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Tritax reports 9.3% rise in NAV as profit hits £41.8m

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Tritax Big Box Reit, the logistics warehouse group, saw a 9.3% rise in net asset value to £619.28m during its first full year on the stock market, it revealed this morning.

The group, which listed in December 2013, posted a pre-tax profit of £41.8m, and paid the first interim dividend of 1.85p per share in August 2014, for the period to 30 June 2014, and the second interim dividend of 1.50p per share in December 2014, for the period from 1 July to 31 October 2014. A third interim dividend of 0.8p per share will be payable in March 2015, for the period from 1 November to 31 December 2014.

The NAV per share increased from 98.00p at the time of the IPO to 107.02p at 31 December 2014, a rise of 9.2%.

Annualised rent roll stood at of £36.16m, including forward funded commitments, and the group's loan to value ratio was 32.9% as at the end of last year, with long-term debt drawn at the period end of £203.64m.

Richard Jewson, chairman of Tritax, said: "The fundamentals of the big box market remain highly favourable. With the economy continuing to recover, online retail in the UK growing rapidly and companies wanting to increase the efficiency of their distribution, occupier demand for big boxes is set to stay strong. At the same time, the supply of new big boxes is severely constrained and will not materially increase in the short to medium term. With demand exceeding supply, we expect to see rents continue to rise.

"The expectation of rental growth and the important role big boxes play in the UK economy has strengthened investment demand and compressed yields during 2014. This presents an opportunity for us to create additional supply, through forward funded pre-let investments of securely let modern purpose-built assets at a discount to their completed investment value.

"The last year has shown our ability to source excellent investments and to buy them at attractive prices. We believe the group is now one of the first ports of call for vendors and their agents when looking to sell big boxes. This will help us to continue to grow and diversify the portfolio."