



IN BRIEF

		VARIANCE Y-O-Y
INVESTMENT PROPERTY	USD 758.6 AED 2.8bn	+4.7%
NET ASSET VALUE	USD 352.6m AED 1.3bn	27.3%
NAV* PER SHARE	USD 1.10	21.4%
NET LETTABLE AREA	203,000 sqm 2.2m sq.ft.	-7.3%
OCCUPANCY	81.9%	+11.9 p.p.

* Net Asset Value

FINANCIAL HIGHLIGHTS

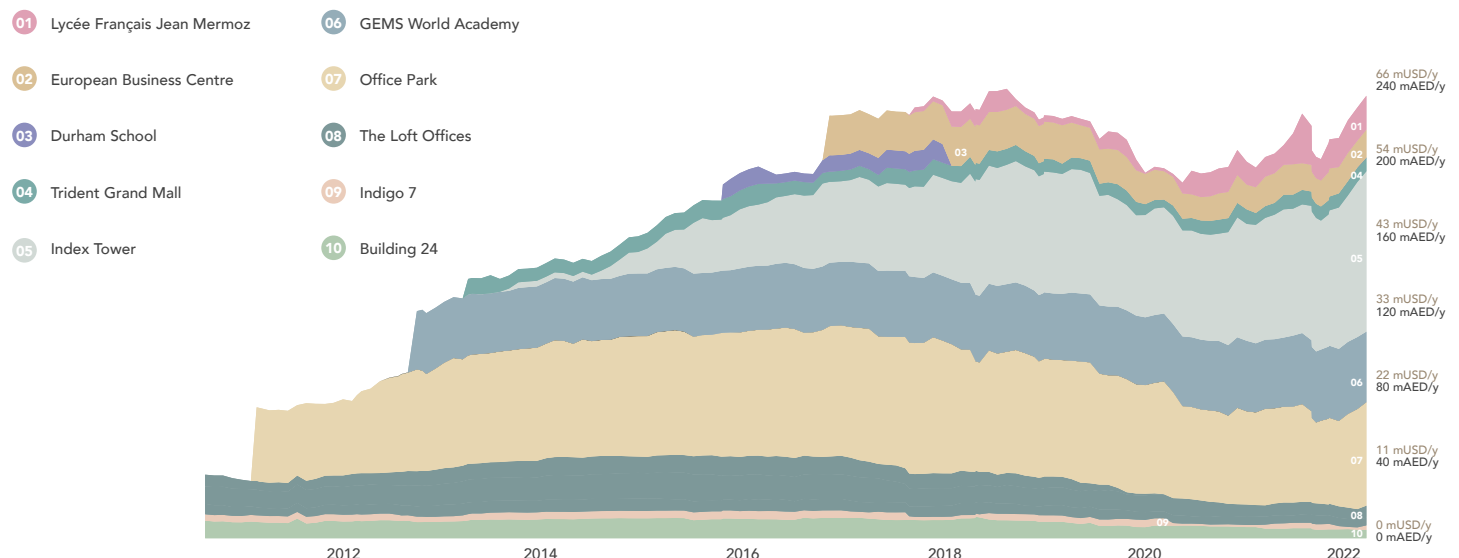
- 1H 2022 Rental, Fee & Other Income amounted to USD 34.4m compared to USD 30.3m in 1H 2021 (up 13.7% y-o-y). Incorporating the effect of asset disposal the Total Property Income in 1H amounted to USD 33.0m compared to USD 36.8m in 1H 2021 (-10.3% y-o-y).
- 1H 2022 Property Operating Expenses amounted to USD 6.0m compared to USD 6.5m in 1H 2021 a y-o-y decline of 7.7% which is a result of continued cost rationalization.
- Fund Expenses during 1H 2022 increased by 6.3% or USD 0.47m y-o-y mainly owing to the USD 0.64m voluntary management fee discount granted by REIT Manager in 1H 2021.
- Net provision on ECL was mainly driven by a USD 0.9m charge on the Jebel Ali School in 1H 2022, as compared to a net reversal of USD 7.3m booked in 1H 2021.
- Unrealized gain on portfolio revaluation for 1H 2022 amounted to USD 57.0m which, added to the reported USD 4.4m FFO, resulted in the Net Profit for 1H 2022 amounting to USD 61.5m (1H 2021: USD 50.9m).
- Driven by continued improved valuations, the Investment Property recorded a USD 34.0m increase (+4.7%) y-o-y.
- NAV per share crossed the par value mark to close at USD 1.10 per share as at 1H 2022, a 21.4% y-o-y increase compared to USD 0.91 per share as at 1H 2021.
- Supported by improved profitability, positive impact of portfolio revaluation and reduced scheduled amortisation of Islamic financing, the LTV ratio further improved to 51.8% as at June 30, 2022, from 57.5% as of June 30, 2021.

OPERATIONAL HIGHLIGHTS

- Occupancy across the portfolio increased q-o-q by 0.5 p.p. during 2Q 2022 to 81.9% (2.4 p.p. on a like-for-like basis).
 - Rental rates across the office portfolio increased by 1.9% to AED 1,618 per sq.m.
 - Rental rates across the education portfolio⁽¹⁾ remained stable at AED 904 per sq.m.
 - On a like for like basis, WALE increased by 5.4% to 7.8 years.
- Leasing activity during 2Q 2022:
- 32 renewals (6,015 sq.m.)
 - 26 new leases (5,822 sq.m.)
 - 11 exits (1,118 sq.m.)
- Index Tower experienced a strong occupancy increase of 8.2 p.p. during 2Q 2022 to 79.7% with a blended rental rate increase of 2.2%.
 - Occupancy at properties in Media City / Internet City increased by 3.7 p.p. during 2Q 2022 at 64.5% with stable rates.
 - Occupancy at Office Park increased by 6.9 p.p. during 2Q 2022 at 79.8% with a rental rate increase of 0.5%.

⁽¹⁾ Excludes Jebel Ali School

ANNUALISED RENT





INCOME AND EARNINGS

IN USD M	FOR THE HALF YEAR ENDED		
	JUN 30, 2022	JUN 30, 2021	VARIANCE Y-O-Y
RENTAL, FEE & OTHER INCOME	34.4	30.3	+13.7%
(LOSS) / GAIN ON DISPOSAL OF INVESTMENT PROPERTY	(1.5)	6.5	(1.2x)
TOTAL PROPERTY INCOME	32.9	36.8	(10.3%)
PROPERTY OPERATING EXPENSES	(6.0)	(6.5)	(7.7%)
NET PROPERTY INCOME	26.9	30.3	(10.9%)
FUND EXPENSES	(8.0)	(7.5)	+6.3%
(ALLOWANCE) / REVERSAL FOR EXPECTED CREDIT LOSS	(0.7)	7.0	(1.1x)
OPERATING PROFIT	18.2	29.7	(38.8%)
FINANCE COST	(12.4)	(12.7)	(2.5%)
IFRS 16 FINANCE CHARGE	(1.4)	(1.4)	(0.6%)
PROFIT BEFORE FAIR VALUATION / FUNDS FROM OPERATIONS (FFO)	4.4	15.6	(71.6%)
NET UNREALIZED GAIN ON REVALUATION	57.0	35.2	+62.0%
NET PROFIT FOR THE PERIOD	61.5	50.9	+20.9%
FAIR VALUE ADJUSTMENT ON CASH FLOW HEDGES	1.3	0.6	1.1x
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	62.8	51.5	+22.0%
FFO PER SHARE (USD)	0.014	0.051	(72.9%)
EARNINGS PER SHARE (USD)	0.206	0.170	+21.2%

BALANCE SHEET

IN USD M	AS AT		
	JUN 30, 2022	JUN 30, 2021	VARIANCE Y-O-Y
INVESTMENT PROPERTY	758.6	724.6	+4.7%
TOTAL ASSETS	911.1	854.9	+6.6%
ISLAMIC FINANCING	472.1	491.9	(4.0%)
TOTAL LIABILITIES	558.6	578.0	(3.4%)
EQUITY / NET ASSET VALUE (NAV)	352.6	276.9	+27.3%
LTV	51.8%	57.5%	(5.7 p.p.)
NAV PER SHARE (USD)	1.10	0.91	+21.4%

DISCLAIMER

Due to rounding, numbers presented throughout this section may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. The summary financial information presented is extracted from the unaudited Financial Statements. This document is only for ease of use and for details please refer to the unaudited Financial Statements published on Emirates REIT website.