Douglas Emmett

NEWS RELEASE

Douglas Emmett Defers Exercise of Option on Honolulu Land until 2015

9/8/2014

SANTA MONICA, Calif., Sept. 8, 2014 /PRNewswire/ -- Douglas Emmett, Inc. (NYSE: DEI), a real estate investment trust (REIT), announced today that it now expects to exercise its option to purchase the land under one of its Honolulu Office buildings during 2015 rather than 2014. While exercising the option will not have any appreciable impact on its on-going financial results, Douglas Emmett had previously announced that approximately $9 million in non-cash revenue from above/below market leases would be accelerated into 2014 by exercising the option.

The prior guidance provided by Douglas Emmett explicitly assumed the option and associated $9 million in non-cash revenue would be triggered in 2014. The decision to defer exercising the option will reduce expected non-cash revenue from above/below market leases in 2014 by approximately $9 million, which in turn will reduce expected Funds from Operations (FFO) by approximately $.05 per share. Douglas Emmett now expects revenue from above/below market leases in 2014 to be between $13.5 million and $14 million, and FFO per diluted share in 2014 to be between $1.53 and $1.57. The deferral of the exercise of the option does not affect cash NOI or Adjusted Funds from Operations (AFFO).

Assuming that the option is exercised in 2015, Douglas Emmett expects revenue from above/below market leases in 2015 to be between $19.5 million and $20.5 million, including approximately $9 million from the exercise of the option.

The guidance provided above does not take into account such matters as future property acquisitions or dispositions, other capital markets activities, or future terminations of leases before their natural expiration.

About Douglas Emmett, Inc.

Douglas Emmett, Inc. (DEI) is a fully integrated, self-administered, and self-managed real estate investment trust (REIT), and one of the largest owners and operators of high-quality office and multifamily properties located in the premier coastal submarkets of Los Angeles and Honolulu. Douglas Emmett focuses on owning and acquiring a substantial share of top-tier office properties and premier multifamily communities in neighborhoods that possess significant supply constraints, high-end executive housing and key lifestyle amenities. For more information about Douglas Emmett, please visit our website at **www.douglasemmett.com**.

Safe Harbor Statement

Except for the historical facts, the statements in this press release regarding Douglas Emmett's business activities are forward-looking statements based on the beliefs of, assumptions made by, and information currently available to us about known and unknown risks, trends, uncertainties and factors that are beyond our control or ability to predict. Although we believe that our assumptions are reasonable, they are not guarantees of future performance and some will inevitably prove to be incorrect. As a result, our actual future results can be expected to differ from our expectations, and those differences may be material. Accordingly, investors should use caution in relying on forward-looking statements to anticipate future results or trends. For a discussion of some of the risks and uncertainties that could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission.

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SOURCE Douglas Emmett, Inc.