

INVESTING



FOR GROWTH



Irish Residential Properties REIT plc
2017 Preliminary Results Conference Call

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Overview

**CORPORATE
PROFILE**

HIGHLIGHTS

**OPPORTUNITIES
FOR THE YEAR
AHEAD**

**STRATEGIES
FOR GROWTH**

**PERFORMANCE
FOR GROWTH**

**PERFORMANCE
REVIEW**

**POSITIVE
OUTLOOK**

APPENDICES



Corporate Profile

Irish Residential Properties REIT plc (I-RES) shares are listed on the Irish Stock Exchange
I-RES became a REIT and completed an initial public offering of shares of €200 million in April 2014, followed by an offering of €215 million in March 2015



MISSION

Provide shareholders with sustainable, long-term and growing dividends.

Grow income and net asset value.



MANAGEMENT

Chief Executive, Margaret Sweeney, based in Ireland
Asset and Property Management by CAPREIT's subsidiary, IRES Fund Management



FOCUS

The focus of I-RES is the Irish residential rental sector
I-RES is the market leader and has brought professional apartment management to Ireland



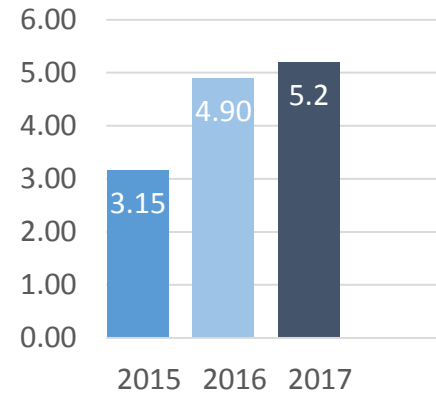
PORTFOLIO

Portfolio of **2,450 apartments**
High quality, well-maintained, wtd. avg. age 9.5 years⁽¹⁾

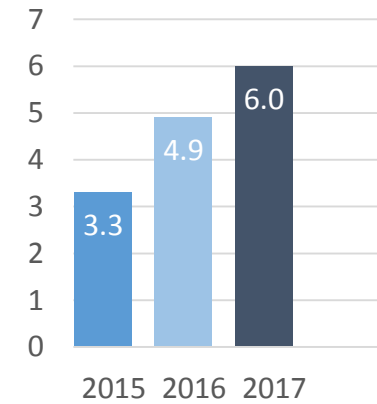
Highlights - Financial

I-RES' portfolio is a strong collection of **2,450** high-quality, modern assets with an average age of roughly 9 years. Properties are in desirable locations in Dublin and attract tenants interested in long-term accommodation, which generates steadily growing dividends for investors.

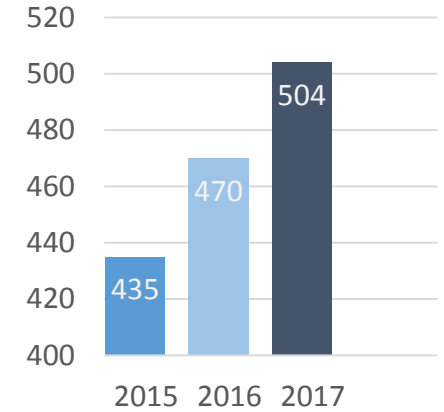
Dividends per Share



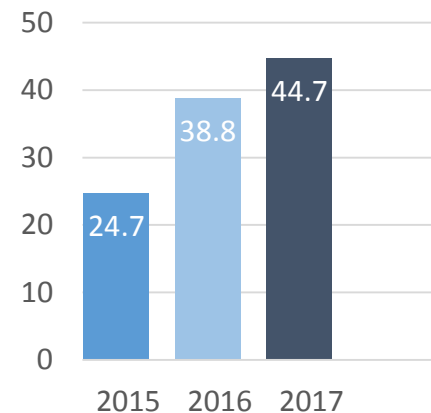
EPRA Earnings per Share



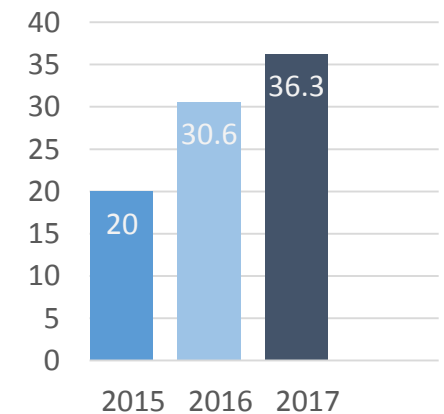
EPRA NAV (€ millions)



Revenue from Investment Properties



Net Rental Income



Highlights

1

High, stable occupancy rates:
99.8% (2017)
98.7% (2016)

2

Successful completion in July of “**The Maple**” development – 68 apartments at Beacon South Quarter, Sandyford fully leased at the end of 2017

3

Acquired and commenced construction at Hansfield Wood, Ongar, Dublin 15, a 4.5 acre development site with 99 residential units expected to be completed by August 2018

4

15 September 2017, I-RES increased its revolving and accordion credit facility from up to €250 million to **€350 million**

5

€204.8 million interest rate swap with a weighted average EURIBOR rate of c. minus 0.09% per annum

6

Basic EPS and EPRA EPS were **15.6** and **6.0** cents respectively for 2017, an increase of **38.1%** and **22.4%** respectively on 2016



Opportunities for the Year Ahead

Opportunities for the Year Ahead



DEMAND OUTWEIGHS SUPPLY

- Growing apartment sector
- Housing supply shortage will not be resolved for many years: 2017 Ireland housing completions were 19,271⁽¹⁾ while annual new household formation is estimated at 30,000-50,000⁽²⁾
- Renting is stimulated by government policy and central bank mortgage limits
- Brexit has a positive effect for rentals
- Ireland is a strong foreign direct investment base for employers



ECONOMIC GROWTH

- Ireland remains the fastest-growing economy in Europe
- 65,000 new jobs created and 9.0% GNP growth in 2016⁽³⁾
- Falling unemployment and upward pressure on employee compensation
- Significant investment in the Irish economy from multinational corporations in the technology and services sector



POPULATION GROWTH

- Young and steadily growing population of Irish-born and international workforce
- Population grew from 4.57M in 2011 to 4.74M in 2016⁽¹⁾
- These trends are predicted to continue for the foreseeable future

(1) Source: Department of Housing

(2) Source: Economic and Social Research Institute and Daft.ie

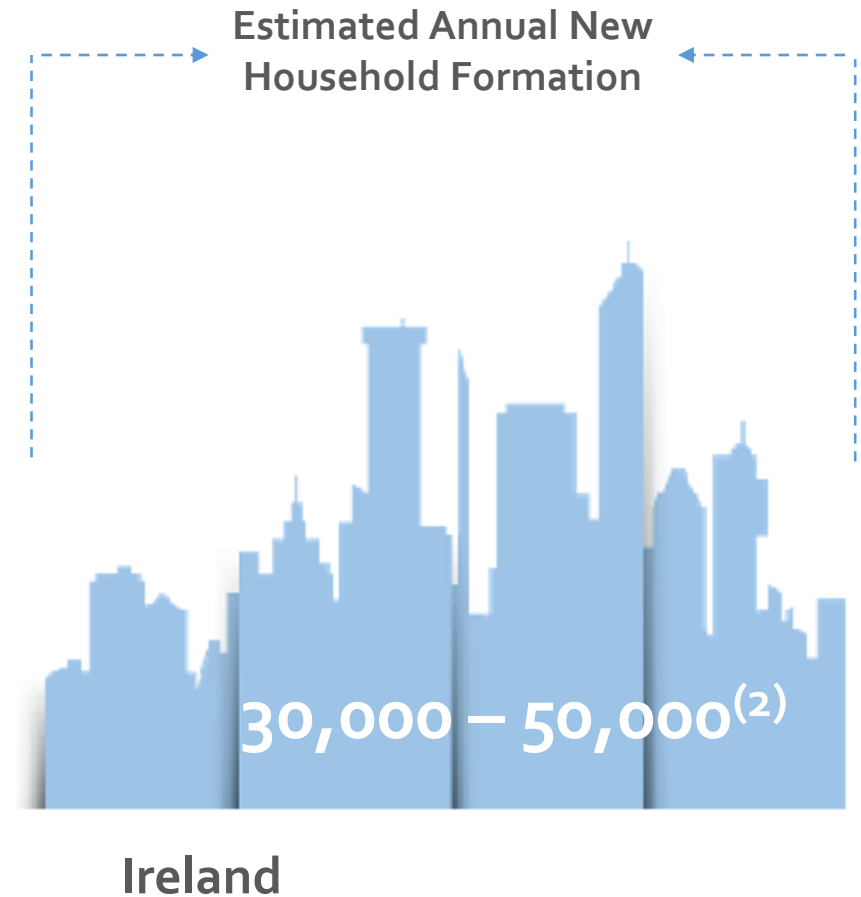
(3) Source: Central Statistics Office

Supply and Demand Imbalance

Significant supply / demand imbalance

Increasing rental sector

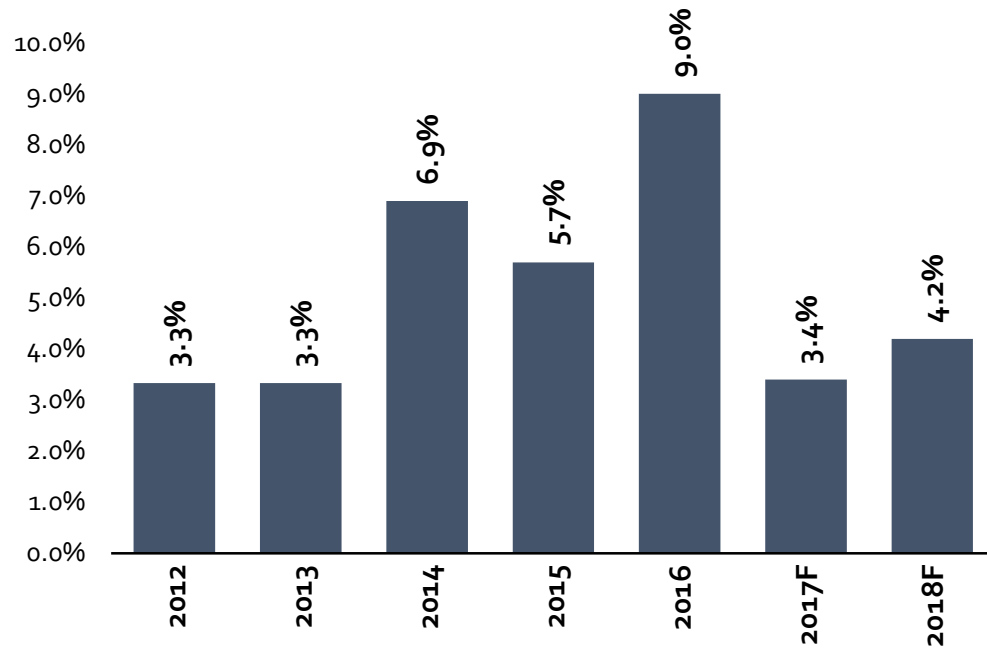
- Encouraged by government policy
- Central bank mortgage limits
- Immigrants natural apartment dwellers
- Brexit positive effect for rentals
- Strong foreign direct investment base for employers
- Growing young population as renters (2nd highest birth rate in Europe)
- Housing completions in Ireland for 2017 were 19,271 units



Note: (1) Source: Central Bank of Ireland
(2) Source: Economic and Social Research Institute and Daft.ie

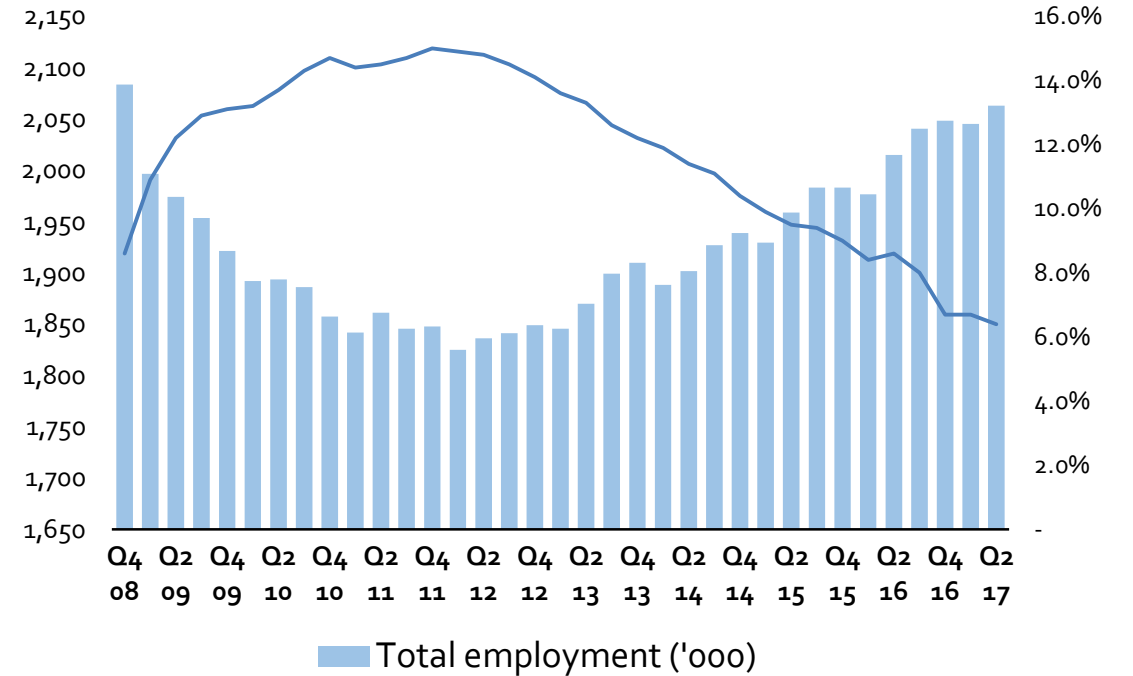
Economic Growth

Strong 2017 GNP growth and forecast for 2018



Source: Central Statistics Office, Central Bank of Ireland

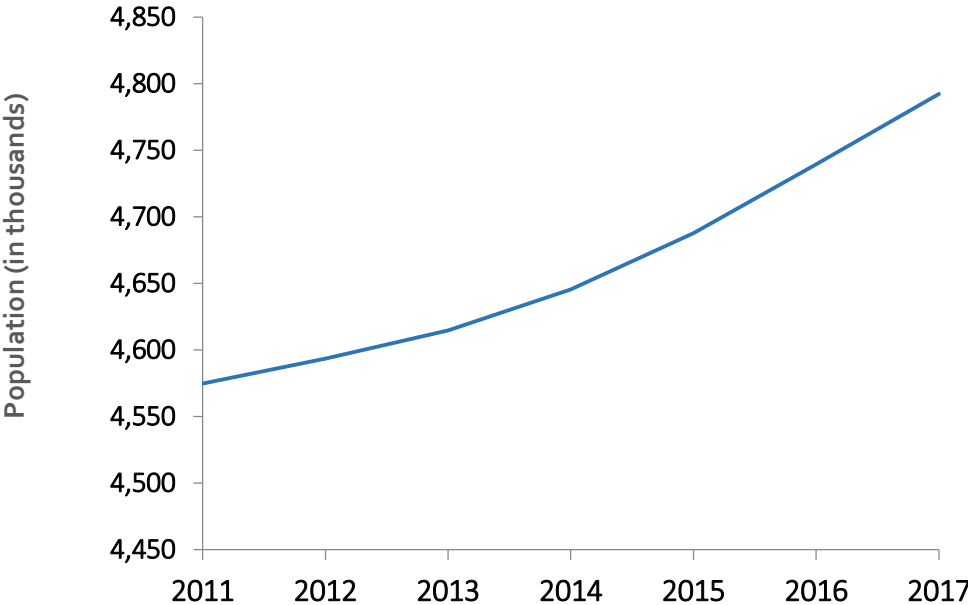
Unemployment is dropping



Source: Central Statistics Office

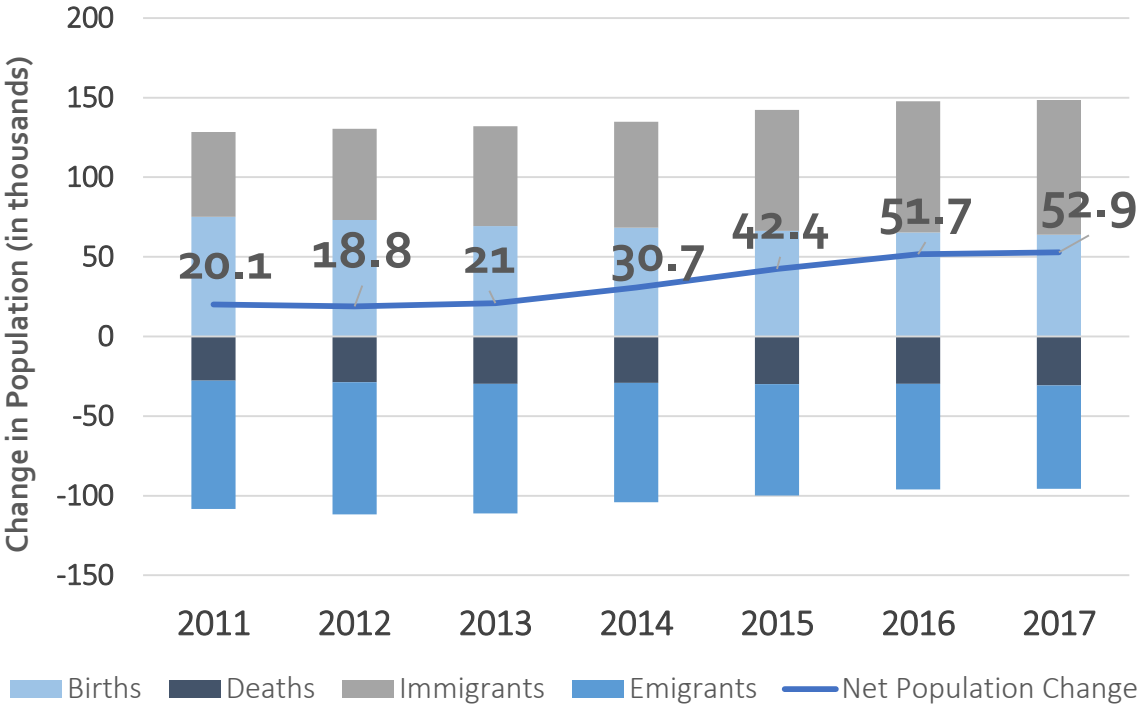
Population Growth

Growing Irish Population



Source: Central Statistics Office

Population growth is supportive



Source: Central Statistics Office



Strategies for Growth

8 9 10 11 12 13 14 15 16 17 18 19 20

Accretive Planned Development

Opportunity to add approximately **600⁽¹⁾** apartments at currently-owned I-RES properties



Note: (1) As at 31 December 2017, subject to planning and any other approvals.



Strategic Direction

Development of Existing I-RES Properties

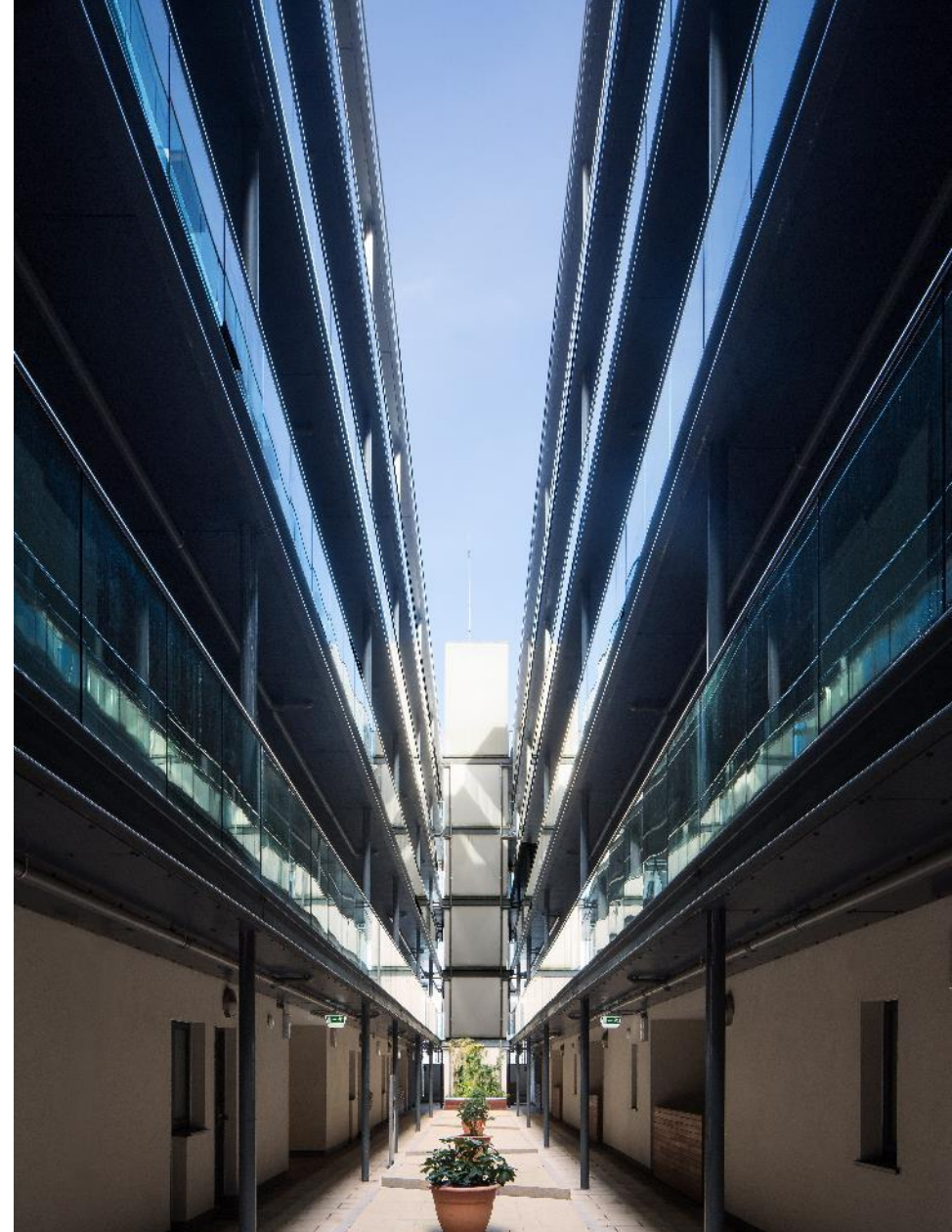
- Opportunity to add approximately 600⁽¹⁾ apartments at currently-owned I-RES properties
- New apartments can be built at lower cost than market
- Significant infrastructure (e.g. parking) already in place, reducing construction costs
- Infill and conversion opportunities are available on currently-owned commercial properties
- The Company is preparing a new planning application for Rockbrook which will be submitted during the course of 2018. It is anticipated the new planning application will seek in the order of 450 apartments.

Note:(1) As at 31 December 2017, subject to planning and any other approvals.

Focus on Commuter Markets

Opportunity to build the portfolio with houses and apartments in commuter markets outside of Central Dublin which meet the following criteria:

- Local employment
- Good transportation links and community infrastructure – in particular, schools
- Family-friendly neighbourhoods



Bakers Yard – Dublin, Dublin 1

STRATEGIES FOR GROWTH

Strategic Direction

Local Development Partnerships

- Partnerships with local builders and developers that have planning permission with capacity limitations to finance development
- Acquisition of some of their houses and apartments to add to the I-RES asset base at attractive yields by leveraging the Company's strong balance sheet

Accretive Acquisitions

- Continued evaluation of new acquisition opportunities in attractive urban locations



Charlestown– Finglas, Dublin 11

First Intensification Development

In July 2017, the Company completed its first intensification development: 68 apartments at block B2B (Beacon South Quarter), Sandyford, Dublin 18.

- Direct access via tram to Dublin City Centre in 20 minutes
- Neighbourhood is home to high-profile employers
- Fully leased as at 31 December 2017
- Fair value of €27.7 million as at 31 December 2017
- Annualised passing rent of €1.6 million, gross yield of 5.9%
- Average monthly rent per apartment of €2,008

Hansfield Wood – First Partnership Development

The Hansfield Wood transaction represents the first step in the strategy to develop the asset base through partnerships with local residential developers to deliver homes at accretive yields. Hansfield Wood reflects this new growth strategy to build the portfolio with a focus on houses and apartments in commuter markets outside of Central Dublin which meet the following criteria:

- Local employment
- Good transportation links
- Good infrastructure, in particular, schools
- Family-friendly neighbourhoods



Hansfield Wood

On 15 November 2017, the Company made its first acquisition in partnership with a local builder at Hansfield Wood, Ongar, Dublin 15.

- 4.5 acre development site with purchase price of €7 million
- Partnership with Garlandbrook Limited (developer) and Newline Homes Limited (builder)
- Plan to develop 99 residential units for total consideration of €23 million (including VAT, but excluding other transaction costs)
- 30-minute travel time via regular rail link to Dublin City Centre
- Close to employers such as eBay, Paypal, Xerox, Amazon, and Connolly Memorial Hospital
- Amenities include transportation, schools, hospital, retail and leisure
- Construction commenced in October 2017 and is estimated to be completed by August 2018
- Expected gross yield of c. 7%
- Completion of the project will bring I-RES REIT to a total portfolio of 2,549 residences





| Proven Investment Manager

Excellent Investment Manager



I-RES Fund Management, an Irish subsidiary of CAPREIT, is the company's investment manager.

ABOUT CAPREIT

Founded in **1997**, one of first Canadian REITs
High returns in rent controlled environment
50,624 apartments and land lease sites coast-to-coast in Canada⁽¹⁾



Excellent Investment Management and Operating Model





PERFORMANCE REVIEW

Grand Central – Sandyford, Dublin 18

Strong Operating Performance

Year Ended	31 December 2017	31 December 2016
Revenue from Investment Properties(€,000)	44,693	38,754
Net Rental Income (€,000)	36,271	30,555
Profit (€,000)	65,079	46,991
Basic Earnings Per Share (cents)	15.6	11.3
EPRA Earnings Per Share (cents)	6.0	4.9



Portfolio Performance



As at	31 December 2017	31 December 2016
Occupancy	99.8%	98.7%
Average Monthly Rent ⁽¹⁾	€1,517	€1,427
Gross Yield	6.6%	6.6%
Number of Apartments Acquired in the Period	1	763
Number of Apartments Developed/Constructed through Intensification in the Year	71	1
Total Number of Apartments	2,450	2,378

(1) Average monthly rent for stabilised residential properties owned by the Company as of 31 December 2016 up 5.3% as at 31 December 2017 compared to 31 December 2016

Strong Financial Position

As At	31 December 2017	31 December 2016
Net Assets	€504.0M	€469.6M
EPRA Net Assets	€504.2M	€469.6M
Basic NAV per share (cents per share) ⁽¹⁾	120.8	112.5
EPRA NAV per share (cents per share) ⁽¹⁾	118.5	111.7
Group Total Gearing	33.0%	31.3%

As At	31 December 2017
Acquisition / Development Capacity ⁽²⁾	c. €150.0M

(1) Dividends paid in March 2017 relating to the 2016 accounting period and dividends paid in September 2017 relating to the first half of 2017 reduced EPRA NAV per share and Basis NAV per share by 7.3 cents and 7.4 cents respectively

(2) Based on a target gearing of 45%

Positive Outlook

Intensification, Developments and Accretive Acquisitions

- Development and acquisition capacity of c. €150 million

Strong Real Estate Fundamentals

- Growing Irish Economy
- Significant Supply and Demand Imbalance

Sustainable Growing Dividends



Grand Central – Sandyford, Dublin 18

Sustainable Growing Dividends

Residential sector with high quality assets give long-term, sustainable and steady returns

Sustained rental growth being achieved in the Dublin residential lettings market

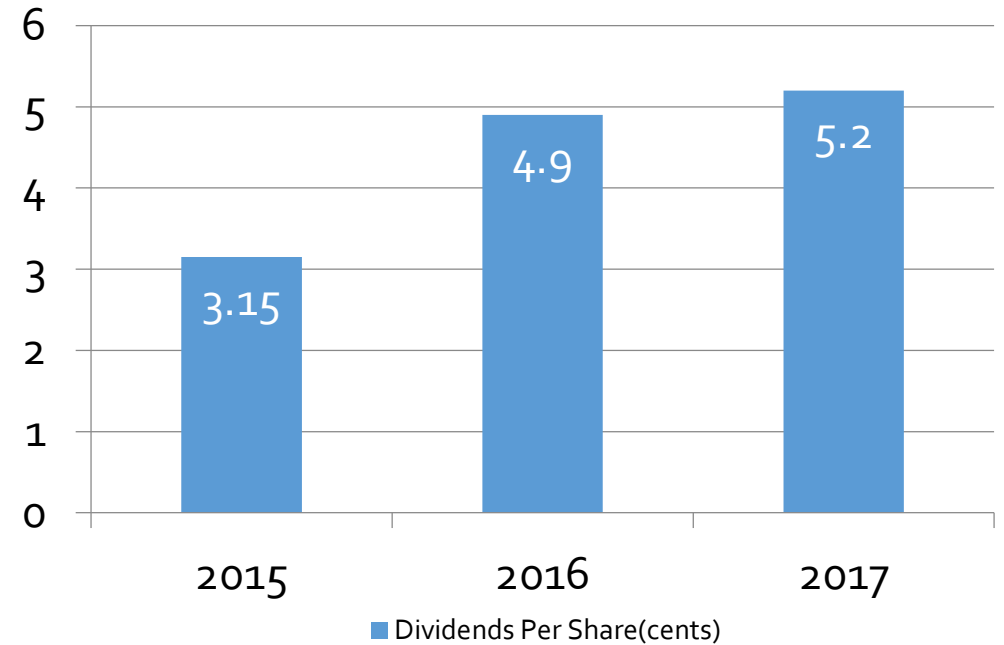
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Strong development pipeline for I-RES

=

Growing dividends for I-RES

Dividends Per Share (cents)

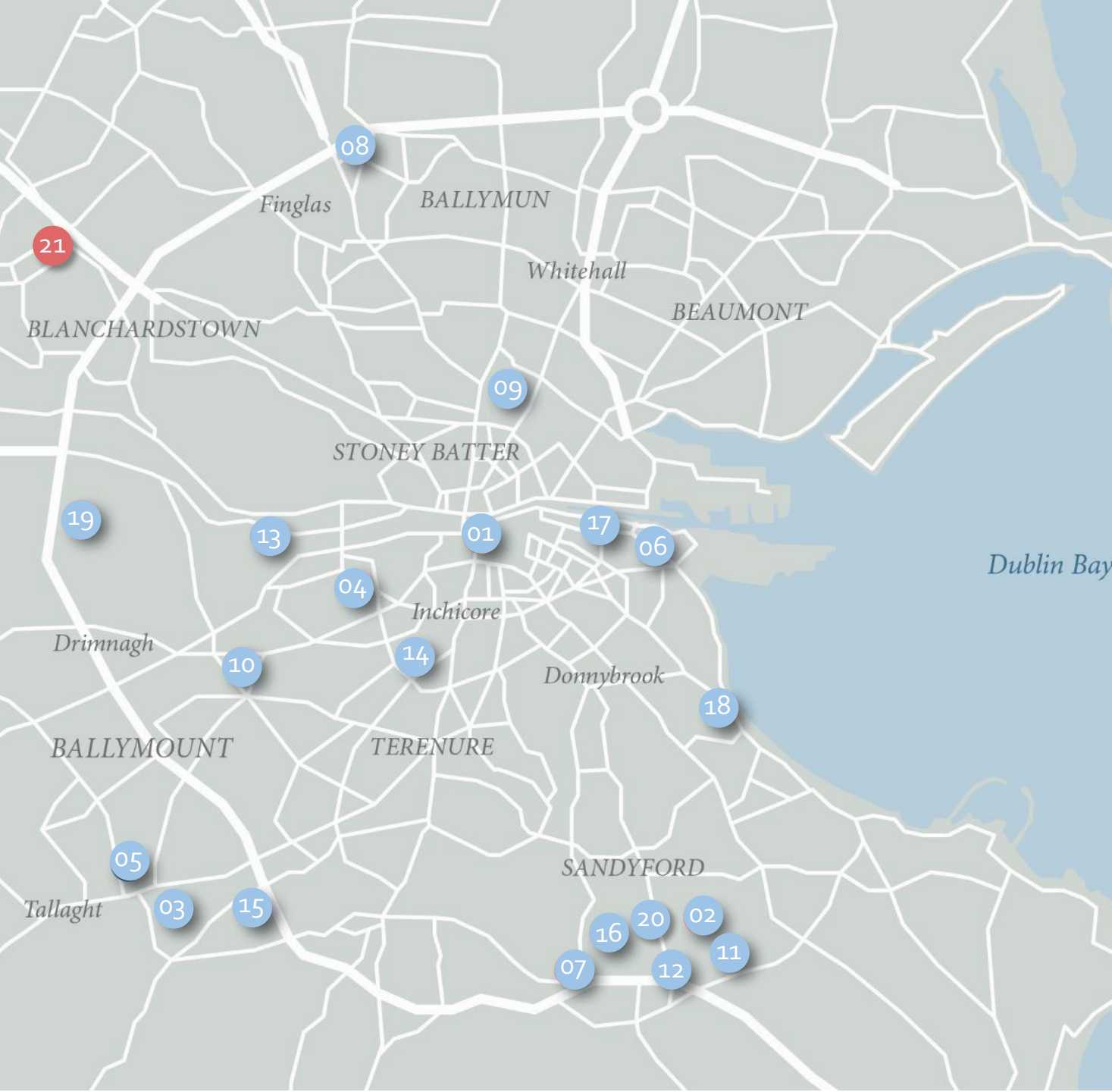




IRISH RESIDENTIAL PROPERTIES REIT plc

Appendix 1

Superior Dublin Locations



01 KINGS COURT

Sandyford D7 (83 Units)

02 GRANDE CENTRAL

Sandyford D18 (65 Units)

03 PRIORSGATE

Tallaght D24 (103 Units)

04 CAMAC CRESCENT

Inchicore D8 (90 Units)

05 THE LAURELS

Tallaght D24 (19 Units)

06 THE MARKER

Docklands D2 (84 Units)

07 BEACON SOUTH QUARTER

Sandyford D18 (225 Units)

08 CHARLESTOWN

Finglas D11 (235 Units)

09 BAKERS YARD

Portland Street North D1 (85 Units)

10 LANSDOWNE GATE

Drimnagh D12 (224 Units)

11 ROCKBROOK GRANDE CENTRAL

Sandyford D18 (81 Units)

12 ROCKBROOK SOUTH CENTRAL

Sandyford D18 (189 Units)

13 TYRONE COURT

Inchicore D8 (95 Units)

14 BESSBORO

Terenure D6 (40 Units)

15 TALLAGHT CROSS WEST

Tallaght D24 (442 Units)

16 THE FORUM

Sandyford D18 (8 Units)

17 CITY SQUARE

Gloucester St D2 (23 Units)

18 ELM PARK GREEN

Merrion Road D4 (201 Units)

19 COLDCUT PARK

Clondalkin D22 (90 Units)

20 THE MAPLE

Sandyford D18 (68 Units)

21 HANSFIELD WOOD

Under Construction

Ongar, D15 (99 Units)

High Quality Portfolio

	Property Location	Location	Year Built	Date Acquired	# apartments owned ⁽¹⁾	Total # of apartments ^{(1) (7)}	Value as at 31 December 2017 ⁽¹⁾	Commercial space owned (sqm) ⁽¹⁾	Average mthly rent per apt. ^{(1) (2) (3)}	Occupancy ^{(1) (2)}
1	Kings Court	Smithfield	2006	10 Sep 2013	83	83	€ 21.3m	566	€ 1,412	100.0%
2	Grande Central ⁽⁴⁾	Sandyford	2007	10 Sep 2013	65	195	€ 22.4m	-	€ 1,658	100.0%
3	Priorsgate	Tallaght	2007	10 Sep 2013	103	199	€ 21.2m	2,538	€ 1,167	100.0%
4	Camac Crescent	Inchicore	2008	10 Sep 2013	90	110	€ 20.4m	-	€ 1,353	100.0%
5	The Laurels	Tallaght	2007	27 Jun 2014	19	19	€ 3.5m	190	€ 1,235	100.0%
6	The Marker	Docklands	2012	18 Jul 2014	84	105	€ 63.1m	1,218	€ 2,697	97.6%
7	BSQ	Sandyford	2007/2008	07 Oct 2014	225	880	€ 82.2m	2,395	€ 1,793	100.0%
8	Charlestown	Finglas	2007	07 Oct 2014	235	285	€ 59.9m	-	€ 1,342	100.0%
9	Bakers Yard	Dublin	2007/2008	07 Oct 2014	85	132	€ 22.5m	792	€ 1,428	100.0%
10	Lansdowne Gate	Drimnagh	2005	07 Oct 2014	224	280	€ 66.1m	-	€ 1,541	99.1%
11	Rockbrook Grande Central ⁽⁴⁾	Sandyford	2007	31 Mar 2015	81	195	€ 30.2m	3,529	€ 1,605	100.0%
12	Rockbrook South Central	Sandyford	2007	31 Mar 2015	189	224	€ 78.0m	1,136	€ 1,628	100.0%
13	Tyrone Court	Inchicore	2014	05 Jun 2015	95 ⁽⁵⁾	131	€ 24.3m	-	€ 1,517	100.0%
14	Bessboro	Terenure	2008	11 Dec 2015	40	40	€ 13.2m	-	€ 1,608	100.0%
15	Tallaght Cross West	Tallaght	2008	15 Jan 2016	442	507	€ 91.0m	18,344	€ 1,238	100.0%
16	Forum	Sandyford	2007	17 Feb 2016	8	127	€ 2.4m	-	€ 1,709	100.0%
17	City Square	Gloucester St	2006	7 Apr 2016	23	27	€ 6.1m	57	€ 1,582	100.0%
18	Elmpark Green	Merrion	2006	25 May 2016	201	332	€ 63.7m	-	€ 1,537	100.0%
19	Coldcut Park	Clondalkin	2012	31 Aug 2016	90 ⁽⁹⁾	93	€ 20.1m	-	€ 1,384	98.9%
20	The Maple ⁽⁸⁾	Sandyford	2017	12 July 2017	68	68	€ 27.7m	-	€ 2,008	100.0%
Total investment properties owned as at 31 December 2017					2,450		€739.3m	30,765	€1,517⁽⁶⁾	99.8%⁽⁶⁾
21	Hansfield Wood ⁽¹⁰⁾	Ongar	N/A	N/A	-	-	€ 11.6m	-	N/A	N/A
Total investment properties owned as at 31 December 2017					2,450		€750.9m	30,765	€1,517⁽⁶⁾	99.8%⁽⁶⁾

Note: (1) As at 31 December 2017

(2) Based on residential apartments.

(3) Average monthly rent (AMR) is defined as actual residential rents, net of vacancies, divided by the total number of apartments owned in the property.

(4) Total number of owned apartments at Grande Central as of 31 December 2017 is 146.

(5) In 2017, a creche was converted to three additional residential apartments at Tyrone Court.

(6) Weighted average, by number of apartments owned.

(7) Total number of apartments in the development.

(8) Commenced first phase development in February 2016 and completed 12 July 2017.

(9) Additional apartment acquired October 2017.

(10) 99 residential units to be handed over to I-RES on a phased basis with all units completed by August 2018