

Embassy REIT Leases Record 5.1 msf And Delivers On ₹2,058 crores Distributions Guidance For FY2023

- Leased 5.1 msf across 100 deals at 16% leasing spreads, highest deal activity over last 7 years
- Grew NOI by 11% YoY to ₹2,766 crores, delivered on annual guidance with ₹21.71 per unit distributions
- Accelerated growth with 7.9 msf under active development, ₹4,000 crores capital investment expected to add ₹900 crores to NOI upon stabilization

Bengaluru, India, April 27, 2023

Embassy Office Parks REIT (NSE: EMBASSY / BSE: 542602) ('Embassy REIT'), India's first listed REIT and the largest office REIT in Asia by area, reported results today for the fourth quarter and full year ended March 31, 2023.

Vikaash Khdloya, Chief Executive Officer of Embassy REIT, said,

"Despite global macro volatility, we're very pleased to achieve our highest ever leasing of 5.1 msf across a record 100 deals. India remains the world's preferred offshoring destination and continues to attract global businesses looking for skilled talent and low costs, and we're well positioned to benefit from this secular trend. Backed by our clear strategy to create long-term value for our investors and our fortress balance sheet, we continue to make significant growth investments to our now 45 msf world-class portfolio."

The Board of Directors of Embassy Office Parks Management Services Private Limited ('EOPMSPL'), Manager to Embassy REIT, at its Board Meeting held earlier today, declared a distribution of ₹532 crores or ₹5.61 per unit for Q4 FY2023. With this, the cumulative distribution for FY2023 totals ₹2,058 crores or ₹21.71 per unit. The record date for the Q4 FY2023 distribution is 6 May, 2023, and the distribution will be paid on or before 12 May, 2023.

Business Highlights

- Leased 5.1 msf across 100 deals at 16% spreads, surpassing annual leasing guidance
- Added 44 new occupiers across sectors like insurance, healthcare, retail, and cybersecurity; increased occupier base to 230 marquee corporates
- Awarded global recognition by leading ESG institutions – GRESB, USGBC LEED, British Safety Council and WELL/IWBI⁽¹⁾

Financial Highlights

- Grew Net Operating Income (NOI) by 11% YoY to ₹2,766 crores
- Delivered distributions of ₹2,058 crores or ₹21.71 per unit, marking the 16th consecutive quarter of 100% payout
- Refinanced ₹5,340 crores debt at 101 bps positive spreads, maintained best-in-class balance sheet with low 28% leverage, attractive 7.2% debt cost and AAA/Stable credit ratings

Growth Highlights

- Launched 2.3 msf new development in Bengaluru at attractive 23% yields, including first-of-its-kind 1.2 msf redevelopment project at Embassy Manyata
- Acquired 1.4 msf Embassy Business Hub in North Bengaluru for ₹335 crores, NOI and NAV accretive tuck-in acquisition financed with attractive 8.1% debt
- Accelerated active development to 7.9 msf at committed capital investment of ₹4,000 crores, expected to add ₹900 crores to NOI upon stabilization

Investor Materials and Quarterly Investor Call Details

Embassy REIT has released a package of information on the quarterly and full year results and performance, that includes (i) audited standalone and audited consolidated financial statements for the year ended March 31, 2023 (ii) audited condensed standalone and audited condensed consolidated financial statements for the quarter and year ended March 31, 2023 (iii) an earnings presentation covering Q4 FY2023 and FY2023 results, and (iv) supplemental operating and financial data book that is in-line with leading reporting practices across global REITs. All these materials are available in the Investors section of our website at www.embassyofficeparks.com.

Embassy REIT will host a conference call on April 27, 2023 at 17:30 hours Indian Standard Time to discuss the Q4 FY2023 and full year FY2023 results. A replay of the call will be available in the Investors section of our website at www.embassyofficeparks.com.

About Embassy REIT

Embassy REIT is India's first publicly listed Real Estate Investment Trust. Embassy REIT owns and operates a 45 msf portfolio of nine infrastructure-like office parks and four city-centre office buildings in India's best-performing office markets of Bangalore, Mumbai, Pune, and the National Capital Region ('NCR'). Embassy REIT's portfolio comprises 34.3 msf completed operating area and is home to around 230 of the world's leading companies. The portfolio also comprises strategic amenities, including four operational business hotels, two under-construction hotels, and a 100 MW solar park supplying renewable energy to tenants. Embassy REIT's industry leading ESG program has received multiple accolades from renowned global institutions and was awarded a 5-star rating both from the British Safety Council andGRESB. Embassy REIT was also recognised as the world's largest 'USGBC LEED Platinum-Certified' office portfolio (v4.1 O+M) by Green Business Certification Inc. For more information, please visit www.embassyofficeparks.com.

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This press release contains forward-looking statements based on the currently held beliefs, opinions and assumptions of the Manager. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of Embassy REIT or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, recipients of this press release are cautioned not to place undue reliance on these forward-looking statements. The Manager disclaims any obligation to update these forward-looking statements to reflect future events or developments or the impact of events which cannot currently be ascertained, such as COVID-19. In addition to statements which are forward looking by reason of context, the words 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions identify forward-looking statements.

This press release also contains certain financial measures which are not measures determined based on GAAP, Ind-AS or any other internationally accepted accounting principles, and the recipient should not consider such items as an alternative to the historical financial results or other indicators of Embassy REIT's cash flow based on Ind-AS or IFRS. These non-GAAP financial measures, as defined by the Manager, may not be comparable to similarly titled measures as presented by other REITs due to differences in the way non-GAAP financial measures are calculated. Even though the non-GAAP financial measures are used by management to assess Embassy REIT's financial position, financial results and liquidity and these types of measures are commonly used by investors, they have important limitations as analytical tools, and the recipient should not consider them in isolation or as substitutes for analysis of Embassy REIT's financial position or results of operations as reported under Ind-AS or IFRS. Certain figures in this press release have been subject to rounding off adjustments. Actual legal entity name of occupiers may differ.

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