



## DREAM GLOBAL ANNOUNCES THIRD QUARTER RESULTS

**TORONTO, November 6, 2019 DREAM GLOBAL REIT (TSX:DRG.UN, FRA:DRG)** (or “Dream Global”, the “Trust” or “we”) today reported its financial results for the third quarter of 2019.

### FINANCIAL HIGHLIGHTS

**Net Rental Income** — For the three months ended September 30, 2019, Net Rental Income was \$63.5 million compared to \$63.1 million for the three months ended September 30, 2018, representing an increase of \$0.4 million.

**Net Income** — Net income for the three months ended September 30, 2019 was \$2.7 million compared to \$99.9 million for the three months ended September 30, 2018. The decline was primarily due to Separation Payments, deferred taxes and higher general and administrative expenses, offset by fair value gains on investment properties.

**Fair Value** — as at September 30, 2019 the fair value of the portfolio was €4.2 billion (\$6.0 billion). Fair value gains on investment properties were \$323.9 million and \$755.7 million for the three and nine months ended September 30, 2019, respectively. The gains in fair value for the quarter are a result of yield compression.

**NAV per unit** — as at September 30, 2019 was €10.84 (\$15.65) compared to €9.59 (\$14.97) at December 31, 2018, and €10.92 (\$16.26) at June 30, 2019. **EPRA NAV per unit** as at September 30 was €11.83 (\$17.08) compared to €10.28 (\$16.05) at December 31, 2018, and €11.78 (\$17.53) at June 30, 2019. The decrease compared to June 30, 2019 was driven by the Separation Payments of \$299.0 million and a decline in the euro relative to the Canadian dollar, offset by fair value gains of \$323.9 million. The increase compared to December 31, 2018 was primarily due to fair value gains of \$755.7 million, offset by the Separation Payments of \$299.0 million and a decline in the euro relative to the Canadian dollar.

**Funds from operations** — FFO per unit, fully diluted for the three- and nine-month periods ended September 30, 2019 was \$0.19 and \$0.71, respectively, a decrease compared to \$0.25 and \$0.78 per unit in the prior year comparative periods. FFO per Unit decreased primarily due to costs related to the Transaction (\$0.03) and a tax provision required under GAAP related to the sale of Offenbach (\$0.03) in July 2019.

### OPERATING HIGHLIGHTS

**Comparative Properties Occupancy** — In-place occupancy for Comparative Properties increased to 91.3% from 90.0% when compared to September 30, 2018, primarily due to positive leasing absorption through the completion of the Trust’s value-add and redevelopment projects. Comparative Properties in-place occupancy when comparing September 30, 2019 to June 30, 2019 decreased to 91.6% from 92.0% primarily due to an expiry at a Dutch industrial property in the Core/Core+ portfolio.

**Comparative Properties NOI** — For the three months ended September 30, 2019, CPNOI increased by €1.3 million, or 3.0%, compared to Q3 2018. For the nine months ended September 30, 2019, CPNOI increased by €4.7 million, or 3.9%, from the comparative period in 2018. CPNOI growth was largely driven by increases to in-place rents in the Core/Core+ assets, occupancy gains in the Value-add assets, as well as indexation on existing leases.

**Dispositions** — During the three months ended September 30, 2019, the REIT disposed of 12 German properties and two Dutch properties, for an aggregate gross sales price of approximately €67.4 million (\$98.9 million), increasing total disposition volume for 2019 to €87.7 million (\$129.5 million).

The Trust will not be holding a conference call this quarter.

## KEY PERFORMANCE INDICATORS

	Three months ended		
	September 30, 2019	June 30, 2019	September 30, 2018
<b>Portfolio</b> <sup>(1)</sup>			
Number of properties	190	207	227
Gross leasable area (in sq. m)	1,763,455	1,828,470	1,829,892
Occupancy rate – including committed <sup>(2)</sup>	92.1%	91.6%	90.2%
Average in-place net rent per sq. m./month <sup>(2)</sup>	€ 10.78	€ 10.41	€ 10.15
<b>Operating results – in €</b>			
Net operating income <sup>(1)(3)</sup>	€ 47,448	€ 47,237	€ 46,013
<b>Operating results – in \$</b>			
Net operating income <sup>(1)(3)</sup>	\$ 69,646	\$ 71,006	\$ 69,949
Net rental income	63,470	64,908	63,117
Funds from operations ("FFO") <sup>(3)</sup>	36,887	50,801	49,271
Cash generated from operating activities	25,161	38,974	28,994
Average exchange rate (Canadian dollars to one euro)	1.468	1.503	1.520
<b>Distributions</b>			
Declared distributions	\$ 25,909	\$ 38,750	\$ 38,379
DRIP participation ratio <sup>(4)</sup>	24%	22%	16%
<b>Per unit amounts</b> <sup>(5)</sup> – in \$			
EPRA Net asset value <sup>(3)</sup>	\$ 17.08	\$ 17.53	\$ 14.24
Net asset value <sup>(3)</sup>	\$ 15.65	\$ 16.26	\$ 13.45
Distribution	0.13	0.20	0.20
Basic FFO	0.19	0.26	0.26
Diluted FFO	0.19	0.26	0.25
<b>Per unit amounts</b> <sup>(5)</sup> – in €			
EPRA Net asset value <sup>(3)</sup>	€ 11.83	€ 11.78	€ 9.37
Net asset value <sup>(3)</sup>	€ 10.84	€ 10.92	€ 8.96
<b>Financing</b> (excluding Trust's proportionate share of properties held through joint ventures and associates)			
Weighted average effective interest rate <sup>(6)</sup>	1.91%	1.92%	1.96%
Interest coverage ratio <sup>(3)</sup>	4.6 times	5.0 times	5.0 times
Debt-to-gross book value, net of cash <sup>(3)</sup>	35.6%	38.5%	41.6%
Debt – average term to maturity (years) <sup>(3)</sup>	4.5	4.7	4.5
<b>Financing</b> (including Trust's proportionate share of properties held through joint ventures and associates)			
Unencumbered assets, percentage of total assets <sup>(7)</sup>	29.3%	27.9%	24.5%
Debt-to-gross book value, net of cash <sup>(3)</sup>	37.8%	40.7%	44.4%

(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.

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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 and nine months ended September 30, 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, timing of leases, timing of dispositions, and development plans for the assets. Forward looking information is based on several assumptions and is subject to several 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.dream.ca/global](http://www.dream.ca/global).*