Aberdeen Standard Investments

Aberdeen Standard European Logistics Income PLC

Capturing long-term income potential from logistics real estate in Europe

Half Yearly Report
30 June 2020

The Company

The Company is a UK investment trust with a premium listing on the Main Market of the London Stock Exchange.
The Company invests in high quality 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.
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 does not have a fixed life.

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 Standard 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 the Amsterdam branch of Aberdeen Standard Investments Ireland 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

" The Board and the Investment Manager continue to observe strong structural tailwinds benefitting the European logistics sector and believe these have been further reinforced following the experiences of the COVID-19 pandemic."

Tony Roper,
Chairman

" Demand for logistics is, and continues to be, supported by strong growth in online sales, the re-shoring of manufacturing activities and the building of inventory levels to ensure supply chain resilience."

Evert Castelein,
Fund Manager
Aberdeen Standard Investments Ireland Limited

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Financial Highlights

	30 June 2020	31 December 2019
Total assets (€'000)	454,933	382,981
Equity shareholders' funds (€'000)	270,266	260,277
Share price - Ordinary share (pence)	105.00p	90.40p
Net asset value per Ordinary share (€)	1.13	1.11
Share price premium/(discount) to sterling net asset value (%)[1]	1.9	(4.0)

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

Performance (total return)

	Six months ended 30 June 2020	Year ended 31 December 2019	Since inception to 30 June 2020
NAV total return (€) per Ordinary Share (%)[2]	4.20	8.63	9.68
Share price total return (%)[2]	19.68	(6.99)	15.41

[2] Considered to be an Alternative Performance Measure (see Glossary on page 26 for more information).

Financial Calendar

30 September 2020	Announcement of unaudited half yearly results
25 September 2020	Payment of second interim distribution for year ending 31 December 2020
October 2020	Half Yearly Report posted to shareholders
30 December 2020	Payment of third interim distribution for year ending 31 December 2020
26 March 2021	Payment of fourth interim distribution for year ending 31 December 2020
April 2021	Announcement of Annual Financial Report for the year ending 31 December 2020
May 2021	Annual Report available on line (and posted to those registered shareholders who have requested hard copies)
June 2021	Annual General Meeting in London
June 2021	Payment of first interim distribution for the year ending 31 December 2021

Company Overview

Aberdeen Standard European Logistics Income PLC (the "Company" or "ASELI") is an investment trust investing in high quality European logistics real estate to achieve its objective of providing its shareholders with a regular and attractive level of income and capital growth. The Company invests 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.

In addition to its performance objective, the Company is characterised by:

- A diverse portfolio of assets across 5 countries
- Building a strong focus on ESG and green performance
- Investment in a liquid segment of the logistics market
- Modest gearing parameters
- Durable indexed income returns
- Local asset and transaction managers across Europe

Net asset value total return[1] **4.2%** 2019: 8.6%	Net Asset Value (€'000) **270,266** 2019: 260,277	Net Asset Value per share (€) **1.13** 2019: 1.11
Share price total return[1] **19.7%** 2019: (7.0%)	Premium/(Discount) to Net Asset Value[1] **1.9%** 2019: (4.0%)	Ordinary dividend per share **2.51p** 2019[2]: 5.11p
IFRS Earnings Per Share **5.0¢** 2019: 9.6¢	Portfolio valuation (€'000) **423,509** 2019: 348,519	Number of assets **14** 2019: 13
Average lease length including breaks in years **8.4**	Loan-To-Value (%) **33.5%** 2019: 28.4%	Average building size (sqm) **27,687**

[1] Alternative Performance Measurements - see glossary on page 26.

[2] Total dividend paid in respect of year ended 31 December 2019.

Interim Board Report - Chairman's Statement

Overview

I am pleased to be presenting the Company's half yearly report for the six months ended 30 June 2020.

As I write this report, despite the easing of the stringent lockdowns that we have seen across Europe and the World, the COVID-19 pandemic still looks set to have far-reaching consequences for many people and businesses globally. I would reiterate though that many of our tenants are involved in key logistic supply chains whether that be in food supply, pharmaceuticals or the ever increasing direct to home delivery services. Despite strong rental income collection to date, we cannot be complacent and our Investment Manager remains in regular communication with our tenants to ensure that they are available to address any concerns that the tenants may have and are supportive where possible.

The Company completed the acquisition of its latest urban located logistics warehouse in Den Hoorn, the Netherlands, in January for a net value of €49.9 million. This newly built warehouse is ideally located between the cities of the Hague and Rotterdam with LED lighting and solar roof panels adding sustainable credentials to the investment. This purchase took the portfolio to a total of fourteen properties valued at €404.9 million spread across five countries with 33 tenants resulting in the Company being fully invested.

The Investment Manager has built a portfolio of properties with predominantly long indexed leases which supports a durable and growing income stream for our shareholders. The Company's assets, diversified by geography and tenant base, are predominantly well located at established distribution hubs within close proximity to cities with excellent transport links providing attractive facilities for current and potential tenants.

Details on the Company's portfolio are provided in the Investment Manager's Report on pages 9 to 12.

Results

The unaudited Net Asset Value ("NAV") per Share as at 30 June 2020 was €1.13 (GBp - 103.00p), compared with the NAV per Share of €1.11 (GBp – 94.21p) at the end of 2019, reflecting, with the interim dividends declared, a NAV total return of 4.2% for the six month period under review, in euro terms.

The closing Ordinary share price at 30 June 2020 was 105.00p (31 December 2019 - 90.40p), representing a premium to the NAV per share of 1.9%. At the date of this report the closing price was 105.0p.

Rent collection

During the Q2 period, the Company successfully concluded negotiations with certain tenants negatively impacted by the COVID-19 pandemic and following the conclusion of the quarter, the Company confirmed that 85% of Q2 rental income due was collected, slightly in excess of the forecast collection percentage of 82%. As previously reported, for the remaining outstanding rental income, the Investment Manager has agreed short-term rent deferrals and a small number of rent-free periods, in exchange for material lease extensions.

It is pleasing to report that no new requests for support have been received from tenants and rent collection remains strong.

We have now seen total rent collection of 100% in Q1, 85% in Q2 and 96% in Q3 as at mid-September. All rents due under the terms of deferral agreements have been paid on time. With the majority of the deferred rents to be received in H2 2020 or early 2021, 97% of full year 2020 rental income is expected to be received by year end.

Dividend

On 26 May 2020 the Directors declared a first interim distribution of 1.41 euro cents (equivalent to 1.24p) per Ordinary share in respect of the year ending 31 December 2020. This was paid in sterling on 26 June 2020.

On 25 August 2020 a second interim distribution of 1.41 euro cents (equivalent to 1.24p per Ordinary share was declared, paid in sterling on 25 September 2020 with a record date of 4 September 2020 (ex-dividend date of 3 September 2020).

It is very encouraging to note both the rent collection statistics to date and the agreements that our Investment Manager has negotiated with some of our tenants with respect to rent deferrals and lease extensions in return for rent free periods. The Board is of course rightly mindful of any further impact to tenants from the COVID-19 virus but it remains the intention to continue to pay quarterly interim dividends in line with our policy.

Dividends continue to be declared in respect of the quarters ending on the following dates: 31 March, 30 June, 30 September and 31 December in each year.

Share issuance

The Investment Manager continues to review a steady pipeline of possible acquisitions for the Company for which additional capital will be required and for which a proposed new banking agreement, referred to below, may be used for temporary acquisition financing. Pleasingly, on 23 June 2020 the Board announced the issue of five million new Ordinary shares at a price of 105 pence per share in response to specific investor demand. On 30 July 2020 the Company issued a further five million new Ordinary shares at a price of 104 pence. In aggregate these issues raised an additional £10.45 million (equivalent to approximately €11.5 million) which may be used for further asset purchases. Following the issues, shareholder authority remains to issue an additional 18,450,000 new Ordinary shares on a non-pre-emptive basis to satisfy future demand.

Such shares will only be issued at a premium to the NAV per Ordinary share at the time of issue.

Following the issue of these new Ordinary shares, the total number of shares in issue and therefore of voting rights in the Company is now 244,500,001 shares.

Revolving Credit Facility

The Company is in advanced discussions with Investec Bank regarding the provision of a €40 million Revolving Credit Facility ("RCF"). The RCF will increase the Company's flexibility to acquire new assets prior to raising fresh equity, and will reduce the impact of cash drag on the Company's investment returns. Further details will be announced by the Company when the agreement has been signed.

Financing

The Investment Manager's treasury team has sourced fixed term debt from banks which is secured on certain assets or groups of assets within the portfolio. These non-recourse loans range in maturities between six and ten years with interest rates ranging between 0.94% and 1.62% per annum.

As part of the acquisition of the property in Den Hoorn, the Company finalised and drew down long term financing secured on the properties at Den Hoorn and Zeewolde in the Netherlands. The secured facility was arranged with Berlin HYP AG for a total value of €35.7 million at an all-in interest rate of 1.25% and fixed for an eight year term, bringing asset level gearing to 33.5%, slightly below the Company's target level of 35%.

The current average interest rate on the total fixed term debt arrangements of €144.6 million is 1.4%. The Board continues to keep the level of borrowings under review, calculated at the time of drawdown for a property purchase. The actual level of gearing may fluctuate over the Company's life as and when new assets are acquired or whilst short term asset management initiatives are being undertaken. Banking covenants are reviewed by the Investment Manager and the Board on a regular basis.

ESG and Asset Management

ESG (environmental, social and governance) is embedded in our business processes, not only for the Company and Investment Manager but also with our investors and the tenants in our portfolio. The Investment Manager has continued to work on a strategy with an action plan for each warehouse with an ambition to reduce carbon emissions. A focal point for the Company has been to implement Green Lease agreements with our tenants. This creates a commitment for the landlord and tenants to maintain and use the buildings in a green way. A really important component is the obligation for the tenant to share volumetric data on energy use, waste disposal and water consumption so that we can see where potential improvements to the building could have most impact. Information collected, through the use of smart meters, will help us understand how much carbon is produced and where reductions can be made.

The Investment Manager also continues to follow up on its tenant satisfaction survey to understand crucially our tenants views on properties and services and to gauge where there may be room for improvements with a special focus on ESG. The Company learns from such communications and this helps create strong long-term relationships.

The addition of solar panels for green energy and other initiatives should enhance our scoring for the GRESB Survey whilst both the Company and its tenants seek to concentrate efforts on sustainability issues.

Asset management will add and maintain value across our portfolio. Our Investment Manager continues to engage with our tenants where additional warehousing space will be required. Several of our assets provide the option for extensions for tenants and we will support these initiatives where we are able to add value for tenants and shareholders.

Now more than ever the Investment Manager's people on the ground act as an important conduit to our tenants, seeking to maintain clear communication links to understand how they are operating, any ongoing concerns and their requirements for the future.

EPRA Index Inclusion

During the review period, it was pleasing to advise shareholders that effective from 22 June 2020 the Company was included in the FTSE EPRA/NAREIT Global Real Estate Index Series. This can only be beneficial for the Company, helping to increase the liquidity of the Ordinary shares by further broadening the Company's investor base.

Outlook

The Board and the Investment Manager continue to observe strong structural tailwinds benefitting the European logistics sector and believe these have been further reinforced following the experiences of the COVID-19 pandemic.

Notwithstanding the unprecedented economic environment we are now operating within, the Board and Investment Manager continue to believe that logistics will remain one of the most favoured sectors for real estate investors in the coming years. The logistics industry has and is experiencing unprecedented disruption as a result of systemic changes to the way global economies are functioning and these challenges are manifesting themselves in different ways across different sectors. So far, logistics assets have benefited from additional occupier demand arising from necessary supply chain restructuring.

New technology is creating challenges for supply chains as clients demand frequency and more complexity whilst the nature of e-commerce, where Europe has lagged the UK, has increasingly required operators to adapt faster to future shifts in consumption, particularly so since the European lockdowns. Our Investment Manager has built a portfolio of properties, predominantly around 30,000 square metres in size located close to cities, airports and major motorway routes. These urban fringe facilities while structured for current tenants tend to be in the more liquid part of the sector where reconfiguration is easier and tenant demand strongest helping to provide facilities with optionality at the maturity of a lease. Leasing 'tension' has been robust and land values under pressure from competing uses with income growth prospects potentially stronger than for 'ultra big-boxes' where risk is higher at maturity of the lease as the number of potential occupiers is limited.

The European logistics sector continues to grow with the increasing demand from market participants for newer, quality warehousing driven by their demand for increased space, both for re-shoring of operations and to address the rise in e-commerce demands. The sustainable income and inflation protection that we see from our longer term, predominantly indexed, leases should give shareholders assurance of the income and growth strategy that the Company is pursuing. Our Investment Manager continues to see opportunities across a variety of European countries and the intention remains to grow the Company through regular equity raises as and when market conditions allow.

Details on the Company and its portfolio, together with up to date information including the latest share price can be found at: eurologisticsincome.co.uk

Tony Roper
Chairman
29 September 2020

Interim Board Report - Investment Manager's Review

Overview

The first half of 2020 witnessed unprecedented challenges with the recognition and spread of COVID-19 and its disruptive impact felt on supply chains and economies worldwide. Despite this, the Company ("ASELI") has performed strongly, delivering NAV growth and an impressive shareholder total return.

As a sector, European logistics has outperformed most other European real estate sectors, benefitting from the shift to working from home and the social distancing rules. Strong growth in e-commerce and the restructuring of supply chains are key drivers supporting the demand for logistics warehouse space, which is increasingly becoming a favoured asset class among investors. With a portfolio of fourteen high quality assets, spread across five European countries, ASELI is in a strong position going forward.

Over the first half of 2020, the Investment Manager has focused on protecting future cash flows through closely liaising and where necessary, supporting our tenants. While a large proportion of our tenants have experienced steady or increased trading volumes, a number of our tenants required some form of support through the early stages of the COVID-19 pandemic. These tenants were supported through a small number of rent deferrals or rent free periods in return for material lease extensions. The Investment Manager is pleased with the results of the rent collections for the first half of the year and also for Q3 2020 so far. This, in turn, has given the Board the confidence to declare interim dividends in line with guidance at the start of the year. Notably, this, together with the demand for good quality European logistics exposure has resulted in the share price consistently trading at a small premium to the NAV since June. Our ambition remains to grow the portfolio and create further country and tenant diversification whilst continuing to improve the overall green credentials of the portfolio.

A strong logistics sector

The European economy is working its way through a sudden and unexpected recession due to COVID-19. The depth of this downturn is very hard to quantify, but our best estimate is that GDP will have contracted by approximately 20% over the first half of 2020. The recovery over the second half of the year and beyond is likely to be slower than the initial shock. Euro member states that have been able to control the virus more rapidly, such as Germany and the Netherlands where the portfolio has a high allocation of assets, should experience shallower recessions and quicker recoveries; while those with larger outbreaks, such as Italy and Spain, seem to be facing deeper recessions and slower recoveries.

Long term drivers for the logistics story remain strong, with the recent pandemic accentuating and accelerating the positive trends already witnessed. The immediate impact was a disruption of the global supply chain, not only for more internationally exposed companies but also for businesses operating in the discretionary retail, automotive industries and restaurant sub-sectors. Businesses related to groceries, pharmaceuticals and packaging have shown more stable or growing sales, particularly where e-commerce spending has surged as more people have become accustomed, often through necessity, to buying more online.

Over the medium and long-term, we expect the sector to benefit from de-globalisation and the moves to bring production closer to home, with inventory building, both to make the supply chain more resilient to shocks and to address further expected growth in e-commerce. This will further support demand for logistics space in Europe going forwards.

In general the European logistics market remains undersupplied with average vacancy rates below 4%. There is a lack of modern warehousing stock with limited speculative developments taking place.

Prudent asset selection

With an income driven strategy, our key focus has been on generating consistent durable income streams. This means the Company should never comprise on quality and liquidity although at the same time realising that we are not always able to buy the best asset in the best location with the longest lease. 'Absolute Core' is the area of the market where competition is strongest and sometimes dominated by the application of indiscriminate capital. We believe that we can be smarter by using the deep market knowledge and sourcing skills of our local European-based transaction managers. Out of the fourteen warehouses currently in the portfolio, nine were sourced on an off-market basis where we negotiated directly with the owner or developer resulting in limited direct competition from other buyers in a bidding round. Our network with developers is strong, illustrated by the eight brand-new buildings we have added to the portfolio since inception structured as either a forward funding or forward commitment deal. A good example of our strategy was the largest warehouse the Company owns which we bought in January 2020 in Den Hoorn, the Netherlands, for a total net purchase price of €49.9 million. This new building is centrally located within the Randstad region, the most densely populated area in the Netherlands, close to the cities of the Hague and Rotterdam with access to the A4 connecting Den Hoorn with the port of Rotterdam and Schiphol airport.

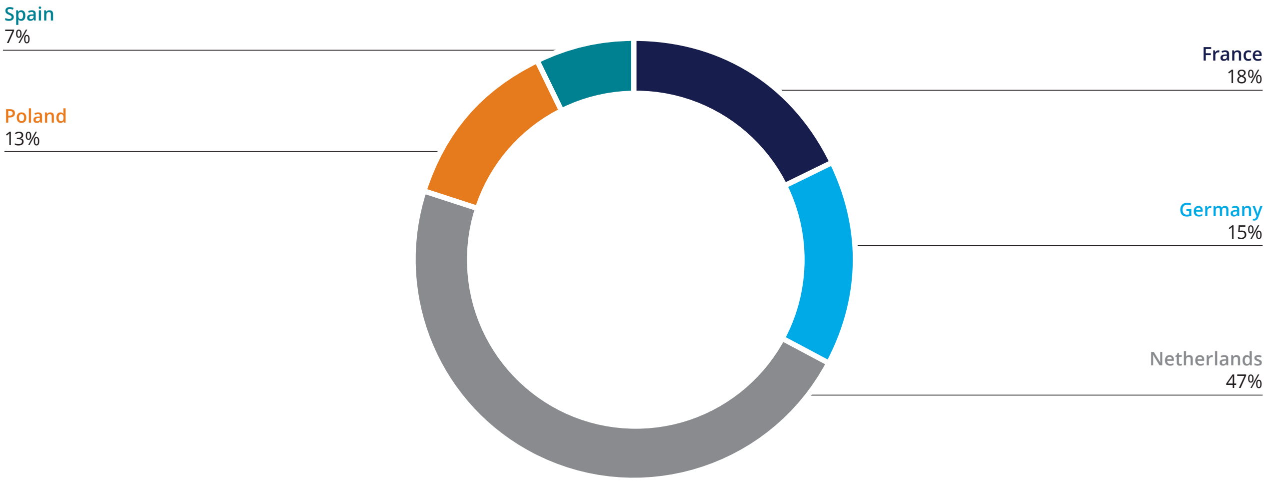
This urban profile is ideal for last-mile deliveries making this an attractive asset. The building is currently leased out to a strong covenant transport company with a long history and benefits from a fully indexed ten year lease. Given its location and liquid lot size of 43,280 square metres, with the flexibility to split into two parts if required, the warehouse has a good second life option making it well positioned to generate a durable income stream. We are working on further value creation by adding solar panels to the roof and at the same time seeking to minimise the carbon footprint of the building.

For this purchase the Company used long term debt financing secured on this warehouse in a cross-collateralised portfolio financing with the warehouse owned in Zeewolde. This secured loan facility has been arranged with Berlin Hyp for a total value of €35.7 million and is fixed for an eight year term at an attractive all-in interest rate of 1.25%. The other warehouses in the portfolio have comparable characteristics with locations alongside main transport corridors and modern specifications. By the end of June 2020, the portfolio was valued at €404.9 million, unchanged from 30 March 2020, with investments diversified across five countries. The Netherlands, considered one of the most attractive logistics markets in Europe by the Investment Manager, has the largest allocation in the portfolio with 47% by portfolio value, followed by France (18%), Germany (15%), Poland (13%) and Spain (7%). We see ourselves as 'stock-pickers' trying to find the best possible deal at the right price. The country allocation is partly a result of this bottom-up approach although the overweight position to the Netherlands is deliberate and supported by our macro view. The Netherlands plays a crucial role for logistics in Europe given its strategic geographical position as gateway to the European market with the port of Rotterdam being one of the largest ports in the world. In addition, land for new developments in this densely populated country is scarce, further fuelled by the current debate on the impact of big-box logistics on the landscape and some very strict EU regulations related to nitrogen emissions. We consider that this puts ASELI in a good position with the six Dutch assets already held in the portfolio.

Liquidity of this high quality portfolio is also reflected in the property valuations which have held up well reflecting the strong position of logistics as an asset class.

The portfolio's average lease length is 8.4 years including break options and 9.2 years excluding break options, all with indexed leases creating an effective inflation hedge on future cashflows.

Country allocation based on Q2 2020 valuation



Property portfolio

Country	Location	Built	WAULT incl breaks in yrs	WAULT excluding breaks in yrs	% of Fund
France	Avignon	2018	7.1	9.9	11.7
France	Meung sur Loire	2004	6.3	6.3	6.2
Germany	Erlensee	2018	4.7	8.2	9.3
Germany	Flörsheim	2015	4.6	6.7	5.9
Netherlands	Den Hoorn	2020	9.5	9.5	12.8
Netherlands	Ede	1999/ 2005	7.4	7.4	7.0
Netherlands	Oss	2019	14.0	14.0	4.0
Netherlands	s Heerenberg	2009/ 2011	11.5	11.5	6.6
Netherlands	Waddinxveen	1983/ 1994/ 2002/ 2018	13.4	13.4	9.1
Netherlands	Zeewolde	2019	14.0	14.0	7.5
Poland	Krakow	2018	3.4	4.3	6.4
Poland	Warsaw	2019	7.1	7.1	6.7
Spain	Leon	2019	8.7	8.7	4.3
Spain	Madrid	1999	6.5	9.5	2.5
TOTAL			**8.4**	**9.2**	**100**

Loan portfolio 30 June 2020

Country	Property	Bank	Existing loan € million	End date Loan	Duration Years	Interest (incl margin)
Germany	Erlensee	DZ Hyp	17.8	February 2029	10.0	1.62%
Germany	Flörsheim	DZ Hyp	12.4	February 2026	7.0	1.54%
France	Avignon + Meung sur Loire	BayernLB	33.0	February 2026	7.0	1.57%
Netherlands	Ede + Oss + Waddinxveen	Berlin Hyp	37.7	June 2025	6.0	1.18%
Netherlands	s Heerenberg	Berlin Hyp	8.0	June 2025	6.0	0.94%
Netherlands	Den Hoorn + Zeewolde	Berlin Hyp	35.7	January 2028	8.0	1.25%
Total			**144.6**		**7.3**	**1.36%**

Healthy rent collection supports dividend

The Investment Manager is pleased with the rent collection over the first half of the year. The COVID-19 pandemic has impacted economies worldwide with disruptive effects on supply chains and significant negative effects for retail and hospitality oriented companies. Conversely, many companies focused on food distribution, pharmaceuticals and home deliveries have experienced materially increased levels of trading demand. While the majority of the Company's tenants continued to see strong trading demand following the onset of the pandemic, as expected, a number of tenants were negatively impacted and requested short-term rent amendments.

Aberdeen Standard Investments has 25 offices across Europe and employs over 250 real estate professionals, including over 80 real estate asset managers and 29 transaction managers. These local "feet on the ground" ensure that we are close to these tenants and have an excellent ongoing understanding of their business operations. The relationships our asset managers have built with tenants, coupled with a deep understanding of their local logistics markets, ensured that all tenant discussions were highly productive from the start.

Following these discussions, the Company agreed on six rent deferrals and seven rent free periods in exchange for material lease extensions resulting in a total rent collection of 100% in Q1, 85% in Q2 and 96% in Q3 as at mid-September. All rents due under the terms of these agreements have been paid on time and no new requests have been made for further rent amendments.

The successful conclusion of these discussions, alongside the continued impressive NAV performance, supported the Board's decision to declare interim dividends in respect of Q1 and Q2 2020 in line with guidance given at the start of the year. Based on current data, we believe the net impact on short-term cash flows will be limited as the majority of the deferred rents will be received in H2 2020 or early 2021. 97% of full year 2020 rental income is expected to be received by year end.

Discussions on lease prolongations in exchange for rent-free periods were mainly with smaller tenants in our multi-tenant buildings, typically with shorter lease durations. The Investment Manager is pleased with the outcome of these negotiations and believes that these agreements strike a satisfactory balance between assisting our tenants and securing future longer-term income for the Company.

Since restrictions have eased, the Investment Manager has not received and does not envisage further requests from tenants to amend payment terms. However, if a situation arose where a tenant needed to be replaced, we are in a good position to find a replacement quickly given the quality of the locations and the size of the warehouses held in the portfolio.

ESG one of key focus areas

Environmental and Social Governance (ESG) is one of the key strategic goals where the Investment Manager wants to distinguish itself from its peer group. Our ambition remains to obtain an additional green star in the Global Real Estate Sustainability Benchmark assessment (GRESB), which is used to measure the portfolio's ESG performance against a peer group of comparable funds. In the first submission for the year 2018, the Company's previously much smaller portfolio earned two out of the maximum five stars, which was close to the market average. Results from the 2019 submission, with thirteen warehouses then incorporated, should be received shortly. We have an ambition to reduce the Company's carbon footprint and add ESG credentials to the portfolio where possible. Good examples here are the progress made on solar panel projects in Den Hoorn and Ede which are due to be operational in Q1 of next year, the collection of energy and water consumption statistics which is monitored and analysed in a program called Envizi, light sustainability audits in Erlensee and Waddinxveen and a regular tenant satisfaction survey. Based upon the conversations we have with our tenants, we recognise that ESG is not only important to us but also to our tenants and their underlying customer base. An increased focus here should increase the 'stickiness' of our tenants and their desire to stay beyond the term of the lease.

Our regular tenant survey continuously improves our understanding of our tenants' thoughts and requirements and the consumption data collated guides us to where improvements and savings can be made. This is clearly good for reporting but also for our tenants when better energy efficiency and cost savings will help support their businesses.

Outlook

The pandemic has had a very direct and disruptive effect on global supply chains with economies falling into deep recessions. Clearly, there are short-term challenges for companies that have links to parts of the economy that have been hit hardest such as retail, restaurants or the automotive industry. However, demand for logistics is, and continues to be, supported by strong growth in online sales, the re-shoring of manufacturing activities and the building of inventory levels to make supply chains more resilient. This and the undersupplied market across Europe makes logistics one of the preferred sectors for many real estate investors with a focus on quality and 'Core' logistics. This gives confidence that the logistics market is well-positioned to outperform the majority of the real estate market.

Our on-the-ground asset managers remain in close dialogue with our 33 tenants, regularly discussing value enhancement opportunities. Discussions are on-going regarding the expansion of our warehouse in Meung-sur-Loire.

Aberdeen Standard Investments' European real estate research team underpins and supports our views not only on the logistics sector but also the most favourable country locations for growth. We continue to engage regularly to better understand the likely impact of changing global trade on regions where we do or indeed may invest.

The pipeline of possible purchases remains strong despite the competitive market and discussions continue over new acquisition options including short term development opportunities. It remains our desire to increase the size of the portfolio to provide increased country and tenant diversification and provide shareholders with solid, reliable returns from what is an exciting area of the real estate market.

Aberdeen Standard Investments Ireland Limited
29 September 2020

Interim Board Report - Disclosures

Principal Risks and Uncertainties

The principal risks and uncertainties affecting the Company are set out on pages 10 to 14 of the Annual Report and Financial Statements for the year ended 31 December 2019 (the "2019 Annual Report") together with details of the management of the risks and the Company's internal controls. These risks have not changed and can be summarised as follows:

- Strategic Risk: Strategic Objectives and Performance;
- Investment and Asset Management Risk: Investment Strategy;
- Investment and Asset Management Risk: Developing and Refurbishing Property;
- Investment and Asset Management Risk: Health and Safety;
- Investment and Asset Management Risk: Environment;
- Financial Risk: Macroeconomic;
- Financial Risk: Gearing;
- Financial Risk: Liquidity and FX Risk;
- Financial Risk: Credit Risk;
- Financial Risk: Insufficient Income Generation;
- Regulatory Risk: Compliance
- Regulatory Risk: Service Providers; and
- Operational risk: Business Continuity.

The Board also has a process in place to identify emerging risks. If any of these are deemed to be significant, these risks are categorised, rated and added to the Company's risk matrix.

The Board has reviewed the risks related to the COVID-19 pandemic. COVID-19 is continuing to impact the underlying tenants in the Company's warehouse portfolio in varying degrees due to the disruption of supply chains and demand for products and services, increased costs and potential issues around changes in cash flow forecasts. The pandemic has significantly impacted world stock markets as well as creating uncertainty around the timing of future revenues. However, the Board notes the Investment Manager's robust and disciplined investment process which continues to focus on high quality warehouses located across Europe and prudent cash flow management. The pandemic has also impacted the Company's third party service providers, with business continuity and home working plans having been implemented. The Board, through the Manager, has been closely monitoring all third party service arrangements and is pleased to report that it has not seen any reduction in the level of service provided to the Company to date.

There remains uncertainty surrounding Brexit in the run up to the expiry of transitional arrangements on 31 December 2020. The Board will continue to monitor developments.

Related Party Transactions

ASFML acts as Alternative Investment Fund Manager, Aberdeen Standard Investments Ireland Limited acts as Investment Manager and Aberdeen Asset Management PLC acts as Company Secretary to the Company; details of the service and fee arrangements can be found in the 2019 Annual Report, a copy of which is available on the Company's website. Details of the transactions with the Manager including the fees payable to Aberdeen Standard group companies are disclosed in note 16 of this Half Yearly Report.

Going Concern

In accordance with the Financial Reporting Council's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting, the Directors have undertaken a rigorous review and consider that there are no material uncertainties and that the adoption of the going concern basis of accounting is appropriate. This review included the additional risks relating to the ongoing COVID-19 pandemic and, where appropriate, action taken by the Manager and Company's service providers in relation to those risks. An analysis of the level of rental payments from tenants together with operational and other Company costs has been modelled covering a range of potential COVID-19 scenarios. In addition, the Company maintains an overdraft facility with Societe Generale which allows the Company to draw down additional funds if unexpected short term liquidity issues were to arise. The Board notes that the Manager remains in regular contact with tenants and third party suppliers and continues to have a constructive dialogue with all parties. Accordingly, the Directors believe that the Company has adequate financial resources to continue in operational existence for the foreseeable future and at least 12 months from the date of this Half Yearly Report. Accordingly, the Directors continue to adopt the going concern basis in preparing these 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' and gives a true and fair view of the assets, liabilities, financial position and net return of the Company as at 30 June 2020; and

- 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 first six months of the financial year 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 first six months of the financial year and that have materially affected the financial position of the Company during that period).

Tony Roper
Chairman
29 September 2020

Property Portfolio

Property Portfolio as at 30 June 2020

	Property	Tenure	Principal Tenant
1	France, Avignon (Noves)	Freehold	Biocoop
2	France, Meung sur Loire	Freehold	Office Depot
3	Germany, Erlensee	Freehold	Bergler
4	Germany, Flörsheim	Freehold	DS Smith
5	Poland, Krakow	Freehold	Lynka
6	Poland, Warsaw	Freehold	DHL
7	Spain, Leon	Freehold	Decathlon
8	Spain, Madrid	Freehold	DHL
9	the Netherlands, Ede	Freehold	AS Watson (Kruidvat)
10	the Netherlands, Oss	Freehold	Orangeworks
11	the Netherlands, 's Heerenberg	Freehold	JCL Logistics
12	the Netherlands, Waddinxveeen	Freehold	Combilo
13	the Netherlands, Zeewolde	Freehold	VSH Fittings
14	the Netherlands, Den Hoorn	Leasehold	van der Helm

Unaudited Condensed Consolidated Statement of Comprehensive Income

		1 January to 30 June 2020			1 January to 30 June 2019			1 January to 31 December 2019		
		Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	Notes	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
REVENUE										
Rental Income		9,896	-	9,896	5,058	-	5,058	13,376	-	13,376
Property service charge income		1,492	-	1,492	936	-	936	2,233	-	2,233
Other operating income		88	-	88	6	-	6	23	-	23
Total Revenue	2	**11,476**	**-**	**11,476**	**6,000**	**-**	**6,000**	**15,632**	**-**	**15,632**
GAINS ON INVESTMENTS										
Gains on Revaluation of investment properties	8	-	7,218	7,218	-	2,226	2,226	-	16,852	16,852
Total Income and gains on investments		**-**	**7,218**	**7,218**	**6,000**	**2,226**	**8,226**	**15,632**	**16,852**	**32,484**
EXPENDITURE										
Investment management fee		(993)	-	(993)	(755)	-	(755)	(1,695)	-	(1,695)
Direct property expenses		(597)	-	(597)	(1,127)	-	(1,127)	(265)	-	(265)
Property service charge exposure		(1,492)	-	(1,492)	-	-	-	(2,233)	-	(2,233)
SPV property management fee		(63)	-	(63)	(56)	-	(56)	(154)	-	(154)
Other expenses		(481)	-	(481)	(1,049)	-	(1,049)	(1,728)	-	(1,728)
Total expenditure		(3,626)	-	(3,626)	**(2,987)**	-	(2,987)	(6,075)	-	(6,075)
Net operating return before finance costs		**7,850**	**7,218**	**15,068**	**3,013**	**2,226**	**5,239**	**9,557**	**16,852**	**26,409**
FINANCE COSTS										
Finance costs	3	(1,226)	-	(1,226)	(461)	-	(461)	(1,411)	-	(1,411)
Net return before taxation		6,624	7,218	13,842	2,552	2,226	4,778	8,146	16,852	24,998
Taxation	4	(124)	(2,024)	(2,148)	-	(720)	(720)	(415)	(4,662)	(5,077)
Net return for the period		**6,500**	**5,194**	**11,694**	**2,552**	**1,506**	**4,058**	**7,731**	**12,190**	**19,921**
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS										
Currency translation differences on initial capital proceeds		-	190	190	70	203	273	-	136	136
Currency translation on conversion of distribution payments		(783)	7	(776)	-	-	-	-	(328)	(328)
Effect of foreign exchange differences		(243)	-	(243)	-	-	-	(300)	-	(300)
Other comprehensive income		(1,026)	197	(829)	70	203	273	(300)	(192)	(492)
Total comprehensive return for the period		**5,474**	**5,391**	**10,865**	**2,622**	**1,709**	**4,331**	**7,431**	**11,998**	**19,429**
Basic and diluted earnings per share	6	**2.77¢**	**2.21¢**	**4.98¢**	**1.36¢**	**0.80¢**	**2.16¢**	**3.72¢**	**5.86¢**	**9.58¢**

The accompanying notes are an integral part of the Financial Statements.
The total column of the Condensed Statement of Comprehensive Income is the profit and loss account of the Company.
All revenue and capital items in the above statement derive from continuing operations.

Unaudited Condensed Consolidated Balance Sheet

	Notes	30 June 2020 €'000	30 June 2019 €'000	31 December 2019 €'000
NON-CURRENT ASSETS				
Investment properties	8	423,509	272,314	348,519
Deferred tax asset	4	1,323	-	-
Total non-current assets		**424,832**	**272,314**	**348,519**
CURRENT ASSETS				
Trade and other receivables	9	11,193	10,387	9,883
Cash and cash equivalents	10	18,705	23,702	24,579
Other Assets		203	-	-
Total current assets		**30,101**	**34,089**	**34,462**
Total assets		**454,933**	**306,403**	**382,981**
CURRENT LIABILITIES				
Lease liability	11	550	-	-
Trade and other payables	12	9,689	9,110	9,352
Derivative financial instruments		243	-	8
Total current liabilities		**10,482**	**9,110**	**9,360**
NON-CURRENT LIABILITIES				
Bank Loans	13	143,425	92,900	107,916
Lease liability	11	22,751	-	-
Deferred tax liability	4	8,009	845	5,428
Total non-current liabilities		**174,185**	**93,745**	**113,344**
Total liabilities		**184,667**	**102,855**	**122,704**
Net assets		**270,266**	**203,548**	**260,277**
SHARE CAPITAL AND RESERVES				
Share capital	14	2,700	2,122	2,645
Share premium		56,047	-	50,364
Special distributable reserve		187,707	200,835	191,579
Capital reserve		13,609	(2,071)	8,218
Revenue reserve		10,203	2,662	7,471
Equity shareholders' funds		270,266	203,548	260,277
Net asset value per share	7	**€ 1.13**	**€ 1.09**	**€ 1.11**

Company number: 11032222

The accompanying notes are an integral part of the Financial Statements.

Unaudited Condensed Consolidated Statement of Changes in Equity

	Share capital €'000	Share premium €'000	Special distributable reserve €'000	Capital reserve €'000	Revenue reserve €'000	Total €'000
Balance at 1 January 2020	2,645	50,364	191,579	8,218	7,471	260,277
Share Issue	55	5,741	-	-	-	5,796
Share Issue costs	-	(58)	-	-	-	(58)
Total Comprehensive return for the period	-	-	-	5,391	5,474	10,865
Interim Distributions paid	-	-	(3,872)	-	(2,742)	(6,614)
Balance at 30 June 2020	**2,700**	**56,047**	**187,707**	**13,609**	**10,203**	**270,266**
Balance at 1 January 2019	2,122	-	203,691	(3,780)	40	202,073
Total Comprehensive return for the period	-	-	-	1,709	2,622	4,331
Interim Distributions paid	-	-	(2,856)	-	-	(2,856)
Balance at 30 June 2019	**2,122**	**-**	**200,835**	**(2,071)**	**2,662**	**203,548**
Balance at 1 January 2019	2,122	-	203,691	(3,780)	40	202,073
Share Issue	523	51,147	-	-	-	51,670
Share Issue costs	-	(783)	-	-	-	(783)
Total Comprehensive return for the year	-	-	-	11,998	7,431	19,429
Dividends paid	-	-	(12,112)	-	-	(12,112)
Balance at 31 December 2019	**2,645**	**50,364**	**191,579**	**8,218**	**7,471**	**260,277**

The accompanying notes are an integral part of the Financial Statements.

Unaudited Condensed Consolidated Cash Flow Statement

	Notes	1 January to 30 June 2020 €'000	1 January to 30 June 2019 €'000	1 January to 31 December 2019 €'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Net loss for the period before taxation		13,842	4,058	19,921
Adjustments for:				
Gains on investment properties	8	(7,218)	(2,226)	(16,852)
Amortisation of tenant incentives and leasing costs		(1,512)	-	-
Decrease in Land Leasehold Liability		126	-	-
Increase in operating trade and other receivables		983	1,292	1,796
Increase/(Decrease) in operating trade and other payables		799	(1,323)	6,123
Decrease in operating other assets		(156)	-	-
Finance costs	3	1,226	461	1,411
Cash generated by operations		(5,752)	(1,796)	12,399
Net cash outflow from operating activities		**8,090**	**2,262**	**12,399**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment properties	8	(46,972)	(118,549)	(182,749)
Derivative financial instruments		(8)	-	8
Currency translation differences		(564)	273	(492)
Net cash outflow from investing activities		**(47,544)**	**(118,276)**	**(183,233)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid	5	(6,614)	(2,856)	(12,112)
Finance costs	3	(1,226)	(461)	(1,411)
Bank loans drawn		35,682	92,900	107,916
Proceeds from share issue		5,796	-	51,670
Issue costs relating to share issue		(58)	-	(783)
Net cash inflow from financing activities		**33,580**	**89,583**	**145,280**
Net (decrease)/increase in cash and cash equivalents		(5,874)	(26,431)	(25,554)
Opening balance		24,579	50,133	50,133
Closing cash and cash equivalents	10	18,705	23,702	24,579
REPRESENTED BY				
Cash at bank		**18,705**	**23,702**	**24,579**

The accompanying notes are an integral part of the Financial Statements.

Notes to the Financial Statements

1. Accounting Policies

The Unaudited Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standard ("IFRS") IAS 34 'Interim Financial Reporting' and are consistent with the accounting policies set out in the statutory accounts of the Group for the year ended 31 December 2019.

The condensed Unaudited Consolidated Financial Statements for the six months ended 30 June 2020 do not include all of the information required for a complete set of IFRS financial statements and should be read in conjunction with the Consolidated Financial Statements of the Group for the year ended 31 December 2019, which were prepared under full IFRS requirements as adopted by the EU. The financial information in this Report does not comprise statutory accounts within the meaning of Section 434 - 436 of the Companies Act 2006. Those financial statements have been delivered to the Registrar of Companies and included the report of the auditor which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006. The financial information for the six months ended 30 June 2020 and the period ended 30 June 2019 has not been audited or reviewed by the Company's auditor.

2. Revenue

	Half year ended 30 June 2020 €'000	Half year ended 30 June 2019 €'000	Year ended 31 December 2019 €'000
Rental income	9,896	5,058	13,376
Other income	88	6	23
Property service charge income	1,492	936	2,233
Total revenue	**11,476**	**6,000**	**15,632**

3. Finance costs

	Half year ended 30 June 2020 €'000	Half year ended 30 June 2019 €'000	Year ended 31 December 2019 €'000
Liquidity fund interest paid	-	58	37
Interest on bank loans	968	403	1,158
Bank interest	158	-	98
Amortisation of loan costs	100	-	118
Total finance costs	**1,226**	**461**	**1,411**

4. Taxation

(a) Tax charge in the Group Statement of Comprehensive Income

	Half year ended 30 June 2020			Half year ended 30 June 2019			Year ended 31 December 2019		
	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000
Current taxation:									
Overseas taxation	124	-	124	-	-	-	415	-	415
Deferred taxation:									
Overseas taxation	-	2,024	2,024	-	720	720	-	4,662	4,662
Total taxation	**124**	**2,024**	**2,148**	**-**	**720**	**720**	**415**	**4,662**	**5,077**

(b) Tax in the Group Balance Sheet

	As at 30 June 2020			As at 30 June 2019			As at 31 December 2019		
	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000	Revenue €'000	Capital €'000	Total €'000
Deferred tax assets:									
On tax losses	-	1,323	1,323	-	-	-	-	766	766
Deferred tax liabilities:									
Differences between tax and property revaluation	-	8,009	8,009	-	845	845	-	5,428	5,428

5. Distributions

	30 June 2020 €'000
2019 Fourth Interim dividend of 1.27p per Share paid 27 March 2020	3,307
2020 First Interim dividend of 1.24p per Share paid 26 June 2020	3,307
Total Dividends Paid	**6,614**

A fourth quarterly interim dividend for 2019 of 1.27p per Share was paid on 27 March 2020 to shareholders on the register on 6 March 2020. The distribution was split 0.90p dividend income and 0.37p qualifying interest income.

A first quarterly interim dividend for 2020 of 1.24p per Share was paid on 26 June 2020 to shareholders on the register on 5 June 2020. The distribution was split 1.05p dividend income and 0.19p qualifying interest income.

A second quarterly interim dividend for 2020 of 1.24p per Share was paid on 25 September 2020 to shareholders on the register on 4 September 2020. The distribution was split 0.93p dividend income and 0.31p qualifying interest income. In line with International Financial Reporting Standards, this dividend will be recorded in the period paid.

6. Earnings per share (basic and diluted)

	30 June 2020	30 June 2019	31 December 2019
Revenue net return attributable to Ordinary shareholders (€'000)	6,500	2,552	7,731
Weighted average number of shares in issue during the period	234,692,309	187,500,001	207,845,206
Total revenue return per ordinary share	**2.77¢**	**1.36¢**	**3.72¢**
Capital return attributable to Ordinary shareholders (€'000)	5,194	1,506	12,190
Weighted average number of shares in issue during the period	234,692,309	187,500,001	207,845,206
Total capital return per ordinary share	**2.21¢**	**0.80¢**	**5.86¢**
Total return per ordinary share	**4.98¢**	**2.16¢**	**9.58¢**

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.

7. Net asset value per share

	30 June 2020	30 June 2019	31 December 2019
Net assets attributable to shareholders (€'000)	270,266	203,548	260,277
Number of shares in issue	239,500,001	187,500,001	234,500,001
Net asset value per share (€)	**1.13**	**1.09**	**1.11**

8. Investment properties

	30 June 2020	30 June 2019	31 December 2019
	€'000	€'000	€'000
Opening carrying value	348,519	148,918	148,918
Purchase at costs	44,471	121,170	182,749
Gains/losses on revaluation to fair value	7,218	2,226	16,852
Leasehold	23,301	-	-
Total Carrying value	**423,509**	**272,314**	**348,519**

The fair value of the investment properties amounted to €428,201,000. The difference between the fair value and the value per the condensed consolidated balance sheet consists of accrued income relating to the pre-payment for rent free periods recognised over the life of the leases totaling €4,692,000 which is separately recorded in the financial statements within trade and other receivables.

On 14 January 2020 the Company acquired a property based in Den Hoorn, the Netherlands. The property was acquired on a leasehold agreement, the present value the future leasehold obligations as at 30 June 2020 amounted to €23,301,000. The maturity date of this leasehold agreement is 1 July 2044. The annual ground lease payments amount to €531,000 per annum and are paid quarterly. The Company reserves the option to acquire the freehold ownership pre 1 July 2044 for the total sum of €15,983,000.

Investment property valuation methodology is unchanged from the detailed methodology included in the company's 31 December 2019 annual report.

9. Trade and other receivables

	30 June 2020	30 June 2019	31 December 2019
	€'000	€'000	€'000
Rents receivable	2,652	2,189	3,327
Accrued income	-	310	160
VAT receivable	266	-	3,310
Cash held by Solicitors	-	-	165
Lease incentives	4,693	346	1,606
Deferred tax	-	-	766
Other receivables	3,582	7,542	549
Total receivables	**11,193**	**10,387**	**9,883**

10. Cash and cash equivalents

	30 June 2020	30 June 2019	31 December 2019
	€'000	€'000	€'000
Cash at bank	18,705	23,702	24,579
Total cash and cash equivalents	**18,705**	**23,702**	**24,579**

11. Leasehold Liability

	30 June 2020 €'000
Maturity analysis - contractual undiscounted cash flows	
Less than one year	688
One to five years	2,201
More than five years	26,440
Total undiscounted lease liabilities	**29,329**
Lease liability included in the statement of financial position	
Current	550
Non - Current	22,751
Total lease liability included in the statement of financial position	**23,301**

12. Trade and other payables

	30 June 2020 €'000	30 June 2019 €'000	31 December 2019 €'000
Rental income received in advance	2,453	1,513	2,224
Accrued acquisition and development costs	891	2,621	1,521
Management fee payable	993	1,311	471
VAT payable	625	-	670
Trade Creditors	1,338	-	1,948
Tenant Deposits	1,196	-	1,197
Other payables	-	-	11
All other fees payable	-	-	651
Accruals	1,982	-	659
Other fees payable	211	3,665	-
Total payables	**9,689**	**9,110**	**9,352**

13. Bank Loans

	30 June 2020 €'000	30 June 2019 €'000	31 December 2019 €'000
External Bank Loans	143,425	92,900	107,916
Total payables	**143,425**	**92,900**	**107,916**

The total drawdown of the bank loans amounted to €144,600,000. The difference between the external loans drawdowns and the value per the condensed consolidated balance sheet consists of financing fees and the amortised portion related to the external bank loans totaling €1,175,000. It is recorded in the financial statements in the same line as bank loans.

14. Share capital

	Half year ended 30 June 2020	Half year ended 30 June 2019	Year ended 31 December 2019
	€'000	€'000	€'000
Opening balance	2,645	2,122	2,122
Ordinary shares issued	55	-	523
Ending balance	**2,700**	**2,122**	**2,645**

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 239,500,001. The nominal value of each Share is £0.01. Share proceeds in respect of five million additional shares issued at £1.05 were received on 23 June 2020 and converted to Euro at a rate of £1:€1.104.

15. Financial instruments and investment properties

Fair value hierarchy

IFRS 13 requires the Group 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:

	Level 1	Level 2	Level 3	Total fair value
	€'000	€'000	€'000	€'000
30 June 2020				
Investment properties	-	-	423,509	423,509
30 June 2019				
Investment properties	-	-	272,314	272,314
31 December 2019				
Investment properties	-	-	348,519	348,519

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

The fair value of investment properties as at 30 June 2020 amounted to €428,201,000. The difference between the fair value and the value per the condensed consolidated balance sheet consists of accrued income relating to the pre-payment for rent free periods recognised over the life of the leases totaling €4,692,000 which is separately recorded in the financial statements as trade and other receivables.

The following table shows an analysis of the fair values of derivative financial instruments recognised in the balance sheet by level of the fair value hierarchy:

	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total fair value €'000
30 June 2020				
Derivative Financial Instruments	-	243	-	243
30 June 2019				
Derivative Financial Instruments	-	-	-	-
31 December 2019				
Derivative Financial Instruments	-	8	-	8

The lowest level of input is EUR:GBP exchange rate.

The Company used forward foreign exchange contracts to mitigate potential volatility of income returns and to provide greater certainty as to the level of Sterling distributions expected to be paid in respect of the period covered by the relevant currency hedging instrument. Derivatives are measured at fair value calculated by reference to forward exchange rates for contracts with similar maturity profiles.

16. Related party transactions

The Company's Alternative Investment Fund Manager ('AIFM') throughout the period was Aberdeen Standard Fund Managers Limited ("ASFML"). Under the terms of a Management Agreement dated 17 November 2017 the AIFM is appointed to provide investment management, risk management and general administrative services including acting as the Company Secretary. The agreement is terminable by either the Company or ASFML on not less than 12 months' written notice.

Under the terms of the agreement portfolio management services are delegated by ASFML to Aberdeen Standard Investments Ireland Limited ('ASIIL'). The total management fees charged to the Consolidated Statement of Comprehensive Income during the period were €993,000, of which €993,000 was payable at the period end. Under the terms of a Global Secretarial Agreement between ASFML and Aberdeen Asset Management PLC ('AAM PLC'), company secretarial services are provided to the Company by AAM PLC.

The Directors of the Company received fees for their services totaling €83,000.

17. Post balance sheet events

On 30 July 2020, the Company announced that it had raised gross proceeds of approximately £5.2 million (equivalent to approximately €5.7 million at the then prevailing exchange rate) through the issue of 5,000,000 new Ordinary shares under the general authority to allot shares granted by shareholders at the AGM held on 30 June 2020.

A second quarterly interim dividend for 2020 of 1.24p per Share was paid on 25 September 2020 to shareholders on the register on 4 September 2020. The distribution was split 0.93p dividend income and 0.31p qualifying interest income.

18. 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.

19. This Half Yearly Report was approved by the Board and authorised for issue on 29 September 2020.

Glossary of Terms and Definitions and Alternative Performance Measures

Aberdeen Standard Investments or ASI	Aberdeen Standard Investments is a brand of the investment businesses of Standard Life Aberdeen plc
AIC	Association of Investment Companies
AIC SORP	Association of Investment Companies Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts, issued November 2014 and updated February 2018
AIFMD	The Alternative Investment Fund Managers Directive
AIFM	The alternative investment fund manager, being ASFML
Alternative Performance Measures	Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes IFRS and the AIC SORP
Annual Rental Income	Cash rents passing at the Balance Sheet date
ASFML or AIFM or Manager	Aberdeen Standard Fund Managers Limited
ASIIL or the Investment Manager	Aberdeen Standard Investments Ireland Limited is a wholly owned subsidiary of Standard Life Aberdeen plc and acts as the Company's investment manager
Asset Cover	The value of a company's net assets available to repay a certain security. Asset cover is usually expressed as a multiple and calculated by dividing the net assets available by the amount required to repay the specific security
Contracted Rent	The contracted gross rent receivable which becomes payable after all the occupier incentives in the letting have expired
Covenant Strength	This refers to the quality of a tenant's financial status and its ability to perform the covenants in a lease
Discount	The amount by which the market price per share of an investment trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the NAV per share

	As at 30 June 2020	As at 31 December 2019
Share price (A)	105.00p	90.40p
NAV (B)	103.00p	94.21p
Premium/(Discount) (C) (A - B)	2.00p	(3.81p)
Premium/(Discount) % (C/B)	1.9%	(4.0%)

Earnings Per Share	Profit for the period attributable to shareholders divided by the average number of shares in issue during the period
EPRA	European Public Real Estate Association

EPRA Earnings per Share

Earnings per share calculated in line with EPRA best practice recommendations

	30 June 2020 €'000	31 December 2019 €'000
Earnings per IFRS income statement	10,865	19,429
Adjustments to calculate EPRA Earnings, exclude:	-	-
Net changes in value of investment properties	(7,218)	(16,852)
Deferred tax	2,024	4,662
Changes in fair value of financial instruments	243	8
EPRA Earnings	5,914	7,247
Weighted average basic number of shares ('000)	234,692	207,845
EPRA Earnings per share (euro cents per share)	2.52	3.49

EPRA Net Asset Value Metrics

A set of standardised NAV metrics prepared in compliance with EPRA best practice recommendations

	30 June 2020 €'000	31 December 2019 €'000
IFRS NAV	270,266	260,277
Exclude		
Fair value of financial instruments	243	8
Deferred tax adjustment	8,009	4,662
	278,518	264,947
Shares in issue at end of year ('000)	239,500	234,500
EPRA NAV (Net Renistatement Value and Net Tangible Assets) per share in euro cents	116.29	112.98

ERV

The estimated rental value of a property, provided by the property valuers

ESG

Environmental, social and governance criteria set standards for a Company's operations

Europe

The member states of the European Union, the European Economic Area ("EEA") and the members of the European Free Trade Association ("EFTA") (and including always the United Kingdom, whether or not it is a member state of the European Union, the EEA or a member of EFTA)

Gearing

Calculated as gross external bank borrowings dividend by total assets

	As at 30 June 2020	As at 31 December 2019
Bank loans	€144.6m	€108.9m
Gross Assets	€454.9m	€382.8m
Exclude IFRS 16 right of use asset	(€23.3m)	-
	€431.6m	€382.8m
Gearing	33.5%	28.4%

Green Leases

Agreements between a landlord and a tenant as to how a building is to be occupied, operated and managed in a sustainable way

Group

The Company and its subsidiaries

Gross Assets

The aggregate value of the total assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time

FRC

Financial Reporting Council

IFRS

International Financial Reporting Standards

Index Linked

The practice of linking the review of a tenant's payments under a lease to a published index, most commonly the Retail Price Index (RPI) but also the Consumer Price Index (CPI), French Tertiary Activities Rent Index (ILAT)

Key Information Document or KID

The Packaged Retail and Insurance-based Investment Products (PRIIPS) Regulation requires the Manager, as the Company's PRIIP "manufacturer," to prepare a key information document ("KID") in respect of the Company. This KID must be made available by the AIFM to retail investors prior to them making any investment decision and is available via the Company's website. The Company is not responsible for the information contained in the KID and investors should note that the procedures for calculating the risks, costs and potential returns are prescribed by law. The figures in the KID may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed

Lease incentive

A payment used to encourage a tenant to take on a new lease, for example by a landlord paying a tenant a sum of money to contribute to the cost of a tenant's fit-out of a property or by allowing a rent free period

Leverage

For the purposes of the Alternative Investment Fund Managers Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other

NAV total return

The return to shareholders, expressed as a percentage of opening NAV, calculated on a per share basis by adding dividends paid in the period to the increase or decrease in NAV. Dividends are assumed to have been reinvested ion the ex dividend date, excluding transaction costs

	Half year ended 30 June 2020	Year ended 31 December 2019
Opening NAV	111.0c	107.8c
Movement in NAV	1.8c	3.2c
Closing NAV	112.8c	111.0c
% increase in NAV	1.60%	2.97%
Impact of reinvested dividends	2.60%	5.66%
NAV total return	4.20%	8.63%

Net Asset Value or NAV

The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share

Ongoing Charges

Ratio of expenses as a percentage of average daily shareholders' funds calculated as per the industry standard

Passing Rent

The rent payable at a particular point in time

PIDD

The pre-investment disclosure document made available by the AIFM in relation to the Company

Premium

The amount by which the market price per share of an investment trust exceeds the net asset value per share. The premium is normally expressed as a percentage of the net asset value per share

Prior Charges

The name given to all borrowings including long and short term loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital, irrespective of the time until repayment

Portfolio fair value

The market value of the company's property portfolio, which is based on the external valuation provided by CBRE Limited

The Royal Institution of Chartered Surveyors (RICS)

The global professional body promoting and enforcing the highest international standards in the valuation, management and development of land, real estate, construction and infrastructure

Share price total return

The return to shareholders, expressed as a percentage of opening share price, calculated on a per share basis by adding dividends paid in the period to the increase or decrease in share price. Dividends are assumed to have been reinvested on the ex dividend date, excluding transaction costs

	Half year ended 30 June 2020	Year ended 31 December 2019
Opening Share Price	90.4p	102.2p
Movement in share price	14.6p	(11.8p)
Closing share price	105.0p	90.4p
% increase/(decrease) in share price	16.15%	(11.55%)
Impact of reinvested dividends	3.53%	4.56%
Share price total return	19.68%	(6.99%)

SPA

Sale and purchase agreement

SPV

Special purpose vehicle

Standard Life Aberdeen Group or SLA Group

the Standard Life Aberdeen plc group of companies

Standard Life Aberdeen

Standard Life Aberdeen plc

Total Assets

Total assets less current liabilities (before deducting prior charges as defined above)

WAULT

Weighted Average Unexpired Lease Term. The average time remaining until the next lease expiry or break date

How to Invest in Aberdeen Standard European Logistics Income PLC

Keeping You Informed

For internet users, detailed data on the Company, including price, performance information and a monthly fact sheet is available from the Company's website (eurologisticsincome.co.uk) and the TrustNet website (trustnet.co.uk). Alternatively you can call 0808 500 0040 (free when dialling from a UK landline) for investment company information.

Twitter:

https://twitter.com/AberdeenTrusts

LinkedIn:

https://www.linkedin.com/company/aberdeen-standard-investment-trusts

Investor Warning

The Board has been made aware by the Manager that some investors have received telephone calls from people purporting to work for the Manager, or third parties, who have offered to buy their investment trust shares. These may be scams which attempt to gain personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from an investor is required to release the supposed payment for their shares. These callers do not work for the Manager and any third party making such offers has no link with the Manager. The Manager never makes these types of offers and does not 'cold-call' investors in this way. If investors have any doubt over the veracity of a caller, they should not offer any personal information, end the call and contact the Manager's investor services centre using the details provided below.

Dividend Tax Allowance

The annual tax-free personal allowance on dividend income is £2,000 for the 2020/2021 tax year. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company will provide registered shareholders with a confirmation of dividends paid by the Company and this 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 dividend income when calculating any tax liability.

Direct Investment

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through Aberdeen Standard's Investment Plan for Children, Aberdeen Standard's Investment Trust Share Plan and Investment Trust ISA.

Aberdeen Standard Investment Plan for Children

Aberdeen Standard runs 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, including parents, grandparents and family friends (subject to the eligibility criteria as stated within the terms and conditions). 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 all purchases. 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 in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Aberdeen Standard Investment Trust Share Plan

Aberdeen Standard runs a 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%). 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 in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Stocks and Shares ISA

An investment of up to £20,000 can be made in the tax year 2020/2021. 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 Plan prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the Plan, from the sale of investments held in the Plan. Investors have full voting and other rights of share ownership. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

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

Shareholder Enquiries

In the event of queries regarding their holdings of shares, lost certificates dividend payments, registered details, etc shareholders holding their shares in the Company directly should contact the registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, Telephone enquiries 0371 384 2416 Overseas helpline number: +44 (0)121 415 7047 (Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday excluding bank holidays). Changes of address must be notified to the registrars in writing.

Any general enquiries about the Company should be directed to the Company Secretary, Aberdeen standard European Logistics Income PLC, 1 George Street, Edinburgh EH2 2LL or by email company.secretary@ aberdeenstandard.com.

If you have any questions about an investment held through the Aberdeen Standard Investment Trust Share Plan, Stocks and Shares ISA or Investment Plan for Children, please telephone the Manager's Customer Services Department on 0808 500 0040. Alternatively, email inv.trusts@aberdeenstandard.com or write to Aberdeen Standard Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB.

Literature Request Service

For literature and application forms for the Company and the Aberdeen Standard range of investment trust products, please telephone: **0808 500 4000**. For information on the Aberdeen Standard Investment Plan for Children, Share Plan, ISA or ISA Transfer please write to Aberdeen Standard Investment Trust Administration, PO Box 11020, Chelmsford, Essex, CM99 2DB or telephone the Manager's Customer Services Department on 0808 500 0040 (free from a UK landline). Terms and conditions for the Aberdeen Standard managed savings products can be found under the literature section of **invtrusts.co.uk**.

Key Information Document ("KID")

The KID relating to the Company and published by the Manager can be found in the 'Literature Library' section of the Company's website: **eurologisticsincome.co.uk**.

Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. 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; Barclays Stockbrokers; Charles Stanley Direct; Halifax Share Dealing; Hargreave Hale; Idealing; Interactive Investor; Selftrade; The Share Centre; Stocktrade; Hargreaves Lansdown.

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 and Financial Advice Association at pimfa.co.uk.

Independent 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 **https://register.fca.org.uk/** or email: **register@fca.org.uk**

Suitable for Retail/NMPI Status

The Company's securities are intended for investors primarily in the UK (including retail investors), professional-advised private clients and institutional investors who are seeking exposure to unlisted European logistics real estate and who understand and are willing to accept the risks of exposure to unlisted securities. 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 its securities can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's (FCA) rules in relation to non-mainstream pooled investments (NMPIs) and intends to continue to do so for the foreseeable future.
The Company's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

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 information above is issued and has been approved for the purposes of the Financial Services and Markets Act 2000 by Aberdeen Asset Managers Limited, Bow Bells House, 1 Bread Street, London EC4M 9HH which is authorised and regulated by the Financial Conduct Authority.

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John Heawood
Diane Wilde

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Registered Number
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Visit us online

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Aberdeen Standard Investments