PRESS RELEASE

For Immediate Release

COMINAR ANNOUNCES 2018 SECOND QUARTER RESULTS AND HIGHLIGHTS

Québec City, Quebec, August 9, 2018 – Cominar Real Estate Investment Trust ("Cominar" or the "REIT") (TSX: CUF.UN) is pleased to announce its results and highlights for the second quarter of 2018.

2018 SECOND QUARTER – RESULTS AND HIGHLIGHTS

- 0.8% growth in same property net operating income
- Increase in the committed occupancy rate from 92.6% to 93.1%
- 0.4% growth in the average net rent of renewed leases
- 1.8M square feet of committed leases commencing in the coming quarters which will contribute approximately $25.4 million in net operating income on an annualized basis
- Growth in the retention rate of expiring leases from 49.8% to 57.0%
- Decrease in payout ratio from 118.5% to 78.3%

"Our leasing efforts have led to an increase in our committed occupancy rate from 92.6% as at December 31, 2017 to 93.1% as at June 30, 2018. These leasing efforts also allowed us to report positive growth in same property net operating income for a second quarter in a row with a 0.8% increase," stated Sylvain Cossette, President and Chief Executive Officer of Cominar.

"The variance between the committed occupancy rate of 93.1% and the in-place occupancy rate of 86.5% represent 1.8 million square feet of signed leases that will commence during the next six quarters and which will contribute approximately $25.4 million in net operating income on an annualized basis," stated Gilles Hamel, Executive Vice President and Chief Financial Officer of Cominar.

OVERVIEW OF THE SECOND QUARTER OF 2018

In the wake of the progress made during the first quarter of 2018 in connection with its goals of debt reduction, focusing on the core markets, better governance and reduction in an orderly manner of the construction activities with Groupe Dallaire, Cominar continued its momentum during the second quarter.

Following the addition of Paul D. Campbell and René Tremblay to the Board of Trustees on March 8, 2018, Heather C. Kirk was elected as trustee on May 16, 2018, at Cominar's annual meeting of unitholders.

Leasing efforts allowed Cominar to report positive growth in same property NOI for a second quarter in a row with a 0.8% increase, representing increases of 5.8% and 5.4% in the office and the industrial and mixed-use segments respectively, offset by a decrease of 6.9% in the retail segment mainly attributable to the closing of the Sears stores.

As at June 30, 2018, the committed occupancy rate went up from 92.6% as at December 31, 2017 to 93.1%. The variance between the committed occupancy rate and the in-place occupancy rate represented 1.8 million square feet of signed leases that will commence during the next six quarters and which will contribute approximately $25.4 million in net operating income on an annualized basis.

The decrease in monthly distribution during the first quarter of 2018 also allowed Cominar to reduce the payout ratio of recurring AFFO for the quarter from 118.5% in 2017 to 78.3% in 2018.

In addition, Cominar made progress in renewals with a retention rate of leases expiring in 2018 of 57.0% as at June 30, 2018, up from 49.8% for the same period of 2017. This increase in retention rate comes with a 0.4% growth in the average net rent of renewed leases.

During the second quarter of 2018, Cominar also acquired the former Sears building of approximately 144,000 square feet, which is connected to our "Les Rivières" shopping centre, in Trois-Rivières, for a total consideration of $3.5 million.

During the second quarter of 2018, Cominar continued to transition towards the internalization of some construction activities in Montreal, and the diversification of the independent suppliers that are used. As part of this transition, the use of Groupe Dallaire for construction services will be reduced in an orderly manner over 2018 and at the beginning of 2019. In this respect, Cominar intends to integrate some resources from Groupe Dallaire's Montreal platform in order to ensure continuity and better meet the needs of Cominar and those of its clients.

The following tables present our current portfolio:

Operating segment	Number of properties	Leasable area (sq. ft.)	Committed occupancy rate	In-place occupancy rate
Office	97	11,800,000	90.5%	85.5%
Retail	136	10,714,000	93.0%	83.2%
Industrial and mixed-use	197	15,839,000	95.0%	89.5%
TOTAL	430	38,353,000	93.1%	86.5%

Geographic market	Number of properties	Leasable area (sq. ft.)	Committed occupancy rate	In-place occupancy rate
Montreal	282	25,420,000	92.7%	86.4%
Québec City	127	10,397,000	94.7%	88.8%
Ottawa	20	2,476,000	90.2%	77.9%
Atlantic Provinces	1	60,000	100.0%	—
TOTAL	430	38,353,000	93.1%	86.5%

We continue to review our property portfolio in order to identify additional opportunities to sell assets to further stabilize our balance sheet, and to enhance and increase the value of our properties to increase net operating income. Our portfolio includes many well-located urban assets in close proximity to transit lines and with significant potential for value creation.

PRESENTATION OF RESULTS

For the quarter ended June 30, 2018, **net operating income (NOI) – Cominar's proportionate share**(1) was $92.3 million compared to $111.3 million for the same period of 2017. This $19.0 million decrease is the result of a $0.7 million increase in net operating income in our same property portfolio and of a $19.3 million decrease attributable to the portfolio of 95 non-core properties sold on March 27, 2018.

Same property net operating income – Cominar's proportionate share(1) increased by 0.8% from the corresponding period in 2017. This increase is the result of a 5.8% same property growth in the office segment combined with a 5.4% growth in the industrial segment, partially offset by a 6.9% decrease in the retail segment largely attributable to the closing of the Sears stores.

Finance charges decreased by $6.1 million during the second quarter compared with the same period of 2017. This decrease is mainly due to a decrease in the interest on debentures following the repayment of $250.0 million in debentures in June 2017, and to the decrease in mortgages payable and bank borrowings following the sale of a 95 non-core property portfolio on March 27, 2018.

(1) Non-IFRS financial measure. See the reconciliation to closest IFRS measure.

For the quarter ended June 30, 2018, **Trust administrative expenses** increased by $2.7 million from the corresponding period in 2017. This increase is due mainly to $3.5 million in non-recurring costs for work done to implement different governance improvement initiatives, including through discussions with unitholders, and to review the strategic alternatives, which were partially offset by a $0.5 million decrease in salaries and other benefits.

Adjusted net income(1) for the second quarter of 2018 amounted to $51.4 million compared to $63.6 million for the same period of 2017. The $12.2 million decrease in adjusted net income(1) is explained mainly by a $19.0 million decrease in net operating income resulting from the sale of a portfolio of 95 non-core properties on March 27, 2018, partially offset by a $6.1 million decrease in finance charges.

Recurring funds from operations (FFO)(1) for the second quarter of 2018 was $52.6 million, compared to $64.9 million for the same period of 2017. This $12.3 million decrease is due to the $12.2 million decrease in adjusted net income(1) explained above. Fully diluted recurring funds from operations(1) per unit amounted to $0.29 for the second quarter of 2018.

Recurring adjusted funds from operations (AFFO)(1) for the second quarter of 2018 was $41.1 million compared to $56.3 million for the same period of 2017. This decrease of $15.2 million results mainly to the $12.2 million decrease in adjusted net income explained above, to the $0.8 million increase of the provision for leasing costs and the $2.5 million increase in the capital expenditures to maintain rental income generating capacity. Fully diluted per unit, recurring AFFO(1) amounted to $0.23 for the second quarter of 2018.

Payout ratio of recurring adjusted funds from operations (AFFO)(1) for the second quarter of 2018 decreased to 78.3% compared to 118.5% for the corresponding period of 2017.

FINANCIAL POSITION

As at June 30, 2018, only $30 million were used on our $700 million unsecured credit facility. In addition, we intend to use this credit facility to repay $54.7 million in mortgages payable maturing in 2018.

As at June 30, 2018, Cominar's debt ratio stood at 52.0%, compared to 57.4% as at December 31, 2017. This significant improvement in our debt ratio results from the sale of our 95 non-core property portfolio for gross proceeds of $1.14 billion on March 27, 2018. At quarter end, unencumbered income properties totalled $2.8 billion, representing an unencumbered asset ratio of 1.61:1, up from 1.43:1 as at December 31, 2017.

(1) Non-IFRS financial measure. See the reconciliation to closest IFRS measure.

LEASING ACTIVITY

During the first half of 2018, our leasing efforts allowed us to renew 57.0% [49.8% in 2017] of the total leasable area expiring in 2018, totalling 4.0 million square feet, and to sign new leases for 2.4 million square feet, overall representing 90.7% [78.2% in 2017] of the total leasable area expiring in 2018.

Committed occupancy stood at 93.1% as at June 30, 2018, compared to 92.6% as at December 31, 2017. In-place occupancy stood at 86.5% as at June 30, 2018, compared to 87.9% as at December 31, 2017. The difference between the committed occupancy rate and the in-place occupancy rate comes from 1.8 million square feet of signed leases beginning in the next six quarters, representing approximately $25.4 million in net operating income on an annualized basis. This difference also includes 756,000 square feet under redevelopment, mostly comprised of space formerly occupied by Sears.

The following table presents the occupancy rates as at June 30, 2018 by operating segment:

	Montreal		Québec City		Ottawa		Total	
	In-place	Committed	In-place	Committed	In-place	Committed	In-place	Committed
Operating segment								
Office	83.7%	87.8%	92.9%	96.9%	82.1%	91.1%	85.5%	90.5%
Retail	84.1%	93.5%	84.5%	93.0%	54.8%	82.7%	83.2%	93.0%
Industrial and mixed-use	89.2%	95.1%	90.8%	94.9%	N/A	N/A	89.5%	95.0%
Total markets	**86.4%**	**92.7%**	**88.8%**	**94.7%**	**77.9%**	**90.2%**	**86.5%**	**93.1%**

The difference between the in-place occupancy rate and the committed occupancy rate for the core markets was 6.6% as at June 30, 2018. For the retail segment, this difference was 9.8% and consisted of several signed leases with a total area of approximately 351,000 square feet, of which 80% will come into force by the end of 2018. This difference also includes 756,000 square feet of spaces under redevelopment mostly comprising spaces formerly occupied by Sears. For the Ottawa office segment, this difference was 9.0% and represents signed leases of which approximately 45% will come into force by the end of the year 2018. As to the industrial and mixed-use segment, the difference was 5.5%, representing 861,000 square feet of signed leases, of which approximately 92% will come into force by the end 2018.

(1) Non-IFRS financial measure. See the reconciliation to closest IFRS measure.

SEARS UPDATE

Location	Leasable area	Signed leases	Area in advanced discussions	Area in preliminary discussions	Available area	Common area planned
	Area (square feet)					
Quartier Laval, Laval	43,147	43,147	—	—	—	—
Carrefour Saint-Georges, Saint-Georges	54,221	21,077	18,500	—	10,103	4,541
Galeries de Hull, Gatineau	128,040	—	39,513	25,635	47,086	15,806
Mail Champlain, Brossard	153,600	—	—	42,504	95,082	,16,014
Galeries Rive Nord, Repentigny	125,471	—	57,059	27,000	29,762	11,650
Les Rivières shopping centre, Trois-Rivières[1]	144,398[1]	—	24,434	40,691	63,000	16,273
Boulevard Pierre-Bertrand, Québec (industrial sector)	23,947	23,947	—	—	—	—
Total	**672,824**	**88,171**	**139,506**	**135,830**	**245,033**	**64,284**
	100%	**13%**	**21%**	**20%**	**36%**	**10%**

(1) Shadow tenant for which Cominar acquired the building during the second quarter of 2018.

NON-IFRS FINANCIAL MEASURES

Net operating income, funds from operations (FFO), adjusted funds from operations (AFFO) and adjusted net income 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.

RESULTS OF OPERATIONS

For the periods ended June 30	Quarter		Year-to-date (six months)	
	2018 ($000)	2017 ($000)	2018 ($000)	2017 ($000)
Operating revenues	**177,047**	209,955	**385,912**	423,911
Operating expenses	**(87,234)**	(100,468)	**(195,553)**	(208,541)
Net operating income[1]	**89,813**	109,487	**190,359**	215,370
Finance charges	**(35,669)**	(41,755)	**(79,471)**	(84,053)
Trust administrative expenses	**(7,580)**	(4,925)	**(12,835)**	(9,409)
Change in fair value of investment properties	**—**	—	**(4,331)**	—
Share of joint ventures' net income	**1,448**	3,273	**2,533**	4,104
Transaction costs	**(1,427)**	—	**(19,981)**	—
Income before income taxes	**46,585**	66,080	**76,274**	126,012
Income taxes				
Payable	**(140)**	—	**(6,391)**	—
Deferred	**—**	(243)	**6,539**	(462)
	(140)	(243)	**148**	(462)
Net income	**46,445**	65,837	**76 422**	125 550
Change in fair value of investment properties	**—**	(2,284)	**4,331**	(2,284)
Transaction costs	**1,427**	—	**19,981**	—
Governance and strategic alternative consulting fees	**3,529**	—	**3,529**	—
Adjusted net income[1]	**51,401**	63,553	**104,263**	123,266

SAME PROPERTY NET OPERATING INCOME[1]

For the periods ended June 30	Quarter			Year-to-date (six months)		
	2018 ($000)	2017 ($000)	% Δ	2018 ($000)	2017 ($000)	% Δ
Net operating income	**89,813**	109,487		**190,359**	215,370	
Joint-ventures	**2,443**	1,781		**4,524**	3,315	
Net operating income – Cominar's proportionate share[1]	**92,256**	111,268		**194,883**	218,685	
Distribution						
Same property portfolio						
Office	**36,996**	34,957	5.8	**71,235**	68,602	3.8
Retail	**33,136**	35,584	(6.9)	**66,141**	70,077	(5.6)
Industrial and mixed-use	**22,115**	20,987	5.4	**43,352**	41,172	5.3
Same property portfolio	**92,247**	91,528	0.8	**180,728**	179,851	0.5
Other	**9**	19,740		**14,155**	38,834	
Net operating income – Cominar's proportionate share[1]	**92,256**	111,268		**194,883**	218,685	

(1) Non-IFRS financial measure. See the reconciliation to closest IFRS measure.

FUNDS FROM OPERATIONS (FFO) AND ADJUSTED FUNDS FROM OPERATIONS (AFFO)

The following table presents a reconciliation of net income, as determined in accordance with IFRS, and recurring funds from operations and recurring adjusted funds from operations:

	Quarter		Year-to-date (six months)	
For the periods ended June 30	2018 ($000)	2017 ($000)	2018 ($000)	2017 ($000)
Net income	**46,445**	65,837	**76,422**	125,550
Taxes on disposition of properties	**140**	—	**6,391**	—
Deferred income taxes	**—**	243	**(6,539)**	462
Initial and re-leasing salary costs	**897**	908	**1,906**	1,782
Change in fair value of investment properties	**—**	(2,284)	**4,331**	(2,284)
Capitalizable interest on properties under development – joint ventures	**154**	198	**308**	400
Transaction costs	**1,427**	—	**19,981**	—
Funds from operations[1][2]	**49,063**	64,902	**102,800**	125,910
Governance and strategic alternative consulting fees	**3,529**	—	**3,529**	—
Recurring funds from operations [1][2]	**52,592**	64,902	**106,329**	125,910
Provision for leasing costs	**(7,153)**	(6,336)	**(14,306)**	(12,587)
Recognition of leases on a straight-line basis[1]	**(234)**	(648)	**(857)**	(1,375)
Capital expenditures – maintenance of rental income generating capacity	**(4,100)**	(1,606)	**(7,782)**	(3,163)
Recurring adjusted funds from operations[1][2]	**41,105**	56,312	**83,384**	108,785
Payout ratio of recurring adjusted funds from operations	**78.3%**	118.5%	**93.5%**	124.6%

(1) Including Cominar's proportionate share in joint ventures.
(2) Non-IFRS financial measure.

ADDITIONAL FINANCIAL INFORMATION

Cominar's condensed interim consolidated financial statements and interim management's discussion and analysis for the second quarter of 2018 are filed with SEDAR at www.sedar.com and are available on Cominar's website at www.cominar.com.

CONFERENCE CALL ON AUGUST 9, 2018

On **Thursday, August 9, 2018 at 11 a.m.** (ET), Cominar's management will hold a conference call to present the results for the second quarter of 2018. Interested persons 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, under the Conference Call header. In addition, a taped rebroadcast of the conference call will be available from Thursday, August 9, 2018 at 2 p.m. to Thursday, August 16, 2018 at 11:59 p.m., by dialing **1 888 390-0541** followed by this code: **348787#.**

PROFILE AS AT AUGUST 9, 2018

Cominar is the third largest diversified real estate investment trust in Canada and is the largest commercial property owner in the Province of Québec. The REIT owns a real estate portfolio of 430 properties in three different market segments, that is, office properties, retail properties and industrial and mixed-use properties. Cominar's portfolio totals 38.4 million square feet located in the Montreal, Québec City and Ottawa areas. Cominar's primary objectives are to maximize unit value through the proactive management of its properties.

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements with respect to Cominar and its operations, strategy, financial performance and financial position. 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 and the use of conditional and future tenses. 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.

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