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Emirates REIT reports strong year end results at both financial and operational Levels

Dubai, UAE, 26 January 2015: Emirates REIT (CEIC) Limited (“Emirates REIT” or the “REIT”), the first Shari’a compliant regulated real estate investment trust incorporated in the Dubai International Financial Centre (the “DIFC”), today announces its results for the year ended 31 December 2014.

FINANCIAL HIGHLIGHTS

- Net profit for the 12 months up 39% to USD 48.56 million (2013: USD 34.85 million)
- Net profit, excluding revaluation gains and IPO costs, was up 43.9% to USD 11.89 million (2013: USD 8.26 million).
- Total assets increased by 78.3% to USD 594.15 million (AED 2.2 billion) from (2013: USD 333.21 million / AED 1.2 billion).
- Net asset value per share rose to USD 1.44 from USD 1.35 per share as at 31 December 2013. Including dividend paid of USD 0.05 per share this represents an annualised total return of over 10.3%.
- Reduction in ongoing borrowing rates by over 40%.

Emirates REIT has had a strong year both in financial and operational terms. By year end, the value of its portfolio, comprising 7 properties, had nearly doubled to USD 575.3 million (AED 2.1 billion) as compared to a year earlier.

Net profit for the year was up 39.3% to USD 48.56 million and net profit excluding revaluation gains and IPO costs, was up 43.9% to USD 11.89 million. The REIT expects to pay a final dividend to shareholders for 2014 in June, this year.

In 2014, Emirates REIT successfully secured a 42% reduction in borrowing rates on all its financing facilities. Overall debt levels at 31 December 2014 remain healthy at 25.8% of total assets.

Following the REIT’s successful listing on the NASDAQ Dubai in April, the Company has deployed all the net proceeds of the IPO to fund two successful acquisitions helping the Company to deliver on its strategy.

In June, the REIT undertook its largest acquisition to date, investing in 15.64 commercial floors and 706 car parking spaces in the DIFC’s Index Tower; and towards the year end the Company acquired one further half floor. This raised Emirates REIT’s ownership of the office floors in this Grade A building to 67%, placing the REIT in a very good strategic position, whereby it controls the offices, the retail and the car park of this prime Dubai landmark.

Presenting a unique offer that combines an iconic address with customizable space options, the Index Tower has the potential to attract high profile long-term commercial tenants. The REIT has



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started to pre-market fully fitted out units on two commercial floors as well as larger shell and core space and has received positive market feedback and strong levels of interest from prospective tenants. The REIT Manager is working with Foster + Partners on the redesign of the retail space at Index Tower, which will increase the number of outlets and open up street access.

In May, the REIT acquired Le Grande Community Mall, comprising 22 individual retail and food and beverage units on the ground and podium floors, as well as 161 basement car park spaces. The Mall is located in the Marina, one of the most desirable areas of new Dubai. The units have a 55% occupancy rate and a strong yield.

Emirates REIT's asset management team continues to drive rental growth through changes to the portfolio of assets including; strengthening tenant mix, building improvements and development of the brand in the local area. Occupancy rates have been stable year on year at 94.1%, excluding Index Tower, and total passing income rose 21.3% to AED 131.6 million from AED 108.5 million. The average weighted unexpired lease term across the portfolio is 8.4 years down from 9.8 a year on earlier, reflecting the increased size of the portfolio and increasingly diverse tenant mix.

The Office Park building, in Dubai Internet City, completed an expansion programme of the retail terraces during the year resulting in an increase in the net leasable area of the property. A number of new retail units also opened for business, increasing the retail offering for commercial tenants. This resulted in an increase in the property's valuation and a 17% increase in passing income.

Over the last six months, Emirates REIT has significantly improved the occupancy levels at Indigo 7, on Dubai's main thoroughfare, the Sheikh Zayed Road. New tenants and renewals signed have raised occupancy levels to over 90% as at the end of 2014, compared to 55% a year earlier.

Sylvain Vieujot, Executive Deputy Chairman of the REIT Manager, said:

"2014 was a landmark year for the REIT. We saw the successful listing of the business and a number of transformational acquisitions which have doubled the assets of the REIT to over AED 2 billion. Looking ahead we remain optimistic about commercial real estate investment in the UAE. We take a long-term view on acquisitions and continue to look for assets across all areas of the commercial sector. In the meantime, we are focused on leasing the commercial floors at Index Tower and finalising our plans for the reconstruction of the retail space which, together, will deliver significant value to our shareholders."

- Ends -

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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 Collective Investment Rules of the Dubai Financial Services Authority, 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.

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** is a landmark ‘Grade A’ mixed multi-purpose tower with 80 stories, designed by Foster + Partners and completed in 2011. Emirates REIT owns 17 out of the 25 office floors, 1,426 car parking spaces and the whole retail component.