

**16 April 2019**

**Further clarification on Board Resolutions**

**Resolution 4g - Re-elect the following Director: Margaret Sweeney**

On 16 November 2018, the Company announced the development of a new hotel and adjoining residential complex at the Tara Towers site in Dublin and that Irish Residential Properties REIT plc had contracted to purchase the entire residential development on completion. Non-executive Director Margaret Sweeney is CEO and an Executive Director of Irish Residential Properties REIT plc.

At the time of decision to build a residential element to the development, the Company appointed a firm of reputable and independent international property agents to conduct a competitive tender process for the sale of the residential development. In advance of each meeting of the Board at which the proposed transaction was due for consideration, Margaret Sweeney declared her potential conflict of interest given the potential for Irish Residential Properties REIT plc to participate in the tender process. Accordingly, she did not receive Board papers prepared relating to the proposed transaction and recused herself from Board meetings when the proposed transaction was discussed and considered for approval. She played no part in the decision-making process and had no access to any information relating to the tender process in her role as a Director of Dalata. The decision by the Board was taken on the basis of a transparent and competitive tender process, overseen by independent property agents and in the best interest of Dalata and its shareholders.

I would also emphasise that the decision to dispose of the property to Irish Residential Properties REIT plc was in no way influenced by the Company's connection with Margaret Sweeney.

The Board does not foresee there being a residential element in any of its pipeline developments making this a truly once-off and exceptional transaction, conducted at arm's length. The Board has carefully applied a rigorous process and adhered to the highest governance procedures to ensure the Director having a potential conflict of interest played no part in the decision-making process. The Board is fully satisfied that there is no ongoing conflict of interest that impairs the ability of Margaret Sweeney to act as an independent Non-executive Director of the Company.

*John Hennessy*  
*Non-executive Chair*