



M&G CONTINUES TEMPORARY SUSPENSION OF PROPERTY PORTFOLIO

- *Next planned update on temporary suspension due 14 July*

LONDON, 16 June, 2020: The Authorised Corporate Director of the M&G Property Portfolio (“the Fund”) has decided, with the agreement of the Fund’s Depository, it can best protect the interests of all of its investors by continuing the temporary suspension in dealing in its shares.

The Fund’s Standing Independent Valuer – Knight Frank – will continue to apply a statement of Material Uncertainty to its valuation due to reduced transactional evidence available on which to base valuations. However, they have announced the Material Uncertainty Clause for UK industrial and logistics assets will be lifted as of 12 June – accounting for circa 23% of the Fund’s assets.

Regular dialogue continues with occupiers to maintain the important focus on receipt of rental income. Nine weeks after the Q1 March rent collection, the Fund has received circa 76% of rent, which compares to more than 90% received at the equivalent point in 2019.

The Fund has approximately £180.8 million under offer for sale and assuming all assets which have exchanged or are under offer were to complete, it would take the cash position to 16.1%*. Reopening the Fund for dealing will depend on cash levels but will also be contingent on the Material Uncertainty Clause being lifted.

The Fund continues to be actively managed during suspension, including income payments and fund reporting and M&G also continues to waive 30% of the Fund’s annual charge in recognition of the inconvenience caused to our clients and customers.

The ACD and the Depository reviews the temporary suspension on a 28-day cycle and we will provide you with our next update on 14 July, or earlier if needed.

Separately, Fiona Rowley has decided to leave the business after more than 27 years and Justin Upton will assume full responsibility for the management of the Fund after a handover period. [Please click here to see the announcement.](#)

Fund activity update

- Cumulative total of completions since suspension: £148.2 million
- Exchanged/under offer to sell: £180.8 million

ENDS

*As at the end of May 2020, the cash held by the Fund was 7.9%. £180.8 million of assets have exchanged or are under offer, which would take the total cash holding to 16.1%, assuming all deals complete. There is no guarantee transactions will complete.

About M&G

M&G Investments is part of M&G Plc, a savings and investment business which was formed in 2017 through the merger of Prudential plc's UK and Europe savings and insurance operation and M&G, its wholly owned international investment manager. M&G Plc listed as an independent company on the London Stock Exchange in October 2019 and has £352 billion of assets under management (as at 31 December 2019). M&G Plc has over 5 million customers in the UK, Europe and Asia, including individual savers and investors, life insurance policy holders and pension scheme members.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate. M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

Its £33.5 billion property arm (as at 31 December 2019 including cash), M&G Real Estate, is a leading solutions provider for global real estate investors, has a sector leading approach to responsible property management and is committed to continuously improving the sustainability performance of its funds.

For more information, please visit: <https://global.mandg.com/>

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