



Q3 CALL PRESENTATION

# 2019



# SPEAKERS



**Sylvain Vieujot**  
*CEO*



**Alain Debare**  
*Group Head of Real Estate*



**Abdul Wahab Al-Halabi**  
*CFO*

# MARKET OVERVIEW

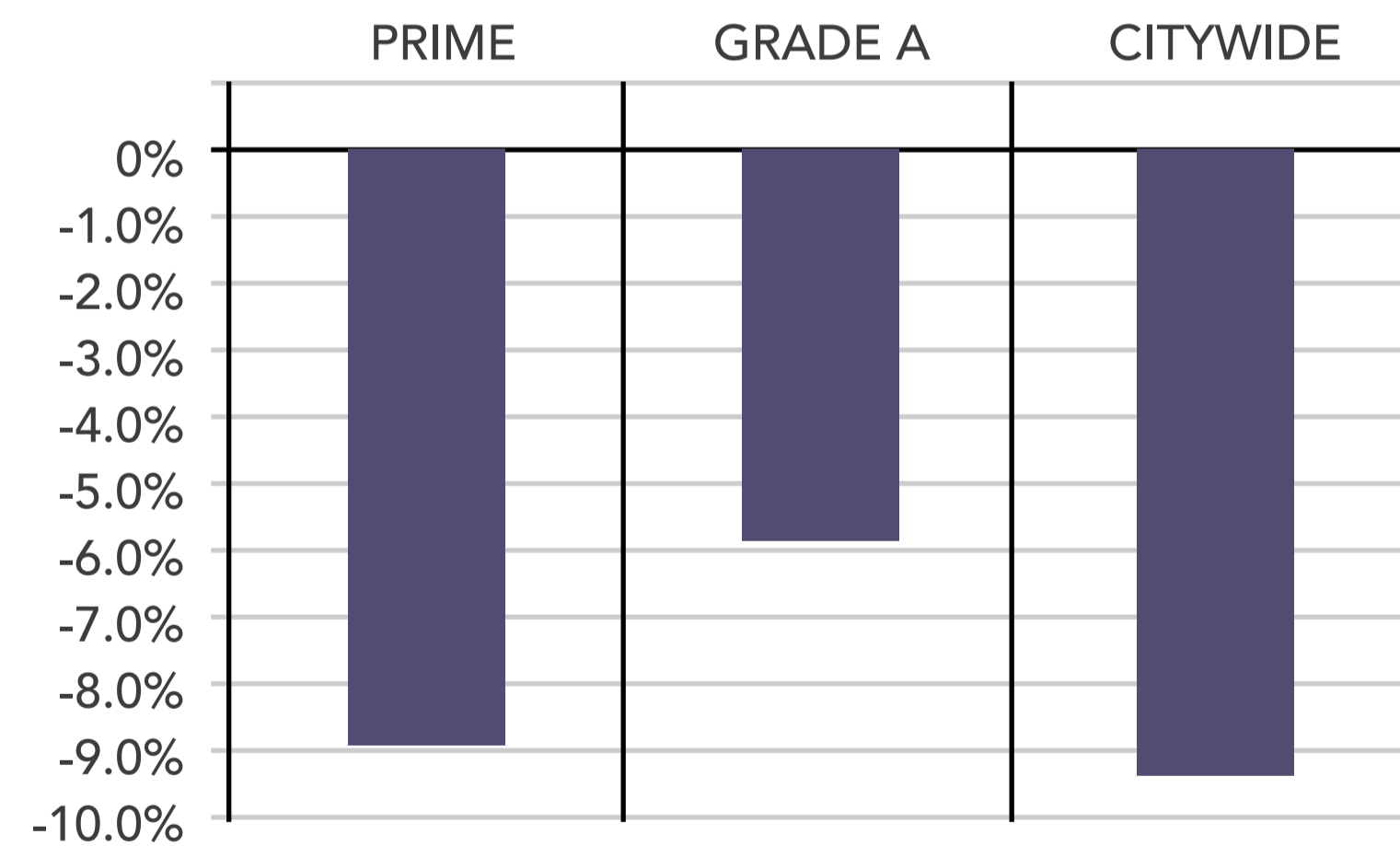


Asteco Report

## Average Office Rental Rates

-16.8%

Knight Frank Report



■ Year-on-year % change

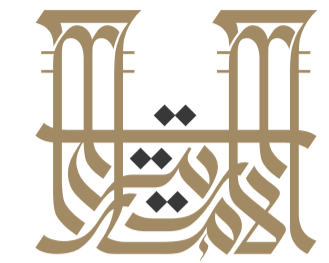
Emirates REIT  
Rental Rates

+ 1.9%

Source: Knight Frank and Asteco

# FINANCIAL HIGHLIGHTS

Q3 2019



- **Total Property Income:** 4% year-on-year increase to USD 54.1m (AED 198.5m)
- **Total Property Expenses:** reduced by 8% year-on-year to USD 10.7m (AED 39.3m)
- **Net Property Income:** 7% year-on-year increase to USD 43.4m (AED 159.3m)
- **EBITDA:** 7% year-on-year increase to USD 29.0m (AED 106.4m)
- **FFO** stands at USD 7.2m (AED 26.4m)
- **Net Profit** stands at USD 5.9m (AED 21.5m) after accounting for unrealized revaluation losses of USD 1.3m (AED 4.9m)
- **Net Asset Value** stands at USD 500.9 m (AED 1.8bn) or USD 1.67 per share
- **Loan to Value (LTV)** stands at 46%



# PORTFOLIO HIGHLIGHTS

# OPERATIONAL HIGHLIGHTS

Q3 2019

- Continued focus on tenant retention, cost reduction and new revenue opportunities
- Rental rate increase by 1.9% in 2019
- Increase of rental income by 4% from USD 52.1mn to USD 54.1mn
- Property expenses reduced by 8% to USD 10.7mn
- Increase of net operating income margin from 78% to 80%
- Weighed Average Lease Expiry is 7.9 years



# INDEX TOWER

- Occupancy increased by 18% year-on-year to 50% with 22% increase in passing income
- To improve performance and reduce costs, Index Tower commercial portfolio is now directly managed by Equitativa
- Index Mall is now open with 16 units leased
- Connection to the Gate Avenue completed and expected to open by end Nov 2019



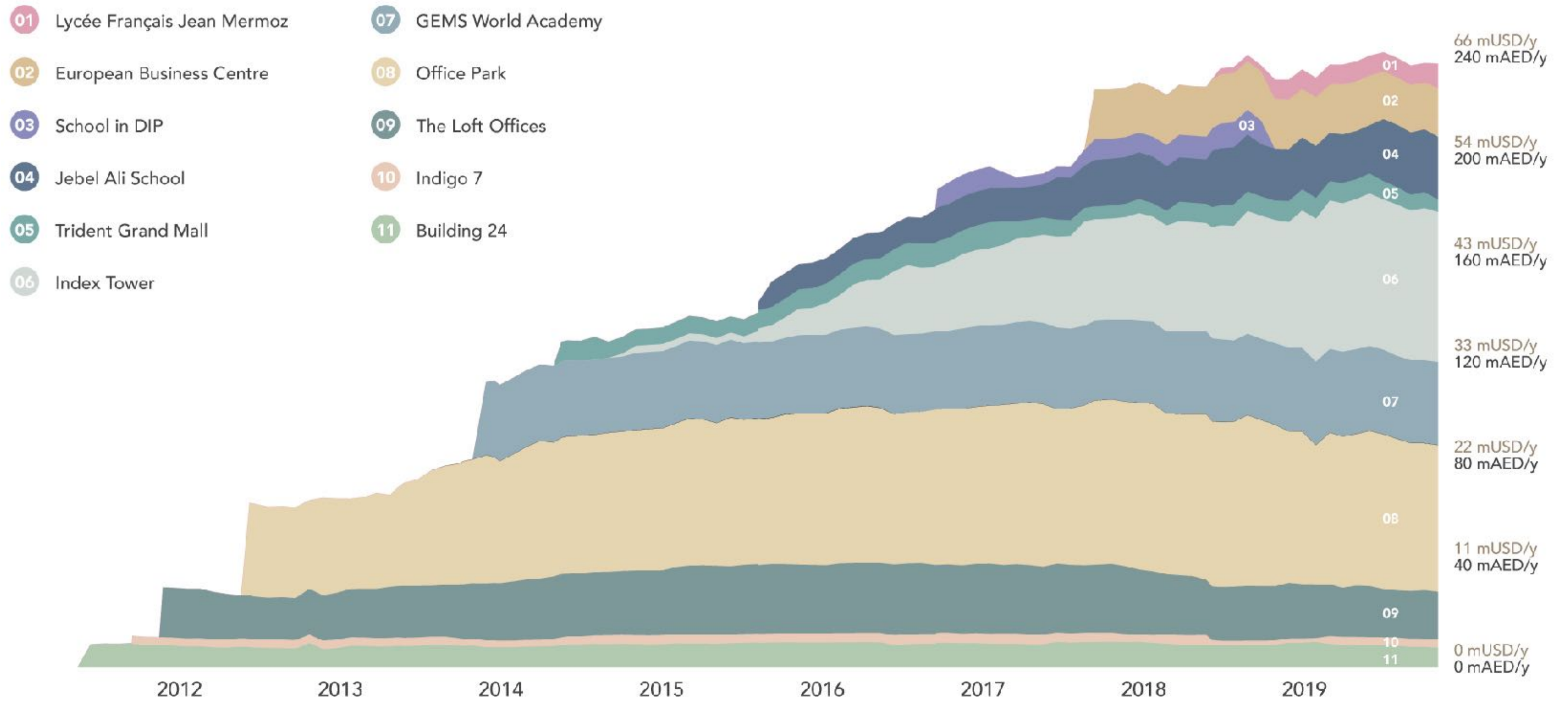
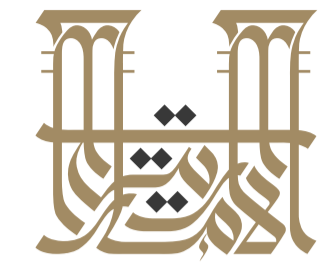
# EUROPEAN BUSINESS CENTER

- Metro station work ongoing, expected completion Q1-2020
- Current access to the building is ... bumpy
- Occupancy is at 82% (-2% since Jan 19)
- Expected repositioning of the building when the metro station is operational





# ANNUALISED RENT PER PROPERTY

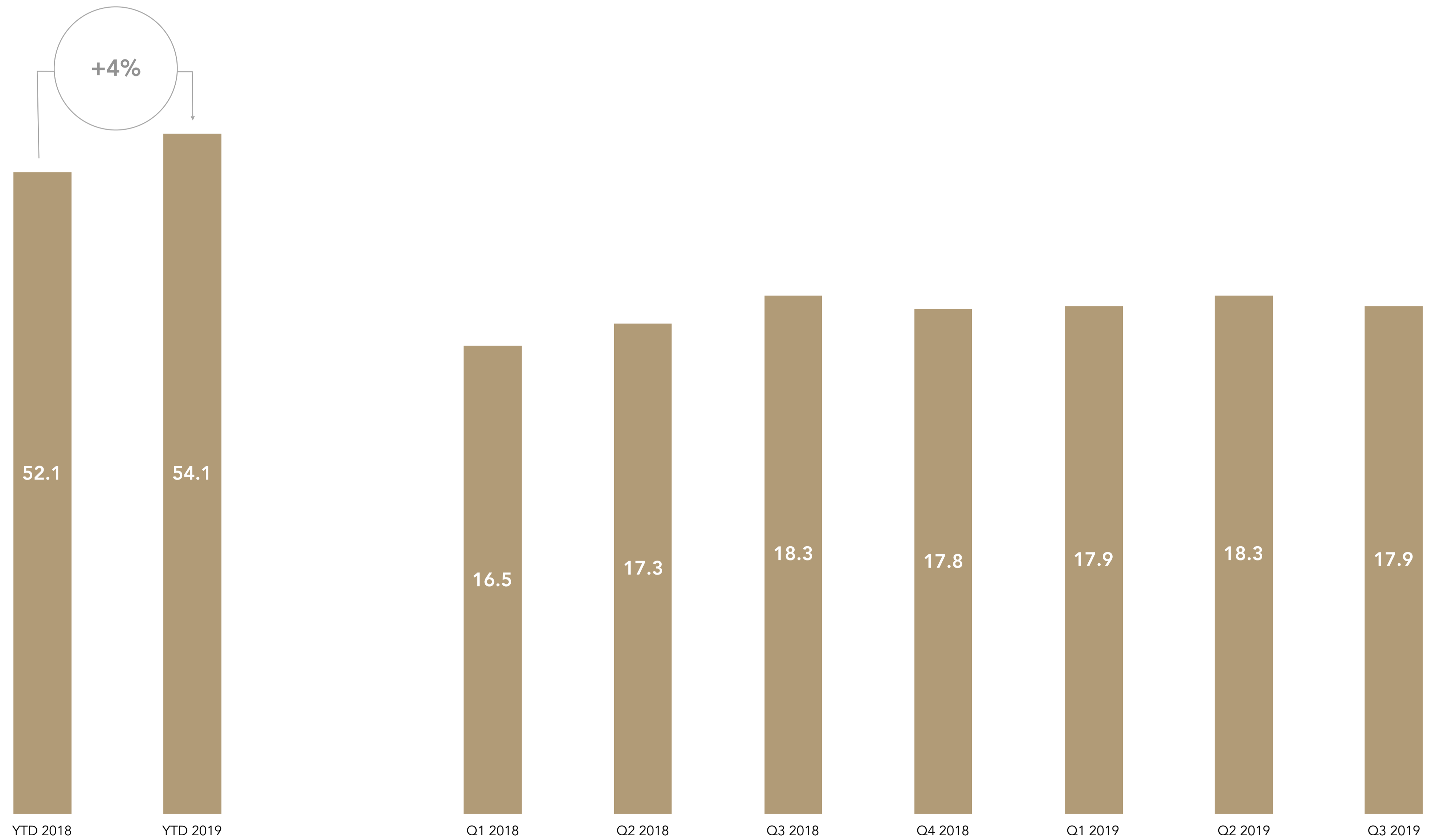




# FINANCIAL HIGHLIGHTS

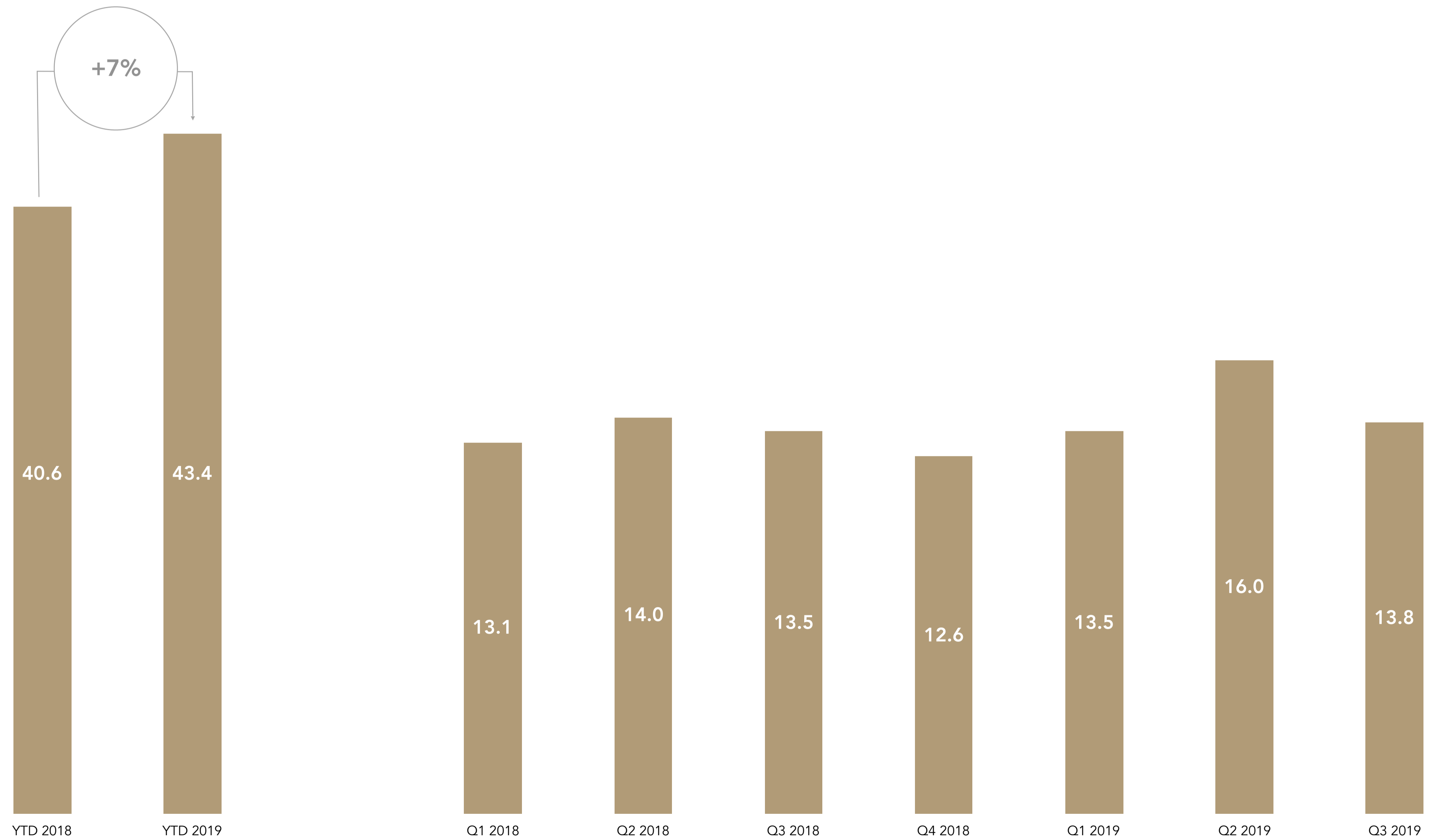
# TOTAL PROPERTY INCOME GROWTH

(USD M)



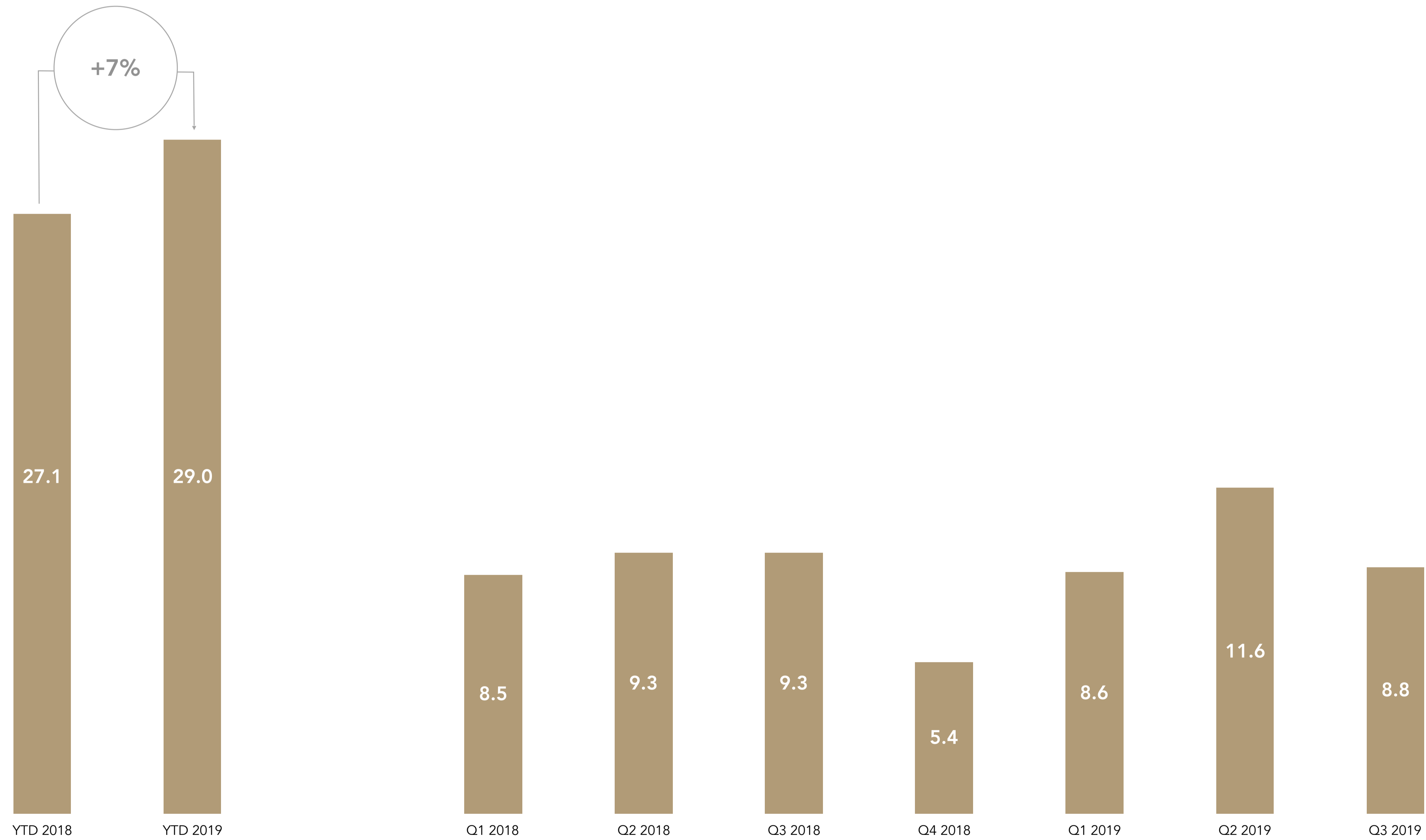
# NET PROPERTY INCOME GROWTH

(USD M)



# EBITDA GROWTH

(USD M)



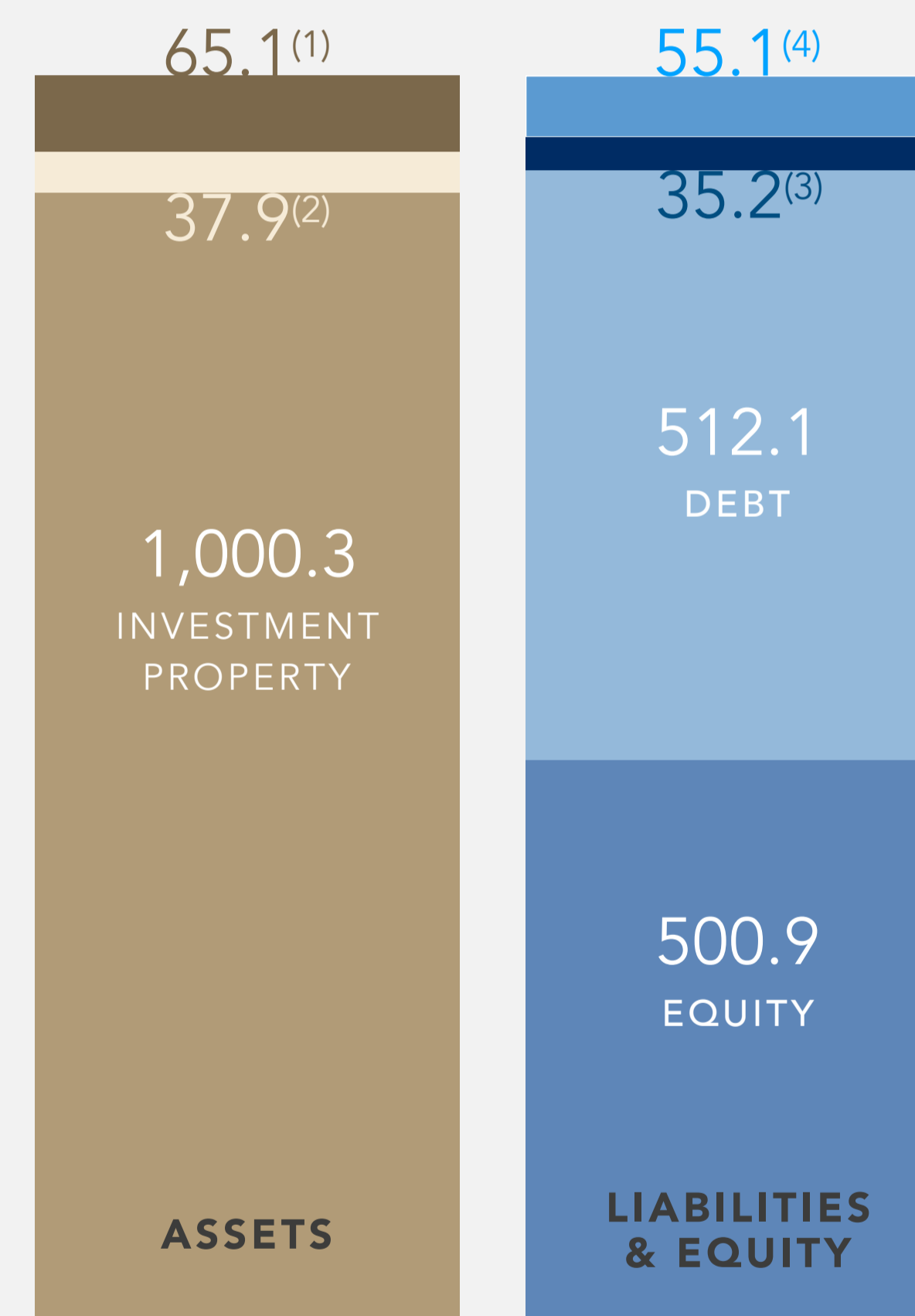
# BALANCE SHEET OVERVIEW



IN USD M	30 SEP 19	30 SEP 18	CHANGE
<b>INVESTMENT PROPERTY</b>	1,000.3	914.7	+9%
<b>TOTAL ASSETS</b>	1,103.3	963.4	+15%
<b>ISLAMIC FINANCING</b>	512.1	397.6	+29%
<b>TOTAL LIABILITIES</b>	602.4	434.7	+39%
<b>EQUITY</b>	500.9	528.7	(5%)
<b>LTV RATIO (%)</b>	46.4%	41.3%	+5%
<b>NAV PER SHARE</b>	1.67	1.76	(5%)

USD 1,103.3

USD 1,103.3



(1) Cash & Equivalents

(2) Trade & Other Receivables

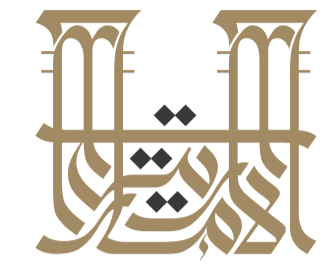
(3) Other Payables & Derivative Liability

(4) Lease Liability

30 September 2019

Includes impact of the adoption of the new IFRS 16 standards

# SUMMARY



USD 1.0bn  
PORTFOLIO VALUE

223,274 m<sup>2</sup>  
NET LEASABLE AREA

USD 501m  
NET ASSET VALUE

74%  
OCCUPANCY

USD 1.67 per share  
NET ASSET VALUE

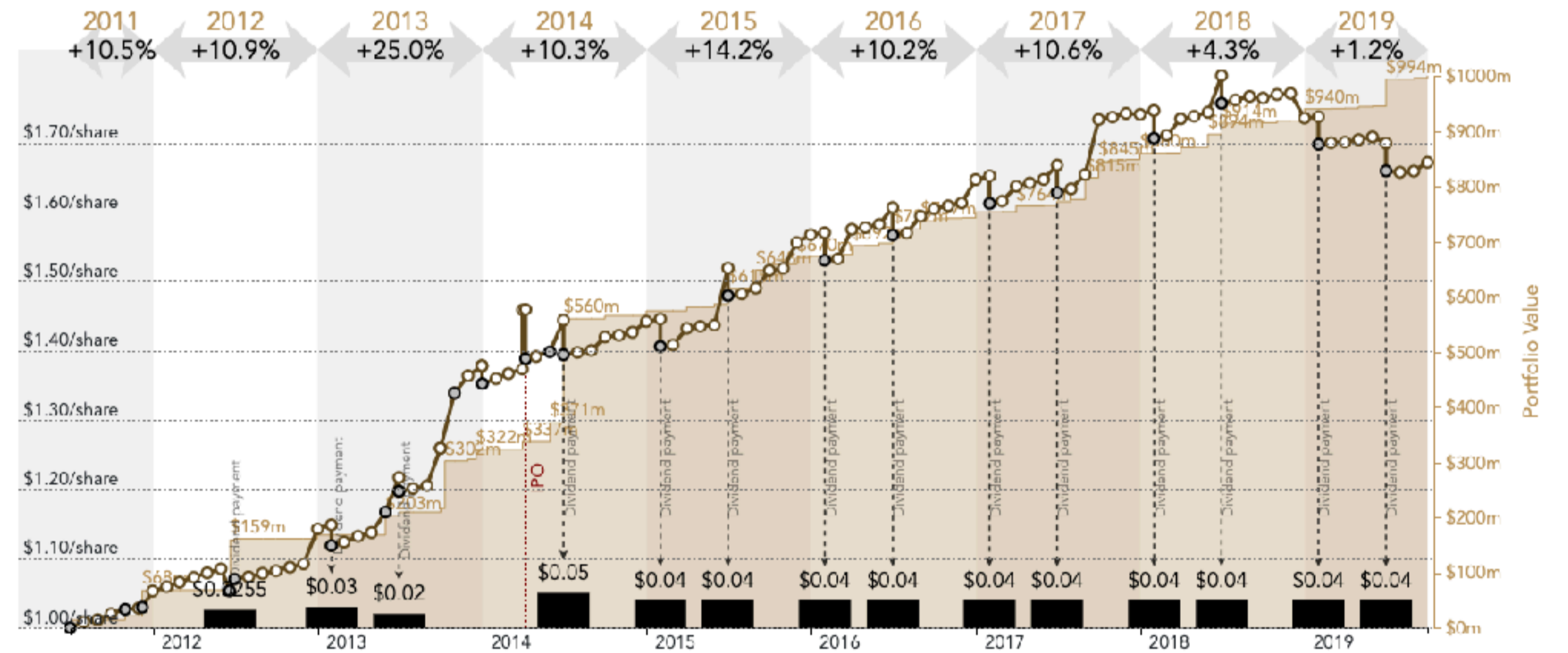
7.9 years  
WAULT<sup>(1)</sup>

11 Properties

329 tenants

(1) Weighted average unexpired lease term

As of 30 Sep 2019



NAV per share is calculated by the REIT administrator. Growth rates are adjusted for dividends and annualized. For 2011, 2012 and 2013, the NAV per share was calculated in accordance with the REIT's Articles of Association, not IFRS. From 2014, the NAV has been calculated in accordance with IFRS. The historical NAV per share data presented in the figure above has been adjusted to reflect the subdivision of Shares by a factor of 100 on 26 January 2014.

# QUESTIONS & ANSWERS





THANK YOU

