



Rewarding Returns in European Real Estate

28 Nov 2015

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YOUR GATEWAY TO INVEST IN EUROPEAN ASSETS



Investment Advantages In IREIT

- Freehold quality portfolio
- Diversified blue chip tenants & long stable income
- Continuous growth
- Prudent capital structure
- Distributable income
- Superior returns

Freehold Quality Portfolio

	Berlin Campus	Bonn Campus	Darmstadt Campus	Münster Campus	Concor Park	IREIT Portfolio
Location	Berlin	Bonn	Darmstadt	Münster	Munich	
Net Lettable Area (sqm)	79,097	32,736	30,371	27,183	31,216	200,603
Car Park Spaces	496	656	1,189	588	512	3,441
Occupancy rate⁽¹⁾	99.2%	100%	100%	100%	100%	99.8%
No. of Tenants	5	1	1	1	12	18
Key Tenant(s)	Deutsche Rentenversicherung Bund	GMG, a wholly-owned subsidiary of Deutsche Telekom	GMG, a wholly-owned subsidiary of Deutsche Telekom	GMG, a wholly-owned subsidiary of Deutsche Telekom	ST Micro-electronics, Allianz, Ebase, Yamaichi	
WALE⁽²⁾	8.8	7.6	7.2	4.0	4.3	7.0
Independent Appraisal	€147.4 mil ⁽³⁾	€100.0 mil ⁽⁴⁾	€81.4 mil ⁽⁴⁾	€49.1 mil ⁽⁴⁾	€61.3 mil ⁽⁵⁾	€439.2 mil

Notes: 1) Occupancy as at 30 Sep 2015

2) By gross rental income as at 30 Sep 2015

3) Based on independent valuation as at 1 May 2015 by DTZ Debenham Tie Leung Limited

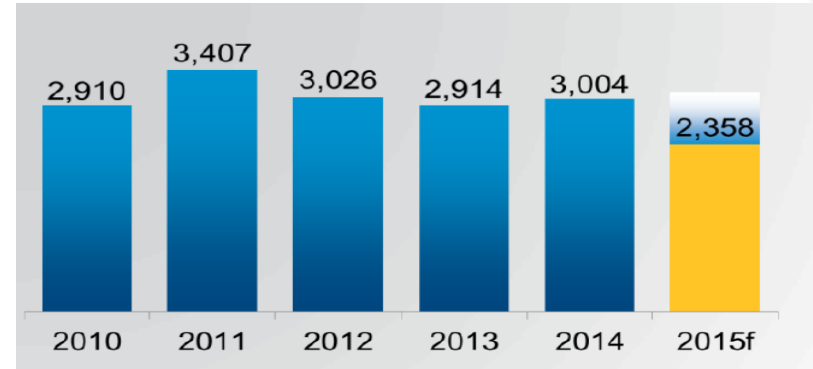
4) Based on independent valuation as at 30 Jun 2015 by Colliers International Valuation UK LLP

5) Based on independent valuation as at 30 Jun 2015 by Cushman & Wakefield LLP

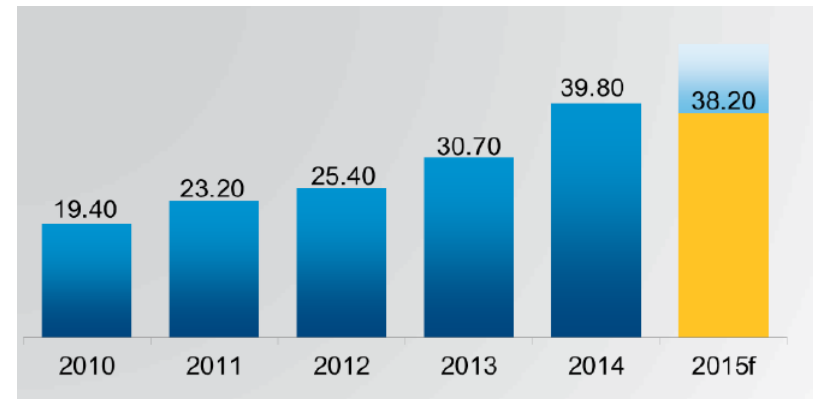
German Property Market Overview

- YTD total take-up of 2.4 mil sqm in 7 key 'A' cities - 15% higher than 2014
 - Berlin-led 527,000 sqm, y-o-y increase of 23.0% driven by IT industry and SMB's
-
- High liquidity & low interest rates continue to spur German investment market
 - Increasing market transactions in 'B' and 'C' locations

Take-up of Office Space in the Top 7 Cities (in 1,000 sqm)



Commercial Transaction in Germany (in billions of EUR)



Note:

1) Source: Colliers International, Germany Market Report, "Office Leasing and Investment Q1-Q3 2015". Colliers International has not provided its consent. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Colliers International is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

“ABBA” Investment Strategy

ABBA strategy	AB (“A” assets in “B” cities)	... BA (“B” assets in “A” cities)
Assets	<p>Core assets</p> <ul style="list-style-type: none"> ✓ Modern building ✓ Prime location ✓ Long term lease(s) ✓ Tenant(s) with good lease covenants 	<p>Core-plus assets</p> <p>Possess most but not all of the qualities on the left</p>
Cities	Second-tier cities	First-tier cities

Experienced Management Team

REIT Manager



Mr Itzhak Sella
Chief Executive Officer

- 26 years of international real estate experience
- Sponsor and founder of IREIT Global
- Sponsor and founder of Sella Capital, a REIT listed in 2008 on the Tel Aviv Stock Exchange, Israel



Ms Adina Cooper
**Chief Investment Officer and
Asset Manager**

- 25 years experience in the international real estate industry
- 15+ years active in European real estate
- Member of the European Board of Colliers International

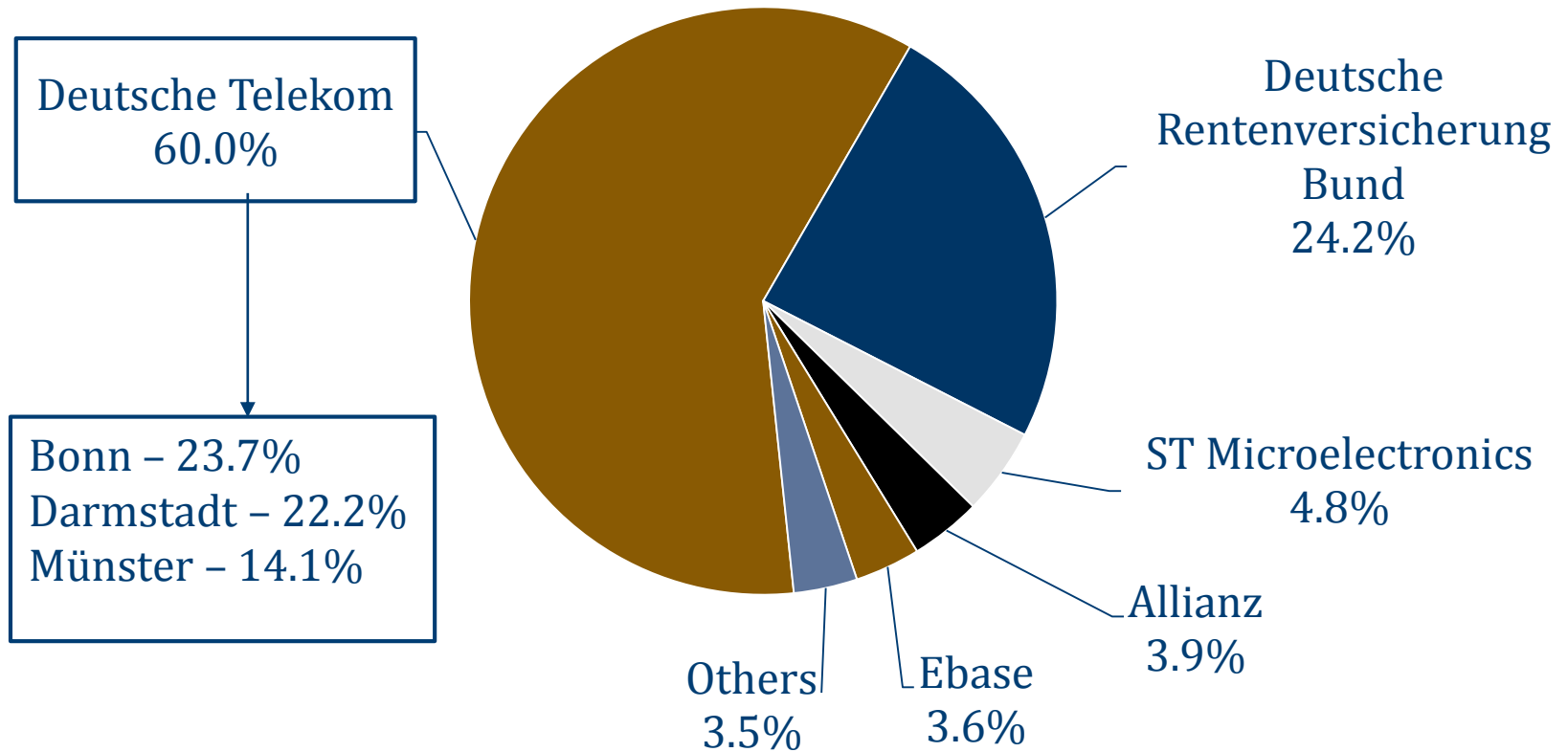


Mr Choo Boon Poh
Chief Financial Officer

- 16+ years experience as a Chartered Accountant of Singapore and CFA Charter Holder
- Director of corporate finance in an international bank, focusing on real estate sector and REIT transactions

Diversified Blue Chip Tenant Mix

Top 5 Tenants Profile¹



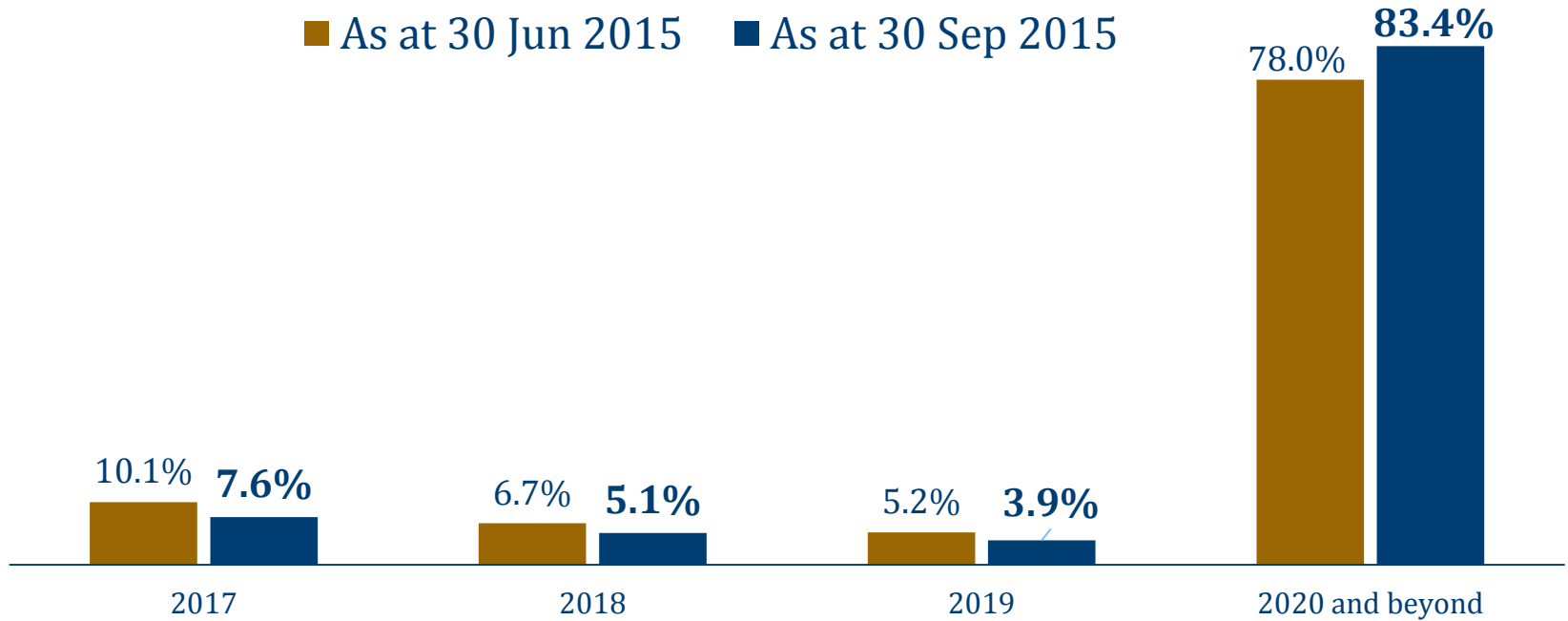
Note:

1) By gross rental income as at 30 Sep 2015

Stable Long Leases

Lease Expiry Profile¹

Weighted Average Lease Expiry: 7.0 years¹

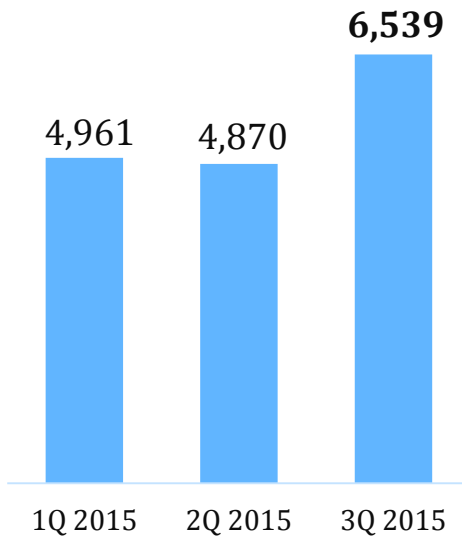


Note:

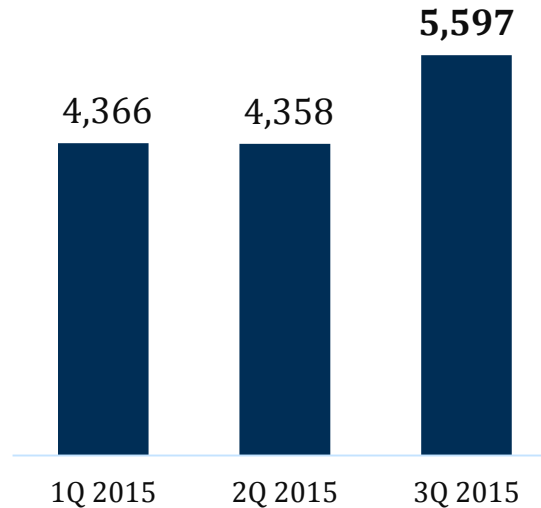
1) By gross rental income as at 30 Sep 2015

Continuous Growth

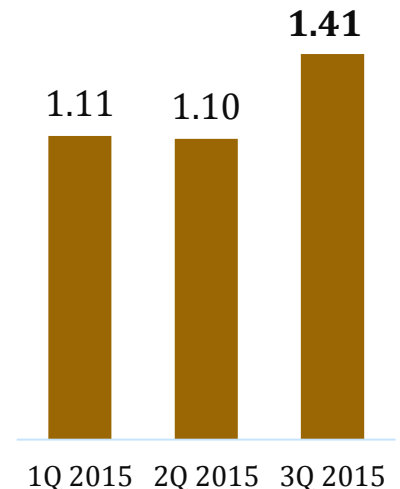
NPI (€'000)
€16,370



Distributable Income (€'000)
€14,321



DPU (S\$ cents)
3.62¹



Investment Properties
€439.2mil
€290.6mil (as at 31 Dec 2014)

NAV per Unit (€/unit)
0.41
0.48 (as at 31 Dec 2014)

Total Units Issued
& To Be Issued
613m Units
420m units (as at 31 Dec 2014)

Note:

- 1) The available distribution per unit for 3Q 2015 and 2Q 2015 was computed based on the number of Units entitled to distribution as at 30 Sep 2015 and 30 Jun 2015 respectively.

Prudent Capital Structure

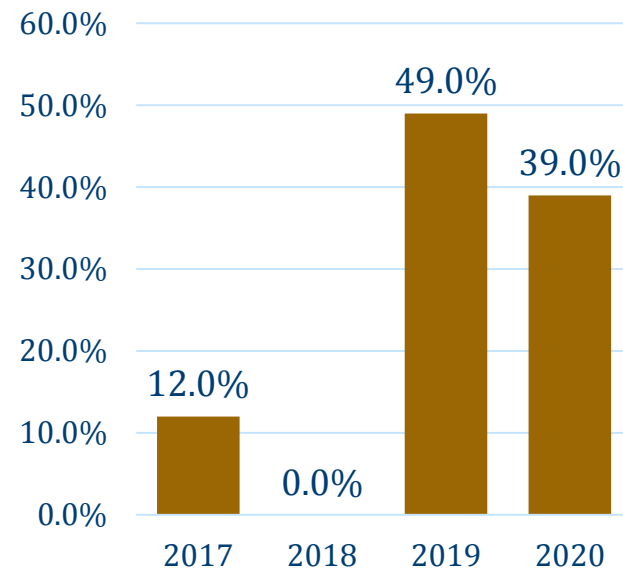
- Approximately 88% of the borrowings comprise term loans at fixed interest rates, which mitigate the volatility related to potential fluctuations in borrowing costs

As at 30 Sep 2015

Aggregate Leverage Ratio⁽¹⁾	Total Debt
43.4%	€198.6 mil
Effective Interest Rate	Interest Cover Ratio⁽²⁾
2.0% per annum	11.0 times

Debt Maturity Profile

**Average Weighted Debt Maturity:
4.0 years⁽³⁾**



Notes:

- 1) Based on total debt over deposited properties as at 30 Sep 2015
- 2) Based on net property income over interest expense for 9 months ended 30 Sep 2015
- 3) As at 30 Sep 2015

Forex Risk Management

- Borrowings in EUR acts as a natural hedge to match the currency of assets and cashflows at the property level
- Distributable income in EUR will be paid out in SGD and has been hedged as follows:

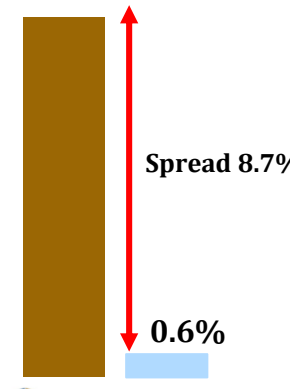
	%	Average Hedge Rate
Distributable Income 2015	100	~S\$1.54 per EUR

- IREIT pays out distributions in Singapore Dollars to unitholders semi-annually (for the 6 months period ending 30 Jun and 31 Dec each year)
- For future distributable income, the Manager may enter into hedging transactions in respect of distributions for future periods, as and when appropriate.

Superior Returns vis-à-vis Comparable Office S-REITs


IREIT offers superior returns

Post-tax
9.3%⁽¹⁾



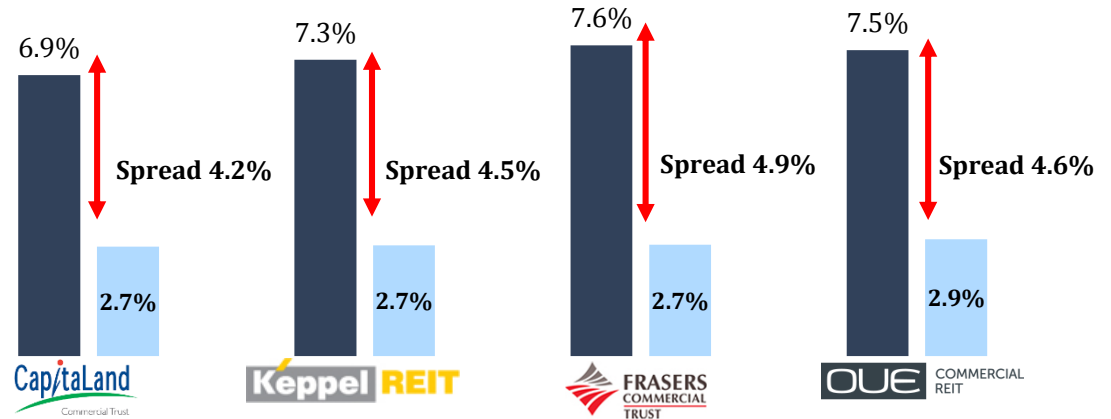
Spread 8.7%

0.6%

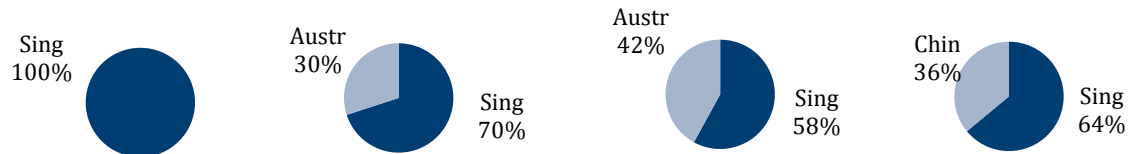


- Highest absolute yield of 9.3%⁽¹⁾
- Highest spread over risk-free rate of 8.7%
- Post-tax distribution yield
- Freehold quality assets
- 100% locked-in leases

■ 2016E DPU Yield ■ Government 10-yr Bond Yield



Geographical Mix (By NPI for the latest financial period)



Distribution Taxation Status

Pre-tax	Mainly pre-tax	Mixed	Mainly pre-tax
Percentage of asset value that is freehold / 999 years			
0%	7.6%	29.9%	0%

Notes:

- 1) Based on DBS Vickers' research estimates for 2016 DPU per report dated 18 Nov 2015 and closing unit price as at 25 Nov 2015
- 2) Based on brokers' estimates for 2016 DPU and closing unit prices as at 25 Nov 2015
- 3) Based on blended 10 year government bond yield by geographical mix of NPI for the latest financial period

Q&A SESSION

TOGETHER. STRONGER