

DREAM INDUSTRIAL REIT REPORTS Q2 2022 FINANCIAL RESULTS AND STRONG YEAR-OVER-YEAR GROWTH

This press release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release. All dollar amounts are in Canadian dollars unless otherwise indicated.

Toronto, August 2, 2022, Dream Industrial Real Estate Investment Trust (DIR.UN-TSX) (the “Trust” or “Dream Industrial REIT” or “Dream Industrial” or “we” or “us”) today announced its financial results for the three and six months ended June 30, 2022. Management will host a conference call to discuss the financial results on August 3, 2022 at 10:00 a.m. (ET).

HIGHLIGHTS

- **Net income was \$171.5 million in Q2 2022, a 7.0% increase** when compared to \$160.3 million in Q2 2021, primarily due to increases in fair value adjustments to investment properties. The net income in Q2 2022 consists of net rental income of \$68.7 million, fair value adjustments to financial instruments of \$84.2 million and cumulative other income and expenses of \$18.6 million;
- **Diluted funds from operations (“FFO”) per Unit⁽¹⁾ was \$0.22 in Q2 2022, a 12.6% increase** when compared to Q2 2021, where the diluted FFO per Unit was \$0.19;
- **Net rental income was \$68.7 million in Q2 2022, a 34.5% increase** when compared to \$51.1 million in Q2 2021. Year-over-year net rental income increased by 49.5% in Ontario, 58.7% in Québec, 5.5% in Western Canada and 277.8% in Europe, primarily driven by acquisitions and comparative properties net operating income (“CP NOI”) (constant currency basis) growth;
- **CP NOI (constant currency basis)⁽²⁾ was \$46.3 million in Q2 2022, a 10.1% increase** when compared to \$42.1 million in Q2 2021. The Canadian portfolio posted a year-over-year CP NOI (constant currency basis) growth of 11.7%, predominantly driven by 12.4% and 15.6% CP NOI (constant currency basis) increases in Ontario and Québec, respectively. The European portfolio saw a 5.5% year-over-year CP NOI (constant currency basis) growth;
- **Total assets were \$7.0 billion in Q2 2022, a 15.0% increase** when compared to \$6.1 billion in Q4 2021;
- **Total equity (excluding LP B Units)⁽³⁾ was \$4.3 billion in Q2 2022, a 23.7% increase** when compared to \$3.5 billion in Q4 2021;
- **Net asset value (“NAV”) per Unit⁽⁴⁾ was \$16.64 in Q2 2022, a 21.5% increase** when compared to Q2 2021, where the NAV per Unit was \$13.69. The increase in NAV per Unit largely reflects an increase in investment property values across the Trust’s portfolio as market rents continue to grow and private market demand for industrial assets remains robust.

(1) Diluted FFO per Unit is a non-GAAP ratio. Diluted FFO per Unit is comprised of FFO (a non-GAAP financial measure) divided by the weighted average number of Units. For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.

(2) Comparative properties net operating income (“CP NOI”) (constant currency basis) is a non-GAAP financial measure. The most directly comparable financial measure to CP NOI (constant currency basis) is net rental income. The tables included in the Appendices section of this press release reconcile CP NOI (constant currency basis) for the three and six months ended June 30, 2022 and June 31, 2021 to net rental income. For further information on this non-GAAP financial measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.

(3) Total equity (including LP B Units) is a non-GAAP financial measure. Total equity (including LP B Units) is calculated as the sum of equity per the condensed consolidated financial statements and the subsidiary redeemable units. The tables included in the Appendices section of this press release reconcile total equity (including LP B Units) as at June 30, 2022, December 31, 2021 and June 31, 2021 to total equity (excluding LP B Units). For further information on this non-GAAP financial measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.

(4) NAV per Unit is a non-GAAP ratio. NAV per Unit is comprised of total equity (including LP B Units) (a non-GAAP financial measure) divided by the number of Units. For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.

The Trust continues to make significant progress on strategic initiatives to maximize organic and external growth drivers while maintaining a strong and flexible balance sheet.

- **Organic growth** – Leasing momentum across the Trust’s portfolio remains robust and the Trust signed approximately 1.4 million square feet of renewals and new leases across its portfolio since the beginning of Q2 2022, at an average rental spread of 34% over prior or expiring rents. The Trust’s leasing momentum has resulted in a 40 basis points increase in in-place and committed occupancy from 98.7% as at March 31, 2022, to 99.1% as at June 30, 2022. The Trust continues to expect strong rental rate growth as leases expire. As at June 30, 2022, estimated market rents across the Trust’s portfolio exceeded the average in-place base rent by over 20%.
- **Development pipeline** – Construction commenced on two projects over the quarter, at the Trust’s inaugural 154,000 square foot ground-up development in Caledon in the Greater Toronto Area (“GTA”) as well as a 120,000 square foot expansion in Montréal. The Trust is currently under construction on over 680,000 square feet of projects across Canada and Europe and is in the final stages of advancing the construction of 800,000 square feet of projects in the near term. Overall, the Trust’s development and expansion pipeline totals approximately 3.4 million square feet, located in land-constrained markets in Canada and Europe. During the quarter, The Trust signed a lease at its 43,000 square foot expansion in the GTA at a rental rate of \$15.50 per square foot, resulting in an unlevered yield on cost of over 11%. The lease is expected to commence in Q4 2022. Subsequent to quarter-end, the Trust completed a new lease for its 120,000 square foot expansion in Montreal resulting in an expected yield on cost of over 8%.
- **Continued upgrading of portfolio quality** – Since the end of Q1 2022, the Trust completed approximately \$368 million of previously announced acquisitions in Canada and Europe, which added nearly 1.9 million square feet of income-producing assets.
- **Significant balance sheet capacity and ample liquidity** – The Trust ended Q2 2022 with total available liquidity⁽¹⁾ of \$429 million. The Trust’s net total debt-to-total-assets (net of cash and cash equivalents) ratio⁽²⁾ was 29.7% as at June 30, 2022, which provides over \$500 million of balance sheet capacity before the Trust’s net total debt-to-total-assets (net of cash and cash equivalents) ratio⁽²⁾ reaches the Trust’s target in the mid-30% range. During Q2 2022, DBRS Morningstar confirmed the Trust’s BBB-mid investment grade credit rating.

(1) Available liquidity is a non-GAAP financial measure. The tables included in the Appendices section of this press release reconcile available liquidity as at June 30, 2022, December 31, 2021 and June 30, 2021 to cash and cash equivalents. For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.

(2) Net total debt-to-total assets (net of cash and cash equivalents) is a non-GAAP ratio. Net total debt-to-total assets (net of cash and cash equivalents) ratio is comprised of net total debt (a non-GAAP financial measure) divided by total assets (net of cash and cash equivalents) (a non-GAAP financial measure). For further information on this non-GAAP financial measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.

FINANCIAL HIGHLIGHTS

SELECTED FINANCIAL INFORMATION

(unaudited)	Three months ended		Six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
(in thousands of dollars except per Unit amounts)				
Operating results				
Net rental income	\$ 68,729	\$ 51,095	\$ 134,042	\$ 97,757
CP NOI (constant currency basis) ⁽¹⁾	46,345	42,076	85,056	77,325
Net income	171,480	160,295	614,369	255,559
Funds from operations ("FFO") ⁽²⁾	58,925	39,158	115,563	74,066
Per Unit amounts				
FFO – diluted ⁽³⁾⁽⁴⁾	\$ 0.22	\$ 0.19	\$ 0.43	\$ 0.38
Distribution rate	0.17	0.17	0.35	0.35

See footnotes at end.

PORTFOLIO INFORMATION

(unaudited)	As at		
	June 30, 2022	December 31, 2021	June 30, 2021
(in thousands of dollars)			
Total portfolio			
Number of assets ⁽⁵⁾⁽⁶⁾	257	239	215
Investment properties fair value	\$ 6,407,001	\$ 5,696,607	\$ 4,689,801
Gross leasable area ("GLA") (in millions of sq. ft.) ⁽⁶⁾	46.0	43.0	38.5
Occupancy rate – in-place and committed (period-end) ⁽⁷⁾	99.1%	98.2%	98.0%
Occupancy rate – in-place (period-end) ⁽⁷⁾	98.6%	97.7%	97.4%

See footnotes at end.

FINANCING AND CAPITAL INFORMATION

(unaudited)

	As at		
	June 30,	December 31,	June 30,
(in thousands of dollars except per Unit amounts)	2022	2021	2021
FINANCING			
Credit rating- DBRS	BBB (mid)	BBB (mid)	BBB (mid)
Net total debt-to-total assets (net of cash and cash equivalents) ratio ⁽⁸⁾	29.7%	31.6%	37.9%
Net total debt-to-normalized adjusted EBITDAFV ratio (years) ⁽⁹⁾	7.8	8.0	8.6
Interest coverage ratio (times) ⁽¹⁰⁾	12.7	8.0	5.2
Weighted average face interest rate on debt	1.01%	0.83%	1.49%
Weighted average remaining term to maturity on debt (years)	3.3	3.8	4.4
Unencumbered investment properties ⁽¹¹⁾	\$ 4,916,710	\$ 4,154,925	\$ 2,322,719
Cash and cash equivalents	\$ 81,311	\$ 164,015	\$ 313,249
Available liquidity (period-end) ⁽¹²⁾	\$ 429,062	\$ 511,612	\$ 663,249
CAPITAL			
Total equity (excluding LP B Units)	\$ 4,328,951	\$ 3,499,423	\$ 2,841,735
Total equity (including LP B Units) ⁽¹³⁾	\$ 4,553,057	\$ 3,818,886	\$ 3,215,207
Total number of Units (in thousands) ⁽¹⁴⁾	273,552	252,417	228,367
Net asset value ("NAV") per Unit ⁽¹⁵⁾	\$ 16.64	\$ 15.13	\$ 13.69
Unit price	\$ 12.08	\$ 17.22	\$ 15.28

See footnotes at end.

"Dream Industrial's Q2-2022 operating results with double digit FFO per unit and CP NOI (constant currency basis) growth continue to showcase the quality and stability of our business as well as the inherent growth opportunities embedded in our portfolio.," said Brian Pauls, Chief Executive Officer of Dream Industrial REIT. *"Despite a volatile economic backdrop, private market demand for well-located industrial assets continues to be strong and we continue to successfully execute on our strategic pillars of enhancing organic growth and improving portfolio quality, while maintaining a strong and flexible balance sheet."*

ORGANIC GROWTH

- **Robust leasing momentum at attractive rental spreads and solid contractual rent growth** – Since the end of Q1 2022, the Trust has signed approximately 1.4 million square feet of new leases and renewals at an average spread of 34%.
 - In Canada, the Trust signed approximately 1.1 million square feet of leases at an average spread of 39%; and
 - In Europe, the Trust signed approximately 0.3 million square feet of leases at an average spread of 11%.

The Trust has provided a summary of its recent leasing highlights below:

- The Trust signed two renewals for a combined 125,000 square feet in Quebec while achieving more than a 110% premium over the expiring rents with an average 3.3% annual contractual rental growth.
- In Ontario, the Trust signed three renewals for a combined 115,000 square feet while doubling the rent and securing 3.5% annual contractual rental growth over the term.

- The Trust signed a new lease with one of Canada’s largest necessity retailers at its 43,000 square foot expansion in the GTA expected to be completed in November 2022. The Trust achieved a rental rate of \$15.50 with 3% annual contractual rent growth for a 10-year term, which resulted in an unlevered yield on cost of over 11%.
- Subsequent to quarter-end, the Trust signed a new lease at its 120,000 square foot expansion in Montreal expected to be completed in Spring 2023. The Trust achieved a rental rate of \$14.00 with 4% annual contractual rent growth for a 5-year term, which is expected to result in an unlevered yield on cost of over 8%.

In addition to strong rental spreads, the Trust continues to add contractual rent growth to its leases. In its Canadian portfolio, the current leases have embedded contractual rent growth of over 2.5%. In the Trust’s European portfolio, approximately 90% of the leases are indexed to the consumer price index (“CPI”).

The Trust expects to achieve strong rental rate growth over time as it sets rents on expiring leases to market as market rents continue to increase across the Trust’s operating markets. During the quarter, the estimated market rent of properties in the Trust’s portfolio increased by 8% compared to March 31, 2022. As at June 30, 2022, current market rents exceed the average in-place base rent across the Trust’s portfolio by over 20%.

- **Solid pace of CP NOI (constant currency basis)⁽¹⁾ growth** – CP NOI (constant currency basis) for the three and six months ended June 30, 2022 was \$46.3 million and \$85.1 million, respectively. For the same periods in 2021, CP NOI (constant currency basis) was \$42.1 million and \$77.3 million, respectively. This represents an increase of 10.1% for the three months ended June 30, 2022, and 10.0% for the six months ended June 30, 2022 compared to the prior year comparative periods.

The growth in CP NOI (constant currency basis) was led by a 12.4% and 15.2% year-over-year increase in CP NOI (constant currency basis) in Ontario for the three and six months ended June 30, 2022, respectively. This was driven primarily by increasing rental spreads on new and renewed leases where the average in-place base rent increased by 9.2% and 9.4%, respectively, along with a 160 and 320 basis points increase in average occupancy, respectively, for the three and six months ended June 30, 2022.

In Québec, year-over-year CP NOI (constant currency basis) growth was 15.6% and 14.1% for the three and six months ended June 30, 2022, respectively. As a result of significant rental spreads and contractual rent escalations from existing leases, the average in-place rent increased by 10.5% and 7.3% for the three and six months ended June 30, 2022, respectively.

In Europe, strong leasing activity and CPI indexation resulted in a 4.6% and 5.1% increase in in-place base rent which drove year-over-year CP NOI (constant currency) growth of 5.5% and 5.6% for the three and six months ended June 30, 2022, respectively. During Q2 2022, CPI indexation on European leases resulted in an approximately 2.5% increase in comparative properties NOI growth.

- **In-place and committed occupancy** – The Trust’s leasing momentum has resulted in a 40 basis points increase in in-place and committed occupancy from 98.7% as at March 31, 2022 to 99.1% at June 30, 2022. The Trust’s portfolio remains essentially full and uncommitted expiries over the balance of 2022 represent less than 3.5% of the Trust’s portfolio.

- **Net rental income for the quarter and year-to-date** – Net rental income for the three and six months ended June 30, 2022 was \$68.7 million and \$134.0 million, respectively, representing an increase of \$17.6 million, or 34.5%, and \$36.3 million, or 37.1% relative to the prior year comparative periods. Year-over-year net rental income increased by 49.5% in Ontario, 58.7% in Québec, 5.5% in Western Canada and 277.8% in Europe. The increase was mainly driven by strong comparative properties NOI (constant currency basis) growth in 2022 and the impact of acquired investment properties in 2022 and 2021.

DEVELOPMENT UPDATE

The Trust's development pipeline provides a significant opportunity to add high-quality assets in core markets at attractive economics to the Trust. The Trust has approximately 3.4 million square feet of projects that are currently underway or in planning stages.

The Trust is currently underway on 683,000 square feet of projects across the GTA, Greater Montréal Area, and Europe. With a total expected cost of approximately \$114 million, the Trust expects unlevered yield on cost of approximately 7.3% upon completion. The Trust expects all of these projects to be completed in the next 9–12 months.

- The 8-acre Abbotside site is attractively located in close proximity to Highway 410 in Caledon. The Trust is currently underway on the development of a 154,000 square foot logistics facility. Construction has commenced with completion targeted for the first half of 2023 with a forecast unlevered yield on cost of over 7%.
- The Trust is currently under construction on a 241,000 square foot logistics facility in Germany which should improve site density by approximately 20%, with an estimated yield on cost of 6.5%. Construction commenced during Q2-2022 with completion expected in 2022. The Trust is in advanced negotiations with several tenants to lease the entire expansion.
- The Trust is advancing a 120,000 square foot expansion of an existing building in Montreal. Construction commenced over the quarter and completion is expected in early 2023. Subsequent to quarter-end, the Trust finalized a lease for the entire expansion which should result in an unlevered yield on cost of over 8%.
- The Trust recently completed a 65,000 square foot expansion comprised of two buildings at its recently acquired 600,000 square foot high-tech and industrial cluster in The Hague, Netherlands. The expansions have been leased with occupancy starting during the second quarter, with an unlevered yield on construction costs of approximately 6.2%.

The Trust has an additional 1.9 million square feet of projects at its share that are in the final stages of planning with targeted completion in the coming 2 to 3 years. With a total cost of approximately \$433 million, the Trust expects unlevered yield on cost of approximately 6.0% on average.

In addition to the above projects, the Trust is in the preliminary stages of planning for approximately 0.9 million square feet of near-term expansion and redevelopment opportunities.

ACQUISITIONS

Since the end of Q1 2022, the Trust acquired approximately \$368 million of properties in Canada and Europe, which added nearly 1.9 million square feet of income-producing assets as well as 19.5 acres of development land in the Balzac sub-market of Calgary.

- In Canada, the Trust acquired seven income-producing assets totalling 491,000 square feet for \$136 million. These assets are primarily located in the GTA, and
- In Europe, the Trust acquired eight income-producing assets totalling 1.4 million square feet for \$221 million.

Acquisitions completed during Q2-2022



Oude Hoorn 2, Houten, Netherlands



Im Grund 3, Burgbernheim, Germany



Logistiekweg 4, Bommel, Netherlands

“We continue to balance our strategy of maximizing organic growth and focused capital deployment,” said Alexander Sannikov, Chief Operating Officer of Dream Industrial REIT. *“Industrial market fundamentals remain robust, and we continue to see tight supply, low availability, and strong capital values. Our asset management strategy is focused on maximizing rental rate growth across all our markets and surfacing value from our portfolio through our development pipeline.”*

CAPITAL STRATEGY

The Trust continues to maintain significant financial flexibility as it executes on its strategy to grow and upgrade portfolio quality. Over the past 24 months, the Trust has successfully transitioned its debt profile to be largely unsecured, with the proportion of secured debt⁽¹⁶⁾ dropping to 7.6% of total assets and to approximately 25% of total debt⁽¹⁷⁾, compared to 47.6% one year ago. On a year-over-year basis, the Trust's average cost of debt decreased 48 basis points from 1.49% in Q2 2021 to 1.01% in Q2 2022. Additionally, the Trust's unencumbered asset pool totalled \$4.9 billion as at June 30, 2022, representing approximately 77% of the Trust's investment properties value.

The Trust ended Q2 2022 with total available liquidity⁽¹²⁾ of approximately \$429 million including cash and cash equivalents of \$81.3 million, with an additional \$150 million of liquidity provided by the accordion feature on the Trust's unsecured operating facility. During the quarter, DBRS Morningstar Limited confirmed the Trust's BBB-mid Investment Grade rating, reflecting the quality and stability of the Trust's portfolio and the strength and flexibility of the Trust's balance sheet.

"We continue to focus on maintaining a strong and flexible balance sheet," said Lenis Quan, Chief Financial Officer of Dream Industrial REIT. "Our conservative financial policies have resulted in low leverage and significant balance sheet capacity to execute on upgrading the quality of our portfolio. We continue to maintain one of the strongest balance sheets in the Canadian REIT sector and are well-positioned to continue to grow NAV and FFO per unit".

CONFERENCE CALL

Senior management will host a conference call to discuss the financial results on Wednesday, August 3, 2022, at 10:00 a.m. (ET). To access the conference call, please dial 1-866-455-3403 in Canada or 647-484-8332 elsewhere and use passcode 91266919#. To access the conference call via webcast, please go to Dream Industrial REIT's website at www.dreamindustrialreit.ca and click on the link for News, then click on Events. A taped replay of the conference call and the webcast will be available for ninety (90) days following the call.

OTHER INFORMATION

Information appearing in this press release is a select summary of financial results. The condensed consolidated financial statements and management's discussion and analysis for the Trust will be available at www.dreamindustrialreit.ca and on www.sedar.com.

Dream Industrial REIT is an unincorporated, open-ended real estate investment trust. As at June 30, 2022, Dream Industrial REIT owns, manages and operates a portfolio of 257 industrial assets (372 buildings) comprising approximately 46.0 million square feet of gross leasable area in key markets across Canada, Europe, and the U.S. Dream Industrial REIT's objective is to continue to grow and upgrade the quality of its portfolio which primarily consists of distribution and urban logistics properties and to provide attractive overall returns to its unitholders. For more information, please visit www.dreamindustrialreit.ca.

FOOTNOTES

1. CP NOI (constant currency basis) is a non-GAAP financial measure. The most directly comparable financial measure to CP NOI (constant currency basis) is net rental income. The table included in the Appendices section of this press release reconcile CP NOI (constant currency basis) for the three and six months ended June 30, 2022 and June 30, 2021 to net rental income. For further information on this non-GAAP measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.
2. FFO is a non-GAAP financial measure. The most directly comparable financial measure to FFO is net income. The tables included in the Appendices section of this press release reconcile FFO for the three and six months ended June 30, 2022 and June 30, 2021 to net income. For further information on this non-GAAP measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.
3. Diluted FFO per Unit is a non-GAAP ratio. Diluted FFO per Unit is comprised of FFO (a non-GAAP financial measure) divided by the weighted average number of Units. For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.
4. A description of the determination of diluted amounts per Unit can be found in the Trust’s Management’s Discussion and Analysis for the three and six months ended June 30, 2022, in the section “Supplementary financial measures and ratios and other disclosures”, under the heading “Weighted average number of Units”.
5. “Number of assets” comprise a building, or a cluster of buildings in close proximity to one another attracting similar tenants.
6. Includes the Trust’s owned and managed properties as at June 30, 2022 and December 31, 2021.
7. Includes the Trust's share of equity accounted investments as at June 30, 2022 and December 31, 2021.
8. Net total debt-to-total assets (net of cash and cash equivalents) ratio is a non-GAAP ratio. Net total debt-to-total assets (net of cash and cash equivalents) ratio is comprised of net total debt (a non-GAAP financial measure) divided by total assets (net of cash and cash equivalents) (a non-GAAP financial measure). For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.
9. Net total debt-to-normalized adjusted EBITDAFV is a non-GAAP ratio. Net total debt-to-normalized adjusted EBITDAFV is comprised of net total debt (a non-GAAP financial measure) divided by normalized adjusted EBITDAFV (a non-GAAP financial measure). For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP financial measures and ratios and supplementary financial measures” in this press release.
10. Interest coverage ratio is a non-GAAP ratio. Interest coverage ratio is comprised of trailing 12-month period adjusted EBITDAFV (a non-GAAP financial measure) divided by trailing 12-month period interest expense on debt and other financing costs. For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP financial measures and ratios and supplementary financial measures” in this press release.
11. Unencumbered investment properties is a supplementary financial measure. For further information on this supplementary financial measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.
12. Available liquidity is a non-GAAP financial measure. The most directly comparable financial measure to available liquidity is cash and cash equivalents. The tables included in the Appendices section of this press release reconcile available liquidity to cash and cash equivalents as at June 30, 2022, December 31, 2021 and June 30, 2021. For further information on this non-GAAP measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.
13. Total equity (including LP B Units) is a non-GAAP financial measure. The most directly comparable financial measure to total equity (including LP B Units) is total equity (per condensed consolidated financial statements). The tables included in the Appendices section of this press release reconcile total equity (including LP B Units) to total equity (per condensed consolidated financial statements) as at June 30, 2022, December 31, 2021 and June 30, 2021. For further information on this non-GAAP measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.

14. Total number of Units includes 18.6 million LP B Units that are classified as a liability under IFRS.
15. NAV per Unit is a non-GAAP ratio. NAV per Unit is comprised of total equity (including LP B Units) (a non-GAAP financial measure) divided by the number of Units. For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.
16. Secured debt is a supplementary financial measure. Please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.
17. Total debt is a non-GAAP financial measure. The most directly comparable financial measure to total debt is non-current debt. The tables included in the Appendices section of this press release reconcile total debt to non-current debt as at June 30, 2022, December 31, 2021 and June 30, 2021. For further information on this non-GAAP measure, please refer to the statements under the heading “Non-GAAP financial measures, ratios and supplementary financial measures” in this press release.

Non-GAAP financial measures, ratios and supplementary financial measures

The Trust’s condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”). In this press release, as a complement to results provided in accordance with IFRS, the Trust discloses and discusses certain non-GAAP financial measures and ratios, including FFO, diluted FFO per Unit, CP NOI (constant currency basis), total debt, net total debt-to-total assets (net of cash and cash equivalents) ratio, net total debt-to-normalized adjusted EBITDAFV ratio, interest coverage ratio, available liquidity, total equity (including LP B Units) and NAV per Unit as well as other measures discussed elsewhere in this press release. These non-GAAP financial measures and ratios are not defined by IFRS and do not have a standardized meaning under IFRS. The Trust’s method of calculating these non-GAAP financial measures and ratios may differ from other issuers and may not be comparable with similar measures presented by other issuers. The Trust has presented such non-GAAP financial measures and ratios as Management believes they are relevant measures of the Trust’s underlying operating and financial performance. Certain additional disclosures such as the composition, usefulness and changes, as applicable, of the non-GAAP financial measures and ratios included in this press release have been incorporated by reference from the management’s discussion and analysis of the financial condition and results from operations of the REIT for the three and six months ended June 30, 2022, dated August 2, 2022 (the “MD&A for the second quarter of 2022”) and can be found under the sections “Non-GAAP Financial Measures” and “Non-GAAP Ratios” and respective sub-headings labelled “Funds from operations (“FFO”)”, “Diluted FFO per Unit”, “Comparative properties NOI (constant currency basis)”, “Net total debt-to-total assets (net of cash and cash equivalents) ratio”, “Net total debt-to-normalized adjusted EBITDAFV”, and “Interest coverage ratio”, “Available Liquidity”, “Total equity (including LP B Units or subsidiary redeemable units)” and “Net asset value (“NAV”) per Unit”. The composition of supplementary financial measures included in this press release have been incorporated by reference from the MD&A for the second quarter of 2022 and can be found under the section “Supplementary financial measures and ratios and other disclosures”. The MD&A for the second quarter of 2022 is available on SEDAR at www.sedar.com under the Trust’s profile and on the Trust’s website at www.dreamindustrialreit.ca under the Investors section. Non-GAAP financial measures and ratios should not be considered as alternatives to net income, net rental income, cash flows generated from (utilized in) operating activities, cash and cash equivalents, total assets, non-current debt, total equity, or comparable metrics determined in accordance with IFRS as indicators of the Trust’s performance, liquidity, cash flow, and profitability.

Forward looking information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including statements regarding the Trust’s objectives and strategies to achieve those objectives; the Trust’s expectations relating to the benefits to be realized from demand drivers for industrial space; the Trust’s portfolio and management strategy and expected benefits to be derived thereof, including the Trust’s ability to execute on its strategy and expected growth opportunities; the Trust’s conservative financial policies and expected strength of its balance sheet; the anticipated commencement of certain leases and the average spread thereof and the Trust’s ability and expectations to achieve strong rental growth over time as it sets rents on expiring leases to market; our development and expansion pipelines; expected occupancy; the Trust’s ability to grow FFO per Unit and NAV per Unit; the Trust’s ability to add high-quality assets in core markets at attractive economics; the Trust’s development, expansion and redevelopment plans, including the timing of construction and expansion, costs, expectations regarding stabilization of expansions, and anticipated yields; expected debt and liquidity levels; and similar statements concerning anticipated future events, future leasing activity, including those associated with user demand relative to supply of quality industrial product in the Trust’s operating markets, the ability to lease vacant space, results of operations, performance, business prospects and opportunities, and the real estate industry in general. Forward-looking information is based on a number of assumptions and is subject



to a number of risks and uncertainties, many of which are beyond the Trust's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, general and local economic and business conditions; employment levels; mortgage and interest rates and regulations; uncertainties around the timing and amount of future financings; uncertainties surrounding the COVID-19 pandemic; geopolitical events, including disputes between nations, war and international sanctions; the financial condition of tenants; leasing risks, including those associated with the ability to lease vacant space; rental rates and the strength of rental rate growth on future leasing; and interest and currency rate fluctuations. The Trust's objectives and forward-looking statements are based on certain assumptions, including that the general economy remains stable, interest rates remain stable, conditions within the real estate market remain consistent, historically low rates and rising replacement costs in the Trust's operating markets remain steady, competition for acquisitions remains consistent with the current climate and that the capital markets continue to provide ready access to equity and/or debt. All forward-looking information in this press release speaks as of the date of this press release. The Trust does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law. Additional information about these assumptions and risks and uncertainties is contained in the Trust's filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at the Trust's website at www.dreamindustrialreit.ca.

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Appendices

Reconciliation of CP NOI (constant currency basis) to net rental income

The table below reconciles CP NOI (constant currency basis) for the three and six months ended June 30, 2022 and June 30, 2021 to net rental income.

	Three months ended	
	June 30, 2022	June 30, 2021
Ontario	\$ 14,843	\$ 13,211
Québec	10,493	9,076
Western Canada	11,504	10,695
Canadian portfolio	36,840	32,982
European portfolio (constant currency basis)	7,016	6,652
U.S. portfolio (constant currency basis)	2,489	2,442
Comparative properties NOI (constant currency basis)	46,345	42,076
Impact of foreign currency translation on comparative properties NOI	—	502
NOI from acquired properties – Canada	4,830	380
NOI from acquired properties - Europe	18,741	1,126
NOI from acquired properties – U.S.	807	29
NOI from disposed share of properties – U.S.	—	7,048
Net property management and other income	885	—
Straight-line rent	1,566	516
Amortization of lease incentives	(502)	(469)
Lease termination fees and other	(318)	(41)
COVID-19 related adjustments and provisions	(111)	(72)
Less: NOI from equity accounted investments	(3,514)	—
Net rental income from continuing operations	\$ 68,729	\$ 51,095

	Six months ended	
	June 30, 2022	June 30, 2021
Ontario	\$ 28,849	\$ 25,037
Québec	16,032	14,045
Western Canada	22,459	21,463
Canadian portfolio	67,340	60,545
U.S. portfolio (constant currency basis)	4,522	4,284
European portfolio (constant currency basis)	13,194	12,496
Comparative properties NOI (constant currency basis)	85,056	77,325
Impact of foreign currency translation on comparative properties NOI	—	926
NOI from acquired properties – Canada	13,369	3,465
NOI from acquired properties – Europe	37,074	1,728
NOI from acquired properties – U.S.	1,437	110
NOI from disposed share of properties - U.S.	(2)	14,122
Net property management and other income	2,096	—
Straight-line rent	3,023	985
Amortization of lease incentives	(1,130)	(972)
Lease termination fees and other	(475)	162
COVID-19 related adjustments and provisions	(127)	(94)
Less: NOI from equity accounted investments	(6,279)	—
Net rental income from continuing operations	\$ 134,042	\$ 97,757

Appendices

Reconciliation of FFO to net income

The table below reconciles FFO for the three and six months ended June 30, 2022 and June 30, 2021 to net income.

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Net income for the period	\$ 171,480	\$ 160,295	\$ 614,369	\$ 255,559
Add (deduct):				
Fair value adjustments to investment properties	(24,699)	(207,117)	(385,395)	(281,718)
Fair value adjustments to financial instruments	(84,242)	74,971	(111,903)	76,845
Share of net income from equity accounted investment	(23,031)	—	(41,425)	—
Interest expense on subsidiary redeemable units	3,247	3,247	6,493	6,493
Amortization and write-off of lease incentives	488	469	1,116	972
Internal leasing costs	1,073	902	2,164	1,800
Fair value of DUIP included in G&A expenses	(18)	49	83	59
Foreign exchange on capital transactions	3,404	131	3,414	837
Share of FFO from equity accounted investments	2,579	—	4,573	—
Deferred income taxes expense	8,073	6,211	21,503	10,160
Current income taxes expense related to dispositions	126	—	126	—
Transaction costs on sale of investment properties	445	—	445	—
FFO for the period before the undernoted adjustment	58,925	39,158	115,563	71,007
Debt settlement costs	—	—	—	3,059
FFO for the period	\$ 58,925	\$ 39,158	\$ 115,563	\$ 74,066

Reconciliation of available liquidity to cash and cash equivalents

The table below reconciles available liquidity to cash and cash equivalents as at June 30, 2022, December 31, 2021 and June 30, 2021.

Amounts per consolidated financial statements	June 30, 2022	December 31, 2021	June 30, 2021
Cash and cash equivalents	\$ 81,311	\$ 164,015	\$ 313,249
Undrawn unsecured revolving credit facility ⁽¹⁾	347,751	347,597	350,000
Available liquidity	\$ 429,062	\$ 511,612	\$ 663,249

(1) Net of a letter of credit totalling \$2,249, \$2,403, and \$nil as at June 30, 2022, December 31, 2021, and June 30, 2021, respectively.

Reconciliation of total equity (including LP B Units) to total equity (excluding LP B Units)

The table below reconciles total equity (including LP B Units) to total equity (excluding LP B Units) as at June 30, 2022, December 31, 2021 and June 30, 2021.

	June 30, 2022		December 31, 2021		As at June 30, 2021	
	Number of Units	Amount	Number of Units	Amount	Number of Units	Amount
REIT Units and unitholders' equity	255,000,182	\$ 3,088,274	233,864,845	\$ 2,756,156	209,815,015	\$ 2,372,164
Retained earnings	—	1,273,573	—	746,848	—	472,165
Accumulated other comprehensive income	—	(32,896)	—	(3,581)	—	(2,594)
Total equity per consolidated financial statements	255,000,182	4,328,951	233,864,845	3,499,423	209,815,015	2,841,735
Add: LP B Units	18,551,855	224,106	18,551,855	319,463	18,551,855	283,472
Total equity (including LP B Units)	273,552,037	\$ 4,553,057	252,416,700	\$ 3,818,886	228,366,870	\$ 3,125,207

Reconciliation of total debt to non-current debt

The table below reconciles total debt to non-current debt as at June 30, 2022, December 31, 2021 and June 30, 2021.

Amounts per consolidated financial statements	June 30, 2022	December 31, 2021	June 30, 2021
Non-current debt	\$ 1,962,861	\$ 2,006,647	\$ 2,028,401
Current debt	250,193	38,349	42,531
Debt classified as liabilities related to assets held for sale	—	—	275,932
Fair value of cross-currency interest rate swaps ⁽¹⁾⁽²⁾	(125,690)	(32,514)	(2,020)
Total debt	\$ 2,087,364	\$ 2,012,482	\$ 2,344,844

(1) As at June 30, 2022, the cross-currency interest rate swaps were in a net asset position and \$125,870 were included in "Derivatives and other non-current assets" and \$180 in "Derivatives and other non-current liabilities" in the condensed consolidated financial statements (December 31, 2021 – the cross-currency interest rate swaps were in an asset position and \$38,939 were included in "Derivatives and other non-current assets" and \$6,425 in "Derivatives and other non-current liabilities" in the consolidated financial statements).

(2) As at June 30, 2021, the cross-currency interest rate swaps were in an asset position and \$8,287 were included in "Derivatives and other non-current assets" and (\$6,267) in "Derivatives and other non-current liabilities" in the condensed consolidated financial statements.