

Aberdeen Standard European Logistics Income PLC

A new investment trust to be listed on the premium segment of the London Stock Exchange offering a focused long term income strategy exploiting the demand-supply imbalance in European logistics

Overview

- 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 European logistics real estate
- Target annual dividend yield of 5.5% and target total return of 7.5%, both in euro terms, for IPO investors. Distributions paid quarterly in Sterling
- Target initial equity issue of £250 million, with IPO proceeds expected to be fully invested within 12 months
- Managed by Aberdeen Standard Investments, the second largest European real estate investment manager*
- Competitive management fee with no charge on initial un-invested cash (until 75% invested)



Tiel (NL), 15 years fully indexed lease. Acquired by Aberdeen Standard Investments in April 2016.

Structure	Investment trust - premium segment of the LSE	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 European logistics real estate
Size	Target initial equity issue of £250 million	Annual target returns**	5.5% dividend yield and a total return of 7.5%, for IPO investors, both in euro terms. Distributions to be paid in Sterling
Launch costs	Capped at 1.5%	Geographic/sector focus	European, logistics warehouses (big box) and urban logistics (last-mile)
Management Fees	Management fee of: <ul style="list-style-type: none"> • 0.95% on the NAV up to or equal to €500 million • 0.75% on the incremental NAV between €500 million and €1.25 billion • 0.60% on the incremental NAV above €1.25 billion No management fee on initial un-invested cash until the fund is 75% invested	Diversification	Maximum 20% in any one property and 50% in any single country
Share buybacks	Shareholder authority to buyback up to 14.99% of issued share capital	Tenant exposure	Maximum of 20% of annual gross income to a single tenant covenant
Gearing	Long term average loan-to-value of 30% on gross asset value, maximum 50% loan-to-value on any single asset on acquisition	Deployment	12 months (subject to market conditions)

Intermediaries Offer Timetable

Intermediaries Offer opens	17 November 2017
Intermediaries Offer closes	11 December 2017
Issue Result Announced	13 December 2017
First Day of Dealings	15 December 2017

Advertisement

This is an advertisement and not a prospectus for the purposes of EU Directive 2003 / 71 / EC or Part VI of the Financial Services and Markets Act 2000 ("FSMA"). Potential investors should not apply for or buy any shares in Aberdeen Standard European Logistics Income PLC (the "Company") except on the basis of information contained in the prospectus published by the Company in connection with the offer of shares in the Company and which is available on the relevant investment platform and at: www.eurologisticsincome.co.uk

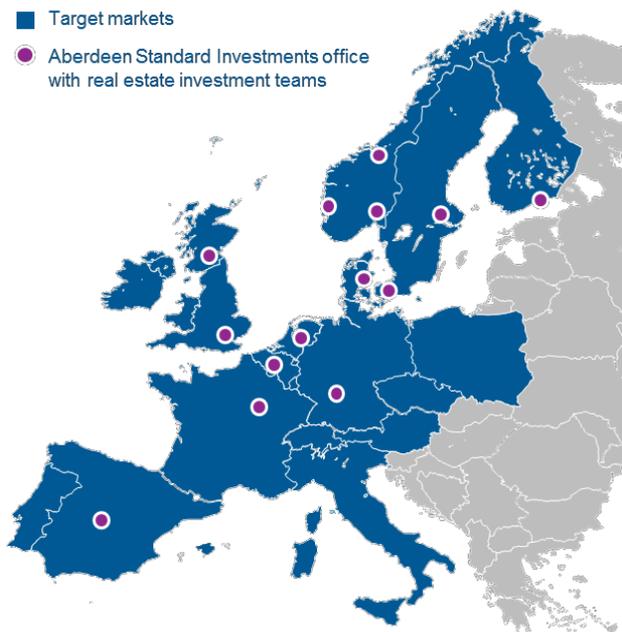
* Aberdeen Standard Investments is the brand name representative of the asset management division of Standard Life Aberdeen plc

** Target returns are not guaranteed to be achieved and your capital is at risk

Aberdeen Standard Investments Real Estate

2nd largest European real estate investment manager with local presence throughout Europe

- Aberdeen Standard Investments manages 56 real estate portfolios in Europe, with a total gross asset value of €43.5 billion
- 25 offices across Europe, 17 of which have real estate professionals*
- The real estate team comprises of 282 investment professionals including:
 - fund and portfolio managers
 - asset managers
 - transaction managers
 - research/business management
 - and a wide array of further local supporting functions
- Key advantages result from working within local markets. The manager:
 - has strong local insight
 - speaks the local language
 - and most importantly, has access to on- and off-market investment opportunities



* Three cities with both legacy Aberdeen and Standard Life offices

Source: Aberdeen Standard Investments, Oct 17

A highly experienced European logistics team

Fund Management



Evert Castelein

- Fund manager
- Amsterdam based
- 15 years experience
- Speaks English, Dutch, German, French



Ross Braithwaite

- Assistant Fund Manager
- Edinburgh based
- 18 years experience
- Speaks English, German



Attila Molnar

- Assistant Fund Manager
- Frankfurt based
- 16 years experience
- Speaks English, German, Hungarian

Investment Strategy and Research



Andrew Allen

- Global Head of Real Estate Investment Research
- London based
- 26 years experience
- MSc in Property Investment at Cass Business School and a BSc in Economics & Business Finance at Brunel University

Property research team located in London, Edinburgh, Paris, Frankfurt and Oslo

Board of Directors

Pascal Duval (Chairman) - Worked for Russell Investments in EMEA for 22 years until January 2017, when Mr Duval left Russell Investments and founded Duval Capital LLP, a research and advisory company in wealth and asset management.

Caroline Gulliver - Chartered accountant with over 25 years' experience at Ernst & Young LLP. Currently a non-executive director of JP Morgan Global Emerging Markets Income Trust plc, International Biotechnology Trust plc and Civitas Social Housing plc.

John Heawood - 40 years' experience as a Chartered Surveyor. Appointed to the board of SEGRO plc in 1996 and was responsible for its UK business for the next 12 years. Currently a non-executive director of Place Partnership Ltd.

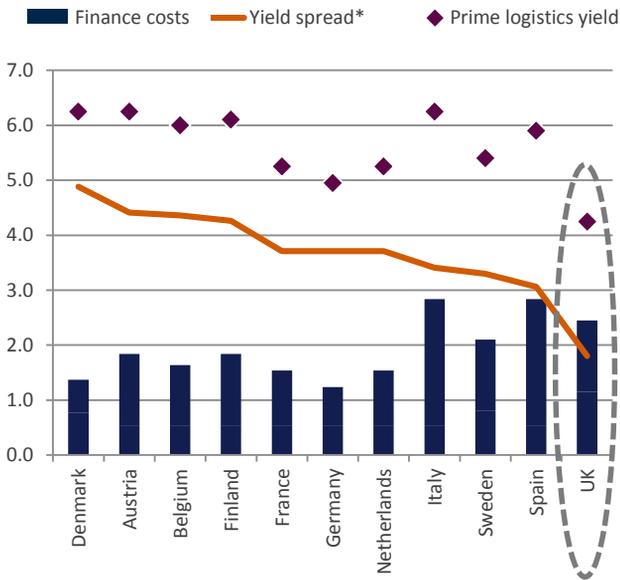
Tony Roper - Structural engineer with Ove Arup and Partners from 1983 before joining John Laing plc in 1994. Joined HSBC Specialist Investments in 2006 as the fund manager for HICL Infrastructure Company. Tony is now a Managing Partner and a senior member of the infrastructure management team at InfraRed Capital Partners.

Diane Wilde - Managing director at Gartmore Scotland from 1993 – 2000. Worked for Aberdeen Asset Management from 2000 - 2003 before joining Barclays Wealth as Head of Endowment Funds in Scotland, managing clients in the multi asset space until 2014.

Logistics offer appealing income characteristics

Rest of Europe has higher prime yields than UK, and income returns can be further enhanced by advantageous financing conditions

Attractive European yields and financing conditions



Sources: Property Yields: Cushman & Wakefield, July 2017. Financing Costs: Aberdeen Standard Investments, July 2017

- European logistics have very appealing income characteristics with:
 - Long inflation-linked and fixed uplift leases
 - High yields
 - Significant premium over financing costs
 - A clear current advantage over the UK in terms of yields and financing costs
- The Company will cautiously use leverage:
 - Long-term average loan-to-value of 30% of gross asset value
 - Maximum 50% loan-to-value on any single asset on acquisition
- European logistics typically benefit from long leases to tenants with strong financial covenants, especially for newly-built, modern facilities

*Difference between the prime logistics yield and financing costs

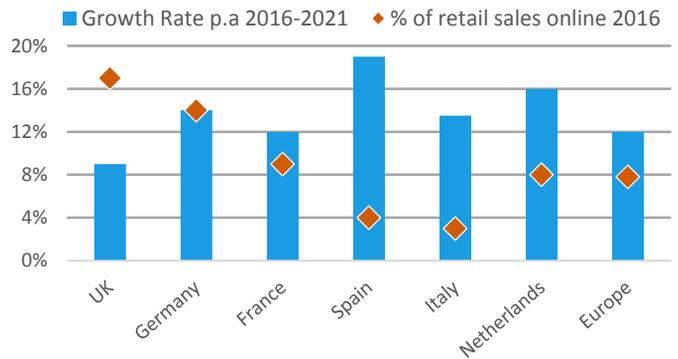
Rapid e-commerce growth creates further logistics demand

Europe set to see rapid acceleration of e-commerce and consequent demand for logistics

- European online retail penetration rates are lower than the UK, but accelerating rapidly
- The major economies of Europe are expected to outpace the UK's growth over the next 2-3 years
- This creates new logistics demand across the region:
 - Citigroup estimates that approximately 900m sq. ft. of new warehousing space will be required in Europe by 2035
 - Estimates from Prologis indicate that e-commerce requires approximately 3 times the logistics space compared to traditional retailing
- E-commerce related logistics operators are taking a far higher proportion of available space
- We expect this proportion to rise further reflecting the rapid growth across the region

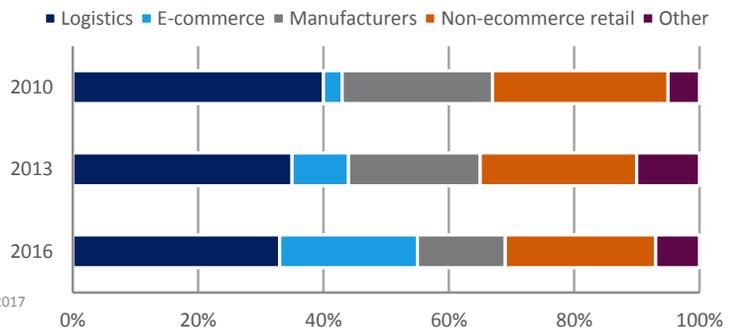
Strong projections of further e-commerce growth

Online Retail Sales Growth Rates



Growth of e-commerce triggers new logistics demand

Take-up of logistics space in Europe by occupier type (% of total)

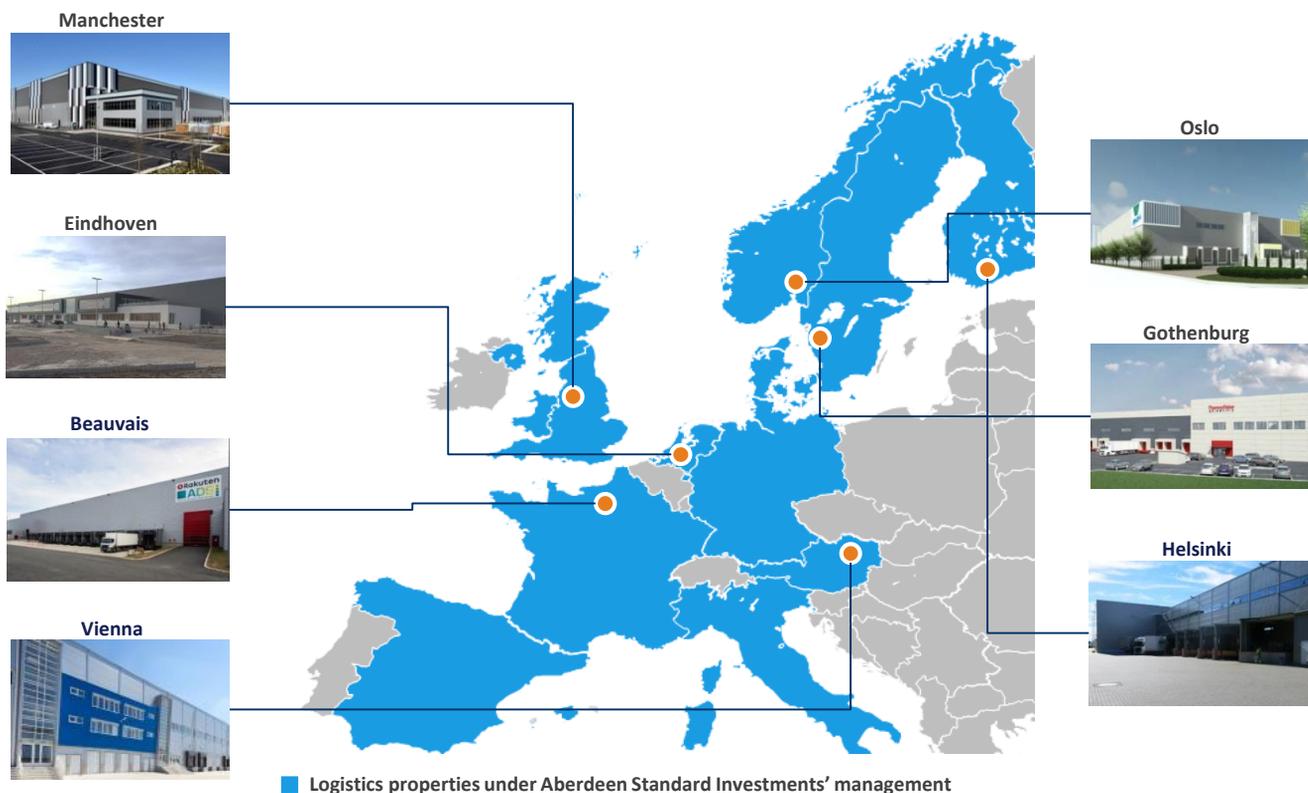


Sources: Online Retail Sales Growth - Centre for Retail Research, Aberdeen AM (projections), Oct 2017
Logistics Space Take-up: European Logistics – Occupier Market, PMA, Oct 2017

20 years of experience investing in European logistics

Currently managing €2.6 billion of logistics real estate in Europe

Examples of markets where Aberdeen Standard Investments are invested in logistics real estate



Case Study – recent Aberdeen logistics acquisition

Beauvais, France – High tech e-commerce centre

- **Acquisition:** acquired for €30.9 million in March 2016
- **Location:** Beauvais – 80 km North of Paris (close to a growing airport)
- **Gross Leasable Area:** 35,000sqm, built in 2008 and extended in 2013
- **Tenant:** leased to ADS (Rakuten group). ADS is one of Japan's largest e-commerce retailers
- **Lease Maturity Date:** October 2025
- **Annual Rent:** €1.9 million with fixed annual uplifts of 2.5%
- **Targeted Returns:** an annual cash-on-cash return of 5.9% and a current net yield of 5.3%
- **Excellent Technical Specifications:** free height of 11.5 - 12 metres, ground resistance of 5 tonnes/sqm for some parts and 11 tonnes/sqm for other parts. ADS has also invested c.€25 million in an automated order picking system
- **Asset Management Perspectives:** further expansion of the building thanks to growing client base, placement of solar panels



*This asset was acquired in a separate Aberdeen managed fund and will not form part of the initial portfolio of the Company

Aberdeen Standard European Logistics Income PLC

Important Information

Risk Factors you should consider before investing:

- The value of investments and the income from them can go down as well as up and you may get back less than the amount invested
- Past performance is not a guide to future results
- Investment trusts can borrow money in order to enhance investment returns. This is known as 'gearing' or 'leverage'. However, the use of gearing can result in share prices being more volatile and subject to sudden or large falls in value
- Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the total value of your investment and on any distributions payable by the Company, which will be paid in Sterling
- The Ordinary Shares may trade at a discount to the Net Asset Value per Ordinary Share and Shareholders may be unable to realise their investments through the secondary market at the Net Asset Value per Ordinary Share
- The Company invests in a specialist sector and it will not perform in line with companies that have a broader investment policy
- There is no assurance that the Company will be able to secure suitable logistics assets. In the event that the Company is unable to invest part or all of the proceeds of the Initial Issue in suitable European logistics assets, this may affect the Company's ability to meet the Target Returns and may have an adverse effect on the Company's performance, financial condition and business prospects
- The Company may hold a limited number of investments. If one of these investments declines in value this can have a greater impact on the Company's value than if it held a larger number of investments
- Property values are a matter of the valuers' opinions and can go up and down. There is no guarantee that property values, or rental income from them, will increase so you may not get back the full amount invested
- Property investments can take significantly longer to buy and sell than other investments, such as bonds and company shares. If properties have to be sold quickly this could result in lower prices being obtained for them
- A full list of risks applicable to the Company can be found in the Prospectus

Other important information:

An investment trust should be considered only as part of a balanced portfolio. This is not intended for distribution or use by any person or entity who is a citizen or resident of or located in any jurisdiction where such distribution, publication or use would be prohibited. The Company is not registered under the United States Securities Act of 1933, nor the United States Investment Company Act of 1940 and therefore may not directly or indirectly be offered or sold in the United States of America or any of its states, territories, possessions or other areas subject to its jurisdiction or to or for the benefit of a United States Person. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. Under no circumstances should this information be considered as an offer, investment recommendation or solicitation to deal in investments. No recommendation is made, positive or otherwise, regarding individual securities mentioned. This is not an invitation to subscribe for shares in the Company and is by way of information only. Subscriptions will only be received and shares issued on the basis of the current Prospectus available at: www.eurologisticsincome.co.uk. The Alternative Investment Fund Manager (AIFM) is Aberdeen Fund Managers Limited.

We recommend that you seek financial advice prior to making an investment decision.

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