



Investor Presentation

October 2017



Agenda

- **About IREIT Global**
- **Introduction to Tikehau Capital**
- **2Q 2017 Key Highlights**
- **Economy & Real Estate Review**
- **Outlook & Strategy**



About
IREIT
Global



About IREIT Global

Europe-focused

- First Singapore-listed real estate investment trust 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, retail and industrial (including logistics) purposes, as well as real estate-related assets

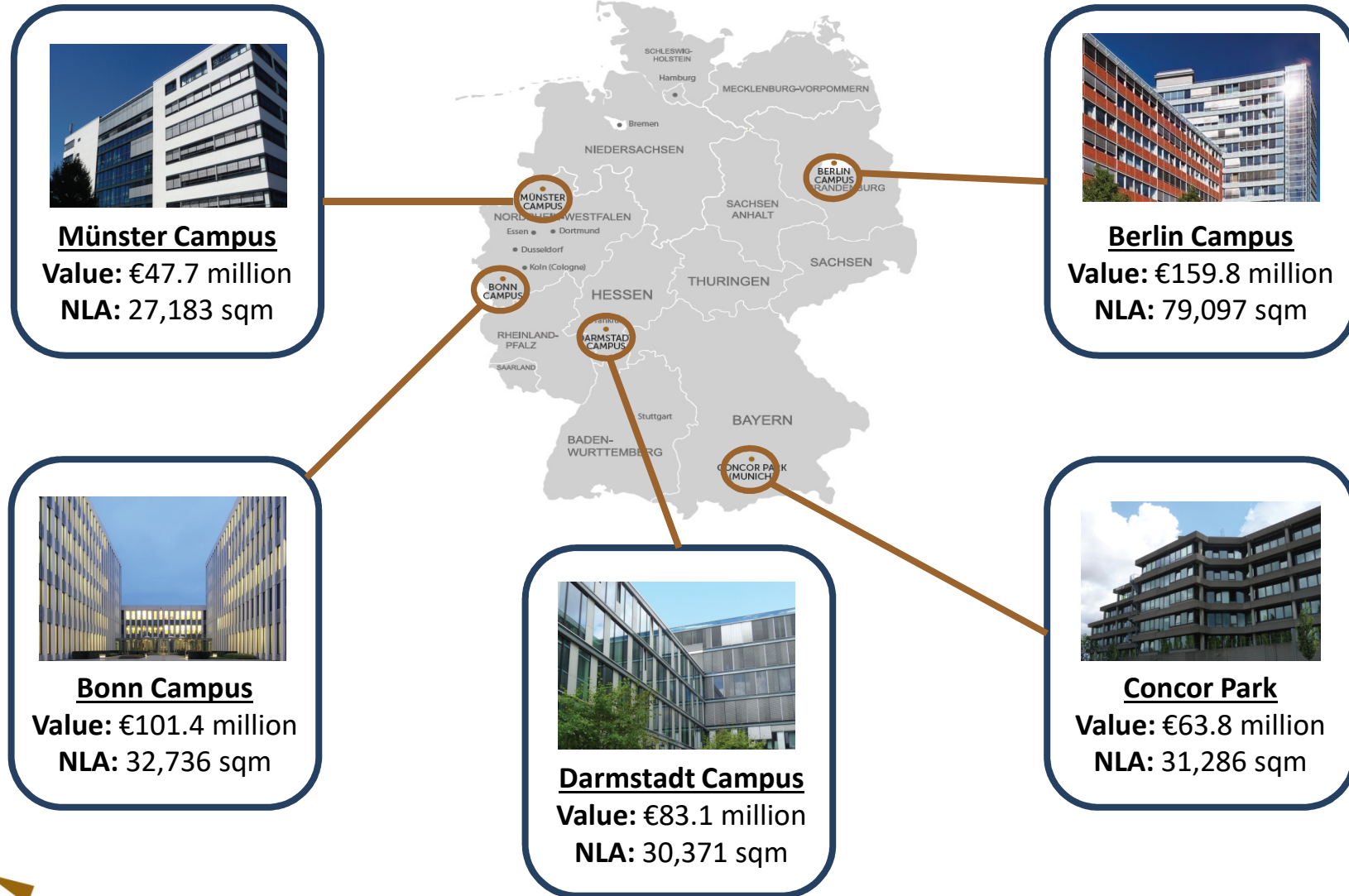
Quality Freehold Assets, Long-term Stable Income

- Current portfolio comprises five freehold properties strategically located in the key German cities of Berlin, Bonn, Darmstadt, Münster and Munich

Well-managed

- IREIT Global is managed by IREIT Global Group Pte. Ltd., a subsidiary of pan-European asset management and investment firm Tikehau Capital

Portfolio Summary



Portfolio Summary

	BERLIN CAMPUS	BONN CAMPUS	DARMSTADT CAMPUS	MÜNSTER CAMPUS	CONCOR PARK	TOTAL
Location	Berlin	Bonn	Darmstadt	Münster	Munich	
Completion Year	1994	2008	2007	2007	1978 and fully refurbished in 2011	
Net Lettable Area (sqm)	79,097	32,736	30,371	27,183	31,286	200,673
Car Park Spaces	496	652	1,189	588	516	3,441
Occupancy Rate ¹	99.2%	100%	100%	92.7%	100%	98.7%
No. of Tenants	5	1	1	1	13	19
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	7.0	5.8	5.3	3.7	2.8	5.5
Independent Appraisal ³ (€ m)	159.8	101.4	83.1	47.7	63.8	455.8

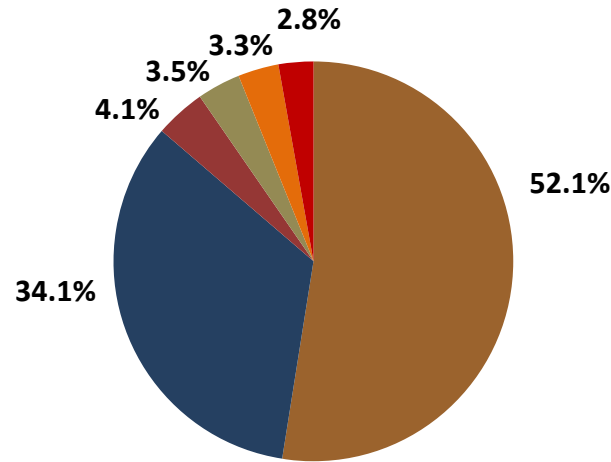
¹ Based on all current leases in respect of the properties as at 30 June 2017

² Based on gross rental income as at 30 June 2017

³ Based on independent valuations as at 30 June 2017

Diversified Blue Chip Tenant Mix

Top Five Tenants¹



- GMG - Deutsche Telekom
- Deutsche Rentenversicherung Bund
- ST Microelectronics
- Allianz Handwerker Services GmbH
- Ebase
- Others



Deutsche Telekom is one of the world's leading integrated telcos with around c. 165 mil mobile customers, c. 30 mil fixed-network lines and c. 18.7 mil broadband lines. S&P's long-term rating stands at BBB+.



Deutsche Rentenversicherung Bund is a federal pension fund and the largest of the 16 federal pension institutions in Germany with 'AAA' credit rating.



ST Microelectronics is Europe's largest semiconductor chip maker based on revenue.



Allianz Handwerker Services is a unit of Allianz SE, one of the world's largest insurance companies. S&P's long-term rating stands at AA.

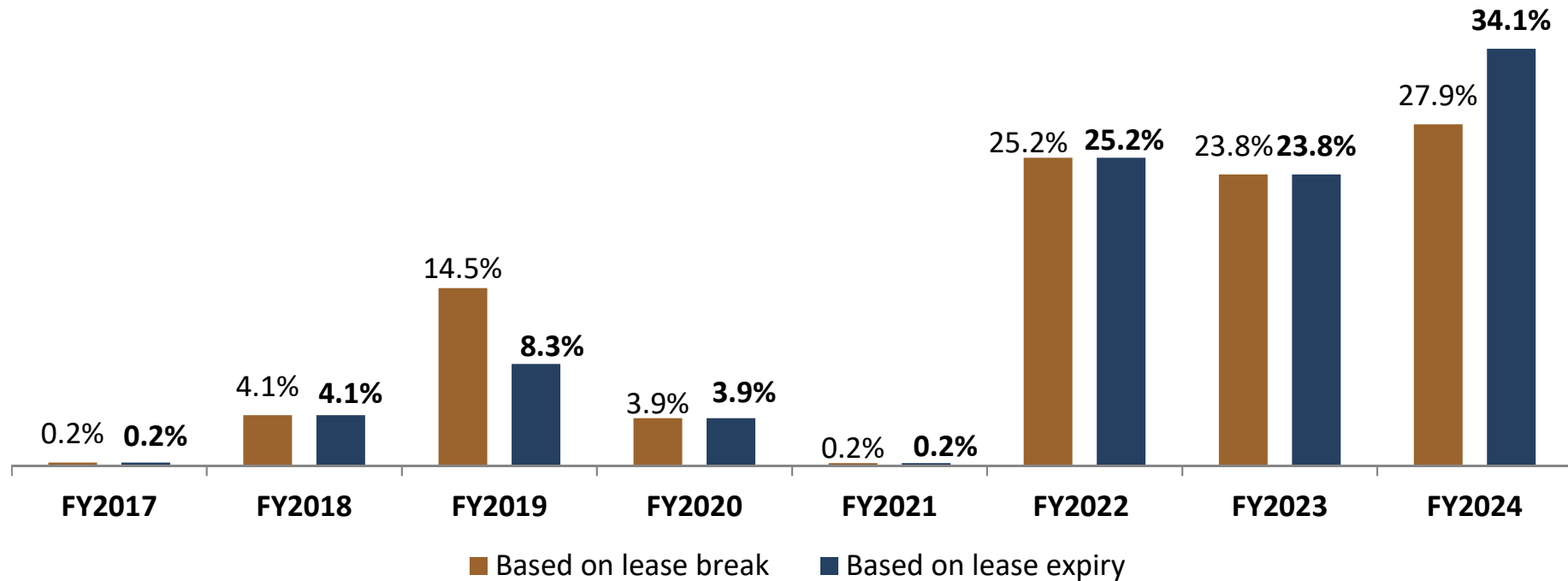


ebase GmbH is part of the Commerzbank Group. As a B2B direct bank, ebase is a full service partner for financial service providers, insurance companies, banks, asset managers and capital management companies.

¹ Based on gross rental income as at 30 June 2017

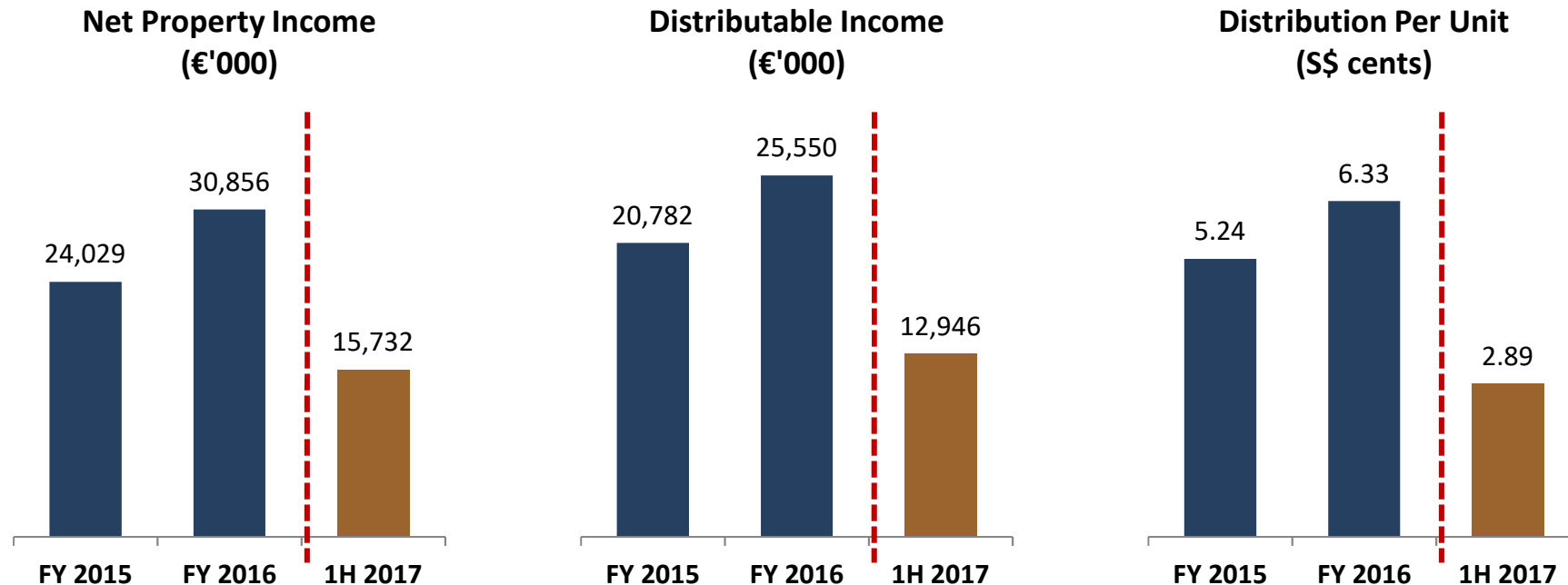
Stable Long Leases

Lease Break & Expiry Profile



Weighted Average Lease Expiry: 5.5 years¹

Steady Financial Performance



Net Property Income

- **1H 2016 ➔ 1H 2017** – Increased by 3.1% in 1H 2017, mainly driven by CPI-linked increase of 10% in rental income for the Bonn Campus which took effect from December 2016

Distributable Income & Distribution Per Unit

- **1H 2016 ➔ 1H 2017** – Distributable income came in at €12.9 million, an increase of 1.0% y-o-y
- **1H 2017 DPU** – Level of distribution in line with distribution policy of paying out at least 90% of annual distributable income; annualised distribution yield of 7.6%¹

Capital Management

- ~88.0% of borrowings at fixed interest rates – mitigates volatility from potential fluctuations in borrowing costs
- €23.63 million short term loan restructured
 - ✓ Amortisation of €5.1 million (€2.55 million in 2017 and €2.55 million in 2018)
 - ✓ Remaining principal amount (€18.52 million) due in July 2018

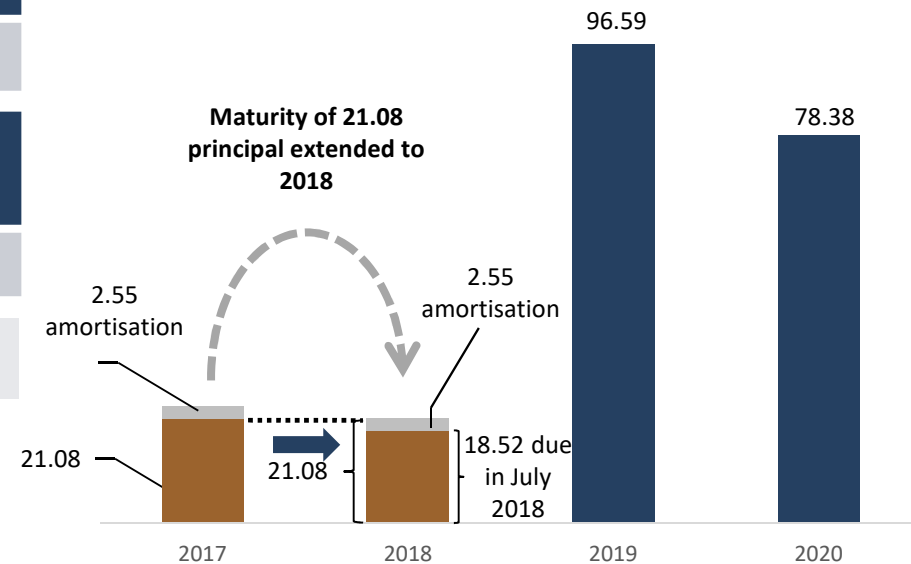
As at 30 June 2017	
Aggregate Leverage¹	Total Borrowings Outstanding
41.3%	€198.6 million
Effective Interest Rate²	Interest Coverage Ratio³
2.0% per annum	8.6 times
Average Weighted Debt Maturity: 2.4 years	

¹ Based on total debt over deposited property as at 30 June 2017

² Effective interest rate computed over the tenure of the borrowings

³ Based on net property income over interest expense for 2Q 2017

Debt Maturity Profile
€'million



Forex Risk Management

- Use of EUR denominated borrowings 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. The expected distributable income for FY2017 has been hedged as follows:

	%	Average Hedge Rate
Distributable Income 2017	100	~\$1.55 per Euro

- The Manager may enter into transactions to hedge the distributable income beyond FY2017, as and when appropriate


Comparison with Other Office S-REITs

IREIT offers superior returns

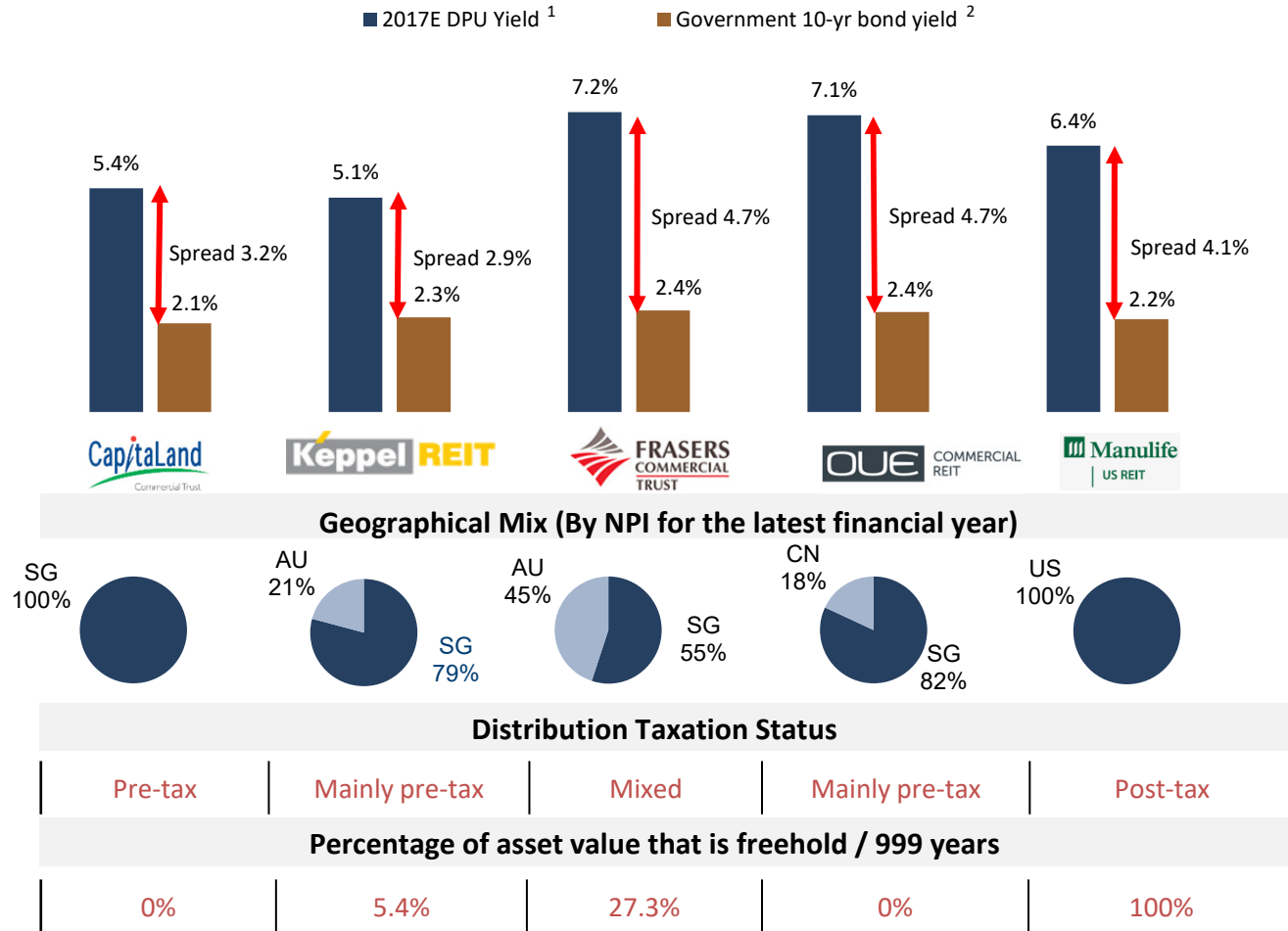
Post-tax
7.6%³

Spread 7.2%

0.4%



- ✓ Highest absolute yield of 7.6%³
- ✓ Highest spread over risk-free rate of 7.2%
- ✓ Post-tax distribution yield
- ✓ Freehold quality assets
- ✓ 100% locked-in leases



¹ Based on brokers' estimates for 2017 DPU and closing unit prices as at 25 September 2017 from Bloomberg

² Based on blended 10 year government bond yield by geographical mix of NPI for the latest financial year

³ 2017 annualised distribution yield based on 1H 2017 DPU and closing unit price as at 25 September 2017

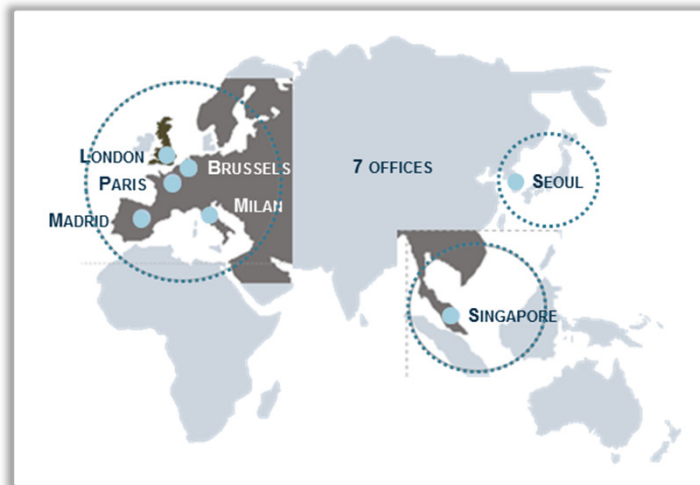


Introduction to Tikehau Capital

Overview of Tikehau Capital

- Pan-European diversified asset management and investment firm founded in 2004, with offices in Paris, London, Brussels, Madrid, Milan, Seoul and Singapore
 - ✓ €11.1bn of AuM, of which €1.9bn is for real estate¹
 - ✓ c.175 employees and partners
 - ✓ Established track record in private and public markets
 - ✓ Pioneer and leader in alternative financing for SMEs in Europe
 - ✓ Listed on Euronext Paris (market value €2.26bn)²
 - ✓ Recently raised €702mn of additional shareholders' equity, the largest capital increase for a European Alternative Asset Manager³

TKO
LISTED
EURONEXT



Private Debt **45% of AuM¹**

Real Estate **17% of AuM¹**

Private Equity **15% of AuM¹**

Liquid Strategies **23% of AuM¹**

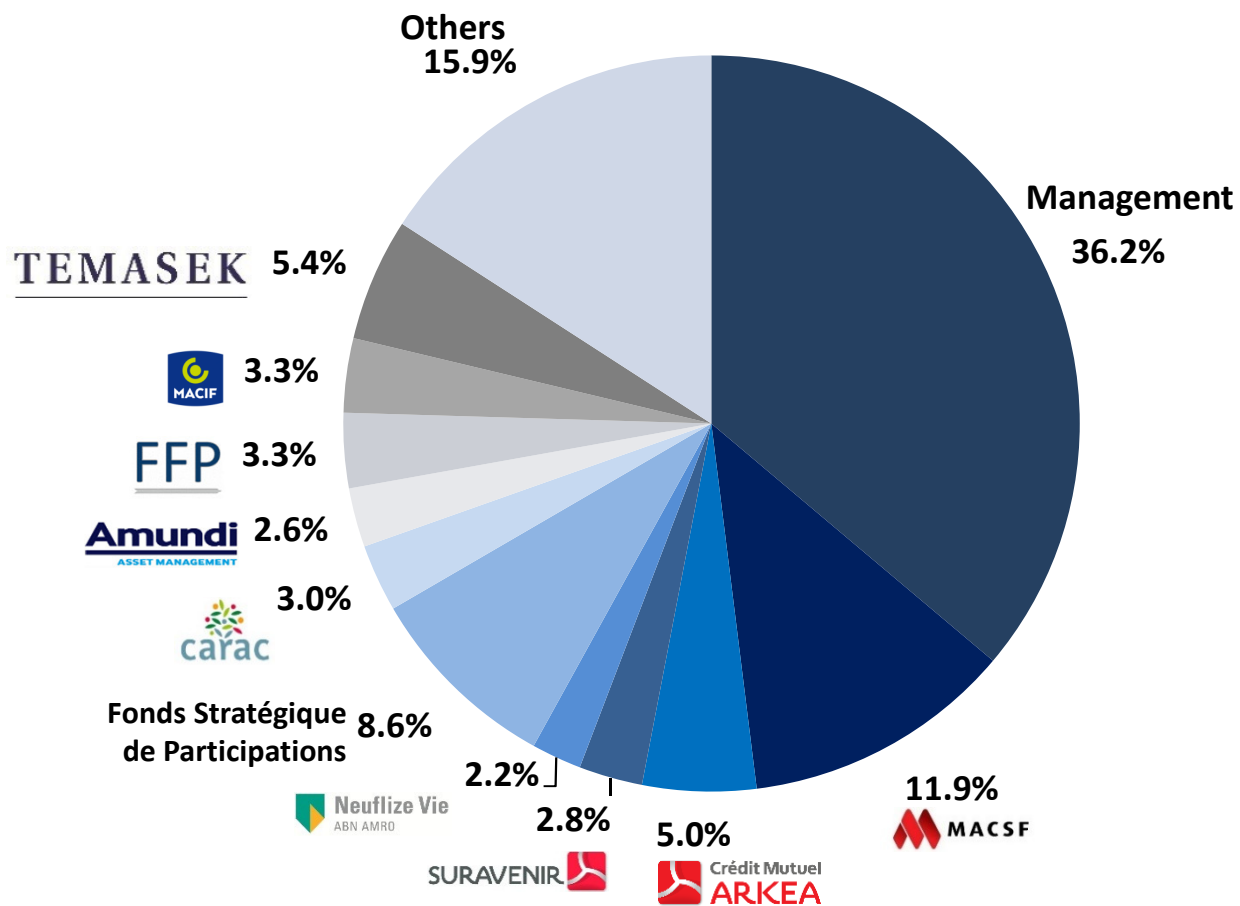
¹ As at 30 June 2017

² As at 26 Sep 2017

³ Announcement on 24 July 2017

First-Tier Institutional Shareholders

Tikehau Capital's Shareholder Structure¹



¹ As at 31 August 2017

Recent Milestones in Real Estate Business

2014 investments



Industrial
France
22 sites
March / June 2014



Retail parks
France
37 sites
December 2014

2015 investments



Retail parks
France
35 sites
October 2015



Shopping center
France
25,200m²
October 2015

2016 investments



Shopping center
Italy
27,900m²
February 2016



Bercy 2 – add-on
France
2,000m²
April 2016



Logistic park
France
28,800m²
July 2016



Singapore listed REIT
Office portfolio
200,673m²
November 2016



Mixed use portfolio
France
130 sites
December 2016

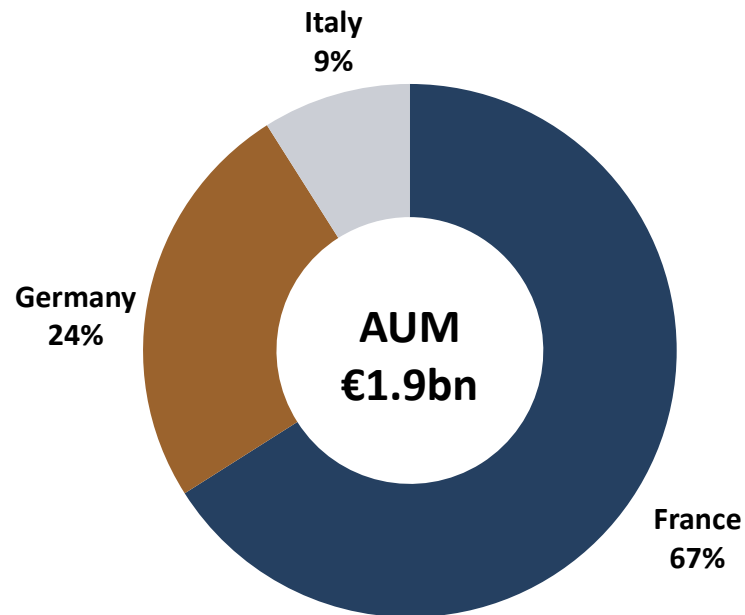
2017 investments



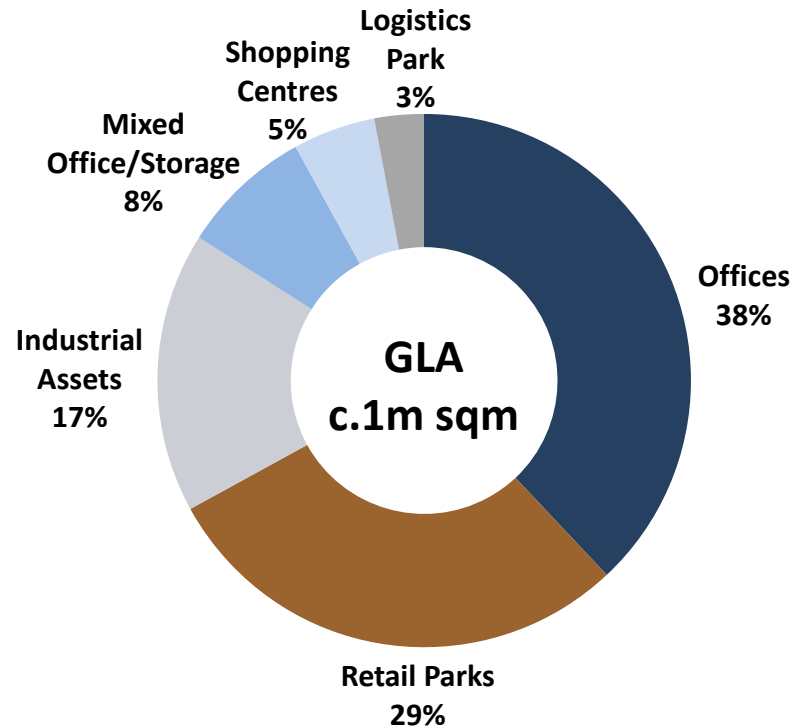
Shopping center
Italy
21,000m²
May 2017

Overview of Tikehau's Real Estate Portfolio

AUM by Country



Area by Asset Category



Highly diversified portfolio under management generating a rental income of €111m
232 assets under management with c.258 tenants as at 30 June 2017



2Q 2017
Key
Highlights

2Q 2017 Key Highlights

- **Gross revenue for 2Q 2017 rose 4.0% year-on-year to €8.8 million; net property income for 2Q 2017 rose 2.7% to €7.9 million**
 - ✓ Stable performance supported by portfolio of five quality office assets in Germany
- **High occupancy as at 30 June 2017**
 - ✓ 98.7% portfolio occupancy rate – Marginal decrease from 99.8% as at 31 March 2017 due to vacation of one floor at Münster South
 - ✓ WALE of 5.5 years as at 30 June 2017
- **DPU of S\$2.89 cents (€1.86 cents) declared for 1H 2017**
 - ✓ Annualised distribution yield of 7.6% based on half-year end closing price¹
- **Portfolio valuation as at 30 June 2017**
 - ✓ Marginal increase to €455.8 million, as compared to €453.0 million as at 31 December 2016

Operating & Financial Performance

(€'000)	2Q 2017	2Q 2016	VARIANCE (%)	1H 2017	1H 2016	VARIANCE (%)
Gross Revenue	8,816	8,475	4.0	17,574	17,272	1.7
Property Operating Expenses	(964)	(829)	16.3	(1,842)	(2,016)	(8.6)
Net Property Income	7,852	7,646	2.7	15,732	15,256	3.1
Income Available for Distribution	6,443	6,407	0.6	12,946	12,819	1.0
Income to be Distributed to Unitholders	5,799	6,407	(9.5)	11,651	12,819	(9.1)

- 2Q 2017 and 1H 2017
 - ✓ Gross revenue increased mainly due to the 10% CPI-linked increase in rental income for the Bonn Campus from December 2016, partially offset by the decrease in rental income for the Münster South Building as the tenant vacated one floor with effect from 1 April 2017
 - ✓ For 2Q 2017, property operating expenses were higher due mainly to an increase in recoverable property expenses for the period. As the expenses were fully recoverable from the tenants, the increase did not have any negative impact on the net property income for the period
 - ✓ For 1H 2017, property operating expenses were lower due mainly to a decrease in recoverable property expenses for 1Q 2017, as well as a one-time adjustment of prior year land tax expenses for the Darmstadt Campus after finalisation from the tax office in 1Q 2016. As the expenses were fully recoverable from the tenants, the decrease did not have any impact on the net property income for the period

Distribution Per Unit

DISTRIBUTION PER UNIT	2Q 2017	2Q 2016	VARIANCE (%)	1H 2017	1H 2016	VARIANCE (%)
Before Retention						
- € cents	1.03	1.04	(1.0)	2.07	2.08	(0.5)
- S\$ cents ¹	1.60	1.60	-	3.21	3.18	0.9
After Retention						
- € cents	0.93	1.04	(10.6)	1.86	2.08	(10.6)
- S\$ cents ¹	1.45	1.60	(9.4)	2.89	3.18	(9.1)

- 2Q 2017 and 1H 2017
 - ✓ Level of distribution in line with distribution policy of paying out at least 90% of annual distributable income
 - ✓ 1H 2017 DPU translates to an attractive annualised yield of approximately 7.6%²

¹ The DPU 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

² Based on IREIT's closing unit price of S\$0.760 as at 30 June 2017

Financial Position

€ '000	AS AT 30 JUNE 2017	AS AT 31 DECEMBER 2016
Investment Properties	455,800	453,000
Total Assets	480,468	477,580
Borrowings	197,865	197,731
Total Liabilities	218,502	217,705
Net Assets Attributable to Unitholders	261,966	259,875
NAV per Unit (€/unit) ¹	0.42	0.42

¹ The NAV per Unit was computed based on net assets attributable to Unitholders as at 30 June 2017 and 31 December 2016, and the Units in issue and to be issued as at 30 June 2017 of 625.3 million (31 December 2016: 622.6 million)



Economy and Real Estate Review

German Economy & Real Estate Review

- Positive business climate, ongoing low interest rates and underlying strength of the German economy continue to drive robust demand for German real estate market

- Economy
 - ✓ GDP grew by 0.6% in 2Q 2017, marking the 12th consecutive quarter of growth¹
 - ✓ Unemployment rate remained at record low of 5.7% in July 2017²
 - ✓ Consumer price index rose by 1.8% y-o-y in August 2017¹

- Real Estate
 - ✓ Commercial property investment market set another record in 1H 2017, with investment volume increasing 45% y-o-y to €25.8bn³
 - ✓ Office – Strong leasing demand and investment activity are likely to lead to sustained momentum in transaction volume and further yield compression in 2H 2017
 - ✓ Retail – Investment in German retail properties rose by 44% to €6.3bn in the first six months of 2017, with initial yield of inner-city commercial properties in top six retail locations standing at an average of 3.36% in 2Q 2017
 - ✓ Industrial/Logistics – Strongest growth in transaction volumes was reported for the logistics/warehouse asset class, boosted by several large portfolio sales

¹ Federal Statistical Office of Germany, August 2017

² Bloomberg News, August 2017

³ CBRE Research, August 2017

Europe Economy & Real Estate Review

- Outlook for European real estate market is expected to remain positive due to sustained economic growth, decreasing vacancy rates and attractive yield spreads

- Economy
 - ✓ GDP for euro area grew by 0.6% q-o-q and 2.2% y-o-y in 2Q 2017¹
 - ✓ Euro area annual inflation rate at 1.5% in August 2017
 - ✓ 10-year AAA government bond yield at 0.46%

- Real Estate
 - ✓ Europe saw €130bn in investments in 1H 2017, up 13% y-o-y, driven largely by strong trading activity in UK and Germany²
 - ✓ Subdued development pipeline and declining vacancies are exacerbating supply constraints in the European office market
 - ✓ In the European retail sector, high street rental growth has continued to gain pace for the third consecutive quarter in 2Q 2017
 - ✓ Strong investment activity was seen in the industrial and logistics sectors across France, Germany, Italy, Spain and the UK
 - ✓ The European market is expected to see further yield compression across most asset types



Outlook & Strategy

Looking Ahead

- Sustained economic growth, decreasing vacancy rates and attractive yield spreads should continue to support the positive outlook for the European real estate market
- The growth of the German economy is expected to be healthy and the real estate sector should continue to be a key target investment market for investors into Europe
- With its freehold quality assets, long stable leases and a diversified blue chip tenant base, performance of IREIT's existing portfolio is expected to remain stable for the remaining period of FY2017
- IREIT will seek to enhance long-term income by investing in income-producing quality assets across Europe, in particular in Germany, France and Italy
- IREIT is focused on executing a growth strategy based on the following 4 pillars :
 - ✓ Seeking ***diversification***, in terms of assets, tenants, countries and unitholder base;
 - ✓ Taking a ***long-term approach***, with the focus being portfolio long-term stable income;
 - ✓ Achieving ***scale***, by building critical mass in selected countries; and
 - ✓ Having ***local presence***, in order to strengthen IREIT's European footprint by leveraging on Tikehau Capital's pan-European network and expertise



Thank You



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