns. The Company may not be able to implement its investment policy and strategy in a manner that generates dividends in line with the Target Returns or the Company's investment objective.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly liquidity funds and cash, which currently can be sold to meet funding commitments if necessary.

(c) Credit risk

This is the risk of failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

The risk is not considered significant by the Board, and is managed as follows:

- The company is currently acquiring a portfolio of European logistic properties. This will result in the group having a number of leases with tenants. In the event of default by a tenant, the Group will suffer a rental shortfall and incur additional costs, including legal expenses, in maintaining, insuring and re-letting the property until it is re-let. The Board receives regular reports on concentrations of risk and any tenants in arrears. The Investment Manager monitors such reports in order to anticipate and minimise the impact of defaults by tenants. Cash is held only with reputable financial institutions with high quality external credit ratings.

None of the Company's financial assets is secured by collateral.

The maximum credit risk exposure as at 30 June 2018 was €188.3m. This was due to trade receivables and cash as per notes 9 and 10.

(d) Taxation and Regulation risks

The Company must comply with the provisions of the Companies Act and, as the shares are admitted to the premium segment of the Official List, the Listing Rules and the Disclosure Guidance and Transparency Rules. A breach of the Companies Act could result in the Company and/or the Board being fined or the subject of criminal proceedings. Breach of the Listing Rules could result in the shares being suspended from listing. Legal and regulatory changes could occur that may adversely affect the Company. Changes in the regulation of companies may adversely affect the value of the Portfolio and the ability of the Company to pursue its investment objective.

The Company has obtained UK Investment Trust Company status. The Company must comply with the provisions of sections 1158 and 1159 of the Corporation Tax Act 2010 and Part 2 Chapter 1 of Statutory Instruments 2011/2999 to maintain this status. Breaching these regulations could result in the Company paying UK Corporation Tax it would otherwise be exempt from, adversely affecting the Company's ability to pursue its investment objective.

Capital Management

The Company considers that capital comprises issued Ordinary shares and long term borrowings. The Company's capital is deployed in the acquisition and management of subsidiaries in line with the Company's investment objective. Specifically to provide a regular and attractive level of income return together with the potential for long term income and capital growth from investing in high quality European logistics real estate.

The following investment limits and restrictions will apply to the Company and its business which, where appropriate, will be measured at the time of investment and once the Company is fully invested:

- the Company will only invest in assets located in Europe;
- no more than 50 per cent. of Gross Assets will be concentrated in a single country;
- no single asset may represent more than 20 per cent. of Gross Assets;
- forward funded commitments will be wholly or predominantly pre-let and the Company's overall exposure to forward funded commitments will be limited to 20 per cent. of Gross Assets;
- the Company's maximum exposure to any single developer will be limited to 20 per cent. Of Gross Assets;
- the Company will not invest in other closed-ended investment companies;
- the Company may only invest in assets with tenants which have been classified by the Investment Manager's investment process, as having strong financial covenants; and
- no single tenant will represent more than 20 per cent. of the Company's annual gross income measured annually.

The Company's principal use of cash (including the Net Proceeds) will be to fund investments in accordance with its investment policy, as well as expenses related to the Initial Issue, on-going operational expenses and to pay dividends and other distributions to shareholders, as set out in the Prospectus. The Company may from time to time have surplus cash (for example, following the disposal of an investment). Pending reinvestment of such cash, it is expected that any surplus cash will be temporarily invested in (predominantly Euro-denominated) cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with financial institutions or other counterparties having a single –A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency; or "government and public securities" as defined for the purposes of the FCA rules.

The Company monitors capital primarily through regular financial reporting and also through a gearing policy. The Company intends to use gearing with the objective of improving shareholder returns. Debt will typically be secured at the asset level and potentially at the Company level with or without a charge over some or all of the Company's assets, depending on the optimal structure for the Company and having consideration to key metrics including lender diversity, cost of debt, debt type and maturity profiles. Borrowings will typically be non-recourse and secured against individual assets or groups of assets and the aggregate borrowings will always be subject to an absolute maximum, calculated at the time of drawdown for a property purchase, of 50 per cent. of Gross Assets. Where borrowings are secured against a group of assets, such group of assets shall not exceed 25 per cent. of Gross Assets in order to ensure that investment risk remains suitably spread. The Board has established gearing guidelines for the AIFM in order to maintain an appropriate level and structure of gearing within the parameters set out above. Under these guidelines, aggregate borrowings are not expected to exceed 35 per cent. of Gross Assets within the first year from Initial Admission, and thereafter are not expected to exceed 30 per cent of Gross Assets. Such limits may be exceeded in the short term from time to time.

19. Related party transactions

The Company's Alternative Investment Fund Manager ('AIFM') throughout the period was Aberdeen Fund Managers Limited ('AFML'). Under the terms of a Management Agreement dated 17 November 2017 the AIFM is appointed to provide investment management services, risk management services and general administrative services including acting as the Company Secretary. The agreement is terminable by either the Company or AFML on not less than 12 months' written notice, following 2 years from the date of Admission of the Company to the London Stock Exchange. Under the terms of the agreement portfolio management services are delegated by AFML to Aberdeen Asset Management Limited ('AAML'). The total management fees charged to the Statement of Comprehensive Income during the period were €79,000, of which €79,000 were payable at the period end. Under the terms of a Global Secretarial Agreement between AFML and Aberdeen Asset Management PLC ('AAM PLC'), company secretarial services are provided to the Company by AAM PLC. The company secretarial fees charged to the Statement of Comprehensive Income during the period were €76,000, of which €76,000 were payable at the period end.

The remuneration of the Directors during the period is detailed below.

	2018 €'000
Pascal Duval	26
Caroline Gulliver	23
John Heawood	19
Tony Roper	19
Diane Wilde	19
Total	**106**

20. Post balance sheet events

On 24 July 2018 the Company exchanged conditional contracts to acquire a new freehold distribution warehouse in France, for an expected net value of €44.5m. Contracts are expected to become unconditional by no later than 30 October 2018.

On 25 July 2018 the Company signed an agreement to acquire a new logistic warehouse in the North of Spain for net value of €15.3m.

On 3 August 2018 the Company signed an agreement to acquire a freehold logistics warehouse in Ede in the Netherlands for a net value of €26.5m.

On 5 September the Company declared a first interim dividend of 0.7 pence per Ordinary share for the year ending 31 December 2018 payable on 28 September 2018, to shareholders on the register on 14 September 2018.

21. Ultimate parent company

In the opinion of the Directors on the basis of shareholdings advised to them, the Company has no immediate or ultimate controlling party.

22. Half yearly report

The financial information for the period to 30 June 2018 has not been audited or reviewed by the Company's auditor.

This half yearly report was approved by the Board on 26 September 2018.

The financial information in this report does not constitute statutory accounts within the meaning of section 434-436 of the Companies Act 2006.

How to Invest in Aberdeen Standard European Logistics Income PLC

How to Invest

Investors can buy and sell shares in Aberdeen Standard European Logistics Income PLC (the "Company") directly through a stockbroker or an online dealing and investment platform or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through the Aberdeen Standard Investment Trust Share Plan, Individual Savings Account ("ISA") or Investment Plan for Children.

Aberdeen Standard Investment Trust Share Plan

Aberdeen Standard Investments operates an Investment Trust Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investment Trust ISA

Aberdeen Standard Investments operates an Investment Trust ISA ("ISA") through which an investment may be made of up to £20,000 in the tax year 2018/19.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the ISA prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the ISA, from the sale of investments held in the ISA. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

Investors can choose to transfer previous tax year investments to Aberdeen Standard Investments, which can be invested in the Company while retaining their ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per trust of £250.

Aberdeen Standard Investment Plan for Children

Aberdeen Standard Investments operates an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management, including the Company. Anyone can invest in the Children's Plan (subject to the eligibility criteria as stated within the terms and conditions), including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Nominee Accounts and Voting Rights

In common with other schemes of this type, all investments in the Aberdeen Standard Investments Children's Plan, Investment Trust Share Plan and Investment Trust ISA are held in nominee accounts and investors have full voting and other rights of share ownership.

Dividend Tax Allowance

The annual tax-free personal allowance on dividend income, for UK investors, is £2,000 for the 2018/2019 tax year. Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company provides registered shareholders with a confirmation of distributions by the Company and any dividend income should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all income when calculating any tax liability.

Keeping You Informed

The Company's Ordinary share price appears under the heading 'Investment Companies' in the Financial Times and information on the Company may be found on its dedicated website: eurologisticsincome.co.uk.
This provides access to information on the Company's share price performance, capital structure, London Stock Exchange announcements, current and historic Annual and Half Yearly Reports, and the latest monthly factsheet on the Company issued by the AIFM.

If investors would like details on the Company or literature and application forms on Aberdeen Standard investment trust products please e-mail:

inv.trusts@aberdeenstandard.com

or telephone

0808 500 0040

or write to:–

Aberdeen Standard Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Details are also available at: invtrusts.co.uk. Terms and conditions for the Aberdeen Standard investment trust products can be found under the Literature section of this website.

If you have an administrative query which relates to a direct shareholding in the Company, please contact Equiniti Limited, the Company's Registrars (see Corporate Information for details).

Key Information Document ("KID")

The KID relating to the Company and published by the AIFM can be found on the AIFM's website at: invtrusts.co.uk/en/investmenttrusts/literature-library.

Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking exposure to European logistics real estate and who understand and are willing to accept the risks of exposure to equities.

Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that the securities issued by the Company can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPIs because they are securities issued by an investment trust.

Online Dealing providers and platforms

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company, such as self-invested personal pension (SIPP). Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms. Some well-known online providers, which can be found through internet search engines, include:

AJ Bell You Invest; Alliance Trust Savings; Barclays Stockbrokers; Charles Stanley Direct; Halifax Share Dealing; Fidelity Personal Investing; Hargreave Hale; Hargreaves Lansdown; Idealing; Interactive Investor; Selftrade; The Share Centre; Stocktrade.

Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management & Financial Advice Association at: pimfa.co.uk.

Financial Advisers

To find an adviser who recommends on investment trusts, visit: unbiased.co.uk

Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:
Tel: 0800 111 6768 or at fca.org.uk/firms/systems-reporting/register/search
Email: register@fca.org.uk

Investor Warning: Be alert to share fraud and boiler room scams

Aberdeen Standard Investments has been contacted by investors informing us that they have received telephone calls and emails from people who have offered to buy their investment company shares, purporting to work for Aberdeen Standard Investments or for third party firms. Aberdeen Standard Investments has also been notified of emails claiming that certain investment companies under their management have issued claims in the courts against individuals. These may be scams which attempt to gain your personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from you is required to release the supposed payment for your shares. These callers/senders do not work for Aberdeen Standard Investments and any third party making such offers/claims has no link with Aberdeen Standard Investments.

Aberdeen Standard Investments does not 'cold-call' investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information, end the call and contact the Investment Manager's Customer Services Department using the details on page 26 under Keeping You Informed.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams at: fca.org.uk/consumers/scams.

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs, may be changed by future legislation.

The above information has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Corporate Information

Directors

Pascal Duval (Chairman) (Appointed 8 November 2017)
Caroline Gulliver (Senior Independent Director) (Appointed 8 November 2017)
John Heawood (Appointed 8 November 2017)
Tony Roper (Appointed 8 November 2017)
Diane Wilde (Appointed 8 November 2017)
Nicholas Heather (Appointed 25 October 2017 and Resigned 8 November 2017)
John Reed (Appointed 25 October 2017 and Resigned 8 November 2017)

Registered Office

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AIFM

Aberdeen Fund Managers Limited
Bow Bells House
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London EC4M 9HH

Investment Manager

Aberdeen Asset Managers Limited
10 Queen's Terrace
Aberdeen AB10 1YG

Company Secretary

Aberdeen Asset Management PLC
10 Queen's Terrace
Aberdeen AB10 1YG

Stockbroker

Canaccord Genuity Limited
88 Wood Street
London EC2V 7QR

UK Legal Advisers

Gowling WLG (UK) LLP
4 More London Riverside
London SE1 2AU

Registrar and Receiving Agent

Equiniti Limited
Aspect House
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West Sussex BN99 6DA

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(Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday excluding bank holidays)
shareview.co.uk

Depositary

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Auditor

KPMG LLP
319 St Vincent Street
Glasgow G2 5AS

Website

eurologisticsincome.co.uk

Foreign Account Tax Compliance Act ("FATCA") IRS Registration Number ("GIIN")

DF2TVL.99999.SL.826

Legal Entity Identifier

213800I9IYIKKNRT3G50

Registered Number

Incorporated in England & Wales with number 11032222

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