



Press Release

AREIT 1Q22 net income up 59% to P796M

May 6, 2022 – AREIT, Inc. (AREIT), the first Philippine Real Estate Investment Trust, recorded a net income of P796 million, 59% higher than the first quarter of 2021 (excluding fair value change in investment properties), driven by higher revenues from stable operations and the contribution of assets acquired in 2021. Total revenues increased by 66% to P1.2 billion, while Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) grew 58% to P843 million, compared to the same period last year. AREIT recorded an average occupancy of 97% and a rental collection rate of 98%, reflecting stable and high-quality tenancy across its properties.

During its Annual Stockholders' Meeting held on April 21, 2022, AREIT secured the approval of its stockholders on its second property-for-share swap with the sponsor, Ayala Land, Inc. (ALI). The transaction involves six Cebu-based office buildings with an aggregate value of P11,257,889,535.91 in exchange for 252,136,383 AREIT common shares at a swap price of P44.65 per share, as validated by a third-party fairness opinion. This transaction will expand AREIT's gross leasable area to 673 thousand square meters or P64 billion in Assets Under Management (AUM) in 2022 – a 113% increase since the company went public, exceeding its target to double in size within two years from its IPO.

With this infusion, AREIT's dividend per share is projected to increase further. AREIT's full-year dividends from its 2021 income totaled P1.77 per share, a 34% increase from 2020 and 12% higher than its REIT plan projection during the IPO. Last April 27, 2022, ALI sold 87,370,000 AREIT shares in relation to the planned property-for-share swap transaction to maintain the required minimum public ownership of 33% after the said infusion.

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