



DREAM GLOBAL ANNOUNCES STRONG FIRST QUARTER RESULTS

TORONTO, May 8, 2019 DREAM GLOBAL REIT (TSX:DRG.UN, FRA:DRG) (or “Dream Global”, the “Trust” or “we”) today reported its financial results for the first quarter of 2019. Dream Global REIT’s Management team will be holding a conference call Thursday, May 9, 2019 at 8:00am (ET).

HIGHLIGHTS

- ***Strong operating performance with 4.9% Comparative Properties NOI growth***
 - **Comparative Properties net operating income (“CP NOI”) increased by 4.9%** year-over-year from Q1 2018. The Germany, Austria and Belgium portfolio posted 4.6% CP NOI growth, while the Dutch portfolio recorded 6.1% CP NOI growth. The CP NOI growth in Germany was driven by an increase to in-place rental rates through capturing market rent growth on renewals and indexation on existing leases. In the Netherlands, gains in occupancy were the primary driver of CP NOI growth;
 - **In-place occupancy rate increased by 210 basis points from Q1 2018** in Comparative Properties, driven by a 220 basis points increase in the Dutch portfolio and 190 basis points increase in Germany. In-place and committed occupancy for the total portfolio (excluding Redevelopment assets) was 91.7% as at March 31, 2019;
 - **Leasing spread between in-place and market rents increased to 8.0%** in Q1 2019 from 4.7% in Q1 2018 largely as a result of continued rental growth in the Trust’s key markets;
 - **Fully diluted Funds from Operations (“FFO”) was 26 cents per unit** in the quarter, stable compared to 26 cents per unit in Q1 2018 with CP NOI growth offset by a reduction in leverage, impact of the capital recycling program, and strengthening of the Canadian dollar relative to the Euro;
 - **Net rental income increased by 3.7%** in Q1 2019 from Q1 2018, reflecting both the Trust’s external growth initiatives and organic growth driven by occupancy gains, rental increases, and completion of value-add projects in the portfolio.
- ***Net asset value per unit increased by 6.5% quarter-over-quarter and 24.7% year-over-year***
 - **Fair value of the portfolio increased by €123.2 million (\$185.1 million)** in Q1 2019 attributable to continued capitalization rate compression, along with the completion of a number of leasing and value-add initiatives including the previously announced sale of Offenbach as well as increases in market rents;
 - **EPRA NAV per unit was €10.91 as at March 31, 2019** compared to €10.28 at December 31, 2018, and €8.74 in the prior year comparative quarter, an increase of 6.1% and 24.8%, respectively. Including the impact of deferred income taxes and derivative financial instruments, **NAV per unit was €10.21** as at March 31, 2019 compared to €9.59 at December 31, 2018 and €8.19 at March 31, 2018, an increase of 6.5% and 24.7%, respectively.
 - **Debt-to-gross book value, net of cash, declined to 39.1% at the end of Q1 2019** from 40.6% at the end of 2018; including the Trust’s share of joint ventures, the ratio declined to 41.5% at March 31, 2019 from 43.0% at the end of 2018.
- ***Continued portfolio upgrading through capital recycling***
 - **On April 30, 2019, the REIT acquired a light industrial property** located in Kassel, Germany for a total purchase price of €18.3 million (\$27.6 million);
 - **Dispositions of Non-core properties totaling €7.1 million (\$10.7 million)** closed during Q1, with an additional €85.4 million (\$128.5 million) under contract including the sale of our development site at Offenbach.

KEY PERFORMANCE INDICATORS

	Three months ended		
	March 31, 2019	December 31, 2018	March 31, 2018
Portfolio ⁽¹⁾			
Number of properties	216	228	257
Gross leasable area (in sq. m)	1,789,598	1,850,904	1,814,479
Occupancy rate – including committed ⁽²⁾	91.7%	91.5%	89.4%
Average in-place net rent per sq. m./month ⁽²⁾	€ 10.38	€ 10.18	€ 9.94
Market rents above in-place net rents ⁽²⁾	8.0%	7.1%	4.7%
Operating results – in €			
Net operating income ⁽¹⁾⁽³⁾	€ 47,638	€ 47,820	€ 45,051
Operating results – in \$			
Net operating income ⁽¹⁾⁽³⁾	\$ 71,909	\$ 72,102	\$ 70,490
Net rental income	65,727	65,521	63,412
Funds from operations ("FFO") ⁽³⁾	51,295	50,495	47,607
Cash generated from operating activities	33,070	47,374	45,347
Average exchange rate (Canadian dollars to one euro)	1.509	1.508	1.555
Distributions			
Declared distributions	\$ 38,614	\$ 38,481	\$ 35,390
DRIP participation ratio ⁽⁴⁾	20%	18%	19%
Per unit amounts ⁽⁵⁾ – in \$			
EPRA Net asset value ⁽³⁾	\$ 16.36	\$ 16.05	\$ 13.86
Net asset value ⁽³⁾	\$ 15.31	\$ 14.97	\$ 13.00
Distribution	0.20	0.20	0.20
Basic FFO	0.27	0.26	0.27
Diluted FFO	0.26	0.26	0.26
Per unit amounts ⁽⁵⁾ – in €			
EPRA Net asset value ⁽³⁾	€ 10.91	€ 10.28	€ 8.74
Net asset value ⁽³⁾	€ 10.21	€ 9.59	€ 8.19
Financing (excluding Trust's proportionate share of properties held through joint ventures and associates)			
Weighted average effective interest rate ⁽⁶⁾	1.91%	1.91%	1.97%
Interest coverage ratio ⁽³⁾	5.1 times	5.0 times	4.9 times
Debt-to-gross book value, net of cash ⁽³⁾	39.1%	40.6%	45.3%
Debt – average term to maturity (years) ⁽³⁾	4.3	4.6	5.1
Unencumbered assets, percentage of total assets ⁽⁷⁾	23%	24%	22%
Financing (including Trust's proportionate share of properties held through joint ventures and associates)			
Debt-to-gross book value, net of cash ⁽³⁾	41.5%	43.0%	48.2%

(1) Includes Trust's proportionate share of properties held through joint ventures, but excludes properties classified as assets held for sale.

(2) Excludes Redevelopment assets. The prior period presentation of certain portfolio metrics has been adjusted to exclude Redevelopment assets.

(3) Net operating income, FFO, interest coverage ratio, Debt-to-gross book value, net of cash, net asset value and EPRA net asset value, are non-GAAP measures used by Management in evaluating operating performance. Please refer to the cautionary statements under the heading "Non-GAAP Measures" in this press release.

(4) Distribution reinvestment and Unit Purchase Plan

(5) A description of the determination of basic and diluted amounts per unit can be found in section "Non-GAAP measures and other disclosures" under the heading "Weighted average number of Units" of the latest Management's discussion and analysis of the Trust.

(6) Weighted average effective interest rate is calculated as the weighted average face rate of interest, net of amortization of fair value adjustments, discounts and financing costs

(7) The presentation of unencumbered assets has been revised to reflect the methodology provided by Moody's Corporation, which defines unencumbered assets as: unencumbered investment properties plus unencumbered assets held for sale, cash, prepaid expenses, notes receivable and accounts receivable. The decline of the unencumbered assets to total assets ratio compared to Q4 2018 is attributable to relatively larger increases in fair values of the encumbered assets and fluctuations in working capital balances.

GROWTH INITIATIVES

Acquisitions — On April 30, 2019, the Trust completed the acquisition of OH5, a 25,400 square meter multi-tenant light industrial property located in Kassel. The property is located in one of the strongest light industrial and logistics hubs in Germany.

OH5 is multi-tenanted and consists of five buildings offering modern industrial and logistics space suitable for a diverse set of tenants. Currently, the property is 95% occupied with 11 tenants with strong covenants, and a WALT of over 7 years. The site area is approximately 102,300 square meters offering potential for intensification with up to 29,000 square meters of additional density. The purchase price for OH5 was €18.3 million representing a going-in cap rate of 7.0%. The acquisition of this property is consistent with the Trust's strategy of acquiring light industrial properties in urban locations in the Trust's target markets.

The Trust did not place mortgage financing on the property, in line with its strategy to increase its pool of unencumbered assets and reduce leverage.



OPERATING HIGHLIGHTS

Occupancy — In-place occupancy for Comparative Properties increased to 91.4% at the end of Q1 2019 from 90.8% at the end of 2018. The increases in occupancy during the quarter were largely driven by the net leasing absorption in the Trust's Value-add properties.

Compared to Q1 2018, the in-place occupancy increased by 210 basis points for Comparative Properties to 91.0% from 88.9%. The occupancy increase over the prior year was driven by positive leasing absorption through the completion of the Trust's value-add and redevelopment projects, specifically in Millerntorplatz (Hamburg), Rathausplatz (Ludenscheid), Bahnhofplatz (Hildesheim) in Germany, and Hert (Arnhem) in the Netherlands.

Comparative Properties NOI — For the three months ended March 31, 2019, Comparative Properties NOI increased by €1.9 million, or 4.9%, compared to Q1 2018. The increase was driven by the Core/Core+ and Value-add assets, which had higher in-place rents on new leases, indexation on existing leases and increased occupancy.

Strong operating environment — Office vacancy rates in Germany's Big 7 markets declined to 3.5% at the end of Q1 2019, a decline of 10 bps from Q4 2018. Over the last 12 months, prime rents increased in all Big 7 cities in Germany. The biggest increases were registered in Berlin (+10%), Cologne (+9%) and Munich (+7%).

Fundamentals in the Dutch office market remain robust. Average vacancy rate in G5 markets was at 7.6% at the end of Q1 2019, down 50 bps from Q1 2018. Prime rents in Amsterdam increased by 12.5% compared to Q1 2018.

FINANCIAL HIGHLIGHTS

Funds from operations — FFO for the three months ended March 31, 2019 was \$51.3 million compared to \$47.6 million for the three months ended March 31, 2018, an increase of 7.8%. Fully diluted FFO was 26 cents per unit in the quarter, stable compared to 26 cents per unit in Q1 2018 with CP NOI growth offset by a 670 basis points reduction in leverage, the impact of disposals of Non-core assets and reinvestment of the net proceeds into higher quality properties at a lower going-in capitalization rate, and strengthening of the Canadian dollar relative to the Euro.

Cash generated from operating activities — Cash generated from operating activities was \$33.1 million for the three months ended March 31, 2019, compared to \$45.3 million for the three months ended March 31, 2018 primarily as a result of the strengthening of the Canadian dollar relative to the euro.

Net rental income — For the three months ended March 31, 2019 net rental income increased by 3.7% to \$65.7 million compared to Q1 2018, reflecting the Trust's growth initiatives and strong leasing markets.

EPRA NAV per unit — as at March 31, 2019 EPRA NAV per unit was €10.91 (\$16.36) compared to €8.74 (\$13.86) in the prior year comparative quarter, and €10.28 (\$16.05) at December 31, 2018. Compared to March 31, 2018, EPRA NAV per unit increased as a result of fair value gains (24.8% in Euro and 18.0% in Canadian dollars). The change in the EPRA NAV/unit in Canadian dollars was also offset by the strengthening of the Canadian dollar relative to the Euro.

NAV per unit — as at March 31, 2019 NAV per unit was €10.21 (\$15.31) compared to €8.19 (\$13.00) in the prior year comparative quarter, and €9.59 (\$14.97) at December 31, 2018. Increases in NAV were partially offset by increases in deferred tax liabilities of \$14.6 million. Compared to Q1 2018, NAV per unit increased by 24.7% in Euro and 17.8% in Canadian dollars.

CAPITAL INITIATIVES

Dispositions — For the three months ended March 31, 2019 the Trust closed €7.1 million of dispositions. In addition, the Trust has under contract an additional €85.4 million (\$128.5 million) of dispositions including the sale of its development site at Offenbach, expected to close in the second and third quarters of 2019. Excluding Offenbach, the combined gross sales price is in line with the fair value of the properties as at Q4 2018. The Trust intends to reinvest the proceeds from the dispositions into high quality assets in the Trust's target markets.

Sale of Development Site — On April 2, 2019, the REIT entered into a binding agreement to sell the development site located in Offenbach am Main, following the completion of the REIT's rezoning and planning initiatives. The sale price of €35.5 was approximately three times the book value of the asset at the end of 2018. The sale of the property is consistent with the REIT's strategy to add value to its Redevelopment properties through rezoning and intensification, and dispose of assets where the highest and best use is largely residential.

Reduced leverage — The Trust's level of debt was 39.1% at the end of Q1 2019, declining from 40.6% at the end of 2018. Including the Trust's share of debt from investment in joint ventures and associates, its level of debt was 41.5% at the end of Q1 2019 compared to 43.0% at the end of 2018 in line with our target leverage ratio.

Equity — On March 31, 2019, the Trust had 193,324,302 units outstanding, at the May 7, 2019 closing price of \$14.04 per unit, the Trust's market capitalization is \$2.7 billion.

CONFERENCE CALL DETAILS

Dream Global REIT's Management team will be holding a conference call Thursday, May 9, 2019 at 8:00 a.m. (ET). To access the conference call, please dial +1-888-465-5079 in Canada and the US, +49 (0) 69 222 215 20 in Germany, +44 (0) 203 147 4824 in the U.K. or +1-416-216-4169 elsewhere and use passcode 7467 649#. A taped replay of the call will

be available for ninety days. For access details, please go to Dream Global REIT's website at www.dreamglobalreit.ca and click on the News & Events link, then click on Calendar of Events.

Information appearing in this news release is a select summary of results. The financial statements and Management's discussion and analysis for the Trust are available at www.dreamglobalreit.ca and on SEDAR at www.sedar.com.

Dream Global REIT is an owner and operator of a diversified high-quality portfolio of office and industrial properties located in key markets in Western Europe with a focus on Germany and the Netherlands. Our in-house platform comprises over 140 local leasing, property management, asset management and development professionals operating out of 13 offices in Europe and North America. For more information, please visit www.dreamglobalreit.ca.

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Non-GAAP Measures

The Trust's condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). In this press release, as a complement to results provided in accordance with IFRS, the Trust discloses and discusses certain non-GAAP financial measures, including net operating income, Comparative Properties NOI, FFO, interest coverage ratio, and debt-to-gross book value, net of cash as well as other measures discussed elsewhere in this release. These non-GAAP measures are not defined by IFRS, do not have a standardized meaning and may not be comparable with similar measures presented by other issuers. The Trust has presented such non-GAAP measures as Management believes they are relevant measures of the Trust's underlying operating performance and debt management. Non-GAAP measures including NOI, FFO, interest coverage ratio, debt-to-gross book value, net of cash, should not be considered as alternatives to net income, net rental income, cash generated from (utilized in) operating activities or comparable metrics determined in accordance with IFRS as indicators of the Trust's performance, liquidity, cash flow, and profitability. For a full description of these measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS, please refer to the "Non-GAAP Measures and Other Disclosures" in Dream Global REIT's Management's discussion and analysis for the three months ended March 31, 2019.

Forward-looking information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including statements regarding the expected NOI performance, internal rate of returns, future cap rates of new acquisitions and intensification projects, the timing of closing of acquisitions, and development plans for the assets. Forward looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream Global REIT's control that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, global and local economic and business conditions; the financial condition of tenants; our ability to refinance maturing debt; leasing risks, including those associated with the ability to lease vacant space; and interest and currency rate fluctuations. Our objectives and forward-looking statements are based on certain assumptions, including that the Canadian and European economies remain stable, interest rates remain stable, conditions within the real estate market remain consistent, competition for acquisitions remains consistent with the current climate and that the capital markets continue to provide ready access to equity and/or debt. All forward-looking information in this press release speaks as of the date of this press release. Dream Global REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law. Additional information about these assumptions and risks and uncertainties is contained in Dream Global REIT's filings with securities regulators, including its latest Annual Information Form and Management's discussion and analysis. These filings are also available at Dream Global REIT's website at www.dreamglobalreit.ca.