(a real estate investment trust constituted on 1 November 2013 under the laws of the Republic of Singapore)

IREIT GLOBAL
UNAUDITED FINANCIAL STATEMENTS AND DISTRIBUTION ANNOUNCEMENT FOR THE FOURTH QUARTER 2015 AND THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

Introduction

IREIT Global (“**IREIT**”) is a Singapore real estate investment trust established with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe which is used primarily for office purposes, as well as real estate-related assets.

IREIT completed its initial public offering (“**IPO**”) and was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 13 August 2014 (the “**Listing Date**”). IREIT’s IPO portfolio comprises four office properties in Germany, strategically located in Bonn, Darmstadt, Münster and Munich with an aggregate net lettable area of 121,506 sq m (1,307,878 sq ft). The IPO portfolio consists of the following properties (the “**Properties**”):

(i) Bonn Campus
(ii) Darmstadt Campus
(iii) Münster Campus
(iv) Concor Park

IREIT is managed by IREIT Global Group Pte. Ltd. (the “**Manager**”).

On 6 August 2015, IREIT completed the acquisition of Schreiberhauer Straße 2, 4, 6, 8, 10, 12, 14, 16, 18, 20 and 22, Berlin 10317, Germany (the “**Berlin Campus**”) (the “**Acquisition**”). The Berlin Campus has a net lettable area of 79,097 sq m (851,392 sq ft) comprising two connected office buildings of eight and 13 storeys respectively.

The Acquisition was financed by a renounceable rights issue (the “**Rights Issue**”) of 189,607,567 new Units (the “**Rights Units**”) in IREIT and external bank borrowings.

The Acquisition is consistent with the Manager’s strategy to achieve portfolio growth through the acquisition of quality income-producing office properties which fits IREIT’s ‘ABBA’ investment strategy and the Manager’s investment criteria to enhance returns to Unitholders and to pursue opportunities for future income and capital growth.

Distribution policy

IREIT’s distribution policy is to distribute 100% of its annual distributable income for the period from the Listing Date to 31 December 2016 and thereafter, at least 90% of its annual distributable income for each financial year.

Distributions to Unitholders will be made semi-annually based on the half-yearly results of IREIT and the next distribution will be for the period from 1 July 2015 to 31 December 2015.

Note # - No comparative figures for the corresponding period of the preceding financial year have been presented as IREIT was only listed on the Listing Date. As disclosed in the prospectus of IREIT dated 4 August 2014 (the “**Prospectus**”), the SGX-ST has granted IREIT a waiver from the requirement to prepare historical pro forma financial statements. The SGX-ST has also granted IREIT a waiver from compliance with Rule 705(2) of the Listing Manual, which would otherwise require IREIT to announce its third quarter financial results ended 30 September 2014. IREIT’s first financial reporting announcement was in respect of the period from the Listing Date to 31 December 2014. For the purposes of this results announcement, where appropriate, comparisons are made against the pro-rated forecast figures for the fourth quarter ended 31 December 2015 and the financial year from 1 January 2015 to 31 December 2015 as disclosed in the Prospectus.

DBS Bank Ltd. is the sole global coordinator for the initial public offering and listing of IREIT Global (the “**Offering**”). DBS Bank Ltd. and Barclays Bank PLC, Singapore Branch are the joint issue managers, bookrunners and underwriters for the Offering.

SUMMARY CONSOLIDATED RESULTS OF IREIT GLOBAL

	4Q 2015			FY 2015		
	Actual	**Forecast[1]**	**Variance (%)**	**Actual**	**Forecast[1]**	**Variance (%)**
Gross revenue (ú'000)	**8,621**	**5,633**	**53.0**	**26,924**	**22,534**	**19.5**
Net property income (ú'000)	**7,659**	**5,017**	**52.7**	**24,029**	**20,067**	**19.7**
Distributable income (ú'000)	**6,461**	**4,394**	**47.0**	**20,782**	**17,572**	**18.3**
Available distribution per Unit						
- ú cents [2]	**1.05**	**1.03**	**1.9**	**3.39**	**4.15**	**(18.3)**
- S$ cents [3]	**1.62**	**1.75**	**(7.4)**	**5.24**	**7.01**	**(25.2)**

Footnotes:

(1) The forecast figures for the year ended 31 December 2015 were derived from the Projection Year 2015 as disclosed in the Prospectus and have been pro-rated for the quarter ended 31 December 2015.

(2) The actual available distribution per Unit was computed based on 613.3 million Units entitled to distribution, including the new Units issued pursuant to the Rights Issue. The forecast available distribution per Unit was computed based on 428.1 million Units entitled to distribution as disclosed in the Prospectus.

(3) The available distribution per Unit was computed after taking into consideration the forward foreign currency exchange contracts that IREIT has entered into to hedge the currency risk for distribution to Unitholders. 100% of the distributable income relating to the Properties and the Berlin Campus for the financial period from 1 July 2015 to 31 December 2015 have been hedged at an average exchange rate of approximately S$1.54 per Euro.

1(a)(i) Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Distribution Statement for the quarter ended 31 December 2015 ("4Q 2015")

	Note	4Q 2015 (€'000)	1 Nov 2013 to 31 Dec 2014[1] (€'000)	Variance[2] (%)
Gross revenue		8,621	8,326	3.5
Property operating expenses		(962)	(801)	20.1
Net property income		**7,659**	**7,525**	**1.8**
Finance costs		(792)	(793)	(0.1)
Management fees		(646)	(642)	0.6
Trustee's fees		(23)	(24)	(4.2)
Administrative costs		(96)	(154)	(37.7)
Other trust expenses		(71)	(811)	(91.2)
Net change in fair value of financial derivatives	1	(222)	(2)	11,000
Net change in fair value of investment properties	2	1,532	(12,434)	(112.3)
Profit / (Loss) before tax		**7,341**	**(7,335)**	**(200.1)**
Income tax (expense) / benefit		(696)	1,155	(160.3)
Profit / (Loss) for the period, before transactions with Unitholders		**6,645**	**(6,180)**	**(207.5)**
Distribution to Unitholders		(6,461)	(6,417)	0.7
Profit / (Loss) for the period, after transactions with Unitholders		**184**	**(12,597)**	**(101.5)**
<u>Distribution Statement</u>				
Profit / (Loss) for the period, before transactions with Unitholders		6,645	(6,180)	(207.5)
Distribution adjustments	3	(184)	12,597	(101.5)
Amount available for distribution to Unitholders		**6,461**	**6,417**	**0.7**

1(a)(i) Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Distribution Statement for the financial year ended 31 December 2015 ("FY 2015")

	Note	FY 2015 (€'000)	1 Nov 2013 to 31 Dec 2014[1] (€'000)	Variance[2] (%)
Gross revenue		26,924	8,326	223.4
Property operating expenses		(2,895)	(801)	261.4
Net property income		**24,029**	**7,525**	**219.3**
Finance costs		(2,624)	(793)	230.9
Management fees		(2,078)	(642)	223.7
Trustee's fees		(93)	(24)	287.5
Administrative costs		(290)	(154)	88.3
Other trust expenses		(523)	(811)	(35.5)
Net change in fair value of financial derivatives	1	(994)	(2)	49,600
Net change in fair value of investment properties	2	(5,240)	(12,434)	(57.9)
Profit / (Loss) before tax		**12,187**	**(7,335)**	**(266.1)**
Income tax (expense) / benefit		(360)	1,155	(131.2)
Profit / (Loss) for the period, before transactions with Unitholders		**11,827**	**(6,180)**	**(291.4)**
Distribution to Unitholders		(20,782)	(6,417)	223.9
Loss for the period, after transactions with Unitholders		**(8,955)**	**(12,597)**	**(28.9)**
<u>**Distribution Statement**</u>				
Profit / (Loss) for the period, before transactions with Unitholders		11,827	(6,180)	(291.4)
Distribution adjustments[3]	3	8,955	12,597	(28.9)
Amount available for distribution to Unitholders		**20,782**	**6,417**	**223.9**

Footnote:

(1) IREIT was constituted as a private trust on 1 November 2013 under a trust deed but was dormant until it completed the acquisition of the Properties and the IPO on the Listing Date. As such, the financial statements of IREIT for the period ended 31 December 2014 incorporate the financial results of IREIT from the Listing Date on 13 August 2014 to 31 December 2014.

(2) No detailed explanations have been provided for the variances between the actual results for 4Q 2015 and FY 2015 against its actual results for the period from the Listing Date to 31 December 2014 as it is not meaningful to compare the results for 4Q 2015 and FY 2015 against the results for 141 days in the period from 13 August 2014 to 31 December 2014. Please refer to Section 10 for a comparison of the actual results for 4Q 2015 and FY 2015 against its forecast results derived from the Projection Year 2015 as disclosed in the Prospectus.

(3) Distribution adjustments comprise expenses relating to the management fees to be paid in Units, net change in fair value of financial derivatives, net change in fair value of investment properties, interest expense due to differences between accounting method of computation which is based on the effective interest rate method and actual interest payments made, and other adjustments.

Notes to Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Distribution Statement

1. Net change in fair value of financial derivatives

This represents the net change in fair value of forward foreign currency exchange contracts which were entered into to hedge the currency risk for distribution to Unitholders.

The fair value of the financial derivatives falls under Level 2 of the fair value hierarchy.

2. Net change in fair value of investment properties

This relates to the difference between (i) the fair values of the investment properties based on independent valuations as at each reporting date and/or (ii) the purchase consideration and costs attributable to the acquisition of the investment properties during the period (where applicable) and their respective fair values based on independent valuations as at the end of the reporting period.

3. Distribution adjustments

	4Q 2015 (€'000)	**FY 2015 (€'000)**	**1 Nov 2013 to 31 Dec 2014 (€'000)**
Distribution adjustments			
- Difference between accounting and actual finance costs paid	48	438	212
- Management fees payable in Units	646	2,078	642
- Foreign exchange gain	(91)	(191)	(391)
- IPO expenses	-	-	853
- Rights Issue expenses	-	209	-
- Effects of recognising rental income on a straight line basis over the lease term	(173)	(173)	-
- Net change in fair value of financial derivatives	222	994	2
- Net change in fair value of investment properties	(1,532)	5,240	12,434
- Income tax expense / (benefit)	696	360	(1,155)
Net distribution adjustments	**(184)**	**8,955**	**12,597**

1(b)(i) Unaudited Statements of Financial Position

		Group (€'000)		Trust (€'000)	
	Note	**31 Dec 2015**	**31 Dec 2014**	**31 Dec 2015**	**31 Dec 2014**
Current assets					
Cash and cash equivalents	1	21,217	12,277	3,370	2,156
Trade and other receivables	2	1,558	1,967	8,251	6,047
Financial derivatives	3	-	279	-	279
		22,775	14,523	11,621	8,482
Non-current assets					
Investment properties	4	441,400	290,600	-	-
Investment in subsidiaries	5	-	-	261,081	208,309
Other receivables	6	173	-	-	-
Deferred tax assets	7	2,128	1,391	-	-
		443,701	291,991	261,081	208,309
Total assets		**466,476**	**306,514**	**272,702**	**216,791**
Current liabilities					
Trade and other payables	8	3,897	4,528	444	737
Distribution payable		12,058	6,417	12,058	6,417
Financial derivatives	3	392	-	392	-
		16,347	10,945	12,894	7,154
Non-current liabilities					
Borrowings	9	197,392	95,359	-	-
Deferred tax liabilities	7	1,333	236	-	-
Financial derivatives	3	323	-	323	-
		199,048	95,595	323	-
Total liabilities		**215,395**	**106,540**	**13,217**	**7,154**
Net assets attributable to Unitholders	10	**251,081**	**199,974**	**259,485**	**209,637**

Notes to Unaudited Statements of Financial Position

1. The Groupøs cash and cash equivalents as at 31 December 2015 were ú8.9 million higher than the balance as at 31 December 2014 mainly due to the cash flows generated from operations for FY 2015, offset by the payments of distributions (i) in March 2015 for the half year ended 31 December 2014 and (ii) in September 2015 for the half year ended 30 June 2015.

   Please refer to the consolidated statement of cash flows for FY 2015 on Page 8 of this announcement for further details.

   The Trustøs cash and cash equivalents as at 31 December 2015 were ú1.2 million higher than the balances as at 31 December 2014 mainly due to proceeds from the Rights Issue which were set aside for working capital purposes.

2. The decrease of ú0.4 million in the Groupøs trade and other receivables was mainly due to goods and services taxes recoverable as at 31 December 2014 pertaining to the Trustøs IPO expenses, which were recovered after 31 December 2014. The increase of ú2.2 million in the Trustøs trade and other receivables was mainly due to balances due from subsidiaries as at 31 December 2015.

3. This represents the fair value as at the reporting dates of forward foreign currency exchange contracts which were entered into to hedge the currency risk for distribution to Unitholders.

1(b)(i) Unaudited Statements of Financial Position (continued)

Notes to Unaudited Statements of Financial Position (continued)

4. The increase in investment properties was mainly due to the acquisition of the Berlin Campus which was completed in August 2015. The Berlin Campus was stated at valuation based on an independent valuation carried out by DTZ Debenham Tie Leung Limited[(1)] as at 31 December 2015. The investment properties in the IPO portfolio were stated at valuation based on independent valuations carried out by Colliers International Valuation UK LLP in respect of the Bonn Campus, Darmstadt Campus and Münster Campus, and by Cushman & Wakefield LLP[(1)] for Concor Park as at 31 December 2015.

5. The increase in investment in subsidiaries was due to the acquisition of the Berlin Campus, which was held through intermediate holding companies.

6. This relates to the effects of the accounting adjustment to recognise rental income on a straight-line basis over the term of the leases which have step-up rental escalation clauses.

7. Deferred tax assets increased mainly due to the revaluation difference of the Berlin Campus upon acquisition. Deferred tax liabilities increased mainly due to reversal of deductible temporary differences arising from the investment properties.

8. The decrease in trade and other payables of ú0.6 million and ú0.3 million for the Group and the Trust respectively was mainly due to the higher turnover in respect of trade creditors for FY 2015.

9. The increase in borrowings was mainly due to the ú102 million term loan facility taken up to partially finance the acquisition of the Berlin Campus. Please refer to the Aggregate Amount of Borrowings Item 1b(ii) for details.

10. Please refer to the Unaudited Statement of Movements in Net Assets Attributable to Unitholders Item 1d(i) for details.

Footnote:

(1) On 2 September 2015, DTZ and Cushman & Wakefield announced the completion of their merger. The combined firm currently operates under a common brand name but the underlying legal entities, including their names, remain unchanged.

1(b)(ii) Aggregate Amount of Borrowings

	Group (€'000)	
	31 Dec 2015	**31 Dec 2014**
Secured borrowings		
Amount repayable after one year	198,594	96,594
Less: Upfront debt transaction costs[(1)]	(1,202)	(1,235)
Total secured borrowings	**197,392**	**95,359**

Footnotes:

(1) Upfront debt transaction costs are amortised over the life of the loan facility.
(2) The fair value of the bank borrowings as at 31 December 2015 is approximately ú197.0 million.

<u>Details of borrowings and collaterals</u>

The secured borrowings comprise the following term loan facilities (together, the ñ**Facilities**ò):

(a) a secured ú96.6 million term loan facility which has a tenor of 5 years and matures in August 2019; and
(b) a secured ú102.0 million term loan facility consisting of (i) Facility A of ú78.4 million which has a tenor of 5 years and matures in August 2020 and (ii) Facility B of ú23.6 million which has a tenor of 2 years and matures in August 2017.

1(b)(ii) Aggregate Amount of Borrowings (continued)

Details of borrowings and collaterals (continued)

The Facilities are secured by way of the following:

- land charges over the investment properties;
- pledges over the rent and other relevant bank accounts in relation to the investment properties;
- assignments of claims under the lease agreements, insurance agreements, sale and purchase agreements, property management agreements and other key agreements in relation to the investment properties;
- pledges over the shares in the borrowing entities; and
- pledges over the intra-group loans under the borrowing entities.

1(c)(i) Unaudited Consolidated Statement of Cash Flows

	Note	4Q 2015 (€'000)	FY 2015 (€'000)	1 Nov 2013 to 31 Dec 2014 (€'000)
Cash flows from operating activities				
Profit / (Loss) for the period, after transactions with Unitholders		184	(8,955)	(12,597)
Adjustments for:				
Management fees payable in Units		646	2,078	642
Finance costs		792	2,624	793
Change in fair value of financial derivatives		222	994	2
Change in fair value of investment properties		(1,532)	5,240	12,434
Distribution to Unitholders		6,461	20,782	6,417
Income tax expense / (benefit)		696	360	(1,155)
Operating profit before working capital changes		7,469	23,123	6,536
Changes in working capital:				
Trade and other receivables		(276)	240	(1,967)
Trade and other payables		842	(454)	3,454
Cash generated from operations, representing net cash from operating activities		**8,035**	**22,909**	**8,023**
Cash flows from investing activity				
Release of warranty retention sum in relation to the acquisition of investment property		(668)	(668)	-
Acquisition of investment property		-	(155,372)	(303,034)
Net cash used in investing activity		**(668)**	**(156,040)**	**(303,034)**
Cash flows from financing activities				
Proceeds from issuance of new Units	1	-	58,777	219,369
Payment of transaction costs related to the issue of Units		-	(793)	(7,440)
Proceeds from bank borrowings	2	-	102,000	96,594
Payment of transaction costs related to bank borrowings		-	(582)	(1,235)
Distribution paid to Unitholders		-	(15,141)	-
Interest paid		(748)	(2,190)	-
Net cash (used in) / from financing activities		**(748)**	**142,071**	**307,288**
Net increase in cash and cash equivalents		6,619	8,940	12,277
Cash and cash equivalents at beginning of the period		14,598	12,277	-
Cash and cash equivalents at end of the period		**21,217**	**21,217**	**12,277**

1(c)(i) Unaudited Consolidated Statement of Cash Flows (continued)

Notes to Unaudited Consolidated Statement of Cash Flows

1. The proceeds from issuance of new Units arose from the renounceable rights issue of 189,607,567 new Units in IREIT to partially finance the acquisition of the Berlin Campus.

2. The proceeds from bank borrowings arose from the ú102 million term loan facility taken up to partially finance the acquisition of the Berlin Campus. Please refer to the Aggregate Amount of Borrowings Item 1b(ii) for details.

1(d)(i) Unaudited Statement of Changes in Net Assets Attributable to Unitholders

Statement for 4Q 2015 **Group**	**Units in issue and to be issued (€'000)**	**Unit issue costs (€'000)**	**Accumulated (losses) / profit (€'000)**	**Total (€'000)**
Operations				
Balance as at 1 October 2015	-	-	(21,736)	(21,736)
Profit for the period, before transactions with Unitholders	-	-	6,645	6,645
Distribution payable of 1.05ú cents per Unit for the period from 1 October 2015 to 31 December 2015	-	-	(6,461)	(6,461)
Total comprehensive loss for the period	-	-	(21,552)	(21,552)
Unitholders' transactions				
Issue of Units:				
Balance as at 1 October 2015	272,780	(793)	-	271,987
Management fees payable in Units	646	-	-	646
Net assets resulting from transactions	273,426	(793)	-	272,633
Net assets attributable to Unitholders as at 31 December 2015	**273,426**	**(793)**	**(21,552)**	**251,081**

1(d)(i) Unaudited Statement of Changes in Net Assets Attributable to Unitholders (continued)

Statement for the year ended 31 December 2015 **Group**	**Units in issue and to be issued (€'000)**	**Unit issue costs (€'000)**	**Accumulated (losses) / profit (€'000)**	**Total (€'000)**
Operations				
Balance as at 1 January 2015	-	-	(12,597)	(12,597)
Profit for the period, before transactions with Unitholders	-	-	11,827	11,827
Distribution paid of 1.43ú cents per Unit for the period from 1 January 2015 to 30 June 2015	-	-	(8,724)	(8,724)
Distribution payable of 1.96ú cents per Unit for the period from 1 July 2015 to 31 December 2015	-	-	(12,058)	(12,058)
Total comprehensive loss for the period	-	-	(21,552)	(21,552)
Unitholders' transactions				
Issue of Units:				
Balance as at 1 January 2015	220,011	(7,440)	-	212,571
Issue of Units pursuant to the Rights Issue	58,777	(793)	-	57,984
Management fees payable in Units	2,078	-	-	2,078
Net assets resulting from transactions	280,866	(8,233)	-	272,633
Net assets attributable to Unitholders as at 31 December 2015	**280,866**	**(8,233)**	**(21,552)**	**251,081**

Statement for 4Q 2015 **Trust**	**Units in issue and to be issued (€'000)**	**Unit issue costs (€'000)**	**Accumulated (losses) / profit (€'000)**	**Total (€'000)**
Operations				
Balance as at 1 October 2015	-	-	(14,391)	(14,391)
Profit for the period, before transactions with Unitholders	-	-	7,704	7,704
Distribution payable of 1.05ú cents per Unit for the period from 1 October 2015 to 31 December 2015	-	-	(6,461)	(6,461)
Total comprehensive loss for the period	-	-	(13,148)	(13,148)
Unitholders' transactions				
Issue of Units:				
Balance as at 1 October 2015	272,780	(793)	-	271,987
Management fees payable in Units	646	-	-	646
Net assets resulting from Unitholdersô transactions	273,426	(793)	-	272,633
Net assets attributable to Unitholders as at 31 December 2015	**273,426**	**(793)**	**(13,148)**	**259,485**

1(d)(i) Unaudited Statement of Changes in Net Assets Attributable to Unitholders (continued)

Statement for the year ended 31 December 2015 Trust	Units in issue and to be issued (€'000)	Unit issue costs (€'000)	Accumulated (losses) / profit (€'000)	Total (€'000)
Operations				
Balance as at 1 January 2015	-	-	(2,934)	(2,934)
Profit for the period, before transactions with Unitholders	-	-	10,568	10,568
Distribution paid of 1.43ú cents per Unit for the period from 1 January 2015 to 30 June 2015	-	-	(8,724)	(8,724)
Distribution payable of 1.96ú cents per Unit for the period from 1 July 2015 to 31 December 2015	-	-	(12,058)	(12,058)
Total comprehensive loss for the period	-	-	(13,148)	(13,148)
Unitholders' transactions				
Issue of Units:				
Balance as at 1 January 2015	220,011	(7,440)	-	212,571
Issue of Units pursuant to the Rights Issue	58,777	(793)	-	57,984
Management fees payable in Units	2,078	-	-	2,078
Net assets resulting from Unitholdersô transactions	280,866	(8,233)	-	272,633
Net assets attributable to Unitholders as at 31 December 2015	**280,866**	**(8,233)**	**(13,148)**	**259,485**

1(d)(ii) Details of Any Change in Units

	4Q 2015 (Units)	FY 2015 (Units)	1 Nov 2013 to 31 Dec 2014 (Units)
Unit in issue:			
At beginning of the period	610,957,717	419,337,000	1
Issue of new Units:			
- Prior to Listing Date	-	-	999
- Initial public offering	-	-	167,733,000
- Private placement	-	-	251,603,000
- Management fees paid in Units	2,356,372	4,369,522	-
- Rights Issue	-	189,607,567	-
At end of the period	**613,314,089**	**613,314,089**	**419,337,000**
Units to be issued:			
Management fees payable in Units	1,457,010	1,457,010	1,164,704
At end of the period	**614,771,099**	**614,771,099**	**420,501,704**

2. Whether the figures have been audited, or reviewed and in accordance with which standard, (e.g. the Singapore Standard on Auditing 2410 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

For the current reporting period, the Group has applied the same accounting policies and methods of computation as those applied in its audited financial statements for the financial period ended 31 December 2014**.**

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

Not applicable.

6. Earnings / (Loss) Per Unit and Distribution Per Unit

	4Q 2015	**FY 2015**	**As restated 1 Nov 2013 to 31 Dec 2014**(2)	**As previously reported 1 Nov 2013 to 31 Dec 2014**
Weighted average number of Units ('000)(1)	611,537	536,564	160,329	82,008
Earnings / (Loss) per Unit (**"EPU" / "LPU"**) Basic and Diluted(1) (ú cents)	1.08	2.20	(3.85)	(7.53)
Number of Units entitled to distribution ('000)	613,314	613,314	484,388	419,337
Distribution per Unit (**"DPU"**)				
- ú cents(3)	1.05	3.39	1.32	1.53
- S$ cents(4)	1.62	5.24	2.22	2.57

Footnotes:

(1) The weighted average number of Units and EPU / LPU have been adjusted to take into effect the bonus element in the 189,607,567 Rights Units issued on 6 August 2015.

The Diluted EPU was the same as the Basic EPU as there were no dilutive instruments in issue at the reporting date.

(2) The number of Units entitled for distribution and DPU have been restated to include the bonus element in the 189,607,567 Rights Units issued on 6 August 2015.

(3) For illustrative purposes only, the computation of DPU is based on the number of Units entitled to distribution for the relevant periods.

6. Earnings / (Loss) Per Unit and Distribution Per Unit (continued)

Footnotes (continued):

(4) IREIT has entered into forward foreign currency exchange contracts to hedge the currency risk for distribution to Unitholders. The DPU was computed taking such contracts into consideration. 100% of the distributable income relating to the Properties for the financial period from 1 July 2015 to 31 December 2015 have been hedged at an average exchange rate of approximately S$1.54 per Euro.

7. Net Asset Value and Net Tangible Asset Per Unit

	Group	
	31 December 2015	**31 December 2014**
Number of Units in issue and to be issued at end of period ('000)[1]	614,771	420,502
Net asset value (**"NAV"**) per Unit (ú)	0.41	0.48
Net tangible asset (**"NTA"**) per Unit (ú)	0.41	0.48

Footnote:

(1) The NAV and NTA per Unit was computed based on net assets attributable to Unitholders as at 31 December 2015 and 31 December 2014 and the Units in issue and to be issued as at 31 December 2015 of 614,771,099 (31 December 2014: 420,501,704).

8. Segmental Reporting

Operating segments are identified on the basis of internal reports on components of IREIT that are regularly reviewed by the chief operating decision maker, which is the management of the Manager, in order to allocate resources to segments and to assess their performance.

IREIT owns five properties which are all located in Germany. Revenue and net property income of the five properties (which constitute an operating segment on an aggregated basis) are the measures reported to the Manager for the purposes of resource allocation and performance assessment. The Manager considers that the five properties held by IREIT have similar economic characteristics and have similar nature in providing leasing services to similar type of tenants for rental income. In addition, the cost structure and the economic environment in which each of the five properties operate are similar. Therefore, the Manager concluded that the five properties should be aggregated into a single reportable segment and no further analysis for segment information is presented by property.

9. Review of the Performance For The Fourth Quarter and Year Ended 31 December 2015

Please refer to Section 10 on the review of the actual results of IREIT against forecast.

10. Variance between Actual and Forecast Results

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Distribution Statement

	4Q 2015			FY 2015		
	Actual (€'000)	**Forecast# (€'000)**	**Variance %**	**Actual (€'000)**	**Forecast# (€'000)**	**Variance %**
Gross revenue	8,621	5,633	53.0	26,924	22,534	19.5
Property operating expenses	(962)	(616)	56.2	(2,895)	(2,467)	17.3
Net property income	**7,659**	**5,017**	**52.7**	**24,029**	**20,067**	**19.7**
Finance costs	(792)	(513)	54.4	(2,624)	(2,051)	27.9
Management fees	(646)	(494)	30.8	(2,078)	(1,975)	5.2
Trustee's fees	(23)	(18)	27.8	(93)	(71)	31.0
Administrative costs	(96)	(96)	-	(290)	(383)	(24.3)
Other trust expenses	(71)	(137)	(48.2)	(523)	(548)	(4.6)
Net change in fair value of financial derivatives	(222)	-	NM	(994)	-	NM
Net change in fair value of investment properties	1,532	-	NM	(5,240)	-	NM
Profit before tax	**7,341**	**3,759**	**95.3**	**12,187**	**15,039**	**(19.0)**
Income tax (expense) / benefit	(696)	96	(825.0)	(360)	384	(193.8)
Profit for the period, before transactions with Unitholders	**6,645**	**3,855**	**72.4**	**11,827**	**15,423**	**(23.3)**
Distribution to Unitholders	(6,461)	(4,394)	47.0	(20,782)	(17,571)	18.3
Profit / (Loss) for the period, after transactions with Unitholders	**184**	**(539)**	**(134.1)**	**(8,955)**	**(2,148)**	**316.9**
<u>Distribution Statement</u>						
Profit for the period, before transactions with Unitholders	6,645	3,855	72.4	11,827	15,423	(23.3)
Distribution adjustments	(184)	539	(134.1)	8,955	2,148	316.9
Amount available for distribution to Unitholders	**6,461**	**4,394**	**47.0**	**20,782**	**17,571**	**18.3**

Footnote:

NM denotes "Not meaningful".

10. Variance between Actual and Forecast Results (continued)

Review of the Performance

4Q 2015

Gross revenue of ú8.6 million was 53.0% higher than forecast of ú5.6 million largely due to the additional rental contribution from the Berlin Campus acquired on 6 August 2015.

Correspondingly, property operating expenses of ú1.0 million were 56.2% higher than forecast of ú0.6 million. As a result, net property income was ú7.7 million, 52.7% higher than forecast of ú5.0 million.

Finance costs were higher than forecast of ú0.5 million by 54.4% mainly due to the new loan facility taken up to partially finance the acquisition of the Berlin Campus.

Trusteeœs fees were higher than forecast by 27.8% in line with the increase in the portfolio size of IREIT.

Management fees were 30.8% higher than forecast of ú0.5 million due to the higher distributable income achieved as compared to forecast.

Included in other trust expenses was a foreign exchange gain of ú91,000 arising mainly from the translation of Singapore dollar denominated cash balances as at 31 December 2015. Excluding this foreign exchange gain, other trust expenses were ú25,000 higher than forecast, mainly due to the increase in the portfolio size of IREIT.

The net change in fair value of financial derivatives was due to the remeasurement to fair value as at 31 December 2015 of the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.

The net gain in fair value of investment properties was mainly due to the higher valuation appraised by independent valuers as at 31 December 2015.

Income tax expense of ú0.7 million was higher than forecast largely due to the higher deferred tax effect on the reversal of deductible temporary differences arising from the investment properties.

Amount available for distribution of ú6.5 million was higher than forecast of ú4.4 million mainly due to the additional contribution from the Berlin Campus.

FY 2015

For FY 2015, gross revenue of ú26.9 million was 19.5% higher than forecast of ú22.5 million. This was largely due to the additional rental contribution from the Berlin Campus acquired on 6 August 2015.

Correspondingly, property operating expenses of ú2.9 million were 17.3% higher than forecast and net property income of ú24.0 million was 19.7% higher than forecast of ú20.1 million.

Finance costs were higher than forecast of ú2.1 million by 27.9% mainly due to the new loan facility taken up to partially finance the acquisition of the Berlin Campus during the year.

Trusteeœs fees were higher than forecast by 31.0% in line with the increase in the portfolio size of IREIT.

Administrative expenses were 24.3% lower than forecast mainly due to savings achieved for the year.

10. Variance between Actual and Forecast Results (continued)

Review of the Performance (continued)

FY 2015 (continued)

Included in other trust expenses was a foreign exchange gain of ú191,000 arising mainly from the translation of Singapore dollar denominated cash balances as at 31 December 2015. Excluding this foreign exchange gain, other trust expenses were ú166,000 higher than forecast, mainly due to the Rights Issue expenses charged to the profit or loss statement, partially offset by savings achieved in respect of legal and professional fees.

The net change in fair value of financial derivatives was due to the remeasurement to fair value as at 31 December 2015 of the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.

The ú5.2 million net loss in fair value of investment properties was mainly due to (i) the fair value loss from the difference between the total costs of acquiring the Berlin Campus and its fair value offset by (ii) the net gain of fair value of the IPO properties for FY 2015.

Income tax expense of ú0.7 million was higher than forecast largely due to the higher deferred tax effect on the reversal of deductible temporary differences arising from the investment properties.

Amount available for distribution of ú20.8 million was higher than forecast of ú17.6 million mainly due to the additional contribution from the Berlin Campus.

11. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

The German economy recorded real GDP growth of 1.7% in 2015, supported largely by domestic demand. Deutsche Bundesbank is projecting real GDP growth of 1.8% for 2016 and 1.7% for 2017.[(1)]

The economic conditions in Germany continued to drive investments in office properties in the country. According to Savills, a total of ú22.9 billion worth of deals were transacted in 2015, which translated to a 28% increase as compared to 2014. Approximately 80% of the total transaction volume was derived from the seven key cities in Germany. Positive take-up rates were also observed in all the key cities.[(2)]

Office rental rates continue to show a positive trend in general, at the same time actual contracted rates particularly for new leases and renewals are often dependent on specific factors such as tenant profile and lease term. Tenant concessions (such as initial rent-free periods, tenant improvement incentives etc.) of an equivalent of 6 to 12 monthsôrent on average are typically offered by landlords in order to secure new leases and renewals.

Over the past year, rapidly changing capital market conditions have resulted in significant volatility in the foreign exchange markets. Recent events such as the European Central Bankôs decision in December 2015 to extend the quantitative easing until at least March 2017 has added further uncertainty to the outlook of the Euro.

In view of the foreign currency fluctuations, management has taken the decision to hedge a large part of the forecast distributable income for 2016. 80% of the forecast distributable income for 2016 has been hedged at an average exchange rate of approximately S$1.52 per Euro. The Manager will continue to implement hedging strategies where appropriate as part of its proactive currency risk management strategies.

Competition for office assets in Germany is intense, with yield compression expected to continue. Nevertheless, the Manger believes that its ñABBAò strategy remains the optimal strategy to grow IREITôs portfolio by acquiring yield accretive and strategic properties. In line with the investment mandate of IREIT, the Manager will also continue to explore other European markets for suitable acquisition opportunities.

11. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months (continued)

Footnotes:

(1) Source: Deutsche Bundesbank ï õGerman economic upswing continuesö dated 14 January 2016, which is available on the website of Deutsche Bundesbank at www.bundesbank.de (last accessed at the date of this announcement). Deutsche Bundesbank has not provided its consent. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Deutsche Bundesbank 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.

(2) Source: Savills Market in Minutes ï õGermany Office Investment Markets Q4 2015ö and õGermany Office Markets Q4 2015ö. Savills has not provided its consent. While the Manager has taken reasonable actions to ensure that the information from the relevant reports published by Savills is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such reports, none of the Manager or any other party has conducted an independent review of the information contained in such reports or verified the accuracy of the contents of the relevant information.

12. Distributions

(a) Current financial period

Any distributions declared for the current financial period?	Yes
Name of distribution	Distribution for the period from 1 July 2015 to 31 December 2015
Distribution type	Tax-exempt income
Distribution rate	3.03 Singapore cents per Unit
Tax rate	These distributions are made out of IREITøs tax exempt income. Unitholders receiving distributions will not be assessable to Singapore income tax on the distribution received.

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period?	Yes

(c)	**Books closure date**	9 March 2016
(d)	**Date payable**	29 March 2016

13. If no distribution has been declared/(recommended), a statement to that effect.

Not applicable.

14. If IREIT has obtained a general mandate from shareholders for IPTs, the aggregate value of each transaction as required under Rule 920(i)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

IREIT has not obtained a general mandate from Unitholders for Interested Person Transactions.

15. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Manager confirms that there is no person occupying a managerial position in the Manager, who is related to a director or the chief executive officer or a substantial shareholder of the Manager or a substantial unitholder of IREIT.

BY ORDER OF THE BOARD OF DIRECTORS
Lee Wei Hsiung
Company Secretary
IREIT Global Group Pte. Ltd.
(As manager for IREIT GLOBAL)
(Company Registration No. 201331623K)

17 February 2016

This announcement may contain forward-looking statements that involve risks and uncertainties. Future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/ distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management of future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.