



4Q 2017 and FY 2017 Results Presentation
14 February 2018

Agenda

- **About IREIT Global**
- **Key Highlights**
- **Portfolio Summary**
- **Economy & Real Estate Review**
- **Looking Ahead**
- **Appendix : Overview of Tikehau Capital**



About
IREIT
Global

About IREIT Global

First S-REIT with Europe-focused Mandate

- Listed in 2014, IREIT is the first Singapore real estate investment trust (S-REIT) 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 office properties strategically located in the key German cities of Berlin, Bonn, Darmstadt, Münster and Munich

Manager Under the Wings of Tikehau Capital

- Managed by IREIT Global Group Pte. Ltd., a 80%-owned subsidiary of pan-European asset management and investment firm Tikehau Capital

Distribution Policy

- To distribute at least 90% of annual distributable income for each financial year; distributions to be made on a semi-annual basis



Key Highlights

4Q 2017 Key Highlights

- **Gross revenue for 4Q 2017 increased 1.3% y-o-y to €8.7 million; net property income increased 0.3% y-o-y to €7.9 million**
 - ✓ Underpinned by stable income contribution from its five portfolio assets in Germany
- **4Q 2017 DPU at S\$1.46 cents (€0.94 cents), bringing full-year DPU to S\$5.77 cents**
 - ✓ In line with distribution policy of at least 90% of IREIT's annual distributable income
- **Firm operational performance**
 - ✓ High portfolio occupancy rate of 98.3%, unchanged from that a quarter ago
 - ✓ No lease expiry in 2018; long WALE of 5.1 years as at 31 December 2017
- **Portfolio valuation marginally higher y-o-y at €463.1 million**
 - ✓ Driven by an increase in appraised value of €10.1 million in FY 2017
 - ✓ Reflective of IREIT's blue-chip tenant base and improving German real estate market
- **Financial position remains healthy**
 - ✓ IREIT made the second of the four quarterly loan repayments of €1.275 million each, contributing to the q-o-q improvement in gearing level

Operating & Financial Performance

(€ '000)	4Q 2017	4Q 2016	VARIANCE (%)	FY 2017	FY 2016	VARIANCE (%)
Gross Revenue	8,693	8,584	1.3	34,959	34,399	1.6
Property Operating Expenses	(748)	(662)	13.0	(3,431)	(3,543)	(3.2)
Net Property Income	7,945	7,922	0.3	31,528	30,856	2.2
Income Available for Distribution	6,587	6,387	3.1	25,976	25,550	1.7
Income to be Distributed to Unitholders	5,928	6,387	(7.2)	23,378	25,550	(8.5)

- Gross revenue increased marginally due to higher contribution from Bonn Campus as a result of a 10% CPI-linked increase in rental income from December 2016, partially offset by lower rental income from Münster South Building as a result of the vacant floor with effect from April 2017
- Property operating expenses for 4Q 2017 were 13.0% higher y-o-y as there was a release of certain accruals which were no longer required, following the settlement of prior year's service charge reconciliation for Berlin Campus

Distribution Per Unit

Distribution per Unit	4Q 2017	4Q 2016	VARIANCE (%)	FY 2017	FY 2016	VARIANCE (%)
Before Retention						
- € cents	1.05	1.03	1.9	4.15	4.14	0.2
- S\$ cents ¹	1.63	1.58	3.2	6.44	6.33	1.7
After Retention						
- € cents	0.94	1.03	(8.7)	3.72	4.14	(10.1)
- S\$ cents ¹	1.46	1.58	(7.6)	5.77	6.33	(8.8)

■ 4Q 2017 and FY 2017

- ✓ Level of distribution is in line with the distribution policy of a payout of at least 90% of IREIT's annual distributable income
- ✓ FY 2017 DPU translates to an attractive distribution yield of approximately 7.4%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\$0.775 as at 29 December 2017 (last trading day of 2017)

Distribution Details

Distribution Period	1 July 2017 to 31 December 2017
Distribution per Unit (DPU)	S\$2.88 cents
Ex-Date	5 March 2018 (Monday)
Books Closure Date	7 March 2018 (Wednesday) at 5:00PM
Payment Date	15 March 2018 (Thursday)

Financial Position

€ '000	AS AT 31 DECEMBER 2017	AS AT 31 DECEMBER 2016
Investment Properties	463,100	453,000
Total Assets	486,755	477,580
Borrowings	195,476	197,731
Total Liabilities	218,064	217,705
Net Assets Attributable to Unitholders	268,691	259,875
NAV per Unit (€/unit) ¹	0.43	0.42

- The increase in appraised value of €10.1 million over 2017 has lifted the value of the investment properties to €463.1 million, and this in turn contributed to the uptick in NAV to €0.43 per unit.

¹ The NAV per Unit was computed based on net assets attributable to Unitholders as at 31 December 2017 and 31 December 2016, and the Units in issue and to be issued as at 31 December 2017 of 628.0 million (31 December 2016: 622.6 million)

Capital Management

- ~89.2% of borrowings at fixed interest rates – mitigates volatility from potential fluctuations in borrowing costs
- For the €23.63 million short-term loan facility,
 - ✓ €2.55 million has been paid in 2017 and another €2.55 million will be payable in 2018
 - ✓ Credit approval has been received from HSH Nordbank AG to extend the remaining principal amount of €18.52 million to 2020

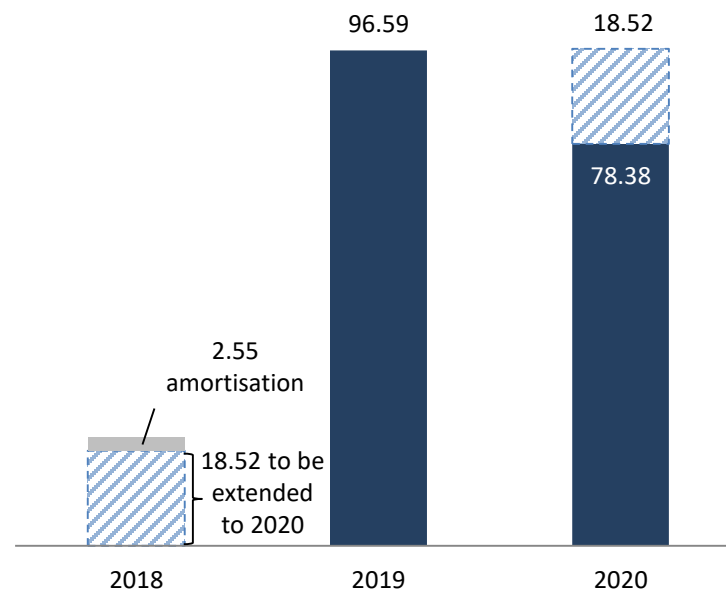
As at 31 December 2017	
Aggregate Leverage¹	Gross Borrowings Outstanding
40.3%	€196.0 million
Effective Interest Rate²	Interest Coverage Ratio³
2.0% per annum	8.5 times
Average Weighted Debt Maturity: 1.9 years	

¹ Based on total debt over deposited properties as at 31 December 2017

² Effective interest rate computed over the tenure of the borrowings

³ Based on net property income over interest expense for 4Q 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. Hedging for FY 2018 has been undertaken as follows:

Fiscal Year	Amount Hedged	Average Hedge Rate
FY 2018	Equivalent to ~80% of FY 2017 income distribution	~S\$1.63 per Euro

- From 2019, in accordance with its currency hedging policy, IREIT will be hedging its income to be repatriated from overseas to Singapore on a quarterly basis.



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%	100.0%	100.0%	93.3%	96.9%	98.3%
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	6.5	5.3	4.8	3.2	3.2	5.1
Independent Appraisal ³ (€ m)	164.4	101.7	82.9	47.8	66.3	463.1

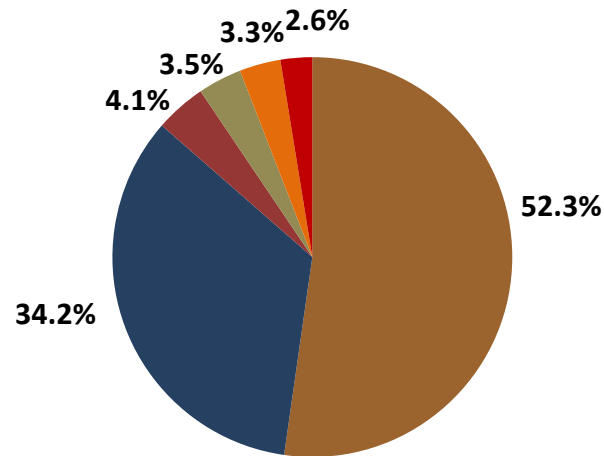
¹ Based on all current leases in respect of the properties as at 31 December 2017

² Based on gross rental income as at 31 December 2017

³ Based on independent valuations as at 31 December 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.



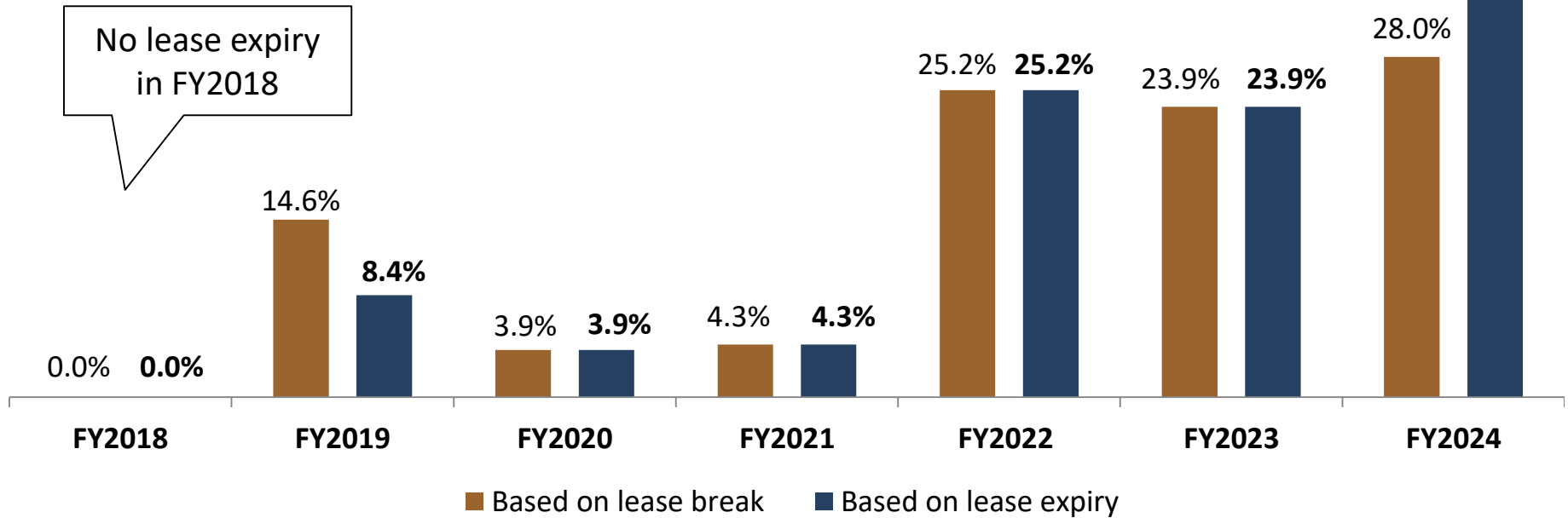
ebase GmbH is part of the Commerzbank Group. As a B2B direct bank, ebase is a full service partner for financial service providers, insurance companies, banks, asset managers and capital management companies.

¹ Based on gross rental income as at 31 December 2017

Stable Long Leases

Lease Break & Expiry Profile

Weighted Average Lease Expiry: 5.1 years¹



83.3% of its leases will be due for renewal only in FY2022 and beyond²

¹ Based on gross rental income as at 31 December 2017

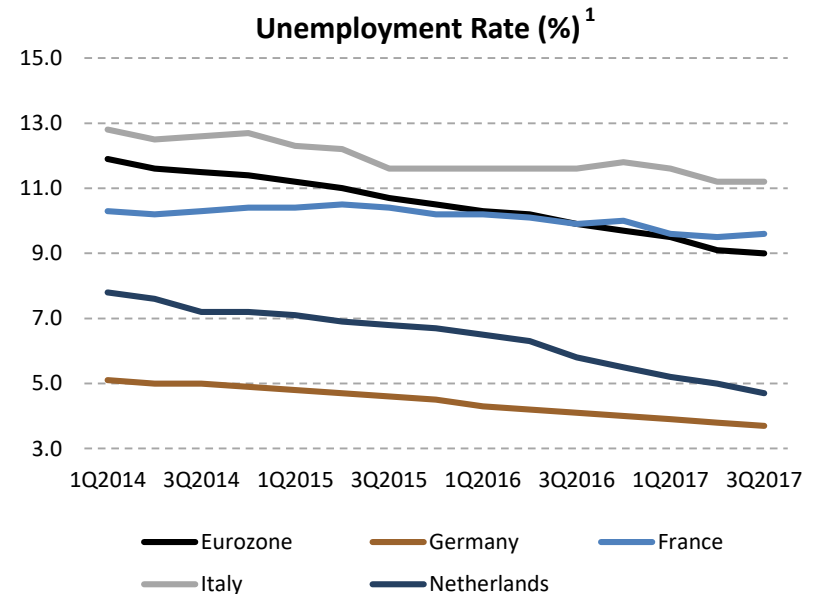
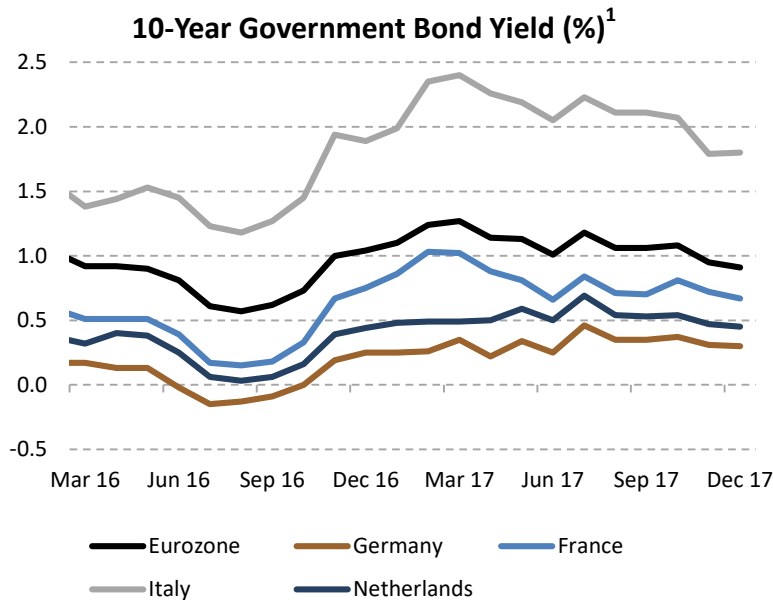
² out of which 6.2% are subject to lease break options prior to FY2022



Economy and Real Estate Review

Europe Economic Review

- Positive economic growth across most of Europe, driven by buoyant business climate, falling unemployment rate and ongoing low interest rates. In 2017, Eurozone GDP rose by 2.5%, significantly stronger than 2016 GDP growth of 1.8%¹
- IHS Markit Eurozone PMI Composite Output Index, an indicator of the economic strength in Eurozone, hit 58.6 in January 2018, the highest reading since June 2006

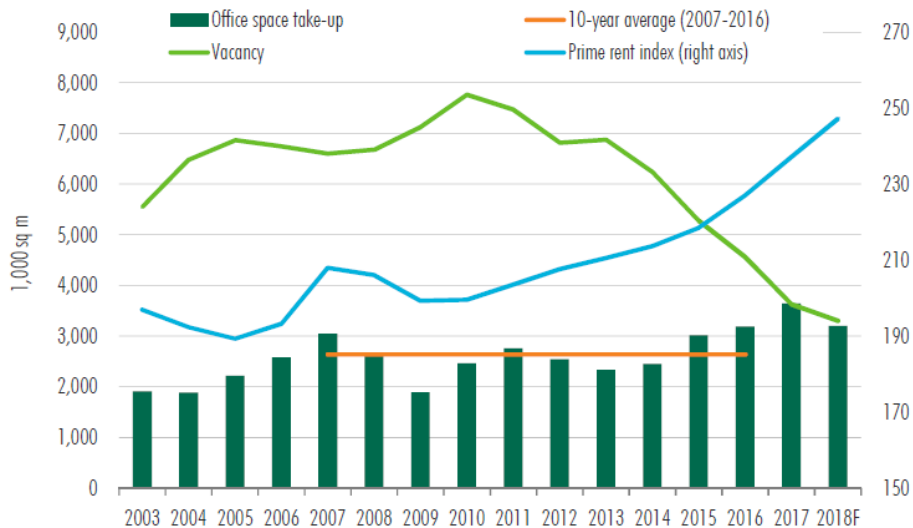


¹ Eurostat, 2018

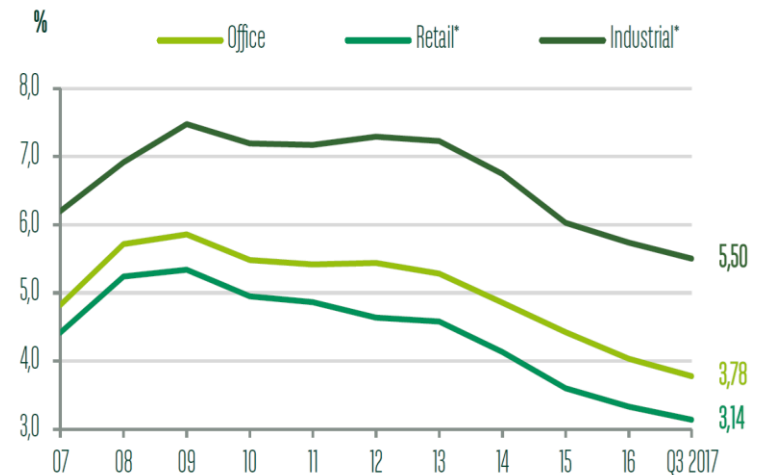
Europe Real Estate Review

- Outlook for European real estate market is likely to remain positive due to rising rents, decreasing vacancy rates and attractive spreads between property cap rates and government bond yields
- German office market is expected to benefit from firm occupier demand and growing supply shortage

Office Space Take-up, Vacancy and Prime Rents in Top 5 German Markets (Berlin, Düsseldorf, Frankfurt, Hamburg and Munich)¹



Real Estate Average Prime Yields for Western Europe (15 Cities)²



**Except Luxembourg, Vienna and Warsaw*

¹ CBRE Research, 2018

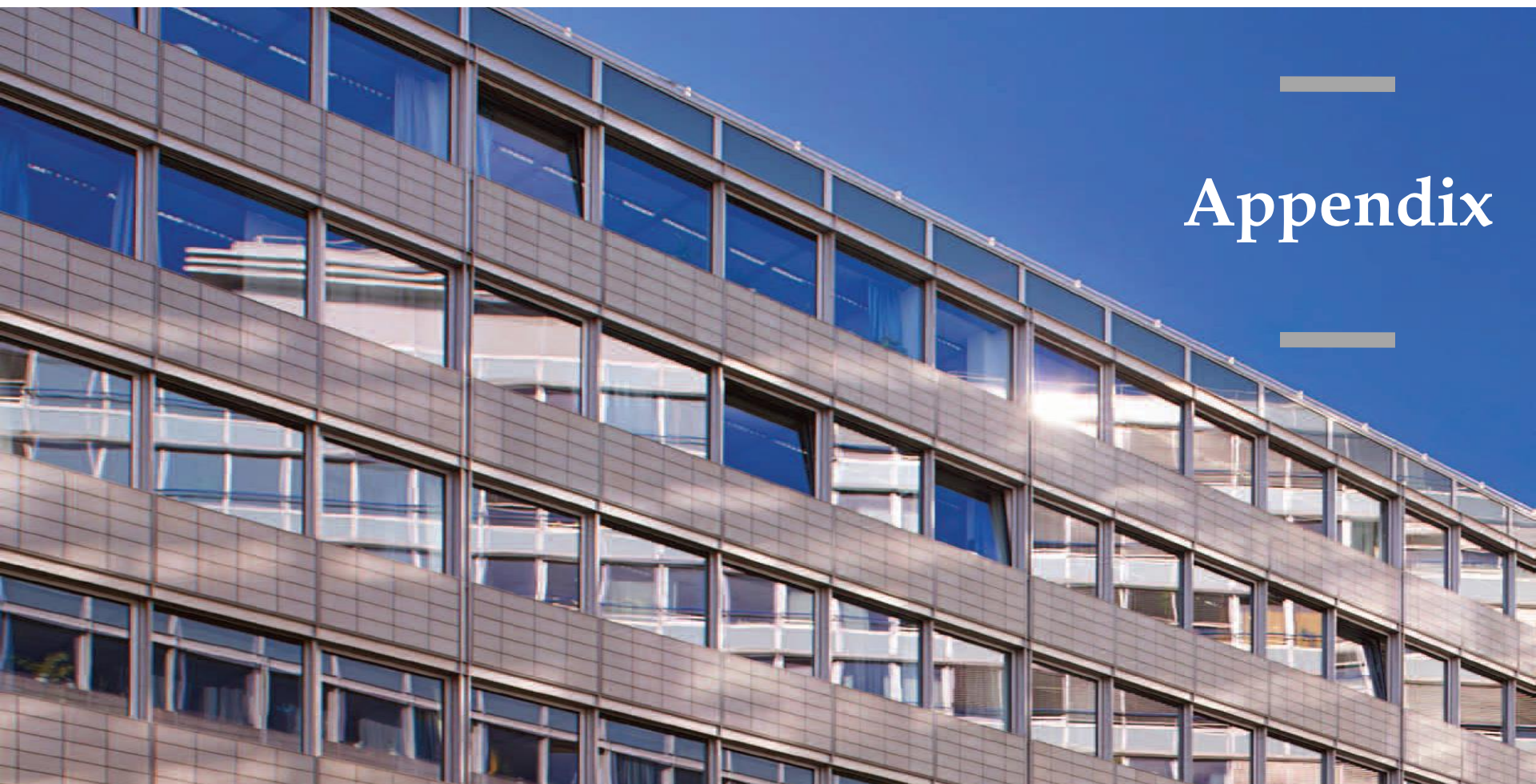
² BNPP Real Estate Research, 2017



Looking
Ahead

Looking Ahead

- Germany is expected to remain as one of the main destinations for European commercial real estate investments, driven by sound economic fundamentals, firm occupier demand and rising rents
- For FY 2018, the operating performance of IREIT's existing properties should continue to be supported by its freehold quality assets, blue chip tenant base and long leases, with notably no lease expiries in the 12 months ahead
- IREIT has already undertaken hedging for its FY 2018 distributions at an average hedge rate of ~S\$1.63 per Euro. From 2019, in accordance with its currency hedging policy, IREIT will be hedging its income to be repatriated from overseas to Singapore on a quarterly basis
- IREIT will make the remaining two partial loan repayments of €1.275 million each in 1H 2018 and is now in the process of finalising the legal documentation to extend the maturity date of the €18.52 million loan principal by two years without amortisation to 2020
- In the year ahead, IREIT will continue to pursue its growth strategy based on the four pillars of seeking diversification, adopting a long-term approach, achieving scale and leveraging on Tikehau Capital's local presence



Appendix

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
 - ✓ €12.6bn of AUM, of which €1.9bn is for real estate¹
 - ✓ Strong shareholders' equity of €2.3bn¹
 - ✓ c.185 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 capitalisation of €2.3bn)¹

TKO
LISTED
EURONEXT



Private Debt 44% of AUM¹

Real Estate 15% of AUM¹

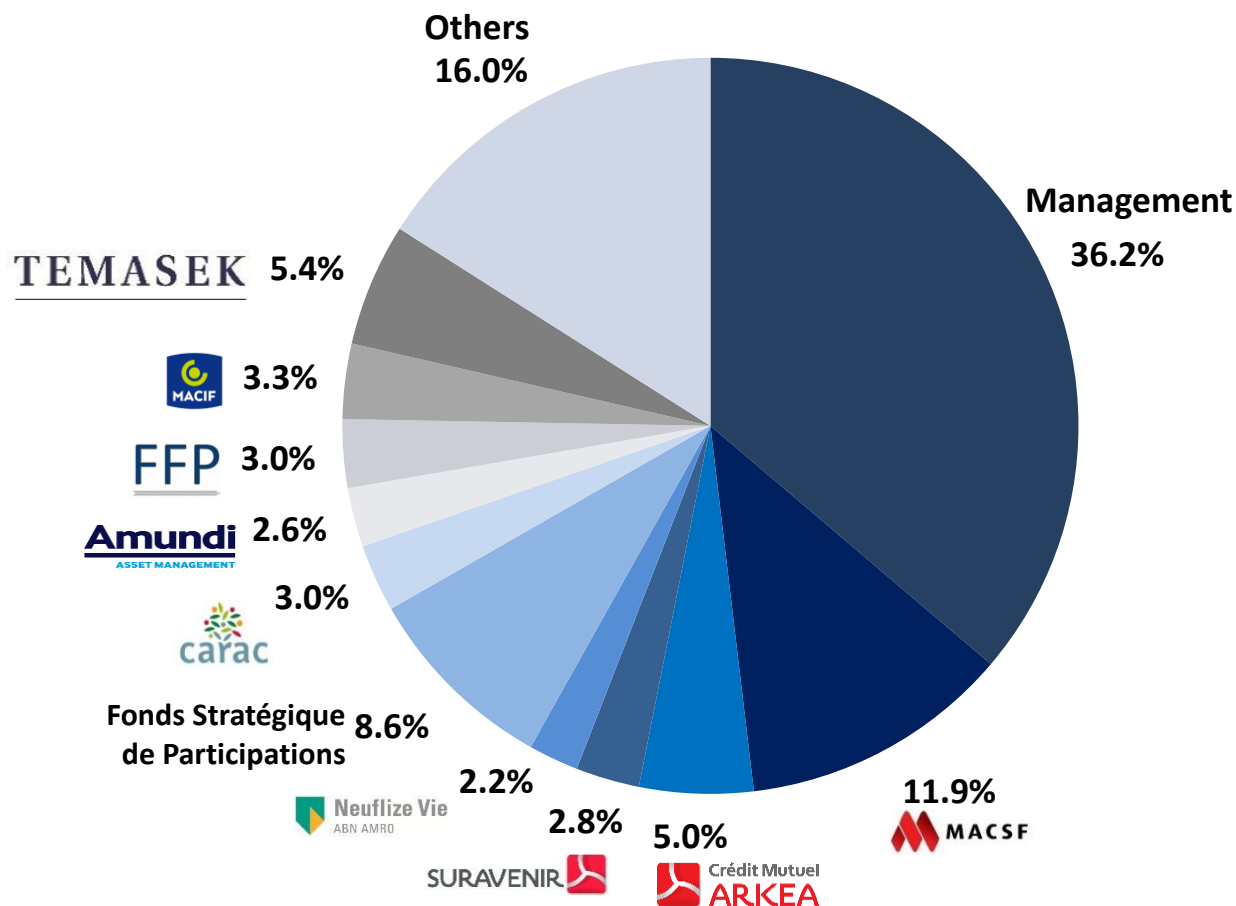
Private Equity 18% of AUM¹

Liquid Strategies 23% of AUM¹

¹ As at 30 September 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

Castiglione

Mezzanine financing
France
Prime asset
November 2014

Mr. Bricolage

Retail parks
France
37 sites
December 2014

2015 investments



Retail parks
France
35 sites
October 2015

BERCY2

Shopping center
France
25,200m²
October 2015

2016 investments



Shopping center
Italy
27,900m²
February 2016

BERCY2

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



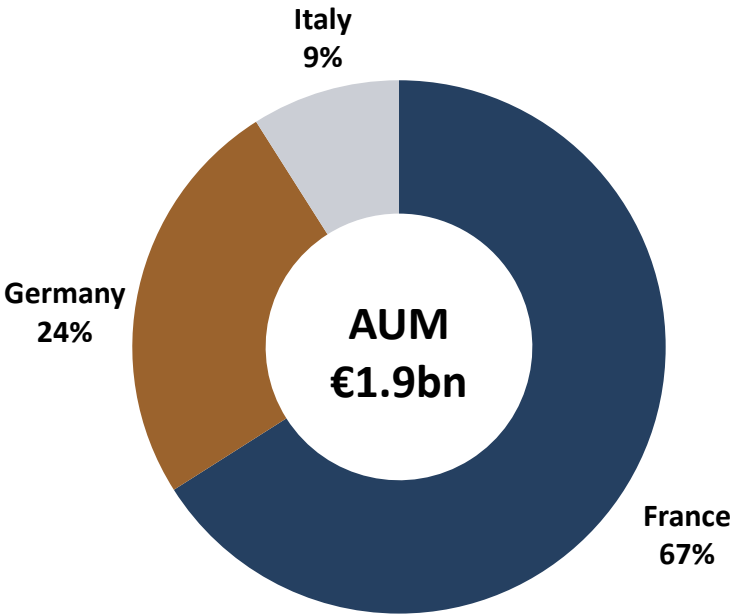
Shopping center
Italy
21,000m²
May 2017



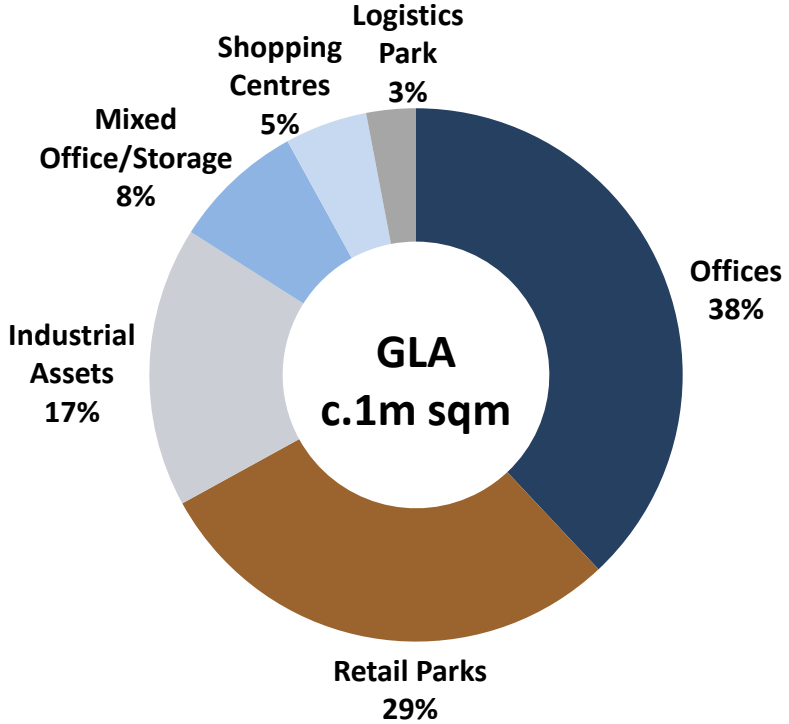
Mixed use portfolio
France
200 sites
October 2017

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 September 2017

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