



IREIT closes 3Q2018 with stable performance and DPU of 1.42 Singapore cents

- ◆ 9M2018 distribution represents a year-on-year growth of 1.4%
- ◆ No more lease expiry in 2019 after two lease extensions were secured during the quarter
- ◆ Headways were made with respect to the discussions with banks for the refinancing of IREIT's term loans
- ◆ The Manager will continue to focus on the strategy built on the four pillars of growth to enhance the long-term income for unitholders

SINGAPORE ◆ 12 NOVEMBER 2018

For immediate release

IREIT Global (IREIT), a Europe-focused real estate investment trust managed by IREIT Global Group Pte. Ltd. (the Manager), is pleased to report the financial results for the quarter ended 30 September 2018 (3Q2018).

Gross revenue for 3Q2018 was 1.2% lower year-on-year at €8.6 million due mainly to the finalisation of prior year's service charge reconciliation in 3Q2017. Net property income and distributable income were 4.2% and 4.1% lower at €7.5 million and €6.2 million, respectively due mainly to an increase in repair and maintenance expenses for the upkeep of the properties.

However, distribution per unit (DPU) came in at 1.42 Singapore cents, unchanged from the same period last year as a result of more favourable average SGD/EUR exchange rates arising from the hedging undertaken to manage the currency risk for distribution to unitholders. Including 1H2018 distribution, DPU for 9M2018 amounted to 4.37 Singapore cents, up 1.4% year-on-year.

Operationally, the Manager has been 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, one of the key tenants has extended its lease by another three years from December 2019 to 2022.

Mr Aymeric Thibord, the Chief Executive Officer of the Manager, said, “With these two lease extensions, we are pleased to report that there will be no more lease expiry in 2019. This enhances 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 terms of the German office letting market, healthy take-up in office space was generally seen across the key cities amid prospects of continued economic growth, demand for office space and low vacancy rates. In the year ahead, however, 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.

Mr Thibord shared, “We will remain 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.”

Financial Results Summary

	Quarter Ended 30 September			Nine Months Ended 30 September		
	3Q2018 Actual	3Q2017 Actual	Variance (%)	9M2018 Actual	9M2017 Actual	Variance (%)
Gross revenue (€ '000)	8,591	8,692	(1.2)	25,823	26,266	(1.7)
Net property income (€ '000)	7,520	7,851	(4.2)	23,150	23,583	(1.8)
Income available for distribution (€ '000)	6,180	6,443	(4.1)	18,966	19,389	(2.2)
Income to be distributed to Unitholders (€ '000)	5,562	5,799	(4.1)	17,069	17,450	(2.2)
Distribution per Unit						
- € cents	0.88	0.92	(4.3)	2.70	2.78	(2.9)
- Singapore cents ¹	1.42	1.42	-	4.37	4.31	1.4

¹ The DPU in S\$ 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 GROUP PTE. LTD.

8 Marina View
#15-07A Asia Square Tower 1
Singapore 018960

Tel: +65 6718 0590
Fax: +65 6718 0599

ABOUT IREIT GLOBAL

www.ireitglobal.com ♦ SGX mainboard listing: August 2014

IREIT Global (SGX-UD1U) which was listed on 13 August 2014, is the 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.

IREIT Global's current portfolio comprises five freehold properties strategically located in the German cities of Berlin, Bonn, Darmstadt, Münster and Munich with a total net lettable area of approximately 200,600 sqm and 3,400 car park spaces.

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

ABOUT TIKEHAU CAPITAL

www.tikehaucapital.com ♦ Paris Euronext, compartment A listing: March 2017

Tikehau Capital is an asset management and investment group with €14.8 billion worth of assets under management and shareholders' equity of €2.3 billion as at 30 June 2018. The group invests in various classes of assets (private debt, real estate, private equity and liquid strategies), including through its asset management subsidiary Tikehau Investment Management, on behalf of both institutional and private investors. Tikehau Capital is controlled by its managers and leading institutional partners, and employs more than 230 staff in its Paris, London, Brussels, Madrid, Milan, New York, Seoul and Singapore offices.

Tikehau Capital is listed on the regulated market of Euronext Paris, compartment A (ISIN code: FR0013230612; Ticker: TKO.FP).

FOR FURTHER ENQUIRIES

MR KEVIN TAN

+65 6718 0593

HEAD OF INVESTOR RELATIONS

Kevin.Tan@ireitglobal.com