

IREIT continues to exhibit portfolio resilience and generates 1.42 Singapore cents DPU for 3Q 2017

- ◆ Net property income for 3Q 2017 and 9M 2017 up 2.3% and 2.8% year-on-year, respectively
- ◆ 3Q 2017 DPU of S\$1.42 cents brings 9M 2017 DPU to S\$4.31 cents, representing an annualised yield of 7.5%¹
- ◆ First of four quarterly loan repayments of €1.275 million each made in August 2017
- ◆ Hedging undertaken for FY2018; formal hedging policy established

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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 a sturdy set of results for the third quarter of its financial year ended 30 September 2017 (3Q 2017).

Underpinned by firm rental contribution from its portfolio of five office assets in Germany, gross revenue and net property income increased by 1.7% and 2.3% year-on-year, respectively, to €8.7 million and €7.9 million for 3Q 2017. For the nine months ended 30 September 2017 (9M 2017), gross revenue and net property income stood at €26.3 million and €23.6 million, up 1.7% and 2.8% year-on-year, respectively.

Similarly, distributable income rose by 1.6% year-on-year for 3Q 2017 and 1.2% for 9M 2017. After income retention, distribution per unit (DPU) for 3Q 2017 amounted to €0.92 cents (S\$1.42 cents), relatively unchanged from €0.93 cents (S\$1.45 cents) achieved in the prior quarter. Based on IREIT's closing unit price of S\$0.765 on 30 September 2017, 9M 2017 DPU of S\$4.31 cents translates to an attractive annualised yield of approximately 7.5%.

¹ Based on IREIT's closing unit price of S\$0.765 on 30 September 2017



Mr Aymeric Thibord, the Chief Executive Officer of the Manager, said, “Sustained economic growth, healthy employment and favourable business prospects have continued to support the office sector in Germany, both in terms of leasing and investment.”

During the quarter, one of IREIT’s key tenants at Concor Park has exercised its prolongation option to extend its lease for another three years, one year ahead of its lease expiry. As at 30 September 2017, IREIT’s overall portfolio occupancy rate held steady at close to 100%, with a weighted average lease expiry of 5.3 years.

Mr Thibord added, “Looking ahead, we will forge ahead with our growth strategy to grow and diversify our portfolio across Europe to enhance IREIT’s long-term income and returns for unitholders.”

As IREIT progresses into the final quarter of 2017, it has undertaken further hedging in respect of its distribution for FY2018. In addition, IREIT have established a formal currency hedging policy for its income to be repatriated from overseas to Singapore starting from FY2019. This policy will be based on the use of currency forwards on a quarterly basis to hedge approximately 80% of the expected EUR-denominated income to be repatriated, one year in advance.

The €23.6 million term loan facility provided by HSH Nordbank AG has been restructured in early 2017. The first of the four quarterly repayments of €1.275 million each has been made in August 2017. The gradual reduction in borrowings via loan amortisation will improve the loan-to-value of IREIT’s assets and strengthen its balance sheet.

Financial Results Summary

	Quarter Ended 30 September			Nine Months Ended 30 September		
	3Q 2017 Actual	3Q 2016 Actual	Variance (%)	9M 2017 Actual	9M 2016 Actual	Variance (%)
Gross revenue (€'000)	8,692	8,543	1.7	26,266	25,815	1.7
Net property income (€'000)	7,851	7,678	2.3	23,583	22,934	2.8
Income available for distribution (€'000)	6,443	6,344	1.6	19,389	19,163	1.2
Income to be distributed to Unitholders ((€'000) ²)	5,799	6,344	(8.6)	17,450	19,163	(8.9)
Distribution per Unit						
- € cents	0.92	1.03	(10.7)	2.78	3.11	(10.6)
- S\$ cents ³	1.42	1.57	(9.6)	4.31	4.75	(9.3)

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 key German cities of Berlin, Bonn, Darmstadt, Münster and Munich with a total net lettable area of 200,673 sqm and 3,441 car park spaces.

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

² The 3Q 2017 and 9M 2017 distributions are in line with IREIT's distribution policy of distributing at least 90% of its annual distributable income.

³ The DPU in S\$ cents was computed after taking into consideration the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.



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ABOUT TIKEHAU CAPITAL

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

Tikehau Capital is an asset management and investment group which manages €11.1bn of assets, with shareholders' equity of €2.3bn as at 30 June 2017. The group invests in various asset classes (private debt, real-estate, private equity and liquid strategies), including through its asset management subsidiary Tikehau IM, on behalf of institutional and private investors. Controlled by its managers, alongside leading institutional partners, Tikehau Capital employs 175 staff in its Paris, London, Brussels, Madrid, Milan, Seoul and Singapore offices.

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

FOR FURTHER ENQUIRIES

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