



30 October 2020

Philippine Stock Exchange, Inc.

6th Floor, PSE Tower, 28th Street corner 5th Avenue,
Bonifacio Global City, Taguig City

To **Janet A. Encarnacion**
Head, Disclosure Department

Securities and Exchange Commission

PICC Complex, Roxas Boulevard, Pasay City

To **Hon. Vicente Graciano P. Felizmenio, Jr.**
Director, Market Regulation Department

Dear Mesdames and Gentlemen,

Please see attached press release on AREIT, Inc.'s 9M 2020 results.

Thank you

A handwritten signature in black ink, appearing to read 'E. Alzona'.

ELAINE MARIE F. ALZONA

CFO and Chief Compliance Officer



Press Release

AREIT 9M20 Net Income at P844 million, on-track with REIT Plan

30 October 2020 – AREIT, Inc. (AREIT), the Philippines’ first real estate investment trust (REIT), achieved a net income of P844 million in the first nine months of 2020 driven by the stable operations of its leasing portfolio, notwithstanding the impact of COVID-19. Total revenues amounted to P1.4 billion and earnings-before-interest, tax, depreciation and amortization (EBITDA) reached P1.1 billion, a 3% and 4% improvement from the REIT plan, respectively, lifted by stable occupancy and operating efficiency. The acquisition of McKinley Exchange in February 2020 and a higher occupancy rate at Ayala North Exchange boosted the Company’s rental income to P1.1 billion, a 9% growth from the same period in 2019.

“AREIT’s fundamentals remain strong and resilient, keeping its financial performance on track. We are also expanding our portfolio of leasing assets to seed the company’s future growth,” said AREIT President Carol T. Mills.

Following its successful listing last August 13, 2020, AREIT acquired the Cebu Teleperformance building in September 2020 as it continues to bolster its growing portfolio with value-accretive assets. Last October 22, 2020, its Board of Directors approved the acquisition of The 30th, a 76,000 commercial development located along Meralco Avenue in Pasig City. The acquisition is expected to be finalized by the first quarter of 2021 and will increase AREIT’s gross leasable area (GLA) to 246,000 sqm.

To ensure a stable growth pipeline, the Board of Directors also approved the raising of up to P6.4 billion in debt and/or retail bonds and the establishment of short-term credit facilities with banks amounting to P12.0 billion which can be deployed for future acquisitions. Last September 15, 2020, AREIT distributed to shareholders its first cash dividends at P0.59 per share, reflecting income from its first half 2020 operations.

With solid fundamentals aligned with the best practices in the region, AREIT provides investors the opportunity to broaden their investment portfolio with an asset class that balances regular dividend income and rides on the growth of the real estate industry. AREIT shareholders are entitled to receive dividends of at least 90% of the company’s distributable income every year.

For more information, please contact:

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