

Q1

2022

INVESTOR UPDATE

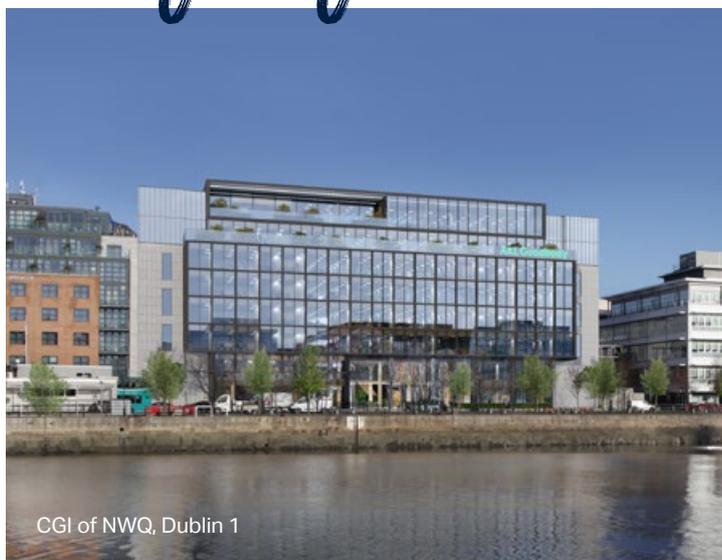
Announced redevelopment of **25 North Wall Quay** - first net zero building

€150 million private placement secured

Launched **Making it Work** - flexible workspace strategy



Highlights



CGI of NWQ, Dublin 1

25 North Wall Quay

We have received a planning permit to fully redevelop our 25 North Wall Quay (NWQ) office holding in Dublin 1, adding two additional floors and extending the floor area to 155,000 sq ft, an increase of 36%. The existing occupier, A&L Goodbody, will relocate to our nearby offices at No. 3 Dublin Landings in summer 2022, to facilitate the works. Once complete, NWQ will become a flagship HQ office building and IPUT's first net zero carbon development.

[Click to watch film: NWQ](#)

Private placement

At the end of 2021, we took advantage of the low interest rate environment by securing a second tranche of long-term (12 & 15 year) US private placement debt. We raised €150 million in December 2021 and these funds were drawn down in March 2022. The blended cost of debt in the Fund is now 1.3%. Our debt levels remain conservative and as of 31 March 2022, our LTV is 12%.



Making it Work,
Pearse Street, Dublin 2

Making it Work

In response to our occupiers need for flexibility, we have launched Making it Work, our flexible workspace brand. We have identified accommodation in the portfolio which will allow us to grow this offer to 5% of our office portfolio over the next few years.

Our first location is a 15,000 sq ft building on Pearse Street, Dublin 2. The property is now fully-let to Strava and Datadog following a comprehensive refurbishment and fit-out. We are now on-site at a further two locations and our aim is to offer flexible fully fitted accommodation on a floor-by-floor basis for one to three years.

[Click to visit website: makingitwork.ie](https://makingitwork.ie)

Portfolio value

€3.1bn

Contracted rental income

€117m

Occupancy

96.2%

WAULT

6.2 Years

Performance Q1 2022

Net asset value (NAV) in the period increased to €2.8bn. Total shareholder return was 1.6% which was driven by an income return of 0.95% and capital return of 0.61%. This enabled us to pay a cash dividend of €10.50 per share or €26.34 million for the quarter.

Net asset value	Quarterly dividend	Annualised dividend yield	Quarterly shareholder return
€2.8bn	€26.3m	3.8%	1.6%

The value of the IPUT portfolio as at 31 March 2022 was €3.14bn representing a 0.61% net capital value increase over Q4 2021.

Across the portfolio every sector is showing positive capital value movements:

- Our onsite developments (office and logistics assets) continue to increase in value as they near completion and in this quarter these assets saw an uplift of 1.75%.
- The logistics portfolio was the strongest performing sector again this quarter as a result of strong occupier and investor demand. We are seeing further yield compression and ERV increases, resulting in an increase of 2.7% on last quarters valuation.
- For the first time since the onset of Covid-19 in March 2020, the retail portfolio is showing a positive movement of 0.89% in the quarter. This was due to a number of asset management initiatives and rent reviews being settled ahead of passing rents in our out-of-town retail parks and a convenience retail asset. In addition to this, high street retail values appear to have stabilised.
- The office portfolio continued to show positive capital value movement of 0.20% in the quarter. This was a result of increases to ERV's across our CBD portfolio along with capital value increases from our developments. As part of our ongoing disposal strategy, we successfully sold Ericsson House, Dublin 14 ahead of our Q4 valuation.

Portfolio by asset mix

98% Dublin by value

- **69%** Office: €2,174 million
- **14%** Retail: €438 million
- **14%** Logistics: €434 million
- **3%** Other



Portfolio by location

98% Dublin

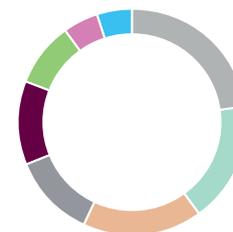
- **41%** Dublin CBD
- **31%** Dublin Docklands
- **26%** Greater Dublin
- **2%** Rest of Ireland



Occupiers by sector

Balanced income

- **23%** Financial services
- **17%** International retailers
- **16%** Legal firms
- **14%** National retailer
- **12%** Technology & Media
- **8%** Other
- **5%** Logistics
- **5%** Public / EU / Embassy



Share price information	31 Mar 2022	31 Dec 2021
Offer price per share	€1,135.58	€1,128.69
NAV per share	€1,113.32	€1,106.56
Repurchase price per share	€1,096.62	€1,089.96
Dividend per share	€10.50	€10.50
Distribution date	07/04/2022	10/01/2022

Key dates	
NAV announcement - Q1 2022	1 Apr 2022
Dividend payment - Q1 2022	7 Apr 2022
NAV announcement - Q2 2022	1 July 2022
Dividend payment - Q2 2022	7 July 2022

Responsibility

NETZERO2030
GREENING OUR PORTFOLIO



Return to the workplace

In response to the lifting of restrictions, we have updated our working with Covid-19 management plan, setting out key operational changes to the original document and highlighting key measures which will remain in place for the foreseeable future. It includes details of the WELL Health & Safety rating we achieved, which provides a framework for healthy re-occupation of our buildings.

Pictured: Making it Work, Pearse Street, Dublin 2



Living Canvas at Wilton Park, Dublin 2

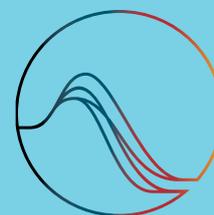


A CULTURAL INITIATIVE BY
IPUT REAL ESTATE
DUBLIN

Digital art at Wilton Park

We have announced our spring programme for Living Canvas, our digital installation at Wilton Park. Showcasing the best digital art in Ireland today, the latest programme features exciting new commissions and more work by Ireland's leading digital artists. The installation puts Ireland's digital art scene on the international stage.

For more information visit: iput.com.com/living-canvas



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

IPUT has received independent validation for our science-based target submission to reduce our scope 1 and 2 emissions by 46% by 2030 to align with limiting global warming to 1.5°C. The SBTi champions adopting a science-based target approach to measure the transition to a low-carbon economy.



For more information on our commitment to sustainability visit:

iput.com/net-zero

Activity

KEY TAKEAWAYS

Current pipeline will add **€42 million of income per annum**

Four units at Quantum Distribution Park **pre-let or reserved**

Seven new lettings adding **€2.1 million of income**

Two-Four Wilton Park, Dublin 2

Asset management

We estimate that the current development pipeline will add an additional €42 million per annum of income once complete and after the expiry of rent-free periods. At 31 March, 79% of this income has been de-risked through pre-letting. The speculative element of the development pipeline is now fully reserved which means that in the coming months, the pipeline income will be fully secured.

We have planning permission for two additional logistics units at Quantum Distribution Park, which total 280,000 sq ft. Both of these units are now reserved and we expect to commence on-site during 2022 once these leases have been signed.

Across the portfolio, there were seven new lettings in the first quarter, adding €2.1 million of income to the Fund. We completed three lease re-gears in the office and logistics portfolio, securing €400,000 of income and extending the terms. Finally, seven rent reviews were settled which saw an uplift of 14% on the passing rent and guaranteed future annual income of €3.6m.

Development



WILTON PARK

Two-Four Wilton Park

This development continues to progress in line with the project programme. Bulk excavations have been completed, and the erection of the steel structure will start in the second quarter.

CARRICKMINES PARK

Phase III

Adjacent to Carrickmines Park, we hold an 19-acre site with a mixed-use planning permit. Following the completion of the new link road, which provides a second access to Carrickmines Park and a connection to the nearby tram station, we lodged an amended planning application to increase the number of residential units and re-configure the retail, leisure and office element. The amended planning also incorporated a three acre park. In this revised application, we have sought to reflect changing retail patterns and the need for more housing. The local authority has refused this application and we are appealing the decision to An Bord Pleanála.



AERODROME

Unit Q, Aerodrome Business Park

Our second logistics development at Aerodrome Business Park, Co. Dublin extending to 160,000 sq ft, is progressing well and remains on schedule to complete in summer 2022. We are targeting BREEAM Excellent and LEED Gold certification. This unit has also been reserved.



QUANTUM

Quantum Distribution Park

The infrastructure works are almost complete and Units 2 and 3 (totalling 270,000 sq ft) are under construction. We remain on schedule to complete Unit 2 in September. The structural installation of Unit 3 is progressing well and this unit is on schedule to complete in quarter 4.

Outlook

The real estate market has been increasingly active in the first quarter. The letting market appears to be bouncing back as restrictions have lifted and capital markets continue to look for prime assets, particularly in the office, industrial and residential sectors.

CGI of NWQ, Dublin 1

Economy

The Irish economy has come through the pandemic strongly and in 2021 recorded one of the highest GDP growth rates (13.5%) in the developed world, driven by strong export activity. The domestic economy (excluding multinational activity) saw robust growth of 6.5% last year.

The war in Ukraine is impacting consumer sentiment and there is evidence that the cost of goods and services is rising. There are also inflationary pressures coming from increasing energy prices which is expected to dampen economic growth this year. Inflation is a potential headwind for the construction sector and may impact the cost of raw materials. Thankfully, many of our office developments are at an advanced stage and we have pre-ordered much of our raw materials, however, rising costs are something we will continue to carefully monitor.

Real estate market

While the total take-up of offices in the first quarter is expected to be in the order of 490,000 sq ft, there is a further 1.3 million sq ft of space reserved and active demand for an additional 4.4 million sq ft. There are also encouraging signs that office workers are now starting to return to the office and the city centre.

Demand for modern logistics accommodation remains strong and occupiers are moving quickly to lease accommodation that is under construction. Vacancy rates remain low at 1.6% (approximately 500,000 sq ft). Letting activity is coming from third-party logistics operators, e-commerce and pharmaceuticals.

On the capital side, the investment market has started the year with two substantial transactions. Brookfield have submitted an offer to buy Hibernia REIT, a public company and one of Dublin's larger owners of offices, for €1.1 billion.

Also, Blackstone are in legal due diligence to acquire two substantial office developments which are currently under construction; Fibonacci Square, Dublin 4, which has been pre-let to Meta for their new EMEA headquarters and an office on Spencer Place, north Docklands which has been pre-let to Salesforce for a combined €1 billion. These transactions are large in a European context and demonstrate the appeal of Ireland to international capital and show confidence in the future of its office sector.

High quality buildings with sustainability credentials continue to be in demand across all sectors and with a 280-basis point spread between prime office yields and 10-year Government bonds, real estate continues to offer stable returns over bonds and cash.

We are Ireland's leading commercial property investment company and the largest owner of offices and logistics assets in Dublin. We are a long term investor with an over 50-year track record in real estate. We own and manage a portfolio comprising over 5 million sq ft, with a net asset value of €2.8 billion.

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**SHAPING
OUR
CITY**