



## PRESS RELEASE

For Immediate Release

# Continuing Growth for Cominar

Quebec City, February 26, 2015 — Cominar Real Estate Investment Trust (“Cominar” or the “REIT”) (TSX: CUF.UN) announced today its results for the fourth quarter and for the fiscal year 2014.

### Highlights for the Year Ended December 31, 2014

- Invested over \$2.0 billion in acquisitions of investment properties (+ 8.1 million sq. ft.)
- Increased net operating income by 11.7%
- Improvement of the payout ratio of recurring distributable income to 87.5%
- Increased monthly distributions from \$0.12 to \$0.1225 per unit

“In addition to the strong results that we present today, our acquisition activities are obviously at the top of the list of highlights for 2014, with our strategically diversified acquisitions of income properties worth over \$2.0 billion. We achieved a better balance of our portfolio by asset class and doubled the leasable area in Ontario by breaking into a sixth market, Toronto,” said Michel Dallaire, President and Chief Executive Officer of Cominar.

“At the same time in 2014, we successfully continued our strategic plan to diversify our sources of financing and increase our financial flexibility. This strategy is part of our cautious management of Cominar’s debt and ensures stable access to capital markets at a particularly interesting cost. In 2014, we exceeded our 90.0% target distribution payout ratio reaching 87.5%, which enabled us to increase, as of August 2014, the monthly distribution by 2.1%, to \$ 0.1225 per unit,” added Michel Dallaire, President and Chief Executive Officer of Cominar.

“Our results for fiscal 2014 are aligned with the objectives that we had set. They reflect the dynamism and enthusiasm of our various teams to meet and exceed their objectives, as identified by our main financial indicators. We are also pleased to present, for the third consecutive quarter in 2014, a positive organic growth,” said Gilles Hamel, Executive Vice President and Chief Financial Officer of Cominar.

### PRESENTATION OF RESULTS

For the year ended December 31, 2014, **operating revenues** increased to \$739.9 million, up 11.8% compared to fiscal 2013 when operating revenues were \$662.1 million.

**Net operating income** reached \$411.3 million, up 11.7% compared to net operating income in 2013.

**Recurring distributable income** reached \$225.2 million, up 13.4% compared to 2013. The **basic recurring distributable income per unit** amounted to \$1.66 for the year, up 5.1% compared to 2013.

**Recurring funds from operations** for fiscal 2014 reached \$255.2 million, up 13.0% over fiscal 2013. **Recurring adjusted funds from operations per unit fully diluted** amounted to \$1.86, up 5.1% from those of 2013.

**Recurring adjusted funds from operations** for fiscal 2014 reached \$220.4 million, up 13.1% compared to 2013. Fully diluted per unit, they reached \$1.61 in 2014, up 4.5%.

## FINANCIAL SITUATION

As at December 31, 2014, Cominar had a **debt ratio** (excluding convertible debentures) of 53.9%. This debt ratio decreased to 52.0% in January 2015 further to a public offering of units for \$155.3 million. At the end of fiscal 2014, **total assets** reached \$8.1 billion, up \$2.1 billion over December 31, 2013.

## FINANCING ACTIVITIES

During fiscal 2014, Cominar issued \$950.0 million in senior unsecured debentures and \$537.5 million in units.

## ACQUISITION ACTIVITIES

In 2014, we conducted important strategic acquisitions of income properties worth over \$2.0 billion, which increased our total leasable area by 8.1 million square feet, 3.0 million of which are located in the Greater Toronto Area.

## SUBSEQUENT EVENT AFTER DECEMBER 31, 2014

On January 30, 2015, Cominar closed a public offering of \$155.3 million, which allowed us to reduce our debt ratio (excluding convertible debentures) to 52.0%.

## ADDITIONAL FINANCIAL INFORMATION

Cominar's consolidated financial statements and management's discussion and analysis for the fourth quarter and the year ended on December 31, 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 FEBRUARY 26, 2015

On **Thursday, February 26, 2015 at 11 a.m.** (ET), Cominar's management will hold a conference call to present the results for fiscal 2014. Anyone who is interested may take part in this call by dialing **1 888 390-0546**. 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, February 26, 2015 at 2 p.m. to Thursday, March 5, 2015 at 11:59 p.m., by dialing **1 888 390-0541** followed by this code: **753343 #**.

## 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 FEBRUARY 26, 2015**

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 45.3 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 MEASURES**

*Net operating income, recurring distributable income (DI), recurring funds from operations (FFO), recurring adjusted funds from operations (AFFO) and proportionate share in joint ventures adjustments 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 exercise ended December 31, 2014, presents the reconciliation of DI, FFO and AFFO with the most similar IFRS measures:*

## NON-IFRS MEASURES

For the years ended December 31	2014	2013	Δ%	2014	2013	Δ%
	(\$000)	(\$000)		(\$ per unit)	(\$ per unit)	
Net operating income	411,279	368,210	11.7			
Recurring distributable income	225,156	198,479	13.4	1.66 <sup>(1)</sup>	1.58 <sup>(1)</sup>	5.1
Distributions	203,375	182,977	11.1	1.453	1.440	0.9
Recurring funds from operations	255,150	225,855	13.0	1.86 <sup>(2)</sup>	1.77 <sup>(2)</sup>	5.1
Recurring adjusted funds from operations	220,363	194,776	13.1	1.61 <sup>(2)</sup>	1.54 <sup>(2)</sup>	4.5

(1) basic

(2) fully diluted

### For information:

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