REITS SYMPOSIUM 2017

Introduction to Soilbuild REIT

27 May 2017



Disclaimer

This presentation should be read in conjunction with the financial statements of Soilbuild Business Space REIT for the first quarter from 1 January 2017 to 31 March 2017 (hereinafter referred to 1Q FY2017).

This presentation is for information only and does not constitute an offer or solicitation of an offer to subscribe for, acquire, purchase, dispose of or sell any units in Soilbuild Business Space REIT ("Soilbuild REIT", and units in Soilbuild REIT, "Units") or any other securities or investment.

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The past performance of Soilbuild REIT is not indicative of the future performance of Soilbuild REIT. Similarly, the past performance of SB REIT Management Pte. Ltd. ("Manager") is not indicative of the future performance of the Manager.

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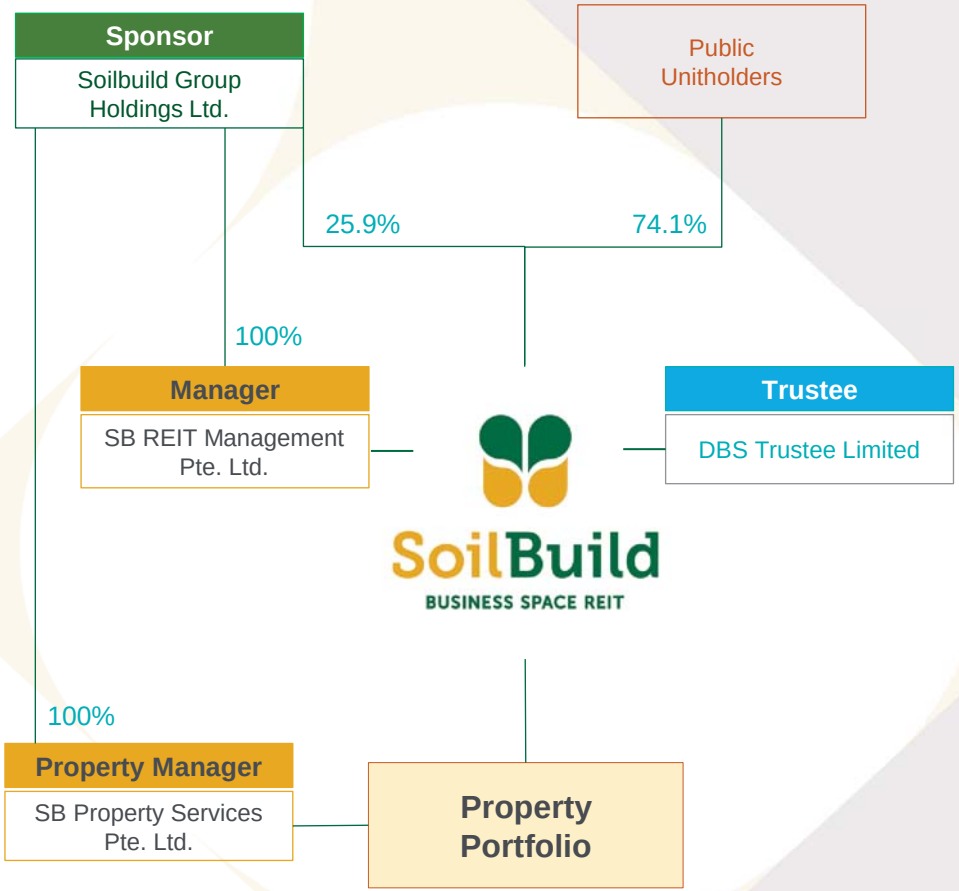
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About Soilbuild REIT



Overview of Soilbuild REIT

Investment Mandate	Primarily in business space assets located in Singapore
Portfolio	12 properties valued at S$1.24 billion(1) NLA of 3.93 million sq ft
Sponsor	Soilbuild Group Holdings Ltd. – Leading integrated property group based in Singapore with more than 40 years of experience
Sponsor Stake	25.9%(2)
Manager	SB REIT Management Pte. Ltd.
Credit Rating	Baa3 (Moody's)
Base Fee	10.0% of Annual Distributable Income
Performance Fee	25.0% of the difference in DPU in a financial year with the DPU in the preceding financial year multiplied by the weighted average number of Units in issue for such financial year



Note:
(1) As at 31 December 2016
(2) As at 28 April 2017

Roadmap since IPO

16 Aug 2013: Listed on SGX-ST



26 May 2014: Completed maiden acquisition of Tellus Marine for S$18.2 million

22 Jan 2014: Assigned BBB- corporate investment grade credit rating



31 Oct 2014: Completed KTL Offshore acquisition for S$55.7 million

16 Jul 2014: Awarded "Best Investor Relations" and "Best Annual Report"



23 Dec 2014: Completed Speedy-Tech acquisition for S$24.3 million

11 Feb 2015: Solaris Greenmark Platinum award renewed

25 Apr 2015: Established a S$500 million Medium Term Notes ("**MTN**") Programme

22 Apr 2015: Soilbuild REIT's first equity fund raising of S$90 million at issuance price of S$0.805 per Unit via private placement

21 May 2015: First issuance of S$100 million 3.45% Fixed Rate Notes Due 2018 under the MTN Programme



27 May 2015: Completed Technics acquisition for S$98.1 million

25 Sep 2015: Completed refinancing of S$185 million Club Loan to March 2020

22 Mar 2016: Assigned Baa3 investment grade issuer rating

27 May 2016: Withdrawal of S&P corporate credit rating. S&P reaffirmed the final "BBB-" long term corporate credit rating with a stable outlook

8 April 2016: Second issuance of S$100 million 3.60% Fixed Rate Notes Due 2021 under the MTN Programme

26 September 2016: Successfully raised S$59.4 million gross proceeds at issuance price of S$0.630 per Unit from the Preferential Offering



27 September 2016: Completed Acquisition of Bukit Batok Connection ("BBC") and Entry into of The Master Lease Agreement in relation to BBC

10 October 2016: Awarded "Best REIT in Asia"

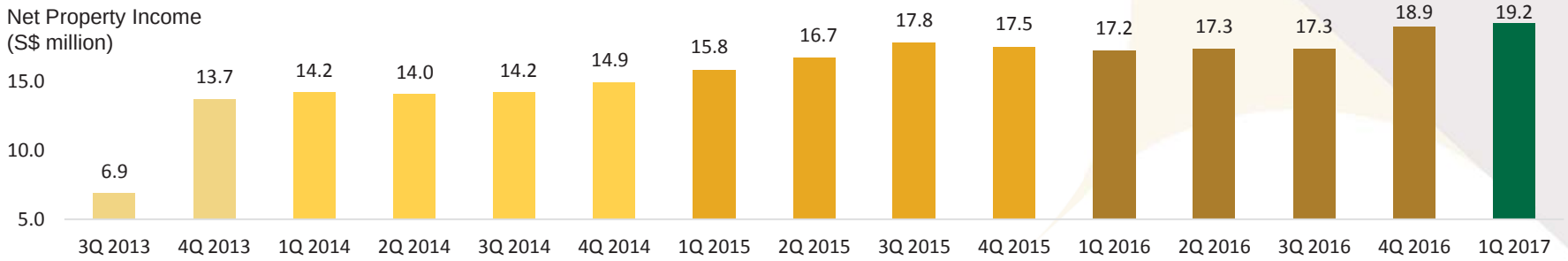


25 November 2016: Completion of a New Annex Block at Tellus Marine (Phase 2)

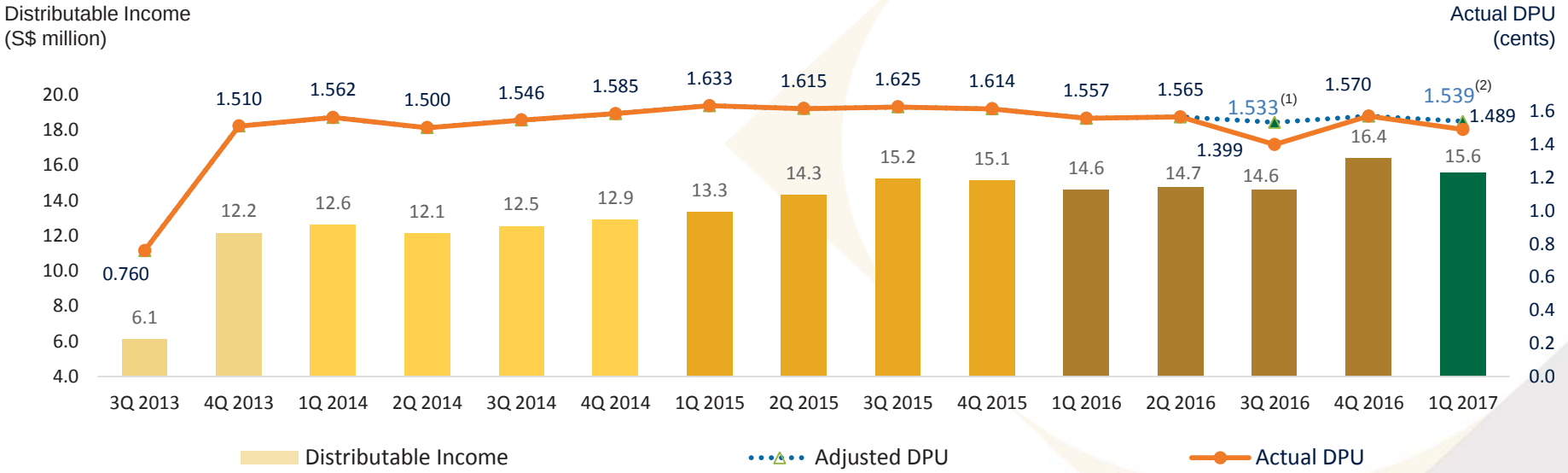
17 November 2016: Awarded "Highly Commended Winner for Best Financing Solution"

Steady Growth Since IPO

Growing NPI



Stable DPU



Note:

(1) The adjustment excludes the issuance of 94,353,672 new Units pursuant to the Preferential Offering and 1,528,571 new Units for the payment of acquisition fee at an issuance price of S$0.63 per unit, as well as the revenue and associated borrowing costs relating to the acquisition of Bukit Batok Connection which was completed on 27 September 2016.

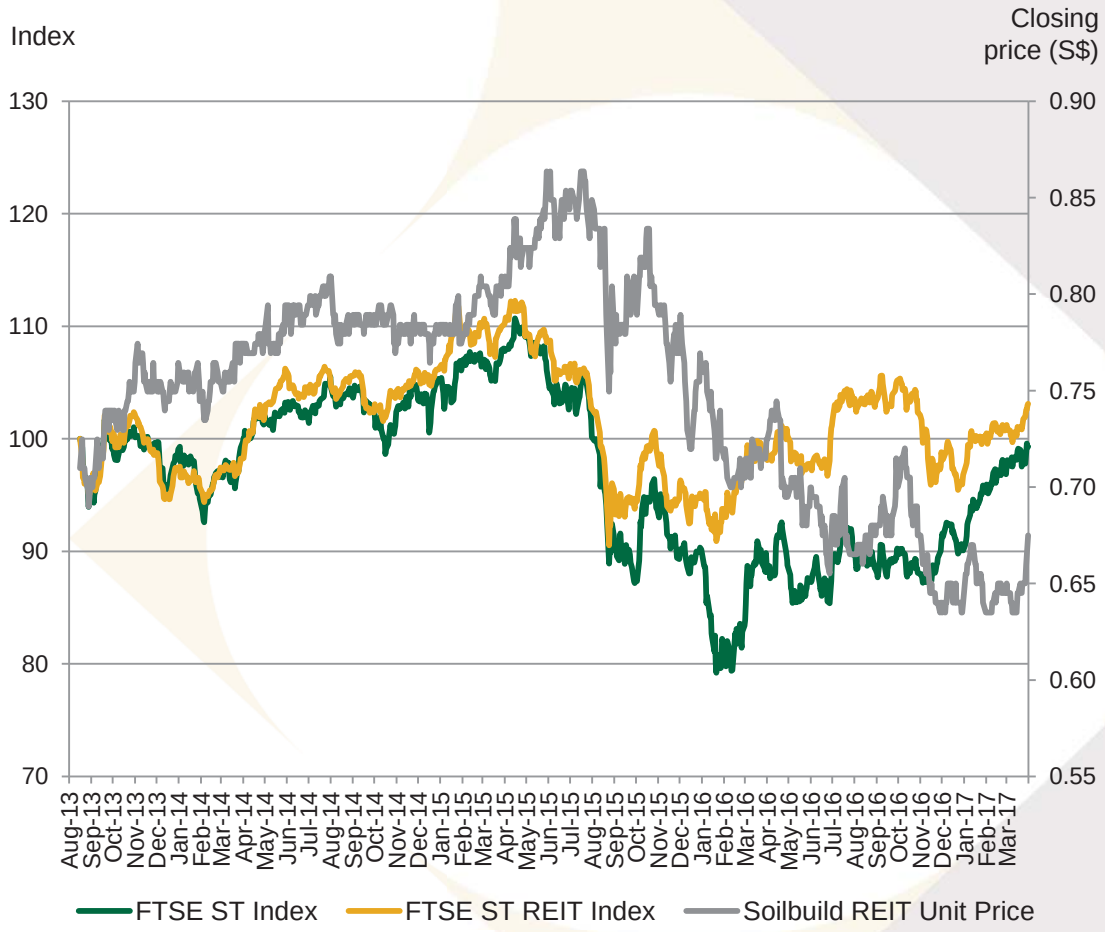
(2) Assuming property and lease management fees for 1Q FY2017 remained payable in Units, the adjusted DPU would have been 1.539 cents.

Steady Growth Since IPO

Cumulative DPU of 22.53 cents

	Price[1] (S$)	Cumulative DPU (cents)	Cumulative Distribution Returns[2] (%)
3Q 2013	0.745	0.760	0.97
4Q 2013	0.770	2.270	2.91
1Q 2014	0.780	3.832	4.91
2Q 2014	0.800	5.332	6.84
3Q 2014	0.795	6.878	8.82
4Q 2014	0.790	8.463	10.85
1Q 2015	0.810	10.096	12.94
2Q 2015	0.850	11.711	15.01
3Q 2015	0.805	13.336	17.1
4Q 2015	0.770	14.95	19.17
1Q 2016	0.730	16.507	21.16
2Q 2016	0.685	18.072	23.17
3Q 2016	0.700	19.471	24.96
4Q 2016	0.640	21.041	26.98
1Q 2017	**0.675**	**22.530**	**28.88**

Distribution Yield = 8.8%[3]



Note:
(1) Based on closing price on last day of each quarter;
(2) Based on cumulative distribution per unit against IPO price of S$0.78.
(3) Based on annualised FY2017 DPU of 5.956 cents and Unit price of $0.675 as at 31 March 2017.
Source: Bloomberg

Strong Support from Sponsor

A

Strong Sponsor Provides Benefits to Soilbuild REIT

- Integrated property group with more than 40 years track record in end-to-end construction and development
- Single focus – Soilbuild REIT is the Sponsor's first and only REIT vehicle
- Committed to support Soilbuild REIT over the long term with Sponsor stake of 25.9%(1)
- Sponsor pipeline of three ROFR assets with maximum potential GFA of 1.9 million sq ft

B

Only Industrial REIT Sponsor with End-to-End Integrated Capabilities

Operations cover full spectrum of value chain

Construction	Development	Lease Management	Asset / Property Management	Fund Management
End-to-End Construction	Balance Sheet	Tenant Retention	Asset Enhancements	Capital Management
BCA 'A1' grading for general building	Focus on End Users	Relationship with Brokers	Income Optimisation	Relationship with Vendors
Multi-Discipline Team	Innovative Designs	Dedicated Team	Established Relationships with Govt. Agencies	Experienced Management Team
Public & Private Sector	Quality			
Range of Asset Classes	Location			

Integrated Real Estate Platform

Note:
(1) As at 28 April 2017

Right of First Refusal Assets



Right of First Refusal Assets

Acquisition of ROFR Properties

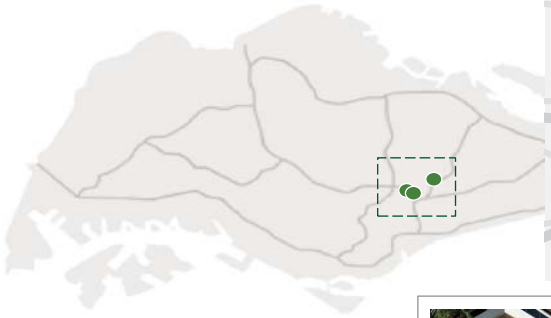
- Current ROFR pipeline of 3 industrial properties with maximum GFA[1] in excess of 1.9 million sq ft
- ROFR pipeline to continue growing as the Sponsor undertakes new development of business space properties

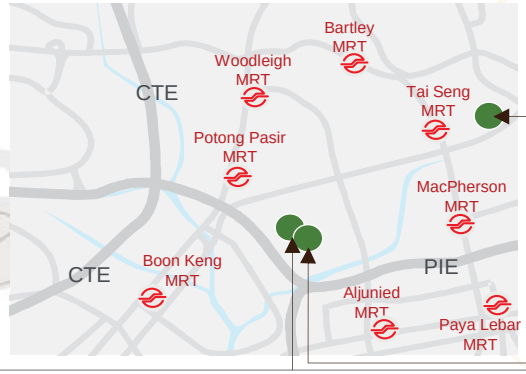
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Acquisition / Development of Business Space Properties

- Actively seeks to undertake developments[2] that will enhance the value of Soilbuild REIT
- Ability to leverage on the Sponsor's experience and expertise in designing and executing of construction projects
- Ability to capitalize on the Sponsor's extensive network to source 3rd party acquisition opportunities

Existing ROFR Assets







iPark

3 blocks of 7-storey flatted factory and a single-storey amenity centre (target redevelopment in 2019)

Max GFA: 1,031,000 sq ft



171 Kallang Way

5-storey light industrial building (undergoing redevelopment)

Max GFA: 326,000 sq ft



164 Kallang Way

7-storey light industrial building and a single-storey amenity (undergoing redevelopment)

Max GFA: 575,000 sq ft

Notes:

(1) GFA based on maximum allowable plot ratio

(2) Subject to the limit imposed by the Property Funds Appendix.

Sponsor's Redevelopment Plan at 164 Kallang Way

OLD







NEW





Sponsor's Redevelopment Plan at 164 Kallang Way

NEW









Best-in-class Portfolio of Assets



Portfolio Overview

- Business Park Properties
- Industrial Properties



NK Ingredients

NLA: 312,375 sq ft
Valuation: S$62.0 million



COS Printers

NLA: 58,752 sq ft
Valuation: S$11.2 million



Tellus Marine

NLA: 95,250 sq ft
Valuation: S$20.0 million



Tuas Connection

NLA: 651,072 sq ft
Valuation: S$122.0 million



Loyang Way

NLA: 203,468 sq ft
Valuation: S$65.0 million



KTL Offshore

NLA: 208,057 sq ft
Valuation: S$56.0 million



Eightrium

NLA: 177,286 sq ft
Valuation: S$101.0 million



BK Marine

NLA: 73,737 sq ft
Valuation: S$16.5 million



Speedy-Tech

NLA: 93,767 sq ft
Valuation: S$25.0 million



West Park BizCentral

NLA: 1,240,583 sq ft
Valuation: S$306.0 million



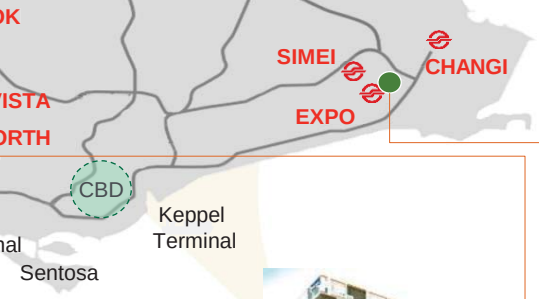
Bukit Batok Connection

NLA: 377,776 sq ft
Valuation: S$99.0 million



Solaris

NLA: 441,533 sq ft
Valuation: S$360.0 million



Portfolio Summary[1]

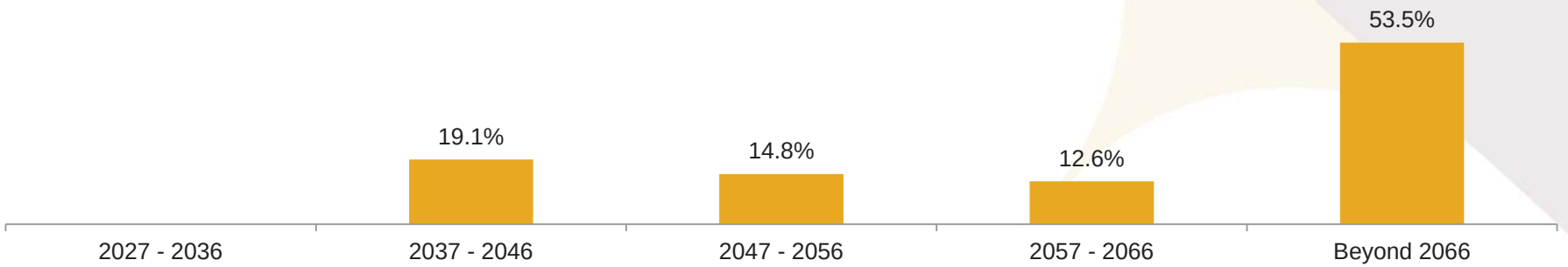
Valuation[2]	S$1,243.8 million
Total NLA	3.93 million sq ft
WALE (by GRI)	3.3 years
Occupancy	91.8%

Notes:
(1) Information as at 31 March 2017;
(2) Based on Knight Frank's & Colliers' valuations dated 31 December 2016 and capital expenditure in 1Q FY2017.

Long Land Lease Expiry

Percentage of Unexpired Land Lease Term

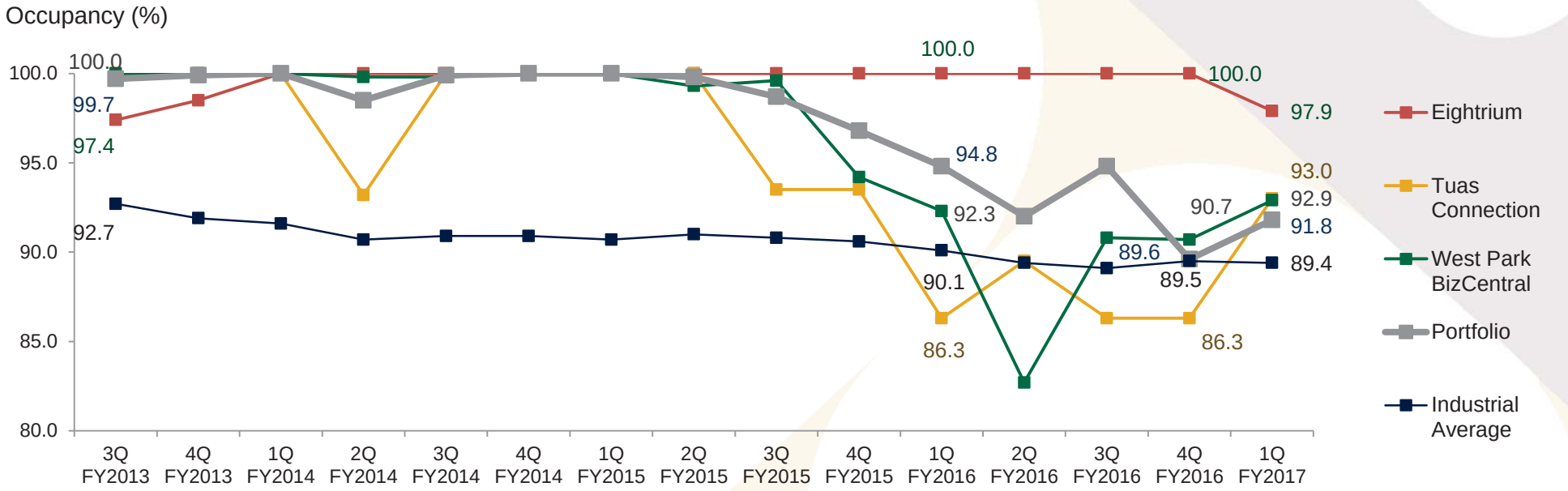
By Valuation



Long Land Lease Tenure of 43.5 Years (by valuation)

Property	Acquisition Date	Land Lease Expiry Date	Valuation (S$'m) (as at 31 Dec 2016)
Solaris	16-Aug-13	31-May-68	360.0
Eightrium	16-Aug-13	15-Feb-66	101.0
West Park BizCentral	16-Aug-13	31-Jul-68	306.0
Tuas Connection	16-Aug-13	30-Sep-50	122.0
NK Ingredients	15-Feb-13	30-Sep-46	62.0
COS Printers	19-Mar-13	31-Jul-42	11.2
Beng Kuang Marine	10-May-13	29-Oct-56	16.5
Tellus Marine (Phase 1) Tellus Marine (Phase 2)	26-May-14 25-Nov-16	15-Feb-54	20.0
KTL Offshore	31-Oct-14	18-Jul-66	56.0
Speedy-Tech	23-Dec-14	30-Apr-50	25.0
72 Loyang Way	27-May-15	20-Mar-38	65.0
Bukit Batok Connection	27-Sep-16	25-Nov-42	99.0

Portfolio Occupancy



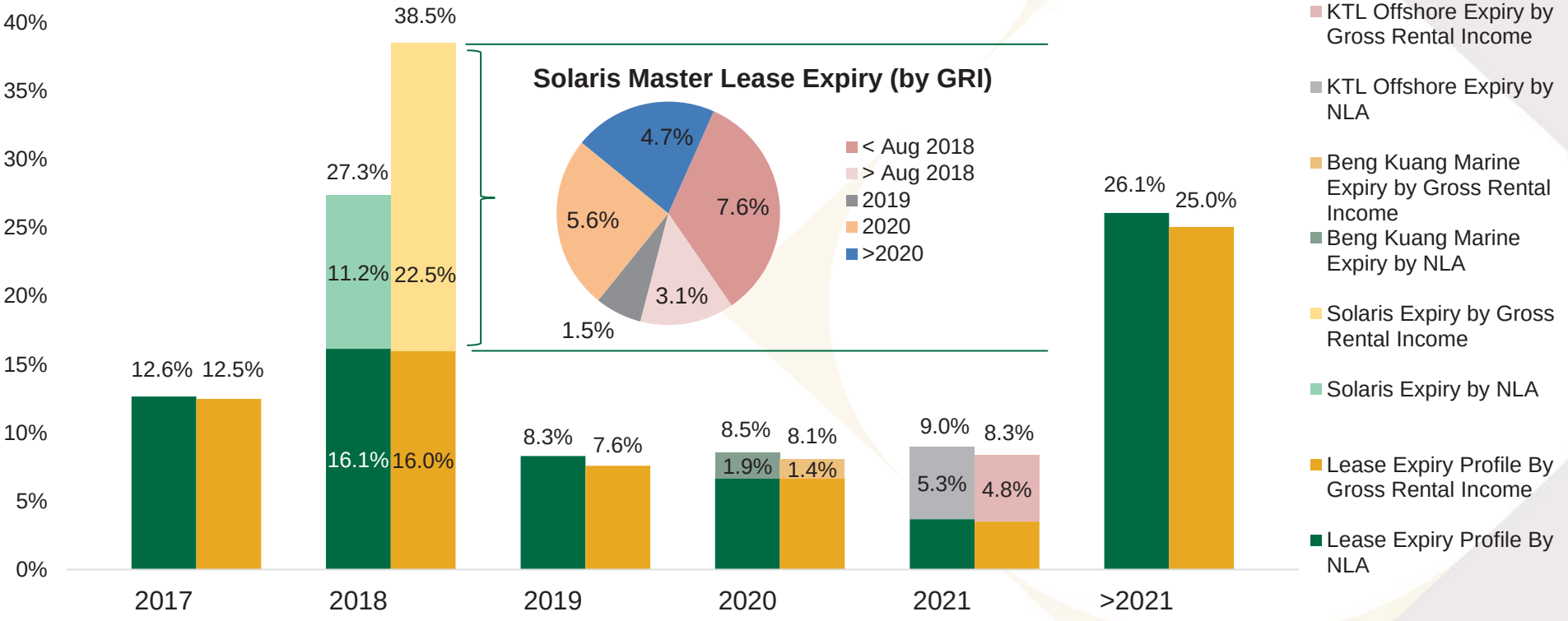
	3Q 2013	4Q 2013	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017
Eightrium	97.4%	98.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	**97.9%**
Tuas Connection	100.0%	100.0%	100.0%	93.2%	100.0%	100.0%	100.0%	100.0%	93.5%	93.5%	86.3%	89.5%	86.3%	86.3%	**93.0%**
West Park BizCentral	100.0%	100.0%	100.0%	99.8%	99.8%	100.0%	100.0%	99.3%	99.6%	94.2%	92.3%	82.7%	90.8%	90.7%	**92.9%**
Portfolio	**99.8%**	**99.9%**	**100.0%**	**98.5%**	**99.9%**	**100.0%**	**100.0%**	**99.8%**	**98.7%**	**96.8%**	**94.8%**	**92.0%**	**94.8%**	**89.6%**	**91.8%(1)**
Industrial Average (2)	**92.7%**	**91.9%**	**91.6%**	**90.7%**	**90.9%**	**90.9%**	**90.7%**	**91.0%**	**90.8%**	**90.6%**	**90.1%**	**89.4%**	**89.1%**	**89.5%**	**89.4%**

Notes:
(1) Inclusive of 9.9% occupancy at 72 Loyang Way.
(2) Source: JTC statistics as at 1Q 2017

Well Staggered Lease Expiry

WALE (by NLA)	3.4 years	**WALE** (by Gross Rental Income)	3.3 years

- WALE of new leases which commenced in 1Q FY2017 was 5.0 years (by GRI)
- WALE of new leases signed in 1Q FY2017 was 3.8 years (by GRI)

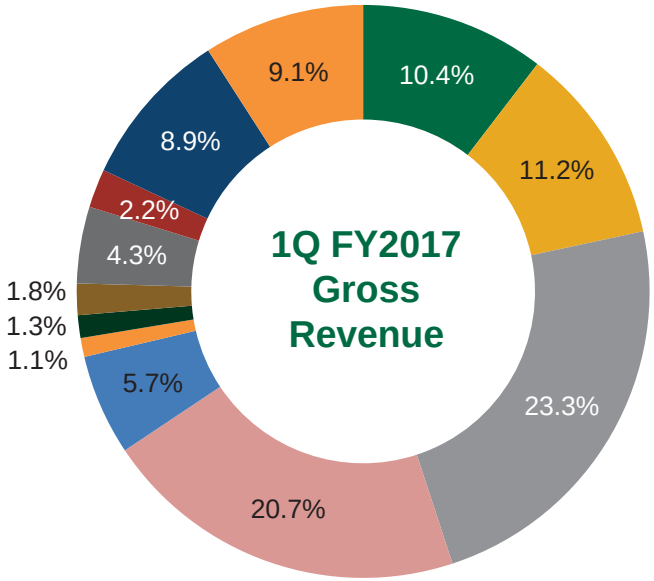


Note:
(1) Information as at 31 March 2017.

Well diversified Portfolio

Portfolio Income Spread

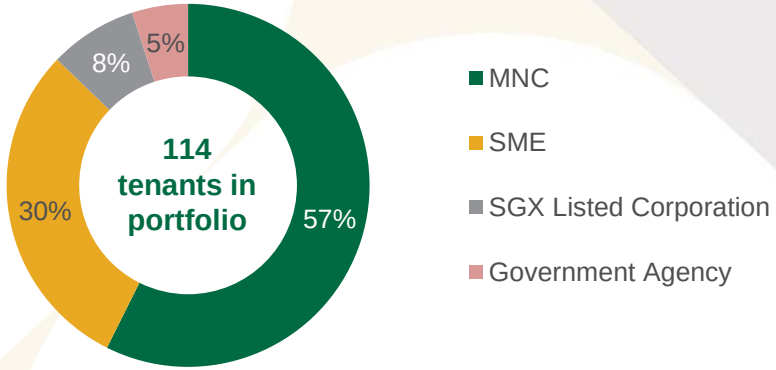
By Property



- Eightrium @ Changi Business Park
- Tuas Connection
- West Park BizCentral
- Solaris
- NK Ingredients
- COS Printers
- Beng Kuang Marine
- Tellus Marine
- KTL Offshore
- Speedy-Tech
- 72 Loyang Way
- Bukit Batok Connection

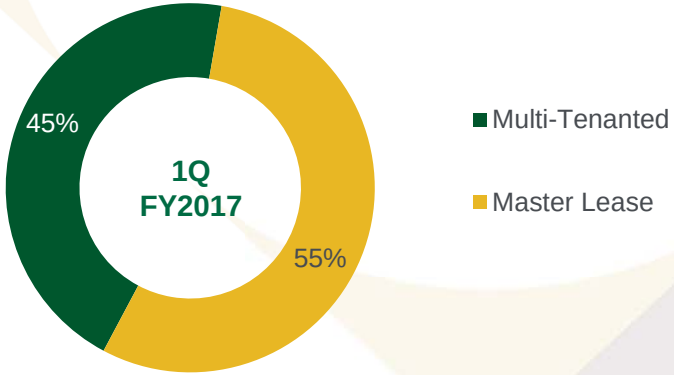
Diversified Tenant Base

By Gross Rental Income



Balanced Portfolio with Growth Upside

By Gross Rental Income

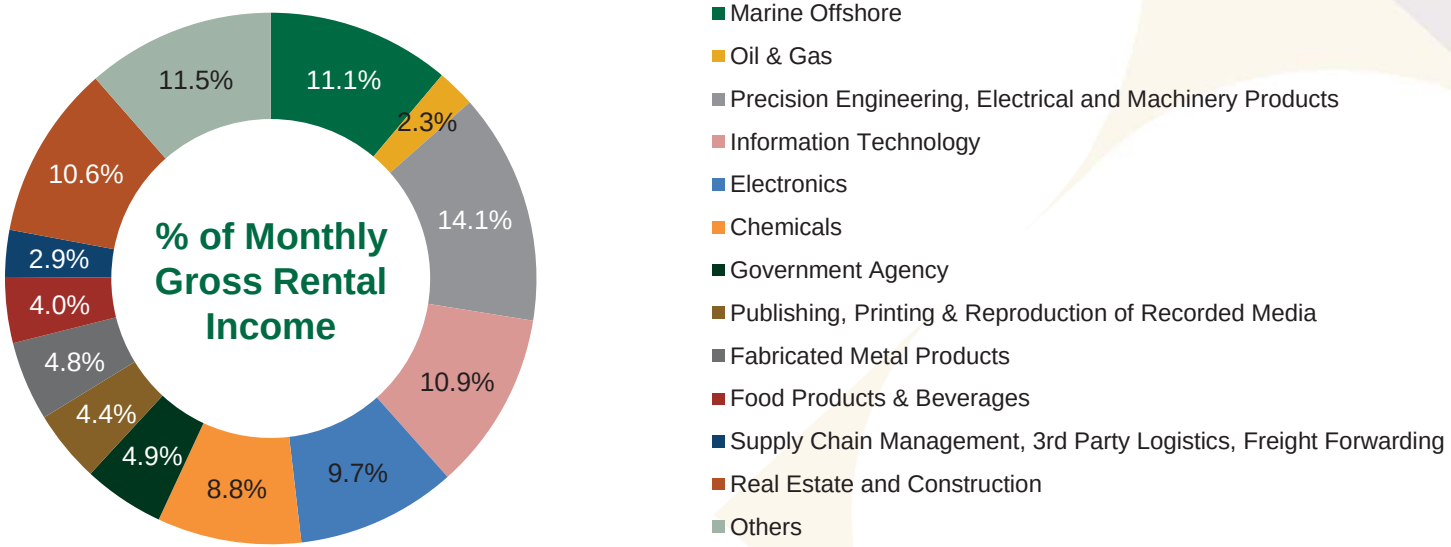


Note:
(1) Information as at 31 March 2017.

Well diversified Portfolio

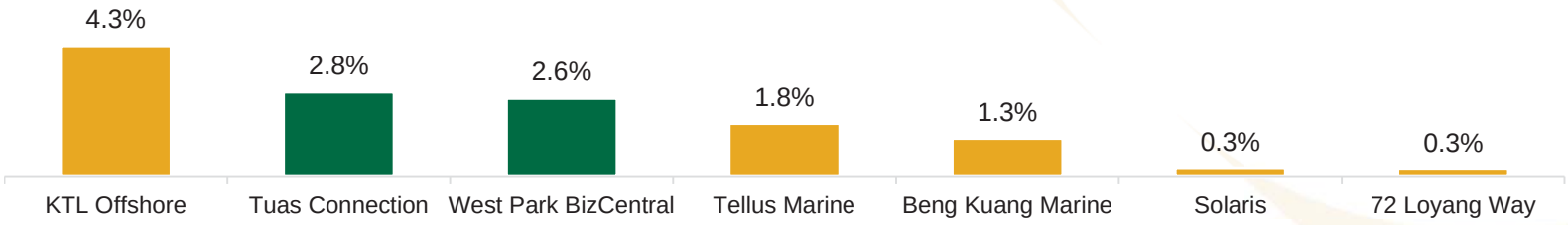
Well-spread Trade Sectors

By Gross Rental Income



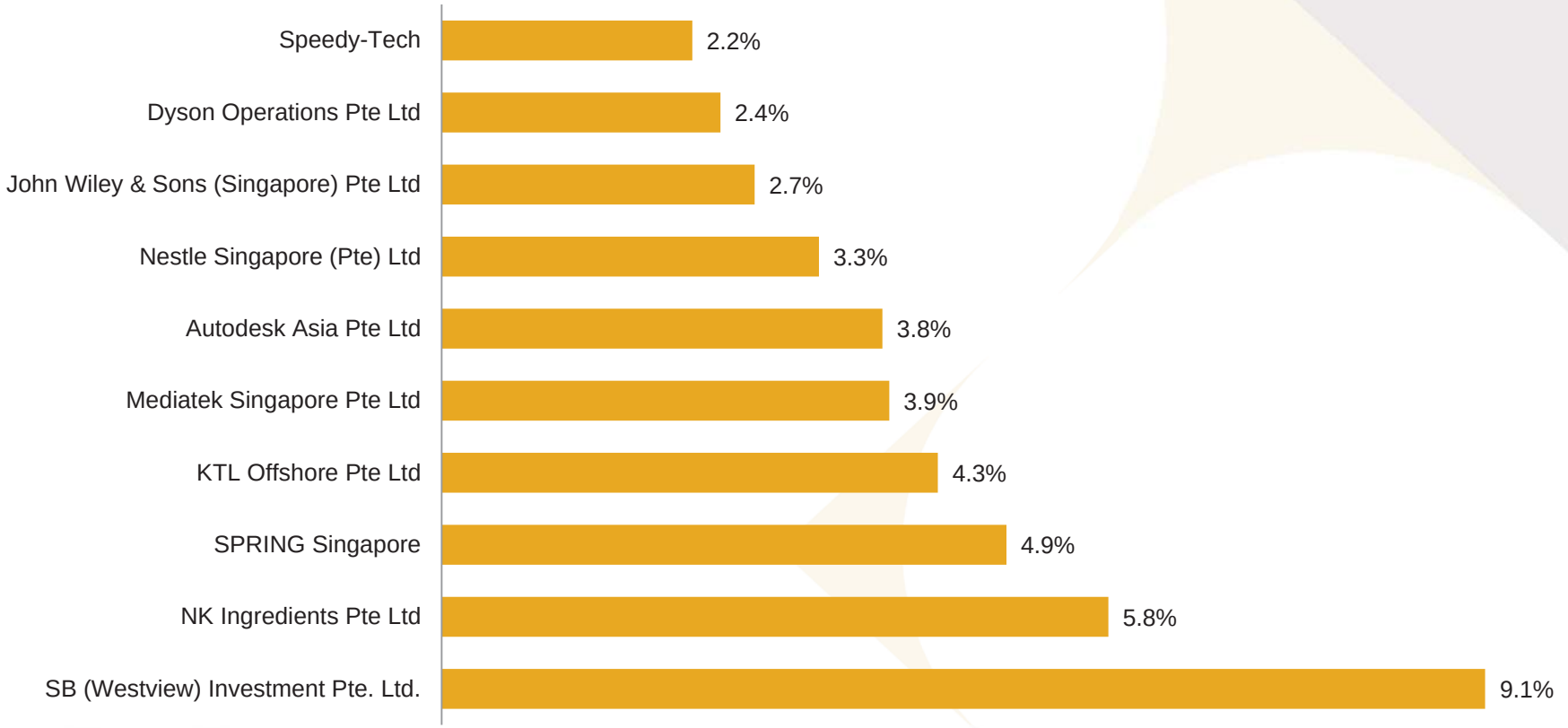
Diversified Exposure by Property – Marine Offshore and Oil & Gas

By Gross Rental Income



Note:
(1) Information as at 31 March 2017.

Diverse Tenant Base



Top 10 tenants contribute 42.4%(1) of monthly gross rental income.

Note:
(1) Inclusive of underlying tenants in Solaris

Rental Growth from Master Leases

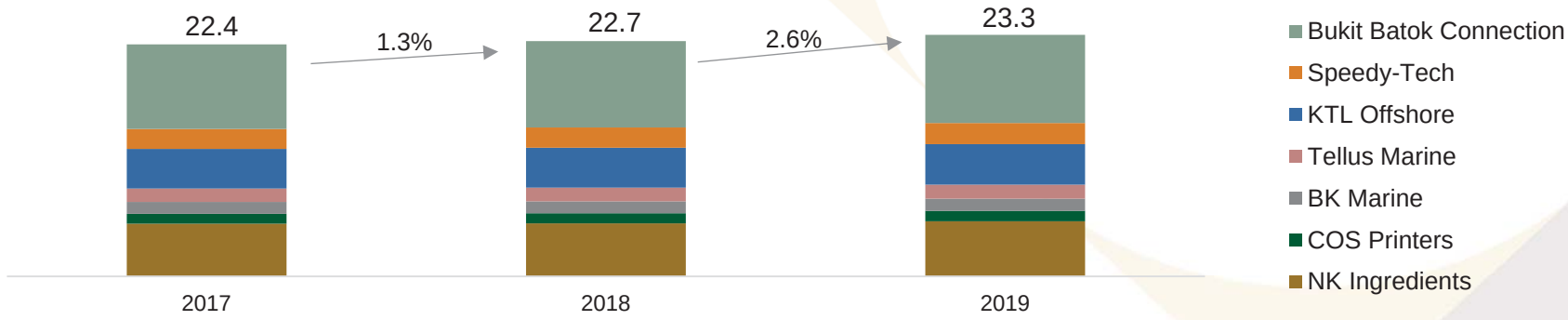
Long-term Master Leases

Lease Term from start of Master Lease Agreement

	Master Lease Property	Date of Acquisition	Lease Term	Lease Expiry
1	Solaris	16-Aug-13	5 Years	15-Aug-18
2	Beng Kuang Marine	10-May-13	7 Years	9-May-20
3	KTL Offshore	31-Oct-14	7 Years	25-Aug-21
4	COS Printers	19-Mar-13	10 Years	18-Mar-23
5	Bukit Batok Connection	27-Sep-16	7 Years	26-Sep-23
6	Speedy-Tech	23-Dec-14	10 Years	22-Dec-24
7	Tellus Marine	26-May-14	11.7 Years	16-Feb-26
8	NK Ingredients	15-Feb-13	15 Years	14-Feb-28

Fixed Annual Rental Escalation of Master Leases(1)

Rental Revenue (S$ million)



Note:
(1) Excluding Master Lease rental from Solaris

Prudent Capital Management



Statement of Financial Position

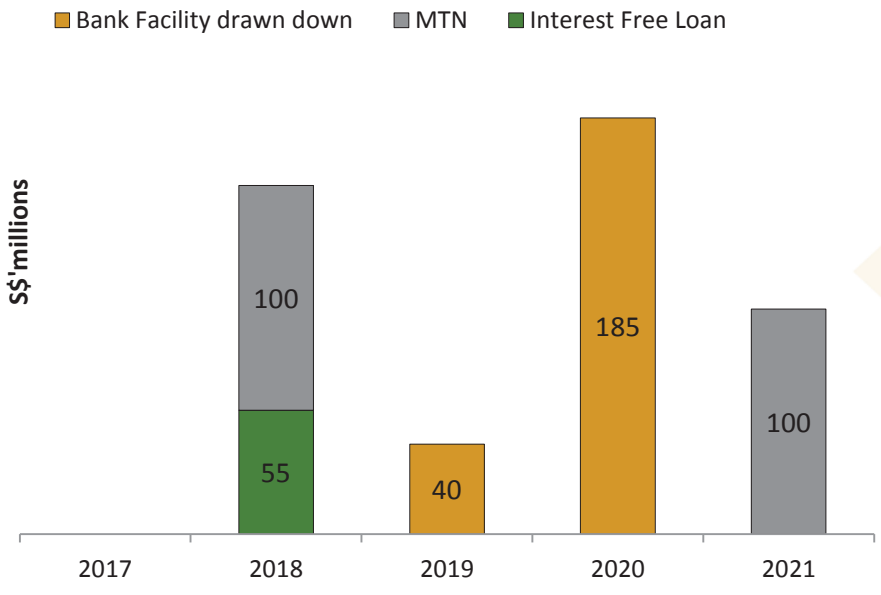
(S$'000)	31 March 2017	31 December 2016
Investment Properties	1,243,765	1,243,700
Other Assets	34,764	31,791
Total Assets	**1,278,529**	**1,275,491**
Borrowings	473,123	472,349
Other Liabilities	54,096	51,439
Net Assets	**751,310**	**751,703**
Units in Issue ('000)	1,045,533	1,042,174
Net Asset Value per Unit (S$)	0.72	0.72

Prudent Capital Management

1) **Soilbuild REIT is rated Baa3/negative by Moody's.**

2) **Fixed interest rate for 86.5% of borrowings for a weighted average term of 1.7 years[1].**

No refinancing requirements till 2018



	2017	2018	2019	2020	2021
% of Debt Maturing		32.3%	8.4%	38.5%	20.8%

3) **Aggregate leverage of 37.5%[1] allows headroom of S$52 million[2]**

	31 March 2017
Total Bank Financing Facilities	S$230 million
Total Bank Debt Drawn Down	S$225 million
Multicurrency Debt Issuance Programme drawn down	S$200 million
Interest-free Loan	S$55 million
Unencumbered Investment Properties	S$883 million
Secured leverage [3]	14.5%
Average All-in Interest Cost[4]	3.37% p.a.
Interest Coverage Ratio[5]	5.0x
Weighted Average Debt Maturity [1]	2.6 years

Notes:
(1) Includes interest free loan in relation to the Solaris upfront land premium.
(2) Based on target aggregate leverage of 40%.
(3) Secured Debt/Total Assets.
(4) Excludes interest-free loan.
(5) Computed based on 1Q FY2017 EBITDA/Net interest expense (Finance expense – Interest income).

Interest Rate Risk Management

Assuming no re-financing and entry into new interest rate swaps in FY2017:

Interest Rate Increase	Increase in FY2017 finance expense (S$'000)	As a % of Annualised FY2017 Finance Expenses	As a % of Annualised FY2017 Distributable Income	Impact on Annualised FY2017 DPU (in cents)	Increase in FY2017 Weighted Average Borrowing Cost
0.25%	181	1.1%	0.3%	0.017	0.02%
0.50%	362	2.3%	0.6%	0.035	0.06%
0.75%	543	3.4%	0.9%	0.052	0.11%
1.00%	724	4.5%	1.2%	0.069	0.15%

Market Update and Outlook

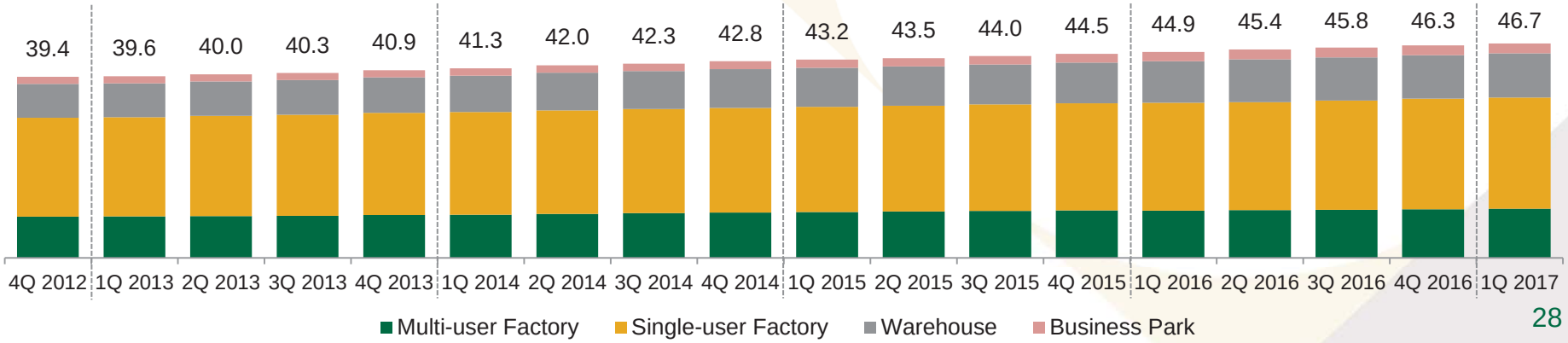


Industrial Properties Profile

Change y-o-y	1Q 2013 vs 1Q 2014		1Q 2014 vs 1Q 2015		1Q 2015 vs 1Q 2016		1Q 2016 vs 1Q 2017	
	Vacancy Rate	Rental Index	Vacancy Rate	Rental Index	Vacancy Rate	Rental Index	Vacancy Rate	Rental Index
Multi-user	↑ 2.1%	↑ 4.5	↑ 0.9%	↓ 2.0	↑ 0.2%	↓ 7.2	↑ 0.3%	↓ 5.0
Single-user	↑ 1.1%	↑ 4.6	↑ 0.8%	↑ 1.8	↑ 1.0%	↓ 3.3	↑ 1.3%	↓ 6.0
Warehouse	↑ 1.8%	↑ 0.8	↑ 1.1%	↓ 1.2	↓ 0.4%	↓ 3.0	↑ 0.5%	↓ 5.9
Business Park	↓ 0.6%	↑ 3.7	↑ 0.4%	↑ 0.8	↑ 1.3%	↓ 2.7	↓ 2.3%	↑ 0.4

Total Industrial Stock ('million sq m)

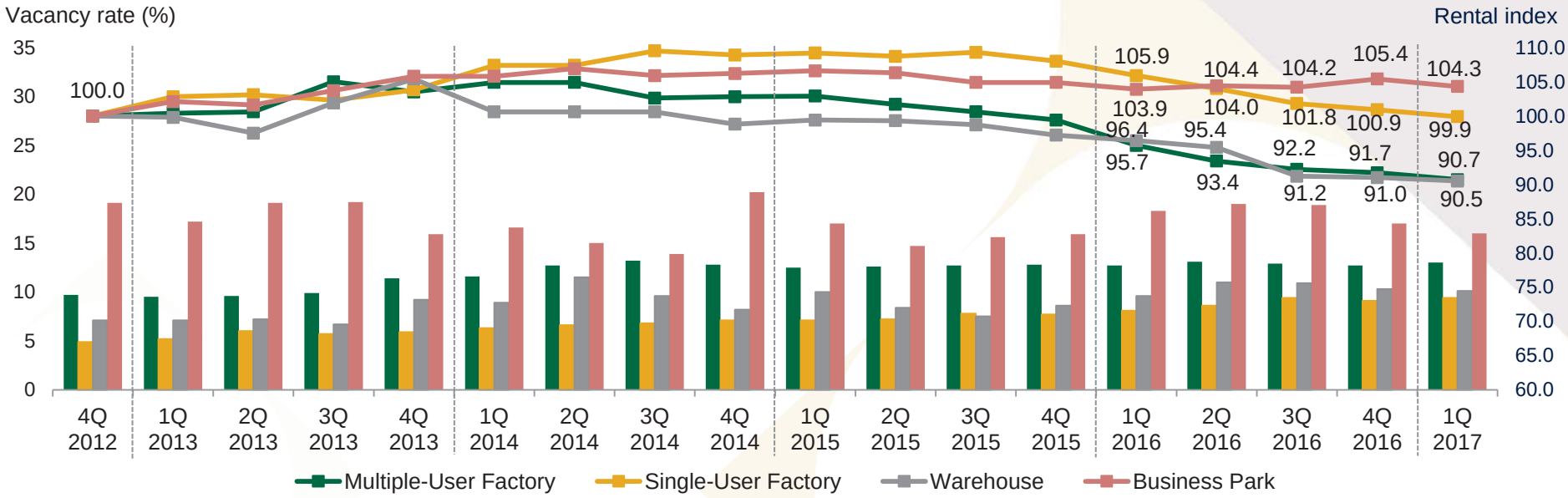
Increase y-o-y	1Q 2013 vs 1Q 2014	1Q 2014 vs 1Q 2015	1Q 2015 vs 1Q 2016	1Q 2016 vs 1Q 2017
Multi-user	4.1%	5.9%	3.3%	3.9%
Single-user	3.6%	2.6%	2.4%	3.2%
Warehouse	7.1%	7.3%	6.5%	6.2%
Business Park	4.0%	11.1%	15.2%	4.5%



Source: JTC Statistics as at 1Q 2017

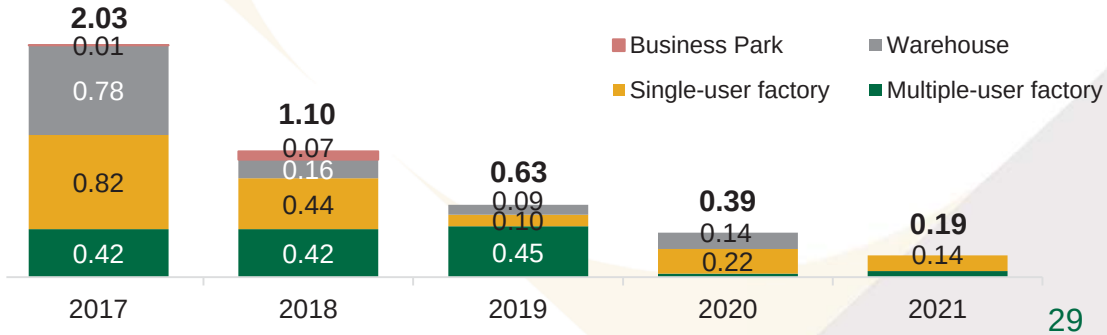
Industrial Properties Profile

Vacancy rate and Rental Index



Upcoming Supply in the Pipeline ('million sq m)

Change y-o-y	**Stock as at 1Q 2017** ('mil sq m)	**1Q 2017 vs end of 2017**
Multi-user	10.7	↑ 3.9%
Single-user	24.2	↑ 3.4%
Warehouse	9.6	↑ 8.1%
Business Park	2.1	↑ 0.5%



Source: JTC Statistics as at 1Q 2017

The Year Ahead

Singapore's Economy

- 2017 GDP growth estimates of 1.0% to 3.0%.
- Outlook for the construction, marine & offshore, retail and food services sectors continue to be sluggish.
- MTI expects the Singapore economy to ride on the improved momentum in the manufacturing sector in 2017.
- Purchasing Managers' Index for March rose to 51.2, the strongest expansion since November 2014.

Industrial Property Sector

- According to EDB(1), electronics and precision engineering clusters, particularly in the semiconductor, are most optimistic.
- According to Savills Industrial Research(2), business parks or high-tech space are more likely to weather the rapidly changing industrial landscape.
- Industrial and warehouse rents are expected to soften another 5.0% y-o-y in 2017, while business park rents to exhibit slight increase.

Soilbuild REIT

- Completed close to 260,000 sqft of lease renewals, new leases and forward renewals for leases expiring in 2017.
- Balance 12.6% or 500,000 sq ft of the portfolio's net lettable area is due for renewal for the remaining of 2017.
- The challenge remains to lease the entire space at 72 Loyang Way due to the subdued marine offshore and oil & gas sector.

Note:
(1) Based on Business Expectation Survey by Economic Development Board (EDB) on 28 April 2017.
(2) Based on Savills Research Singapore Industrial Briefing Q4 2016 on 23 March 2017.

THANK YOU



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