



23 April 2021

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,

Attached is the press release on the approval of AREIT's shareholders of the property-for-share swap with Ayala Land.

Thank you.

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

MICHAEL ANTHONY L. GARCIA

Head, Investor Communications and Compliance



Press Release

AREIT stockholders approve P15B property-for-share swap with ALI

23 April 2021 | Ayala Land's pioneering Real Estate Investment Trust (REIT) in the Philippines, AREIT, secures new plans for growth and expansion while continuing to drive investor participation.

During AREIT's first Annual Stockholders' Meeting, stockholders approved the increase in the company's authorized capital stock from P11.7 billion to P29.5 billion along with the infusion of P15.5 billion worth of commercial assets from its Sponsor, Ayala Land, Inc. (ALI) in exchange for 483 million shares.

ALI and its subsidiaries, Westview Commercial Ventures Corporation and Glensworth Development Inc, will infuse ten properties into AREIT's leasing portfolio, boosting its gross leasable area from 344 thousand sq.m. to 549 thousand sq.m. These are Vertis North Commercial Development (three office towers and a retail podium) in Quezon City, One and Two Evotech Buildings in Nuvali Sta Rosa, Laguna, Bacolod Capitol Corporate Center and Ayala Northpoint Technohub in Bacolod, and the BPI Philam Life office units in Ayala Avenue, Makati City and Madrigal Business Park, Alabang.

These properties are strategically located within Ayala Land developments in key growth centers across the country and will diversify AREIT's geographic reach and tenant base. The properties have an excellent operating track record, 98% average occupancy, and a stable tenant mix of multinational companies and top players in the BPO industry.

Post infusion, ALI will own approximately 66% of AREIT's total outstanding shares, demonstrating its strong support as the sponsor, while adhering to the prescribed minimum public ownership requirements under Philippine laws. With the addition of these new assets, AREIT's deposited property value will reach P52 billion. This move will further increase AREIT's cashflows which will result into higher distributable income for its shareholders.

In less than a year since its IPO last August 2020, AREIT's combined assets have diversified and grown to value at P37 billion with its acquisition of The 30th Commercial Development in Pasig and Laguna Technopark lots early this year. AREIT achieved total revenues of P1.95 billion and EBITDA (earnings before interest, taxes, depreciation, and amortization) of P1.58 billion, 3% and 4% higher than its REIT plan, respectively. FY2020 net income reached PHP1.23 billion, also better than plan and closed the year by distributing dividends of P1.32 per share.

AREIT President and CEO, Carol T. Mills notes that *"Despite the challenging conditions of the pandemic, AREIT remained relatively resilient. We focused on opportunities to create value for our shareholders, democratize commercial real estate and promote reinvestment in the country."*

As an accessible and affordable investment option for both small and large investors, REITs allow Filipinos to partake in the income and growth of commercial real estate granting greater inclusivity in the nation's property market.



In the same stockholders meeting, AREIT secured approval to increase the number its directors from seven (7) to eight (8) and elected a new member to its Board, Ms. Mariana Zobel de Ayala. She will assume the position as soon as the Securities and Exchange Commission approves the amendment of the company's Articles of Incorporation.

For more information, please contact:

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