



DUNDEE INTERNATIONAL REIT REPORTS Q3 FINANCIAL RESULTS AND SURPASSES \$1.0 BILLION IN ACQUISITIONS IN 2013

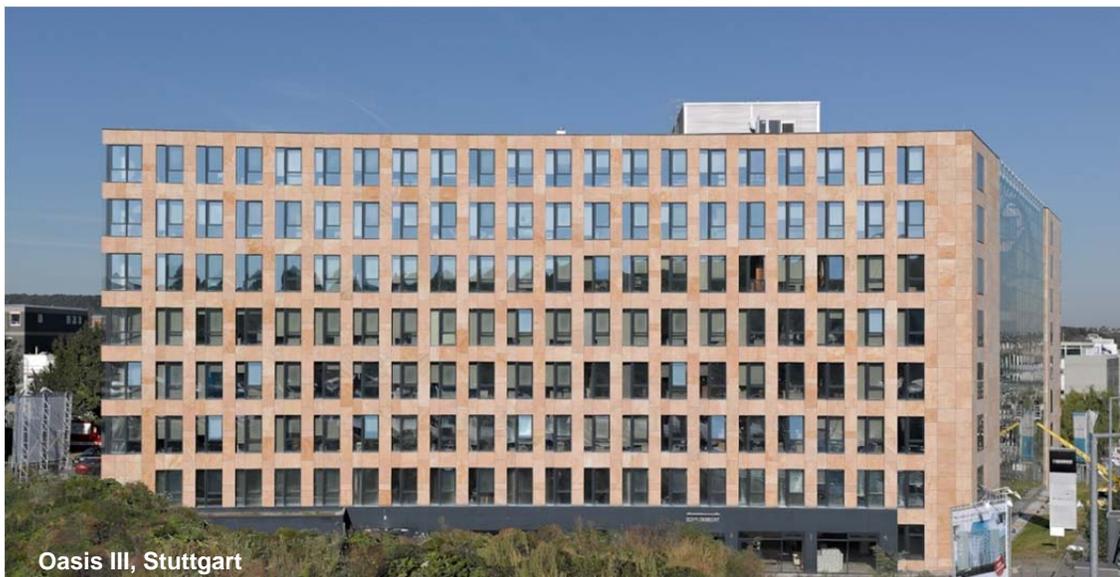
This news release contains forward looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release.

TORONTO, NOVEMBER 7, 2013 DUNDEE INTERNATIONAL REIT (DI.UN-TSX) today reported its quarterly financial results for the period ended September 30, 2013. Dundee International REIT's management team will be holding a conference call tomorrow, November 8, 2013 at 9:00 a.m. (ET) to discuss the results.

HIGHLIGHTS

Dundee International REIT surpassed \$1.0 billion of high quality acquisitions for 2013 at an average cap rate of 6.7% and an average borrowing rate of 2.6%, continuing its growth in top office markets in Germany. Q3 2013 marked another quarter of strong occupancy growth, highlighting the Trust's focus on asset management through its local operations team in Europe.

- **Acquired Oasis III**, an office property in Stuttgart, Germany at the end of Q3 for \$43.4 million and subsequent to quarter end, signed a purchase and sale agreement for an office building in Düsseldorf, Germany for a purchase price of approximately \$105 million, subject to certain closing conditions and adjustments. This increases the year-to-date total acquisitions closed and under contract to over \$1.0 billion;
- **Strong leasing** resulting in positive absorption of approximately 49,700 square feet of space in Q3 2013, increasing the year-to-date total to approximately 169,300 square feet;
- **Continued improvement in quality and stability of the Trust's cash flow** with 49% of its net rental income in Q3 2013 derived from high quality acquisitions. The REIT's acquisition pipeline remains strong and the Trust continues to transform its portfolio and cash flows and expand its platform.



OPERATING AND FINANCIAL HIGHLIGHTS

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Asset base and market capitalization (\$'000)				
Investment properties	\$ 2,185,360	\$ 1,051,912		
Market capitalization	1,028,417	635,750		
Operations				
Occupancy rate (period-end)	86% ⁽¹⁾	82%		
In-place rent per square foot	\$ 11.37	\$ 7.60		
Operating results (\$'000)⁽²⁾				
Investment properties revenue	\$ 56,915	\$ 33,765	\$ 157,692	\$ 102,735
Net rental income	39,479	21,741	102,981	63,382
Funds from operations ("FFO") ⁽³⁾	23,001	12,443	60,187	35,972
Adjusted funds from operations ("AFFO") ⁽⁴⁾	21,371	11,862	55,748	34,277
Distributions				
Declared distributions and interest on Exchangeable Notes	\$ 21,919	\$ 11,559 ⁽⁵⁾	\$ 58,115	\$ 33,111 ⁽⁵⁾
Distributions paid and payable in cash (including interest on Exchangeable Notes) ⁽⁵⁾	18,814	10,960	50,956	32,070
Financing				
Weighted average interest rate (period-end)	3.44%	4.12%	3.44%	4.12%
Interest coverage ratio	3.39 times	3.08 times	3.40 times	2.96 times
Per unit amounts				
Basic:				
FFO ⁽³⁾	\$ 0.21	\$ 0.22	\$ 0.63	\$ 0.65
AFFO ⁽⁴⁾	0.20	0.21	0.58	0.62
Distribution rate	0.20	0.20	0.60	0.60
Basic (excluding impact of undeployed cash):				
FFO ⁽³⁾	0.24	0.25	0.71	0.75
AFFO ⁽⁴⁾	0.22	0.24	0.67	0.72
Weighted average number of units outstanding	109,116,985	57,795,412	95,916,394	55,134,905

- (1) Space for which the Trust receives head lease payments is reflected as vacant space; increase in occupancy to 91% if such head lease space would be reflected as occupied space.
- (2) Results from operations were converted into Canadian dollars from euros using the following average exchange rates: the three-month and nine-month periods ended September 30, 2013 were converted at \$1.376:€1 and \$1.349:€1, respectively; for 2012, the three-month and nine-month periods ended September 30, 2012 were converted at \$1.245:€1 and \$1.285:€1, respectively
- (3) FFO - net income, adjusted for fair value adjustments on investment property and financial instruments, property acquisition costs, amortization of equipment, deferred income taxes and interest expense on Exchangeable Notes.
- (4) AFFO – FFO adjusted for amortization of debt costs, deferred unit compensation expense, straight line rent and the Trust's estimates of normalized leasing costs and normalized non-recoverable recurring capital expenditures.
- (5) Includes interest on Exchangeable Notes which were fully exchanged in April and September 2012.

Occupancy – Occupancy at September 30, 2013 was 86.2%, up from 85.7% at June 30, 2013. The improvement in the Trust's overall occupancy rate resulted from positive absorption of space in the Trust's initial portfolio and higher occupancy rates in acquired properties.

In-place rents – Year-over-year in-place rents increased from \$7.60 (€6.01) per square foot in Q3 2012 to \$11.37 (€8.17) in Q3 2013, largely due to high quality acquisitions. Overall, at \$11.76 per square foot, average market rents in our portfolio remain approximately 3.4% above in-place rents.

Funds from operations – FFO for the three months ended September 30, 2013 was \$0.21/unit. The Trust had an average balance of \$109 million of undeployed cash on hand during Q3 2013, largely resulting from a recent equity issue in anticipation of upcoming acquisitions. Excluding the impact of undeployed cash, FFO would be \$0.24/unit.

Adjusted funds from operations – AFFO for the three months ended September 30, 2013, was \$0.20/unit. Excluding the impact of undeployed cash, AFFO would be \$0.22/unit.

GROWTH INITIATIVES

Acquisitions – During Q3 2013, Dundee International REIT completed the acquisition of Oasis III, an office property for approximately \$43.4 million, comprising approximately 170,000 square feet of office space in Stuttgart, Germany. The multi-tenant property was built in 2002, is fully occupied and has an average remaining lease term of 5.5 years. Mercedes-Benz Bank, the largest tenant in the property, occupies approximately 35% of the space. In addition, the Trust finalized a purchase and sale agreement for an office building in Düsseldorf, Germany subsequent to quarter-end for a purchase price of approximately \$105 million, subject to certain closing conditions and adjustments. This increases the year-to-date total acquisitions closed and under contract to over \$1.0 billion.

“We are pleased with the rapid progress we have made in improving the quality of our portfolio and cash flow, as we have grown our asset base in the best office markets in Germany. We continue to see opportunities to grow our presence in Germany at attractive returns and also realize value within our original portfolio,” said Jane Gavan, CEO of Dundee International REIT.

Dispositions – The Trust completed the sale of a property for approximately \$1.4 million during Q3 2013. During the first nine months of 2013, a total of 11 properties were sold for an aggregate sales price of approximately \$15.0 million.

CAPITAL INITIATIVES

Equity – On October 31, 2013, the Trust had 109,390,883 units outstanding. At the October 31, 2013 closing price of \$9.07 per unit, the Trust’s market capitalization was \$992 million.

Financing – During Q3 2013, the Trust obtained a mortgage in the amount of \$52.0 million at a fixed interest rate of 2.69% for a term of seven years. On October 28, the Trust finalized the terms of a mortgage agreement for \$26.0 million for its acquisition of Oasis III at a fixed interest rate of 2.73% per annum for a term of five years. In light of the cash on hand, the Trust will delay drawing down the mortgage until November 15, 2013, which will result in interest savings. The Trust continues to have good access to attractive financing provided by German lenders.

Operating line – Subsequent to quarter end, the Trust completed the renegotiation of its revolving operating line with a major Canadian bank, increasing the line from €10 million to €25 million.

Key performance indicators with respect to the Trust’s financing activities are:

	September 30, 2013	December 31, 2012	September 30, 2012
<i>Financing activities</i>			
Weighted average interest rate	3.44%	3.98%	4.12%
Level of debt (debt-to-book value)	55%	52%	55%
Level of debt (debt-to-book value, net of cash)	53%	45%	50%
Interest coverage ratio	3.40 times	3.03 times	2.96 times
Debt-to-EBITDFV (years)	9.0	8.5	8.7
Debt – average term to maturity (years)	4.8	4.4	4.3
Variable rate debt as percentage of total debt	6%	11%	13%

As at September 30, 2013, the Trust had a debt-to-book value (net of cash) of 53% (or 49%, if Debentures are excluded), had a weighted average interest rate of 3.44% for all of its interest-bearing debt and an interest coverage ratio of 3.4 times, reflecting the Trust's success in locking in highly attractive interest rates and its ability to cover its interest expense requirements.

The average term to maturity of the Trust's debt increased to 4.8 years at the end of Q3 2013 from 4.4 years at December 31, 2012.

CONFERENCE CALL DETAILS

Dundee International REIT's management team will be holding a conference call tomorrow, November 8, 2013 at 9:00 a.m. (ET) to discuss the results. To access the conference call, please dial 647-317-3471 in Toronto and overseas or 1-866-551-3680 elsewhere in Canada and the United States and use passcode 77037772#. A taped replay of the call will be available for ninety days. For access details, please go to Dundee International REIT's website at www.dundeeinternational.com and click on the Investor 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.dundeeinternational.com and on SEDAR at www.sedar.com.

Dundee International REIT is an unincorporated, open-ended real estate investment trust that provides investors with the opportunity to invest in commercial real estate exclusively outside of Canada. Dundee International REIT's portfolio currently consists of approximately 15.5 million square feet of gross leasable area of office, industrial and mixed use properties across Germany. For more information, please visit www.dundeeinternational.com.

This press release may contain forward-looking information within the meaning of applicable securities legislation. 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 Dundee International 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 functions. Our objectives and forward-looking statements are based on certain assumptions, including that the Canadian and German 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. Dundee International REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise. Additional information about these assumptions and risks and uncertainties is contained in Dundee International REIT's filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at Dundee International REIT's website at www.dundeeinternational.com.

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