Third Quarter Company Update

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Convenience-led portfolio continues to deliver a growing dividend

David Lockhart, Chief Executive commented: "Against a backdrop of continued macro uncertainty, we remain focused on generating sustainable income returns from our well placed convenience-led portfolio. I am pleased to report that we have once again delivered an increased dividend to our shareholders, with the third quarter dividend up by over 5% and the dividend for the financial year to date up by over 9%. Our underlying business is in good shape, as demonstrated by the operational metrics across our portfolio, with retail occupancy up to 97%, and footfall outperforming the national benchmark. Our value and discount focused occupiers have traded well over the Christmas period, with the vast majority reporting positive like-for-like revenue trends. In December 2016, we qualified for admission into the FTSE 250, FTSE All-Share and EPRA indices following our move from AIM to the Main Market in August 2016. Even at this early stage, we have seen improved liquidity in our shares and access to a wider pool of capital.

Looking ahead to the final quarter of our financial year and beyond, we remain confident that with the convenience-led profile of our portfolio, affordable rents, conservative balance sheet and risk controlled development pipeline, our proven business model is well equipped to continue to deliver secure and sustainable cash returns to our shareholders."

Continued focus on providing growing cash returns and liquidity to shareholders

- Third quarter dividend up 5.3% to 5.00 pence per share (Q3 FY16: 4.75 pence) payable on 27 January 2017; dividend for the three quarters to date up 9.1% to 15.00 pence per share (FY16 YTD: 13.75 pence)
- Qualified for inclusion in the FTSE 250, FTSE All-Share and EPRA/NAREIT UK indices in December 2016

Underlying operational performance remains robust

- The portfolio's top retailers providing Christmas trading updates (Primark, Superdrug, B&M, Sainsbury's) show positive like-for-like income trends
- Footfall across the shopping centre portfolio of 39 million in Q3; on a like-for-like basis -0.8% vs Q3 FY16 but outperforming the UK benchmark by 200bps
- Footfall particularly strong at The Forum Shopping Centre, Wallsend, where like-for-like footfall was up 21% following the opening of a new 18,500 sq ft Aldi and 1,450 sq ft Burger King in the period

Portfolio metrics remain strong

- Consistently high occupancy of 97% (Sep 2016: 96%) underpinned by efficient rent collection with payment received for 99.3% of rent demanded in Q3
- Affordable average retail rent of £12.70 per sq ft (Sep 2016: £12.70 per sq ft)
- Weighted average lease expiry of 6.8 years (Sep 2016: 6.9 years)
- Draft rateable values across the retail portfolio in Scotland reduced by 13%; with a previously announced decrease of more than 20% across England & Wales means a 19% reduction across over 90% of the retail portfolio, benefiting retailers greatly and reducing cost ratios further

- Pub operators across our portfolio will save on average 37% on business rates from 1 April 2017 when the business rate relief threshold rises from £6,000 to £12,000

Further leasing progress across the portfolio

- 69 leasing events across the retail portfolio across 314,200 sq ft; long term deals on average +2.4% vs September 2016 ERV with an average lease length of 9.7 years and securing annual rent of £2.8 million
- Includes a portfolio of 7 lease renewals with Peacocks across 52,100 sq ft, with a weighted average lease expiry of 6.4 years and an increase in passing rent of 4.7%
- Significant progress made at the Broadway Shopping centre, Bexleyheath, with London based Morleys Department Stores secured as a new anchor to replace BHS; the new store is projected to open in April 2017 following significant investment by Morleys and a comprehensive modern fit-out and is expected to be a significant footfall driver
- Secured contracted income on 21 pubs by surrendering the leaseback arrangement with Marston's PLC, due to expire in December 2017, and agreeing new 15 year RPI linked leases with Marston's PLC

Risk-controlled development pipeline

- Further progress made on 1.6 million sq ft development pipeline; 44,000 sq ft Next anchor store at the Abbey Centre, Newtownabbey opened on 14 December and early trading is encouraging; making good progress with the next phase of development works at the centre, constructing a 15,000 sq ft extension to create a 31,600 sq ft flagship unit for Dunnes Stores, the leading Irish department store operator
- Planning granted on 86,500 sq ft; includes 62,000 sq ft at Canvey Island Retail Park, already over 50% pre-let
- 246,500 sq ft of planning applications submitted including 236,000 sq ft mixed-use regeneration in Cowley, Oxford

For further information

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This announcement contains inside information as defined in Article 7 of the EU Market Abuse Regulation No 596/2014 and has been announced in accordance with the Company's obligations under Article 17 of that Regulation.

About NewRiver

NewRiver REIT plc (ticker: NRR) is a premium listed REIT on the London Stock Exchange and a constituent of the FTSE 250 and EPRA indices. The Company is a specialist real estate investor, asset manager and developer focused solely on the UK retail and leisure sector.

Founded in 2009, NewRiver is one of the UK's largest owner/managers of convenience-led shopping centres with assets under management of £1.3 billion principally comprising 33 UK wide shopping centres together with further nationwide retail and leisure assets. The portfolio totals over 8 million sq. ft. with over 2,000 occupiers, an annual footfall of 150 million and a retail occupancy rate of 97 per cent.

Visit nrr.co.uk for further information.

Forward-looking statements

The information in this announcement may include forward-looking statements, which are based on current projections about future events. These forward-looking statements reflect the directors' beliefs and expectations and are subject to risks, uncertainties and assumptions about NewRiver REIT plc (the "Company"), including, amongst other things, the development of its business, trends in its operating industry, returns on investment and future capital expenditure and acquisitions, that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements.

None of the future projections, expectations, estimates or prospects in this announcement should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the document. As a result, you are cautioned not to place reliance on such forward looking statements as a prediction of actual results or otherwise. The information and opinions contained in this announcement are provided as at the date of this document and are subject to change without notice. No one undertakes to update publicly or revise any such forward looking statements. No statement in this document is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company.

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