DREAM UNLIMITED CORP. REPORTS FOURTH QUARTER RESULTS & SIGNIFICANT GROWTH IN EPS AND BOOK EQUITY

This press release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release.

TORONTO, FEBRUARY 25, 2020, Dream Unlimited Corp. (TSX: DRM) ("Dream", "the Company" or "we") today announced its financial results for the three and twelve months ended December 31, 2019. Basic earnings per share ("EPS") on a Dream standalone basis for the three and twelve months ended December 31, 2019 were $3.35 and $3.81, respectively, compared to $0.26 and $0.76 in the comparative periods.

The sale of Dream Global REIT to affiliates of real estate funds managed by the Blackstone Group Inc. successfully closed in the fourth quarter of 2019 (the "transaction"). In the three months ended December 31, 2019, the transaction generated pre-tax earnings of $421.6 million ($446.5 million in the twelve months ended December 31, 2019) and net cash proceeds to Dream of approximately $500.0 million in respect of the Company's asset management agreement and units directly owned in the REIT. The proceeds were used to pay down $225.0 million on corporate debt facilities, in addition to funding the redemption of all outstanding Preference shares, series 1 for aggregate proceeds of $29.1 million and for other working capital purposes. As of December 31, 2019, we had corporate level cash of $233.4 million, most of which was used to fund a substantial issuer bid ("SIB") and corporate taxes subsequent to year end. As at December 31, 2019, our debt to total asset ratio on a Dream standalone basis, was 24.6%, down from 36.4% as at September 30, 2019 and 34.9% as at December 31, 2018. As at December 31, 2019 we had $322.8 million of undrawn credit availability on our corporate facilities, the most excess liquidity we have ever had in our history since going public.

The Company remains committed to maintaining a conservative debt position and may use excess liquidity to purchase additional units in Dream Office REIT and Dream Alternatives as opportunities arise and to fund potential new investments and ongoing share repurchases under the Company's normal course issuer bid ("NCIB").

Michael Cooper, President & Chief Responsible Officer ("CRO") of Dream commented: "2019 was a remarkable year for our Company and our shareholders, as we increased our book equity by nearly $3.80 per share and our unit price increased over 70% from $6.84 to $11.70. The sale of Dream Global REIT increased the value of our business, improved our balance sheet and repositioned our business more toward exceptional quality assets in Toronto. With the successful completion of our offer to acquire 10 million shares at $11.75 in early 2020, we believe we have dramatically increased the value per share of our business over the last year. We are committed to growing our asset management platform through the expansion of Dream Industrial REIT into Europe and pursuing private opportunities. Our core operating business has strong fundamentals with an extensive pipeline of exceptional quality real estate and developments across Toronto, comprising of 7.1 million square feet of retail and commercial space and almost 12,000 residential units across the Dream group."

A summary of our results for the three and twelve months ended December 31, 2019 is included in the table below.

	For the three months ended December 31,				For the twelve months ended December 31,			
(in thousands of Canadian dollars, except per share amounts and percentages)		**2019**		2018		**2019**		2018
Consolidated Dream (including Dream Alternatives):								
Revenue[1]	**$**	**383,360**	$	153,955	**$**	**580,430**	$	339,873
Net margin[1]	**$**	**275,793**	$	46,414	**$**	**324,996**	$	87,668
Net margin %[2]		**71.9%**		30.1%		**56.0%**		25.8%
Earnings before income taxes	**$**	**458,329**	$	70,660	**$**	**440,426**	$	213,492
Earnings for the period	**$**	**349,191**	$	56,622	**$**	**331,745**	$	192,053
Basic earnings per share[3]	**$**	**3.32**	$	0.52	**$**	**3.13**	$	1.76
Diluted earnings per share	**$**	**3.21**	$	0.50	**$**	**3.05**	$	1.71

Dream Standalone[4]:								
Revenue[1]	**$**	**376,000**	$	143,756	**$**	**536,559**	$	294,071
Net margin[1]	**$**	**272,818**	$	42,659	**$**	**300,847**	$	65,899
Net margin %[2]		**72.6%**		29.7%		**56.1%**		22.4%
Earnings before income taxes	**$**	**456,241**	$	40,881	**$**	**518,630**	$	109,334
Earnings for the period	**$**	**350,823**	$	29,908	**$**	**402,492**	$	83,093
Basic earnings per share[3]	**$**	**3.35**	$	0.26	**$**	**3.81**	$	0.76
Diluted earnings per share	**$**	**3.24**	$	0.25	**$**	**3.71**	$	0.75
Weighted average number of shares outstanding		**105,352,030**		107,679,021		**106,287,834**		109,230,724
Total issued and outstanding shares[3]		**105,318,501**		107,331,005		**105,318,501**		107,331,005

Dream Standalone[3]:		**December 31, 2019**		December 31, 2018
Total assets	**$**	**2,478,735**	$	2,056,028
Total liabilities	**$**	**1,031,879**	$	1,010,776
Total equity (excluding non-controlling interest)[5]	**$**	**1,381,910**	$	1,001,317
Total equity per share[5]	**$**	**13.12**	$	9.33

(1) Results for the three and twelve months ended December 31, 2019 include $280.2 million in revenue and net margin relating to the Dream Global REIT transaction.

(2) Net margin % represents net margin as a percentage of revenue and is a non-IFRS measure used by management in evaluating operating performance. Please refer to the cautionary statements under the heading “Non-IFRS Measures” in this press release and to the “Non-IFRS Measures” section of our management’s discussion and analysis (“MD&A”) for the three and twelve months ended December 31, 2019 for further details.

(3) Basic EPS is computed by dividing Dream’s earnings attributable to owners of the parent by the weighted average number of Subordinate Voting Shares and Class B common shares outstanding during the period. Refer to the discussion below on Dream’s consolidated results for the three and twelve months ended December 31, 2019. Total issued and outstanding shares as of December 31, 2019 is comprised of 102,203,590 Subordinate Voting Shares and 3,114,911 Class B common shares (December 31, 2018 – 104,215,841 Subordinate Voting Shares and 3,115,164 Class B common shares).

(4) Dream standalone represents the standalone results of Dream, excluding the impact of Dream Alternatives’ consolidated results. Dream standalone results are non-IFRS measures used by management in evaluating operating performance. Please refer to the cautionary statements under the heading “Non-IFRS Measures” in this press release and to the “Non-IFRS Measures” section of our MD&A for further details. Total assets as at December 31, 2019 and December 31, 2018 includes approximately $93.8 million and $72.7 million, respectively, relating to the Company’s investment in Dream Alternatives.

(5) Total equity (excluding non-controlling interests) and total equity per share excludes $64.9 million of non-controlling interest as at December 31, 2019 ($43.9 million as at December 31, 2018) and includes the Company’s investment in Dream Alternatives as at December 31, 2019 and December 31, 2018 of $93.8 million and $72.7 million, respectively. For further details refer to the “Segmented Assets and Liabilities” section of our MD&A for the three and twelve months ended December 31, 2019.

In the year ended December 31, 2019, on a consolidated basis, the Company recognized earnings before income taxes of $440.4 million, compared to $213.5 million in the prior year, due to the Dream Global REIT transaction, which generated $446.5 million of income (as discussed above), increased earnings from equity accounted investments of $56.3 million as a result of higher condominium occupancies and increased fair value gains on projects under development. This was partially offset by reduced margin contribution from our Western Canada land and housing business of $18.0 million, a one-time $23.2 million write-down on land held for development in Regina and a higher fair value change relating to the unit appreciation of Dream Alternatives trust units of $93.8 million. Results in the comparative period included a one-time net gain on acquisition of Dream Alternatives of $130.0 million. Dream Alternatives trust units held by other unitholders are treated as a liability on the consolidated statements of financial position of Dream and are fair valued each period under IFRS, generating losses (gains) as Dream Alternatives’ unit price increases (decreases). Fair value losses on the Dream Alternatives trust units were $113.5 million in the current year (as a result of the impact of the unit price increasing to $7.75 at December 31, 2019 from $6.24 at December 31, 2018), compared to losses of $19.7 million in the prior year.

Share Repurchase Activity & Returns to Shareholders

- In the three and twelve months ended December 31, 2019, 0.3 million and 2.0 million Subordinate Voting Shares were purchased for cancellation by the Company for $2.5 million and $16.5 million, respectively, under its NCIB representing 12% of annual trade volume.
- In the three months ended December 31, 2019, the Company announced its intention to repurchase up to 10.0 million shares at a price of $11.75 per share under a SIB. On January 22, 2020, the SIB was successfully completed, and the Company repurchased the full amount of shares for an aggregate purchase price of $117.5 million.

- Dividends of $2.6 million and $10.6 million were declared and paid on its Subordinate Voting Shares and Class B common shares in the three and twelve month periods, respectively.

Key Results Highlights: Asset Management and Investments in Dream Publicly Listed Funds

- Post-closing of the Dream Global REIT transaction, the Company has committed its global asset management team to lead Dream Industrial REIT's overseas expansion by leveraging their expertise and local relationships in Europe. On this front on January 22, 2020, Dream Industrial REIT announced a European expansion strategy into Germany and the Netherlands, which will allow the REIT to capitalize on purchasing high quality assets with a low cost of debt. To date, the REIT has completed or is in exclusive negotiations or under contract to complete approximately $327 million (€223 million) in acquisitions in the first half of 2020. In addition to industrial properties, we will continue to seek out growth opportunities in Europe across other asset classes.

- At December 31, 2019, the total fair value of units held in the Dream Publicly Listed Funds (comprising Dream Alternatives and Dream Office REIT) was $642.5 million, representing 52% of the Company's total market capitalization (compared to $457. 5 million as at December 31, 2018, inclusive of Dream Global REIT units). The increase in value from 2018 was driven by acquisitions in the open market of $64.1 million of Dream Office REIT units, $26.7 million of Dream Alternatives units, and an increase in fair value of $182.0 million due to unit price appreciation, partially offset by the redemption of the Dream Global REIT units as part of the transaction of $86.1 million. As of February 21, 2020, Dream currently owns 17.0 million units or $615.7 million at fair value in Dream Office REIT (a 28% interest, or 30% interest inclusive of units held by the President and CRO) and 16.1 million units or $127.2 million at fair value in Dream Alternatives (a 23% interest), comprising 61% of our market capitalization.

Key Results Highlights: Toronto & Ottawa

- Across the Dream group platform, which includes assets held directly through the Company, Dream Alternatives and Dream Office REIT, we have approximately 5.4 million square feet ("sf") of gross leasable area ("GLA") in retail or commercial assets which are fully stabilized, and approximately 3.7 million sf of GLA and nearly 14,000 condominium or purpose-built rental units (at the project level) in our development pipeline across Toronto & Ottawa. For further details by asset class, refer to the "Summary of Dream's Assets & Holdings" section of our MD&A.

- In 2019 we achieved several advancements and key approvals across our Toronto & Ottawa development portfolio. We secured the first major tenant, the Federal Government of Canada, for our first commercial building at Zibi, our 34-acre waterfront community in the Nation's Capital. After extensive collaboration with the City of Mississauga and community of Port Credit, we reached an agreement with the City to advance municipal approvals for Brightwater (formerly referred to as "Port Credit"). We also closed on the acquisition of Block 10 in the Canary District and secured landmark financing on our first purpose-built affordable rental building in downtown Toronto (West Don Lands Block 8) through CMHC's Rental Construction Financing initiative for $357 million and thereafter commenced construction. Each of these further advanced the value of our business for the long term.

- We became the development manager for Dream Office REIT in 2019, leading the rezoning and intensification process for the REIT's redevelopment assets. On January 29, 2020, we received council zoning approval for the existing 122,000 sf office building at 250 Dundas St. W., which permits the REIT to convert the property to a multi-use development comprising commercial office, multi-residential rental and retail components totaling over 456,000 sf of GLA (inclusive of the residential component).

- In the fourth quarter of 2019, we recorded fair value gains on our investment properties of $28.7 million, an increase of $21.1 million relative to the comparative period, primarily driven by capitalization rate compression and increases in net operating income at the Distillery District, as supported by a third party appraisal. The Distillery District (owned 50% by Dream) comprises 395,000 sf of commercial/retail GLA, is 99.3% occupied as at December 31, 2019 and is carried at $144.5 million on the Company's balance sheet at year end. Dream initially purchased the Distillery District in 2004 for $7.75 million for our 50% ownership.

- In the year ended December 31, 2019, we achieved 375 condominium unit occupancies (122 units at Dream's share) at Phase 1 of Riverside Square, our 5-acre, two-phase, mixed-use development located in the east end of downtown Toronto. Phase 1 of the project comprises 688 condominium units, which are 99% pre-sold as at February 21, 2020 and are expected to occupy through 2020, a state-of-the-art multi-level auto-plex, and 20,000 sf of retail GLA.
- In the three months ended December 31, 2019, we commenced first occupancies at Canary Block, our first substantially complete building in Stage 2 of the Canary District. We achieved 54 condominium unit occupancies in 2019 (27 units at Dream's share), with the remaining units expected to occupy in the first quarter of 2020. In total on the 37-acre site, we expect to develop over 1,480 residential units and 58,000 sf of retail on the Stage 2 lands, which is in addition to the completed 810 condominium units and 30,000 sf of retail in Stage 1, which initially served as the Pan Am Athletes' Village in 2015. In addition to retail amenities, the Canary District includes the 18-acre Corktown Common Park and the 82,000 sf Cooper-Koo YMCA.
- During the year ended December 31, 2019, Dream through CMHC's Rental Construction Financing initiative, closed on $357 million of financing (at the project level) on Block 8 of its purpose-built rental community in Toronto's West Don Lands neighbourhood. Construction on Block 8 commenced in the fourth quarter of 2019 and will comprise 770 rental units, of which 30% are affordable. As a result of progress achieved to date on Block 8, a fair value gain of $21.3 million (at the project level) was recognized in the fourth quarter of 2019, as supported by a third-party appraisal. Dream, along with Dream Alternatives has a 33% interest in the development.

  Including the West Don Lands, Canary District and Distillery District, Dream owns approximately 62 acres alongside its development partners in the downtown Toronto pocket, which will comprise 3,100 condominium units, 2,600 purpose-built rental units and 1.1 million sf of retail and commercial GLA upon completion.
- In the year ended December 31, 2019, construction continued to progress on our Zibi development. The project is a multi-phase development that includes over 4 million sf of density consisting of over 1,800 residential units and over 2 million sf of commercial space. Land servicing on both the Ontario and Quebec lands continues and construction is underway on the project's next residential building, Kanaal, a 71-unit condominium building in Ottawa expected to occupy in 2020. In total, there is over 630,000 sf of residential rental, retail and commercial space in various planning/development stages at Zibi, of which 78% of the retail and commercial space has been pre-leased as of December 31, 2019. Dream, along with Dream Alternatives, has an 80% interest in the development.

Key Results Highlights: Western Canada Community Development

- As at December 31, 2019, Western Canada represented approximately 39% of the Company's total book equity, a decrease from 44% as of December 31, 2018 and 67% as of December 31, 2013. Despite expected growth in our Western Canada earnings in future years, we believe that the segment will continue to decline as a percentage of earnings and assets as we repatriate capital from operations in Western Canada and continue to grow our other segments. In 2019, we generated $25 million of cash flow from the division and anticipate repatriating an additional $200 to 250 million of cash flow over the next four years from both land sales and profits, thereby reducing our overall investment to a reasonable exposure in Western Canada. We expect the majority of our income over the next few years will be derived from Providence in Calgary, Brighton (Holmwood) in Saskatoon and the Meadows in Edmonton. We are seeing ongoing slowdowns in the Regina market and accordingly recorded an impairment loss in the three months ended December 31, 2019, reflecting updated assumptions on absorptions and deferred development start dates on our new phases/communities.
- We have recently partnered with a private developer, Qualico, to develop Glacier Ridge, our 480-acre residential community in Calgary. Under the partnership, Dream has agreed to sell 73% of its interest in the lands to Qualico at a value of $175,000 per acre ($84.0 million in aggregate), relative to the book value of $82,000 per acre ($39.4 million) as of December 31, 2019. In addition to the income generated by the acre sale, Dream will continue to earn its share of profits over the development period of the community on its retained interest. At closing, which is expected in the spring of 2020, we expect to receive 40% of the purchase price in cash and the balance in a vendor take back mortgage to be repaid over four years.

Select financial operating metrics for Dream's segments, on a Dream standalone basis, for the three and twelve months ended December 31, 2019 are summarized in the table below.

(in thousands of dollars except outstanding share amounts)	Asset management	Stabilized income generating assets	Urban development	Western Canada community development	Corporate and other	Total Dream standalone
						For the three months ended December 31, 2019
Revenue[1]	**$ 288,214**	**$ 13,703**	**$ 30,124**	**$ 43,959**	**$ —**	**$ 376,000**
% of total revenue[1]	**76.7%**	**3.6%**	**8.0%**	**11.7%**	**—%**	**100.0%**
Net margin[1]	**$ 285,618**	**$ 35**	**$ 2,772**	**$ (15,607)**	**$ —**	**$ 272,818**
Net margin (%)[2]	**99.1%**	**0.3%**	**9.2%**	**n/a**	**n/a**	**72.6%**
						For the twelve months ended December 31, 2019
Revenue[1]	**$ 319,741**	**$ 67,530**	**$ 53,553**	**$ 95,735**	**$ —**	**$ 536,559**
% of total revenue[1]	**59.6%**	**12.6%**	**10.0%**	**17.8%**	**—%**	**100.0%**
Net margin[1]	**$ 306,389**	**$ 14,638**	**$ 257**	**$ (20,437)**	**$ —**	**$ 300,847**
Net margin (%)[2]	**95.8%**	**21.7%**	**0.5%**	**n/a**	**n/a**	**56.1%**
						As at December 31, 2019
Segment assets[1]	**$ 593,154**	**$ 378,310**	**$ 529,920**	**$ 736,044**	**$ 241,307**	**$ 2,478,735**
Segment liabilities[1]	**$ 20,002**	**$ 133,766**	**$ 306,231**	**$ 103,119**	**$ 468,761**	**$ 1,031,879**
Segment shareholders' equity[1]	**$ 573,152**	**$ 244,544**	**$ 158,743**	**$ 632,925**	**$ (277,454)**	**$ 1,381,910**
Book equity per share[3]	**$ 5.44**	**$ 2.32**	**$ 1.51**	**$ 6.01**	**$ (2.16)**	**$ 13.12**

(1) This metric is calculated on a Dream standalone basis. Please refer to the cautionary statements under the heading "Non-IFRS Measures" in this press release and to the "Non-IFRS Measures" section of our MD&A for further details.

(2) Net margin (%) is a non-IFRS measure. Please refer to the cautionary statements under the heading "Non-IFRS Measures" in this press release and to the "Non-IFRS Measures" section of our MD&A for further details.

(3) Book equity per share represents shareholders' equity divided by total number of shares outstanding at period end.

Other Information

Information appearing in this press release is a select summary of results. The financial statements and MD&A for the Company are available at www.dream.ca and on www.sedar.com.

Conference Call

Senior management will host a conference call on February 25, 2020 at 5:00 pm (ET). To access the call, please dial 1-888-465-5079 in Canada and the United States or 416-216-4169 elsewhere and use passcode 8232 187#. To access the conference call via webcast, please go to Dream's website at www.dream.ca and click on Calendar of Events in the News and Events section. A taped replay of the conference call and the webcast will be available for 90 days.

About Dream Unlimited Corp.

Dream is a leading developer of exceptional office and residential assets in Toronto, owns stabilized income generating assets in both Canada and the U.S., and has an established and successful asset management business, inclusive of $9 billion of assets under management across three Toronto Stock Exchange ("TSX") listed trusts and numerous partnerships. We also develop land and residential assets in Western Canada for immediate sale. Dream expects to generate more recurring income in the future as its urban development properties are completed and held for the long term. Dream has a proven track record for being innovative and for our ability to source, structure and execute on compelling investment opportunities. A comprehensive overview of our holdings is included in the "Summary of Dream's Assets & Holdings" section of our MD&A.

Dream Unlimited Corp.

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Non-IFRS Measures

Dream's 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, Dream discloses and discusses certain non-IFRS financial measures, including: Dream standalone, net margin %, assets under management, debt to total assets ratio, book equity per share, and Dream standalone basic earnings per share, as well as other measures discussed elsewhere in this release. These non-IFRS measures are not defined by IFRS, do not have a standardized meaning and may not be comparable with similar measures presented by other issuers. Dream has presented such non-IFRS measures as Management believes they are relevant measures of our underlying operating performance and debt management. Non-IFRS measures should not be considered as alternatives to comparable metrics determined in accordance with IFRS as indicators of Dream'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-IFRS Measures" section in Dream's MD&A for the three and twelve months ended December 31, 2019.

Forward-Looking Information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including, but not limited to, statements regarding our objectives and strategies to achieve those objectives; our beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, future growth, results of operations, performance, business prospects and opportunities, acquisitions or divestitures, tenant base, future maintenance and development plans and costs, capital investments, financing, the availability of financing sources, income taxes, vacancy and leasing assumptions, litigation and the real estate industry in general; as well as specific statements in respect of our development plans, proposals and development timelines for future retail and condominium and mixed-use projects and future stages of current retail and condominium and mixed-use projects, including projected sizes, density, uses and tenants; anticipated current and future unit sales and occupancies of our condominium and mixed-use projects; the timing of closing of anticipated acre sales in Western Canada and capital repatriation and expected decline in the future proportion of income driven by Western Canada; the proposed uses by Dream of any excess liquidity and our anticipated ownership levels of proposed investments, including investments in units of Dream Office REIT and Dream Alternatives and other Dream Publicly Listed Funds; anticipated levels of development, asset management and other management fees in future periods; and our overall financial performance, profitability and liquidity for future periods and years. 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's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These assumptions include, but are not limited to: the nature of development lands held and the development potential of such lands, our ability to bring new developments to market, anticipated positive general economic and business conditions, including low unemployment and interest rates, positive net migration, oil and gas commodity prices, our business strategy, including geographic focus, anticipated sales volumes, performance of our underlying business segments and conditions in the Western Canada land and housing markets. Risks and uncertainties include, but are not limited to, general and local economic and business conditions, employment levels, regulatory risks, mortgage rates and regulations, environmental risks, consumer confidence, seasonality, adverse weather conditions, reliance on key clients and personnel and competition. All forward-looking information in this press release speaks as of February 25, 2020. Dream 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 disclosed in Dream's filings with the securities regulators filed on SEDAR (www.sedar.com).