

Q1

2023

## INVESTOR UPDATE

**Planning granted** for Phase 1  
at Nexus Logistics Park

**32,000 sq ft letting** to Aon at  
**Fifteen George's Quay**

**€60 million** of disposals  
completed in Q1

**€27.4 million dividend** paid in  
the first quarter



WILTON PARK  
DUBLIN

**Library Extension**  
The extension of the library will provide a new reading room, a study area, and a meeting room. It will also include a new entrance and a new car park.

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**Pictured:**  
Spring Season at Living Canvas,  
Wilton Park, Dublin 2



# Highlights

## Pre-letting to Aon at Fifteen George's Quay

We are now on site with the redevelopment and expansion of Fifteen George's Quay, which will see the size of the building increase by 50% to almost 70,000 sq ft. This follows an agreement to pre-let 32,000 sq ft to global professional services firm, Aon.

The redevelopment will add two new floors, provide landscaped roof terraces offering panoramic views over the River Liffey and will feature a new café.

The building, which will be fully electric and meet the highest sustainability standards, is due to be completed in Q2 2024.



CGI of Fifteen George's Quay, Dublin 2



CGI of Wilton Park, Dublin 2

## Planning granted for Phase 1, Nexus Logistics Park

Having pre-let the entire of our Quantum Logistics Park scheme, which is due for completion later this year, we were delighted to recently receive planning permission for the first phase of our next logistics development at Nexus Logistics Park, close to Dublin Airport.

Phase 1 of this development will comprise 795,000 sq ft of sustainable logistics accommodation and will include five units ranging between 90,000 and 260,000 sq ft. It is our intention that this scheme will set new standards for design, sustainability, health, and wellbeing in the Irish logistics market.

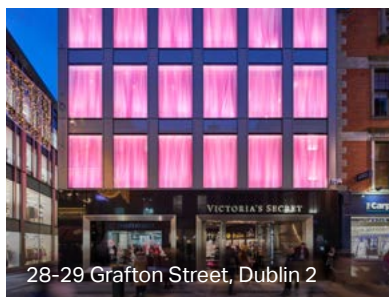


CGI of Nexus Logistics Park, County Dublin

## Placemaking study at Wilton Park

During Q1, we commenced 'Making Impact', a five-year placemaking study of Wilton Park. This research - the next step in our Thought Leadership programme - is designed to help us better understand and value the impact of our placemaking efforts at this city neighbourhood.

The project is being led by a group of market-leading design and placemaking agencies - Hassel, Gehl and PRD. Over the next five years, this study will focus on the social, economic, environmental, and cultural drivers of performance at Wilton Park, applying the principles of our previous 'Making Place' research.



28-29 Grafton Street, Dublin 2

## Strategic disposals during Q1

In keeping with our strategic objective of rebalancing our portfolio and reducing our exposure to both high street retail and suburban offices, we completed €60 million of strategic disposals during Q1. Transactions included the sale of 28-29 Grafton Street, Dublin 2 and our 50% holding in Waterside Business Campus, Dublin 24.

Portfolio value

€3bn

Contracted rental income

€131m

Loan to value

17%

WAULT

6.3 Years

# Performance

Q1 2023

The Fund paid a cash dividend of €27.4 million this quarter, amounting to €11 per share. The total shareholder return for the quarter was negative at -2.8% due to the continued expansion of real estate yields.

Net asset value

€2.5bn

Quarterly dividend

€27.4m

Annualised dividend yield

4.1%

Quarterly shareholder return

-2.8%

The Fund collected 100% of billed rent this quarter, enabling us to pay a cash dividend of €27.4 million or €11 per share.

During Q1, capital values declined across all sectors as Central Banks continued to increase interest rates due to inflationary pressures. Our portfolio was not immune to this downward pressure and recorded a decline of 3.2% in capital values during the quarter.

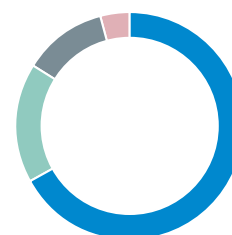
The office portfolio (excluding developments) declined in value by 4.5%. In line with strategy, we successfully completed the disposal of our last remaining suburban office holding at Waterside, Citywest, Dublin 24.

During the first three months of the year, the retail sector declined in value by 1.8%. However, we recorded an increase in rental values (ERV's) across our Grafton Street portfolio.

The value of our logistics portfolio (excluding developments) contracted by 1.9% during the quarter. The vacancy rate in the logistics market remains at record lows and we recorded positive rental growth across a number of our assets this quarter.

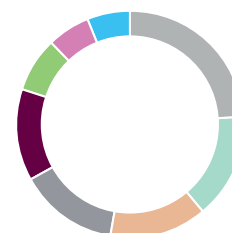
## Portfolio by asset mix

- 67% Office: €2,029 million
- 17% Logistics: €528 million
- 12% Retail: €349 million
- 4% Other: €119 million



## Occupiers by sector

- 24% Financial & Professional services
- 15% Legal firms
- 14% Technology & media
- 14% International retailers
- 13% National retailers
- 8% Other
- 6% Public / EU / Embassy
- 6% Logistics



Share price information	31 Mar 2023	31 Dec 2022
Offer price per share	€1,008.43	€1,048.75
NAV per share	€988.65	€1,028.19
Repurchase price per share	€973.82	€1,012.77
Dividend per share	€11.00	€11.00

## Key dates

NAV announcement - Q1 2023	3 Apr 2023
Dividend payment - Q1 2023	11 Apr 2023
NAV announcement - Q2 2023	3 Jul 2023
Dividend payment - Q2 2023	7 Jul 2023



Download our Year in Review and Financial Statements 2022

# Responsibility

## New independent directors appointed to IPUT Board



Margaret Fleming



Danny McCoy

We welcomed Margaret Fleming and Danny McCoy to the IPUT Board as independent directors on January 1<sup>st</sup>. Margaret is a career real estate professional and a former Board member of JLL Ireland while Danny is the CEO of IBEC, Ireland's largest lobby and business representative group.

These two appointments add significant economic, sustainability and real estate experience to our Board.

## IPUT funds 'Time to Grow' partnership

We recently began a three-year partnership with the charity *basis.point* and *Business in the Community Ireland (BITCI)* to support their 'Time to Grow' programme. This education and workplace initiative for young people provides valuable work experience and work placements for Leaving Cert students in Dublin.

Our involvement with this programme supports our ambition to have a positive impact on the neighbourhoods in which we invest. By bringing occupiers and the wider community together, we can help bridge the gap between education and employment and provide students with the tools and experiences they need to succeed in their careers.



## Urban Land Institute

The mission of the Urban Land Institute (ULI) is 'to shape the future of the built environment to have a meaningful and transformative impact in communities and urban spaces'. This aligns with IPUT's ambition to make a positive contribution to society by investing in placemaking and the public realm.

We are corporate members of ULI and sponsors of the organisation's ambitious C-Change programme. Our Head of Research, Marie Hunt, was recently appointed Chairperson of the Urban Land Institute (ULI) Ireland for the next two-year period. Our Head of Sustainability, Shane Caldwell, is a member of ULI Europe's Sustainability Product Council.

In March, ULI Ireland held a roundtable event to discuss the potential for mass timber construction in Ireland. This event was hosted by IPUT in our 'Making It Work' office at Riverside Two.

## Planning secured for installation of photovoltaic panels

We secured planning for the installation of photovoltaic (PV) panels on some of our city centre buildings. This initiative is part of our programme to lessen reliance on fossil fuels as an energy source and reduce our overall greenhouse gas emissions in line with our operational net zero pathway.





# Activity

## KEY TAKEAWAYS

**5 new lettings** signed in Q1

Unit 1 at Quantum Logistics Park **completed**

**Wilton Park** progressing at pace

Demolition works completed at **25 North Wall Quay**



Progress at Two to Four Wilton Park, Dublin 2

## Asset management

The first three months of 2023 saw activity across all sectors in our portfolio. There were 5 new lettings signed during the quarter, introducing new occupiers to our office and retail portfolios. In total, these lettings added approximately €1.2 million to the Fund's contracted rent.

## Development



Unit 1 at Quantum Logistics Park reached practical completion and the unit has been handed over to the incoming occupier, DHL. The remaining onsite buildings (Units 3 and 4), which are pre-let to Maersk, are due to complete by late spring. The onsite occupier amenities, which include a multi-use games area, are also on course to complete in Q2.



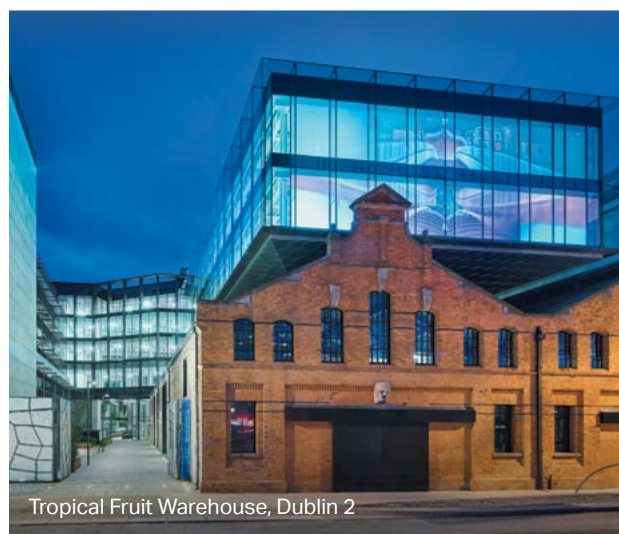
Construction at Wilton Park is continuing at pace. The steel superstructure is nearing completion, which will allow the installation of the bespoke travertine façade. We worked in partnership with the Pacifici Travertino quarry in Italy and Permasteelisa Group to create this striking exterior and look forward to seeing it come to life over the coming months.

## NWQ

Demolition works have completed on site at our office scheme at 25 North Wall Quay. The next phase of construction at this landmark project is now due to begin. The contractor took possession of the site at the end of March and the project remains on schedule to complete in 2024.

## Commercial Renovation/Redevelopment of the Year Award

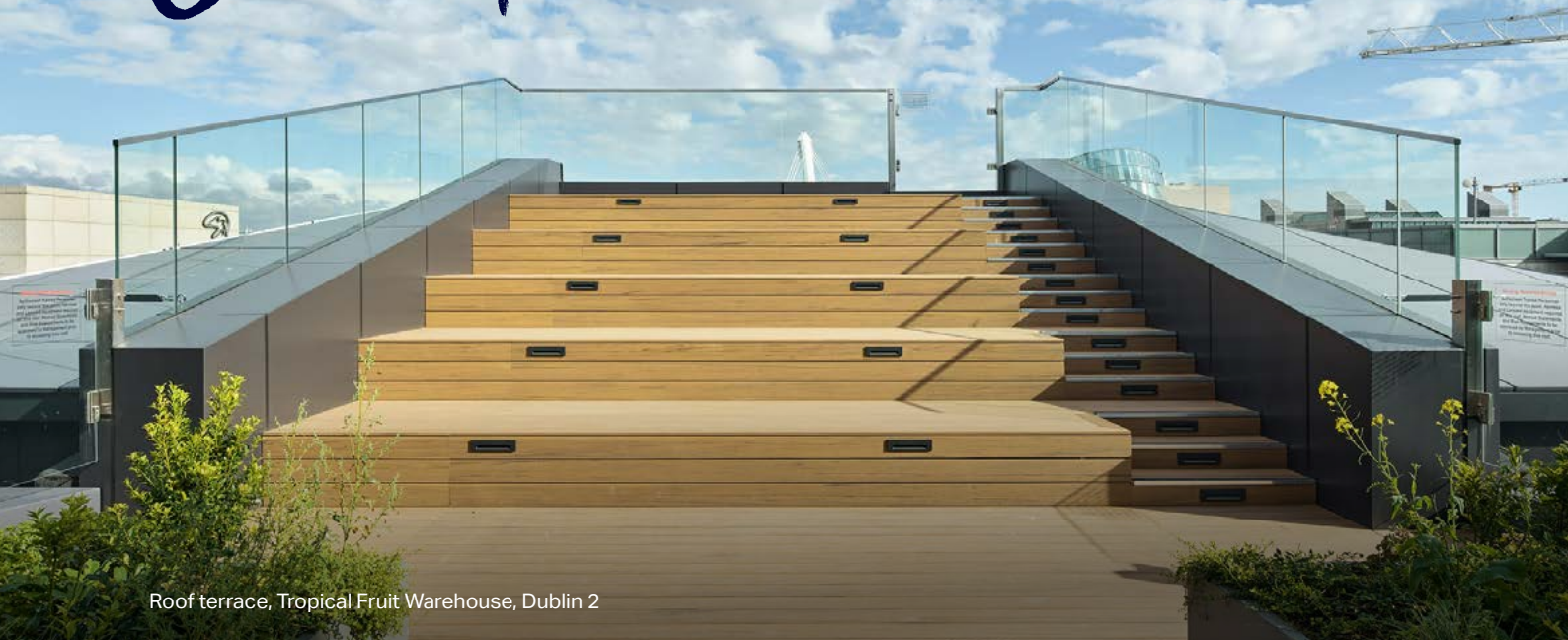
Our Tropical Fruit Warehouse office development was among the winners at the recent National Property Awards.



Tropical Fruit Warehouse, Dublin 2



# Outlook



Roof terrace, Tropical Fruit Warehouse, Dublin 2

## Economy

Ireland's economy continues to demonstrate remarkable resilience despite the headwinds of both rising interest rates and funding costs as well as nervousness in the banking sector globally. The Irish Government achieved a higher-than-expected Exchequer surplus in 2022 and the public finances remain in a healthy position. The National Treasury Management Agency (NTMA) raised €4.75 billion of their €7-€11 billion funding requirement for 2023 in the first quarter of the year, which is particularly encouraging. Meanwhile, the yield on Irish 10-year bonds has stabilised in recent weeks, currently standing at 2.76%.

Despite some recent high-profile cuts to jobs in the technology sector, it is important to stress that the number of jobs lost in Ireland specifically has been relatively small in the context of the numbers employed. Indeed, the labour market continues to perform exceptionally well with unemployment standing at 4.3% at present. To date, job losses at the Irish arm of technology firms equates to less than 2% of Ireland's ICT workforce. The recent job cuts simply rewind some of the rapid hiring that occurred during 2022 with multinational occupiers continuing to see Ireland as a place for investment and growth once this current technology sector rightsizing phase ends.

## Property market

Following years of stable macroeconomic conditions and supportive monetary policy, the speed at which interest rates have risen in this cycle in an effort to get inflation under control has been unprecedented. Although higher interest rates and funding costs necessitate the repricing of real estate, market liquidity remains low. Pricing assets in the absence of transactional evidence is therefore challenging.

The reality is that until such time as it is clear that the rate hiking cycle is close to an end and there is certainty around the terminal rate, transactional activity in both the investment and occupational markets will remain below trend.

Capital values are likely to continue to recalibrate over the coming quarters. In the meantime, our focus will continue to be on:

- generating and sustaining income within our Fund;
- progressing our development pipeline and
- growing our dividend for shareholders.

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**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 55-year track record in real estate. We own and manage a portfolio comprising over 5.4 million sq ft, with a net asset value of €2.5 billion.**

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OUR  
CITY**