



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

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**IREIT GLOBAL  
UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND  
FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

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**Introduction**

IREIT Global (“IREIT”) is a Singapore 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.

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 current portfolio comprises five office properties in Germany, strategically located in Berlin, Bonn, Darmstadt, Münster and Munich.

As at 30 September 2018, IREIT’s portfolio has an aggregate net lettable area of approximately 200,600 sq m which consists of the following properties (the “Properties”):

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

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

**Distribution policy**

IREIT’s current distribution policy is to distribute at least 90% of its annual distributable income for each financial year, with the actual level of distribution to be determined at the Manager’s discretion, having regard to funding requirements, other capital management considerations and ensuring the overall stability of distributions.

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 2018 to 31 December 2018.

**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

**SUMMARY OF CONSOLIDATED RESULTS OF IREIT GLOBAL**

	<b>3Q 2018</b>	<b>3Q 2017</b>	<b>Variance (%)</b>	<b>9M 2018</b>	<b>9M 2017</b>	<b>Variance (%)</b>
Gross revenue (€'000)	<b>8,591</b>	<b>8,692</b>	<b>(1.2)</b>	<b>25,823</b>	<b>26,266</b>	<b>(1.7)</b>
Net property income (€'000)	<b>7,520</b>	<b>7,851</b>	<b>(4.2)</b>	<b>23,150</b>	<b>23,583</b>	<b>(1.8)</b>
Income available for distribution (€'000)	<b>6,180</b>	<b>6,443</b>	<b>(4.1)</b>	<b>18,966</b>	<b>19,389</b>	<b>(2.2)</b>
Less: Income retained	<b>(618)</b>	<b>(644)</b>	<b>(4.0)</b>	<b>(1,897)</b>	<b>(1,939)</b>	<b>(2.2)</b>
Income to be distributed to Unitholders (€'000)	<b>5,562</b>	<b>5,799</b>	<b>(4.1)</b>	<b>17,069</b>	<b>17,450</b>	<b>(2.2)</b>

<b>Total distribution per Unit</b>						
Before retention						
- € cents	<b>0.97</b>	<b>1.03</b>	<b>(5.8)</b>	<b>3.00</b>	<b>3.10</b>	<b>(3.2)</b>
- S\$ cents	<b>1.57</b>	<b>1.60</b>	<b>(1.9)</b>	<b>4.86</b>	<b>4.81</b>	<b>1.0</b>
After retention						
- € cents	<b>0.88</b>	<b>0.92</b>	<b>(4.3)</b>	<b>2.70</b>	<b>2.78</b>	<b>(2.9)</b>
- S\$ cents	<b>1.42</b>	<b>1.42</b>	<b>-</b>	<b>4.37</b>	<b>4.31</b>	<b>1.4</b>

**Footnotes:**

- (1) The DPU in Singapore dollars was computed after taking into consideration the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders and is for illustrative purpose only. IREIT makes distributions on a semi-annual basis based on its half-yearly results and the next distribution will be for the period from 1 July 2018 to 31 December 2018.

**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

**1(a)(i) Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	<b>Note</b>	<b>3Q 2018 (€'000)</b>	<b>3Q 2017 (€'000)</b>	<b>Variance (%)</b>	<b>Note</b>	<b>9M 2018 (€'000)</b>	<b>9M 2017 (€'000)</b>	<b>Variance (%)</b>
Gross revenue		8,591	8,692	(1.2)		25,823	26,266	(1.7)
Property operating expenses		(1,071)	(841)	27.3		(2,673)	(2,683)	(0.4)
<b>Net property income</b>	<b>1</b>	<b>7,520</b>	<b>7,851</b>	<b>(4.2)</b>	<b>5</b>	<b>23,150</b>	<b>23,583</b>	<b>(1.8)</b>
Finance costs		(1,002)	(1,004)	(0.2)		(2,993)	(3,008)	(0.5)
Management fees		(618)	(644)	(4.0)		(1,897)	(1,939)	(2.2)
Trustee's fees		(25)	(24)	4.2		(73)	(71)	2.8
Administrative costs and other trust expenses	2	(235)	(448)	(47.5)	6	(661)	(1,038)	(36.3)
Net change in fair value of financial derivatives	3	(161)	137	(217.5)	7	358	(478)	(174.9)
Net change in fair value of investment properties	4	(63)	(81)	(22.2)	8	14,766	2,568	475.0
<b>Profit before tax</b>		<b>5,416</b>	<b>5,787</b>	<b>(6.4)</b>		<b>32,650</b>	<b>19,617</b>	<b>66.4</b>
Income tax expense		(431)	(451)	(4.4)	9	(3,751)	(1,834)	104.5
<b>Profit for the period, before transactions with Unitholders</b>		<b>4,985</b>	<b>5,336</b>	<b>(6.6)</b>		<b>28,899</b>	<b>17,783</b>	<b>62.5</b>
Distribution to Unitholders		(5,562)	(5,799)	(4.1)		(17,069)	(17,450)	(2.2)
<b>(Loss) / profit for the period, after transactions with Unitholders</b>		<b>(577)</b>	<b>(463)</b>	<b>24.6</b>		<b>11,830</b>	<b>333</b>	<b>3,452.6</b>
<b><u>Distribution Statement</u></b>								
Profit for the period, before transactions with Unitholders		4,985	5,336	(6.6)		28,899	17,783	62.5
Distribution adjustments	10	1,195	1,107	7.9	10	(9,933)	1,606	(718.5)
<b>Amount available for distribution to Unitholders</b>		<b>6,180</b>	<b>6,443</b>	<b>(4.1)</b>		<b>18,966</b>	<b>19,389</b>	<b>(2.2)</b>

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

3Q 2018

- Net property income for 3Q 2018 was €331,000 lower than that of 3Q 2017 mainly due to the following:
  - Lower gross revenue for 3Q 2018 arising from the finalisation of prior year's service charge reconciliation in 3Q 2017; and
  - Increase in repair and maintenance expenses for the upkeep of the properties
- Administrative costs and other trust expenses for 3Q 2018 were 47.5% lower compared to 3Q 2017. Included in other trust expenses was a foreign exchange gain of €1,000 (3Q 2017: €137,000) arising mainly from the translation of Singapore dollar denominated cash balances as at 30 September 2018. Excluding this foreign exchange loss, administrative costs and other trust expenses were €236,000 (3Q 2017: €311,000). The decrease of €75,000 in administrative costs and other trust expenses was mainly due to higher fees as a result of an increase in scope of certain professional services procured on a one-time basis in 3Q 2017.

**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

**1(a)(i) Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)**

**Notes to Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)**

3. 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.
4. This relates to the difference between the carrying value and the fair value of the investment properties as at the end of each respective period.

9M 2018

5. Net property income for 9M 2018 was €433,000 lower than that of 9M 2017 mainly due to lower gross revenue for 9M 2018 arising from the finalisation of prior year's service charge reconciliation in 9M 2017.
6. Administrative costs and other trust expenses for 9M 2018 were 36.3% lower compared to 9M 2017. Included in other trust expenses was a foreign exchange gain of €215,000 (9M 2017: foreign exchange loss of €146,000) arising mainly from the translation of Singapore dollar denominated cash balances as at 30 September 2018. Excluding these foreign exchange differences, administrative costs and other trust expenses were €876,000 (9M 2017: €892,000), which is in line with 9M 2017.
7. 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.
8. This relates to the difference between the carrying value and the fair value of the investment properties as at the end of each respective period.
9. Income tax expense comprises current and deferred tax expenses. The increase for 9M 2018 was mainly due to the deferred tax liability provided on the properties that have increased in value by a greater extent as compared to the corresponding period last year.
10. Distribution adjustments

	<b>3Q 2018 (€'000)</b>	<b>3Q 2017 (€'000)</b>	<b>9M 2018 (€'000)</b>	<b>9M 2017 (€'000)</b>
<u>Distribution adjustments</u>				
- Difference between accounting and actual finance costs paid	76	83	241	252
- Management fees payable in Units	618	644	1,897	1,939
- Foreign exchange gain	(1)	137	(215)	146
- Effects of recognising rental income on a straight line basis over the lease term	(99)	(99)	(296)	(296)
- Net change in fair value of financial derivatives	161	(137)	(358)	478
- Net change in fair value of investment properties	63	81	(14,766)	(2,568)
- Deferred tax expense	377	398	3,564	1,655
<b>Net distribution adjustments</b>	<b>1,195</b>	<b>1,107</b>	<b>(9,933)</b>	<b>1,606</b>

**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

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

	Note	Group (€'000)		Trust (€'000)	
		30 Sep 2018	31 Dec 2017	30 Sep 2018	31 Dec 2017
<b>Current assets</b>					
Cash and cash equivalents	1	12,535	19,106	2,292	3,370
Trade and other receivables	2	1,093	1,579	579	7,930
Financial derivatives	3	247	68	247	68
		13,875	20,753	3,118	11,368
<b>Non-current assets</b>					
Investment properties	4	478,000	463,100	-	-
Investment in subsidiaries		-	-	233,382	241,406
Other receivables	5	1,257	961	-	-
Deferred tax assets		1,991	1,867	-	-
Financial derivatives	3	-	74	-	74
		481,248	466,002	233,382	241,480
<b>Total assets</b>		<b>495,123</b>	<b>486,755</b>	<b>236,500</b>	<b>252,848</b>
<b>Current liabilities</b>					
Borrowings	6	96,424	21,055	-	-
Trade and other payables	7	2,392	2,790	507	471
Distribution payable		5,562	11,727	5,562	11,727
Financial derivatives	3	25	278	25	278
Income tax payable	8	314	274	2	6
		104,717	36,124	6,096	12,482
<b>Non-current liabilities</b>					
Borrowings	6	96,781	174,421	-	-
Deferred tax liabilities	9	11,207	7,519	-	-
		107,988	181,940	-	-
<b>Total liabilities</b>		<b>212,705</b>	<b>218,064</b>	<b>6,096</b>	<b>12,482</b>
<b>Net assets attributable to Unitholders</b>		<b>282,418</b>	<b>268,691</b>	<b>230,404</b>	<b>240,366</b>

**Notes to Unaudited Statements of Financial Position**

- The Group's cash and cash equivalents as at 30 September 2018 were €6.6 million lower than the balance as at 31 December 2017, mainly due to (i) the payment of distribution in March 2018 and September 2018 for the half year ended 31 December 2017 and 30 June 2018 respectively, and (ii) the two quarterly loan repayments of €1.275 million each that were made in 1H 2018, partly offset by the cash flows generated from operations for 9M 2018.

Please refer to the consolidated statement of cash flows for 3Q 2018 and 9M 2018 on Page 7 of this announcement for further details.

The Trust's cash and cash equivalents as at 30 September 2018 were €1.1 million lower than the balance as at 31 December 2017, mainly due to (i) the payment of distribution in March 2018 and September 2018 for the half year ended 31 December 2017 and 30 June 2018 respectively, offset by inter-company transfers subsidiaries.

- The Group's trade and other receivables as at 30 September 2018 were €0.5 million lower mainly due to settlement of recoverable subsequent to 31 December 2017.

The decrease of €7.4 million in the Trust's trade and other receivables was mainly due to the balances due from subsidiaries as at 31 December 2017, which were received subsequent to 31 December 2017.

**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

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

**Notes to Unaudited Statements of Financial Position (continued)**

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.
4. Investment properties are accounted for at fair value based on valuations undertaken by independent valuers as at 30 June 2018.
5. This relates to the effects of accounting adjustments to recognise rental income on a straight-line basis over the term of the leases which have step-up rental escalation clauses.
6. Please refer to the Aggregate Amount of Borrowings 1b(ii) for details.
7. The decrease of €0.4 million in the Group's trade and other payables were mainly due to higher turnover of trade creditors for the period.
8. The income tax payable arises from the current income tax provision on taxable profits at the property level.
9. The increase in deferred tax liabilities was due to the higher deferred tax effect on the temporary differences arising from the investment properties.

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

	<b>Group (€'000)</b>	
	<b>30 Sep 2018</b>	<b>31 Dec 2017</b>
<b>Repayable within one year</b>		
Secured borrowings	96,594	21,075
Less: Upfront debt transaction costs <sup>(1)</sup>	(170)	(20)
	<b>96,424</b>	<b>21,055</b>
<b>Repayable after one year</b>		
Secured borrowings	96,900	174,969
Less: Upfront debt transaction costs <sup>(1)</sup>	(119)	(548)
	<b>96,781</b>	<b>174,421</b>
<b>Total</b>		
Secured borrowings	193,494	196,044
Less: Upfront debt transaction costs <sup>(1)</sup>	(289)	(568)
	<b>193,205</b>	<b>195,476</b>

**Footnotes:**

- (1) Upfront debt transaction costs are amortised over the life of the loan facilities.

As at 30 September 2018, the secured borrowings comprise the following term loan facilities (together, the "Facilities"):

**Details of borrowings and collaterals**

- (a) a secured €96.6 million non-amortising term loan facility which has a tenor of 5 years and is repayable on a bullet basis in August 2019; and
- (b) a secured €102.0 million term loan facility consisting of (i) a non-amortising Facility A of €78.4 million which has a tenor of 5 years and is repayable on a bullet basis in August 2020 and (ii) an amortising Facility B with a remaining outstanding principal of €18.5 million. No further amortisations are due on Facility B and the remaining outstanding principal is repayable on a bullet basis in August 2020.

**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

**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**

	<b>Group</b>			
	<b>3Q 2018</b> <b>(€'000)</b>	<b>3Q 2017</b> <b>(€'000)</b>	<b>9M 2018</b> <b>(€'000)</b>	<b>9M 2017</b> <b>(€'000)</b>
<b>Cash flows from operating activities</b>				
(Loss) / profit for the period, after transactions with Unitholders	(577)	(463)	11,830	333
Adjustments for:				
Management fees payable in Units	618	644	1,897	1,939
Finance costs	1,002	1,004	2,993	3,007
Net change in fair value of financial derivatives	161	(137)	(358)	478
Net change in fair value of investment properties	63	81	(14,766)	(2,568)
Distribution to Unitholders	5,562	5,799	17,069	17,450
Income tax expense	431	451	3,751	1,834
Operating profit before working capital changes	7,260	7,379	22,416	22,473
Changes in working capital:				
Trade and other receivables	729	298	190	91
Trade and other payables	(326)	(377)	(340)	(513)
Income taxes paid	(30)	(12)	(147)	(124)
<b>Cash generated from operations, representing net cash from operating activities</b>	<b>7,633</b>	<b>7,288</b>	<b>22,119</b>	<b>21,927</b>
<b>Cash flows from investing activity</b>				
Capital expenditure on investment properties	(63)	(81)	(134)	(232)
<b>Net cash used in investing activity</b>	<b>(63)</b>	<b>(81)</b>	<b>(134)</b>	<b>(232)</b>
<b>Cash flows from financing activities</b>				
Repayment of bank borrowings	-	(1,275)	(2,550)	(1,275)
Costs related to bank borrowings	-	(9)	(20)	(29)
Distribution paid to Unitholders	(11,507)	(11,651)	(23,234)	(24,382)
Net interest paid	(926)	(926)	(2,752)	(2,767)
<b>Net cash used in financing activities</b>	<b>(12,433)</b>	<b>(13,861)</b>	<b>(28,556)</b>	<b>(28,453)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,863)</b>	<b>(6,654)</b>	<b>(6,571)</b>	<b>(6,758)</b>
Cash and cash equivalents at beginning of the period	17,398	20,699	19,106	20,803
<b>Cash and cash equivalents at end of the period</b>	<b>12,535</b>	<b>14,045</b>	<b>12,535</b>	<b>14,045</b>

**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

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

	Group		Trust	
	3Q 2018	3Q 2017	3Q 2018	3Q 2017
	(€'000)	(€'000)	(€'000)	(€'000)
<b>Operations</b>				
Balance as at beginning of period	2,157	(15,672)	(50,903)	(40,199)
Profit for the period, before transactions with Unitholders	4,985	5,336	6,031	6,605
Distribution payable of 0.88€ cents per Unit for 3Q 2018	(5,562)	-	(5,562)	-
Distribution payable of 0.92€ cents per Unit for 3Q 2017	-	(5,799)	-	(5,799)
Balance as at the end of the period	1,580	(16,135)	(50,434)	(39,393)
<b>Unitholders' transactions</b>				
Issue of Units:				
Balance as at beginning of period	280,220	277,638	280,220	277,638
Management fees payable in Units	618	644	618	644
Net assets resulting from transactions	280,838	278,282	280,838	278,282
<b>Net assets attributable to Unitholders as at end of period</b>	<b>282,418</b>	<b>262,147</b>	<b>230,404</b>	<b>238,889</b>

	Group		Trust	
	9M 2018	9M 2017	9M 2018	9M 2017
	(€'000)	(€'000)	(€'000)	(€'000)
<b>Operations</b>				
Balance as at beginning of period	(10,250)	(16,468)	(38,575)	(26,341)
Profit for the period, before transactions with Unitholders	28,899	17,783	5,210	4,398
Distribution paid of 1.82€ cents per Unit for 1H 2018	(11,507)	-	(11,507)	-
Distribution payable of 0.88€ cents per Unit for 3Q 2018	(5,562)	-	(5,562)	-
Distribution paid of 1.86€ cents per Unit for 1H 2017	-	(11,651)	-	(11,651)
Distribution payable of 0.92€ cents per Unit for 3Q 2017	-	(5,799)	-	(5,799)
Balance as at the end of the period	1,580	(16,135)	(50,434)	(39,393)
<b>Unitholders' transactions</b>				
Issue of Units:				
Balance as at beginning of period	278,941	276,343	278,941	276,343
Management fees payable in Units	1,897	1,939	1,897	1,939
Net assets resulting from transactions	280,838	278,282	280,838	278,282
<b>Net assets attributable to Unitholders as at end of period</b>	<b>282,418</b>	<b>262,147</b>	<b>230,404</b>	<b>238,889</b>



**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

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

	<b>Group</b>			
	<b>3Q 2018 (Units)</b>	<b>3Q 2017 (Units)</b>	<b>9M 2018 (Units)</b>	<b>9M 2017 (Units)</b>
<b>Unit in issue:</b>				
At beginning of the period	629,344,173	623,970,731	626,665,519	618,841,570
Issue of new Units:				
- Management fees paid in Units	1,364,259	1,342,075	4,042,913	6,471,236
At end of the period	<b>630,708,432</b>	<b>625,312,806</b>	<b>630,708,432</b>	<b>625,312,806</b>
<b>Units to be issued:</b>				
Management fees payable in Units	1,303,045	1,352,713	1,303,045	1,352,713
At end of the period	<b>632,011,477</b>	<b>626,665,519</b>	<b>632,011,477</b>	<b>626,665,519</b>

- 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 year ended 31 December 2017, including adoption of new and revised International Financial Reporting Standards (IFRS) that were effective from 1 January 2018 and which were relevant to its operations.

- 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**

On 1 January 2018, the Group has adopted all the new and revised International Financial Reporting Standards that were effective from that date and relevant to its operations, including IFRS 15 *Revenue from Contracts with Customers* and IFRS 9 *Financial Instruments* and related consequential amendments to other IFRSs. The adoption of these new/revised IFRSs does not result in changes to the Group's and IREIT's accounting policies and has no material effect on the amounts reported for the current or prior period.

**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

**6. Earnings Per Unit and Distribution Per Unit**

	<b>Group</b>			
	<b>3Q 2018</b>	<b>3Q 2017</b>	<b>9M 2018</b>	<b>9M 2017</b>
Weighted average number of Units ('000)	629,344	624,540	628,508	622,522
Earnings per Unit Basic and Diluted (€ cents)	0.79	0.85	4.59	2.85
Number of Units entitled to distribution ('000)	632,011	626,666	632,011	626,666
Distribution per Unit ("DPU")				
- € cents	0.88	0.92	2.70	2.78
- S\$ cents <sup>(1)</sup>	1.42	1.42	4.37	4.31

**Footnotes:**

- (1) The DPU in Singapore dollars was computed after taking into consideration the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders and is for illustrative purpose only. IREIT makes distributions on a semi-annual basis based on its half-yearly results and the next distribution will be for the period from 1 July 2018 to 31 December 2018.

**7. Net Asset Value and Net Tangible Asset Per Unit**

	<b>Group</b>	
	<b>30 Sep 2018</b>	<b>31 Dec 2017</b>
Number of Units in issue and to be issued at end of the period ('000) <sup>(1)</sup>	632,011	628,042
Net asset value ("NAV") per Unit (€)	0.45	0.43
Net tangible asset ("NTA") per Unit (€)	0.45	0.43

**Footnote:**

1. The NAV and NTA per Unit was computed based on the net assets attributable to Unitholders as at 30 September 2018 and 31 December 2017 and the Units in issue and to be issued as at 30 September 2018 of 632,011,477 (31 December 2017: 628,041,887).

**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 Third Quarter and Financial Period from 1 January 2018 to 30 September 2018**

A review of the performance for 3Q 2018 and 9M 2018 is set out in Item 1(a)(i) Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Item 1(b)(i) Unaudited Statements of Financial Position as at 30 September 2018.

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**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

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**10. Variance between actual and forecast**

Not applicable as no forecast has been previously disclosed.

**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 next 12 months**

The German office letting market has generally remained healthy, with positive take-up in office space amid prospects of continued economic growth, demand for office space and low vacancy rates, particularly in key German cities.

IREIT is constantly in discussions with existing tenants for possible lease extensions. During the quarter, the single tenant at Münster South has committed to a lease extension of five years for the six floors that it is currently occupying, one year ahead of its lease expiry in September 2019. The extension, which includes a break option in 2021 for two out of the six floors, will bring the lease expiry from 2019 to 2024. At Concor Park, the Manager is also pleased to report that one of the key tenants has extended its lease by another three years from December 2019 to 2022. With these two lease extensions, there will no longer be any lease expiry in 2019, thereby enhancing the certainty of IREIT's recurring income stream.

On the capital management front, the Manager has also made headways with respect to the discussions with banks for the refinancing of IREIT's term loans, and will make the relevant disclosures as and when appropriate.

In the year ahead, the political uncertainty in Europe, especially the recent setback suffered by the government in the German regional election and the ongoing Brexit with the possibility of a no-deal outcome, may cast a pall on the European real estate market. The Manager will stay focused on a growth strategy based on the four pillars of seeking diversification, taking a long-term approach, achieving scale and having a local presence in order to enhance the long-term income for unitholders.

**12. Distributions**

**(a) Current financial period**

Any distributions declared for the current financial period? No

**(b) Corresponding period of the preceding financial period**

Any distributions declared for the corresponding period of the immediate preceding financial period? No

**(c) Books closure date** Not applicable

**(d) Date payable** Not applicable

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

No distribution has been declared for 3Q 2018.

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**IREIT GLOBAL**  
**UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE THIRD QUARTER 2018 AND**  
**FINANCIAL PERIOD FROM 1 JANUARY 2018 TO 30 SEPTEMBER 2018**

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- 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. Confirmation pursuant to Rule 705(5) of the Listing Manual**  
The Board of Directors of the Manager has confirmed that, to the best of their knowledge, nothing has come to their attention which may render these unaudited financial results for the third quarter and financial period from 1 January 2018 to 30 September 2018 to be false or misleading in any material aspect.

- 16. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)**

The Manager confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD OF DIRECTORS**

IREIT Global Group Pte. Ltd.  
(Company Registration No. 201331623K)  
(As manager for IREIT GLOBAL)

Lee Wei Hsiung  
Company Secretary  
12 November 2018

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual 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.