



## Cominar Exceeds \$8 Billion in Assets

Quebec City, November 6, 2014 — Cominar Real Estate Investment Trust (“Cominar” or the “REIT”) (TSX: CUF.UN) announced today its results for the third quarter of fiscal year 2014.

### Highlights for the Quarter Ended September 30, 2014

- Acquisition of a property portfolio for \$1.4 billion (+ 4.9 million sq. ft.) from Ivanhoé Cambridge Inc.
- Issuances exceeding \$1 billion, half of which in equity
- Increased net operating income by 6.2%
- Increased monthly distributions from \$0.12 to \$0.1225 per unit

### Subsequent Event

- Closing of the previously announced acquisition of Centre Rockland from Ivanhoé Cambridge Inc. for a purchase price of \$271.7 million (+ 649,000 sq. ft.)

“The highlight of the third quarter is without a doubt the closing on September 30 of the second largest acquisition in our history, whereby our total assets increased by 25.1%, now totalling \$8.2 billion. The closing of this acquisition of primarily retail properties for a purchase price of \$1.6 billion from Ivanhoé Cambridge Inc., which became one of the largest unitholders of the REIT, constitutes a major achievement for us”, said Michel Dallaire, President and Chief Executive Officer of Cominar.

“With this important transaction, we also accomplished two things at once by continuing our penetration of the Toronto market, now reaching 2.9 million square feet, while significantly improving our asset class diversification”, added Michel Dallaire, President and Chief Executive Officer of Cominar.

“For the third quarter of 2014, our results continue to show our team’s solid performance in achieving our business plan, as evidenced by our overall financial indicators. For a second consecutive quarter, we achieved positive organic growth with an increase of 0.9% of our same property portfolio net operating income,” said Gilles Hamel, Executive Vice President and Chief Financial Officer of Cominar.

### PRESENTATION OF RESULTS

For the quarter ended September 30, 2014, **operating revenues** increased to \$173.5 million, up 7.4% over the corresponding period in 2013 when operating revenues were \$161.5 million.

**Net operating income** reached \$99.1 million, up 6.2% compared to net operating income in the third quarter of 2013.

**Recurring distributable income** reached \$53.6 million, up 4.3% over the third quarter of 2013. The **basic recurring distributable income per unit** amounted to \$0.41 for the quarters ended September 30, 2014 and 2013.

**Recurring funds from operations** for the third quarter of 2014 reached \$61.7 million, up 7.9% compared to the third quarter of 2013. **Recurring adjusted funds from operations per unit fully diluted** amounted to \$0.47 in the third quarter, up 4.4% from those of the same quarter of 2013.

**Recurring adjusted funds from operations** for the third quarter of 2014 reached \$52.3 million, up 3.4% compared to 2013. Fully diluted per unit, they reached \$0.40, in the third quarters of 2014 and 2013.

## **FINANCIAL SITUATION**

As at September 30, 2014, Cominar had a **debt ratio** (excluding convertible debentures) of 52.6%. The **annualized interest coverage ratio** stood at 2.71:1. At the end of the third quarter of 2014, **total assets** reached \$7.9 billion, up 32.1% over December 31, 2013.

## **FINANCING ACTIVITIES**

On August 4, 2014, Cominar replaced its secured credit facility by a new unsecured credit facility of up to \$550.0 million. This new credit facility will mature in August 2017. Cominar's unencumbered income properties now stand at \$3.3 billion.

On August 7, 2014, Cominar announced the increase of monthly distributions per unit from \$0.12 to \$0.1225, up 2.1%.

On September 16, 2014, Cominar closed a public offering of \$287.5 million in units.

On September 17, 2014, Cominar issued \$250.0 million in Series 6 senior unsecured debentures bearing a variable interest rate and maturing in September 2016, and issued \$300.0 million in Series 7 senior unsecured debentures bearing an interest rate of 3.62% and maturing in June 2019.

On September 30, Cominar also closed a private placement of units of \$250.0 million with Ivanhoé Cambridge Inc. as part of the acquisition.

## **ACQUISITION OF A PROPERTY PORTFOLIO FROM IVANHOÉ CAMBRIDGE INC.**

On September 30, 2014, Cominar completed the acquisition of a retail property portfolio from Ivanhoé Cambridge Inc. for a purchase price of \$1.4 billion totalling 4.9 million square feet, at a weighted average capitalization rate of 6.5%.

During the first nine-month period of the year, we invested in strategic acquisitions, totalling approximately \$1.7 billion in income properties, which increased the total leasable area of our portfolio by 7.4 million square feet, 3.0 million of which are located in the Greater Toronto Area.

## **SUBSEQUENT EVENT**

On October 17, 2014, following the expiry of the right of first refusal, Cominar completed the acquisition of Centre Rockland from Ivanhoé Cambridge Inc., a shopping centre with a total leasable area of 649,000 square feet, located in the Greater Montreal Area, for a purchase price of \$271.7 million.

## **ADDITIONAL FINANCIAL INFORMATION**

Cominar's condensed interim consolidated financial statements and management's discussion and analysis for the third quarter 2014, will be filed with SEDAR at [www.sedar.com](http://www.sedar.com) and will be available on Cominar's website at [www.cominar.com](http://www.cominar.com).

## **CONFERENCE CALL ON NOVEMBER 6, 2014**

On **Thursday, November 6, 2014 at 11 a.m.** (ET), Cominar's management will hold a conference call to present the results for third quarter 2014. Anyone who is interested may take part in this call by dialing **1 888-390-0605**. A presentation regarding these results will be available before the conference call on the REIT's website at [www.cominar.com](http://www.cominar.com), under the Conference Call header. In addition, a taped rebroadcast of the conference call will be available from Thursday, November 6, 2014 at 2 p.m. to Thursday, November 13, 2014 at 11:59 p.m., by dialing **1 888-390-0541** followed by this code: **296640**.

## **DISTRIBUTION REINVESTMENT PLAN**

Cominar offers unitholders the opportunity to participate in its Unitholder Distribution Reinvestment Plan, which allows them to receive their monthly cash distributions as additional Cominar units. Participants will be entitled to receive an additional distribution equal to 5% of the distributions reinvested, which will be reinvested in additional units. For more information and to obtain a participation form, please visit Cominar's website at [www.cominar.com](http://www.cominar.com).

## **PROFILE AS AT NOVEMBER 6, 2014**

Cominar is the third largest diversified real estate investment trust in Canada and currently remains the largest commercial property owner in the Province of Quebec. The REIT owns a real estate portfolio of 563 properties in three different market segments, that is, office properties, retail properties and industrial and mixed-use properties. Cominar's portfolio totals 45.4 million square feet spread out across Quebec, Ontario, the Atlantic Provinces and Western Canada. Cominar's objectives are to pay growing cash distributions to unitholders and to maximize unitholder value through proactive management and the expansion of its portfolio.

## **FORWARD-LOOKING STATEMENTS**

*This press release may contain forward-looking statements with respect to Cominar and its operations, strategy, financial performance and financial condition. These statements generally can be identified by the use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intend", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Cominar discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulation and the factors described under "Risk Factors" in Cominar's Annual Information Form. The cautionary statements qualify all forward-looking statements attributable to Cominar and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release. Cominar does not assume any obligation to update the aforementioned forward-looking statements, except as required by applicable laws.*

## NON-IFRS FINANCIAL MEASURES

Net operating income, recurring distributable income (DI), recurring funds from operations (FFO) and recurring adjusted funds from operations (AFFO) are not measures recognized by International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS. Such measures may differ from similar computations as reported by similar entities and, accordingly, may not be comparable to similar measures reported by such other entities. Cominar's Management Discussion and Analysis for the third quarter ended September 30, 2014, presents the reconciliation of DI, FFO and AFFO with the most similar IFRS measures:

### NON-IFRS FINANCIAL MEASURES

Quarters ended September 30	2014	2013	Δ%	2014	2013	Δ%
	(\$000)	(\$000)		(\$ per unit)	(\$ per unit)	
Net operating income	99,131	93,338	6.2			
Recurring distributable income	53,579	51,369	4.3	0.41 <sup>(1)</sup>	0.41 <sup>(1)</sup>	-
Distributions	51,211	45,886	11.6	0.365	0.36	1.4
Recurring funds from operations	61,713	57,193	7.9	0.47 <sup>(2)</sup>	0.45 <sup>(2)</sup>	4.4
Recurring adjusted funds from operations	52,331	50,593	3.4	0.40 <sup>(2)</sup>	0.40 <sup>(2)</sup>	-

(1) Basic

(2) Fully diluted

#### For information:

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