



## NOTICE OF BOOKS CLOSURE AND DISTRIBUTION PAYMENT DATE

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Unitholders of ESR-REIT will be closed at **5.00 pm on 30 April 2018** for the purpose of determining Unitholders' entitlements to ESR-REIT's distribution.

The Manager of ESR-REIT has announced a distribution of 0.847 cents per unit for ESR-REIT units for the period 1 January 2018 to 31 March 2018 comprising the following components:

- Taxable income distribution                      0.814 cents per unit
- Tax-exempt income distribution                0.033 cents per unit

Unitholders whose securities accounts with The Central Depository (Pte) Limited are credited with ESR-REIT units as at 5.00 pm on 30 April 2018 will be entitled to the distribution that will be paid on **31 May 2018**.

### DECLARATION FOR SINGAPORE TAX PURPOSES

#### A. Tax-exempt income distribution

The tax-exempt income component of the distribution is exempt from tax in the hands of all Unitholders. No tax will be deducted at source from such distributions.

#### B. Taxable income distribution

Tax will be deducted at source from the taxable income component of the distribution in certain circumstances. The following section describes the circumstances in which tax will or will not be deducted from such distribution.

1. The Trustee and Manager of ESR-REIT will not deduct tax from distributions made out of ESR-REIT's taxable income that is not taxed at ESR-REIT's level to:
  - (a) Unitholders who are individuals and who hold the units either in their sole names or jointly with other individuals;
  - (b) Unitholders which are Central Provident Fund ("CPF") members who use their CPF funds under the CPF Investment Scheme and where the distributions received are returned to the CPF accounts;
  - (c) Unitholders who are individuals and use their Supplementary Retirement Scheme ("SRS") funds and where the distributions received are returned to the SRS accounts;
  - (d) Unitholders which are companies incorporated and tax resident in Singapore;
  - (e) Unitholders which are Singapore branches of companies incorporated outside Singapore;
  - (f) Unitholders which are non-corporate entities (excluding partnerships) constituted or registered in Singapore, such as:

- (i) statutory boards;
  - (ii) co-operative societies registered under the Co-operative Societies Act (Cap. 62);
  - (iii) trade unions registered under the Trade Unions Act (Cap. 333);
  - (iv) charities registered under the Charities Act (Cap. 37) or established by any written law;
  - (v) town councils; and
- (g) Unitholders which are international organisations that are exempt from tax on such distributions by reason of an order made under the International Organisations (Immunities and Privileges) Act (Cap. 145).
2. For distributions made to classes of Unitholders that do not fall within the categories stated under Note 1 above, the Trustee and the Manager of ESR-REIT will deduct tax at the rate of 10% if the Unitholders are foreign non-individual investors. A foreign non-individual investor is one which is not a resident of Singapore\* for income tax purposes and:
- (a) which does not have a permanent establishment<sup>^</sup> in Singapore; or
  - (b) which carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the units in ESR-REIT are not obtained from that operation.
3. Unitholders are required to complete the applicable Section A, B or C of the “*Declaration for Singapore Tax Purposes Form A*” (“**Form A**”) if they fall within the categories (d) to (g) stated under Note 1 or Section D of Form A if they qualify as a foreign non-individual investor as described under Note 2.
4. The Trustee and the Manager of ESR-REIT will rely on the declarations made in Form A to determine (i) if tax is to be deducted for the categories of Unitholders listed in (d) to (g) under Note 1; and (ii) if tax is to be deducted at the rate of 10% for distributions to foreign non-individual investors as described under Note 2.
5. **Unitholders who fall within class (a) to (c) under Note 1 are not required to submit Form A.** The gross distribution received by these unitholders (irrespective of their tax residence status) is exempt from tax. However, this tax exemption does not apply to such unitholders in respect of distribution derived by them through a partnership in Singapore or from the carrying on of a trade, business or profession. Such unitholders, i.e. to whom the exemption does not apply, must declare the distribution received as income in their income tax returns.
6. Unitholders who do not fall within the classes of Unitholders listed in Note 1 and Note 2 above can choose not to return Form A as tax will be deducted from the distributions made to them at the prevailing corporate tax rate in any case.



7. The Trustee and the Manager of ESR-REIT will deduct tax at the prevailing corporate tax rate from distributions made out of ESR-REIT's taxable income that is not taxed at ESR-REIT's level, in respect of units held by depository agents except where the beneficial owners of these units are:
  - (a) Individuals and the units are not held through a partnership in Singapore;
  - (b) Qualifying unitholders as listed in categories (d) to (g) under Note 1; or
  - (c) Foreign non-individual investors.

For units held through the depository agents, the depository agents must complete the "*Declaration by Depository Agents for Singapore Tax Purposes Form B*" ("**Form B**") and its annexes (Annex 1 for individuals, Annexes 2 and 2.1 for qualifying Unitholders and Annex 3 for foreign non-individuals).

8. Form A and Form B (and its annexes) will be sent to Unitholders and depository agents respectively, by ESR-REIT's Unit Registrar, B.A.C.S. Private Limited, on or around **7 May 2018**.
9. Unitholders (Form A) and the depository agents (Form B and its annexes) will have to complete the forms legibly and send it to the Unit Registrar such that it is received by **5.00 p.m. on 18 May 2018**. The Trustee and the Manager of ESR-REIT will rely on the declarations made in Form A and Form B to determine if tax is to be deducted. Failure to comply with any of these requirements will render Form A and Form B invalid and the Trustee and the Manager of ESR-REIT will be obliged to deduct the appropriate amount of tax from the distributions in respect of which this announcement is made.
10. Unitholders who hold units under the Central Provident Fund Investment Scheme (CPFIS) and the Supplementary Retirement Scheme (SRS) do not have to return the Form as they will receive gross distributions paid to their respective CPFIS and SRS accounts.

### **IMPORTANT REMINDER**

**Unitholders and the depository agents must complete and return the "*Declaration for Singapore Tax Purposes Forms A and B (and its annexes)*" to B.A.C.S. Private Limited's office by 5.00 pm on 18 May 2018 in order to receive the distributions either at gross or at net as described above.**

### **DECLARATION IN INCOME TAX RETURN**

This distribution is considered as income for the year 2018. Beneficial owners of these distributions, other than those who are exempt from tax on distributions, are required to declare the taxable income component of the distributions as taxable income in their income tax return for the Year of Assessment 2019.



## IMPORTANT DATES AND TIMES

Timeline	Event
9.00 a.m., 26 April 2018 (Thurs)	Units will be traded ex-date
5.00 p.m., 30 April 2018 (Mon)	Close of ESR-REIT's Transfer Books and Register of Unitholders
5.00 p.m., 18 May 2018 (Fri)	Unitholders and depository agents must have completed and returned the " <i>Declaration for Singapore Tax Purposes Form A and Form B</i> " to the Unit Registrar, B.A.C.S. Private Limited.
31 May 2018 (Thurs)	Payment of distribution

Should Unitholders have any queries in relation to these procedures, please do not hesitate to contact:

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By Order of the Board  
ESR Funds Management (S) Limited  
As Manager of ESR-REIT  
(Company Registration No. 200512804G, Capital Markets Services Licence No. 100132-5)

Adrian Chui  
Chief Executive Officer  
20 April 2018

## Notes

- \* A Company is not a resident of Singapore if the management and control of its business is exercised outside Singapore.
  
- ^ Under the Singapore Income Tax Act, permanent establishment means a fixed place where business is wholly or partly carried on including a place of management, a branch, an office, a factory, a warehouse, a workshop, a farm or plantation, a mine, oil well, quarry or other place of extraction of natural resources, a building or work site or a construction, installation or assembly project. A unitholder shall be deemed to have a permanent establishment in Singapore if it:
  - (i) carries on supervisory activities in connection with a building or work site or a construction, installation or assembly project; or
  
  - (ii) has another person acting on the Unitholder's behalf in Singapore who:
    - (a) has and habitually exercises an authority to conclude contracts;
    - (b) maintains stock of goods or merchandise for the purpose of delivery on its behalf; or
    - (c) habitually secures orders wholly and almost wholly for the Unitholder or for such other enterprises as are controlled by the Unitholder.



## Important Notice

The value of units in ESR-REIT ("Units") and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations, of ESR Funds Management (S) Limited ("Manager"), RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) ("Trustee"), or any of their respective related corporations and affiliates (individually and collectively "Affiliates"). An investment in Units is subject to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither ESR-REIT, the Manager, the Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of ESR-REIT, any particular rate of return from investing in ESR-REIT, or any taxation consequences of an investment in ESR-REIT. Any indication of ESR-REIT performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. This announcement may contain forward-looking statements that involve assumptions, 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 similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support future ESR-REIT business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.

This announcement is for informational purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this announcement is not to be construed as investment or financial advice, and does not constitute an offer or an invitation to invest in ESR-REIT or any investment or product of or to subscribe to any services offered by the Manager, the Trustee or any of the Affiliates.