



Rewarding Returns in European Real Estate

**KGI REIT Event
22 March 2016**

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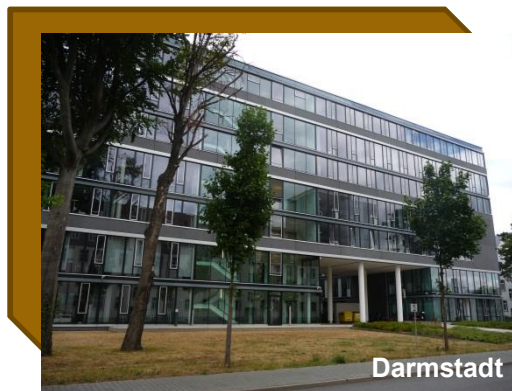
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INVESTMENT GATEWAY TO EUROPEAN OFFICE ASSETS



Investment Highlights

- Freehold quality portfolio
- Diversified blue chip tenants and stable income
- Continuous growth
- Prudent capital structure
- Strong 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%	99.7%
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 Microelectronics, Allianz, Ebase, Yamaichi	
WALE ⁽²⁾	8.5	7.3	6.9	3.8	4.1	6.8
Independent Appraisal ⁽³⁾	" 148.7 mil	" 100.0 mil	" 82.5 mil	" 48.5 mil	" 61.7 mil	" 441.4 mil

Notes:

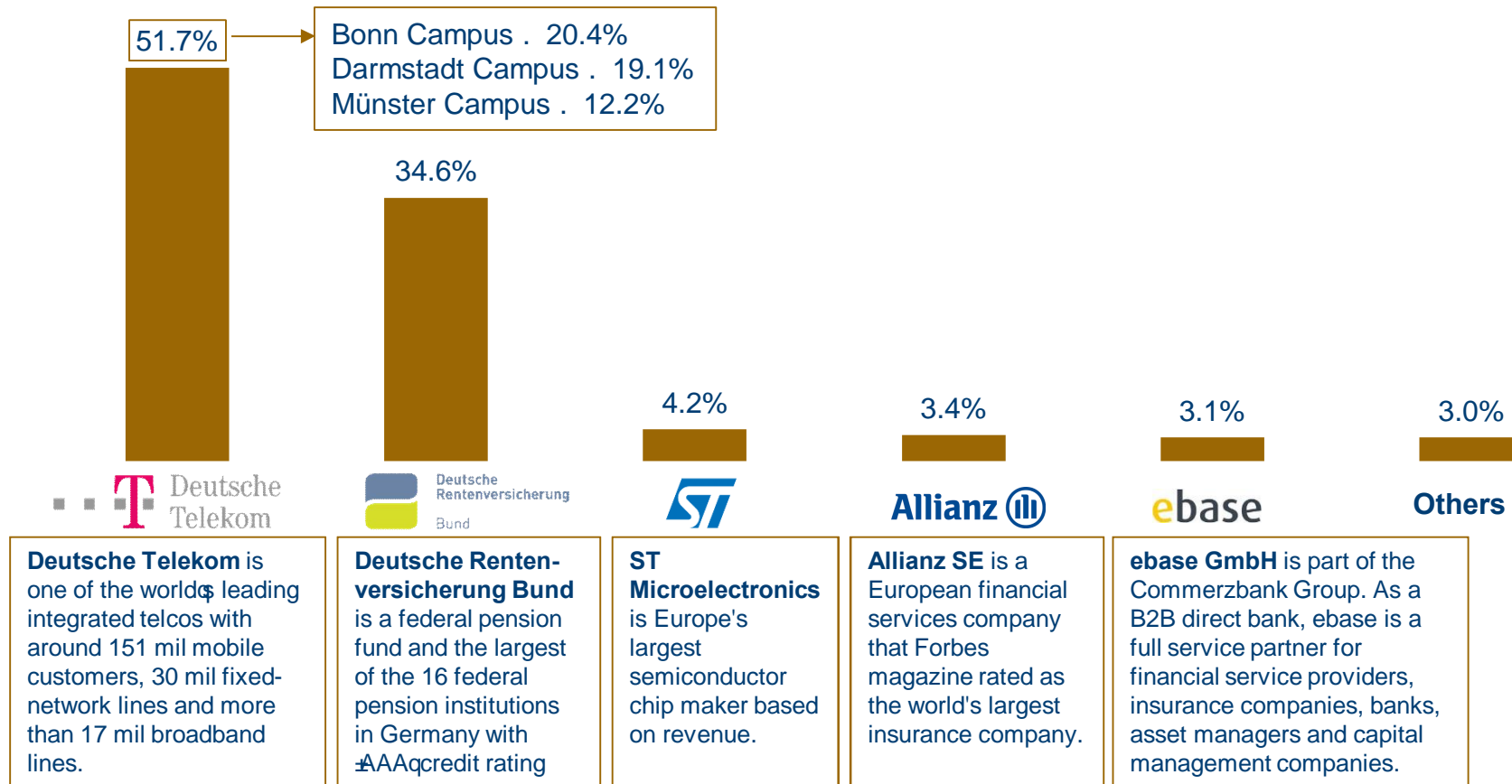
- 1) Occupancy as at 31 Dec 2015
- 2) By gross rental income as at 31 Dec 2015
- 3) Based on independent valuation as at 31 Dec 2015

'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 and require more intensive asset management initiatives</p>
Cities	Second-tier cities	First-tier cities

Diversified Blue Chip Tenant Mix

Top 5 Tenants Profile ⁽¹⁾



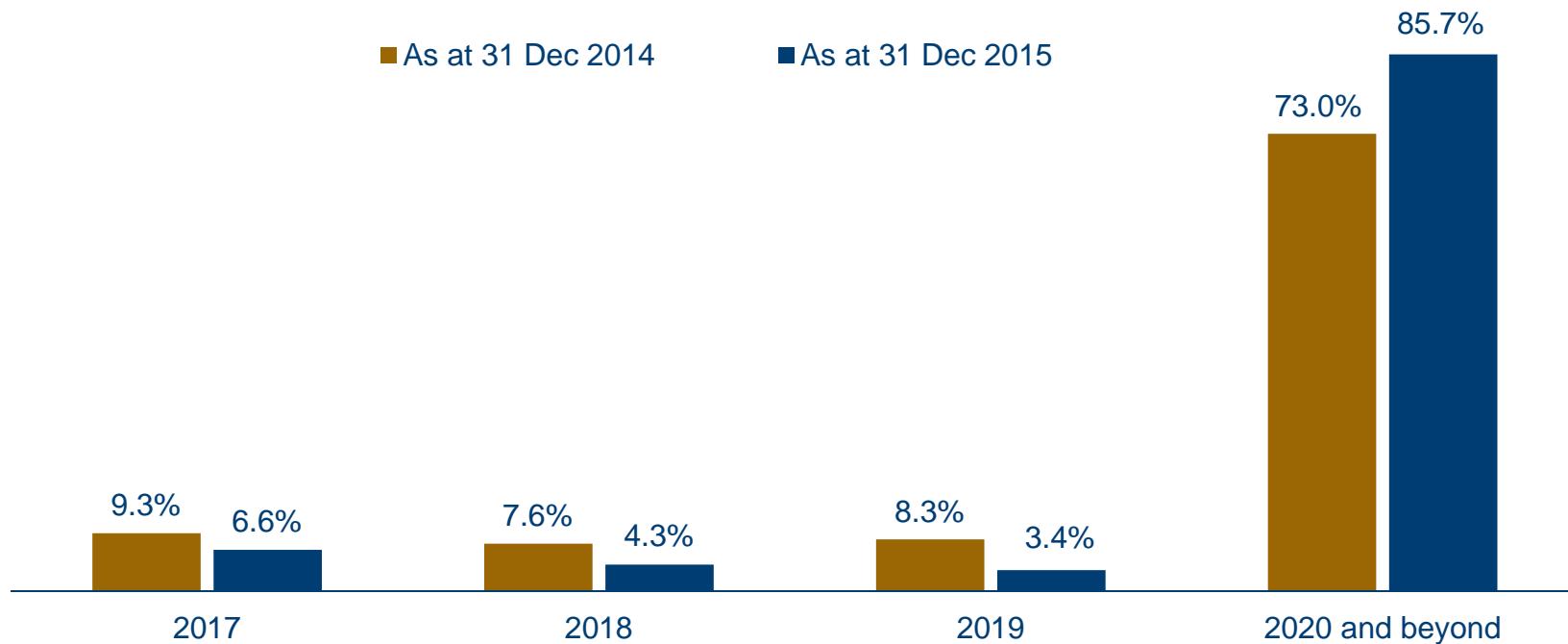
Note:

1) By gross rental income as at 31 Dec 2015

Stable Long Leases

Lease Expiry Profile ⁽¹⁾

Weighted Average Lease Expiry: 6.8 years ⁽¹⁾

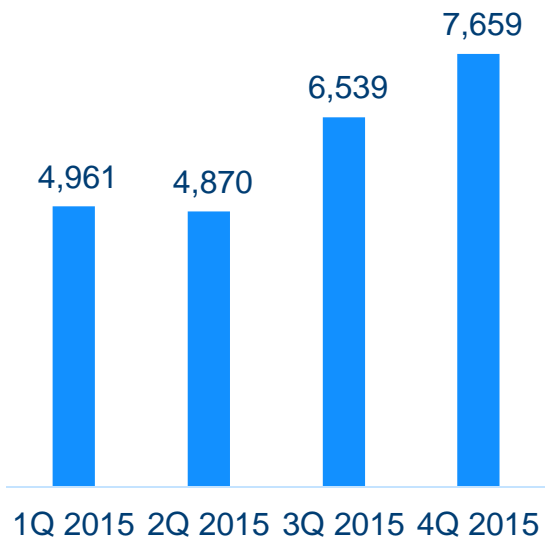


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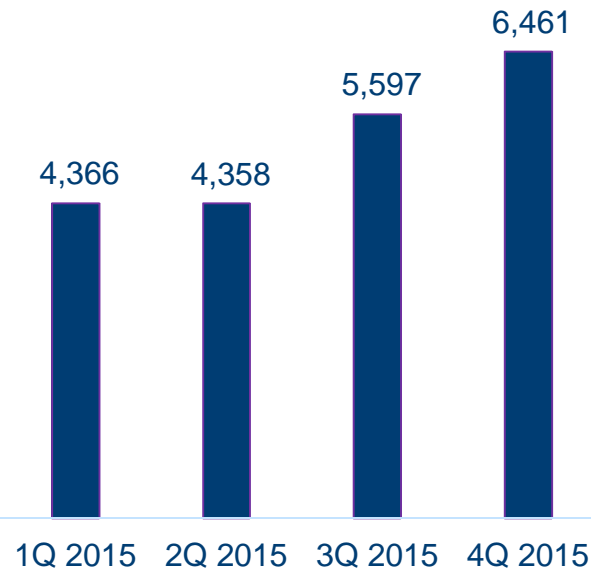
1) By gross rental income as at 31 Dec 2015

Continuous Growth

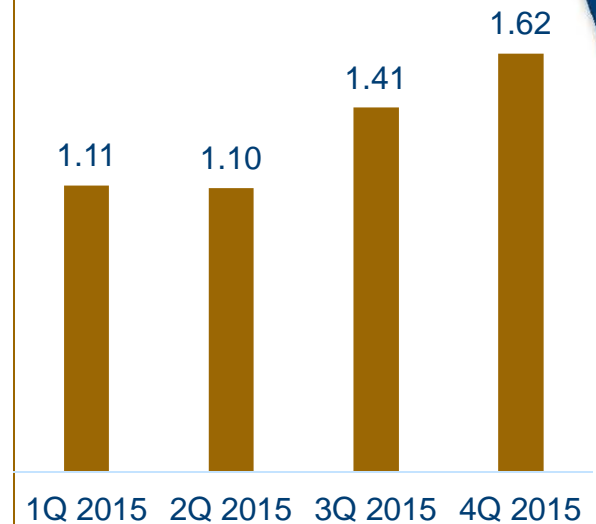
NPI (" €00)
€24,029



Distributable Income (" €00)
€20,782



DPU (S\$ cents)
5.24 ⁽¹⁾



Investment Properties
€441.4mil

" 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 each quarter was computed based on the number of units entitled to distribution as at the end of the respective financial periods.

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

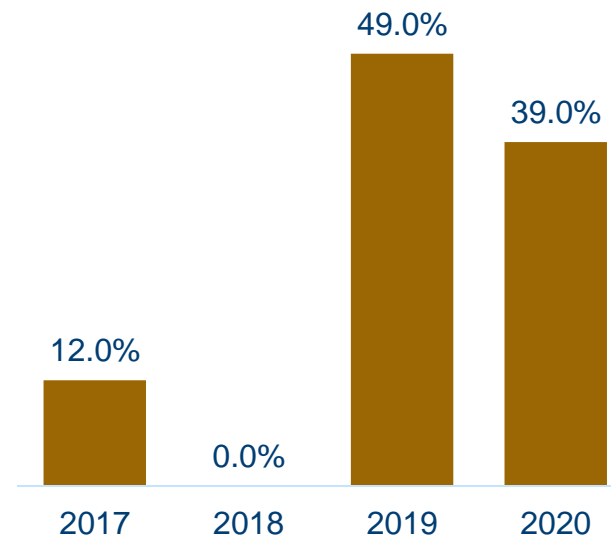
As at 31 Dec 2015

Aggregate Leverage Ratio ⁽¹⁾	Total Debt
42.6%	" 198.6 mil

Effective Interest Rate	Interest Cover Ratio ⁽²⁾
2.0% per annum	11.0 times

Debt Maturity Profile

Average Weighted Debt Maturity:
3.8 years ⁽³⁾



Notes:

- Based on total debt over deposited properties as at 31 Dec 2015
- Based on net property income over interest expense
- As at 31 Dec 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
Distributable Income 2016	80	~S\$1.52 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.



IREITGlobal
INVEST GLOBALLY SAVE LOCALLY

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

IREIT offers superior returns

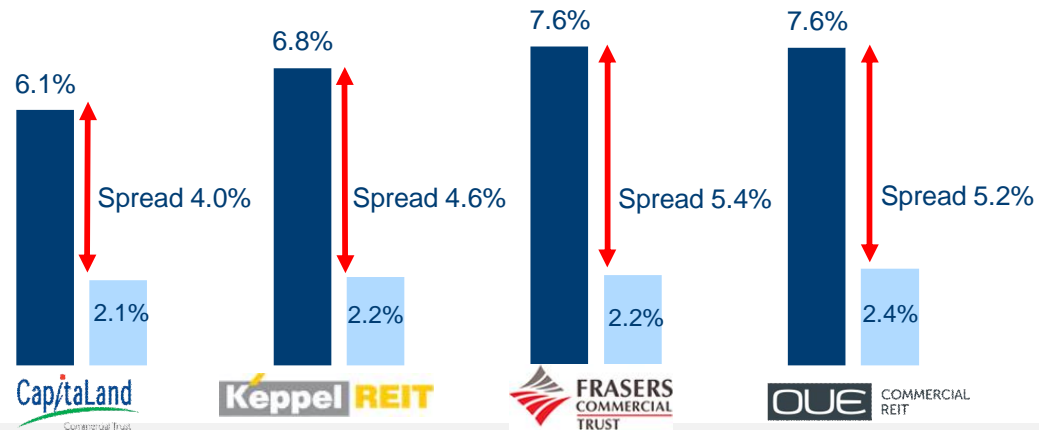
Post-tax ⁽¹⁾

8.9%
Spread 8.7%
0.2%

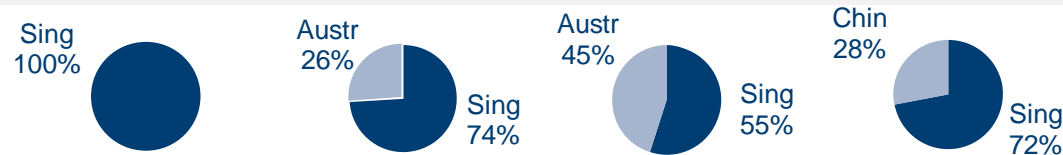
IREITGlobal
INVEST GLOBALLY SAVE LOCALLY

- ✓ Highest absolute yield of 8.9%⁽¹⁾
- ✓ Highest spread over risk-free rate of 8.7%
- ✓ Post-tax distribution yield
- ✓ Freehold quality assets
- ✓ 100% locked-in leases

■ 2016E DPU Yield⁽²⁾ ■ Government 10-yr Bond Yield⁽³⁾



Geographical Mix (By NPI for the latest financial period)



Distribution Taxation Status

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

0%	5.1%	27.0%	0%
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Notes:

- 1) Based on RHB research estimates for 2016 DPU per report dated 22 February 2016 and closing unit price as at 17 March 2016
- 2) Based on brokers estimates for 2016 DPU and closing unit prices as at 17 March 2016 from Bloomberg
- 3) Based on blended 10 year government bond yield by geographical mix of NPI for the latest financial period

PORTFOLIO HIGHLIGHTS



German Office Property Market Update

Most preferred asset class by local and foreign investors ⁽¹⁾

In 2015, a total of " 22.9 billion worth of deals transacted, up 28% per annum ⁽¹⁾

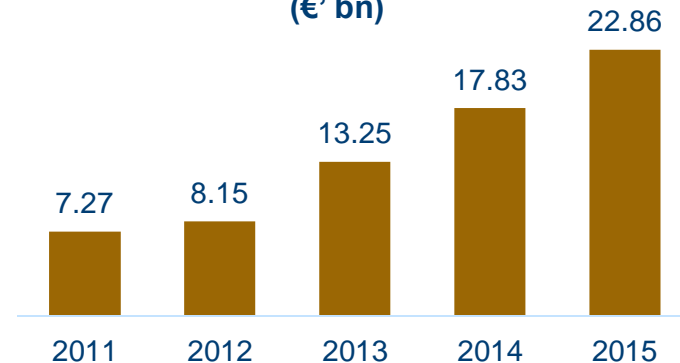
Approximately 80% of the total transacted volume was derived from the 7 key cities in Germany ⁽¹⁾

Strong take-up rates - About 3.3 million sqm of space was taken up in 2015, representing 22% increase compared to 2014 ⁽¹⁾

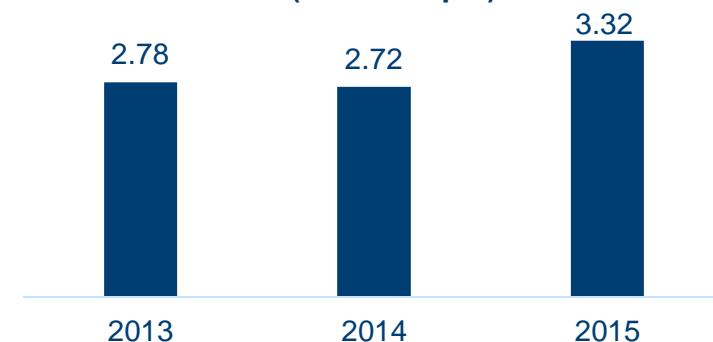
Shortage of office space remains a strong key driver for the rental market growth

Office rental rates continue to show a positive trend, though dependent on specific factors such as tenant profile and lease terms

Investment Transaction volume ⁽¹⁾
(€' bn)



Take-up in Top 6 Cities in Germany ⁽¹⁾
(million sq m)



Notes:

- 1) Source: Savills Market in Minutes . %Germany Office Investment Markets Q4 2015+ and %Germany Office Markets Q4 2015+. 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.

Berlin Campus

- Located in the district of Lichtenberg, 6 km east of Berlin city centre
- Within walking distance to the Ostkreuz railway station
- In 2017/2018, train station will expand to offer regional train services across Germany
- In Lichtenberg, the commercial office development and occupancy demand have been growing
- Conveniently situated about 14km between the two airports in Berlin, Tegel Airport and Berlin Schönefeld Airport



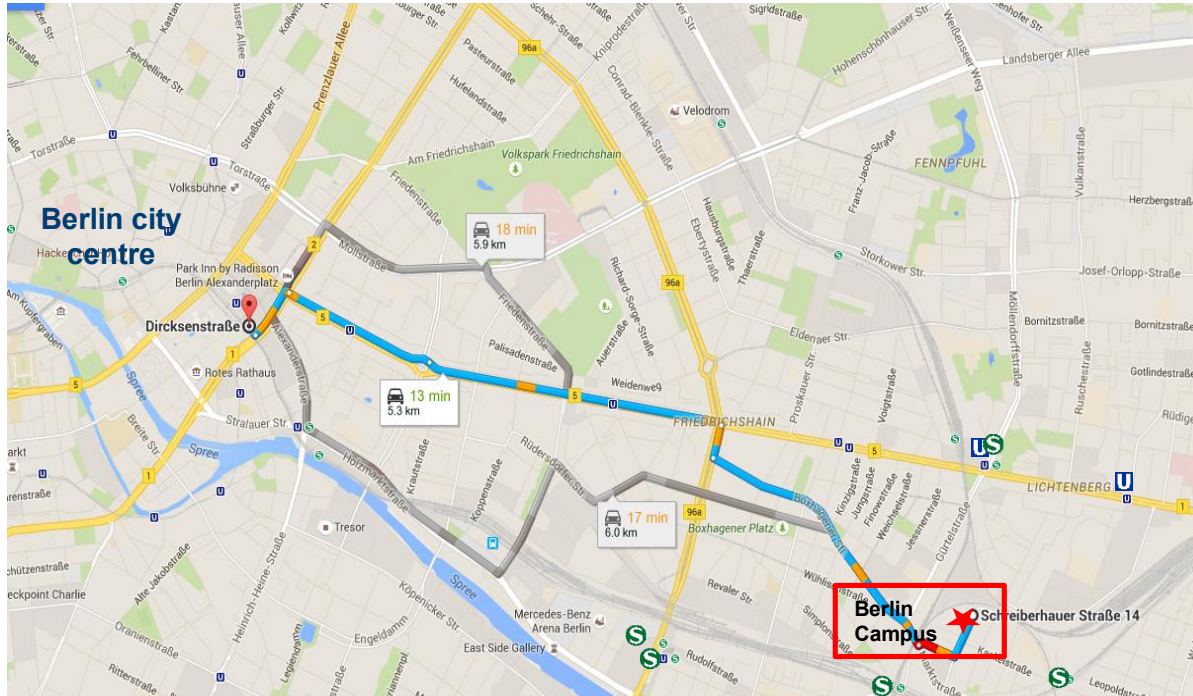
Land Tenure	Freehold
Completion Year	1994
Net Lettable Area ⁽¹⁾	79,097 sqm
Car Park Spaces	496
Independent Appraisal ⁽²⁾	" 148.7 m
Purchase Consideration	" 144.2 m
Occupancy Rate ⁽³⁾	99.2%

Notes:

- 1) Net Lettable Area excludes underground parking and parking facilities
- 2) As at 31 Dec 2015
- 3) By gross rental income as at 31 Dec 2015



Berlin Campus



Transport Amenities

- “ Along the main road leading to Berlin city centre
- “ Near the Berlin Ostkreuz S-Bahn station and regular bus services are available

City Centre and Airport

- “ Berlin city centre is approximately 6km to the northwest
- “ Tegel Airport and Berlin Schönefeld Airport are about 14km away

Immediate Vicinity

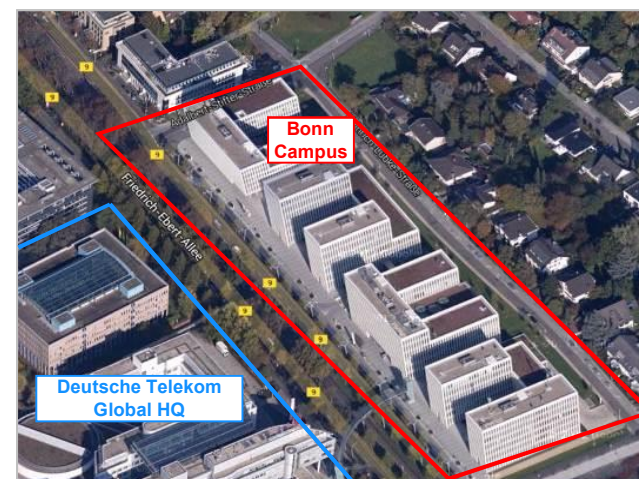
- “ An up and coming Berlin neighbourhood of Lichtenberg
- “ Nearby companies include Coca-Cola, Mercedes, and BASF

Bonn Campus

- Located in Bundesviertel (federal quarter), the prime office area within the city
- Directly opposite and linked to the global headquarters of Deutsche Telekom, underscoring its importance to the Deutsche Telekom Group
- Four U-shape office buildings with two-, four- or six- storeys that are able to function as independent self-contained buildings, with subdivision flexibility
- High standard of office accommodation and building specification, with extensive and state of the art technical equipment



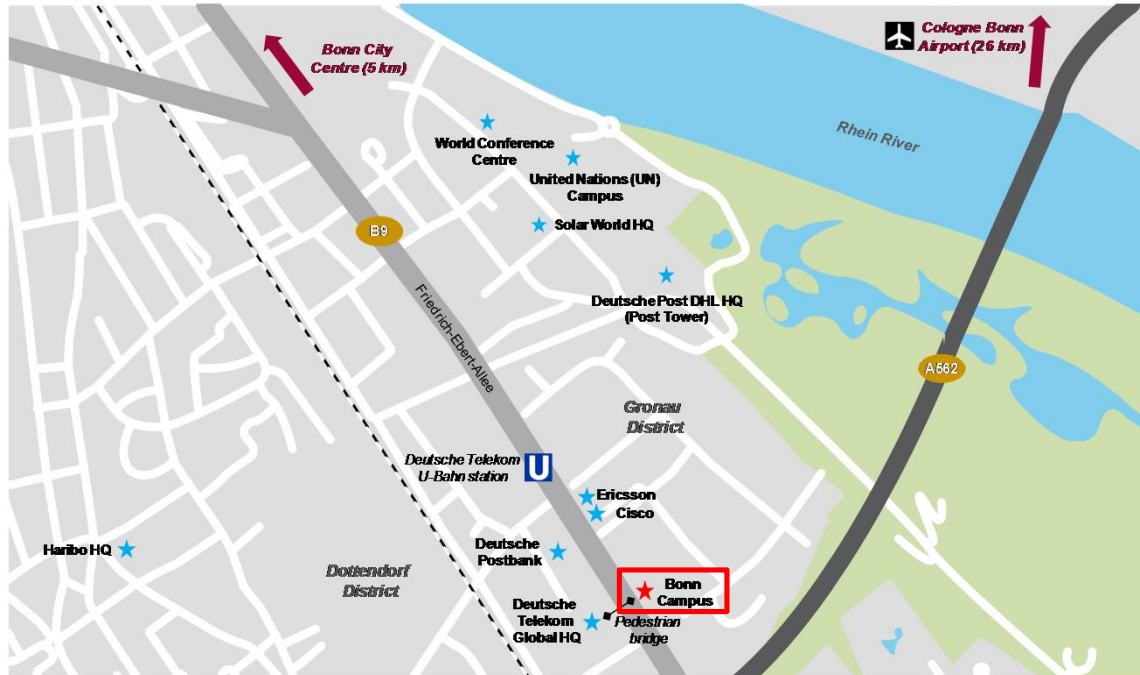
Land Tenure	Freehold
Completion Year	2008
Net Lettable Area ⁽¹⁾	32,736 sqm
Car Park Spaces	656
Independent Appraisal ⁽²⁾	" 100.0 m
Purchase Consideration	" 99.5 m
Occupancy Rate⁽³⁾	100%



Notes:

- 1) Net Lettable Area excludes underground parking and parking facilities
- 2) As at 31 Dec 2015
- 3) By gross rental income as at 31 Dec 2015

Bonn Campus



Transport Amenities

- “ Along the main road leading to Bonn city centre
- “ Regular bus services available and nearest train station (U-Bahn) is just 100m from the property

City Centre and Airport

- “ Bonn city centre is approximately 5km to the northwest
- “ Cologne Bonn Airport approximately 26km to the north

Immediate Vicinity

- “ Popular urban setting populated principally by a mixture of large offices and low density residential accommodation
- “ DHL Group HQ, Deutsche Postbank, Cisco, Ericsson, United Nations Campus

Darmstadt Campus

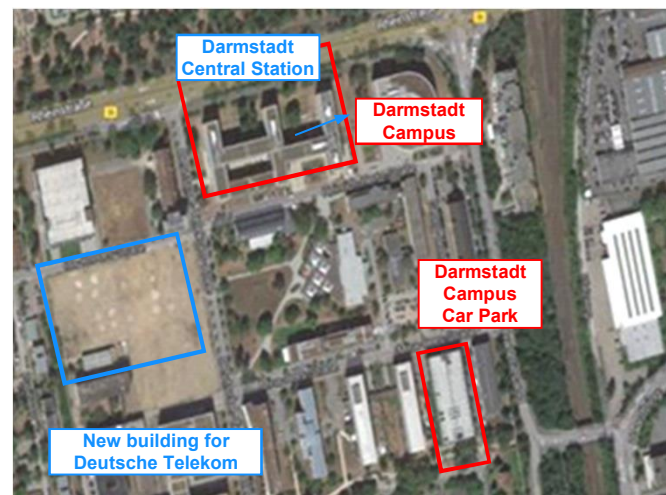
- Darmstadt is the city with the largest concentration of Deutsche Telekom offices outside Bonn
- Approximately 30 km from Frankfurt
- Located in the TZ Rhein Main Business Park, one of the largest and most modern business parks in the city
- Six connected five- and seven-storeys office buildings in the shape of a double-H, with subdivision flexibility
- Highly specified modern open plan office
- Includes a modern multi-story car park building with a total of 826 spaces



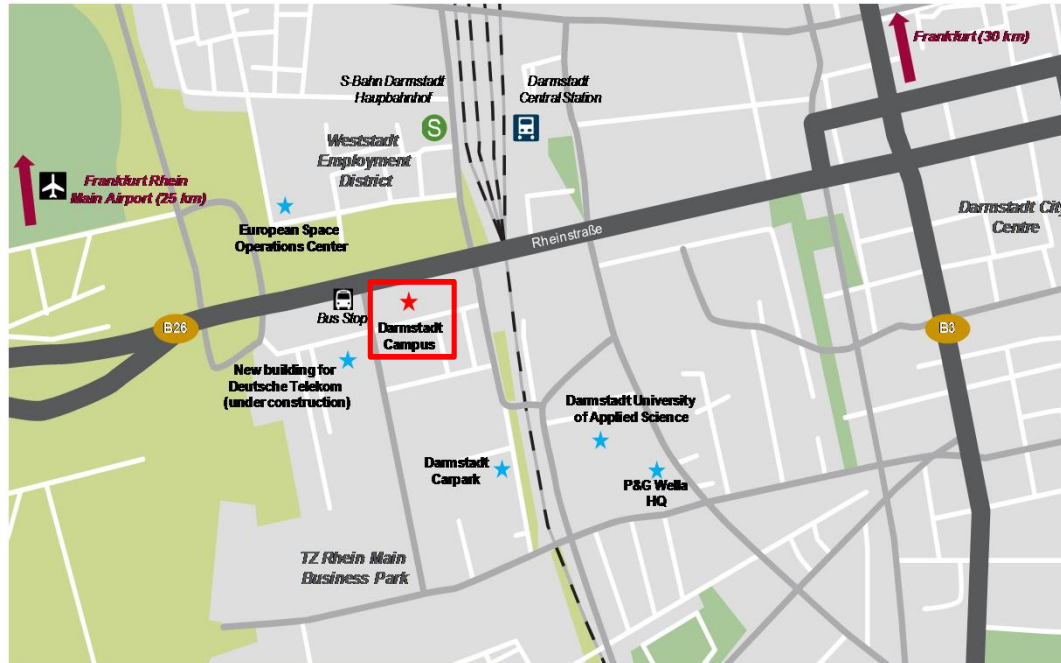
Land Tenure	Freehold
Completion Year	2007
Net Lettable Area ⁽¹⁾	30,371 sqm
Car Park Spaces	1,189
Independent Appraisal ⁽²⁾	" 82.5 m
Purchase Consideration	" 74.1 m
Occupancy Rate ⁽³⁾	100%

Notes:

- 1) Net Lettable Area excludes underground parking and parking facilities
- 2) As at 31 Dec 2015
- 3) By gross rental income as at 31 Dec 2015



Darmstadt Campus



Transport Amenities

- “ Across the road from the Darmstadt central railway station
- “ Along main road which provides direct access to Frankfurt airport
- “ Popular S3 S-Bahn line which connects Darmstadt to Frankfurt

City Centre and Airport

- “ Frankfurt Rhein Main Airport is approximately 25km to the north; journey time of 15mins by car or 30mins via regular bus or train

Immediate Vicinity

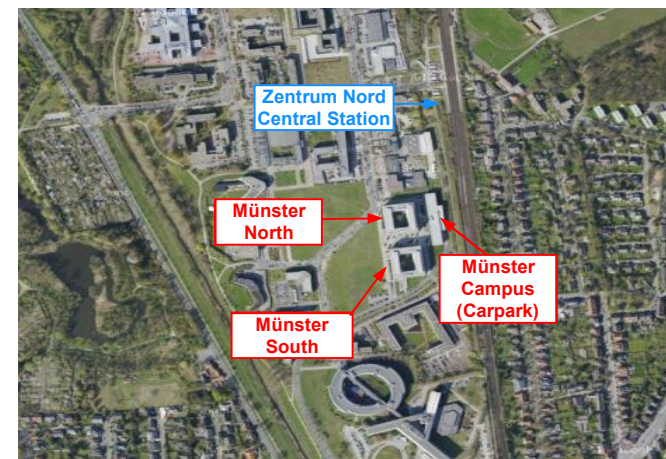
- “ Medical centre, health and fitness club, children's nurseries, hotels
- “ Weststadt Employment District comprises 17ha of mixed use development including office, retail and residential
- “ European Space Operations Centre, Darmstadt University of Applied Science, P&G Wella HQ

Münster Campus

- Located in Zentrum Nord, one of the largest office locations in Münster and approximately 2.5km to the city centre
- One of the few high-quality office assets with a large lot size in the Münster office market
- Comprises of North and South components of two six-storeys office buildings, and a separate car park building
- Floor plates of modern configuration, having undergone additional internal refurbishment with high quality finishing and fit-out specification



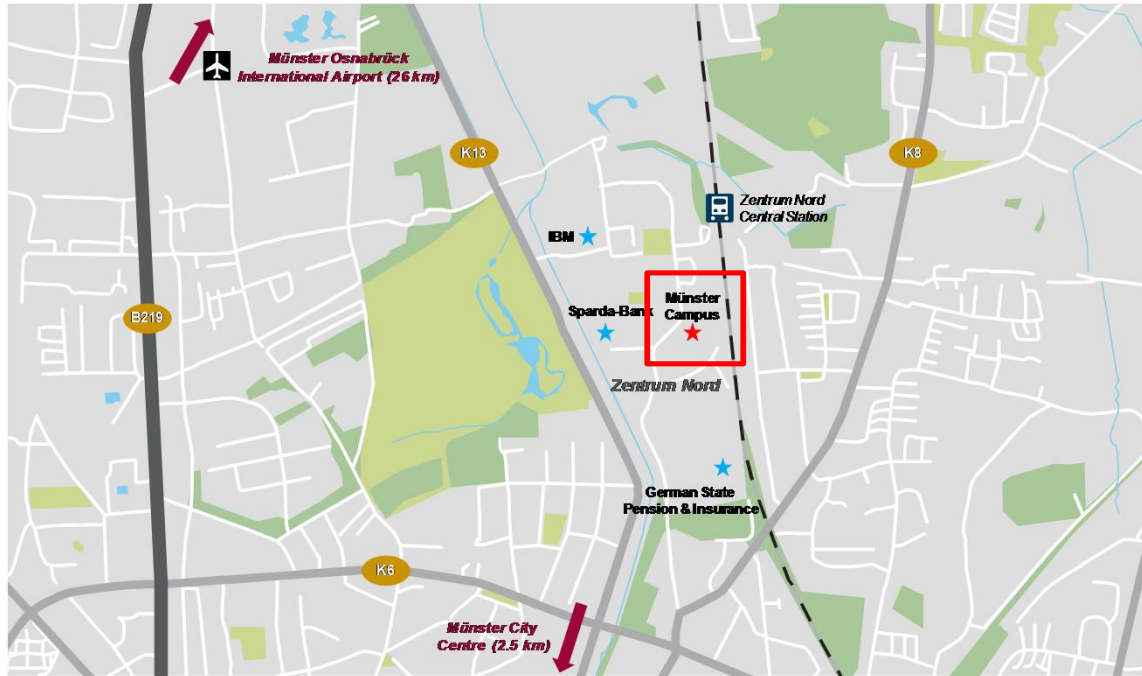
Land Tenure	Freehold
Completion Year	2007
Net Lettable Area ⁽¹⁾	27,183 sqm
Car Park Spaces	588
Independent Appraisal ⁽²⁾	" 48.5 m
Purchase Consideration	" 50.9 m
Occupancy Rate⁽³⁾	100%



Notes:

- 1) Net Lettable Area excludes underground parking and parking facilities
- 2) As at 31 Dec 2015
- 3) By gross rental income as at 31 Dec 2015

Münster Campus



Transport Amenities

- “ Vicinity of Zentrum Nord Central Station
- “ Main road towards city centre

City Centre and Airport

- “ Münster city centre is approximately 2.5km south
- “ Münster Osnabrück International Airport approximately 26km away from the property

Immediate Vicinity

- “ IBM, Sparda Bank, German State Pension & Insurance, University of Applied Sciences
- “ Dominated by main administration offices of public sector institutions and large corporations as well as commercial offices from the insurance, banking, IT, publishing and biotechnology industries

Concor Park



First redevelopment project in Germany to have received the Green Building Gold Certificate from the German Sustainable Building Council in 2016

- Located in the commercial area of Aschheim-Dornach, within a large business park
- Close to the Messe Munchen International conference / exhibition centre about 4 km to the east which is a significant driver of business demand
- Three linked five-storey buildings with a separate car park building
- Fully refurbished in 2011 with modern fit-out



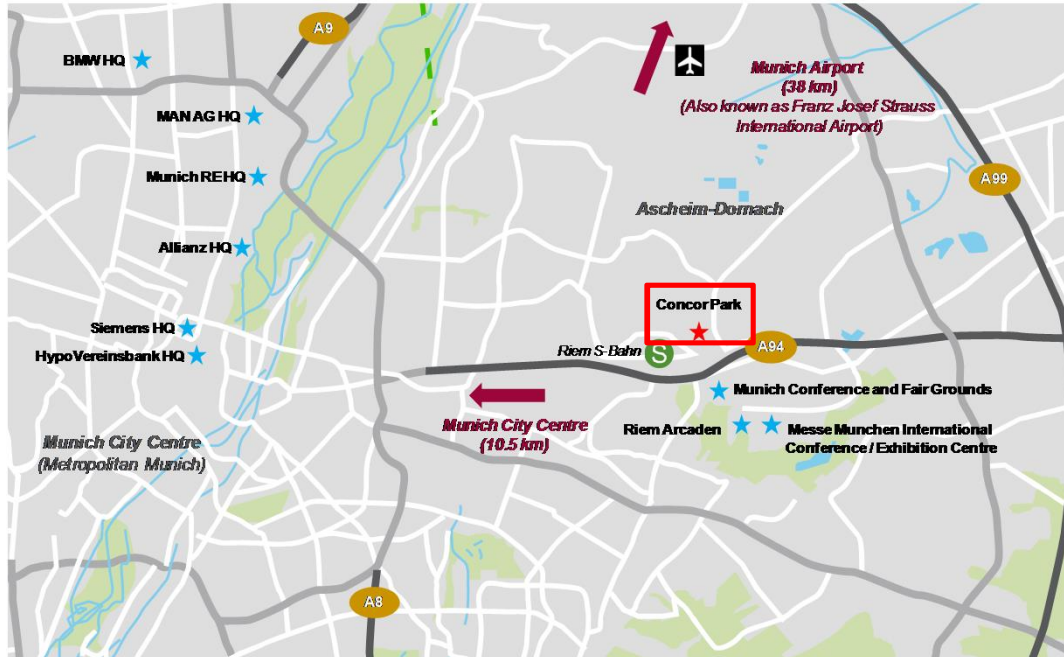
Land Tenure	Freehold
Completion Year	Fully refurbished 2011
Net Lettable Area ⁽¹⁾	31,216 sqm
Car Park Spaces	512
Independent Appraisal ⁽²⁾	" 61.7 m
Purchase Consideration	" 58.6 m
Occupancy rate⁽³⁾	100%



Notes:

- 1) Net Lettable Area excludes underground parking and parking facilities
- 2) As at 31 Dec 2015
- 3) By gross rental income as at 31 Dec 2015

Concor Park



Transport Amenities

- “ Direct access to highway which leads to Munich city centre
- “ Linked to ring motorway connecting to other parts of metropolitan Munich
- “ Riem S-Bahn station located immediately south of the property

City Centre and Airport

- “ Munich city centre is approximately 10.5km to the west
- “ 30min drive to Munich Franz Josef Strauss International Airport

Immediate Vicinity

- “ Offices and hotels in vicinity
- “ Messe Munchen International conference / exhibition centre and Riem Arcaden shopping centre 4km to the east

THANK YOU