

## DREAM INDUSTRIAL REIT REPORTS STRONG Q3 2023 FINANCIAL RESULTS AND ANNOUNCES APPOINTMENT OF NEW CHIEF EXECUTIVE OFFICER

*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, November 7, 2023, 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 nine months ended September 30, 2023. Management will host a conference call to discuss the financial results on November 8, 2023 at 3:00 p.m. (ET).

### HIGHLIGHTS

- **Diluted funds from operations (“FFO”) per Unit<sup>(1)</sup> was \$0.25 in Q3-2023, a 10.4% increase** when compared to \$0.22 in Q3-2022.
- **Comparative properties net operating income (“CP NOI”) (constant currency basis)<sup>(2)</sup> was \$84.6 million in Q3-2023, a 10.4% increase** when compared to \$76.6 million in Q3-2022. The Canadian portfolio posted a year-over-year CP NOI (constant currency basis) growth of 12.1%. The European portfolio saw 8.9% year-over-year CP NOI (constant currency basis) growth.
- **Net rental income was \$84.5 million in Q3-2023, a 17.4% increase** when compared to \$72.0 million in Q3-2022. Year-over-year net rental income increased by 17.2% in Ontario, 8.6% in Québec, 3.4% in Western Canada and 21.5% in Europe excluding disposed investment properties, primarily driven by strong CP NOI (constant currency basis) growth in 2023 and 2022 and the impact of acquired investment properties in the past year.
- **Net income was \$50.5 million in Q3-2023, a decrease of \$75.2 million** when compared to net income of \$125.7 million in Q3-2022, mainly driven by fair value adjustments to financial instruments. The net income in Q3-2023 was comprised of net rental income of \$84.5 million, fair value adjustments to investment properties of \$(33.5) million, fair value adjustments to financial instruments of \$15.1 million and other expenses of \$15.6 million.
- **Total assets were \$7.9 billion as at September 30, 2023, a 7.9% increase** when compared to \$7.3 billion as at December 31, 2022, driven by acquisitions and higher investment property values.
- **Total equity (including LP B Units)<sup>(2)</sup> and total equity (per condensed consolidated financial statements) was \$4.8 billion and \$4.6 billion as at September 30, 2023, respectively. This represents a 2.7% increase and 3.9% increase, respectively, when compared to December 31, 2022.**
- **Net asset value (“NAV”) per Unit<sup>(1)</sup> was \$16.80 as at September 30, 2023, compared to the NAV per Unit of \$16.97 as at December 31, 2022.**
- Mr. Alexander Sannikov, currently President and Chief Operating Officer of Trust, has been appointed President and Chief Executive Officer of the Trust effective January 1, 2024. Mr. Brian Pauls will be stepping down as Chief Executive Officer at the end of 2023 to focus on Dream’s U.S. multi-family operations as Chief Executive Officer of Dream Residential Real Estate Investment Trust.

(1) Diluted FFO per Unit and NAV per Unit are non-GAAP ratios. 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) CP NOI (constant currency basis) and Total equity (including LP B Units) are non-GAAP financial measures. The tables included in the Appendices section of this press release reconcile these non-GAAP financial measures with their most directly comparable IFRS financial measures. 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

(in thousands of dollars except per Unit amounts)	Three months ended			Nine months ended	
	September 30, 2023	September 30, 2022	September 2023	September 30, 2022	
<b>Operating results</b>					
Net rental income	\$ 84,504	\$ 71,997	\$ 248,999	\$ 206,039	
CP NOI (constant currency basis) <sup>(1)</sup>	84,618	76,613	230,613	206,397	
Net income	50,494	125,663	113,116	740,032	
Funds from operations ("FFO") <sup>(2)</sup>	69,395	60,897	205,348	176,460	
<b>Per Unit amounts</b>					
FFO – diluted <sup>(3)(4)</sup>	\$ 0.25	\$ 0.22	\$ 0.74	\$ 0.66	
Distribution rate	\$ 0.17	\$ 0.17	\$ 0.52	\$ 0.52	

See footnotes at end.

### PORTFOLIO INFORMATION

(in thousands of dollars)	As at		
	September 30, 2023	December 31, 2022	September 30, 2022
<b>Total portfolio</b>			
Number of assets <sup>(5)(6)</sup>	322	257	258
Investment properties fair value	\$ 6,854,490	\$ 6,759,425	\$ 6,509,557
Gross leasable area ("GLA") (in millions of sq. ft.) <sup>(6)</sup>	70.6	47.3	46.5
Occupancy rate – in-place and committed (period-end) <sup>(7)</sup>	97.2%	98.9%	99.0%
Occupancy rate – in-place (period-end) <sup>(7)</sup>	96.9%	97.9%	97.3%

See footnotes at end.

## FINANCING AND CAPITAL INFORMATION

(in thousands of dollars except per Unit amounts)	As at		
	September 30, 2023	December 31, 2022	September 30, 2022
<b>FINANCING</b>			
Credit rating- DBRS	<b>BBB (mid)</b>	BBB (mid)	BBB (mid)
Net total debt-to-total assets (net of cash and cash equivalents) ratio <sup>(8)</sup>	<b>35.1%</b>	31.7%	29.2%
Net total debt-to-normalized adjusted EBITDAFV ratio (years) <sup>(9)</sup>	<b>8.2</b>	8.3	7.8
Interest coverage ratio (times) <sup>(10)</sup>	<b>6.7</b>	12.3	13.2
Weighted average face interest rate on debt	<b>2.33%</b>	1.21%	1.14%
Weighted average remaining term to maturity on debt (years)	<b>3.0</b>	3.0	3.0
Unencumbered investment properties <sup>(11)</sup>	\$ <b>5,336,243</b>	\$ 5,313,083	\$ 5,088,394
Total assets	\$ <b>7,852,450</b>	\$ 7,280,493	\$ 7,139,283
Cash and cash equivalents	\$ <b>64,948</b>	\$ 83,802	\$ 60,091
Available liquidity (period-end) <sup>(12)</sup>	\$ <b>526,655</b>	\$ 529,587	\$ 346,019
<b>CAPITAL</b>			
Total equity (per condensed consolidated financial statements)	\$ <b>4,625,404</b>	\$ 4,452,741	\$ 4,477,839
Total equity (including LP B Units) <sup>(13)</sup>	\$ <b>4,796,774</b>	\$ 4,669,612	\$ 4,676,900
Total number of Units (in thousands) <sup>(14)</sup>	<b>285,469</b>	275,156	274,335
Net asset value ("NAV") per Unit <sup>(15)</sup>	\$ <b>16.80</b>	\$ 16.97	\$ 17.05
Unit price	\$ <b>12.84</b>	\$ 11.69	\$ 10.73

See footnotes at end.

*"DIR continues to outperform the market across all operating and financial metrics with continued strong CP NOI and FFO per unit growth," said Brian Pauls, Chief Executive Officer of Dream Industrial REIT. "The value-creation potential from the embedded growth opportunities within our portfolio and our private capital partnerships should allow us to continue to deliver strong returns for unitholders. Our financing initiatives have further enhanced our balance sheet strength and flexibility and allow us to pursue opportunities to continue to enhance the overall quality of our portfolio and the business."*

## ORGANIC GROWTH

- **Continued strong leasing momentum at attractive rental spreads** – Since the end of Q2 2023, the Trust has transacted approximately 1.2 million square feet of leases across its portfolio at an average rental rate spread of 41% over prior or expiring rents.
  - In Canada, the Trust signed 1 million square feet of leases, achieving an average rental rate spread to expiry of 45% and an annual contractual rent growth of nearly 4%.
  - In Europe, the Trust signed 191,000 square feet of leases at an average rental rate spread of 9%. All of the leases are fully indexed to local consumer price indices ("CPI") or have contractual rent steps of 2%.

As at September 30, 2023, estimated market rents exceeded the average in-place rent across the Trust's Canadian portfolio by nearly 48% with average contractual annual rent rate growth of over 2.8%. For the Trust's overall portfolio, excluding U.S. assets held in a private U.S. industrial fund (the "U.S. Fund") and assets held in a joint venture between GIC and the Trust in which the Trust has a 10% interest (the "Dream Summit JV"), estimated market rents exceeded the average in-place rent by nearly 35%.

Since the closing of the Dream Summit JV transaction, the Trust has successfully integrated Dream Summit JV's operations with the Trust's operating platform and completed or finalized terms on approximately 1.8 million square feet of new leases and renewals at an average spread of more than 100% over prior and expiring rents.

- **Solid pace of CP NOI (constant currency basis)<sup>(1)</sup> growth** – CP NOI (constant currency basis) for the three and nine months ended September 30, 2023 was \$84.6 million and \$230.6 million, respectively. For the same periods in 2022, CP NOI (constant currency basis) was \$76.6 million and \$206.4 million, respectively. This represents an increase of 10.4% for the three months ended September 30, 2023 and 11.7% for the nine months ended September 30, 2023, compared to the prior year comparative periods.

The Canadian portfolio posted a year-over-year CP NOI (constant currency basis) growth of 12.1%, driven by 16.7%, 12.4% and 4.0% CP NOI growth in Ontario, Québec and Western Canada, respectively.

Year-over-year CP NOI (constant currency basis) growth in Ontario was primarily driven by increasing rental spreads on new and renewed leases and the lease-up of completed expansion in the Greater Toronto Area ("GTA"), which increased the average in-place base rent by 15.3%.

In Québec, year-over-year CP NOI (constant currency basis) growth was driven primarily by higher average in-place base rents of 15.5% and two completed expansions in the Greater Montréal Area.

In Europe, the lease-up of an expansion at the Trust's properties in Dresden, Germany, and The Hague, Netherlands, in addition to CPI indexation, led to a 7.4% and 7.9% increase in in-place base rent for the three and nine months ended September 30, 2023, respectively, which drove year-over-year CP NOI (constant currency basis) growth of 8.9% and 10.9%, respectively.

- **In-place and committed occupancy** – The Trust's in-place and committed occupancy remained high at 97.2%, compared to 98.0% as at June 30, 2023. The decrease was primarily attributable to transitory vacancies including the recently completed development in Caledon and a 225,000 square foot vacancy near the Port of Montréal. The Trust expects significant opportunities to capture rent increases across its markets as we re-lease these spaces.

Over the next two years, the Trust has over 8.5 million square feet of GLA maturing. Over 6 million square feet of this space is located in Canada, of which approximately 74% is located in Ontario and Québec where the average market rent is approximately double that of in-place rent.

- **Continued growth in net rental income for the quarter and year-to-date** – Net rental income for the three and nine months ended September 30, 2023 was \$84.5 million and \$249.0 million, respectively, representing an increase of \$12.5 million, or 17.4%, and \$43.0 million, or 20.9%, relative to the prior year comparative periods. Year-over-year net rental income increased by 17.2% in Ontario, 8.6% in Québec, 3.4% in Western Canada and 21.5% in Europe, excluding disposed investment properties. The increase was mainly driven by strong CP NOI

(constant currency basis) growth in 2023 and 2022, and the impact of acquired investment properties in the past year.

## INVESTMENT UPDATE

The Trust continues to evaluate investments that meet its objective of improving the cash flow growth profile and overall quality of the portfolio, while preserving balance sheet flexibility. The Dream Summit JV provides a new source of growth capital for the Trust to pursue strategic acquisitions and strengthens the Trust's property management and leasing fee stream.

During the quarter, the Dream Summit JV acquired a 19-acre land site and a 150,000 square foot income-producing property located in the GTA. Subsequent to the quarter, the Dream Summit JV acquired four additional income-producing assets totaling 0.6 million square feet. Furthermore, the Dream Summit JV is in exclusive negotiations or under contract to acquire two assets located in the GTA totaling 0.2 million square feet.

In total, the Trust's equity investment to fund these acquisitions is expected to be approximately \$5 million. Combined with the associated property management and leasing income, the Trust expects the income-producing assets to generate a going-in yield on equity in excess of 7.5% with further upside as the Trust estimates current market rents to be over 30% higher than in-place rents.

## 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 2.8 million square feet of development projects that are recently completed, currently underway or in advanced planning stages.

- Over the past 15 months, the Trust has completed and substantially completed approximately 0.9 million square feet of development projects across Canada and Europe. These completed developments are more than 90% leased and the Trust is targeting to achieve an unlevered yield of 7.4% upon full stabilization.
- The Trust currently has 1.7 million square feet of projects underway across Canada including the Trust's share of projects held in its development joint venture (the "Development JV"). With total estimated costs to completion of \$167 million, the Trust expects unlevered yield on development cost of approximately 6.4% upon completion. The Trust expects these projects to be completed in the next 12-18 months and is currently engaging with prospective tenants. The Trust recently signed a conditional 20,000 square foot lease at its recently completed development in Caledon at a rental rate over 6% higher than the previous lease signed at this property earlier this year.

*"DIR reported its fourth consecutive quarter of strong year-over-year CP NOI growth and we continue to see a long runway for robust organic growth going forward,"* said Alexander Sannikov, President and Chief Operating Officer of Dream Industrial REIT. *"Our focus on private capital partnerships continues to prove successful with strong expected accretion from our investments despite the elevated interest rate environment."*

## CAPITAL STRATEGY

The Trust continues to maintain significant financial flexibility as it executes on its strategy to grow and upgrade portfolio quality. During the quarter, the Trust issued 7.5 million units through its at-the-market program ("ATM") at an average price of \$14.27 for total proceeds of \$107 million. In July, the Trust closed on €229 million of European

mortgages with three lenders at a weighted average interest rate of 4.93% for five years. These mortgages, in addition to the ATM proceeds, were utilized to refinance existing mortgage maturities and reduce the outstanding balance on the Trust's credit facility which bore an average rate of approximately 6.2%. The Trust's net debt-to-total asset (net of cash and cash equivalents) ratio was 35.1% at September 30, 2023, which was more than 100 basis points lower than the prior quarter.

The Trust has addressed all of its 2023 debt maturities and has \$304 million of debt maturing in 2024 at an average rate of 3.53%. Of the 2024 debt maturities, 95% are denominated in Euros and the Trust is targeting to refinance the maturities in Euros.

The Trust's proportion of secured debt<sup>(16)</sup> is 7.3% of total assets and represents 20.7% of total debt<sup>(17)</sup>, compared to 7.0% and 24.2% one year ago, respectively. The Trust's unencumbered asset pool<sup>(11)</sup> totaled \$5.3 billion as at September 30, 2023, representing 78% of the Trust's investment properties value as at September 30, 2023.

The Trust ended Q3 2023 with available liquidity<sup>(12)</sup> of \$527 million, and an additional \$250 million that could be exercised through the accordion on its unsecured credit facility.

*"We continue to focus on maintaining a strong and flexible balance sheet through the issuance of \$107 million of units through our ATM program. With the closing of \$330 million of European mortgages this quarter, the availability of debt for our business remains healthy,"* said Lenis Quan, Chief Financial Officer of Dream Industrial REIT. *"We are also actively exploring several disposition opportunities at prices that are expected to be accretive to our total return profile while improving overall portfolio quality. Proceeds from these capital recycling initiatives are likely to be used to fund our development and solar pipeline as well as our contributions towards our private capital partnerships."*

## **MANAGEMENT UPDATE**

The Trust is pleased to announce the appointment of Alexander Sannikov as President and Chief Executive Officer of the Trust effective January 1, 2024. Mr. Sannikov joined Dream Asset Management Corporation ("Dream"), the Trust's asset manager, in 2008. Mr. Sannikov joined the Trust's management team in 2019 and is currently serving as the President and Chief Operating Officer of the Trust. In his new role, Mr. Sannikov will oversee all aspects of the Trust's business as Dream Industrial continues to execute on core pillars of its strategy. Mr. Brian Pauls will be stepping down as Chief Executive Officer at the end of 2023 to focus on Dream's U.S. multi-family operations as Chief Executive Officer of Dream Residential Real Estate Investment Trust.

*"Over the past six years since joining the REIT as CEO, Brian has done an outstanding job in leading DIR to become one of the largest industrial landlords in the country with over 70 million square feet of industrial assets under management in strong markets across Canada, Europe, and the U.S.,"* said Vincenza Sera, Chair of Dream Industrial REIT. *"I would like to thank Brian for his remarkable achievements and wish him well on his continuing endeavors. We also welcome Alex as President and CEO and recognize his significant contributions to the REIT since he joined in 2019. He has been leading the operations and the development program of the REIT and has been instrumental in strengthening DIR's private capital partnerships, including the recent acquisition and integration of the Dream Summit portfolio. We look forward to his continued contributions to the REIT as its new leader."*



## **CONFERENCE CALL**

Senior management will host a conference call to discuss the financial results on Wednesday, November 8, 2023, at 3:00 p.m. (ET). To access the conference call, please dial 1-800-319-4610 (toll free) or 416-915-3239 (toll). To access the conference call via webcast, please go to Dream Industrial REIT's website at [www.dreamindustrialreit.ca](http://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](http://www.dreamindustrialreit.ca) and on [www.sedarplus.ca](http://www.sedarplus.ca).

Dream Industrial REIT is an unincorporated, open-ended real estate investment trust. As at September 30, 2023, Dream Industrial REIT owns, manages and operates a portfolio of 322 industrial assets totaling approximately 70.6 million square feet of gross leasable area in key markets across Canada, Europe, and the U.S. Dream Industrial REIT's goal is to deliver strong total returns to its unitholders through secure cash flows underpinned by its high-quality portfolio and an investment grade balance sheet as well as driving growth in its net asset value and cash flow per unit. For more information, please visit [www.dreamindustrialreit.ca](http://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 nine months ended September 30, 2023 and September 30, 2022 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 nine months ended September 30, 2023 and September 30, 2022 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 nine months ended September 30, 2023 and September 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 September 30, 2023, December 31, 2022 and September 30, 2022.
7. Includes the Trust’s share of equity accounted investments as at September 30, 2023, December 31, 2022 and September 30, 2022.
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). The most directly comparable IFRS financial measure to net total debt is non-current debt, and the most directly comparable IFRS financial measure to total assets (net of cash and cash equivalents) is total assets. The tables included in the Appendices section of this press release reconcile net total debt to non-current debt and total assets (net of cash and cash equivalents) to total assets as at September 30, 2023, December 31, 2022 and September 30, 2022. For further information on this non-GAAP ratio and these non-GAAP financial measures, 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). The most directly comparable IFRS financial measure to normalized adjusted EBITDAFV is net income. The tables included in the Appendices section of this press release reconcile adjusted EBITDAFV to net income (loss) for the three months ended September 30, 2023, December 31, 2022 and September 30, 2022, for the nine months ended September 30, 2023, September 30, 2022 and September 30, 2021, and for the years ended December 31, 2022 and December 31, 2021. For further information on this non-GAAP ratio and this non-GAAP financial measure, 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. The most directly comparable IFRS financial measure to adjusted EBITDAFV is net income. For further information on this non-GAAP ratio and non-GAAP financial measure, 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 September 30, 2023, December 31, 2022 and September 30, 2022. 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.
13. Total equity (including LP B Units or subsidiary redeemable 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 September 30, 2023, December 31, 2022 and September 30, 2022. 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 13.3 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 total 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 September 30, 2023, December 31, 2022 and September 30, 2022. 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.

### **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, total assets (net of cash and cash equivalents), net total debt-to-normalized adjusted EBITDAFV ratio, adjusted EBITDAFV, normalized adjusted EBITDAFV – annualized, 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 Trust for the three and nine months ended September 30, 2023, dated November 7, 2023 (the "Q3 MD&A 2023") 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 net operating income ("CP NOI") (constant currency basis)", "Net total debt-to-total assets (net of cash and cash equivalents) ratio", "Net total debt-to-normalized adjusted EBITDAFV ratio (years)", and "Interest coverage ratio", "Available Liquidity", "Total equity (including LP B Units or subsidiary redeemable units)", "Total debt", "Net asset value ("NAV") per Unit", "Net total debt and total assets (net of cash and cash equivalents)", "Adjusted earnings before interest, taxes, depreciation, amortization and fair value adjustments ("Adjusted EBITDAFV") and Normalized adjusted EBITDAFV – Annualized". The composition of supplementary financial measures included in this press release have been incorporated by reference from the Q3 MD&A 2023 and can be found under the section "Supplementary financial measures and ratios and other disclosures". The Q3 MD&A 2023 is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under the Trust's profile and on the Trust's website at [www.dreamindustrialreit.ca](http://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 value-creation potential from growth opportunities and the expected results from private capital partnerships; the Trust's opportunities to enhance the quality and organic cash flow growth profile while preserving balance sheet quality and flexibility; the Trust's goal of delivering strong total returns to its unitholders through secure cash flows underpinned by its high-quality portfolio and an investment grade balance sheet as well as growth in its net asset value and cash flow per unit; the performance and quality of its portfolio; the Trust's ability to grow organically; the Trust's ability and expectations to achieve strong rental growth over time as it sets rents on expiring leases to market; maturing GLA; the Trust's development pipeline and its expectations with respect to the opportunity provided by such development pipeline; the Trust's development, expansion and redevelopment plans, including the timing of construction and expansion, costs, square footage, unlevered yields and anticipated yields; the Dream Summit JV, the status of new leases and renewals, the opportunities provided by the venture to pursue acquisitions and boost its property management and leasing fee stream, and potential acquisitions; the Trust's expectations for further growth, growing cash flows, net asset value and overall returns to unitholders; the process of refinancing upcoming European mortgage maturities; the Trust's opportunities to access debt financing; disposition opportunities, the anticipated results therefrom, and expected use of proceeds from such dispositions; the strength, flexibility and liquidity of the Trust's balance sheet; and similar statements concerning anticipated future events, financials, 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; inflation; risks related to a potential economic slowdown in certain of the jurisdictions in which we operate and the effect inflation and any such economic slowdown may have on market conditions and lease rates; uncertainties around the timing and amount of future financings; uncertainties surrounding the COVID-19 pandemic and other public health crises and epidemics; 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; inflation and interest rates will not materially increase beyond current market expectations; conditions within the real estate market remain consistent; competition for acquisitions remains consistent with the current climate; and 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](http://www.dreamindustrialreit.ca).

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**Appendices**

All dollar amounts in the Appendices are presented in thousands of Canadian dollars, except for per square foot amounts, per Unit amounts, or unless otherwise stated.

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

The tables below reconcile CP NOI (constant currency basis) for the three and nine months ended September 30, 2023 and September 30, 2022 to net rental income.

	Three months ended	
	September 30, 2023	September 30, 2022
Ontario	\$ 22,780	\$ 19,514
Québec	13,435	11,954
Western Canada	12,103	11,636
Canadian portfolio	48,318	43,104
European portfolio (constant currency basis)	32,505	29,835
U.S. portfolio (constant currency basis)	3,795	3,674
<b>CP NOI (constant currency basis)</b>	<b>84,618</b>	<b>76,613</b>
Impact of foreign currency translation on CP NOI	—	(3,111)
NOI from acquired properties – Canada	825	5
NOI from acquired properties – Europe	530	284
NOI from acquired properties – Dream Summit JV	5,128	—
NOI from acquired properties – U.S.	355	—
NOI from disposed properties	—	206
Net property management and other income	2,698	769
Straight-line rent	1,561	1,840
Amortization of lease incentives	(922)	(621)
Lease termination fees and other	(424)	(15)
Bad debt provisions	(650)	(495)
NOI from properties transferred to properties held for development	90	383
Less: NOI from equity accounted investments	(9,305)	(3,861)
<b>Net rental income</b>	<b>\$ 84,504</b>	<b>\$ 71,997</b>

	Nine months ended	
	September 30, 2023	September 30, 2022
Ontario	\$ 61,465	\$ 51,218
Québec	37,868	34,594
Western Canada	36,163	34,092
Canadian portfolio	135,496	119,904
European portfolio (constant currency basis)	85,461	77,055
U.S. portfolio (constant currency basis)	9,656	9,438
<b>CP NOI (constant currency basis)</b>	<b>230,613</b>	<b>206,397</b>
Impact of foreign currency translation on CP NOI	—	(5,418)
NOI from acquired properties – Canada	7,400	2,490
NOI from acquired properties – Europe	11,631	5,012
NOI from acquired properties – Dream Summit JV	12,643	—
NOI from acquired properties – U.S.	2,469	1,074
NOI from disposed properties	74	475
Net property management and other income	6,723	2,865
Straight-line rent	5,501	4,886
Amortization of lease incentives	(2,375)	(1,752)
Lease termination fees and other	738	(493)
Bad debt provisions	(1,631)	(611)
NOI from properties transferred to properties held for development	262	1,807
Less: NOI from equity accounted investments	(25,049)	(10,693)
<b>Net rental income</b>	<b>\$ 248,999</b>	<b>\$ 206,039</b>

## Appendices

### Reconciliation of FFO to net income

The table below reconciles FFO for the three and nine months ended September 30, 2023 and September 30, 2022 to net income.

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
<b>Net income for the period</b>	\$ 50,494	\$ 125,663	\$ 113,116	\$ 740,032
Add (deduct):				
Fair value adjustments to investment properties	33,522	(43,133)	22,745	(428,528)
Fair value adjustments to financial instruments	(15,094)	(30,481)	40,364	(142,384)
Share of net (income) loss from equity accounted investments	(10,154)	(6,279)	(3,500)	(47,704)
Interest expense on subsidiary redeemable units	2,336	3,246	8,221	9,739
Amortization and write-off of lease incentives	1,105	627	2,530	1,743
Internal leasing costs	1,127	1,056	3,224	3,220
Fair value adjustments to deferred trust units included in G&A	(35)	(133)	(93)	(50)
Foreign exchange (gain) loss	(1,199)	568	(1,342)	3,982
Share of FFO from equity accounted investments	6,802	2,717	18,395	7,290
Deferred income tax expense	415	7,011	870	28,514
Current income tax expense related to dispositions	—	—	—	126
Transaction costs on acquisitions and dispositions	76	35	818	480
<b>FFO for the period</b>	\$ 69,395	\$ 60,897	\$ 205,348	\$ 176,460

### Reconciliation of available liquidity to cash and cash equivalents

The table below reconciles available liquidity to cash and cash equivalents as at September 30, 2023, December 31, 2022 and September 30, 2022.

	September 30, 2023	December 31, 2022	September 30, 2022
Cash and cash equivalents per condensed consolidated financial statements	\$ 64,948	\$ 83,802	\$ 60,091
Undrawn unsecured revolving credit facility <sup>(1)</sup>	461,707	445,785	285,928
<b>Available liquidity</b>	\$ 526,655	\$ 529,587	\$ 346,019

(1) Net of letters of credit totaling \$6,293, \$2,414 and \$2,235 as at September 30, 2023, December 31, 2022 and September 30, 2022, 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 September 30, 2023, December 31, 2022 and September 30, 2022.

	September 30, 2023		December 31, 2022		September 30, 2022	
	Number of		Number of		Number of	
	Units	Amount	Units	Amount	Units	Amount
REIT Units and unitholders' equity	272,122,801	\$ 3,325,313	256,604,207	\$ 3,106,904	255,782,998	\$ 3,097,477
Retained earnings	—	1,248,890	—	1,274,974	—	1,354,249
Accumulated other comprehensive income (loss)	—	51,201	—	70,863	—	26,113
<b>Total equity per condensed consolidated financial statements</b>	<b>272,122,801</b>	<b>4,625,404</b>	<b>256,604,207</b>	<b>4,452,741</b>	<b>255,782,998</b>	<b>4,477,839</b>
Add: LP B Units	13,346,572	171,370	18,551,855	216,871	18,551,855	199,061
<b>Total equity (including LP B Units)</b>	<b>285,469,373</b>	<b>\$ 4,796,774</b>	<b>275,156,062</b>	<b>\$ 4,669,612</b>	<b>274,334,853</b>	<b>\$ 4,676,900</b>

**Reconciliation of total debt to non-current debt**

The table below reconciles total debt to non-current debt as at September 30, 2023, December 31, 2022 and September 30, 2022.

Amounts per condensed consolidated financial statements	September 30, 2023	December 31, 2022	September 30, 2022
Non-current debt	\$ 2,522,315	\$ 2,137,412	\$ 2,006,193
Current debt	308,515	275,536	255,907
Fair value of CCIRS <sup>(1)(2)</sup>	(67,736)	(75,581)	(192,526)
<b>Total debt</b>	<b>\$ 2,763,094</b>	<b>\$ 2,337,367</b>	<b>\$ 1,877,048</b>

- (1) As at September 30, 2023, the CCIRS were in a net asset position and \$64,935 was included in "Derivatives and other non-current assets", \$5,470 in "Prepaid expenses and other assets" and \$(2,669) in "Derivatives and other non-current liabilities" in the condensed consolidated financial statements (as at December 31, 2022 – the CCIRS were in a net asset position and \$76,593 was included in "Derivatives and other non-current assets" and \$(1,012) in "Derivatives and other non-current liabilities" in the condensed consolidated financial statements).
- (2) As at September 30, 2022, the CCIRS were in a net asset position and \$192,526 was included in "Derivatives and other non-current assets" in the condensed consolidated financial statements.

**Reconciliation of net total debt to non-current debt and total assets (net of cash and cash equivalents) to total assets**

The table below reconciles net total debt to non-current debt and total assets (net of cash and cash equivalents) to total assets as at September 30, 2023, December 31, 2022 and September 30, 2022.

	September 30, 2023	December 31, 2022	September 30, 2022
Non-current debt	\$ 2,522,315	\$ 2,137,412	\$ 2,006,193
Add (deduct):			
Current debt	308,515	275,536	255,907
Fair value of CCIRS	(67,736)	(75,581)	(192,526)
Unamortized financing costs	12,278	7,426	5,934
Unamortized fair value adjustments	(344)	(1,881)	(2,473)
Cash and cash equivalents	(64,948)	(83,802)	(60,091)
<b>Net total debt</b>	<b>\$ 2,710,080</b>	<b>\$ 2,259,110</b>	<b>\$ 2,012,944</b>
Total assets	7,852,450	7,280,493	7,139,283
Less: Fair value of CCIRS	(70,405)	(75,581)	(192,526)
Less: Cash and cash equivalents	(64,948)	(83,802)	(60,091)
<b>Total assets (net of cash and cash equivalents)</b>	<b>\$ 7,717,097</b>	<b>\$ 7,121,110</b>	<b>\$ 6,886,666</b>



**Reconciliation of adjusted EBITDAFV to net income (loss) and normalized adjusted EBITDAFV**

The table below reconciles adjusted EBITDAFV to net income (loss) for the three months ended September 30, 2023, December 31, 2022 and September 30, 2022, for the nine months ended September 30, 2023, September 30, 2022 and September 30, 2021, and for the years ended December 31, 2022 and December 31, 2021.

	For the three months ended			For the nine months ended			For the year ended	
	September 30, 2023	December 31, 2022	September 30, 2022	September 30, 2023	September 30, 2022	September 30, 2021	December 31, 2022	December 31, 2021
<b>Net income (loss) for the period</b>	\$ 50,494	\$ (34,147)	\$ 125,663	\$ 113,116	\$ 740,032	\$ 418,374	\$ 705,885	\$ 608,345
Add (deduct):								
Fair value adjustments to investment properties	33,522	65,503	(43,133)	22,745	(428,528)	(444,170)	(363,025)	(586,011)
Fair value adjustments to financial instruments	(15,094)	19,852	(30,481)	40,364	(142,384)	92,905	(122,532)	111,723
Share of net (income) loss from equity accounted investments	(10,154)	9,222	(6,279)	(3,500)	(47,704)	(13,031)	(38,482)	(39,270)
Interest expense on debt and other financing costs	14,365	6,349	5,187	38,859	14,273	20,978	20,622	24,820
Interest expense on subsidiary redeemable units	2,336	3,247	3,246	8,221	9,739	9,739	12,986	12,986
Other items included in investment properties revenue <sup>(1)</sup>	(112)	(1,391)	(1,983)	(3,417)	(3,401)	(1,712)	(4,792)	(2,372)
Distributions from equity accounted investment	5,826	2,066	1,808	10,976	3,960	964	6,026	1,931
Deferred and current income tax expenses (recovery), net	1,340	(11,855)	8,545	3,154	31,336	20,658	19,481	30,257
Net loss on transactions and other activities	(141)	8,673	1,929	2,631	8,132	6,645	16,805	3,066
Debt settlement costs	—	257	—	—	—	31,569	257	31,569
<b>Adjusted EBITDAFV for the period</b>	\$ 82,382	\$ 67,776	\$ 64,502	\$ 233,149	\$ 185,455	\$ 142,919	\$ 253,231	\$ 197,044

(1) Includes lease termination fees and other items, straight-line rent and amortization of lease incentives.

	September 30, 2023	December 31, 2022	September 30, 2022
<b>Adjusted EBITDAFV – quarterly<sup>(1)</sup></b>	<b>\$ 82,382</b>	<b>\$ 67,776</b>	<b>\$ 64,502</b>
Add (deduct):			
Normalized NOI of acquisitions and dispositions in the quarter <sup>(2)</sup>	<b>34</b>	<b>77</b>	<b>134</b>
<b>Normalized adjusted EBITDAFV – quarterly</b>	<b>82,416</b>	<b>67,853</b>	<b>64,636</b>
<b>Normalized adjusted EBITDAFV – annualized</b>	<b>\$ 329,664</b>	<b>\$ 271,412</b>	<b>\$ 258,544</b>

(1) Adjusted EBITDAFV (a non-GAAP financial measure) for the three months ended September 30, 2023, December 31, 2022 and September 30, 2022 is reconciled to net income (loss) for the respective periods in the table above.

(2) Represents the NOI had the acquisitions and dispositions in the respective periods occurred for the full quarter.