



Emirates Reit

Acquisition of 15 further offices floors in Index Tower Emirates REIT (CEIC) Limited (“Emirates REIT” or the “REIT”)

23rd June 2014

Emirates REIT acquires 15 further office floors in DIFC's Index Tower for 613 million



- Raises the REIT's ownership in the landmark "Grade A" Index Tower's office floor space to 67%
- Increases the REIT's portfolio market value to AED 2 billion

Dubai – 23 June 2014: Emirates REIT (CEIC) Limited (“Emirates REIT” or the “REIT”), the UAE’s first regulated Shari’a-compliant real estate investment trust incorporated in the Dubai International Financial Centre (“DIFC”) and listed on NASDAQ Dubai, announced today that it has entered into an agreement with Emirates NBD Properties to acquire 15.64 office floors and 706 car parking spaces in the DIFC’s Index Tower, for a cash consideration of approximately AED 613.5 million (\$167m), excluding transfer fees.

The office floors, are located between level 4 and level 25 of the tower, and comprise approximately 372,000 sq. ft. of commercial space. Once fully tenanted, the acquisition price of AED 1,650 per sq. ft. should result in a gross yield in excess of 10% based on current DIFC rental values.

Following this strategic transaction, Emirates REIT will own 16.64 office floors in Index Tower or two thirds of the building’s office floor space as well as 1,404 car parking spaces. In addition, the REIT already owns the retail mall located over ground and podium levels as well as the sky lobby. Emirates REIT will begin leasing the office floors straight away and is now in a position to move forward with the reconfiguration of the retail space.

The office floors being acquired are currently vacant, having not previously been offered for lease. Emirates REIT believes there is significant demand from commercial tenants for such prime office space. Index Tower offers both sizeable floor plates for single tenants and an opportunity for subdivided space for smaller tenants at a premium.

Sylvain Vieujot, Executive Deputy Chairman of Emirates REIT Management (Private) Limited, said:

“This is our largest acquisition to date. It demonstrates that there are fantastic opportunities within the Dubai market to invest at attractive prices in prime buildings which offer significant growth. The Index Tower has the potential to attract high profile long-term commercial tenants, offering both an iconic address and flexible space options. Emirates REIT is now in a very good strategic position, controlling the offices, the retail and the car park of this prime Dubai landmark.”

Ali Al Kaitoob, Chief Executive Officer of Emirates NBD Properties, said:

“We are very pleased to once again work with Emirates REIT on this landmark agreement. This reflects Emirates NBD Properties relentless efforts in the real estate market which have made it possible to conclude this strategic transaction”.

Index Tower is a landmark ‘Grade A’ mixed multi-purpose tower with 80 stories, designed by Foster + Partners and completed in 2011. The building comprises 25 office floors, 3 levels of retail outlets, 40 residential apartment floors, and 7 dedicated penthouse levels. The acquisition is being financed through a mixture of cash and a new AED 109 million Ijarah financing facility.

Emirates NBD Properties is a wholly owned subsidiary of Emirates NBD Group. The company's key services include real estate development, buying and selling of real estate, property management and real estate buying and selling brokerage.

For further information

Website

www.reit.ae

Contact

Rupert Young / Jeehan Balfaqaih
Brunswick

+971 4 446 6270

Magali Mouquet, Investor Relations

+971 (4) 405 7348
ir@reit.ae

About Emirates REIT

www.reit.ae

Emirates REIT is a Dubai-based real estate investment trust established in order to invest principally in income-producing real estate in line with Shari'a principles. Regular cash dividends, representing in excess of 80% of annual net income, have been delivered to shareholders in each year since inception. The manager of the REIT is a joint venture between Eiffel Management Limited and Dubai Islamic Bank.

Emirates REIT was established in the DIFC in November 2010 by Emirates REIT Management (Private) Limited. Under the CIR, Emirates REIT is categorised as a domestic fund, an Islamic fund, a property fund and a real estate investment trust. Emirates REIT is the first Shari'a compliant real estate investment trust incorporated in the DIFC.

In April 2014, Emirates REIT's ordinary shares were admitted to the Official List of Securities of the Dubai Financial Services Authority ("DFSA") and to trading on NASDAQ Dubai Limited under the ticker symbol 'REIT'. The admission followed a successful international IPO, which was 3.5 times over-subscribed, raising US\$201 million.

The Property Portfolio:

- **Building 24** is a low-rise building featuring commercial office and retail space located in Dubai Internet City – a well-established commercial district in Dubai.
- **Indigo 7** is a low-rise building located on Sheikh Zayed Road. The REIT acquired a contractual interest in Indigo 7 (similar to tenancy rights) in September 2011.
- **Loft Offices** (Loft 1, Loft 2 and Loft 3) are a cluster of three low-rise commercial buildings located in Dubai Media City.
- **Office Park** is a commercial building located in Knowledge Village within Dubai Internet City.
- **GWAD (GEMS World Academy Dubai)** is an education facility located in Al Barsha South.
- **"Le Grande"**, a community mall which forms part of Trident Grand Residence Tower- a 45-floor mixed-use building located in Dubai Marina.
- **Index Tower** as described above.

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www.emiratesnbd.com/properties

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