



(a real estate investment trust constituted on 13 December 2012
under the laws of the Republic of Singapore)

RENT PAYABLE TO JTC CORPORATION IN RELATION TO SOLARIS

SB REIT Management Pte. Ltd., as manager of Soilbuild Business Space REIT ("**Soilbuild REIT**"), and the manager of Soilbuild REIT, the "**Manager**", wishes to announce that the Manager will be commencing proceedings in the High Court of Singapore for a determination regarding the amount of land rent payable to JTC Corporation ("**JTC**") in relation to the property known as Solaris which is located at 1 Fusionopolis Walk, Singapore 138628 (the "**Property**").

The Property was acquired by Soilbuild REIT on 16 August 2013 (the "**Completion Date**") and the rent payable to JTC comprised of (i) land rent of S\$405.10 per square metre ("**psm**") per annum and (ii) subterranean rent of S\$23.48 psm per annum (the "**Applicable Rates**"). In April 2014, JTC wrote to DBS Trustee Limited, in its capacity as trustee of Soilbuild REIT (the "**Trustee**"), to inform the Trustee that there was an error on the rent charged and alleging that the correct rent should be S\$855.00 psm per annum for the land rent and S\$70.00 psm per annum for the subterranean rent (the "**Revised Rates**"). Consequently, JTC is seeking to (i) adopt the Revised Rates and (ii) claim back payment to make up for the difference between the Revised Rates and the Applicable Rates with effect from the Completion Date.

The Manager does not agree with the imposition of the Revised Rates by JTC as it has relied on JTC's determination on the Applicable Rates and proceeded to complete the acquisition of the Property. After numerous attempts to resolve the issue with JTC, the Manager has decided to seek a determination of this matter in the Courts to resolve this in an impartial manner and to safeguard the interests of its unitholders.

Based on the difference between the Revised Rates and the Applicable Rates immediately after assignment, the additional rent would be approximately S\$3.5 million per annum (excluding GST). In the event that additional rent is payable, the property valuation of Solaris will be reduced from S\$300 million to S\$275 million based on a valuation by Colliers International Consultancy & Valuation Pte Ltd. This would reduce the net asset value per unit of Soilbuild REIT from S\$0.80 to S\$0.77 based on the financial statements of Soilbuild REIT as at 30 September 2014. However, the Property is leased to SB (Solaris) Investment Pte. Ltd. for a term of five years from the Completion Date under a triple net lease basis in which the lessee is required to pay all the land rent. Accordingly, Soilbuild REIT would not be required to pay such additional rent during the lease term and there will be no impact on the distributable income of Soilbuild REIT for the period up to 15 August 2018.

However, the Manager believes that it has a strong case based on the advice of its legal counsels.

Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited are the joint global coordinators, issue managers, bookrunners & underwriters of the initial public offering of Soilbuild Business Space REIT.

By Order of the Board
SB REIT Management Pte. Ltd.
(Company Registration No. 201224644N)
As Manager of Soilbuild Business Space REIT

Shane Hagan
Chief Executive Officer
16 January 2014

IMPORTANT NOTICE

The value of the Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by the Manager, DBS Trustee Limited (as trustee of Soilbuild REIT) or any of their respective affiliates.

An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of the Manager is not indicative of the future performance of the Manager.

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