IPUT REAL ESTATE DUBLIN

SHAPING OUR CITY

IPUT PLC | ANNUAL REPORT & FINANCIAL STATEMENTS 2020

10 Molesworth Street, Dublin 2

OUR VISION

Our vision is to set the benchmark for excellence in Irish real estate and positively shape the future of our city.

WHO WE ARE

We are Ireland's leading commercial property investment company and one of the largest owners of offices and logistics assets in Dublin. We are a long term investor with a 50 year track record in real estate. We own and manage a portfolio comprising over 5.2 million sq ft, with a net asset value of over €2.7 billion.

We have an international reputation for delivering the highest quality in everything we do. Our goal is to own exceptional buildings that set new standards in design and sustainability in order to attract best-in-class occupiers, drive long term shareholder value and contribute positively to the communities in which we work. By sustainably investing in the public realm, we make a positive contribution to the social and cultural fabric of our city.

PHILOSOPHY

We are passionate about our buildings and our presence in the city. We make long term investment decisions for the benefit of our stakeholders, with an emphasis on excellence in design, sustainability and the occupier experience.

OUR VALUES

CUSTODIANS

We are custodians of our city. Our ambition is to make a positive contribution to society by sustainably redeveloping our properties, actively managing our estate and working closely with our stakeholders.

LEADERS

We are leaders in Irish real estate and will continue to advance that position through our culture of excellence and innovation.

TRUSTED

We build trust through performance, not just in our track record but in our conduct and openness with our investors and stakeholders.

PASSION

We are passionate about the built environment. We take pride in the buildings we develop, own and manage, taking care to ensure they support and improve the communities in which we work.

No. 3 Dublin Landings, IFSC, Dublin 1

CONTENTS

2020 HIGHLIGHTS

Resilience in challenging times

We out-performed the MSCI benchmark across all short and long term time horizons. This solid performance is evident in the highlights below.

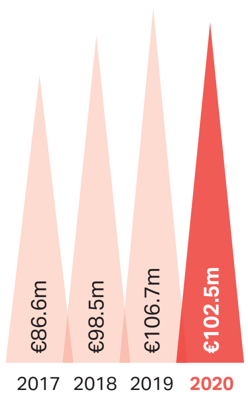
97% **Rent collection**	€122m **Contracted rent**	3.8% **Dividend yield**
€2.9m **New lettings**	43,000 sq ft **Letting to Microsoft**	325,000 sq ft **Assignment to Dunnes Stores**
GRESB 4 star **Rating achieved**	Net Zero Carbon **by 2030**	UN PRI **A rating**

Riverside Two, Sir John Rogerson's Quay, Dublin 2

KEY PERFORMANCE INDICATORS

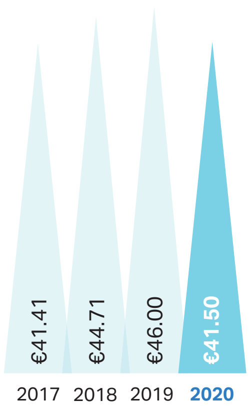
Stable income returns

Positive results in a year of exceptional challenges, demonstrated the stability of the Fund through market cycles. €102.5 million dividend paid to shareholders in the year.



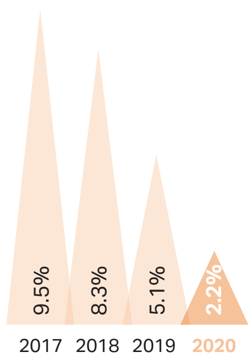
Dividend

€102.5m



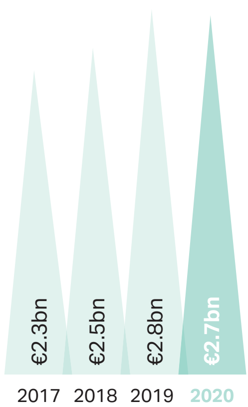
Dividend Per Share

€41.50



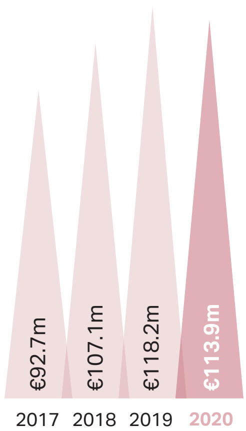
Total Shareholder Return

2.2%



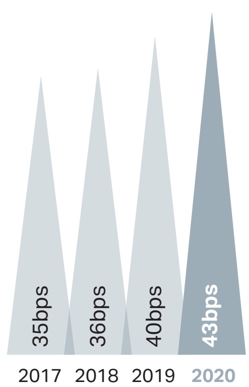
Net Asset Value

€2.7bn



Net Rental Income

€113.9m



Total Expense Ratio

43bps

CHAIRMAN'S *statement*

Well positioned to move forward

2020 will be remembered due to the challenges that the pandemic brought globally. It's effect has already recalibrated our thinking on how we want to work and live, accelerated structural trends, and will impact our behaviour and that of our occupiers going forward.

At IPUT, we adapted quickly, putting protocols in place to ensure our buildings offered a safe working environment and that we could meet all health and safety requirements.

While the pandemic is a health issue, the consequential impact on the economy was quickly obvious. From the outset, it was important for us to work with our occupiers and assist them through this period. Now, as we look forward towards the second half of 2021, there is cautious optimism that the roll out of the vaccines will slowly bring normality back to everyday life and assist in the recovery of the economy. We are confident that as normality emerges, the city centre will again be the centre of commercial, social and cultural activity and that there will be renewed demand for offices.

The year in summary

I am pleased to report that despite the challenges of the pandemic, our firm financial footing and the multi-cycle experience of our management team delivered a solid performance for 2020. Our financial resilience has been the result of time spent understanding the needs of our occupiers and incorporating that into our investment decision-making and day to day running of the business.

Our net asset value (NAV) as at 31 December 2020 was €2.7 billion, down from €2.75 billion in 2019. Contracted annual rent increased by 2% to €122 million at year-end. Despite a reduction in tenant demand in 2020, we successfully completed a number of lettings and assignments including; Dunnes Stores to a 325,000 sq ft logistics facility at Damastown, the letting of three floors at No. 3 Dublin Landings to Microsoft, and we re-let vacant units at Carrickmines Park and Mahon Retail Park following the liquidation of Mothercare Ireland in June. These initiatives stabilised over €5 million of annualised income for the Fund.

In addition, we made considerable progress with our development projects despite construction sites closing due to lockdown restrictions. One Wilton Park is due to reach practical completion in the summer of 2021, and the development of Four Wilton Park has been brought forward and will now be delivered 12 months ahead of schedule, in line with the completion of Two and Three.

Our flagship development, Wilton Park will provide 600,000 sq ft of grade A offices with LEED Platinum certification as well as retail, restaurants, and amenity space. In addition, we commenced the development of a new logistics facility at Aerodrome Business Park, a sector in which we intend to increase our weightings in the coming years. It is our opportunity to put into practice our thinking on the relationship between the office and the local neighbourhood. From the research report we commissioned in 2020 *Making Place – The recalibration of work, life and place*, we believe there is a need for a new design practice, which sits between traditional workplace design and public realm placemaking; we call this "workplacemaking".

Wilton Park and its immediate surroundings will allow us to create a place that can attract people, promote interaction and knowledge and make a social and economic contribution to the local neighbourhood. Creating this sense of place and providing a mix of uses, both in and around our buildings, will contribute to making our city more vibrant and sustainable over the long term.

> "Our portfolio gives us scale which ensures we can effectively manage risk and has protected us from the most severe impacts of the current economic slowdown.

John Mulcahy
Chairman

Dividend

We currently own 95 assets with approximately 250 tenancies and are one of the largest owners of Dublin CBD offices and logistics properties. Our portfolio gives us scale which ensures we can effectively manage risk through diversification; by the number of buildings, by sector and by tenant profile, all of which has protected us from the most severe impacts of the current economic slowdown. The resilience of the Fund is demonstrated by a rental collection rate of over 97% in 2020.

We have an unrivalled track record of paying dividends for over 50 years, despite economic cycles. While our 2020 dividend represented a reduction from that paid in 2019, our stable rental income and strong collection rate, enabled us to pay a dividend of €102.5 million, which equates to a 3.8% dividend yield. As we look forward, when our development programme reaches practical completion and becomes income-producing, it will enable us to continue with our progressive dividend policy.

Governance and oversight

We have a strong Board with the necessary skills and experience to discharge its responsibility to all shareholders. We adopt the highest standards of governance and continue to keep Board composition, size and skill set under review.

Simon Radford retired from the Board during the year and we would like to thank Simon for his commitment and experience during his tenure.

I am delighted to welcome Niall Gaffney, Chief Executive and Pat McGinley, Chief Operating Officer to the Board in 2021. Their appointments as executive directors represent a progressive change and both strengthen and add to the skill set of the Board. We believe that while it is important to retain a majority of independent board directors, the composition of the Board will benefit from the in-depth knowledge of the business that these executives will provide.

CHAIRMAN'S *statement*

We also continued to strengthen the IPUT team adding a total of five professionals to the business in 2020 covering roles in development, asset management and administration. In particular, we were pleased to welcome Caroline McCarthy to IPUT as Head of Fund Management. Caroline adds invaluable insight and expertise in real estate and is an excellent addition to the senior management team. Caroline has over 25 years of commercial property experience and assumed responsibility for fund management and fund strategy, taking a lead role in investor relations, reporting and business development.

Shareholder engagement

We set ourselves a high standard of transparency and seek to have regular engagement with our shareholders. 2020 was a challenging year in this regard as travel restrictions and work from home protocols limited our ability to meet face-to-face. During times of uncertainty, we believe it is important to increase communication to re-assure shareholders of the resilience and performance of the Fund. While our usual calendar of meetings, face-to-face presentations and attendance at industry conferences were cancelled, we directly engaged with over 90% of our shareholders through 35 virtual presentations.

On behalf of the Board, we would like to extend our thanks to all our shareholders for their continuing support and engagement in 2020.

Culture

We strive for excellence in all we do and believe our people are the engine for success in our business. We aim to recruit the best people and encourage learning and training throughout one's career. We want to foster independent lateral thinking. Strong ethics, fairness and collaboration go to the heart of all we do. In light of the challenges faced this year, we embraced flexible working to ensure the wellbeing of the IPUT team and foster an appropriate work, life balance. We believe investing in our people is an investment in the business and underpins our market-leading performance.

Outlook

As we look ahead to 2021 and beyond, the strength and resilience of the Fund is evident in our 2020 performance. We have weathered the shocks of 2020 and despite entering another lockdown for the first quarter of 2021, we remain well placed to seek further opportunity for growth both within the portfolio by continually re-positioning and priming our buildings, and by seeking out further opportunity in the market.

I would like to thank the Board and every member of the IPUT team for their commitment and hard work in what was a very challenging year.

John Mulcahy
Chairman

> "Despite the challenges of the pandemic, our firm financial footing and the multi-cycle experience of our management team delivered a solid performance for 2020.

Pictured opposite:
Illustration from IPUT's
Making Place research report

CHIEF EXECUTIVE'S *review*

Creating sustainable places

The impact of climate change, the rapid advances in technology and the changing role of the traditional workplace have been key drivers of our industry in recent years. All of these trends accelerated in 2020. The lockdowns, as a result of Covid-19, which saw millions of people transition to working from home, represent a pivotal moment for companies and people to rethink their relationship with the workplace. Technology supported this flexibility and for many employers and their employees, it prompted a shift in mindset about the need to work full-time in offices. It has allowed us the space to consider what we want from our urban spaces and our working environment and this will impact how our cities evolve into the future.

As one of the largest owners of offices in Dublin's CBD, we firmly believe in the future of cities and the office. This remains the cornerstone of our strategy, to own and develop exceptional buildings, setting new standards in design which make a positive contribution to the social and cultural fabric of our city. While our office and retail properties have been impacted throughout 2020 by the Covid-19 pandemic, we are confident that we will see a return to the office once the vaccine programmes are rolled out. Occupiers now more so than ever, will demand the highest quality accommodation, offering flexible space and designed in sympathy with the surrounding community.

The resilience of the Fund and the strong financial performance in such a challenging year, cannot be underestimated. We made the decision in 2016 to embrace responsible investment and our clear strategy to own and develop buildings, which are designed to the highest standards, has resulted in our out-performance of the MSCI Index again in 2020 and over every time series for the past two decades.

We reduced our retail holdings and divested away from shopping centres re-focusing our retail exposure towards high-quality retail warehousing. In addition, we have been increasing our exposure to logistics assets which we believe go hand-in-hand with retail warehousing and capitalise on the increase in e-commerce retailing. This is a sector where we will continue to deploy capital, however we believe it is more accretive to our net asset value (NAV) for us to develop our own logistics properties and we have been selectively acquiring land to implement this strategy.

> **"We recognise that we must continually evolve and cannot build the same types of offices that have dominated the urban landscape for the last two decades.**

Following on from the *Shaping Our City* thought leadership report in 2019, we have further developed this theme and released *Making Place*, our 2020 report, in partnership with Arup. In this report, we looked at how to embrace new ways of working, alongside a renewed relationship with the office and the local neighbourhood. We believe there is a unique opportunity to reassert the value of the workplace through workplacemaking which looks at how places shape social, economic and environmental outcomes. In particular, we hope to start the debate on how offices can maintain their important economic and social functions while at the same time contributing to making our cities more enriching and sustainable places.

Niall Gaffney
Chief Executive

We recognise that we must continually evolve and cannot build the same types of offices that have dominated the urban landscape for the last two decades. This does not suit our ambition to offer successful places for our occupiers and their employees. Instead, we aim to invest in and develop buildings that put quality placemaking at the forefront, and Wilton Park will be an example of this. Successful placemaking underpins and enhances experience for our occupiers and the local community, and this translates into long term financial resilience for our investors.

I am proud to announce that during 2020 we signed up to the World Green Building Council's, net zero carbon building commitment. We are also working with our occupiers in order to reduce the emissions beyond our direct control to neutralise all emissions in the portfolio. This initiative sets our medium-term agenda and demonstrates our leadership within the Irish real estate industry.

Our strategy remains clear, we are a long term investor and see ourselves as custodians of our city. We will continue to grow our office and logistics portfolio, over time, through selective acquisitions and moderate development. At all times we aim for excellence in design and responsible investment is embedded at the heart of everything we do. We believe this will give longevity to our portfolio and ensure we continue to offer superior returns to our shareholders.

The strength of our balance sheet and changes to our capital structure in 2020 have enhanced stability over the longer term and ensured that we have the ability to continue to grow. In the first quarter we secured €200 million of long term debt through a US private placement and we upsized our revolving credit facility (RCF) to €300 million. €200 million of the RCF is designated as "green" and it represents the largest green facility in the Irish real estate market. We will use this to finance our development projects in line with a defined set of sustainability criteria as set out by the European Loan Market Association. We have always adopted a prudent approach to leverage and have a commitment to maintain debt below a 20% loan-to-value limit. As at 31 December 2020, it stood at 8%.

CHIEF EXECUTIVE'S *review*

We remain focused on the neighbourhoods in which we invest and will look for opportunities to add to these neighbourhoods over time. Ultimately the success of our buildings will be determined by how they interact and add to the surrounding community.

We have a progressive culture and embrace change. We encourage the team to continue to learn and develop their skills; we embrace diversity and we are constantly looking for new and better ways of doing our job.

Our priority for the year ahead will be to work with all of our stakeholders and in particular our occupiers as they return to work in our properties. In addition, once construction re-opens, we will be focused on the completion of One Wilton Park. This building will set the standard for the wider Wilton Park Estate, which will be completed over the next three years and will become a new neighbourhood in Dublin, providing not only high-quality offices but retailing, restaurants and community spaces.

> "Our commitment to net zero carbon by 2030 will form the cornerstone of our strategy for the next 10 years.

Our docklands office development, The Tropical Fruit Warehouse is progressing and will be completed in the spring of 2022. This project is an example of what can be achieved when retaining an historical warehouse building and incorporating a modern office extension. Finally, Aerodrome Business Park will be one of the first LEED and BREEAM certified logistics facilities in Ireland and will set a new standard for logistic development. Each of these buildings is unique and will add to their surrounding locations, and all have been designed and developed with excellence and longevity in mind.

Sustainability informs every aspect of our business. Our commitment to net zero carbon by 2030 will form the backbone of our investment strategy for the next 10 years. We will roll out our pathway to achieve this goal during 2021.

2020 has been a challenging year for all of us and we look forward with optimism for the Fund and the re-awakening of the city. Our multi-cycle experience has allowed us to navigate this difficult period to position the Fund to capitalise on opportunities that may arise.

I would like to thank the team at IPUT for their continued hard work throughout the year and the Board for their ongoing guidance and support. I look forward to the year ahead and implementing our plans together as a team.

Niall Gaffney
Chief Executive

Pictured opposite:
Illustration from IPUT's
Making Place research report

OUR STRATEGY

Constantly adapting to changing market trends

Over the past five years our strategy has evolved and we have repositioned the Fund, which has resulted in superior returns for our shareholders.

Reduced exposure to retail assets

We fully divested from shopping centres, maintaining a bias towards retail-warehousing.

Renewal and redevelopment

The redevelopment of 10 Molesworth Street provided a 116,250 sq ft prime office building, with LEED Platinum certification. To enhance the local streetscape, we implemented a landscaping programme to include new granite paving and the replanting of 17 new trees.

Strategic acquisition

Deloitte House was acquired in 2018. This asset will form part of our medium-term redevelopment plans.

Growth in income

We pre-let the entire Wilton Park office development to Linkedin for their new European HQ. When this development is fully complete and income producing in 2024, it will add an additional €32 million per annum of income to the Fund.

Focus on logistics

The acquisition of strategic land at Aerodrome and Quantum Business Parks will enable us build new high-quality logistics units to meet current demand.

Commitment to responsible investing

In 2016, we published our commitment to responsible investment and participated in the Global Real Estate Sustainability Benchmark (GRESB) for the first time.

In 2019, we were the first Irish property company to sign the UN-led Principles for Responsible Investment (PRI) .

Looking forward - 2021 & beyond

Responsible investment targets

Net Zero Carbon
by 2030

GRESB 4 star

LEED Gold
minimum for new development

Public realm
investment strategy

Bias towards offices

71% of portfolio

- Currently developing 600,000 sq ft offices and targeting LEED Platinum certification at Wilton Park, with ancillary retail, leisure and restaurant facilities. Opportunity to bring our Shaping our City and Making Place thought leadership strategies to reality in the creation of a new multi-purpose neighbourhood at Wilton Park.
- The Tropical Fruit Warehouse building (85,000 sq ft) will add to our docklands holdings and is an example of sympathetic development, merging the history of the docklands and modern office space. This is scheduled to reach practical completion in spring 2022.
- Acquired No.3 Dublin Landings a 120,000 sq ft Grade A office adding to our docklands neighbourhood portfolio. Three floors have been let to Microsoft.
- Planning permission received to re-develop 25/28 North Wall Quay, Dublin 1 and Block B George's Quay, Dublin 2. These two projects will add an additional 80,000 sq ft of office space over the medium term allowing us to renew our portfolio in line with our responsible investment agenda.

Expanding logistics

11% of portfolio

- Developing a 120,000 sq ft logistics unit and targeting LEED Gold and BREEAM Very Good certification at Aerodrome Business Park.
- 41 acres of zoned logistics land which can accommodate a further 720,000 sq ft of logistics, subject to planning permission.
- Completed a 325,000 sq ft assignment to Dunnes Stores at Damastown, Dublin 15.
- Will continue to acquire development land to expand our exposure to this sector.

Repositioned retail

16% of portfolio

- Disposed of minority interest in Opera Lane, Cork.
- Full occupancy at retail parks following the re-letting of vacant units in Carrickmines Park and Mahon Retail Park.
- Masterplanning lands at Carrickmines Park.

Secure income

- €122 million per annum of contracted rent, set to grow to over €160 million per annum following the completion of the current development programme.
- 97% occupancy level.
- New lettings and renewals in 2020 generated €3.1m of annual income for the Fund.
- Extensive asset management in 2020, 10 lease re-gears concluded securing €8 million per annum and 15 rent reviews completed across the portfolio.

Balance sheet management

- Debt ceiling of 20% LTV (currently 8%).
- Prudent approach to development, capped at 20% of GAV. Our allocation to development is currently 14% and only 2% relates to speculative development.
- 84% of development pipeline has been de-risked, through pre-letting.

Pictured opposite:
The Exchange, IFSC, Dublin 1

Shaping our city through placemaking

We have been investing in Dublin's urban fabric for over 50 years. We believe that successful owners are those that view their role as stewards of their neighbourhoods rather than just their buildings.

Our *Shaping our City* strategy guides our approach as a company to improve the experience of both living and working in the locations in which we are actively developing and managing in Dublin.

We believe that successful placemaking underpins an enhanced experience for those who both live and work in the neighbourhoods in which we are active. It creates more attractive places and marks us out as a landlord of choice. Our buildings and relationships are then viable for the long term. It is that viability that translates into financial resilience for our investors. The social, economic, and cultural value that we derive from our neighbourhoods cannot be taken for granted. To be sustained, they need to be continually maintained and enhanced.

We understand the importance of creating sustainable and attractive neighbourhoods within our city. We recognise that people value the spaces in-between and around our buildings as much as the buildings themselves.

We continue to commit as a real estate owner to our role in re-invigorating our city. We recognise that this has evolved in a post pandemic world. This was the catalyst for our *Making Place* research report which we published in November 2020.

Making Place examines what we, as employees are looking for from our workplaces, and what that teaches us about how we can narrow the gap between the physical make-up of the places in which we live and in which we work.

Through this research, we wanted to start the debate on workplacemaking – how offices can maintain their important economic and social functions while at the same time contributing to making our cities more enriching and sustainable places.

> **“*Making Place* examines what we as employees are looking for from our workplaces, and what that teaches us about how we can narrow the gap between the physical make-up of the places in which we live and in which we work.**

The results of the research will help inform our long term strategy. Over the past five years, we have moved into an office redevelopment and regeneration programme, which will continue as we progress our net zero carbon pathway. Understanding the changing nature of place enables us to respond better to what successful working environments need to look like in the coming decades.

Find out more and download the report on our website:
www.iput.com/thought-leadership

Our 2020 Making Place research has further developed the application of our Shaping Our City strategy. Workplacemaking should address people's need to work anywhere by bringing them together in the right places at the right time. The building blocks are five types of place which reflect how people's new working and living needs can be met by space.

1. Watering holes

Places that attract people to linger, meet and socialise based on the experience that employees see work as a social experience.

2. Street classrooms

Places that bring people together in formal and informal knowledge exchange, recognising that employees are keen to acquire new knowledge and skills.

3. Cultural canvases

Places that can be shaped curated, and programmed by people and communities to recognise that employees want to express individuality as well as shared culture that can lead to a better sense of belonging and identity.

4. Mind labs

Places that invite people to come together around shared issues, ideas and challenges to recognise that employees like to share ideas and challenges with their peers that can lead to greater breadth of problem-solving.

5. Mind gardens

Places that support people's individual and restorative thinking processes to recognise that employees seek opportunities to think and contemplate ideas.

Find out more about each of the five typologies throughout the remainder of our strategy section.

SHAPING OUR CITY

Our approach to placemaking is the practical application of our Shaping our City investment strategy. It is intended to create exceptional buildings that deliver long term shareholder value; enhance the occupier experience; align with our environmental and sustainability targets; and contribute positively to the future shape of our city.

We set out the four pillars of our Responsible Investment strategy in the following pages and explain how we execute these across the different aspects of our business:

ENRICHING OUR **BUILDINGS**

GREENING OUR **PORTFOLIO**

A PLATFORM FOR **IRISH DESIGN**

THE **NEXT CHAPTER**

We have committed to achieving net zero carbon in all new development projects and in our operational assets by 2030. We take our responsibility to the environment seriously and believe that setting new standards in design and sustainability will attract best-in-class occupiers and ensure stable income returns, throughout the market cycle.

At our core, we are an office and logistics income fund. We deliver solid returns through proactive asset management and development, with the use of a conservative level of debt finance. Our development programme aims to enhance income returns and constantly upgrade and renew the portfolio, in a managed way. Our current development programme is set to add an additional €38 million per annum to contracted income by 2024, 84% of which is de-risked through pre-letting.

Pictured opposite:
Illustration from IPUT's
Making Place research report

ENRICHING OUR BUILDINGS

Our vision is to set the benchmark for excellence in Irish real estate. With this high standard, we aim for our buildings to be clearly identifiable as IPUT buildings.

To achieve this goal, we make long term investment decisions for the benefit of our stakeholders with an emphasis on design, sustainability and the occupier experience, through operational management and placemaking around our buildings.

At a practical level, to ensure that we can achieve a hands-on approach to managing our buildings, we set up the Asset Services division and this in-house team takes responsibility for day-to-day management and occupier engagement. This has enabled us to focus on providing a consistent high quality service across the portfolio. One of our first initiatives was to create a central building management team whereby all building managers and concierge personnel are trained and familiar with all of our buildings. This allows us to adapt to the changing needs of our buildings and occupiers, and ensures our approach to building services is seamless across our portfolio. This proved very timely in light of the challenges faced this year.

MAKING PLACE

TYPOLOGY

Watering holes

Incorporating the watering holes typology in and around our buildings is about ensuring there are places where employees and citizens alike can come together to socialise and establish vital interpersonal connections. Examples of this would include the blending of amenity spaces, such as coffee shops and outdoor seating, giving a stronger connection to the street. Watering holes help companies have happier and healthier employees. They also promote a greater diversity of people in the area, benefitting employees, citizens, and the city.

Courtyard of
10 Molesworth Street, Dublin 2

> "70% of respondents to the annual occupier survey consider that the provision and accessibility of outdoor spaces are important at their place of work."

Sean O'Connell,
Senior Property Manager

Covid-19 response

The restrictions imposed due to the Covid-19 pandemic have impacted how we live and work. We adapted quickly to the challenge posed. Maintaining high levels of occupier engagement was extremely important and the following initiatives were implemented:

- Development of an operational plan "Working with Covid-19", which was distributed to all occupiers
- Quarterly occupier meetings moved online using Microsoft Teams
- Monthly operations team meetings held with occupiers
- Quarterly occupier newsletter published providing updates on our response to the pandemic as well as key ESG-related activities.

Throughout the year, we kept all buildings open for those who needed to come into the office. We also adjusted schedules for our central concierge team so that we could re-distribute resources to ensure each staff member could work in isolation of each other while maintaining a consistent high level of service. We prioritised health and safety, adapted cleaning regimes to mitigate virus risk in the common areas, increased signage, provided sanitisation stations, and adopted protocols around occupancy in the common areas and lifts to ensure social distancing could be maintained.

At a service level, we increased the rates of fresh air ventilation, updated security systems and introduced energy saving plans, reflecting occupier requirements. We introduced a programme of maintenance checks to ensure building systems were not affected by the reduced capacity. We also worked with our suppliers to adjust our services to suit occupational needs.

Occupier engagement

Our ongoing occupier engagement programme includes organised events with a sustainability or social focus. The pandemic put a halt to our programme of events and the focus of our engagement instead shifted to the safe operation of our buildings and service alteration updates.

We continued to highlight the importance of a collaborative approach to sustainable building use and initiated energy conservation plans, which were shared as part of World Green Building Week. New Green Committees were formed using virtual platforms and ideas shared amongst our occupiers on how to improve efficiencies during low occupancy.

We recognise the importance of regular contact with our occupiers and carry out an annual satisfaction survey to better understand how we can improve our building operations and shape our building management strategies.

The 2020 occupier survey indicates an increased focus on good air quality and access to wellbeing related business amenities, such as high quality shower facilities. The results of the survey will help us shape the future development of our building amenities and spaces, helping to promote healthier working environments.

Pictured:
Townhall and break-out spaces at
AIB, 10 Molesworth Street, Dublin 2

MAKING PLACE

TYPOLOGY

Mind labs

New discoveries and innovation are an important part of modern life, and mind labs can create places to stimulate this. Think-maker labs that can be rented or shared among different stakeholders, shared spaces for community innovation and debate, and high levels of connectivity for outdoor spaces. Companies will benefit from more productive and creative employees with a focus on problem solving.

Wellbeing

Another focus for 2020 was to better understand how we can make our buildings work from a wellbeing perspective. The pandemic has altered the commuting patterns of many of our office occupiers, with a bias towards cycling and walking over using public transport. We anticipate this trend will continue. In response, we are reviewing our amenities and end-of-journey commuter facilities and have begun a programme of works across the portfolio. Our first project was completed in the summer at the St. Stephen's Green Estate. In addition to the existing shower and changing facilities, we installed a bicycle repair station, seating and locker facilities.

> "As part of World Green Building Week in September, we distributed over 1,000 beebomb packets of seeds to our occupiers in our directly managed portfolio.

For the benefit of occupiers and neighbours, our gardens and parks remained open throughout the pandemic. Cleaning regimes were reviewed and signage installed to provide a safe amenity for the community. At Wilton Park, we hosted various attractions including the Eilis O'Connell augmented reality exhibition during the summer, and provided mince pies and coffee in the run up to Christmas.

GREENING OUR PORTFOLIO

Sustainability is at the core of our investment strategy and our commitment to achieve net zero carbon by 2030 forms the backbone of our 10-year strategy.

Pathway to net zero carbon by 2030

In 2020, IPUT became the first Irish property company to become a signatory to the World Green Building Council's Net Zero Buildings Commitment. With this commitment we have accepted the challenge that all assets under our direct control will operate at net zero carbon by 2030. In addition, we will only develop assets that can operate at net zero carbon.

We are currently developing a detailed pathway document which will set out the key actions required to achieve this ambitious goal. This pathway will form the cornerstone of our strategy for the next 10 years.

This commitment requires a fresh approach to building life cycle management in order to significantly reduce carbon emissions. We will achieve this primarily through investing in renewable energy options as well as ongoing energy reduction initiatives and campaigns. Our developments already include a near zero energy approach in their design and reducing the amount of embodied carbon in the construction phase will be a key focus over the next decade.

MAKING PLACE

TYPOLOGY

Mind gardens

Cities need places to support people's restorative thinking processes. Mind gardens offer breathing room for new ideas and inspiration. Quiet cafes and wi-fi free zones, green spaces with public art pieces or play/exercise equipment encourage reflection and mindfulness. This diversity of space supports a diversity of residents in a city and gives citizens and employees moments of respite and places to re-energise in otherwise busy environments.

Earlsfort Gardens,
Earlsfort Terrace, Dublin 2

OUR STRATEGY

Energy targets

On our pathway to reduce energy usage at our buildings, we committed to buying 100% of electricity from renewable sources in a new round of portfolio energy procurement in 2019. We continued this journey in 2020 and are supplying renewable energy to all of our directly managed buildings.

We completed the roll out of smart technology to monitor utility usage across our directly-managed portfolio. We can now track all gas, electricity and water consumption on a floor-by-floor level. This data feeds into an online platform that enables us to have real time data and introduce further improvements in energy efficiency. It also helps our occupiers to understand their own consumption patterns and identify opportunities to reduce energy and save on costs.

Reducing energy intensity in buildings is part of our sustainability strategy, in order to comply with the core intent of The Paris Agreement. In 2020, we became a member of EP100, a global initiative to lower global energy demand and accelerate the clean energy transition. A key target of our responsible investment strategy is to target a 33% reduction in energy intensity within our directly-managed buildings by 2025, off a 2018 baseline.

Building certification

At present, 12% of our portfolio is LEED certified. We have a stated aim that all new developments and major refurbishments will be designed to at least LEED Gold shell and core certification. This applies to both office and logistics developments.

Once our current development projects reach practical completion, 40% of the portfolio (by value) will have LEED certification.

GRESB

2020 was the fifth year of our participation in the Global Real Estate Sustainability Benchmark (GRESB), the leading ESG benchmark in real estate investment globally. We secured a 15% improvement, scoring 77 for our standing investment portfolio and achieved a GRESB 4 star rating. Our strong performance underscores our commitment to embedding strong ESG principles into our business and recognises the importance of being transparent with our stakeholders.

In addition, for the first year, GRESB scored development projects separately. In this category, we ranked first in our peer group with a score of 87, and also achieved a 4-star rating.

Our commitment to sustainability and responsible business practices is consistent with our long term investment orientation, to excellence in design and management of our buildings; and belief in the benefits of placemaking, to ensure we give back to the neighbourhoods in which we invest.

GRESB ★★★★★ 2020

> "We saw a 15% improvement in our GRESB score in 2020 and we were ranked 1st in our peer group for development projects. This shows our commitment to responsible investment."

Shane Caldwell,
Sustainability Lead

Principles for Responsible Investment (PRI)

We completed our inaugural submission to the PRI in 2020, participating in two modules that applied to the Fund; strategy & governance and direct property. We are delighted to confirm we achieved an "A" rating in both modules.

The strategy and governance module is mandatory for all signatories. It sets a benchmark at an organisational level as to how ESG issues are incorporated in the investment policy and governance structures. It also demonstrates how we engage with all of our stakeholders to promote responsible investment.

The direct property module relates to funds that have direct real estate investments and assesses at an asset level, how responsible investment practices are applied at the pre-investment and post-investment stages as well as how ESG performance is disclosed.

PRI Principles for Responsible Investment

Carbon Emissions

During 2020 there was a 26% reduction in scope 1&2 emissions. Low occupancy of our buildings due to Covid-19 has contributed to this reduction. Our reported scope 3 emissions have increased year on year. This trend is likely to continue over the coming years as we collect more and better quality consumption data from our occupiers, particularly our single-let occupiers on their emissions. A key part of our strategy is to engage with all occupiers on their emissions and thereby seek to reduce this figure through collaboration and better energy use practices.

	2019 t CO_2e	2020 t CO_2e	% change
Scope 1 Emissions from natural gas combustion and refrigerant top-ups	1,379	**1,221**	-11%
Scope 2 Emissions from purchased electricity and district steam (using location-based)	1,957	**1,235**	-37%
Scope 3 Emissions from third parties in value chain with estimations (using location-based)	31,439	**34,854**	+11%
Total Scope 1, 2 and 3	34,775	**37,310**	+7%

A PLATFORM FOR IRISH DESIGN

By supporting art and design initiatives, we remain connected with the creative forces in our city and can help share their work with a wider audience. We see initiatives which enhance the public realm, both physically and culturally, as a way of delivering upon our placemaking strategy.

Over the past ten years, we have progressively adopted an investment approach built around the Shaping our City strategy. As part of this strategy, we have placed greater emphasis on investment in the public realm and on Art & Design.

As part of our placemaking strategy, we have created "Living Canvas" – a cultural initiative which establishes new ways of exhibiting artworks in large scale outdoor formats across Dublin city centre.

This reflects the Cultural Canvas typology identified in Making Place, and recognises that people seek places and opportunities to express individuality as well as shared culture that can lead to a better sense of belonging and identity.

MAKING PLACE

TYPOLOGY

Cultural canvases

Cultural canvasses support the identity and culture of a place so that it belongs to all, not just those that work in the area. Examples would be accessible art installations within or near corporate buildings, as well as street art. Spaces could support community meetings and cultural activities to keep ground floors activated. Cultural canvasses strengthen a city's cultural identity and bring a sense of ownership and fulfilment to employees while citizens benefits from diverse cultural experiences that add character to corporate functions.

LIVING CANVAS

WHERE GLASS MEETS WATER

> "As part of our placemaking strategy, IPUT Real Estate Dublin has created 'Living Canvas' – a cultural initiative which establishes new ways of exhibiting artworks on large-scale outdoor formats across Dublin City centre.

A CULTURAL INITIATIVE BY
IPUT REAL ESTATE DUBLIN

Image credit: © Algorithm Productions Ltd

OUR STRATEGY

"We place an importance on supporting local artists and investing in the public realm. This creates a more attractive cultural environment for our occupiers and the local community."

Anita O'Rourke,
Communications & Marketing Executive

Our first commission is a digital installation produced by Algorithm titled 'Where Glass Meets Water'. Our inaugural Living Canvas launches in early 2021, at The Tropical Fruit Warehouse development which overlooks the River Liffey at the Samuel Beckett bridge. This installation explores Dublin's collective imagination, linking the rich history of the Liffey with the city's revived docklands.

As the city emerges from the pandemic, we see the Living Canvas project as an opportunity to deliver on our placemaking strategy and our commitment to public art. We believe that by using our city centre construction sites as a platform to showcase art and design, we are making a positive contribution to our neighbours and the wider community. The second Living Canvas installation is scheduled for summer 2021 in Wilton Park.

In September, we partnered with the Joseph Walsh Studio on the fourth edition of "Making In", a global discussion platform with a panel of leading global designers, architects, artists and crafts people. This year the event took place online rather than in person and this format allowed for a wider range of participants globally. The placemaking theme offered an opportunity for us to outline our long term view of the office as a work-place and the approach we are taking to recalibrate offices and the places around them to improve the occupier and neighbourhood experience.

MAKING IN
ART/CRAFT/
DESIGN/
ARCHITECTURE/
:PLACE

Pictured opposite:
'Amor Fati' by James Earley at
The Tropical Fruit Warehouse, Dublin 2


'AMOR FATI' by JAMES EARLEY
TROPICAL FRUIT WAREHOUSE
80,000 SQ FT OF GRADE A OFFICE SPACE
TROPICALFRUITWAREHOUSE.COM
TROPICAL FRUIT WAREHOUSE EST. 1892

THE NEXT CHAPTER

Despite the challenges raised in 2020, we have made substantial progress across our major office developments at Wilton Park and The Tropical Fruit Warehouse. Once complete, these neighbourhoods will be enhanced by our placemaking initiatives which will benefit all stakeholders.

Wilton Park

At Wilton Park, we have the opportunity to put our *Making Place* research into practice and showcase excellence in design and placemaking, and what it means to create an IPUT building through our current development programme. We have a substantial footprint at Wilton Park; we are developing over 600,000 sq ft of space, the majority of which is pre-let to LinkedIn as their European office HQ. We recognise the great opportunity we have in developing the entire Wilton Park estate and by capitalising on its unique characteristics, we can create a vibrant amenity rich neighbourhood.

From summer 2021, we will commence a meticulous restoration of the one acre park incorporating newly laid lawns, gravelled tree-lined walkways, renewed seating and lighting, all centred around the restored Victorian water fountain.

We have adapted to the challenges raised in 2020 by lockdown restrictions which closed our construction sites on two occasions. While some delay is inevitable, we are targeting delivery of One Wilton Park in summer 2021. Demolition works for Two and Three Wilton Park began in mid-2020 and the development of Four Wilton Park was brought forward, by agreement with LinkedIn. As a result, buildings Two to Four will now complete in autumn 2023 bringing the total project to completion 12 months ahead of schedule.

On track to achieve LEED, Wired and Well certification

U.S. GREEN BUILDING COUNCIL LEED PLATINUM USGBC

WIRED CERTIFIED PLATINUM

INTERNATIONAL WELL GOLD WELL BUILDING INSTITUTE

Pictured opposite:
CGI of Mary Lavin Place,
Wilton Park, Dublin 2

Pictured top:
Model of The Tropical Fruit Warehouse, Dublin 2

Pictured bottom left:
CGI, rooftop terrace, The Tropical Fruit Warehouse, Dublin 2

MAKING PLACE

TYPOLOGY

Street classrooms

People love to learn and street classrooms are about encouraging everyone to exchange knowledge, acquire new skills, and grow. Examples of this typology include access to more exhibitions at street level, bringing public event space into private buildings to link local communities and companies. Everyone should also have access to free and reliable wi-fi. The wider benefit is a cross-fertilisation of knowledge and ideas between diverse industries and people, while it would stimulate innovation among employees and informal learning for local citizens.

Tropical Fruit Warehouse

The Tropical Fruit Warehouse is a landmark office development and will be the only fully restored, original warehouse on Dublin's south docks. While developing a world-class building, which will be the first Net Zero building in the IPUT portfolio, we have taken great care to preserve the historic structure which includes the restoration of the original 19th century timber roof trusses into the design.

As part of our placemaking initiatives, we are creating a new pedestrian streetscape. We have commissioned Irish artist, Charles Tyrell to create a set of monumental gates that will form the entrance to the new street leading from the riverfront to Whitaker Square. This major piece of public art will signpost the rich amenities within the development, which will include a 5,000 sq ft restaurant, outdoor seating and artist studio.

TOTAL SIZE

85,000 sq ft of offices, restaurant and artist studio

On track to achieve LEED, Wired and Well certification

Pictured below:
CGI, amenity space, The Tropical Fruit Warehouse, Dublin 2

Unit G, Aerodrome Business Park

New standards in logistics

In 2020, following the acquisition of strategic land for logistics development, we began our first speculative development at Aerodrome Business Park. Once complete, Unit G will be a high bay modern logistics facility where we are targeting LEED and BREEAM credentials.

TOTAL SIZE

Unit G – 120,000 sq ft
Planning granted for Unit Q – 160,000 sq ft

On track to achieve LEED and BREEAM Very Good certification

U.S. GREEN BUILDING COUNCIL LEED GOLD USGBC

BREEAM

Pictured below:
CGI of Unit G, Aerodrome Business Park,
Rathcoole, Co. Dublin

"Our commitment to net zero carbon in our new developments ensures we focus on best practices to provide the highest quality buildings that will last well into the future."

Paul Cleary,
Development Project Manager

Future Redevelopment Pipeline

In line with our journey to achieve net zero carbon by 2030, we continue to look for opportunities to upgrade and improve our portfolio. We have a pipeline of rich opportunities across our portfolio with potential to renew in the order of 1 million sq ft over the next 10 years, subject to planning.

We have received planning permission at 25/28 North Wall Quay, Dublin 1, to add two additional floors and extend the floor area from 115,000 sq ft to 160,000 sq ft and at Block B George's Quay, Dublin 2 to increase the building from 45,000 sq ft to 70,000 sq ft.

"These developments will be carried out on a managed basis, over the medium term, and will add 80,000 sq ft of office space with market-leading sustainability credentials.

Part of our strategy is to expand our logistics assets. We have 41 acres of zoned logistics land with the capacity to build 720,000 sq ft of modern logistics facilities and are currently progressing with planning. We aim to develop these properties over the short term, in response to occupier demand.

CGI of Block B, George's Quay, Dublin 2

OUR NEIGHBOURHOODS

We aim to put our placemaking strategy into practice by focusing on three neighbourhoods in which we are particularly active; **St. Stephen's Green**, the **Docklands**, and **Wilton Park**. By collaborating with the city's stakeholders, our goal is to weave a thread of quality placemaking throughout these neighbourhoods.

Having scale and a long term focus allows us to be better stewards of our buildings and places, and the communities that live and work there. We are major investors in a number of Dublin neighbourhoods, and this critical mass gives us the opportunity to bring value through a unified management approach in each area.

Our recent thought leadership report *Making Place* re-emphasised how good placemaking enriches areas by bringing in a mix of uses that foster culture, health and wellbeing, and diversity, which in turn brings economic resilience.

We follow this philosophy in our neighbourhoods by investing in community amenities, green spaces and supporting local businesses and artists.

CGI of Wilton Park, Dublin 2

Moore Street
Arnotts
CLERYS
Hugh Lane Gallery
CONN
STAT
Clerys
IPUT
G.P.O.
I.F.S.C.
TRINITY COLLEGE
PEARSE STATION
GRAFTON STREET
National Museum
Natural History Museum
ST. STEPHEN'S GREEN


Custom House
IPUT
Tropical Fruit Warehouse
DOCKLANDS
Grand Canal Dock
National Gallery of Ireland
Aviva Stadium
WILTON PARK
R.D.S.

ST. STEPHEN'S GREEN

The traditional central business district

This neighbourhood is the administrative and historic centre of the city with a blend of commercial, social and entertainment uses. IPUT has held assets in this neighbourhood for over 50 years.

20	€31m	7.6 years
Number of assets	**Total contracted rent**	**WAULT**

460,000 sq ft	120,000 sq ft
of premium office space	**of retail space**

Key Occupiers


Grafton Street
National Gallery of Ireland
Gaiety Theatre
Shelbourne Hotel
ST. STEPHEN'S GREEN
Dáil Eireann
National Concert Hall
EARLSFORT TERRACE
IVEAGH GARDENS
HARCOURT ST.
LEESON ST.
IPUT
ST. STEPHEN'S GREEN


BUSĀRAS
CONNOLLY STATION
DUBLIN PORT
The Exchange Building
Convention Centre Dublin
Tropical Fruit Warehouse
Samuel Beckett Bridge
SIR JOHN ROGERSON'S QUAY
DOCKLANDS
Bord Gáis Energy Theatre
PEARSE ST.
Grand Canal Dock
DART
IPUT

DOCKLANDS

Riverside setting for innovation

Docklands is a dynamic commercial hub which straddles the north and south side of the river Liffey.

10
Number of assets

€38.5m
Total contracted rent

6.2 years
WAULT

870,000 sq ft
of premium office space

30,000 sq ft
of retail space

Key Occupiers

HSBC

accenture

CITADEL

Bank of Ireland

A&L Goodbody

Microsoft

DILLON EUSTACE

McCANN FITZGERALD

WILTON PARK

A neighbourhood for Dublin

Wilton Park is our opportunity to roll out our placemaking philosophy. Our ambition is to create a vibrant and sustainable neighbourhood, combining a mix of commercial, cultural and residential amenities.

€33m
total projected income per annum

1 acre
restored park

580,000 sq ft
of premium office space

35,000 sq ft
amenity/residential uses

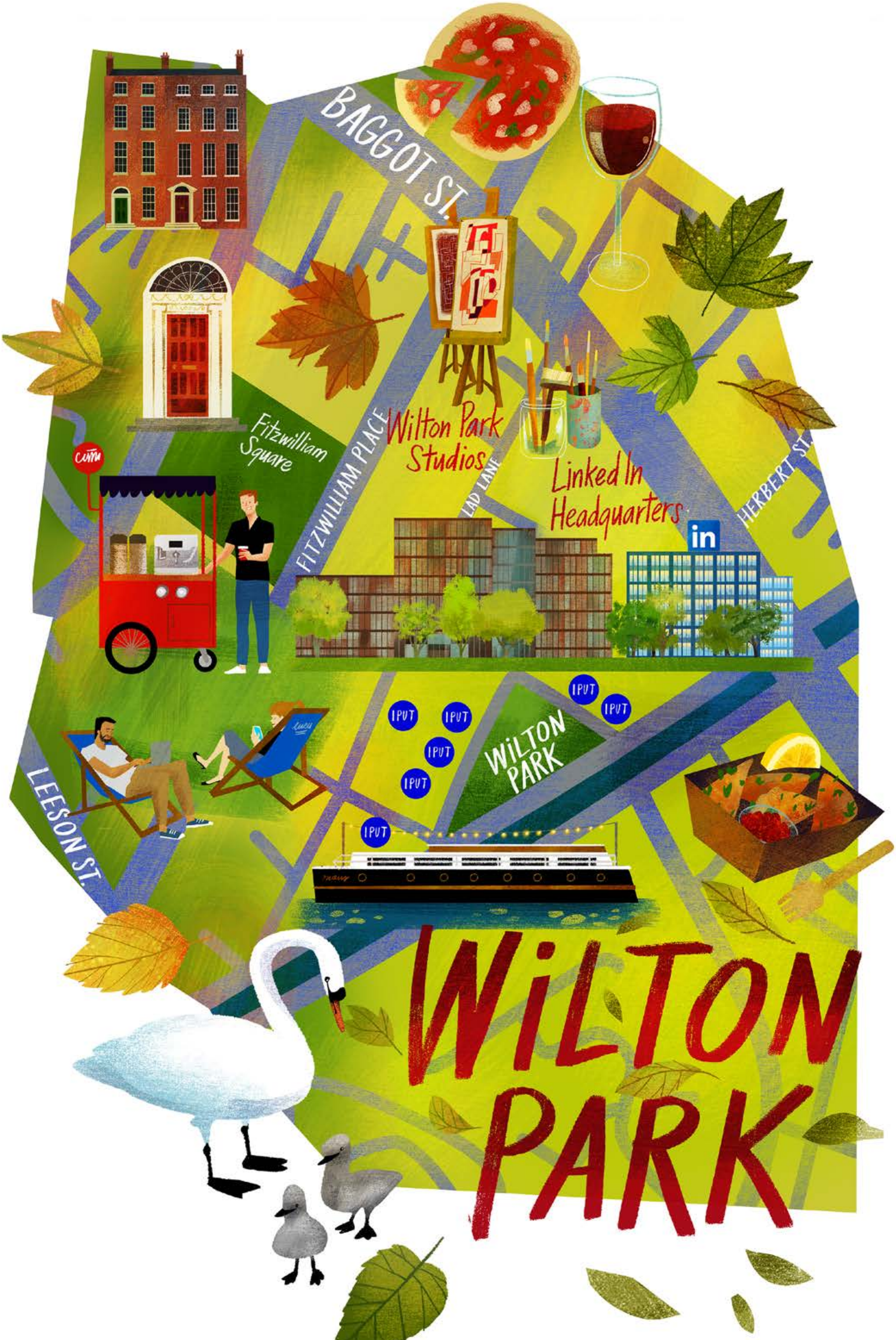
12 years
WAULT

Occupier

LinkedIn Microsoft

Responsible Investment

U.S. Green Building Council LEED Platinum USGBC
WIRED Certified Platinum
International WELL Gold WELL Building Institute


BAGGOT ST.
Fitzwilliam Square
FITZWILLIAM PLACE
Wilton Park Studios
LAD LANE
LinkedIn Headquarters
in
HERBERT ST.
IPUT
WILTON PARK
LEESON ST.
WILTON PARK

Dublin Airport
SWORDS
IPUT
M50
PORT TUNNEL
COOLOCK
BLANCHARDSTOWN
Phoenix Park
PHIBSBOROUGH
DUBLIN
DRIMNAGH
RATHFARNHAM
SANDYFORD
TALLAGHT

LOGISTICS PORTFOLIO

Prime assets, strategically located

We are expanding our logistics holdings through development and will continue to invest in this sector in the coming years.

32	€18m	7.8 years	2.5m sq ft
Number of assets	**Total contracted rent**	**WAULT**	**Total logistics portfolio**

Logistics space by size

< 50,000 sq ft — **59%**

50,000-100,000 sq ft — **7%**

> 100,000+ sq ft — **34%**

Key Occupiers

TESLA
DHL
uniphar
BWG FOODS
FISHER & PAYKEL
GEODIS
DUNNES STORES
DB SCHENKER
vodafone

OUT OF TOWN RETAIL

Premier retail properties

We own three of Ireland's leading out-of-town retail parks which showed resilience throughout the challenges faced in 2020.

€18.3m
Total contracted rent

6.8 years
WAULT

3
Retail parks

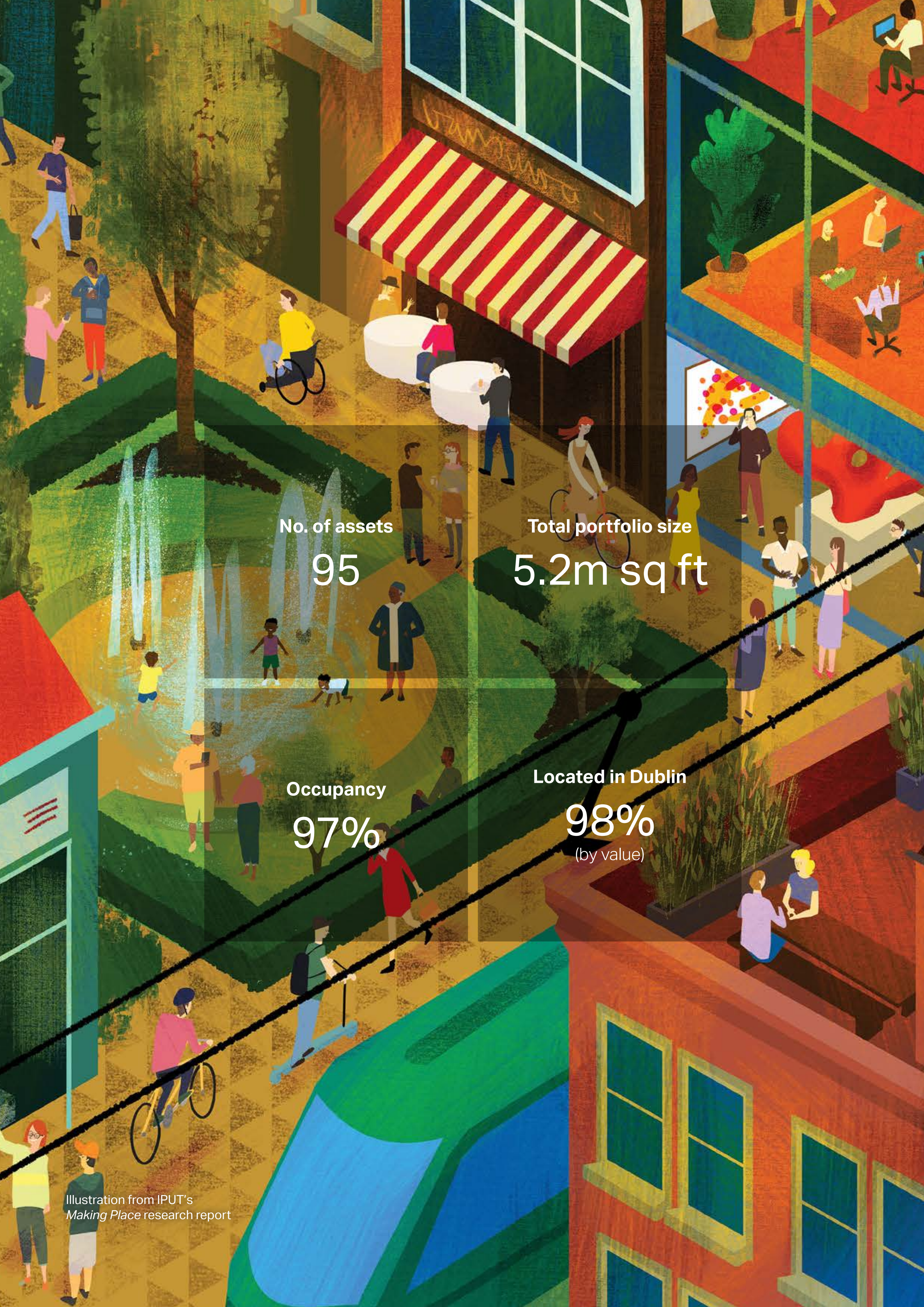
706,000 sq ft
retail space

66%
of retail income from grocery / DIY / Electronics

Key Occupiers

SMYTHS
Harvey Norman
Woodies
next HOME
halfords
IKEA
Boots
TK maxx
B&Q
home store + more


CARRICKMINES



No. of assets

95

Total portfolio size

5.2m sq ft

Occupancy

97%

Located in Dublin

98%
(by value)

Illustration from IPUT's
Making Place research report

PORTFOLIO OVERVIEW

Dublin focused

As a commercial property fund and long term investor, we invest in offices, retail and logistics assets. Where appropriate, we also carry out development to enhance returns and grow income.

We pride ourselves in constantly renewing and repositioning our assets so they remain attractive spaces to occupy over the long term. This is aligned to our responsible investment strategy and our pathway to achieve net zero carbon by 2030. This means focusing attention on placemaking for the benefit of our occupiers, the local community, and creating neighbourhoods that not only provide financial resilience for shareholders but also offer a vibrant environment in which to live and work.

The retail sector has faced many challenges and competition in recent years and 2020 became the breaking point for many retail businesses. We have divested out of shopping centres in recent years and re-focused our attention to our prime retail parks and remaining high street retail.

The resilience of retail parks was evident in 2020. As lockdowns eased, footfall quickly returned to pre-pandemic levels and retailers in our parks became very adaptable to offering home delivery and click & collect services.

We now see retail parks as part of the supply chain working in tandem with our logistics assets. Retail parks are ideally positioned to navigate the current challenges facing the sector by offering a blend of showroom, delivery and click & collect.

Our logistics assets have been the stellar performer of 2020 and this is set to continue into 2021 and beyond. Our strategy is to expand our exposure to this sector. In recent years, we have acquired strategic land and are developing new modern logistics units on a measured basis.

Portfolio by Asset Mix

Office

71%

€2,089 million

1.8 million sq ft

41 assets

WAULT **6.1 yrs**

Retail

16%

€454 million

874,000 sq ft

16 assets

WAULT **6.6 yrs**

Logistics

11%

€319 million

2.5 million sq ft

32 assets

WAULT **7.8 yrs**

Other

2%

Top 10 assets

Carrickmines Park,
Dublin 18

Sector: Retail warehousing

Major occupiers: Woodies, Smyth's Toys, IKEA, Harvey Norman

10 Molesworth Street,
Dublin 2

Sector: Office

Occupier: AIB

1 Grand Canal Square,
Dublin 2

Sector: Office

Major occupiers: HSBC, IPB Insurance, Accenture

One Wilton Park,
Dublin 2

Sector: Office (under construction)

Occupier: LinkedIn

Two to Four Wilton Park,
Dublin 2

Sector: Office (under construction)

Occupier: LinkedIn

Riverside One,
Dublin 2

Sector: Office

Occupier: McCann Fitzgerald

No. 3 Dublin Landings,
Dublin 1

Sector: Office

Major occupier: Microsoft

The Exchange,
Dublin 1

Sector: Office

Major occupiers: Ronan Daly Jermyn, A&L Goodbody

25-28 North Wall Quay,
Dublin 1

Sector: Office

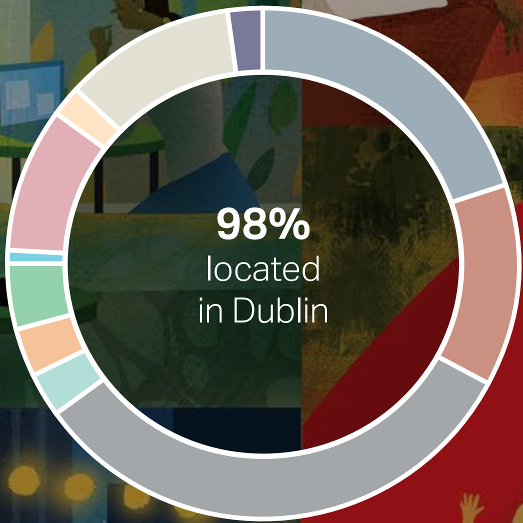
Occupier: A&L Goodbody

7 Hanover Quay,
Dublin 2

Sector: Office

Occupier: Accenture

Geographic breakdown by location



South Docklands	20%
North Docklands	13%
Dublin 2	32%
Dublin 4	3%
Suburban	3%
SUB-TOTAL OFFICES	**71%**
Grafton and Henry Street	4%
St Stephen's Green/Baggot Street	1%
Retail parks Dublin	9%
Retail park Cork	2%
SUB-TOTAL RETAIL	**16%**
Logistics	11%
Other	2%

Top 10 occupiers by contracted rent

Occupier	Contracted rent %	WAULT[1]
AIB	5.7%	12.2 years
A&L Goodbody	5.5%	4.8 years
Government /Semi State	4.7%	6.1 years
McF	4.6%	10.8 years
accenture	4.3%	5.4 years
DUNNES STORES	3.4%	9.7 years
Deloitte.	2.6%	6.0 years
HSBC	2.1%	1.6 years
DILLON EUSTACE	2.0%	5.8 years
uniphar	1.9%	13.5 years

€45m
Top 10 occupiers contracted rent

€77m
Remaining tenancies (215) contracted rent

€122m
Total contracted rent

1. Weighted average unexpired lease term (WAULT) is the average remaining term on leases up to lease expiry/break date (whichever comes first).

VALUATION AND PERFORMANCE MEASUREMENT

Outperforming our industry benchmarks

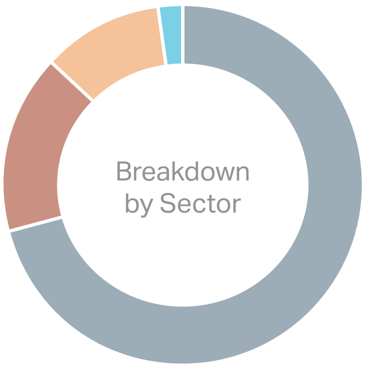
The portfolio is valued quarterly by independent valuers CBRE and JLL.

The value of the IPUT portfolio as at 31 December 2020 was €2.93 billion, representing an annual decrease of 1.5%. The majority of capital value decreases were recorded across the retail portfolio which represents 16% of the Fund. The overall impact of this reduction in value was mitigated by the strong performance of our logistics portfolio and our development programme at Wilton Park.

The RICS material valuation uncertainty clause was adopted by the external valuers (CBRE and JLL) across all asset classes during 2020. This clause was removed from the office, logistics, and development land asset classes by year end but remained in place for retail assets. The clause was removed from retail assets in January 2021.

The prime city centre office and logistics sectors remained resilient during 2020. The positive valuation movement in the office sector was largely attributable to progress at our Wilton Park development, and the completion of rent reviews and asset management initiatives across the standing city centre portfolio.

The logistics sector remained robust, with positive valuation increases recorded across the majority of assets due to yield compression, ERV movement and ongoing asset management initiatives.



	Market value 31 Dec 2020	% Holding
Office	€2,089m	71%
Retail	€454m	16%
Logistics	€319m	11%
Other	€67m	2%
TOTAL	**€2,930m**	**100%**

"The resilience of the Fund in such a challenging year was demonstrated by the delivery of a total property return of 2.4%. This is testament to our focus on quality assets and sector exposure"

Zara Walsh, Head of Valuations and Performance Reporting

Portfolio Analysis

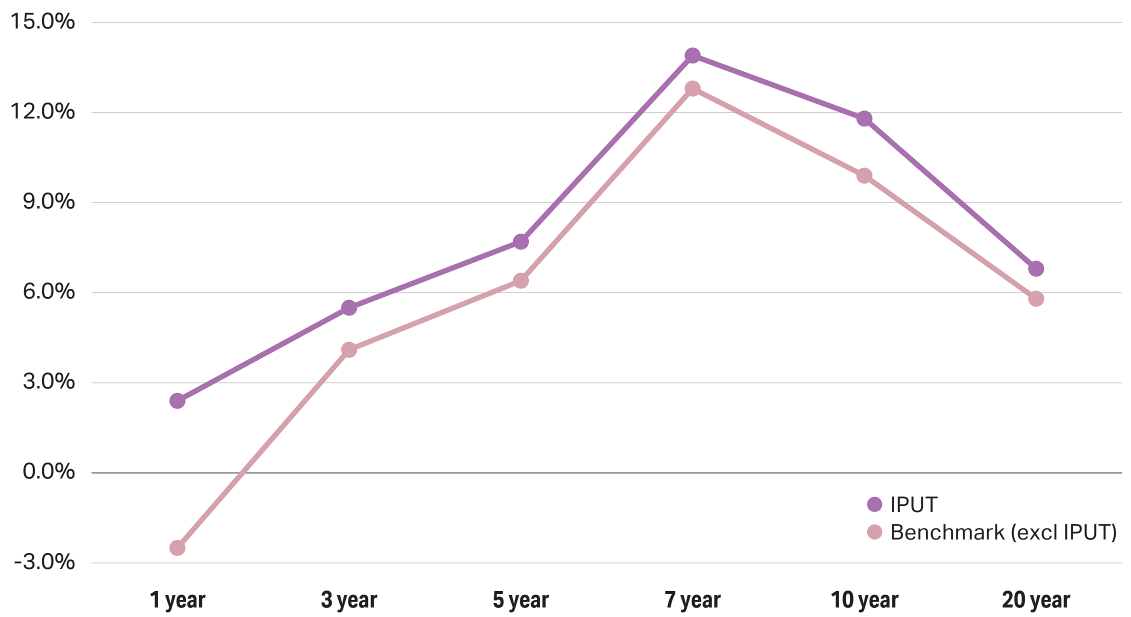
	31 Dec 2020	31 Dec 2019
Portfolio Valuation	€2,930 million	€2,738 million
Contracted Rent	€116 million (€122 million)[1]	€115 million (€120 million)[1]
Estimated Rental Value	€134 million[2]	€139 million
Number of Assets	95	95
Net Income Yield [1]	4.4%	4.5%
Equivalent Yield [3]	4.7%	4.8%
Reversionary Yield [3]	4.8%	4.9%
Vacancy rate (Excl. properties held for refurbishment)	3.4%	0.1%
No. of tenancies	250	265

(1) After expiry of rent free periods on income producing assets (land and developments excluded).

(2) Does not reflect ERV's (or site values) of developments currently underway but includes capital expenditure at lease end.

(3) Equivalent and revisionary yields include future income from all assets (excluding land) and assume capital expenditure and void periods at lease end.

MSCI Ireland Total Property Return 2020

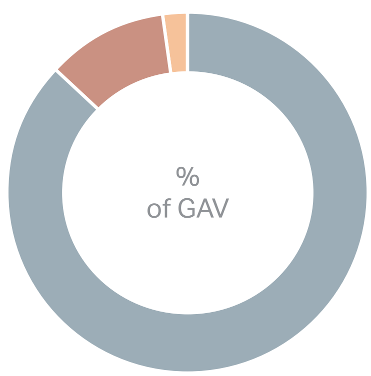


The MSCI benchmark comprises €9 billion of Irish institutional and listed funds.

IPUT has out-performed the MSCI benchmark in 2020 and across all time periods.

Core assets versus added-value

As a long term income fund, we seek to progressively grow NAV and income. This is carried out on a managed basis. We have a self-imposed limit that no more than 20% of GAV will be attributed to development. As at 31 December 2020, the split between income producing assets and development is illustrated in the chart shown here.



	% of GAV
Income producing	86%
Pre-let development	12%
Speculative development	2%

Acquisitions & disposals

In line with our strategy, we reduced shared ownerships by acquiring two minority interests, bringing both holdings to 100%. The sale of Opera Lane in Cork means we now have no exposure to shopping centres.

€166m
of acquisitions in 2020

ACQUISITION

Riverside One
Sir John
Rogerson's Quay,
Dublin 2

(29% interest)

Sector: Office

ACQUISITION

No. 3 Dublin Landings
IFSC,
North Wall Quay,
Dublin 1

Sector: Office

ACQUISITION

Unit D
Kilcarbery
Distribution Park,
Dublin 22

(50% interest)

Sector: Logistics

DISPOSAL

Opera Lane
Cork

(35% interest)

Sector: Retail

ACTIVE MANAGEMENT

Driving income growth

We concluded ten rent reviews across 235,000 sq ft of space in the office portfolio and completed a further five rent reviews in the retail parks and logistics assets.

The rent reviews realised the full potential of the income stream from each asset. Overall, they were settled ahead of ERV, securing €12.1 million of annual income.

In 2020, five new lettings or renewals were signed. Microsoft signed a lease in the LEED Platinum accredited No. 3 Dublin Landings and following the liquidation of Mothercare Ireland in June, we successfully let their unit in Carrickmines Park to Dealz, and in Mahon Retail Park, Cork to Equipet. In addition, Rohan Holdings and Edelman signed lease renewals in 2 Harcourt Centre and Dunnes Stores completed a lease assignment at Damastown for 325,000 sq ft. These leasing and asset management initiatives secured €5.7 million of annual income for the Fund.

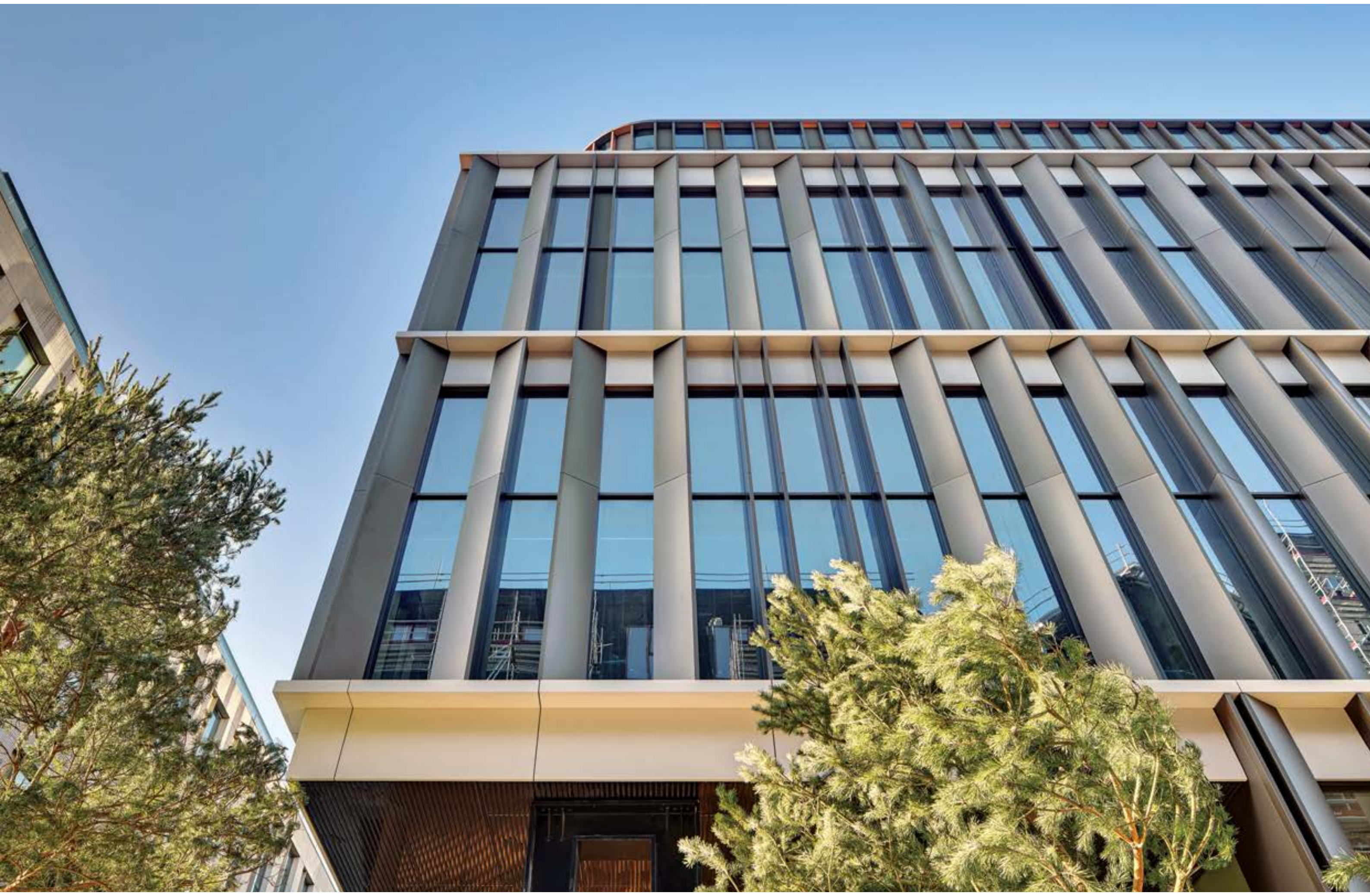
Finally, there were 10 regears/variations completed across 280,000 sq ft, which secured €8 million of annual income. The variations extended the WAULT in their respective leases by 7.4 years.

€8m

Secured through lease re-gears and variations

"Over 90% of our occupiers renewed their leases with us which is testament to the quality of our assets and our stakeholder engagement."

Adam McCormack,
Senior Investment Manager



No. 3 Dublin Landings, IFSC, Dublin 1
Size: 43,000 sq ft

Microsoft

Unit 7 Mahon Retail Park, Cork
Size: 11,000 sq ft

equipet part of the family

Unit 205 Carrickmines Park
Size: 12,000 sq ft

Dealz

THE MARKET

Offices

After the initial shock of the first lockdown in the second quarter of 2020, the investment market adjusted to the new norm and remained relatively active. The amount invested for the year reached €3.6 billion.

Demand for the private residential sector (PRS) remained very strong and accounted for 50% of total transactions, followed by offices 36%, logistics 8% and retail 6%. There were a number of high-profile city centre office buildings which sold, providing solid evidence of pricing and under-pinning our independent valuations. Throughout the year, prime yields remained stable at 4% which offers an attractive income return, relative to many European cities.

Buyers, in the main, were American, French and German funds. Modern buildings with solid long term income and sustainable credentials were particularly sought after.

Work from home requirements were introduced in tandem with each lockdown and many businesses took the decision not to return to the office at all during 2020. This, coupled with travel restrictions, resulted in a sharp reduction in office leasing activity. The total take-up for the year reached 1.7 million sq ft, compared to a 10 year average of 2.4 million sq ft. Headline rents remained stable at €60 per sq ft, however, there is evidence that landlords are offering more flexible terms. The expectation is that leasing activity will remain at similar levels in 2021 and recover into 2022, following the roll out of the vaccination programme. Demand for office accommodation continues to be dominated by the city centre (80% of lettings) and from American occupiers (68% of take-up). Vacancy rates have increased, starting 2020 at 6.4% in the city centre for Grade A space and ending the year at 13.6%.

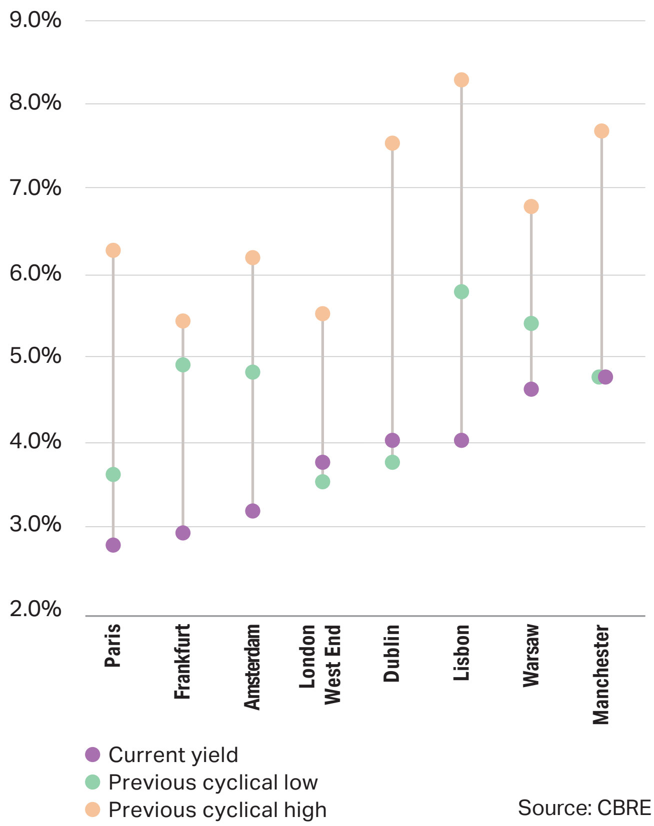
There has been a lot of written about the future of the office and whether employees will choose to work from home on a permanent basis. We believe strongly in the future of the office and the city generally and that, once we come through the pandemic, employers and employees will return to the office. Technology allows us to work from anywhere and ultimately there is no one solution that will work for everyone. This means in order to attract and retain the best people, employers will offer flexibility and hybrid working may become the new norm.

There are, however, benefits to the office, even if only for some of the time. The ability to foster culture, innovate, collaborate and mentor can only be achieved in a face-to-face environment.

Health and wellbeing are now the key focus for all stakeholders in the built environment and will impact on how future buildings are designed and how occupiers fit out their space. Where previously, there had been a move to increased density through hot-desking, this trend is now likely to be reversed. Buildings offering the highest quality design, with access to open spaces and flexible floor space that can be fitted out to accommodate a new way of working, will be key for occupiers going forward.

We believe our vision for excellence in design and sustainability will ensure we are ideally positioned to offer buildings of choice to our existing and future occupiers. As a long term investor, our strategy for excellence will attract best-in-class occupiers and drive long term shareholder value.

EMEA Office Investment Yields



Source: CBRE

Logistics and Retail

In line with the rest of Europe, logistics is the sector of choice for many investors. The largest transaction concluded in 2020 was a portfolio of logistics properties, acquired for over €200 million by Singaporean investor, GIC. Prime yields are 4.75% (down from 5.10% in 2019) and are trending stronger for 2021.

The growth in demand for this sector is driven by occupier activity. There has been an increased e-commerce penetration, up from 11% in 2019 to 14% in 2020 and this is forecast to continue to grow in the coming years. In addition, demand is coming from storage occupiers and the onshoring of supply chains, as a result of Brexit. We are now seeing demand for large fulfilment centres to service Ireland, where previously this would have come from the UK.

This demand is coupled with low levels of availability of modern facilities which will underpin rental growth in 2021, forecast to be in the order of 3.5%. The lack of supply is resulting in an increase in development, some of which is built to suit where occupiers pre-let in advance. We made the decision in 2018 to increase our exposure to this sector and have acquired strategic land, zoned for logistics development. We are currently developing a new 120,000 sq ft facility at Aerodrome Business Park, which will be constructed to LEED Gold and BREEAM Very Good standards. We will continue to develop on a managed basis to drive income growth from this sector.

We divested out of shopping centres and reduced our ownership of high street holdings (currently 4.5% of the Fund) and re-positioned our retail exposure towards prime retail warehousing. The changing trends in retailing have been well documented and we see many challenges ahead in this sector. Retail warehousing has shown itself to be adaptable to the changing market and we see this sector working in conjunction with logistics and part of the e-commerce supply chain. It is now offering a blend of traditional showroom, click-and-collect and, in some cases, last mile distribution.

> “The largest transaction concluded in 2020 was a portfolio of logistics properties, acquired for over €200 million by Singaporean investor, GIC.

Source: CBRE, JLL & Savills

OUR CULTURE

We are a people business

We aim to attract and retain a talented and diverse workforce that are proud to work for IPUT.

Communication

We have a team of 28 people, which allows us to communicate with relative ease. The layout of our offices is open-plan, which supports collaboration. We have in-house kitchen facilities and encourage staff to mix with different departments, when taking breaks. This year, however, the challenge of working from home, negated the value of this work environment. We quickly adapted and moved our quarterly town hall meetings and weekly team meetings to virtual events. In addition, we continued to circulate a quarterly fund newsletter to share an update on the performance of the Fund.

Annual performance reviews and goal setting continued as normal and we rewarded performance and success through competitive remuneration and benefits.

Growth through education

We support ongoing education for all our team members by way of assisting with fees, paid time off for study leave and arranging appropriate in-house courses.

In 2020, there were 32 days of training including various INREV courses, IT training, cyber security, anti-money laundering, Covid-19 training and Health and Safety. This was the equivalent of 9 hours per employee. In addition, we have one employee currently doing an MSc in Real Estate, two employees doing the Henley Certificate at Reading University and a number of employees attending bespoke career coaching.

Diversity

	Male	Female
IPUT Board	75%	25%
IPUT Team	61%	39%

We recognise the importance of diversity in the workplace. Diversity of views, education and gender. We continue to work to bring greater gender balance to the business. Overall, the business is relatively well balanced with 61% male and 39% female across the full team. We continue to identify opportunities where we can bring further gender balance and diversity to the business.

“We recognise the importance of diversity in the workplace. Diversity of views, education and gender. We continue to work to bring greater gender balance to the business.

IPUT team members at St. Stephen's Green office

Wellbeing

Our offices are WELL Gold accredited and provide a high-quality work environment which includes spacious office accommodation offering a mix of formal meeting rooms, break-out rooms, collaboration space and open-plan offices. In addition, we provide on-site showers, towel and laundry facilities, bicycle and locker facilities to encourage team members to walk, run or cycle to work. This has been particularly beneficial this year as it enabled the team avoid public transport when attending the office. In our kitchen, we provide healthy snacks and refreshments for staff members.

In normal conditions, most staff work in the office, however, we do consider requests for flexible working on a case-by-case basis. Currently 14% of staff are engaged in flexible working arrangements.

When lockdown restrictions were first introduced, we provided a €500 budget for all staff members to facilitate purchasing equipment to facilitate working from home.

BALANCE SHEET MANAGEMENT

We adopt a prudent approach to balance sheet management

We have a leverage cap within the business of 20% loan to value (LTV). As at 31 December 2020, our debt level stood at 8% LTV.

Debt

In 2020, we reviewed our debt facilities and secured €500 million of liquidity to fund the growth of the business. We secured a €300 million revolving credit facility with Wells Fargo, which includes a €200 million green component, representing the largest green facility in the Irish real estate market. This green component will finance projects which meet a defined set of sustainability criteria under our Green Finance Framework and based on the Green Loan Principles, developed by the European Loan Market Association.

We also successfully raised €200 million in our inaugural US private placement, which was significantly over-subscribed and increased from the original target of €150 million, based on investor demand.

Summary of Financing Terms

Loan to Value (LTV)	8%
Total available debt	
– RCF	€300m
– USPP	€200m
Total	**€500m**
Total drawn (31.12.2020)	€244m
Headroom	€256m
Weighted average term	7 years
Blended cost of debt	1.20%

Development

We undertake development across the portfolio which improves the quality of our existing assets in line with our strategy of responsible investment. In addition, it enables us to add value to both NAV and grow income. Our development strategy is carried out on a managed basis and we have a self-imposed cap whereby no more than 20% of gross asset value (GAV) is comprised of development assets at any time. At the end of 2020, 14% of our GAV was in development assets.

Of our current development pipeline, 84% has been de-risked by pre-leasing prior to the construction phase.

> “€200 million of our RCF is a green facility with criteria as set out by the European Loan Market Association.

IPUT offices, 47-49 St. Stephen's Green, Dublin 2

PRIORITIES FOR THE YEAR AHEAD

NET ZERO CARBON

We have committed to achieving net zero carbon from our operational buildings and new developments by 2030. In 2021 we will focus on the preparation of a detailed pathway to achieve this objective.

SAFE WORKING ENVIRONMENT

We understand the importance of creating a safe working environment for our stakeholders. As we move towards a return to the office, we will continue with our regular communication with our occupiers to provide all the necessary assistance for re-opening their businesses.

PLACEMAKING

In 2020, we produced our third thought leadership report, *Making Place* in which we looked at the recalibration of work, life and place and in particular the places in between buildings. We recognise the importance of placemaking, to create a liveable, vibrant city. In 2021 we will focus on placemaking at Wilton Park and how the park, the surrounding roads and the ground floor uses will work together to enliven this area.

DEVELOPMENT PIPELINE

We focus our attention on completion of the current development pipeline, 84% of which has been de-risked, through pre-letting. We are on track to complete One Wilton Park and a logistics unit at Aerodrome Business Park in 2021.

ASSET MANAGEMENT

We will remain pro-active in relation to on-going asset management opportunities, with a particular focus on securing long term income, in line with our progressive dividend policy. In addition, the challenges faced in 2020 may create strategic acquisition opportunities in 2021 and our prudent balance sheet management allows us to remain opportunistic.

CGI of Wilton Park Estate, Dublin 2

SENIOR MANAGEMENT TEAM

The Senior Management of IPUT is led by Chief Executive, Niall Gaffney. Members of the Senior Management Team bring together a wealth of leading industry experience across planning, development, finance, investment and asset management disciplines. In June 2020, Caroline McCarthy joined the Senior Management Team and Niall Gaffney and Pat McGinley were appointed to the Board of IPUT plc in January 2021. Brief biographies of the members of the team are set out below.

Niall Gaffney
Chief Executive

Niall Gaffney is IPUT's Chief Executive, a position he has held since 2007. Under his leadership IPUT has been transformed from a wholly Irish owned property fund, to become an internationally recognised real estate brand which now has a substantial global institutional shareholder base.

For more than a decade, he has been instrumental in raising over €1.2 billion of equity from global real estate investors and built IPUT into one of the largest owners of offices and logistics assets in Dublin. Niall has delivered industry leading returns during his tenure as CEO and has also spearheaded IPUT's sustainability programme.

Niall was appointed to the Board of IPUT plc in January 2021.

Pat McGinley
Chief Operating Officer

Pat McGinley is IPUT's Chief Operating Officer with responsibility for the company's operational and finance functions including investor relations, risk management, tax planning and treasury management. He joined IPUT as Head of Finance in 2012 and was appointed Chief Operating Officer in 2019.

Pat manages IPUT's banking relationships and plays a key role in the capital raising process. Over the past eight years, IPUT has internationalised its shareholder base from an exclusively Irish owned business to one which is now almost 50% owned by global institutional investors.

Pat was appointed to the Board of IPUT plc in January 2021.

Michael Clarke
Head of Investment

Michael Clarke is IPUT's Head of Investment and is responsible for formulating and implementing IPUT's investment strategy and overseeing asset management, leasing and transactional activities.

Michael joined IPUT in 2011 and has played a central role in building IPUT's portfolio to a NAV of €2.7 billion, completing over €1 billion in new acquisitions over the last decade. He has led the successful strategy of capital recycling, disposing of assets and re-deploying capital into assets which better align with IPUT's investment strategy, or development opportunities which will drive superior income returns for shareholders.

Caroline McCarthy
Head of Fund Management

Caroline joined IPUT in 2020 as Head of Fund Management with responsibility for overseeing fund management activities, fund strategy and taking a lead role in investor relations, reporting and business development.

Prior to joining, she was Chief Investment Officer at Green Property REIT Ventures DAC from September 2013 to April 2020. Prior to this role she held the position of Executive Director and Head of Capital Markets, Ireland at CBRE from 2003 to 2013. Caroline also previously served a variety of roles in property investment including Head of Property at Bank of Ireland Private Banking and in the UK including King Sturge (now JLL) and Hill Samuel Asset Management (now Scottish Widows).

Niall Ringrose
Head of Property Management

Niall joined IPUT in 1992 and has held the position of Head of Property Management since 1998. Niall manages the property portfolio which comprises 95 assets and approximately 250 tenancies. He oversees rent recovery, rent reviews, lease renewals across the portfolio and has played a key role in delivering the excellent rent collection rate over the past number of years.

Niall is a Chartered Surveyor and prior to joining IPUT in 1992 he worked in the Irish commercial property market with Colliers Chartered Surveyors and Sisk Construction in various commercial property management roles.

Niall is a member of the Society of Chartered Surveyors and the Royal Institution of Chartered Surveyors.

Tom Costello
Head of Construction

Tom joined IPUT in 2014 and is responsible for leading the design, construction and safe delivery of development projects. He currently oversees IPUT's development of One to Four Wilton Park, a 600,000 sq ft office development in Dublin's CBD.

Tom is a Civil Engineer and has 40 years' experience in construction and project management. Prior to joining IPUT, Tom held the role of Managing Director of Sisk for 13 years. Sisk is Ireland's largest construction company and during this period he led the construction of some of Ireland's most significant commercial and infrastructure projects such as Croke Park, Aviva Stadium, National Conference Centre and Dundrum Town Centre.

Derek Noble
Head of Retail Development

Derek joined IPUT in 2016 and is responsible for the development of Phase 3 of Carrickmines Park, one of IPUT's out-of-town retail assets.

Derek is a Chartered Surveyor with over 25 years' experience in the development of commercial property. Prior to joining IPUT, Derek held the role of development director with Hines, a senior agency role with Savills and was development director with one of the largest Irish property development companies. Derek is a member of the Society of Chartered Surveyors and the Royal Institution of Chartered Surveyors.

Glenn Cran
Head of Asset Services

Glenn joined IPUT as Head of Asset Services in 2018. He is responsible for delivering an industry leading asset services model for the IPUT portfolio of directly managed buildings. This includes providing a range of occupier and other asset management services for multi-let properties, gardens and parks. He is also responsible for implementing our responsible investment strategy with a particular focus on environmental projects, occupier engagement and wellbeing programmes.

Glenn holds a Bachelor of Business and Legal Studies, a Masters in Business Studies and an MSc in Real Estate.

CORPORATE GOVERNANCE FRAMEWORK

Board of Directors

The Board has overall responsibility for strategic direction, investment policy and corporate governance.

John Mulcahy Independent Non-Executive Chairman	**Frank Close** Independent Non-Executive Director	**Niall Gaffney** Executive Director	**Pat McGinley** Executive Director
Donal Courtney Independent Non-Executive Director	**Eithne Fitzgerald** Independent Non-Executive Director	**Marie Collins** Independent Non-Executive Director	**Jim Foley** Non- Executive Director

Board Committees

	Investment Committee	Audit & Risk Committee	Remuneration Committee
Chairman	Frank Close	Donal Courtney	Jim Foley
Members	Eithne Fitzgerald	Marie Collins	Frank Close
	John Mulcahy	Jim Foley	Donal Courtney
		John Mulcahy	John Mulcahy

Senior Management Team

Niall Gaffney
Chief Executive

Pat McGinley Chief Operating Officer	**Michael Clarke** Head of Investment	**Caroline McCarthy** Head of Fund Management	**Tom Costello** Head of Construction

Niall Ringrose Head of Property Management	**Glenn Cran** Head of Asset Services	**Derek Noble** Head of Retail Development

The Board of Directors is committed to maintaining the highest standards of corporate governance.

IPUT is regulated by the Central Bank of Ireland as a qualifying investor alternative investment fund (QIAIF) and as an internally managed alternative investment fund under the European Union (Alternative Investment Fund Managers) Regulations 2013.

Board of Directors

Supported by key Board Committees, the Board is responsible for setting and developing the Fund's overall investment strategy, for the oversight of the business, and the continuous assessment of the principal risks and uncertainties facing the business. The composition of the Board is continually reviewed, in order to ensure that it comprises the necessary diversity of background, knowledge and expertise, and to provide effective stewardship and oversight of the Fund. The Board is satisfied that during 2020 it, and each of the key sub-Committees, continued to operate effectively.

Board Composition & Independence

The Board currently consists of eight Directors, six of whom are non-executive. While not subject to regulatory requirements in terms of Board composition, we recognise the value of independent oversight at Board level. In line with best practice, the Board comprises over 50% independent Directors. During the year, Simon Radford retired from his position as a non-executive Director. Niall Gaffney and Pat McGinley joined the Board as executive Directors in January 2021.

Chairman and Chief Executive

John Mulcahy is Chairman of the Board. He was appointed to the Board as an independent non-executive Director in 2014 and as Chairman in 2016. There is a clear separation of duties between the Chairman and the Chief Executive. The Chairman is responsible for the effective working of the Board while the Chief Executive, together with the senior management team, is responsible for the day-to-day running of the business.

Meetings

The Board meets at least four times a year but met ten times in 2020. Given the various lockdown restrictions, some of these meetings occurred using video conference facilities. The principal agenda items at board meetings include: business strategy; financial and operational performance; the acquisition, development and disposal of properties; investor engagement and feedback; and Board effectiveness and oversight. Attendance at Board meetings during 2020 is outlined in the table on page 79.

Board Committees

In order to ensure the effective leadership and oversight of the business, the Board has established and delegated certain of its key responsibilities to Board sub-Committees; the Investment Committee; the Audit & Risk Committee; and the Remuneration Committee. The responsibilities of each of these Committees are set out clearly in written terms of reference, which have been approved by the Board. Attendance at Committee meetings during 2020 is outlined in the table on page 79.

IPUT offices, 47-49 St. Stephen's Green, Dublin 2

In 2020 we had full attendance at Board and Committee meetings as follows:

Member	Board Meetings	Investment Committee Meetings	Audit & Risk Committee Meetings	Remuneration Committee Meetings
	10 meetings	**6 meetings**	**4 meetings**	**4 meetings**
John Mulcahy	10/10	6/6	4/4	4/4
Frank Close	10/10	6/6	N/A	4/4
Marie Collins	10/10	N/A	4/4	N/A
Simon Radford	10/10	6/6	N/A	N/A
Jim Foley	10/10	N/A	4/4	4/4
Donal Courtney	10/10	N/A	4/4	4/4
Eithne Fitzgerald	10/10	6/6	N/A	N/A

Communication with Shareholders

The Board places a high priority on effective communication with shareholders to foster mutual understanding of the Fund's investment strategy; performance and prospects; and the views of investors. On a day-to-day basis, engagement with investors is the responsibility of the senior management team who maintain regular dialogue with shareholders.

Our investor relations programme is designed to ensure that we communicate regularly with the major shareholders and with potential investors. Communication is normally carried on through various means, including one-to-one meetings and calls, investor conferences and portfolio tours to show investors our properties.

As a result of the pandemic, it was not possible for investors to travel to Dublin in 2020 and investor conferences were conducted virtually. As a result, much of the investor engagement was held via video conference or phone call. That said, during the year to 31 December 2020 there were 37 meetings held with existing and potential shareholders.

The Annual General Meeting ("AGM") also provided an opportunity to update shareholders on the implementation of the investment strategy. The 2020 AGM was impacted by the pandemic and held virtually.

We also communicate with shareholders through a quarterly investment report which is available on our website; **www.iput.com**

BOARD OF DIRECTORS

John Mulcahy
Independent Non-Executive Chairman

John has over 40 years' experience in the real estate sector. His current roles include Chairman of Glenveagh Properties plc and being a member of the Boards of TIO ICAV, and Quinta do Lago S.A., a Portuguese resort developer.

Previously, he was a member of the board (from 2012 to 2014), and Head of Asset Management (from 2011 to 2014), at NAMA. Prior to that, John was Chairman and CEO of Jones Lang LaSalle's operations in Ireland from 2002 to 2010.

John was also a founding member of the RICS Asset Valuations Standards Committee and the Property Advisory Committee of the National Pension Reserve Fund.

In April 2014, John was awarded the Gold Medal by the Society of Chartered Surveyors Ireland (SCSI). The Gold Medal is given to recognise people who have contributed significantly to the property and construction sector in Ireland.

Frank Close
Independent Non-Executive Director

Frank has over 30 years' experience in the investment management, fund administration and real estate businesses. Apart from IPUT plc, he currently holds a number of directorships including KBI Funds ICAV, which invests in global stock markets, and Lothbury Fund Managers Limited, which acts as a manager to a number of property funds. He is also Chairman of Lothbury Property Trust which invests in UK commercial real estate.

Chairman of the Investment Committee

Niall Gaffney
Executive Director

Niall Gaffney is IPUT's Chief Executive, a position he has held since 2007. Under his leadership IPUT has been transformed from a wholly Irish owned property fund, to become an internationally recognised real estate brand which now has a substantial global institutional shareholder base.

For more than a decade, he has been instrumental in raising over €1.2 billion of equity from global real estate investors and built IPUT into one of the largest owners of offices and logistics assets in Dublin. Niall has delivered industry leading returns during his tenure as CEO and has also spearheaded IPUT's sustainability programme.

Niall was appointed to the Board of IPUT plc in January 2021.

Pat McGinley
Executive Director

Pat McGinley is IPUT's Chief Operating Officer with responsibility for the company's operational and finance functions including investor relations, risk management, tax planning and treasury management. He joined IPUT as Head of Finance in 2012 and was appointed Chief Operating Officer in 2019.

Pat manages IPUT's banking relationships and plays a key role in the capital raising process. Over the past eight years, IPUT has internationalised its shareholder base from an exclusively Irish owned business to one which is now almost 50% owned by global institutional investors.

Pat was appointed to the Board of IPUT plc in January 2021.

Marie Collins
Independent Non-Executive Director

Marie is a Chartered Director and holds Board and Officer positions across a range of sectors. She is Chair of Home Building Finance Ireland DAC, and also Chairs the Board of Bank of Ireland General Investment Trust DAC. She is Director of Dunnes Stores Pension Trustee Company and is an independent member of the Audit and Risk Committee of the Communications Regulator. She is a Trustee and Chair of the Audit & Risk Committee of Trinity College Foundation.

She is a former Chairperson of the Irish Association of Pension Funds and previously held the position of General Manager and Secretary to the Trustees of ESB Pension Fund.

She holds a MBA from Trinity College and Diploma in Corporate Governance from UCD. She is a Fellow of the Institute of Pension Managers (IIPM) and Fellow of the Chartered Governance Institute UK.

Jim Foley
Non-Executive Director

Jim is a Director of Trustee Decisions Ltd and a professional trustee on the pension schemes of Unilever, Royal College of Surgeons in Ireland, Coillte, Eirgrid and Eir.

Jim previously worked at the Central Bank of Ireland, the Institute of Public Administration, the National Australia Group and Eircom.

Jim has a degree in Financial Services (UCD), qualified as an Accountant (ACCA), holds an MSc in Business Admin (TCD), a Diploma in Corporate Governance (UCD) and is a Qualified Pension Trustee QPT (IIPM).

Jim is Chair of Irish Airlines Pensions DAC and a Director of INTRUST Properties Ltd. Jim is also a Director of the Irish Forestry Unit Trust Forestry Management Ltd which is regulated by the Central Bank of Ireland and was Chair of the Irish Association of Pension Funds Ltd from 2015 to 2017.

Chairman of the Remuneration Committee

Donal Courtney
Independent Non-Executive Director

Donal is a Fellow of the Institute of Chartered Accountants in Ireland and holds a Certificate in Director Duties and Responsibilities from Chartered Accountants Ireland. In addition, he also holds a Certified Bank Director designation and an Accredited Funds Professional designation from the Institute of Bankers in Ireland.

Donal has held a number of Chief Financial Officer positions in Ireland with Orix, the Japanese financial services company, Airbus Industries, the aircraft manufacturer, and GMAC Commercial Mortgage Bank, the commercial property financing arm of General Motors.

Donal currently sits on the Board of Permanent TSB plc and Dell Bank International DAC, both of which are regulated by the Central Bank of Ireland, where he also chairs the audit committees.

Chairman of the Audit & Risk Committee

Eithne Fitzgerald
Independent Non-Executive Director

Eithne is a former senior Partner of A&L Goodbody, international law firm, having worked with the firm for 35 years. There she specialised in mergers and acquisitions, corporate finance and advising on a range of corporate law matters. She headed up A&L Goodbody's London office for 3 years and has held a number of management positions in the firm, including as a member of the firm's Policy Committee and the Partner Selection Committee.

She holds a degree from Trinity College Dublin and a Diploma in European Law from University College Dublin.

She is a former non-executive director of One 51 plc an environmental services, renewable energy, food and speciality plastics business (now IPL Plastics plc) where she also chaired the Nominations Committee. She is also a lecturer and course tutor in Company Law with the Law Society of Ireland and a member of the Institute of Directors of Ireland.

RISK MANAGEMENT

IPUT aims to deliver its strategic objectives whilst operating within a risk framework defined by our risk appetite.

We recognise that risks are inherent in running any business and use the Company's risk management framework to ensure that risks to the Fund's strategy are identified, understood and managed.

Our risk appetite statement identifies the relevant risks to which the Fund is exposed and outlines the controls and key risks indicators in place to mitigate and monitor these risks. We have outlined our key risks below:

Investment Risk

Details	Impact	Mitigation	Change to risk in last 12 months
Incorrect reading of the cycle.	Under / over allocation to specific sectors could reduce fund / property performance.	We have been established for over 50 years and have multi cycle experience. Lessons learned in previous cycles have helped shape our investment strategy. We are long term holders of commercial property and do not actively trade our portfolio for short term capital gains. Detailed due diligence is carried out on each asset and individual business plans are produced with performance forecast monitored to ensure target returns are being achieved. We have an ESG strategy and environmental targets to ensure our investment portfolio continues to perform in line with the changing market demands. Our investment strategy is always under review and updated annually. We adjust our risk profile based on our experience, and internal & external research on the market. Investment Strategy is approved by the Investment Committee and the Board.	STABLE

Property Portfolio Management Risk

Details	Impact	Mitigation	Change to risk in last 12 months
Occupier & Tenant Risk.	Weaker occupier demand and increased tenant default could have an adverse impact on income and rental growth forecasts and could have a negative impact on capital values and our dividend payments.	We monitor relevant leading indicators and engage with key market participants. We review the status of occupier demand and tenant default on a quarterly basis. Given the increased tenant risk due to the market impact of the global pandemic (Covid-19) we have an enhanced ongoing tenant monitoring programme in place. We actively engage with occupiers to ensure spatial requirements are adequate and any upgrades required to space are carried out in an efficient manner and to market leading standards. In the last 12 months we have worked with occupiers who have been unable to trade due to Covid-19 lockdown restrictions, and in certain cases we have agreed abatements or rent deferrals. We have an overweight allocation to the office sector, which has historically been the best performing asset class in terms of income security. We have a diversified occupier base and we monitor our exposure to individual sectors and occupiers to ensure that we are not over- exposed to any occupier or sector. We endeavour to stagger our lettings to ensure there is no period when there are a high level of renewals or expiries which could potentially leave us exposed to periods of low occupier demand. We have a stringent vetting process to ensure occupier covenants are sufficiently strong and when deemed necessary we engage with third parties to carry out bespoke research on specific occupiers.	INCREASED

Development Management Risk

Details	Impact	Mitigation	Change to risk in last 12 months
Risk that development projects do not produce the targeted financial returns due to one or more of the following factors: • Delay on site • Increased construction costs • Adverse letting conditions	Targeted financial returns not reached.	Investment appraisals, which include contingencies and inflationary cost increases, are prepared and sensitivity analysis is undertaken to measure that an adequate return is made in all likely circumstances. The procurement process used by the Company includes the use of highly regarded quantity surveyors and is designed to minimise uncertainty regarding costs. Development costs are benchmarked to ensure that the Company obtains competitive pricing and, where appropriate, fixed-price contracts are negotiated. Procedures carried out before starting work on site, such as site investigations, historical research of the property and surveys conducted as part of the planning application, reduce the risk of unidentified issues causing delays once on site. The Company's pre-letting strategy reduces or removes the letting risk of the development as soon as possible. The global pandemic has resulted in the intermittent closure of construction projects and supply chain delays. We work closely with our providers to mitigate the impact on project timelines. Detailed reviews are performed on construction projects to ensure that forecasts are aligned with our contractors. Post-completion reviews are carried out on all major developments to ensure that improvements to the Company's procedures are identified, implemented and lessons learned.	INCREASED

Operational Risk

Details	Impact	Mitigation	Change to risk in last 12 months
Key person dependency - Failure to attract and retain appropriate corporate knowledge and skills.	Inability to execute our business strategy.	Staffing levels are regularly assessed, and resources increased as required. Remuneration Committee in place to assess staff performance. We offer highly competitive remuneration packages to our employees that are benchmarked annually. Our recruitment process is tailored to attract the best talent available. Staff performance is measured on a six-monthly basis to provide regular assessment.	REDUCED

RISK MANAGEMENT (CONTINUED)

Financial & Liquidity Management

Details	Impact	Mitigation	Change to risk in last 12 months
Liquidity - Portfolio assets are commercial property and are illiquid	Access to finance is restricted or not sufficient to redevelop existing portfolio assets. Insufficient funds to deal with share redemptions.	The current interest rate environment ensures that real estate remains an attractive asset class for investors. The Board receives quarterly reports on subscription and redemption activity/requests from the Administrator. The global pandemic has caused a level of market uncertainty, by maintaining relationships with investors and prospective investors in the market, this proximity permits the Senior Management Team to gauge and plan for redemption or investor demand. The Board seek to maintain minimum cash balances of approximately 1% of the net asset value of the Fund. The Senior Management Team receives quarterly market updates from economists and investment advisors with expertise in the European and Irish commercial property markets. Capital is monitored by our Finance department on an ongoing basis. We have a Liquidity Management Policy, a Repurchase Policy and Stress Testing Procedures in place. Stress Testing is conducted on a quarterly basis.	INCREASED
Investor Concentration – Over reliance on a single investor.	Inability to implement business strategy.	We continue to diversify our shareholder base in recent years to improve the liquidity of the Fund. By maintaining relationships with investors and prospective investors in the market, this proximity permits the Senior Management Team gauge and plan for redemption or investor demand. Limit on shareholding of a single investor.	STABLE

Market Risk

Details	Impact	Mitigation	Change to risk in last 12 months
Political changes domestically and internationally.	Political uncertainty could create an environment where investors and businesses are reluctant to make investment decisions. Potential disruption to trade flows post Brexit.	Uncertainty relating to such events are regularly assessed and considered when reviewing and evaluating our investment strategy. We engage with relevant parties to ensure we are properly briefed on upcoming policy changes or the regulatory implications or political events. These matters are brought to our Board's attention and where appropriate, we raise our concerns through relevant channels and advance our views on these issues. Investment restricted to Ireland. Brexit remains a risk, however Dublin, where IPUT is focused, has seen increased demand for office space from UK based companies seeking an EU base.	STABLE
Dublin real estate market – Under performance of Dublin property relative to other sectors or asset classes.	Reduced shareholder returns.	Our Investment Strategy focuses on prime assets in Dublin which have historically outperformed the rest of Ireland over the long term, benefiting from strong occupier demand and investor appetite. We are actively engaged with key market participants at all times giving us first-hand knowledge of any market changes. The Company receives quarterly valuation reports from two independent third party valuers and the Board receives a quarterly investment report. Our Investment Committee meet quarterly to assess the risks and opportunities in the market and monitor how these impact on the execution of our strategy. Our investment strategy is always under review and updated annually. We adjust our risk profile based on our experience, and internal & external research on the market.	INCREASED
Risk that the Global Pandemic (e.g. Covid-19) could potentially have a negative impact on the Company's performance.	Negative impact on Company's performance.	The Company employs a business continuity plan, cloud computing and anytime work solutions to reduce the operational impact of any business continuity or force majeure events. We follow the HSE guidelines with staff working from home as advised. Operations are able to continue with staff working from home and IT capability is fully functional. We continue to monitor the situation and the impact on the Irish economy. We maintain contact with our Investors, tenants and third-party providers to assess the potential impacts to the Company.	INCREASED
ESG – Market Value and Investor preferences	Reduction in portfolio value due to inadequate ESG planning. Lack of fund liquidity as a result of shareholder preference of investing in companies where ESG is embedded in strategy.	• We have an ESG Strategy and Policies in place. • We disclose our ESG performance annually through GRESB benchmark, PRI Rating. • Our ESG high level targets and performance are included in fund documentation and our annual report. • We have a Net Zero commitment which is a clear statement of intent to the market of our ambitions. • We publish a standalone Responsible Investment report on an annual basis reporting on our ESG performance and implementation of ESG policies and strategy.	STABLE

INDEPENDENT PROPERTY VALUER CERTIFICATE

JONES LANG LASALLE

as at 31 December 2020

Instruction

In accordance with our appointment as property valuers to the Fund we have provided our opinion of value of the freehold / equivalent long leasehold interests held for the benefit of the IPUT Property Fund in the properties subject to and with the benefit of the tenancies therein. We understand that all of the properties are held as investments.

Purpose of Valuation

Financial reporting purposes.

Valuation Date

31 December 2020

Compliance with Valuation Standards

The Valuations of all the properties have been prepared in accordance with the RICS Valuation – Global Standards (effective 31 January 2020), incorporating the IVS International Valuation Standards, VPS 4 IFRS 13.

We have assessed the Fair Value of the properties in accordance with VPS 4.7. Under these Provisions "Fair Value" is defined as "The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date".

Our opinion of the Fair Value of each of the properties has been primarily derived using comparable recent market transactions on arm's length terms in accordance with Fair Value Hierarchy Level 3.

Status of Property Valuer

External Valuers.

Valuer

We confirm that the personnel responsible for this valuation are qualified for the purpose of the valuation in accordance with the RICS Red Book and have the sufficient local and national knowledge, skills and understanding to undertake the valuation competently.

Valuation Uncertainty due to Novel Coronavirus (Covid-19)

The outbreak of Covid-19, declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, has and continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel restrictions have been implemented by many countries and "lockdowns" applied to varying degrees. Whilst restrictions have now been lifted in some cases, local lockdowns may continue to be deployed as necessary and the emergence of significant further outbreaks or a "second wave" is possible.

The pandemic and the measures taken to tackle Covid-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date some property markets have started to function again, with transaction volumes and other relevant evidence returning to levels where an adequate quantum of market evidence exists upon which to base opinions of value. Accordingly, and for the avoidance of doubt, our valuation is not reported as being subject to 'material valuation uncertainty' as defined by VPS 3 and VPGA 10 of the RICS Valuation – Global Standards, except as identified below.

In respect of the retail properties within the Fund, as at the valuation date we continue to be faced with an unprecedented set of circumstances caused by Covid-19 and an absence of relevant/sufficient market evidence on which to base our judgements. Our valuation of the retail properties is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case.

For the avoidance of doubt, this explanatory note, including the 'material valuation uncertainty' declaration, does not mean that the valuations cannot be relied upon. Rather, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of Covid-19 we highlight the importance of the valuation date.

Given the unknown future impact that Covid-19 might have on the real estate market and the difficulty in differentiating between short term impacts and long term structural changes, we recommend that you keep the valuations contained within this report under frequent review.

Fair Value

We are of the opinion, subject to the contents of our Report and Assumptions therein, that the aggregate of the Fair Values as at 31 December 2020 of the good and marketable freehold and long leasehold interests held by the Fund, subject to and with the benefit of the tenancies therein, in the Properties valued by us, is:

€1,455,880.000

(One Billion Four Hundred and Fifty-Five Million Eight Hundred and Eighty Thousand Euro)

No allowance has been made of any expenses of realisation, or for taxation, (including VAT) which may arise in the event of a disposal and each property has been considered free and clear of all mortgages or other charges which may be secured therein. We have estimated attributable acquisition costs at 9.92%.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charges. No account has been taken of the availability or otherwise of capital based Government or European Community grants.

The valuation is of each property considered individually and excludes any additional value or reduction which might arise by the aggregation of the entire portfolio or a group of properties for sale to one purchaser. Neither has any allowance been made to reflect any premium which a purchaser of shares in the Fund might pay for the opportunity of investing in an existing well balanced and diversified portfolio with the benefit of an established management structure.

The property details upon which these valuations are based are as set out in the Valuation Control Schedule provided to IPUT plc.

Our opinion of Fair Value is based upon the Scope of Work, Sources of Information and Valuation Assumptions attached to our Report, and has been primarily derived using comparable recent market transactions on arm's length terms.

Sources of Information

We have been provided with information by the IPUT management team which we have accepted as correct and up to date as to tenure, tenancies, site and floor areas, planning permission and other relevant matters as outlined in the Valuation Control Schedule and Reports, provided to IPUT.

Details of title / tenure under which the Properties are held and of lettings to which they are subject are as supplied to us. We have not generally examined nor had access to all the deeds, leases or other documents relating thereto. Where information from deeds, leases or other documents is recorded in our Report, it represents our understanding of the relevant documents. We should emphasise, however, that the interpretation of the documents of title (including relevant deeds, leases and planning consents) is the responsibility of the Fund's legal advisor.

We have inspected the properties (at varying dates) and carried out all the necessary enquiries with regard to rental and investment value, rateable value, planning issues and investment considerations.

We have read documents of title, leases and agreements, where they have been made available to us, in our capacity as chartered valuation surveyors and no reliance should be placed on our interpretation of same without verification by your legal advisors.

Assumptions

We have made various assumptions as to tenure, letting, town planning, and the condition and repair of buildings including ground and groundwater contamination – as set out in Scope of Work and Sources of Information and Valuation Assumptions attached to our Report, which were provided to IPUT.

If any of the information or assumptions upon which the valuations are based is subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

Inspections

The properties were not specifically inspected by us for the purposes of this valuation. Each property was inspected at the time of its initial valuation by us and is the subject of an annual re-inspection.

Due to the outbreak of the Novel Coronavirus (Covid-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, it has not been possible to carry out contractual inspections of the properties. We have discussed this with IPUT and advised that we will re-commence our inspection programme as soon as it is possible and feasible to do so. In the meantime, as the inspections may have only recently become overdue, we are able to use our existing knowledge of the assets, from previous inspections, supplemented by external and, in the case of retail some part internal, inspections and the regular quarterly updates we receive from IPUT which include information pertaining to any on-going discussions with tenants, notification of any property specific issues, and receipt of updated tenancy schedules. On balance, therefore, we consider that our ability to provide reliable valuations is not currently impaired.

Independence and Disclosure

Jones Lang LaSalle has continuously valued the Fund's Portfolio or part of the Fund's Portfolio since February 1968.

The total fees earned in the preceding financial year by Jones Lang LaSalle Limited from IPUT plc were less than 5% of our total income.

From 1967 to 2004 Jones Lang LaSalle acted as consultant surveyor, property manager and valuer and advised in the acquisition of a number of properties for the Fund.

From January 2005 Jones Lang LaSalle's role is valuer, property manager for multi-let properties and agent for specific agency and investment instructions.

Reliance

Our report is addressed to IPUT plc for internal purposes and third parties may not rely on it. In accordance with our standard practice this property valuation report is confidential to the party to whom it is addressed or to their other professional advisers for the specific purpose to which it refers.

Our role is limited to providing property valuations for assets held by the Fund, in accordance with RICS standards. We are not acting as valuers of the Fund; the valuation function for the Fund and the setting of the net asset value of the Fund remains with IPUT plc.

No reliance may be placed upon the contents of this property valuation report by any party other than in connection with the purpose of this valuation report. If at any stage it is intended to include the valuation or report, or any reference thereto, in any Prospectus or Circular to shareholders or similar public document, our specific consent will be required.

Publication

Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

Yours faithfully

John Moran

MRICS MSCSI
For and behalf of Jones Lang LaSalle

JLL

INDEPENDENT PROPERTY VALUER CERTIFICATE

CBRE

as at 31 December 2020

Instruction

To value the unencumbered freehold interest in the properties on the basis of Fair Value (IFRS 13) as at the valuation date in accordance with the terms of engagement entered into between CBRE Unlimited Company and the addressee dated 16 April 2020.

Purpose

Balance Sheet Purposes.

Valuation Date

31 December 2020.

Compliance with Valuation Standards

The valuation has been prepared in accordance with the RICS Valuation –Global Standards

We confirm that we have sufficient current local and national knowledge of the particular property market involved and have the skills and understanding to undertake the valuation competently.

Where the knowledge and skill requirements of the Red Book have been met in aggregate by more than one valuer within CBRE Unlimited Company, we confirm that a list of those valuers has been retained within the working papers, together with confirmation that each named valuer complies with the requirements of the Red Book.

This Valuation is a professional opinion and is expressly not intended to serve as a warranty, assurance or guarantee of any particular value of the subject property. Other valuers may reach different conclusions as to the value of the subject property. This Valuation is for the sole purpose of providing the intended user with the Valuer's independent professional opinion of the value of the subject property as at the valuation date.

Capacity of Property Valuer

External Valuer, as defined in the RICS Valuation – Global Standards.

Valuer

The Properties have been valued by a valuer who is qualified for the purpose of the valuation in accordance with the RICS Valuation – Global Standards ("the Red Book").

Covid-19

The outbreak of the Novel Coronavirus (Covid-19), declared by the World Health Organisation as a "Global Pandemic" on the 11th March 2020, continues to impact many aspects of daily life and the global economy – with some real estate markets having experienced lower levels of transactional activity and liquidity. Travel, movement and operational restrictions have been implemented by many countries. In some cases, "lockdowns" have been applied – in varying degrees – to reflect further 'waves' of Covid-19. While these may imply a new stage of the crisis, they are not unprecedented in the same way as the initial impact.

The pandemic and the measures taken to tackle Covid-19 continue to affect economies and real estate markets globally. Nevertheless, as at the valuation date, in the case of office, logistics and development land, property markets are mostly functioning again, with transaction volumes and other relevant evidence at levels where enough market evidence exists upon which to base opinions of value. Accordingly – and for the avoidance of doubt – our valuation of these properties is not reported as being subject to 'material valuation uncertainty', as defined by VPS 3 and VPGA 10 of the RICS Valuation- Global Standards.

However, in the case of the retail properties, as at the valuation date, we continue to be faced with an unprecedented set of circumstances caused by Covid-19 and an absence of relevant market evidence on which to base our judgements. Our valuation of the retail properties are therefore reported as being subject to 'material valuation uncertainty', as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations, less certainty – and a higher degree of caution – should be attached to our valuation than would normally be the case.

For the avoidance of doubt, this explanatory note – including the 'material valuation uncertainty' declaration – does not mean that the valuation cannot be relied upon. Rather, it has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of Covid-19, we highlight the importance of the valuation date.

Fair Value in accordance with IFRS 13

€1,473,630,000

(One Billion, Four Hundred and Seventy-Three Million, Six Hundred and Thirty Thousand Euro) exclusive of VAT.

We confirm that the ''Fair Value'' reported above, for the purpose of financial reporting under International Financial Reporting Standards (IFRS), is effectively the same as ''Market Value''.

We have valued the properties individually and no account has been taken of any discount or premium that may be negotiated in the market if all or part of the portfolio was to be marketed simultaneously, either in lots or as a whole.

Our opinion of Fair Value (IFRS 13) is based upon the Scope of Work and Valuation Assumptions and has been primarily derived using comparable recent market transactions on arm's length terms.

Assumptions

The property details on which each valuation is based are as set out in the report provided to IPUT plc. We have made various assumptions as to tenure, letting, taxation, town planning, and the condition and repair of buildings and sites – including ground and groundwater contamination.

If any of the information or assumptions on which the valuation is based are subsequently found to be incorrect, the valuation figures may also be incorrect and should be reconsidered.

Variation from Standard Assumptions

We have valued the following partial interests in the properties below;

- 6 Earlsfort Terrace, Dublin 2 (75% Interest)
- Unit 11, Liffey Valley Retail Park, Dublin 22 (50% Interest)

We have assumed that co-ownership agreements are in place and that there are no restrictions regarding disposal or good estate management of the above interest.

Market Conditions

The values stated in this report represent our objective opinion of Fair Value in accordance with the definition set out above as of the date of valuation. Amongst other things, this assumes that the properties had been properly marketed and that exchange of contracts took place on this date.

Independence

The total fees, including the fee for this assignment, earned by CBRE Unlimited Company (or other companies forming part of the same group of companies within Ireland) from the Addressee (or other companies forming part of the same group of companies) are less than 5.0% of the total Irish revenues.

Conflicts of Interest

We confirm that we have had no previous material involvement with any of the properties, and that copies of our conflict of interest checks have been retained within the working papers.

Disclosure

The principal signatory of this report has continuously been the signatory of valuations for the same addressee and valuation purpose as this report since March 2013. CBRE Unlimited Company has continuously been carrying out valuation instructions for the addressee of this report since March 2013.

Reliance

This report is for the use only of the party to whom it is addressed for the specific purpose set out herein and no responsibility is accepted to any third party for the whole or any part of its contents.

The contents of this Report may only be relied upon by:

(i) Addressees of the Report; or

(ii) Parties who have received prior written consent

This Report is to be read and construed in its entirety and reliance on this Report is strictly subject to the disclaimers and limitations on liability. Please review this information prior to acting in reliance on the contents of this Report. If you do not understand this information, we recommend you seek independent legal counsel.

Publication

Neither the whole nor any part of our report nor any references thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it will appear.

Such publication of, or reference to this report will not be permitted unless it contains a sufficient contemporaneous reference to any departure from the Royal Institution of Chartered Surveyors Valuation – Global Standards 2017 ("the Red Book") or the incorporation of the special assumptions referred to herein.

Bruce Campbell
MSCSI, MRICS
Senior Director, RICS Registered Valuer

Colm Luddy
MSCSI, MRICS
Senior Director

For and on behalf of CBRE Unlimited Company

CBRE

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements of IPUT plc (the "Company") for the year ended 31 December 2020.

Principal activities and review of the development of the business

The Company is authorised and regulated by the Central Bank of Ireland as a qualifying investor alternative investment fund (QIAIF) and as an internally managed alternative investment fund under the European Union (Alternative Investment Fund Managers) Regulations 2013 and is a designated company pursuant to section 1395 of the Companies Act 2014. The Company promotes one sub-fund, the IPUT Property Fund (the 'Fund').

The Company invests in commercial property, in particular focusing on office, retail and industrial properties. All properties are located in Ireland and are generally held as medium to long term investments. The Company invests in properties with core income and added value prospects and seeks to reduce risk by investing in a diverse range of properties and sectors.

A full review of the performance and development of the Company is included in the Chief Executive's Review on page 10 and the financial highlights and key performance indicators are set out on pages 4 and 5.

The directors expect the current level of activity to continue for the foreseeable future.

Results for the year and state of affairs at 31 December 2020

The results for the financial year are set out in the statement of comprehensive income on page 96. The profit and total comprehensive income for the financial year ended 31 December 2020 was €60.0m (2019: €124.3m), including net movement on fair value of investment properties of (€43.3m) (2019: €13.9m). Total Equity at 31 December 2020 amounted to €2.69bn (2019: €2.75bn).

Dividends

Dividends of €102.5m were declared during the year (2019: €106.7m). An analysis of the quarterly dividends paid during the year is set out in Note 20 to the financial statements.

Principal risks and uncertainties

The principal risks and uncertainties faced by the Company are outlined on pages 82 – 85 of this report. The risks associated with the Company's financial instruments are outlined in Note 21 to the financial statements.

The Board seeks to mitigate and manage these risks through continual review and setting of appropriate policies and procedures, through active asset management initiatives and the carrying out of due diligence work on potential tenants before entering into any new lease agreements. It also regularly monitors the investment environment and the management of the Company's property portfolio.

The Board and Senior Management Team are closely monitoring the ongoing impact of the Covid-19 pandemic and its impact on operations and performance. We have taken the necessary measures to ensure the safety of our staff, occupiers, and suppliers throughout the year. The financial results for the year held strong despite the uncertain market environment.

The closure of construction sites due to the pandemic have resulted in additional costs and delays to the completion of the Company's developments at Wilton Park, The Tropical Fruit Warehouse, and Unit G Aerodrome Business Park.

The Company maintained its quarterly dividend payment policy and paid €102.5m during the year. As a result of the pandemic and lockdowns, many of our occupiers, primarily in the retail sector, sought financial assistance. Each request was reviewed on a case by case basis and as a result rent credits/provisions of €4.1m were provided for in the financial statements for the year.

The property valuers adopted a material uncertainty clause in the year across all elements of the portfolio valuations as the impact on the market caused by widespread store and office closures created significant uncertainty. As lockdown restrictions eased in the later part of the year, the property valuers lifted the material uncertainty clause on both office and logistics at year end. The material uncertainty clause over the retail sector remained until early 2021.

Important events since the year end

These are described in Note 32 to the financial statements.

Directors, secretary and their interests

The Directors and Secretary of the Company are set out on page 132.

Mr. John Mulcahy was the beneficial owner of 4,064 participating shares (all of which were acquired at market value) in the Company at the beginning, and at the end of the year and throughout the reporting period.

Mr. Donal Courtney, through a personal Approved Retirement Fund is the beneficial owner of 177 participating shares (all of which were acquired during the year at market value) and were held at year end.

The rights attaching to participating shares are outlined in Note 18 to the financial statements.

Other than as stated above, none of the Directors who served on the Board in 2020, the Secretary or their families had any interest in the share capital of the Company at any time during the year.

Mr. Simon Radford retired from the Board on 31 December 2020.

Mr. Niall Gaffney and Mr. Pat McGinley were appointed to the Board on 21 January 2021.

Related party transactions

Internal controls are in place to ensure that any related party transactions involved Directors or their connected persons are carried out on an arm's length basis and are disclosed in the financial statements. Transactions with Directors and parties related to them have been disclosed in Note 23 to the financial statements.

Going concern

The financial statements have been prepared on a going concern basis. As outlined in more detail in Note 2 to the financial statements, the directors have carried out a detailed assessment and believe it continues to be appropriate to adopt the going concern basis in preparing the financial statements.

Political donations

The Company made no political donations during the year (2019: nil).

Corporate Governance Code

The Board voluntarily adopted the 'Corporate Governance Code for Collective Investment Schemes and Management Companies' (the "Code") as published by the Irish Funds Industry Association ("IFIA") in 2011, as the Company's corporate governance code with effect from 23 December 2013. The Audit & Risk Committee met four time during the year and the Board is satisfied that it has complied with the provision of the Code during the year ended 31 December 2020.

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Accounting Records

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act, 2014 with regard to adequate accounting records by using the services of appropriately qualified personnel and the maintenance of computerised accounts systems. The accounting records of the Company are maintained at the Company's registered office at 47-49 St. Stephen's Green, Dublin 2.

Relevant Audit Information

The Directors who held office at the date of approval of this Director's Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

The auditors, KPMG, will continue in office in accordance with Section 383(2) of the Companies Act, 2014 and a resolution authorising the Directors to fix their remuneration will be proposed at the Annual General Meeting.

Annual General Meeting

The Annual General Meeting of the Company will be held virtually on Microsoft Teams at 12pm on 29 April 2021.

For and on behalf of the Board

John Mulcahy
Chairman

30 March 2021

Donal Courtney
Director

30 March 2021

REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to the IPUT Property Fund ("the Fund") provide this report solely in favour of the shareholders of the Fund for the year ended 31 December 2020 ("Annual Accounting Period").

This report is provided in accordance with current Depositary obligation under the Central Bank of Ireland; AIF Rule Book, Chapter 5(iii). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation under the AIF Rule Book, we have enquired into the conduct of the AIFM for this Annual Accounting Period and we hereby report thereon to the shareholders of the Fund as follows;

We are of the opinion that the Fund has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitutional document and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the investment fund legislation; and

(ii) otherwise in accordance with the provisions of the constitutional document and the investment fund legislation.

Northern Trust Fiduciary Services (Ireland) Limited

30 March 2021

NORTHERN TRUST

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

to the Members of IPUT PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of IPUT plc ('the Company') for the year ended 31 December 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and related notes, including the summary of significant accounting policies set out in Note 3. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2020 and of its decrease in net assets attributable to holders of redeemable participating shares for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – retail property valuation uncertainty

We draw attention to Note 10 to the financial statements concerning the material uncertainty included by the external valuers in their valuation of the company's retail properties at 31 December 2020. The company's retail properties are carried at €454.4 million, representing 16% of the company's investment properties at that date. The external valuers reports highlight a material valuation uncertainty regarding the valuation of retail properties at 31 December 2020 due to the unprecedented circumstances caused by Covid-19. They note this does not mean the valuations cannot be relied upon. However, in respect of the valuation of retail properties only, the valuers note less certainty, and a higher degree of caution, should be attached to their valuation than would normally be the case. Sensitivity tables are included within Note 10. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report and all information other than the financial statements and our auditor's report thereon. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Opinions on other matters prescribed by the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 91, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at **https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsiblities_for_audit.pdf.**

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Cliona Mullen
for and on behalf of

KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

31 March 2021

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2020

		2020			2019		
		Income	Capital	Total	Income	Capital	Total
	Notes	€'000	€'000	€'000	€'000	€'000	€'000
Gross rental and related income	**5**	**126,366**	**–**	**126,366**	**130,074**	**–**	**130,074**
Net rental and related income	5	113,869	–	113,869	118,180	–	118,180
Management expenses	7	(10,773)	–	(10,773)	(9,467)	–	(9,467)
Fund expenses		(973)	–	(973)	(949)	–	(949)
Operating profit		102,123	–	102,123	107,764	–	107,764
Net movement on fair value of investment properties	10	–	(43,311)	(43,311)	–	13,888	13,888
Profit on disposal of investment properties		–	1,458	1,458	–	2,620	2,620
Finance expense	8	(617)	–	(617)	(311)	–	(311)
Finance income	8	2	–	2	6	–	6
Profit before taxation		101,508	(41,853)	59,655	107,459	16,508	123,967
Taxation	9	–	–	–	–	–	–
Profit after taxation		101,508	(41,853)	59,655	107,459	16,508	123,967
Other comprehensive income	13	268	108	376	258	53	311
Profit and total comprehensive income		**101,776**	**(41,745)**	**60,031**	**107,717**	**16,561**	**124,278**

STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

	Notes	2020 €'000	2019 €'000
ASSETS			
Non-current assets			
Investment properties	10	2,901,134	2,695,101
Property, plant and equipment	13	9,442	7,157
Trade and other receivables	14	17,257	18,930
Restricted cash	15	6,792	5,864
		2,934,625	**2,727,052**
Current assets			
Investment properties held for sale	12	–	16,000
Trade and other receivables	14	11,608	141,187
Cash and cash equivalents	15	79,815	74,062
		91,423	**231,249**
Total assets		**3,026,048**	**2,958,301**
EQUITY			
Capital and reserves			
Equity	19	2,686,210	2,745,123
Total Equity		**2,686,210**	**2,745,123**
LIABILITIES			
Non-current liabilities			
Trade and other payables	16	6,792	5,864
Borrowings	17	241,493	148,954
		248,285	**154,818**
Current liabilities			
Trade and other payables	16	65,723	31,004
Dividends payable	20	25,830	27,356
		91,553	**58,360**
Total liabilities		**339,838**	**213,178**
Total equity and liabilities		**3,026,048**	**2,958,301**

Approved for issue and signed on behalf of the Board of Directors of IPUT plc on 30 March 2021.

John Mulcahy
Chairman

Donal Courtney
Director

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020

	Notes	2020 €'000	2019 €'000
Balance at 1 January		**2,745,123**	**2,459,851**
Comprehensive income			
Profit after taxation		59,655	123,967
Other comprehensive income		376	311
Profit and total comprehensive income		**60,031**	**124,278**
Transactions with owners			
Issue of shares	18	4,718	282,732
Repurchase of own shares	18	(21,123)	(15,085)
Dividends	20	(102,539)	(106,653)
Total transactions with owners		**(118,944)**	**160,994**
Balance at 31 December		**2,686,210**	**2,745,123**

STATEMENT OF CASH FLOWS

for the year ended 31 December 2020

	Notes	2020 €'000	2019 €'000
Cash flows from operating activities			
Profit before taxation		59,655	123,967
Adjustments to reconcile profit before taxation to net cashflows:			
– Depreciation		439	435
– Net movement on fair value of investment properties	10	43,311	(13,888)
– Lease incentives & other income		3	(3,945)
– Profit on disposal of investment properties		(1,458)	(2,620)
– Finance expense	8	617	311
– Finance income	8	(2)	(6)
		102,565	**104,254**
Working capital adjustments:			
– Movement in trade and other receivables		129,579	(121,342)
– Movement in trade and other payables		35,648	(3,810)
		165,227	**(125,152)**
Net cash generated from operating activities		**267,792**	**(20,898)**
Cash flows from investing activities			
Additions to investment properties		(249,148)	(291,670)
Proceeds from sale of investment properties		19,000	71,000
Purchases of property, plant and equipment		60	(93)
Interest paid		(3,580)	(2,131)
Interest received		2	6
Net cash used in investing activities		**(233,666)**	**(222,888)**
Cash flows from financing activities			
Proceeds from issue of shares	18	4,718	282,732
Payments to repurchase own shares	18	(21,123)	(15,085)
Dividends paid to shareholders		(104,066)	(105,508)
Repayment of borrowings		(151,494)	(82,339)
Costs associated with borrowings		(1,921)	–
Drawdown of borrowings		245,513	162,245
Net cash provided by financing activities		**(28,373)**	**242,045**
Net (decrease)/increase in cash and cash equivalents		**5,753**	**(1,741)**
Cash and cash equivalents at 1 January		74,062	75,803
Cash and cash equivalents at 31 December	15	**79,815**	**74,062**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1. General Information

IPUT plc (the 'Company') is incorporated under Part 24, Section 1394 of the Companies Act 2014 ('the Act') as an unlisted, limited liability umbrella investment company with variable capital and segregated liability between its sub-funds. It is authorised and regulated by the Central Bank of Ireland as a qualifying investor alternative investment fund (QIAIF) and as an internally managed alternative investment fund under the European Union (Alternative Investment Fund Managers) Regulations 2013 and is a designated company pursuant to section 1395 of the Act. The Company promotes one sub-fund, the IPUT Property Fund ('the Fund').

The Fund primarily invests in commercial property, in particular focusing on office, retail and industrial properties. The investment properties are located in Ireland and are generally held as medium to long term investments. The Fund invests in properties with core income and added value prospects and seeks to reduce risk by investing in a diverse range of properties and sectors.

The Company's registered office is at 47-49 St Stephen's Green, Dublin 2, D02 W634, Ireland.

2. Basis of preparation

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union. The financial statements are prepared on a historical cost basis except for investment properties which are measured at fair value.

The Company has availed of an exemption under IFRS from preparing consolidated accounts on the basis that its subsidiaries are not material to the Company's operations.

The financial statements are presented in Euro, which is the functional currency of the Company, and all values are rounded to the nearest thousand Euro (€000) except where otherwise indicated.

Recent accounting pronouncements

ADOPTION OF NEW ACCOUNTING STANDARDS

The IASB have issued the following standards, policies, interpretations and amendments which were effective for the Company for the first time in the year ended 31 December 2020:

- Amendments to References to Conceptual Framework in IFRS Standards
- Amendments to IFRS 3: Definition of a Business
- Amendments to IAS 1 and IAS 8: Definition of Material
- Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform
- Amendment to IFRS 16: Covid-19 Related Rent Concessions

The adoption of the new standards and interpretations did not have a significant impact on the Company's financial statements.

ADOPTED IFRS NOT YET APPLIED

The following IFRSs have been issued but have not been applied in these financial statements. Their adoption is not expected to have a material effect on the Company's financial statements:

- Amendments to IFRS 9, IAS 39 and IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2 (effective date 1 January 2021)
- Amendments to IAS 37: Onerous contracts- Cost of Fulfilling a Contract (Effective date 1 January 2022)
- Amendments to IAS 16: Property, Plant and Equipment: Proceeds before Intended Use (effective 1 January 2022)
- Amendment to IFRS 1, IFRS 9 and IAS 41: Annual Improvements to IFRS Standards 2018–2020;
- Amendments to IFRS 3: Reference to the Conceptual Framework (effective 1 January 2022)
- Amendments to IAS 1: Classification of Liabilities as Current or Non -current (effective 1 January 2023)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

- IFRS 17 Insurance Contracts (effective date 1 January 2023)
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date to be confirmed)

Going Concern

The Company reported a profit after tax of €59,655,000 for the year and was in a net current liability position of €130,000 at the balance sheet date. This included funds for share subscriptions of €36,000,000 received in advance of the January 2021 dealing day included in accruals and other payables at the year end. The Company's borrowing facilities mature in 2025, 2030 and 2032 as set out in more detail in Note 17. The Directors have considered the Company's capital commitments as outlined in Note 30 and the available financial resources which, at 31 December 2020, includes €256,000,000 of undrawn facilities in the RCF. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully. Please refer to the Risk Management section on page 82 of this report for more detail including those risks related to Covid-19.

The Company's forecasts for 2021 and beyond indicate that it will have significant financial resources, continue to settle its debts as they fall due and operate well within its banking covenants for at least a period of 12 months from the date of these financial statements.

Having given regard to the above, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements, and therefore they continue to adopt the going concern basis of accounting in preparation of these financial statements.

Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

JUDGEMENTS OTHER THAN ESTIMATES

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Classification of property

The Company determines whether a property is classified as an investment property or as an investment property held for sale:

- Investment property comprises land and buildings (offices, industrial, retail property and residential) which are held primarily to earn rental income and for capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.
- Investment property held for sale comprises land and buildings (office, industrial, retail property and residential) which is held for sale in the ordinary course of business.

Operating lease contracts – the Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, particularly the duration of the lease terms and lease payments, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the leases as operating leases.

ESTIMATES

Valuation of property

The Company has appointed real estate valuation experts to determine the fair value of investment properties using recognised valuation techniques and the principles of IFRS 13 Fair Value Measurement.

The significant methods and assumptions used by real estate valuers in estimating the fair value of investment properties are set out in Note 3 and Note 10.

3. Significant Accounting Policies

Investment properties

Investment properties comprise completed property and property under refurbishment/redevelopment held to earn rental income, together with the potential for capital and income appreciation.

Investment property is initially measured at cost including transaction costs. Transaction costs include stamp duty, legal fees and any other professional fees incurred in the acquisition of the investment property. Any subsequent capital expenditure incurred in improving investment properties is capitalised in the period during which it is incurred.

Subsequent to initial recognition, investment properties are carried in the Company's statement of financial position at their fair value as at the reporting date adjusted for the carrying value of lease incentives. Gains or losses arising from changes in the fair values are included in the statement of comprehensive income in the year in which they arise.

Investment properties are treated as acquired when the Company assumes the significant risk and returns of ownership and derecognised when it has disposed of these risks to a buyer and no future economic benefit is expected. The difference between the net disposal proceeds and the carrying amount of the asset would result in either a gain or loss on the disposal of the investment property. Any gains or losses are recognised in the statement of comprehensive income in the year of disposal.

External independent valuers, JLL and CBRE Ireland (CBRE), have, in the opinion of the Directors, appropriate recognised professional qualifications and recent experience in the locations and categories of the properties being valued. They value the portfolio at each reporting date in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation – Professional Standards which are consistent with the principles in IFRS 13. The RICS property valuation methodology is considered by the Board to be the valuation technique most suited to the measurement of the fair value of investment properties. It is also the primary measurement of fair value that all major and reputable property market participants use when valuing a property investment.

The valuations as at the reporting date are prepared by considering comparable market transactions for sales and lettings. In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the net annual rents receivable from the properties and associated rental costs when relevant. A yield which reflects the specific risks inherent in the net cash flows is then applied to the net annual rentals to arrive at the property valuation. Valuations reflect the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting of vacant accommodation, the market's general perception of their credit-worthiness and the remaining economic life of the property.

When the Company commits to a refurbishment project on an existing investment property for future use as an investment property, the property continues to be held as an investment property. Where the Company begins to redevelop an existing investment property for continued use or acquires a property with the subsequent intention of developing as an investment property, the property continues to be held as an investment property. Investment properties that are currently being developed or are to be developed in the near future are held within investment properties. These properties are initially valued at cost. Any direct expenditure on investment properties under development is capitalised and the properties are then valued by external real estate valuers at their respective fair value at each reporting date.

The cost of properties in the course of redevelopment includes attributable interest, development team costs and other associated outgoings. Interest is calculated on the development expenditure by reference to specific borrowings. Interest is only capitalised where development activity is taking place. A property ceases to be treated as an investment property under development on practical completion.

An existing investment property is transferred to an investment property held for sale and held as a current asset when it has met the criteria as set out in the investment property held for sale policy. The property is reclassified at fair value as at the date of the transfer with any gains or losses recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

3. Significant Accounting Policies (continued)

Fair value measurement

Fair value is the price that would be received if an asset was sold or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability as at the reporting date is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

Property, plant and equipment

Property, plant and equipment consists of land and buildings, motor vehicles, computer equipment, furniture, fixtures and fittings and is stated at cost less accumulated depreciation (excluding land and buildings which are measured using the revaluation model). The charge for depreciation is calculated to write down the cost of the assets to their estimated residual values by annual instalments over their expected useful lives which are set out below.

Land and buildings – 4% Straight Line

Fixtures and fittings – 20% Straight Line (includes art costs which are not depreciated)

Computer equipment – 33.33% Straight Line

Motor vehicles – 20% Straight Line

Right of use assets – over the lease term as defined under IFRS 16.

Land and buildings represents own use property and is measured at fair value with changes in fair value reflected within the statement of comprehensive income, except impairment losses, which are recognised in the income statement unless they reverse a previous revaluation gain.

The fair value is the price that would be returned if the asset were sold in an orderly transaction between market participants based on the asset's highest and best use. Fair value is determined by registered independent appraisers on a quarterly basis. The property valuers' opinion of fair value is primarily derived from using comparable recent market transactions at arm's length terms and using appropriate valuation techniques. The fair value of investment properties is determined using the income capitalisation approach.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3. Significant Accounting Policies (continued)

Investment property held for sale

An investment property is transferred to current assets as an investment property held for sale when it is expected that the carrying amount will be recovered principally through a disposal rather than from continuing use. For this to be the case, the property must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such property and its sale must be highly probable.

For the sale to be highly probable:

- The Board must be committed to a plan to sell the property and an active programme to locate a buyer and complete the plan must have been initiated;
- The property must be actively marketed for sale at a price that is reasonable in relation to its current fair value;
- The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Investment properties held for sale are measured at fair value less costs to sell. Investment properties classified as held for sale are presented separately as current assets in the statement of financial position.

Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period.

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; and
- It is held primarily for the purpose of trading; and
- It is due to be settled within twelve months after the reporting period.

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Dividends

The Company seeks to maintain consistent dividend payments to shareholders. Dividends are declared quarterly from net income available for distribution. The payment of a dividend will depend on the performance of the Company and will be paid out of accumulated income less expenses.

Final dividend distributions to the Company’s shareholders are recognised as a liability in the Company’s financial statements in the year in which the dividends are declared by the Company’s board of directors.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

3. Significant Accounting Policies (continued)

Revenue recognition

(a) Gross rental income from investment properties leased out under operating leases is recognised in the statement of comprehensive income on a straight-line basis over the term of the lease in accordance with IFRS 16 Lease Accounting. Lease incentives are recognised as an integral part of the net consideration for the use of the property and amortised on a straight line basis over the term of the lease.

(b) Payments received from tenants to surrender their lease obligations are recognised immediately in the statement of comprehensive income. Payments made to tenants to surrender their lease obligations are charged directly to the statement of comprehensive income unless the payment is to enable the redevelopment of the property.

(c) Amounts received from tenants to compensate for dilapidation liabilities are recognised in the statement of comprehensive income, net of any capital expenditure, when the right to receive them arises.

(d) Service charge income is recognised in the year in which it is earned.

(e) Accrued income relates to rents recognised in advance as a result of spreading the effect of rent free and reduced rent periods, capital contributions in lieu of rent free periods and contracted rent uplifts, over the expected terms of their respective leases.

(f) Interest income is recognised in the statement of comprehensive income as it accrues using the effective interest rate method.

Expense recognition

Expenses are accounted for on an accruals basis.

Share based payment

The grant-date fair value of cash-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in liabilities, over the vesting period of the awards, subject to performance conditions. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Pensions

The Company operates a defined contribution pension scheme and pension costs which are charged to the statement of comprehensive income represent the contributions payable by the Company during the year.

Impairment

The carrying amounts of the Company's assets (other than investment properties, the accounting policy for which is set out earlier in the note) are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the asset's recoverable amount.

Share capital

The Company's participating shares are classified as equity in accordance with IAS 32.

Transaction costs incurred by the Company in issuing or acquiring its own shares are accounted for as a deduction from equity to the extent that they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

No gain or loss is recognised in the statement of comprehensive income on the issuance or repurchase of the Company's own shares.

Net asset value per share

The net asset value per share is calculated by dividing the total equity of the Company by the total number of shares in issue at the year end.

3. Significant Accounting Policies (continued)

Financial Instruments

(A) NON-DERIVATIVE FINANCIAL ASSETS

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through the statement of comprehensive income) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. At year end the Company had the following non-derivative financial assets, which are classified as amortised cost:

– ***Cash and cash equivalents***

  Cash and cash equivalents comprise cash balances and fixed deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, are an integral part of the Company's cash management and are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

– ***Financial assets (including receivables)***

  The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. The Company measures loss allowances at an amount equal to lifetime ECLs, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured at 12 month ECLs.

  Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or the financial asset is significantly past due. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

  Measurement of ECLs

  ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls. ECLs are discounted at the effective interest rate of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

3. Significant Accounting Policies (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Financial assets (including receivables) – effective in comparative period

Trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest method. A provision for impairment is included where there is evidence that the Company will not be able to collect the amount in full.

(B) NON-DERIVATIVE FINANCIAL LIABILITIES

All financial liabilities are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value less initial direct costs and subsequently measured at amortised cost.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

– ***Trade and other payables***

Trade and other payables are recognised and carried at amortised cost.

Borrowing costs

INTEREST-BEARING BORROWINGS

Interest bearing borrowings are recognised initially at fair value less attributable transaction costs. Subject to initial recognition, interest bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

FINANCE COSTS

Borrowing costs incurred in the redevelopment of investment properties which are capitalised in the financial period in which they are incurred. All other finance costs are recognised in the Income Statement using the effective interest method.

DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

Derivatives may be embedded in other financial liabilities and non-financial instruments (i.e. the host instrument). Embedded derivatives are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host instrument, the terms of the embedded derivative are the same as those of a stand-alone derivative and the combined instrument (i.e. the embedded derivative plus the host instrument) is not held-for-trading or designated at fair value. These embedded derivatives are measured at fair value with subsequent changes recognised in the income statement.

4. Sectoral information and condensed portfolio statement

All of the Company's properties are based in Ireland with 98% of the portfolio by value located in Dublin.

The following properties are valued at greater than 5% of the net asset value of the Company:

- Carrickmines Park, Dublin 18 (7.8%) – Retail
- 10 Molesworth Street, Dublin 2 (6.0%) – Office
- 1 Grand Canal Square, Dublin 2 (5.7%) – Office
- One Wilton Park, Wilton Place, Dublin 2 (5.6%) – Office

	2020	2019
	€'000	€'000
Gross rental income		
Office	78,865	73,246
Retail	23,577	27,443
Industrial	14,943	14,948
Other	105	220
	117,490	**115,857**

	2019 Investment properties	2019 Investment properties under development	2019 Total
	€'000	€'000	€'000
Property Portfolio – fair value			
Office	1,674,000	148,070	1,822,070
Retail	538,710	–	538,710
Industrial	292,570	–	292,570
Land	–	63,209	63,209
Other	21,400	–	21,400
	2,526,680	**211,279**	**2,737,959**

	2020 Investment properties	2020 Investment properties under development	2020 Total
	€'000	€'000	€'000
Property Portfolio – fair value			
Office	1,778,260	310,290	2,088,550
Retail	454,400	–	454,400
Industrial	319,410	–	319,410
Land	–	58,750	58,750
Other	8,400	–	8,400
	2,560,470	**369,040**	**2,929,510**

The fair value of the Company's properties presented in the table above , differs from the fair value of investment properties presented in the statement of financial position due to the Company presenting lease incentives, owner occupied properties and investment properties held for sale separately, see Note 10, 12 and 13.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

5. Gross and net rental income

	2020	2019
	€'000	€'000
Gross rental income	117,490	115,857
Provision for unpaid rents	(1,792)	–
Service charge income	10,059	9,977
Asset services income	612	295
Adjustment for lease incentives	6,130	3,945
Impairment of lease incentives	(6,133)	–
Gross rental and related income	126,366	130,074
Service charge expenses	(10,059)	(9,977)
Property specific costs:		
– relating to properties generating income	(1,530)	(1,262)
– relating to properties not generating income	(908)	(655)
Net rental and related income	**113,869**	**118,180**

The impairment of lease incentives of €6,133,000 (2019: nil) follows a review of the lease incentive debtor held in the Statement of Financial Position.

6. Auditor's remuneration

	2020	2019
	€'000	€'000
Audit fees	90	80
Total audit and audit related assurance services	**90**	**80**
Other fees		
Tax advisory services	12	7
Other non audit services	19	5
Total other fees	**31**	**12**

7. Management expenses

	2020	2019
	€'000	€'000
Employment costs	7,357	6,592
Depreciation	439	435
Other operating costs	2,977	2,440
	10,773	**9,467**
Employment costs		
Wages and salaries		
– fixed	4,205	3,924
– variable	3,790	3,332
Social welfare costs	545	527
Pension costs	361	300
	8,901	8,083
Less: Employment costs allocated to capital expenditure on investment properties	(1,544)	(1,491)
	7,357	**6,592**

The average number of employees (including Directors) during the year was 33 (2019: 31).

8. Finance expense & income

	2020	2019
	€'000	€'000
Interest expense	617	311
	617	**311**
Interest income on short-term deposits	2	6
	2	**6**

Interest expense represents the costs associated with the revolving credit facility and the US private placement which were not capitalised during the year. In the final quarter of the year, the Company's cash reserves were also subject to negative interest charges.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

9. Taxation

	2020	2019
	€'000	€'000
Taxation	–	–
	–	–

The Company is an investment undertaking as defined in Section 739B of the Taxes Act and on that basis, it is not subject to Irish taxation on its income or gains, as they arise but is instead subject to the investment undertakings tax and Irish real estate fund tax in certain circumstances in respect of certain investors.

Investment undertakings tax (IUT)

Subject to certain exceptions (see below), on the occasion of an IUT chargeable event the Company has an obligation to deduct IUT at 41% (25% in the case of certain corporate shareholders upon election) from amounts payable to such shareholders and pay it to the Irish Revenue Commissioners. An IUT chargeable event includes:

- the payment of a dividend;
- the redemption, encashment, cancellation or transfer of shares;
- the cancellation of shares for the purpose of meeting the tax arising on a transfer of shares; and
- the ending of a period of eight years beginning with the acquisition of a share by a shareholder and each subsequent period of eight years beginning immediately after the eight year period.

No IUT will arise on the Company in respect of IUT chargeable events of a shareholder who is:

- neither a resident in Ireland nor ordinarily resident in Ireland at the time of the IUT chargeable event, or
- an exempt Irish resident

provided in each case that the Company is in possession of a relevant declaration to that effect.

Irish real estate fund tax (IREF)

The Company is also an IREF as defined in section 739K of the Taxes Act. On the occasion of an IREF taxable event, in respect of a 'specified person', the Company has an obligation to deduct IREF withholding tax at 20% from amounts payable to such shareholders and pay it to the Irish Revenue Commissioners. For this purpose an IREF taxable event includes, for example:

- the making of a distribution;
- the cancellation, redemption or repurchase of shares from a shareholder;
- any exchange by a shareholder of shares in a sub-fund of the Company for shares in another sub-fund of the Company
- other disposals of shares in the Company by a shareholder (e.g. on a secondary transfer to a third party investor).

Broadly a 'specified person' refers to a person (subject to limited exception) who is not otherwise subject to IUT on a chargeable event.

IREF withholding tax will not arise on the Company in respect of an IREF taxable event where the shareholder is not a specified person as defined in section 739K of the Taxes Act, provided the Company is in possession of a valid relevant declaration to that effect, where applicable.

In the year ended 31 December 2020 the Company deducted IUT of €1,583,993 (2019: €1,685,250) from payments made to non-exempt Irish resident shareholders and deducted IREF withholding tax of €4,298,136 (2019: €3,938,404) from payments made to 'specified persons'.

A tax rate reconciliation as required by IAS 12 'Income Taxes' is not presented as the Company is not subject to tax on its income or gains.

10. Investment properties

	2019 Investment properties	2019 Investment properties under development	2019 Total
	€'000	€'000	€'000
Fair value at 1 January	2,276,532	145,448	2,421,980
Acquisitions	230,289	18,748	249,037
Capital expenditure	12,599	30,034	42,633
Transfer to investment properties held for sale	(16,000)	–	(16,000)
Valuation surplus	41,244	21,378	62,622
Valuation deficit	(40,478)	(4,327)	(44,805)
Fair value at 31 December	2,504,186	211,281	2,715,467
Less: tenant lease incentives	(20,366)	–	(20,366)
Fair value at 31 December	**2,483,820**	**211,281**	**2,695,101**

	2020 Investment properties	2020 Investment properties under development	2020 Total
	€'000	€'000	€'000
Fair value at 1 January	2,504,186	211,281	2,715,467
Reclassification in year	(154,976)	154,976	–
Acquisitions	170,381	–	170,381
Capital expenditure	(1,144)	82,122	80,978
Transfer of owner occupied property to property, plant & equipment	(2,492)	–	(2,492)
Valuation surplus	27,732	24,926	52,658
Valuation deficit	(85,184)	(11,282)	(96,466)
Fair value at 31 December	2,458,503	462,020	2,920,526
Less: tenant lease incentives	(19,392)	–	(19,392)
Fair value at 31 December	**2,439,111**	**462,020**	**2,901,134**

The following properties were classified as 'Investment properties under development' at 31 December 2020: One to Four Wilton Park, Dublin 2; The Tropical Fruit Warehouse, Sir John Rogerson's Quay, Dublin 2; 19 acre site at Carrickmines Park, Dublin 18; 8 acre site at Waterside, Citywest Business Campus, Dublin 24; Quantum Distribution Park, Kilshane Cross, Co. Dublin and Aerodrome Business Park, Rathcoole, Co. Dublin.

The properties formerly known as Wilton Park House, Gardner House and Lad Lane apartments have been reclassified as 'Investment properties under development' during the year as they have been incorporated into the Two to Four Wilton Park development.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

10. Investment properties (continued)

The fair value of the Company's investment properties, as determined by the Company's external real estate valuers, differs from the fair value presented in the statement of financial position due to the Company presenting lease incentives separately. The above table reconciles the fair value of the investment properties as calculated by the external real estate valuers to the fair value of the investment properties included in the statement of financial position with the net movement on fair values in the statement of comprehensive income.

Included within the capital expenditure on investment properties in the period is capitalised borrowing costs of €3,005,000 (2019: €2,132,000) and development team costs of €1,544,000 (2019: €1,491,000).

The following table shows the impact of tenant lease incentives amortised in the period on the movement on fair value of investment properties.

	2019 Investment properties	2019 Investment properties under development	2019 Total
	€'000	€'000	€'000
Valuation surplus	41,244	21,378	62,622
Valuation deficit	(40,478)	(4,327)	(44,805)
Movement on fair value of investment properties	766	17,051	17,817
Less: movement in tenant lease incentives	(3,929)	–	(3,929)
Net movement on fair value of investment properties	**(3,163)**	**17,051**	**13,888**

	2020 Investment properties	2020 Investment properties under development	2020 Total
	€'000	€'000	€'000
Valuation surplus	27,732	24,926	52,658
Valuation deficit	(85,184)	(11,282)	(96,466)
Movement on fair value of investment properties	(57,452)	13,644	(43,808)
Add: movement in tenant lease incentives	497	–	497
Net movement on fair value of investment properties	**(56,955)**	**13,644**	**(43,311)**

Valuations are performed on a quarterly basis and the breakdown of properties valued by the Company's two independent property valuers at 31 December 2020 are as follows:

	2019 Investment properties	2019 Investment properties under development	2019 Total
	€'000	€'000	€'000
JLL	1,321,750	160,754	1,482,504
CBRE	1,204,930	50,525	1,255,455
	2,526,680	**211,279**	**2,737,959**

10. Investment properties (continued)

	2020 Investment properties	2020 Investment properties under development	2020 Total
	€'000	€'000	€'000
JLL	1,192,710	263,170	1,455,880
CBRE	1,274,780	198,850	1,473,630
	2,467,490	**462,020**	**2,929,510**

The Company's investment properties are held at fair value and were valued at 31 December 2020 by the external property valuers, JLL and CBRE. Both firms are independent qualified valuers in accordance with the Royal Institution of Chartered Surveyors Valuation – Global Standards 2017, VPS 4 and IVS Framework in accordance with IFRS 13. The valuation process includes a physical inspection of all properties at least once a year. In line with IFRS 13, all investment properties are valued on the basis of their highest and best use. The property valuers' opinion of fair value is primarily derived from using comparable recent market transactions at arm's length terms and using appropriate valuation techniques. The fair value of investment properties is determined using the income capitalisation approach. Under this approach, forecast net cash flows, based upon market derived estimated present rental values (market rent), together with estimated costs are discounted at market derived capitalisation rates to produce the valuers' opinion of fair value.

In respect of the company's retail properties, as at the valuation date the external property valuers were faced with an unprecedented set of circumstances caused by Covid-19 and an absence of relevant/sufficient market evidence on which to base their judgements. Their valuation of the retail properties is therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, in respect of these valuations less certainty – and a higher degree of caution – should be attached to the valuations than would normally be the case.

For the avoidance of doubt, this 'material valuation uncertainty' declaration, does not mean that the valuations cannot be relied upon. Rather, this explanatory note has been included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of Covid-19 we highlight the importance of the valuation date.

All investment properties are categorised as Level 3 in the fair value hierarchy (see Note 3 for definition) as one or more inputs to the valuation are partly based on unobservable market data. There were no transfers in or out of Level 3 during the year.

Key unobservable inputs

The following table summaries the valuation techniques and inputs used in the determination of the property valuations;

	2020				2019			
	ERV - per sq ft		Equivalent yield		ERV - per sq ft		Equivalent yield	
	Low €	High €	Low	High	Low €	High €	Low	High
Office	5	64	3.9%	6.7%	5	64	3.9%	6.5%
Retail	5	525	3.6%	5.9%	5	660	3.2%	5.9%
Industrial	3	11	5.0%	7.3%	3	11	5.1%	7.3%

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10. Investment properties (continued)

Sensitivities

The following schedule shows the impact of changes in key unobservable inputs on the fair value of the Company's properties through the increase/decrease of 0.25% in equivalent yield:

	2020		2019	
	0.25% increase in equivalent yield	0.25% decrease in equivalent yield	0.25% increase in equivalent yield	0.25% decrease in equivalent yield
	€'000	€'000	€'000	€'000
Office	(140,650)	146,450	(109,223)	121,832
Retail	(21,445)	23,956	(30,471)	34,079
Industrial	(13,500)	14,792	(13,033)	14,233
Land	–	–	–	–
Other	(300)	316	(1,254)	1,380
	(175,895)	**185,514**	**(153,981)**	**171,524**

11. Financial asset

	2020	2019
	€'000	€'000
Investment	–	–
	–	**–**

Northern Trust Fiduciary Services (Ireland) Limited holds, in its capacity as Depositary to the Company, the entire share capital of IPUT Secretarial Limited (€2) and IPUT Asset Services Limited (€100). IPUT Secretarial Limited acts as company secretary to IPUT plc and IPUT Asset Services Limited employs the building managers for a number of IPUT's multi-let properties. Both companies have their registered address at 47-49 St. Stephen's Green, Dublin 2. The investments are recognised at cost less impairment.

Further details in respect of the subsidiaries is given in Note 23.

12. Investment properties held for sale

	2020	2019
	€'000	€'000
Fair value at 1 January	16,000	67,770
Transfer from investment properties	–	16,000
Disposals	(16,000)	(67,770)
Fair value at 31 December	**–**	**16,000**

The Company completed the sale of its 35% interest in Opera Lane, Cork on 11 August 2020. The property was held for sale at 31 December 2019.

13. Property, plant and equipment

	Land & buildings	Fixtures & fittings	Computer equipment	Motor vehicles	Total
	€'000	€'000	€'000	€'000	€'000
Cost					
At 1 January 2019	6,439	555	117	108	7,219
Additions	316	85	8	36	445
Revaluation	53	–	–	–	53
	6,808	640	125	144	7,717
Depreciation/Revaluation					
At 1 January 2019	–	130	54	67	251
Depreciation charge for the year	390	111	32	34	567
Revaluation	(258)	–	–	–	(258)
	132	241	86	101	560
Net book amounts as at 31 December 2019	**6,676**	**399**	**39**	**43**	**7,157**

	Land & buildings	Fixtures & fittings	Computer equipment	Motor vehicles	Total
	€'000	€'000	€'000	€'000	€'000
Cost					
At 1 January 2020	6,808	640	125	144	7,717
Additions	2,384	47	16	45	2,492
Revaluation	108	–	–	–	108
Disposals	–	–	–	(48)	(48)
	9,300	687	141	141	10,269
Depreciation/Revaluation					
At 1 January 2020	132	241	86	101	560
Depreciation charge for the year	400	111	32	29	572
Disposals	–	–	–	(37)	(37)
Revaluation	(268)	–	–	–	(268)
	264	352	118	93	827
Net book amounts as at 31 December 2020	**9,036**	**335**	**23**	**48**	**9,442**

Property, plant and equipment includes right of use assets of €77,500 (2019: €215,000) related to leased properties that do not meet the definition of investment property and motor vehicles.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

14. Trade and other receivables

	2020	2019
	€'000	€'000
Trade receivables	1,953	110
Provision for unpaid rents	(1,792)	–
VAT receivable	4,696	17,117
Prepayments and other receivables	6,751	123,960
Total current trade and other receivables	**11,608**	**141,187**
Non-current trade and other receivables	17,257	18,930
Total trade and other receivables	**28,865**	**160,117**

An analysis of the receivable balances that are past due has determined that a provision of €1,792,000 (2019: nil) be provided at year end. This is recognised in the net rental income in the statement of comprehensive income.

Included within prepayments and other receivables is withholding tax of €5,139,000 (2019: €4,844,000) deducted from shareholders and payable to the Revenue Commissioners.

The Company transferred €118,538,000 to its legal advisors to acquire 3 Dublin Landings, IFSC, Dublin 1 in December 2019. This acquisition completed on 20 January 2020.

Included within non-current trade and other receivables are tenant lease incentives of €17,257,000 (2019: €18,930,000). These amounts relate to rents recognised in advance as a result of spreading the effect of rent free periods, capital contributions in lieu of rent free periods and contracted rent uplifts over the expected terms of their respective leases. At year end, the Company completed an impairment review of the tenant lease incentives debtor and considered the impact which Covid-19 has had on each individual tenant and their business. An impairment of €6,133,000 (2019: nil) primarily relating to retail tenants was recognised in the statement of comprehensive income at the year end.

15. Cash and cash equivalents

	2020	2019
	€'000	€'000
Cash at bank and in hand	79,815	74,062
	79,815	**74,062**
Restricted cash and cash equivalents		
Rental deposits	3,177	3,219
Sinking funds	3,615	2,645
	6,792	**5,864**

Rental deposits and sinking fund monies represent cash held in bank accounts with conditions that restrict the use of those monies, and as such, does not meet the definition of cash and cash equivalents as defined in IAS 7 'Statement of Cash Flows'. At the statement of financial position date and date of approval of the financial statements there was no requirement to draw down these monies for at least twelve months, hence they are considered non-current.

16. Trade and other payables

	2020	2019
	€'000	€'000
Trade creditors	184	137
Rent received in advance	10,756	11,549
Accruals and other payables	54,783	19,318
Total current trade and other payables	**65,723**	**31,004**
Non-current trade and other payables	6,792	5,864
Total trade and other payables	**72,515**	**36,868**

New share subscriptions of €36,000,000 (2019: nil) were received in advance of the January 2021 dealing day and are included in accruals and other payables at the year end.

Included in non-current trade and other payables are sinking fund amounts of €3,615,000 (2019: €2,645,000) and tenant rental deposits of €3,177,000 (2019: €3,219,000). Sinking fund balances represent monies contributed by tenants through individual property service charges in various multi-tenanted properties.

These funds are held in the name of the Company in specifically designated accounts for each individual property until such time that works of a capital nature to common areas require funding. Corresponding amounts are held as restricted cash and cash equivalents (see Note 15).

17. Borrowings

	2020	2019
	€'000	€'000
Total Borrowings		
Revolving credit facility	42,718	148,954
US private placement	198,775	–
Balance at 31 December	**241,493**	**148,954**

Revolving Credit Facility	2020	2019
	€'000	€'000
Drawn balance	43,867	149,849
Arrangement fees and other costs	(2,087)	(1,465)
Amortised costs	938	570
Balance at 31 December	**42,718**	**148,954**
The maturity of borrowings is as follows:		
Less than 1 year	–	–
Between 2 and 5 years	42,718	148,954
Over 5 years	–	–
Total	**42,718**	**148,954**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

17. Borrowings (continued)

On 20 March 2020 terms for a new five year revolving credit facility replaced the existing facility which had a maturity date on 10 May 2023. The new revolving credit facility with Wells Fargo Bank International was for €300,000,000, which includes a €200,000,000 green component, at a margin of Euribor +1.25%. There were a number of drawdowns during the year to fund the Company's development and refurbishment projects. As at 31 December 2020 the Company had undrawn facilities of €256,133,000.

US private placement	2020	2019
	€'000	€'000
1.10% private placement notes 2030	75,000	–
1.25% private placement notes 2032	125,000	–
Arrangement fees and other costs	(1,298)	–
Amortised costs	73	–
Balance at 31 December	**198,775**	**–**
The maturity of borrowings is as follows:		
Less than 1 year	–	–
Between 2 and 5 years	–	–
Over 5 years	198,775	–
Total	**198,775**	**–**

On 24 March 2020, the Company agreed terms on a €200,000,000 US private placement with maturities in 2030 and 2032, with fixed rates of 1.10% and 1.25% respectively. The drawdown of these funds were used to repay a portion of the revolving credit facility. The private placement debt commits the Company to certain obligations in the event of a prepayment. This represents an embedded derivative that requires separation from the carrying value of the private placement debt. The fair value of the derivative as at 24 March 2020 and 31 December 2020 was Nil.

The private placement debt and revolving credit facility are secured by way of a floating charge over the assets of the Company. During the twelve months ended 31 December 2020, the Company complied with all covenants related to its borrowings under all facilities.

Reconciliation of movement of liabilities to cash flows arising from financing activities

			Non-cash changes		
	Opening	Cash flows	Dividend declared	Amortised fees	Closing
2019	€'000	€'000	€'000	€'000	€'000
Long term borrowings	68,794	79,904	–	256	148,954
Dividends payable	26,211	(105,508)	106,653	–	27,356
Total liabilities from financing activities	**95,005**	**(25,604)**	**106,653**	**256**	**176,310**
2020	€'000	€'000	€'000	€'000	€'000
Long term borrowings	148,954	92,098	–	441	241,493
Dividends payable	27,356	(104,066)	102,540	–	25,830
Total liabilities from financing activities	**176,310**	**(11,968)**	**102,540**	**441**	**267,323**

18. Share capital

	2020 €'000	2020 No. of participating shares	2019 €'000	2019 No. of participating shares
Participating shares issued and fully paid				
Shares in issue on 1 January		2,475,381		2,238,363
Repurchase of own shares	(21,123)	(19,554)	(15,085)	(13,864)
Issue of shares	4,718	4,195	282,732	250,882
		2,460,022		**2,475,381**

The issuance and repurchasing of participating shares throughout the period is outlined in the table above.

Each of the participating shares entitles the shareholder to participate equally on a pro-rata basis in the dividends and net assets of the Fund. Each of the participating shares entitles the holder to attend and vote at meetings of the Company and of the Fund. The rights, entitlements, dividends or any voting rights attached to one participating share class relate solely to that share class.

The holders of participating shares are entitled to such dividends as the Directors may from time to time declare and, in the event of a winding up, have the entitlements referred to in the Company's Prospectus. At a general meeting, on a show of hands every holder of participating shares present in person or by proxy shall have one vote and on a poll, every holder of participating shares present in person or by proxy shall be entitled to one vote in respect of each participating share held by him.

Applications for shares should be made on the application form and be submitted in accordance with the provisions set out in the prospectus to be received by the administrator on or prior to the dealing deadline for the relevant dealing day which is at least three months prior to the relevant dealing day or in each case such other business day(s) as the Directors may determine, provided the relevant requests are received at least four weeks before the valuation point for the relevant dealing day. The offer price for new shares is set at the net asset value per share at the relevant valuation point plus a provision for duties and charges to cover the costs associated with the deployment of new equity.

Requests for the sale of shares may, at the sole discretion of the Directors, be permitted on each dealing day, and should be submitted to the Company in accordance with the provisions set out in the prospectus. Requests must be received by the relevant dealing deadline, which is at least six months prior to the relevant dealing day or in each case such other business day(s) as the Directors may determine, provided the relevant requests are received at least four weeks before the valuation point for the relevant dealing day.

Shares are repurchased at the repurchase price. The repurchase price is set at the net asset value per share in the Fund at the relevant valuation point less a provision for duties and charges to cover the costs associated with the disposal of commercial property in Ireland.

The Fund's dealing days are the first business days of January, April, July and October.

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19. Net asset value per share

	2020	2019	2018
	€'000	€'000	€'000
Total assets	3,026,048	2,958,301	2,597,220
Total liabilities	(339,838)	(213,178)	(137,369)
Net assets at year end	**2,686,210**	**2,745,123**	**2,459,851**

	2020	2019	2018
	Shares	Shares	Shares
Number of shares in issue	**2,460,022**	**2,475,381**	**2,238,363**

	2020	2019	2018
	€	€	€
Net asset value per share	**1,091.95**	**1,108.97**	**1,098.95**
INREV net asset value per share (unaudited)	**1,111.52**	**1,127.18**	**1,114.67**

20. Dividends payable

			2020	2019
	Payment date	€ per share	€'000	€'000
For the year ended 31 December 2019				
Q1 dividend	5 April 2019	11.50		25,846
Q2 dividend	5 July 2019	11.50		26,457
Q3 dividend	7 October 2019	11.50		26,994
Q4 dividend	8 January 2020	11.50		27,356
		46.00		
For the year ended 31 December 2020				
Q1 dividend	7 April 2020	11.00	27,231	
Q2 dividend	7 July 2020	9.50	23,508	
Q3 dividend	7 October 2020	10.50	25,970	
Q4 dividend	8 January 2021	10.50	25,830	
		41.50		
Total dividends			**102,539**	**106,653**

21. Financial risk management

The Company is exposed to various types of risk that are associated with financial instruments. The most important types are market risk, liquidity risk and credit risk.

Market risk

Market risk is the risk that the fair values or future cash flows of financial instruments will fluctuate due to changes in market prices. The Company's financial assets comprise short term bank deposits and trade and other receivables. Exposure to market risk on the funds held in short term bank deposits is limited to interest rate risk. These deposits earn low interest rates and therefore an increase or decrease in the interest rate would not have a material effect on the results for the period. The Company's financial liabilities comprise dividends and trade and other payables, neither of which give rise to a significant market risk.

The Company does not have any exposure to foreign currency risk as all assets and liabilities are denominated in Euro.

The Company invests in commercial property in Ireland and as such is exposed to the risks of investing in the Irish property market. See Note 4 and Note 10 for further details.

Liquidity risk

Liquidity risk is the risk that the Company will encounter in realising assets or otherwise raising funds to meet financial commitments. The investment properties in which the Company invests are not traded on a public market and may be illiquid. As a result, the Company may not be in a position to liquidate its investments in a timely manner at an amount close to their fair value in order to meet its liquidity requirements.

Any request for the repurchase of shares made to the Company are accepted at the sole discretion of the Directors. The Company has a minimum six month dealing term to which the Directors can extend in line with the liquidity of the Fund.

In order to mitigate this risk, the Company maintains a level of liquidity appropriate to its underlying obligations, based on an assessment of the relative liquidity of the Company's assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated and their sensitivity to other market risks or factors. The Company's liquidity risk is managed on an on-going basis by the senior management team and monitored on a quarterly basis by the Board.

The Company had contracted capital commitments of €377,600,000 at 31 December 2020 (2019: €110,900,000) which related to construction contracts for the refurbishment/development projects over the next four years. In order to manage the liquidity risk around the funding of these projects, the Company replaced the €250,000,000 Revolving Credit Facility ('RCF') with a new five year €300,000,000 RCF with Wells Fargo in March 2020 and raised an additional €200,000,000 of long term debt on the US private placement market.

The Board of Directors seek to maintain minimum cash balances of approximately 1% of the net asset value of the Company. At the 31 December 2020 the company held €79,815,000 (2019: €74,062,000) which is 2.97% (2019: 2.70%) of the net asset value.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

21. Financial risk management (continued)

Details of the Company's financial liabilities and their maturities are as follows:

	At 31 December 2019	1 year or less	2 to 5 years	5 years +
	€'000	€'000	€'000	€'000
Trade creditors	137	137	–	–
Accruals and other payables	19,318	19,318	–	–
Rental deposits	3,219	–	3,219	–
Dividend payable	27,356	27,356	–	–
Borrowings	148,954	–	148,954	–

	At 31 December 2020	1 year or less	2 to 5 years	5 years +
	€'000	€'000	€'000	€'000
Trade creditors	184	184	–	–
Accruals and other payables	54,783	54,783	–	–
Rental deposits	3,177	2,100	1,077	–
Dividend payable	25,830	25,830	–	–
Borrowings	241,493	–	42,718	198,775

Interest rate risk

At 31 December 2020 the Company had a €300,000,000 revolving credit facility with Wells Fargo Bank International at a margin of Euribor +1.25%. €43,867,000 of this facility was drawn at the reporting date including the deduction of arrangement and other facility fees. The Interest incurred on the revolving credit facility in the period was €2,120,000 (2019: €2,132,000).

An increase/decrease in the interest rate by 10 basis points will result in an increase/decrease of €43,867 on the debt of €43,867,000.

There is no interest rate risk on the €200,000,000 US private placement debt as it carries a fixed interest rate.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk arises from cash and cash equivalents held at banks, trade receivables and rent receivables from lessees.

The Company's policy is to enter into financial instruments with reputable counterparties. The senior management team closely monitor the creditworthiness of the Company's counterparties by reviewing their credit ratings and financial information on a regular basis.

In relation to rental income receivable, the senior management team assess the tenants according to the Company's criteria prior to entering into lease arrangements. Tenants payment records are monitored in order to anticipate and minimise the impact of any defaults and the Board receive regular reports on any tenants in arrears. The Company is not exposed to any concentration of rental income from any one tenant.

Management have considered factors that may influence the credit risk of its customer base including the default risk associated with a specific industry or sector. The company monitors customers in each sector for potential exposures and deterioration in creditworthiness as a result of Covid-19. Details of the concentration of revenue by sector are set out in Note 4.

Impairment losses on trade receivables and lease incentive assets were recognised in the income statement.

21. Financial risk management (continued)

All of the Company's cash is placed with financial institutions with a credit rating of at least B (Ulster Bank Ireland DAC A-, Bank of Ireland Group plc BBB-, Permanent TSB plc BBB- and Barclays Bank plc A, based on Standard & Poor's long term rating). Should the financial position of the banks currently utilised significantly deteriorate, cash holdings would be moved to another bank. Cash deposits are spread across a number of different financial institutions with a maximum of 50% of cash held with any one institution at any one time.

Northern Trust Fiduciary Services (Ireland) Limited ("NTFSIL") is the appointed Depositary to the Company. NTFSIL has appointed The Northern Trust Company ("TNTC") as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation ("NTC"). NTC had a long term credit rating from Standard & Poor's of A+ at 31 December 2020.

The carrying amount of financial assets represents the maximum credit exposure:

	2020	2019
	€'000	€'000
Cash and cash equivalents	79,815	74,062
Restricted cash and cash equivalents	6,792	5,864
Trade and other receivables	28,865	160,117
	115,472	**240,043**

Fair value hierarchy

As at 31 December 2020, the carrying values of all financial assets and liabilities reflected in the financial statements approximate to their fair values and are classified in Level 2 of fair value hierarchy.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern. The capital structure of the Company at 31 December 2020 consisted entirely of equity. Equity comprises issued share capital and retained earnings as disclosed in the statement of changes in equity. The Board monitors the return on capital as well as the level of dividends paid to shareholders. It is the policy of the Company to pay dividends from accumulated revenue less expenses.

In accordance with the European Union (Alternative Investment Fund Managers Directive) Regulations 2013, the Company maintains an issued share capital of at least €300,000. The Minimum Capital Requirements state that the Company must hold the higher of Initial Capital Requirement plus Additional Amount (if applicable) and Expenditure. Based on our calculations the Expenditure method produces the higher figure. The required total of the initial capital and the additional amount shall not be required to exceed €10,000,000.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

22. Remuneration disclosures

The Board has established a Remuneration Committee which is responsible for the making of decisions regarding remuneration of the Company's staff. The Board has adopted a Remuneration Policy which sets out the remuneration practices of the Company and which are intended to be consistent with the risk profile of the Company. The policy is to pay identified staff a fixed component with the potential to receive a variable component based on a combination of the performance of the individual and the Company. The fixed and variable remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant member of staff's position and professional status as well as market best practice. The assessment of performance is set in a multi-year framework appropriate to the life cycle of the Company in order to ensure that the assessment process is based on longer term performance.

The Directors and certain members of the senior management team are considered to be the Company's key management personnel. No Director or member of the senior management team had any interest in any transactions which were unusual in their nature or significant to the nature of the Company. The total remuneration of the key management personnel and fifteen identified staff (including members of the development team whose remuneration costs have been capitalised) who have a material impact on the risk profile of the Company, is set out below in aggregate for each of the applicable categories specified in IAS 24 'Related Party Disclosures':

		2019		
	Fixed	Variable		Total
		Short term benefits	Share based payments	
	€'000	€'000	€'000	€'000
Total remuneration of key management personnel and identified staff	3,012	1,960	1,158	6,130

		2020		
	Fixed	Variable		Total
		Short term benefits	Share based payments	
	€'000	€'000	€'000	€'000
Total remuneration of key management personnel and identified staff	3,088	1,927	1,149	6,164

Included within the variable component are amounts recognised in the statement of comprehensive income, in accordance with IFRS 2 Share-based Payment, relating to 1,207 shares which were issued to key management personnel at the NAV per share price on 2 January 2020 (2019: 748). These shares were granted to incentivise and align management's interests with those of shareholders and include a requirement to hold the shares for a minimum of five years. The shares were issued to participants at the net asset value per share at the date of issue i.e. €1,108.97 per share. The cost of awarding these shares amounted to €1,338,000.

In addition, key management personnel were awarded the right to be issued 377 shares in 2023 (2019: 320 shares in 2022). The entitlement to these shares is conditional on continued service and company performance over a 3 year vesting period. The fair value of the award has been measured with respect to the net asset value per share at the reporting date and after considering the conditions associated with the award. The cost will be recognised over the 3 year vesting period to 31 December 2022, subject to service and performance conditions and an amount of €498,000 has been included in accruals and other payables at 31 December 2020.

23. Related party disclosures

To the extent not disclosed elsewhere in this report, details of the Company's related parties are set out below. The Company's principal subsidiaries as at 31 December 2020 are as follows:

Related company	Company's interest	Nature of business	Country of incorporation
IPUT Secretarial Limited	100%	Corporate services	Ireland
IPUT Asset Services Limited	100%	HR services for building managers	Ireland

In addition, the Company holds an interest in a number of management companies responsible for the collection of service charges on properties owned by the Company. The Company has availed of an exemption under IFRS from preparing consolidated accounts on the basis that its subsidiaries are not material to the Company's operations.

The Directors received total remuneration of €555,000 during the year 2020 (2019: €615,000). No Directors fees remained payable at the year end. Details of Directors interests are set out in the Directors' Report.

The Directors are satisfied that there are arrangements in place to ensure that the obligations set out in the AIF Rulebook in respect of dealings by the Company, the depositary or any delegates or group companies of these are applied to all transactions with connected parties.

24. Operating lease arrangements

The Company generates rental income through the leasing of investment properties to tenants under non-cancellable operating leases. The Company had contracted to receive the below minimum lease payments at 31 December 2020.

	2020	2019
	€'000	€'000
Within 1 year	121,980	119,640
After 1 year but not more than 5 years	409,951	428,248
More than 5 years	258,109	286,145
	790,040	**834,033**

The Company generates rental income through the leasing of investment properties to occupiers under non-cancellable operating leases. The Company had contracted to receive the above minimum lease payments at 31 December 2020.

25. Administration Fee

The Administrator ('Northern Trust Fund Administration Services (Ireland) Limited') is entitled to receive out of the assets of the Company, accrued and payable quarterly in arrears, the following fees:

- an annual fee based on a stepped percentage of the gross asset value, as at each dealing day (subject to a minimum annual fee of €80,000); and
- an annual fee of €100 per investor for the maintenance of their account; and

For the year ended 31 December 2020, the Administrator earned a fee of €239,000 (2019: €248,000), of which €60,000 was due and payable at the year end (2019: €60,000).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

26. Depositary Fee

The Depositary ('Northern Trust Fiduciary Services (Ireland) Limited') is entitled to receive out of the assets of the Company, an annual fee based on a stepped percentage of the net asset value of the Company as at each dealing day. This fee is subject to a minimum annual fee of €44,000. The fee is accrued and payable quarterly in arrears. The Depositary is also entitled to a transaction fee for each purchase and sale of an asset of €500 per transaction. For the year ended 31 December 2020, the Depositary earned a fee of €308,000 (2019: €302,000), of which €77,000 was due and payable at the year end (2019: €76,000).

27. Funds committed

The Company had received new share applications with a cumulative value totalling €37,546,000 as at 31 December 2020 (31 December 2019: €1,338,000). These applications were considered by the Directors and were drawn down on 4 January 2021.

28. Changes to prospectus

The prospectus was reviewed and updated on the 5 May 2020.

29. Soft commission arrangements

There were no soft commission arrangements undertaken during the year ended 31 December 2020 (2019: none).

30. Capital commitments

The Company had contracted capital commitments of €377,600,000 at 31 December 2020 (2019: €110,900,000) which related to construction contracts and design team fees for the refurbishment/redevelopment projects in progress at year end.

31. Litigation

From time to time the Company is involved in various legal matters and claims in the normal course of business. These matters are monitored by the Board of Directors on an ongoing basis and any potential outcome is not considered to have a material impact on the financial statements.

32. Events after the reporting year end

On 4 January 2021 the Company issued 34,384 shares at a cost of €37,546,000. This transaction, after the reporting year end, was not characterised by unusual size or frequency.

On 4 January 2021 the Company repurchased 7,615 shares at a cost of €8,281,000. This transaction, after the year end, was not characterised by unusual size or frequency.

The Company has taken the necessary measures to ensure the safety of our staff through the initiation of our business continuity procedures. The Board and Senior Management Team are closely monitoring the ongoing developments regarding the Covid-19 pandemic and its impact on our operations and performance. Whilst we cannot be certain how much longer this situation will last, we continue to monitor and manage the situation closely as it evolves and adjust our plans as appropriate.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of IPUT plc (the 'Company') will be held virtually on Microsoft Teams on 29 April 2021 at 12pm to review the affairs of the Company and to consider and, if thought fit, to pass the following resolutions:

Ordinary Business:

1. To receive and consider the directors' and auditor's report and financial statements for the year ended 31 December 2020;
2. To re-appoint KPMG as auditors to the Company and to authorise the directors to fix the auditor's remuneration;

And to transact any other business which may properly be brought before the meeting.

By Order of the Board

IPUT Secretarial Limited
Company Secretary
6 April 2021

GLOSSARY OF TERMS

Capital Raised
Cash received from the issuance of new shares.

Dividend Per Share
Annual dividend declared divided by the weighted average number of shares in issue.

Dividend Yield
Dividend per share expressed as a percentage of the average net asset value per share over the entire year.

Estimated Rental Value (ERV)
The open market rent that a property could reasonably be expected to achieve on a new letting or rent review.

Income Yield
Annual rent receivable on an investment property expressed as a percentage of the total acquisition cost.

Net Asset Value Per Share
Net assets divided by the number of shares in issue at the reporting date.

Net Rental Income
Gross rental income less operating property costs, net service charge costs and after accounting for the net effect of the amortisation of lease incentives.

Occupancy Rate
The estimated rental value of let units as a percentage of the total estimated rental value of the portfolio, excluding properties which are undergoing refurbishment/development and are not available to let as at the reporting date.

QIAIF
Qualifying Investor Alternative Investment Fund.

Total Expense Ratio
Total Management and Fund expenses as a proportion of the weighted average net asset value of the Fund.

Total Property Return (MSCI)
The movement in property capital values during the period, less any capital expenditure incurred, plus capital receipts and net income, expressed as a percentage of the property value at the beginning of the year plus capital expenditure, as calculated by MSCI.

Total Shareholder Return
The movement in the net asset value per share plus dividends per share earned in the year, expressed as a percentage of the net asset value per share at the beginning of the year.

WAULT
Weighted average unexpired lease term.

Loan-to-Value
Amount of existing loan as a percentage of the value of the portfolio.

Reversionary Yield
The capitalisation rate applied to the estimated rental value.

Equivalent Yield
The weighted average income return (allowing for notional purchasers' costs) a property will produce based on the timing of the income received and allowing for void periods and capital expenditure (if required) at lease end.

PROPERTY PORTFOLIO MAP

95 Properties

Office

1. 10 Molesworth Street, Dublin 2
2. 15 Molesworth Street, Dublin 2
3. 2 Hume Street, Dublin 2
4. 46 St. Stephen's Green, Dublin 2
5. 47-49 St. Stephen's Green, Dublin 2
6. 5 Earlsfort Terrace, Dublin 2 (75%)
7. 6 Earlsfort Terrace, Dublin 2 (75%)
8. Deloitte House, Earlsfort Terrace, Dublin 2
9. Styne House, Hatch Street, Dublin 2
10. 2 Harcourt Centre, Dublin 2
11. 3 Harcourt Centre, Dublin 2
12. Ballaugh House, 73-79 Lower Mount Street, Dublin 2
13. Timberlay House, 79-83 Lower Mount Street, Dublin 2
14. One Wilton Park, Dublin 2
15. Two-Three Wilton Park, Dublin 2
16. Four Wilton Park, Dublin 2
17. 1 Shelbourne Buildings, Shelbourne Road, Dublin 4
18. 2 Shelbourne Buildings, Shelbourne Road, Dublin 4
19. 3 Shelbourne Buildings, Shelbourne Road, Dublin 4
20. 51-54 Pearse Street & Magennis Court, Dublin 2
21. Block B, George's Quay, Dublin 2
22. Tropical Fruit Warehouse, Sir John Rogerson's Quay, Dublin 2
23. 33-34 Sir John Rogerson's Quay, Dublin 2
24. Riverside One, Sir John Rogerson's Quay, Dublin 2
25. Riverside Two, Sir John Rogerson's Quay, Dublin 2
26. 1 Grand Canal Square, Dublin 2
27. 7 Hanover Quay, Dublin 2
28. 25-28 North Wall Quay, IFSC, Dublin 1
29. The Exchange, IFSC, Dublin 1
30. No. 3 Dublin Landings, IFSC, Dublin 1
31. Block P1, Eastpoint Business Park, Dublin 3
32. Block P3, Eastpoint Business Park, Dublin 3
33. Block 5, Richview Office Park, Clonskeagh, Dublin 14
34. Block 9, Richview Office Park, Clonskeagh, Dublin 14
35. Ericsson House, Beech Hill, Clonskeagh, Dublin 14
36. Waterside 1, Citywest Business Campus, Dublin 24 (50%)
37. Waterside 2, Citywest Business Campus, Dublin 24 (50%)
38. Waterside 3, Citywest Business Campus, Dublin 24 (50%)
39. Waterside 4, Citywest Business Campus, Dublin 24 (50%)
40. Waterside 5, Citywest Business Campus, Dublin 24 (50%)
41. 4 Fitzwilliam Place, Dublin 2

Retail

42. Airside Retail Park, Swords, Co. Dublin (50%)
43. Carrickmines Park, Dublin 18
44. Unit 11, Liffey Valley Retail Park, Dublin 22 (50%)
45. 28-29 Grafton Street, Dublin 2
46. 36 Grafton Street, Dublin 2
47. 40 Grafton Street, Dublin 2
48. 65-66 Grafton Street, Dublin 2 (60%)
49. 69 Grafton Street, Dublin 2
50. 72 Grafton Street, Dublin 2
51. 83 Grafton Street, Dublin 2
52. 6-7 St. Stephen's Green, Dublin 2
53. 16 Henry Street, Dublin 1
54. 17 Henry Street, Dublin 1
55. 45 Henry Street, Dublin 1
56. 15-16 Baggot Street, Dublin 2
57. Mahon Retail Park, Cork

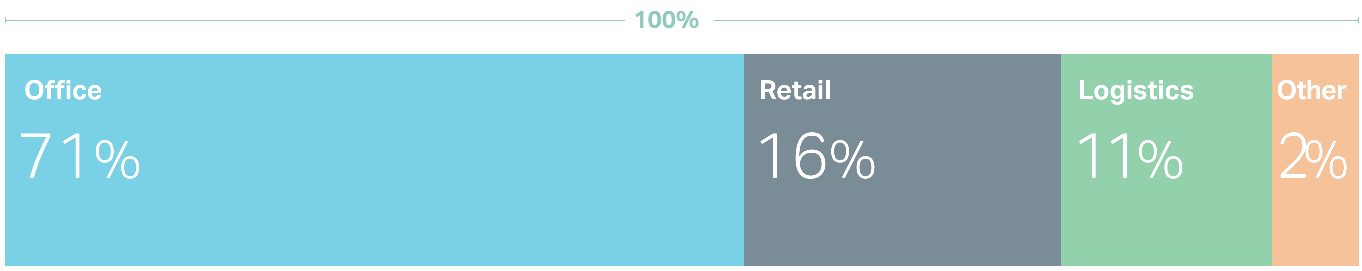
Logistics

58. Unit A, Furry Park Industrial Estate, Dublin 9
59. Unit D, Furry Park Industrial Estate, Dublin 9
60. Unit E, Furry Park Industrial Estate, Dublin 9
61. Unit K, Furry Park Industrial Estate, Dublin 9
62. Unit L, Furry Park Industrial Estate, Dublin 9
63. Unit M1, Furry Park Industrial Estate, Dublin 9
64. Unit M2, Furry Park Industrial Estate, Dublin 9
65. Unit N, Furry Park Industrial Estate, Dublin 9
66. Unit C, North Dublin Corporate Park, Swords, Co. Dublin
67. Unit D1, North Dublin Corporate Park, Swords, Co. Dublin
68. Unit D2, North Dublin Corporate Park, Swords, Co. Dublin
69. Unit E, North Dublin Corporate Park, Swords, Co. Dublin
70. Unit F, North Dublin Corporate Park, Swords, Co. Dublin
71. Unit D1, Airport Business Park, Swords, Co. Dublin
72. Unit A, Willsborough Distribution Centre, Dublin 17
73. Unit B, Willsborough Distribution Centre, Dublin 17
74. Unit 14/16, Blanchardstown Corporate Park, Ballycoolin, Dublin 15
75. Unit 1, Damastown Business Park, Mulhuddart, Dublin 15
76. Unit 103, Northwest Business Park, Ballycoolin, Dublin 15
77. Unit 624, Northwest Business Park, Ballycoolin, Dublin 15
78. Unit 1, Rosemount Business Park, Dublin 15
79. Unit 5, Westgate Business Park, Dublin 24
80. Unit 6A, Westgate Business Park, Dublin 24
81. Unit 6B, Westgate Business Park, Dublin 24
82. Unit 7, Westgate Business Park, Dublin 24
83. Unit 92, Bracken Road, Sandyford Industrial Estate, Dublin 18
84. Unit D, Kilcarbery Distribution Park, Clondalkin, Dublin 22
85. Unit E, Kilcarbery Distribution Park, Clondalkin, Dublin 22
86. 4058-4060 Kingswood Drive, Citywest Business Campus, Dublin 24
87. 4045 Kingswood Road, Citywest Business Campus, Dublin 24
88. Unit 1, Dublin Airport Logistics Park, Co. Dublin
89. Unit G, Aerodrome Business Park, Rathcoole, Co. Dublin

Other

90. No. 43 Court Apartments, Wilton Place, Dublin 2
91. 2-4 Wilton Terrace, Wilton Place, Dublin 2
92. 8 acre site at Waterside, Citywest Business Campus, Dublin 24 (50%)
93. Quantum Distribution Park, Kilshane Cross, Co. Dublin
94. 19 acre site at Carrickmines Park, Dublin 18
95. 8 acre site at Aerodrome Business Park, Rathcoole, Co. Dublin

98% of portfolio located in Dublin (by value)



CONTACT DIRECTORY

Directors
John Mulcahy (Chairman)
Frank Close
Niall Gaffney
Pat McGinley
Marie Collins
Jim Foley
Donal Courtney
Eithne Fitzgerald

Company Secretary
IPUT Secretarial Limited

Registered Office
47-49 St. Stephen's Green
Dublin 2

Company Number
535460

Bankers
Barclays Bank Ireland
One Molesworth Street
Dublin 2

Wells Fargo Bank International
2 Harbourmaster Place
IFSC
Dublin 1

Ulster Bank
Lower Baggot Street
Dublin 2

Auditors
KPMG
1 Stokes Place
St. Stephen's Green
Dublin 2

Depositary
Northern Trust Fiduciary Services
(Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2

Administrator
Northern Trust International Fund
Administrators (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2

Legal Advisors
A&L Goodbody
25-28 North Wall Quay
IFSC
Dublin 1

Property Valuers
Jones Lang LaSalle
Styne House
Upper Hatch Street
Dublin 2

CBRE
Connaught House
1 Burlington Road
Dublin 4

For more information on IPUT visit our website:
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VICTORIA'S SECRET

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