

## ENBD REIT Announces Q1 NAV of USD 289 million

- Portfolio occupancy increases to reach 90%
- Gross yield on portfolio reaches 8.4%, due to successful residential leasing programme

**Dubai, United Arab Emirates, 17<sup>th</sup> July 2018:** [ENBD REIT](#) (CEIC) Limited (“ENBD REIT”), the Shari’a compliant real estate investment trust managed by Emirates NBD Asset Management Limited, has announced its Net Asset Value (“NAV”) for the period ended 30<sup>th</sup> June 2018. ENBD REIT’s NAV is USD 289 million (AED 1.1 billion), or USD 1.14 per share, following dividend and return of capital payments made in June 2018. This equates to a quarterly return of 0.29% due to net rental income being offset by slight valuation decreases. The total property portfolio value stands at USD 463 million (AED 1.7 billion), with diverse holdings covering 11 properties across the office, residential and alternative real estate sectors.

Following a series of acquisitions that led to diversification of ENBD REIT’s portfolio in 2017, current sector allocation stands at 64% offices, 20% residential and 16% alternative – including schools, student accommodation and retail. Portfolio occupancy increased from 89% in the previous quarter to reach 90% in Q1. Gross yield also increased to reach 8.4%, due to successful leasing efforts mainly in the residential portfolio.

In June, ENBD REIT made final payments to shareholders for the year ended 31<sup>st</sup> March 2018. During the full year period, total payments of USD 21.7 million (AED 79.8 million) were 7.2% of NAV and 8.6% of the share price, or USD 0.0854 per share. These payments included an interim dividend of USD 0.0382 per share and a final dividend of USD 0.0129 per share, as well as a return of capital of USD 0.0343 per share. The reduced NAV, down from USD 1.18 per share in the previous quarter, is due to cash payments made to shareholders in the form of the final dividend and return of capital in June. After recommendation by the Board of Directors, the return of capital was approved by the shareholders at ENBD REIT’s AGM on 3<sup>rd</sup> June 2018, in recognition of adjustments made to the dividend payment cycle in December 2017, to be aligned with the REIT’s financial year.

**Anthony Taylor, Head of Real Estate at Emirates NBD Asset Management, said:**

*“While the local real estate market remains challenging – and this has put pressure on valuations in the portfolio – we have been successful in both protecting and improving income. Gross yield from the portfolio has increased, thanks to the efforts of our asset management team, who have been particularly successful in leasing our residential assets. Gross yield on the portfolio is up slightly to 8.4%, compared with 8.3% in the previous quarter, with net yield from rental income at 4.5% on an annualised basis. Looking ahead, we are exploring new financing options that will facilitate further expansion of our portfolio into alternative asset classes – mitigating risks prevailing in local residential and office markets.”*

ENBD REIT’s Gross Asset Value (GAV) stood at USD 457 million for the period ended 30<sup>th</sup> June, with a Loan-to-Value (LTV) ratio of 37%, and gross rental yield on NAV of 13.2%. The REIT intends to maintain the growth and diversification of its portfolio, by seeking acquisition of income generating

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assets in Dubai, Abu Dhabi and the Northern Emirates – subject to tenant demand. In December 2017, the Board of Directors approved a decision to re-align ENBD REIT’s dividend calendar with the financial calendar ending on 31<sup>st</sup> March, with dividends paid to shareholders semi-annually following March and September quarter-ends.

-Ends-

For more information:

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### ABOUT ENBD REIT

ENBD REIT (CEIC) Limited (“ENBD REIT”) is a Shari’a compliant real estate investment trust managed by Emirates NBD Asset Management Limited (the “Fund Manager”), listed on Nasdaq Dubai under ticker ENBDREIT. ENBD REIT is a closed-ended investment company that was incorporated by the Fund Manager to invest in a diversified Portfolio of Shari’a-compliant real estate assets in the UAE. ENBD REIT has an unlimited duration and was established in the DIFC by the Fund Manager on 18 July 2016 under the Companies Law with the name “Emirates Real Estate Fund Limited” and with registration number 2209. The Fund subsequently changed its name to “ENBD REIT (CEIC) Limited”. ENBD REIT is categorised under DFSA law and regulations as a Public Fund, a Domestic Fund, an Islamic Fund, a Property Fund and a Real Estate Investment Trust (REIT). ENBD REIT has been established with the main investment objective of generating income returns and capital appreciation from real estate assets. ENBD REIT plans to achieve its objectives through the following strategies: (i) prudent acquisitions with a focus on achieving diversification; and (ii) active asset management and enhancement. For more information, visit: [www.enbdreit.com](http://www.enbdreit.com)

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### PORTFOLIO

#### Office:

##### **Al Thuraya 1 (Dubai Media City)**

A G+29-story high rise commercial tower, located at a prime location in Dubai Media City with views over Barsha Heights and Palm Jumeriah.

##### **Burj Daman (DIFC)**

Two and a half floors (the fund fully owns the 10th and 14th floors and half of the 15th floor) in the commercial portion of the tower in the DIFC.

##### **DHCC 49 (Dubai Healthcare City)**

G+5-story commercial complex located in the Dubai Healthcare City free zone.

##### **DHCC 25 (Dubai Healthcare City)**

G+6-story commercial tower located in the Dubai Healthcare City free zone

##### **The Edge Building (Dubai Internet City)**

A G+6-story fully leased, prime grade A office building recently constructed and located in the Dubai Internet City free zone. Oracle is the largest tenant occupying 85% of the office space.

#### Residential:

##### **Arabian Oryx House (Barsha Heights)**

A residential tower with 128 units in the free zone Barsha Heights, Dubai. Mainly comprises units of one, two and four-bed apartments.

##### **Binghatti Terraces (Dubai Silicon Oasis)**

A residential tower with 201 residential and 5 retail units in Dubai Silicon Oasis, constructed by developers with an established track record.

##### **Remraam Residential (Dubailand)**

Two residential towers offering 105 units in mainly 1 & 2 bedroom apartments

#### Alternative:

##### **Uninest Dubailand (Dubailand)**

A 424-bed student accommodation property located close to Dubai Academic City, serving students attending university across the city. 100% leased to global student accommodation provider, GSA.

##### **South View School (Remraam)**

A 132,000 sq. ft. under-development primary school, scheduled to open in September 2018 and operated by Interstar Education.

##### **Souq Extra Retail Centre Phase 1 (Dubai Silicon Oasis)**

Community centre in Dubai Silicon Oasis with over 36,000 ft<sup>2</sup> of gross leasable area, comprising 25 retail units fully let to blue-chip tenants.

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### HIGHLIGHTS\*

<b>Property portfolio value</b>	USD 463 million
<b>NAV</b>	USD 289 million (USD 1.14 per share)
<b>LTV (on GAV)</b>	37%
<b>Occupancy</b>	90%
<b>WAULT (years)</b>	3.47
<b>No. of properties</b>	11
<b>Sectors</b>	Office 64%
	Residential 20%
	Alternative 16%

\*All figures are as at 30<sup>th</sup> June 2018