



# ESR-REIT

## Investor Presentation

August 2019



# Contents

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**Key Takeaways**



**Overview of ESR-REIT**



**Key Investment Highlights**



**Appendix**



# Key Takeaways

*Top: UE BizHub EAST | Business Park  
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial  
Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial*



# Corporate Actions Undertaken in 2Q2019

The REIT undertook the following corporate actions in 2Q2019 to provide ample growth opportunities to further extract value for Unitholders in line with its long-term strategy

## Organic Growth

1. Plans to execute 2 x AEIs at 7000 AMK and UE BizHub EAST to be “future-ready”
  - a) Estimated yield on cost of up to 9%
  - b) Construction expected to commence in 4Q 2019 with limited downtime for both AEIs

## Capital Management

1. Announced Equity Fund Raising of up to S\$150.0 million to fund:
    - a) DPU accretive acquisition – PTC Logistics Hub
    - b) 2 x AEIs up to 9% yield on cost
    - c) Debt repayment to lower gearing
  2. Successfully raised S\$100.0 million at S\$0.515 per New Unit via a Private Placement
    - a) 8.3% discount to VWAP<sup>(1)</sup> and 6.7% discount to adjusted VWAP<sup>(2)</sup>
- Preferential Offering of up to S\$50.0 million to be launched**
- a) Details to be provided at a later date
  - b) Sponsor to demonstrate support by providing backstop for the offer<sup>(3)</sup>

2.5x covered

## Acquisition and Development Growth

1. DPU accretive acquisition of PTC Logistics Hub, a newly-completed, modern ramp-up warehouse
  - a) 10-year lease with fixed annual rental escalations lengthens WALE
2. Strategic partnership with PTC Logistics to provide real estate solutions for their business expansion



# 2Q2019 at a Glance



## Proactive Asset Management

- Healthy 91.0% occupancy, above JTC average of 89.3%<sup>(2)</sup>
- 2 AEIs planned for 7000 Ang Mo Kio Ave 5 and UE BizHub EAST
- Announced the acquisition of 48 Pandan Road (PTC Logistics Hub) and strategic partnership with PTC Logistics
- Divested 31 Kian Teck Way

## Prudent Capital Management

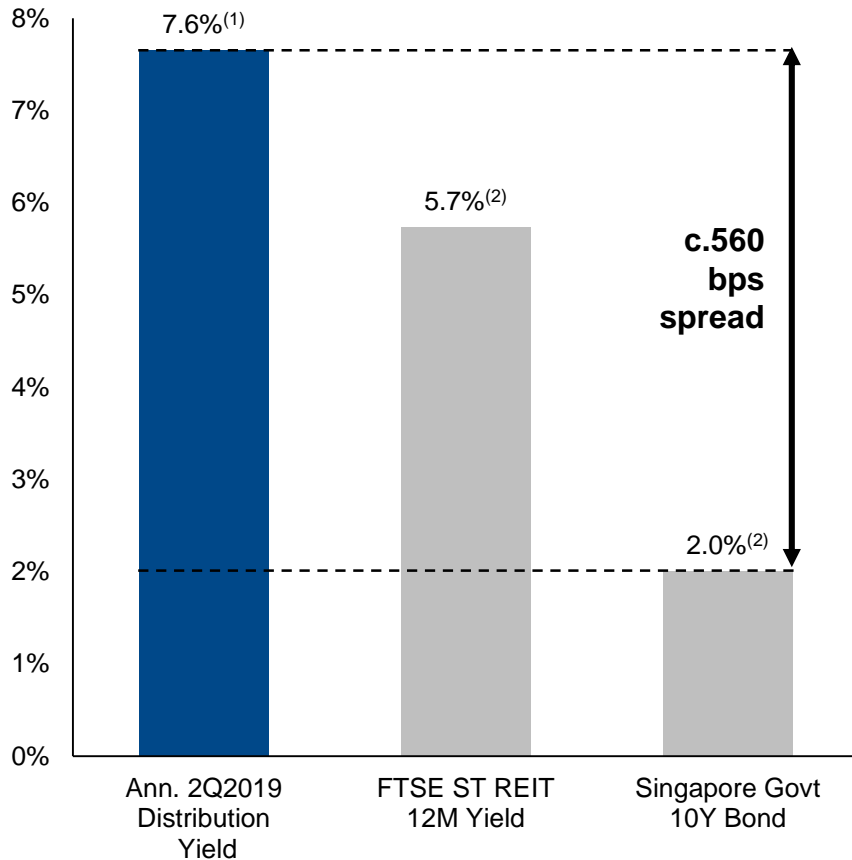
- Successfully completed S\$100.0m Private Placement on 18 June 2019 (2.5x subscribed)
- WADE<sup>(3)</sup> and WAFDE<sup>(4)</sup> at 3.1 and 2.9 years respectively
- 89.2% of interest rate exposure fixed for 2.9 years
- Portfolio remains 100% unencumbered
- No major refinancing requirements due in 2019

## Financial Performance

- Achieved 1.004 cents DPU for 2Q2019, a +0.3% increase y-o-y
- Advanced distribution of 0.945 cents will be paid on or around 26 July 2019<sup>(5)</sup>
- Achieved stable distributions with lower portfolio & capital structure risk, demonstrating effective execution of strategy

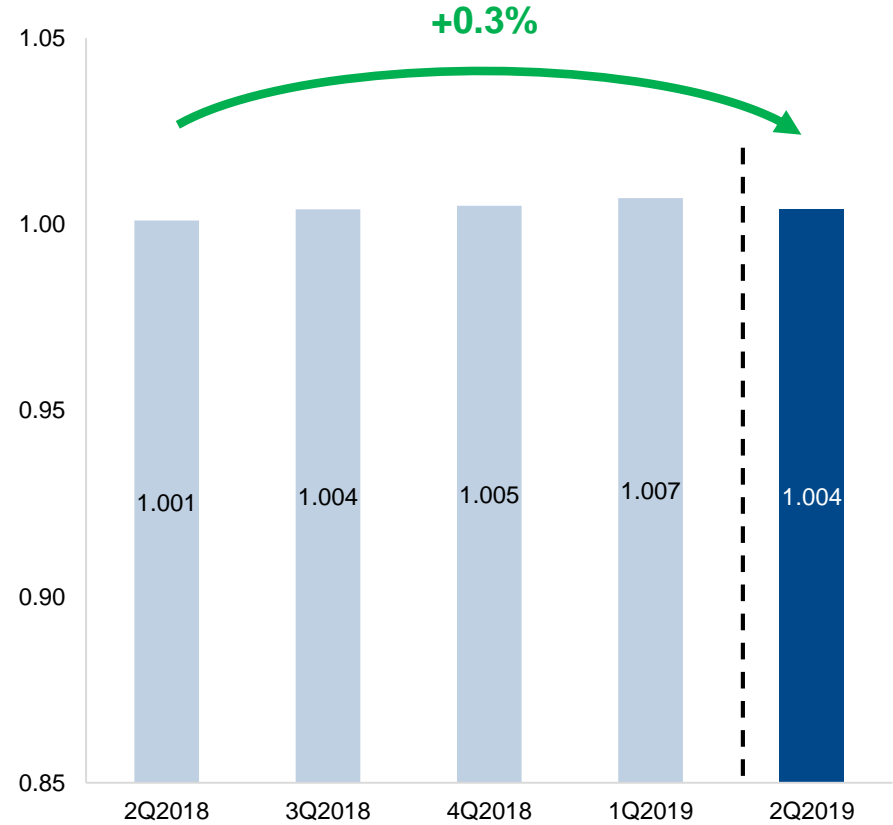
# Consistently Maintained Stable Distributions

Annualised Quarterly Distribution Yield (%)



**Attractive Distribution Yield...**

Quarterly Distribution Per Unit (cents)

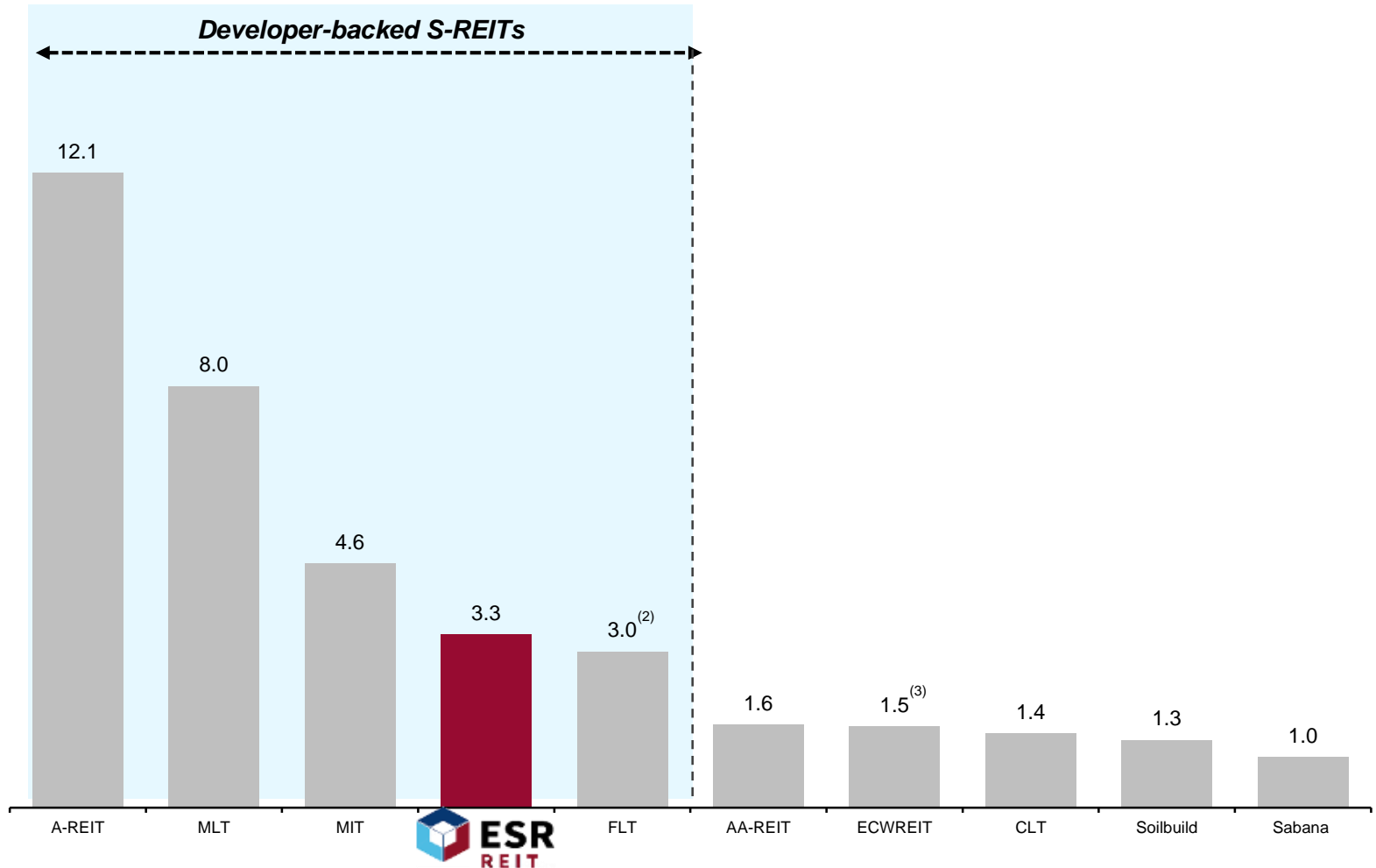


**Stabilising DPU**

# ESR-REIT is Amongst the Top 5 Industrial S-REITs

Industrial S-REITs Total Assets<sup>(1)</sup> (S\$ billion)

- In FY2018, ESR-REIT merged with Viva Industrial Trust and acquired 15 Greenwich Drive
- Total assets grew from S\$1.3b to S\$3.3b

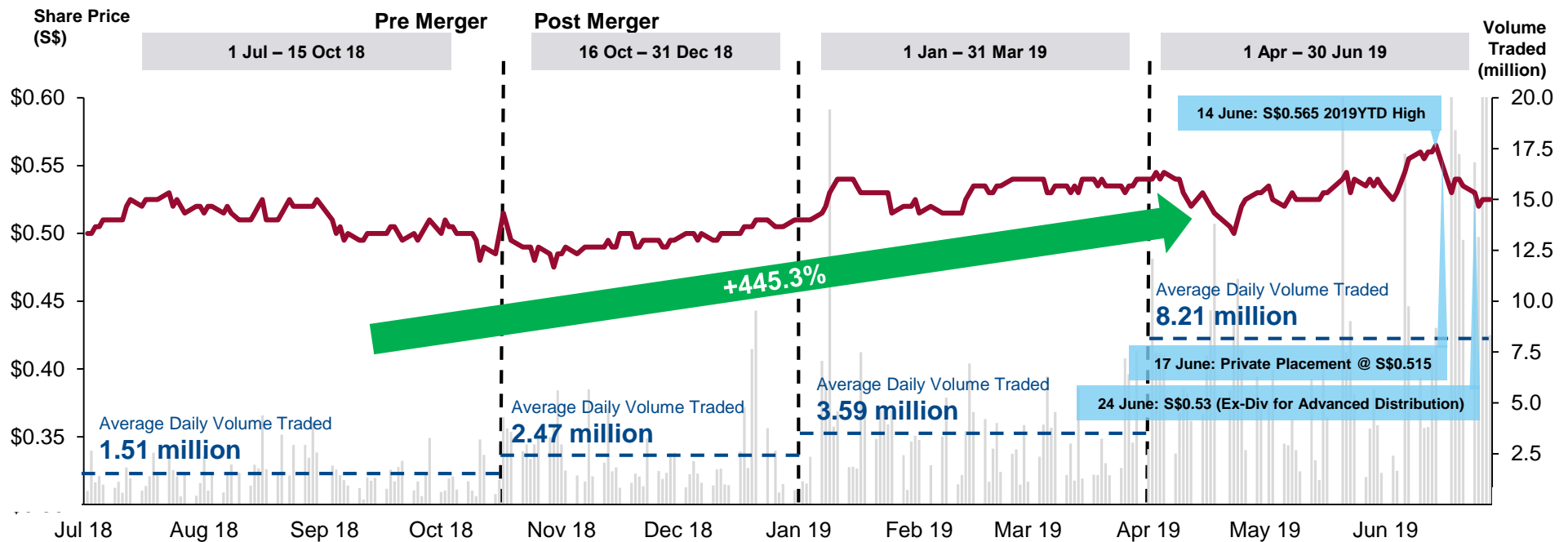


Notes: (1) As at 30 June 2019 (2) Assuming exchange rate of A\$1.00:S\$0.9429 as at 30 June 2019. (3) As at latest available information on 31 March 2019



# Broader Investor Base with Higher Trading Liquidity and Research Coverage

## Improved Trading Liquidity



## Well-Covered by Research Brokers



“Add”

TP<sup>(1)</sup>: S\$0.61



“Outperform”

TP<sup>(1)</sup>: S\$0.58



“Hold”

TP<sup>(1)</sup>: S\$0.52



“Buy”

TP<sup>(1)</sup>: S\$0.59



“Buy”

TP<sup>(1)</sup>: S\$0.58



“Buy”

TP<sup>(1)</sup>: S\$0.61



“Buy”

TP<sup>(1)</sup>: S\$0.58



Note:

(1) “TP” denotes target price.



# Overview of ESR-REIT



*Top: UE BizHub EAST | Business Park  
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial  
Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial*

# Real Estate Portfolio Highlights



Diversified portfolio of **56** properties across Singapore

Total GFA of approximately **14.0 million sqft**



Portfolio Occupancy

**91.0%**

Above JTC Average of 89.3%<sup>(1)</sup>



Asset Valuation

**S\$3.02 billion**<sup>(2)</sup>

**328** tenants

From different trade sectors



Located close to major transportation hubs and key industrial zones



Weighted Average Lease Expiry of

**3.6** years



Total assets

**S\$3.3 billion**<sup>(2)</sup>



Business Park



High-Specs Industrial



Logistics / Warehouse



General Industrial



# Well Located Portfolio Across Singapore

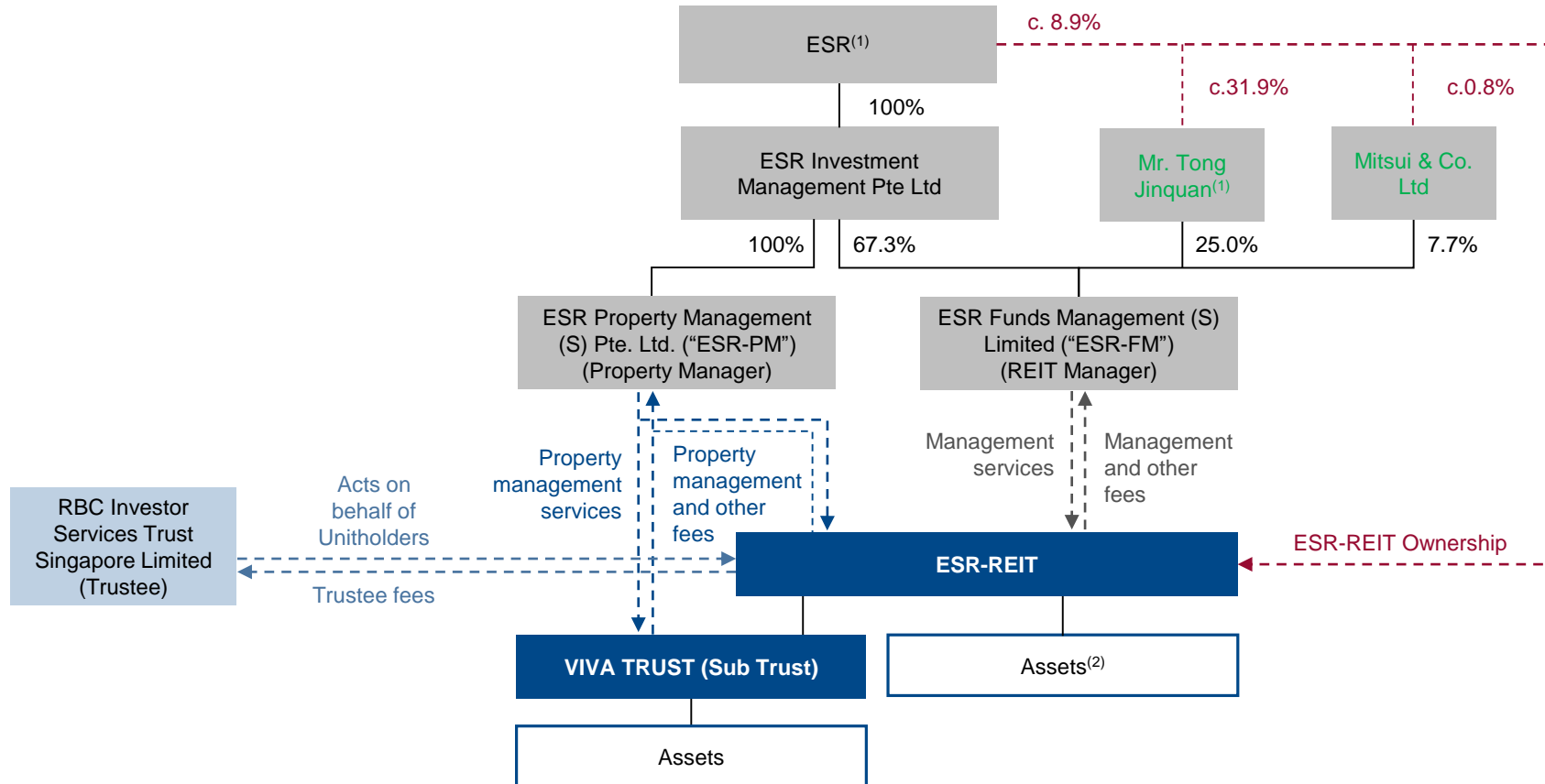
Portfolio of 56 assets totalling S\$3.02bn<sup>(1)</sup>, located close to major transportation hubs and within key industrial zones across Singapore



Note:  
 (1) Excludes PTC Logistics Hub as the acquisition is expected to complete in 3Q2019.

# Ownership Structure

**ESR has 67.3% stake in the REIT Manager, 100% stake in Property Manager and is the REIT's second largest unitholder with a c.8.9% REIT stake**



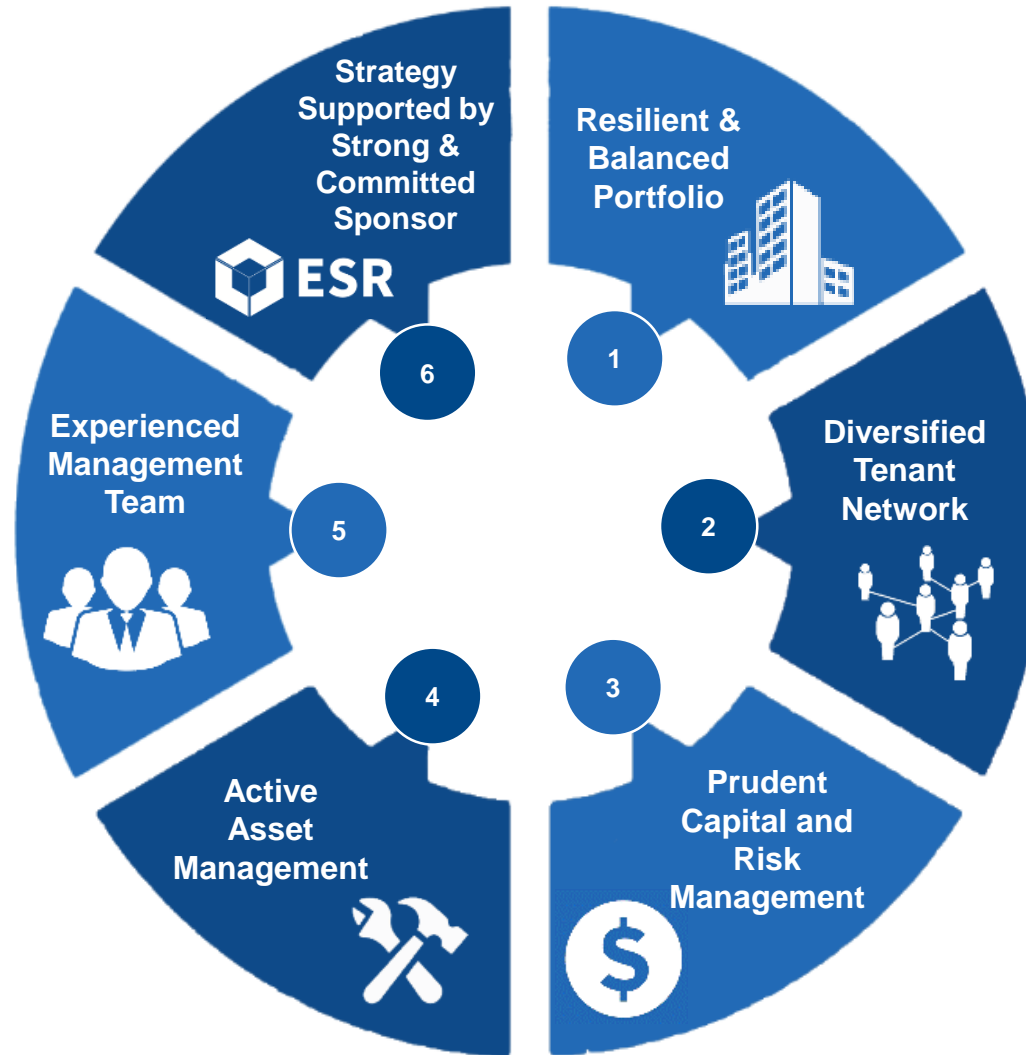


# Key Investment Highlights



*Top: UE BizHub EAST | Business Park  
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial  
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# Key Investment Highlights





# 1 Resilient & Balanced Portfolio

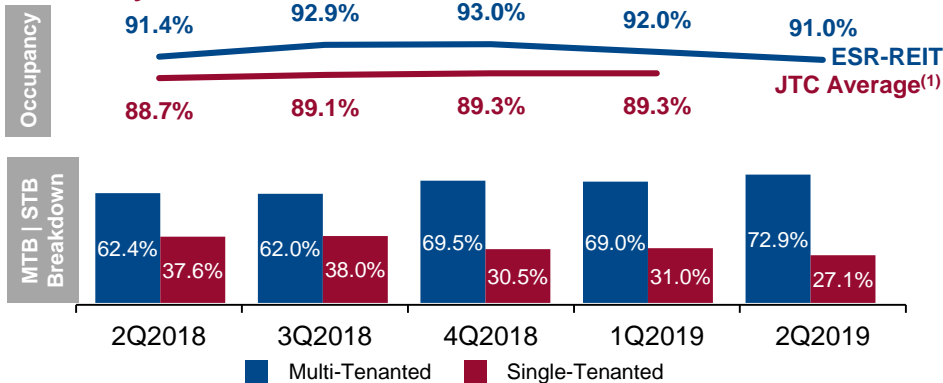


Top: UE BizHub EAST | Business Park  
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# 1 Stabilising and Diversified Portfolio Fundamentals

## Stabilised Occupancy and Consistently Above JTC Average

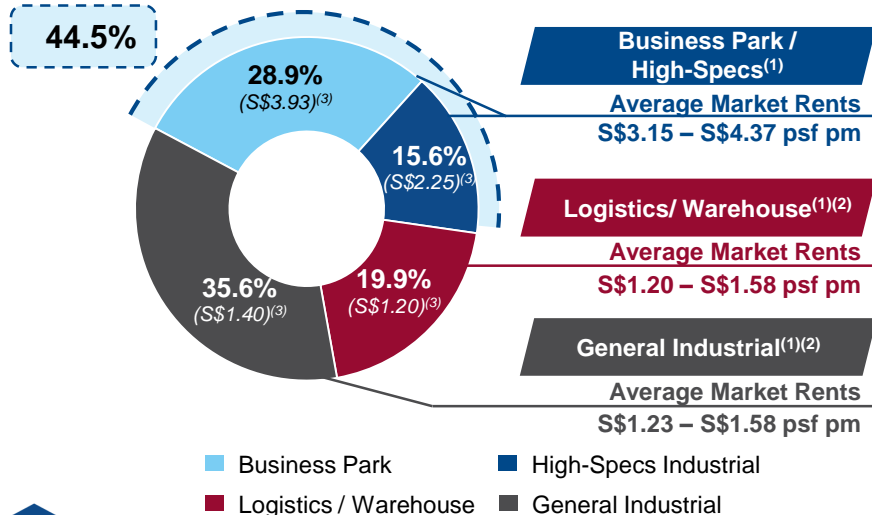
Occupancy fluctuations due to portfolio comprising c.73% MTBs by rental income



## Year-to-Date Rental Reversions

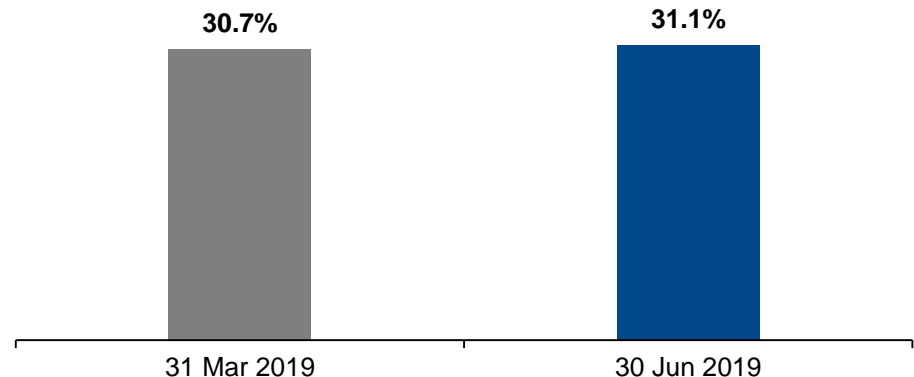


## Increased Exposure to Business Park & Hi-Specs Sector



## Top 10 Tenant Concentration Risk

Top 10 tenants account for 31.1% of rental income as at 30 Jun 2019

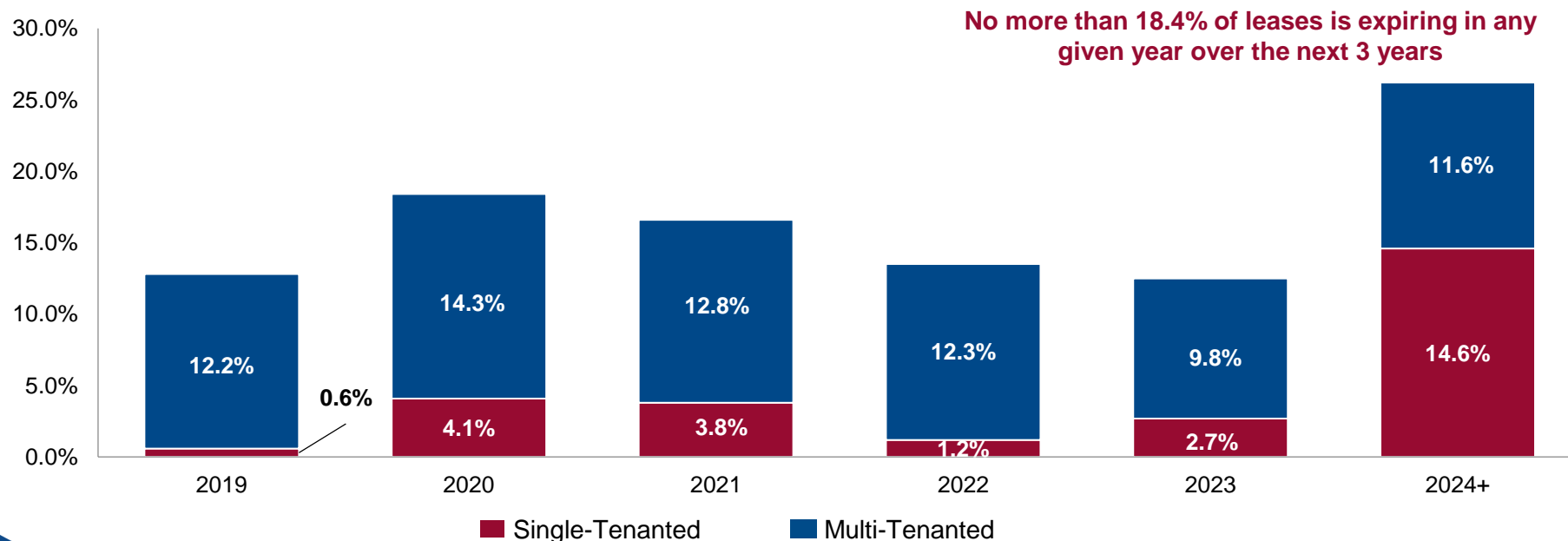




# 1 Proactive Lease Management

- Well-staggered WALE of 3.6 years
- Renewed and leased approximately 327,700 sqft of space in 2Q2019, bringing the total leased area to 725,300 sqft for YTD2Q2019
  - Total lease expiry concentration for MTBs reduced from 16.0% to 12.2%
- Tenant retention rate of 54.7%<sup>(1)</sup>
- Divestment of 31 Kian Teck Way completed in 2Q2019 at above valuation

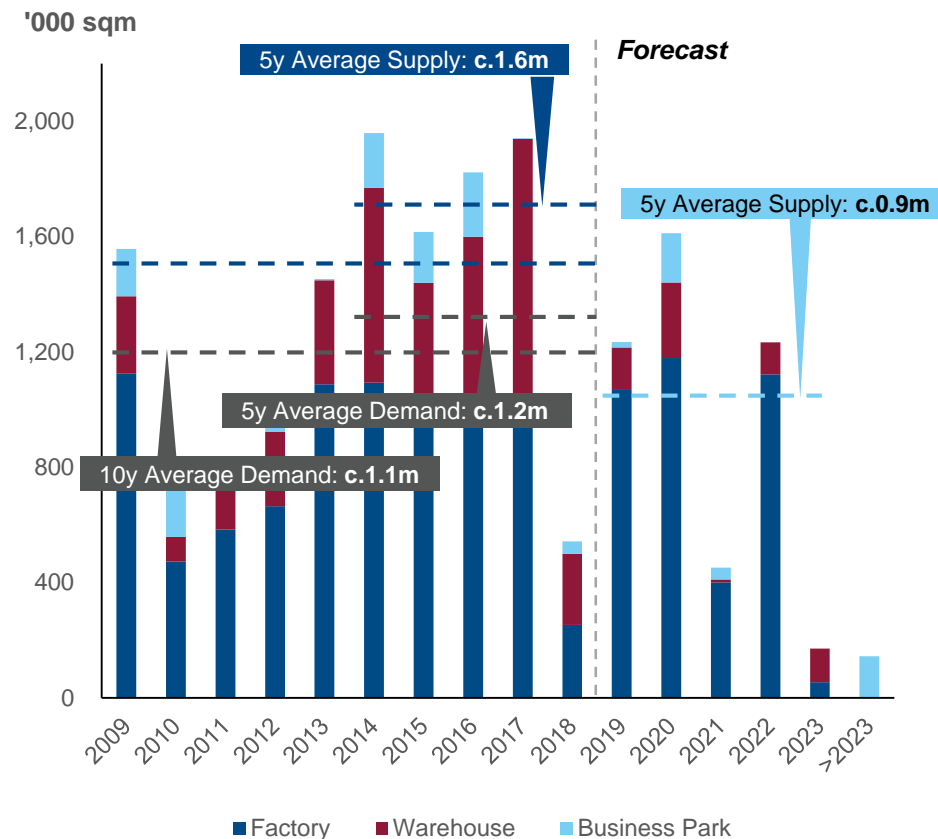
## WALE by Rental Income (as at 30 Jun 2019)



# 1 Industrial Property Market Outlook

- Singapore's GDP grew by 0.1% on a y-o-y basis in 2Q2019, slightly lower than the 1.1% growth in the previous quarter<sup>(1)</sup>**
  - GDP growth for 2019 is expected to moderate between 1.5% to 2.5% as compared to 2018
  - On a quarter-on-quarter seasonally-adjusted annualised basis, the economy shrank by 3.4%. All three sectors of services, construction and manufacturing saw a reduction.
- Stabilising industrial market, overall market remains unchanged compared to previous quarter**
  - Occupancy rate of overall industrial property market for 1Q2019<sup>(2)</sup> remained stable at 89.3%, no change from the previous quarter and a 0.3% increase from the previous year
  - Prices and rental of industrial space remained relatively stable. Price index fell marginally by 0.1% while rental index remained flat compared to last quarter<sup>(2)</sup>
  - 1.2 million sqm of industrial space is expected to come on-stream, representing c.3% of current industrial stock<sup>(2)</sup>
- Industrial market expects to remain competitive due to macroeconomic uncertainties resulting in increased risk-averse behaviour amongst industrialists on the demand-side in the short-to-medium term**
  - The continued global trade tension and resulting uncertainties have started impacting industrialists' profitability, thereby increasing risk-averse behaviour

## Average Supply of Industrial Space<sup>(2)</sup>

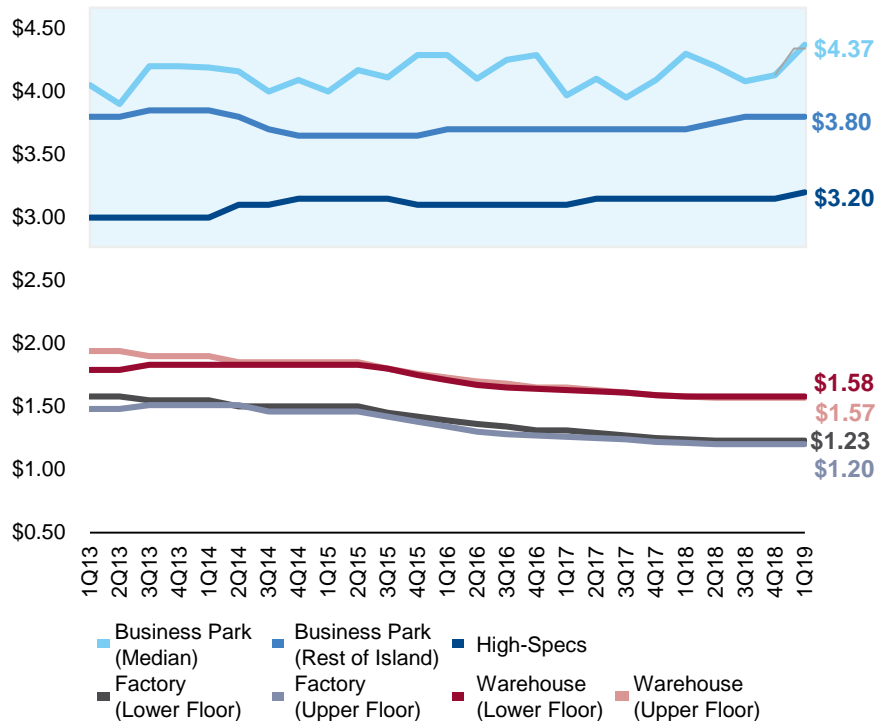


# 1

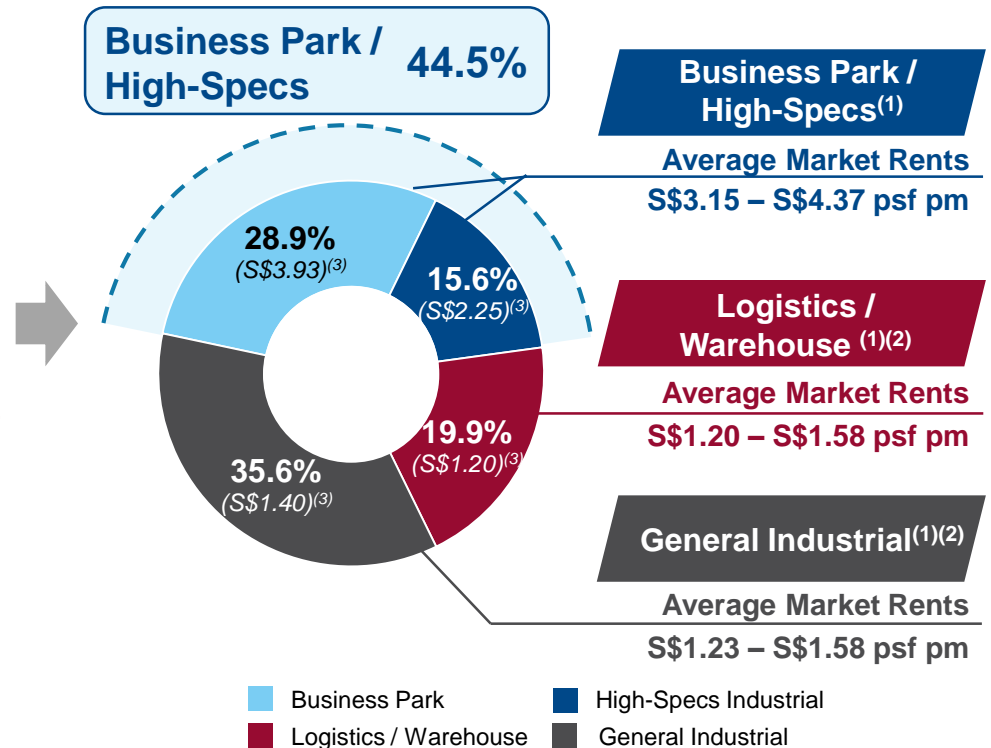
## In Sub-Sectors with Favourable Demand/ Supply Dynamics

- 44.5% of properties in Business Parks/High-Specs Sector with favourable demand/supply dynamics
- Provides additional flexibility to conduct AEs on ESR-REIT's identified assets
  - Ensure industrial spaces are "future-ready" to meet the demands of the "industrialists-of-tomorrow"

Average Industrial Rents (\$ / sqft / month)<sup>(1)</sup>



Asset Class Breakdown by Rental Income



# 1 Divested 31 Kian Teck Way at Above Valuation



## Benefits of the Divestment



In line with Manager's proactive asset management strategy to rejuvenate ESR-REIT's portfolio



Divest lower-yield non-core properties



Improve the quality of ESR-REIT's portfolio and optimise returns for Unitholders



Divested at 1.7% premium above Book Value of Property

<b>Location</b>	31 Kian Teck Way, Singapore 628751
<b>Asset Type</b>	General Industrial
<b>Gross Floor Area</b>	33,088.2 sq ft
<b>Valuation</b> (as at 31 December 2018)	S\$5.7 m
<b>Sale Consideration</b>	S\$5.8 m (excluding divestment costs and applicable goods and services tax)
<b>Remaining Term of Lease</b>	23.3 years <sup>(1)</sup>
<b>Acquisition Date</b>	25 Jul 2006



## 2 Diversified Tenant Network

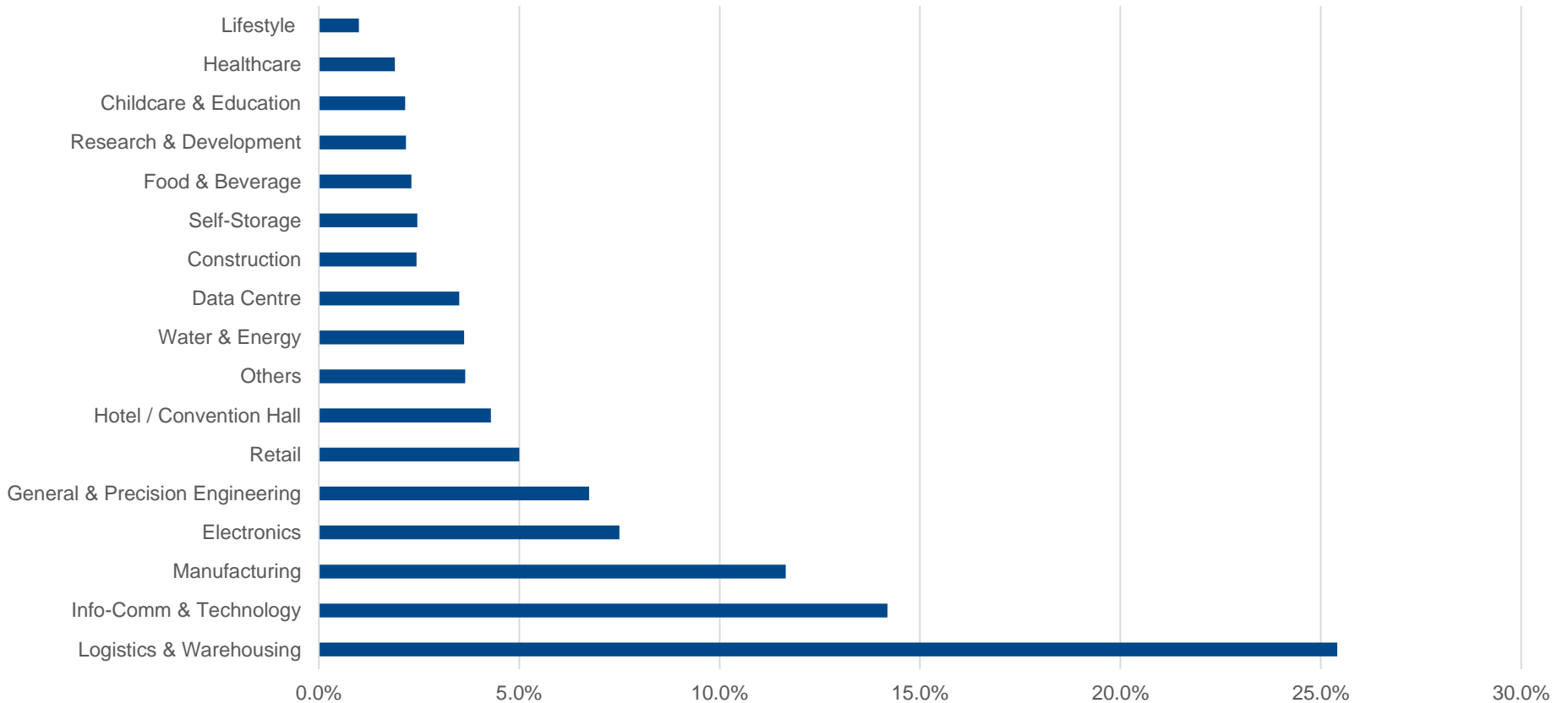
Top: UE BizHub EAST | Business Park  
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial  
Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial



## 2 Diversified Tenant Base and Trade Sectors

No individual trade sector accounts for more than 25.4% of ESR-REIT's Rental Income

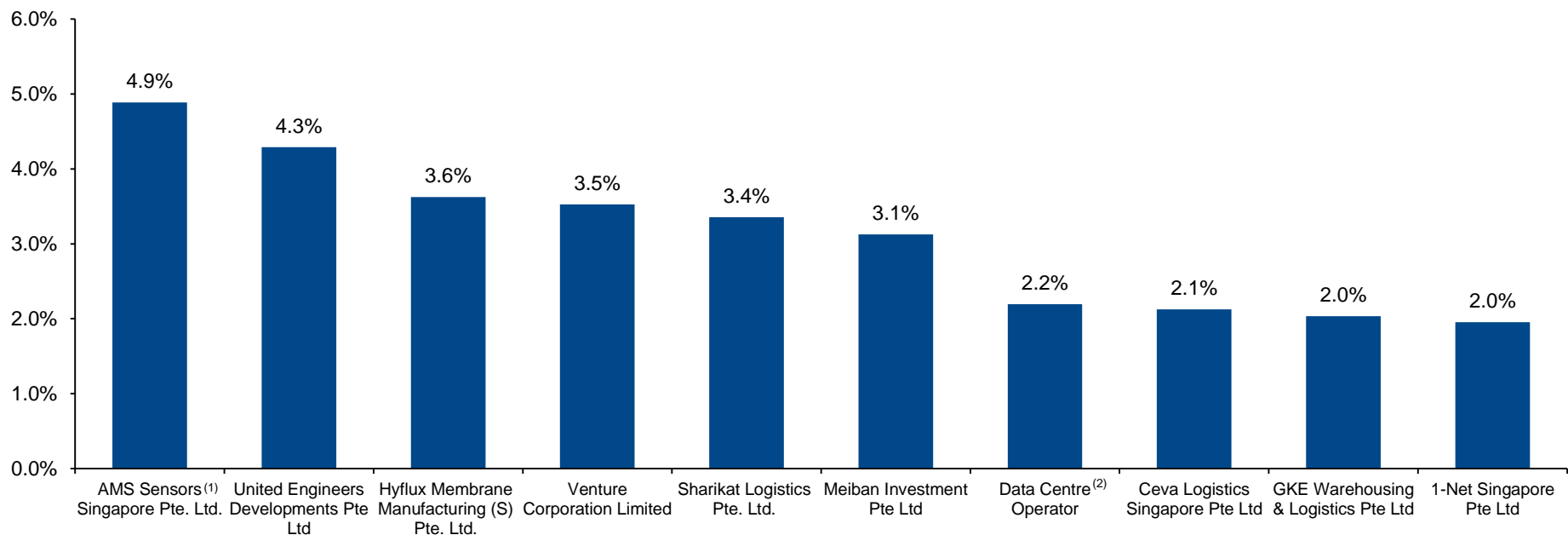
Breakdown by Trade Sectors (by Rental Income) (as at 30 Jun 2019)



# 2 Reduced Tenant Concentration Risks

Top 10 tenants account for 31.1% of rental income (as at 30 Jun 2019)

Top 10 Tenants by Rental Income (as at 30 Jun 2019)





# 3 Prudent Capital Management



Top: UE BizHub EAST | Business Park  
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial  
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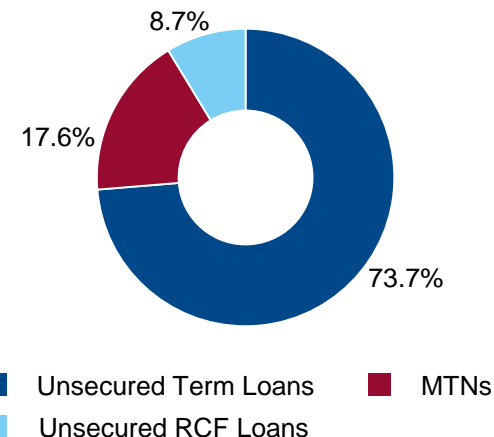
# 3 Key Capital Management Indicators

- **WADE and WAFDE at 3.1 years and 2.9 years respectively**
- **89.2% of interest rate exposure is fixed for 2.9 years**

	As at 30 Jun 2019	As at 31 Mar 2019
Total Gross Debt (S\$ million)	1,193.6	1,279.6
Debt to Total Assets (%)	39.0 <sup>(1)</sup>	42.0 <sup>(1)</sup>
Weighted Average All-in Cost of Debt (%) p.a.	3.98	3.99
Weighted Average Debt Expiry ("WADE") (years)	3.1	2.8
Interest Coverage Ratio (times)	3.5	3.7
Interest Rate Exposure Fixed (%)	89.2	83.2
Weighted Average Fixed Debt Expiry ("WAFDE") (years)	2.9	2.8
Proportion of Unencumbered Investment Properties (%)	100	100
Gearing Headroom (S\$ million)	333.9	168.7
Undrawn Available Committed Facilities (S\$ million)	140.0	15.0

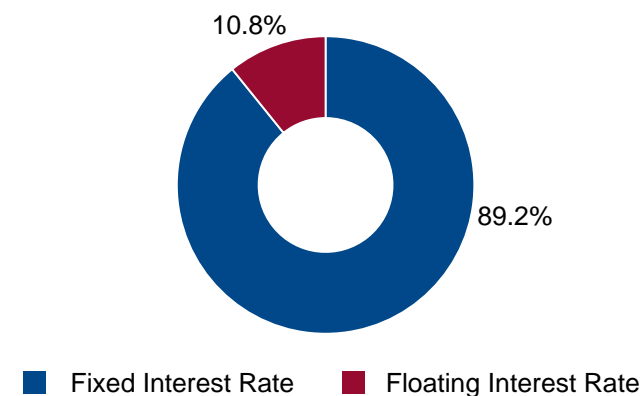
## Breakdown of Debt (as at 30 Jun 2019)

Total Debt of S\$1,193.6m



## Interest Rate Exposure Fixed (%)

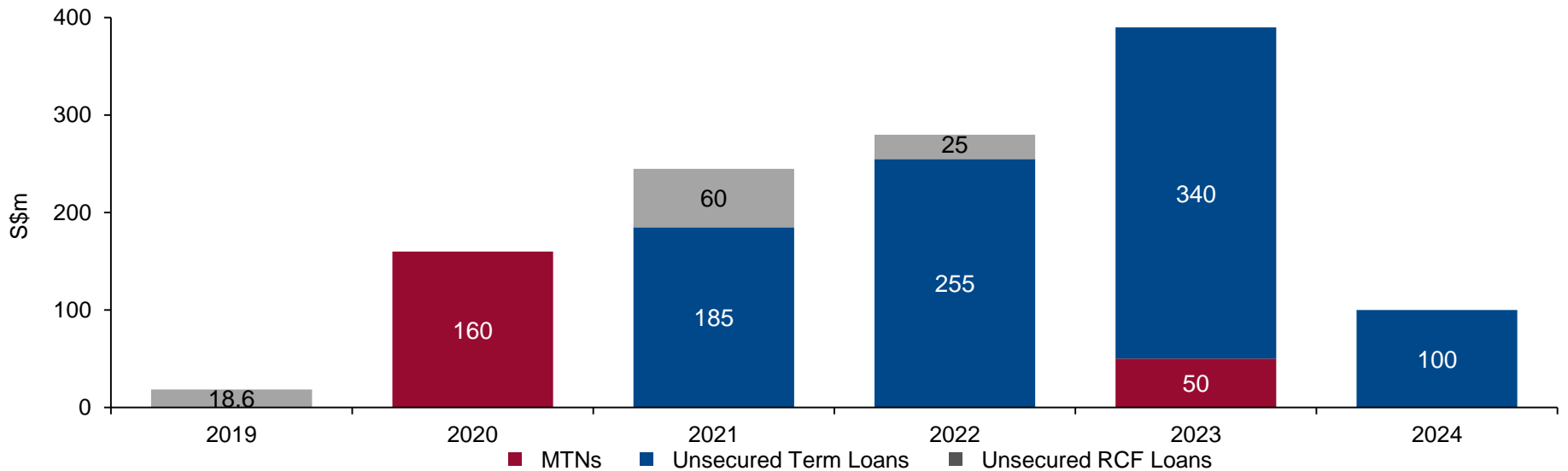
89.2% of interest rate exposure fixed for 2.9 years



# 3 Well-Staggered Debt Maturity Profile

- **On 17 June 2019, announced Equity Fund Raising (“EFR”) of up to S\$150 million:**
  - On 18 June 2019, the REIT successfully raised S\$100.0 million at S\$0.515 per New Unit at 8.3% discount to VWAP<sup>(1)</sup> and 6.7% discount to adjusted VWAP<sup>(2)</sup> via a Private Placement
  - Preferential Offering of up to S\$50.0 million to be launched; details to be provided at a later date
    - Sponsor to demonstrate support by providing backstop for the offer<sup>(3)</sup>
- **WADE<sup>(4)</sup> as at 30 June 2019 was 3.1 years**
- **No major refinancing requirements due in 2019**

## Debt Maturity Profile (as at 30 Jun 2019)



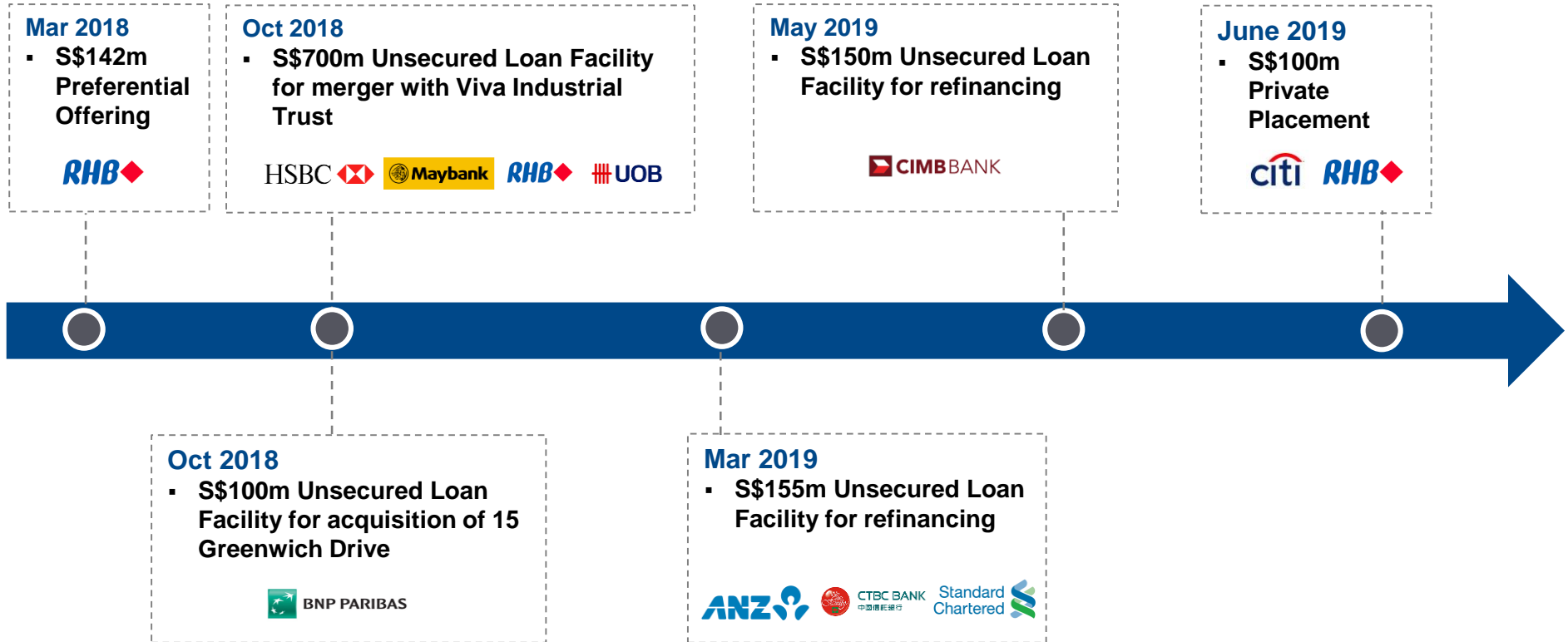
% of Debt Expiring	2019	2020	2021	2022	2023	2024
	1.5	13.4	20.5	23.5	32.7	8.4



Notes: (1) Volume Weighted Average Price (VWAP) of S\$0.5616 per Unit as per announcement dated 17 June 2019. (2) Adjusted VWAP of S\$0.5521 per Unit as per announcement dated 17 June 2019. (3) Subject to relevant approvals to be obtained. (4) Weighted Average Debt Expiry.

# 3 Successful Capital Raisings

We have successfully tapped into new pools of capital during the year and broadened our banking relationships



ESR-REIT has no major refinancing requirements for 2019

# 4 Active Asset Management



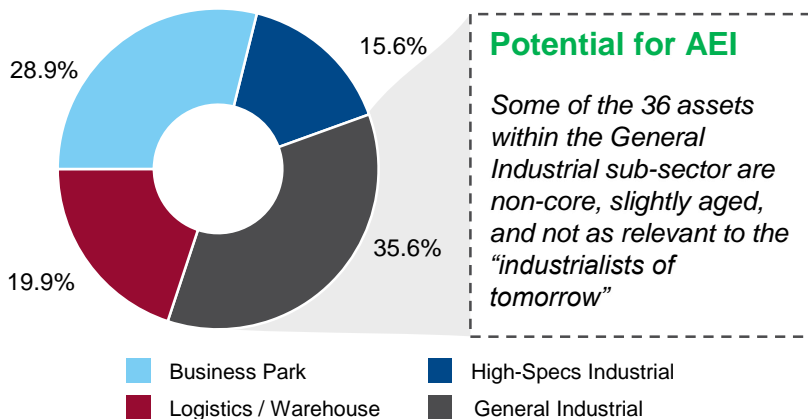
Top: UE BizHub EAST | Business Park  
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# 4 Unlocking Further Asset Value Through AEIs to Rejuvenate Assets to Become “Future-Ready”

## Potential for AEI in the “General Industrial” Sub-sector

(As at 30 Jun 2019)



Post non-core divestment, rejuvenation and potential acquisitions, the proportion of General Industrial sub-sector is expected to decrease to <30%



Upgrading and improvement of building specifications



Change of building use to align with current market trends



Redevelopment & amalgamation of adjacent sites to enjoy economies of scale

**Case Study:**  
30 Marsiling Industrial Estate Road 8  
Conversion from General Industrial to High-Specs



- Upgrading of the asset from General Industrial to High-Specs industrial
- 100% occupied over the next 5 years
- 2 quality tenants from high-value added manufacturing sectors
- AEI completed on time (9 months) and within cost estimates

**TOP in Jan 2019**

## AEI Opportunities within Portfolio

Up to 7 ESR-REIT assets identified for AEIs over the next 3 years

– Includes c.1 million<sup>(1)</sup> sqft of unutilized plot ratio

**A**

### Unlocking Value in Unutilized Plot Ratio



7000 Ang Mo Kio Avenue 5  
c.495,000 sqft untapped GFA  
(High-Specs Industrial)



3 Tuas South Avenue 4  
c.500,000 sqft untapped GFA  
(General Industrial)

**B**

### Rejuvenation of Assets



16 Tai Seng Avenue<sup>(2)</sup>  
(High-Specs Industrial)



UE BizHub EAST  
(Business Park)



# 4 Executing 2 AEIs to Become “Future-Ready” Proposed New-Built Development at 7000 AMK

## A Unlocking Value in Unutilized Plot Ratio at 7000 Ang Mo Kio Avenue 5 (7000 AMK)



Developing a brand new high-specs industrial building with an appealing modern façade



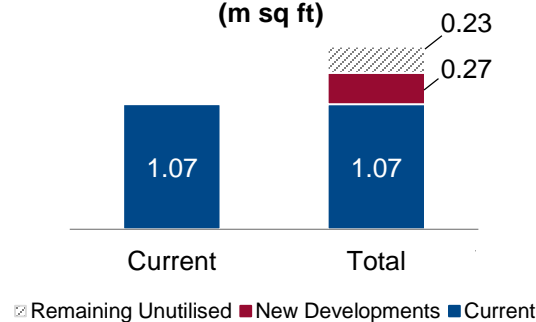
### Details of the Proposed AEI

- Brand new GFA of c.270,000 sq ft of high-specification industrial space
- Increase plot ratio from 1.7 to 2.1
- Limited down-time: property will remain fully operational
- Construction expected to commence in 4Q2019 and take 18 to 24 months to complete

### Future Potential

- Remaining GFA of c.225,000 sq ft for further development in the future

Gross Floor Area (m sq ft)



Utilising untapped plot ratio at 7000 AMK to develop a modern high-specification industrial facility to attract high value tenants

7000 AMK’s AEI will allow the asset to be “future-ready” and provide Unitholders with sustainable income and NAV growth over the long term

# 4 Executing 2 AEIs to Become “Future-Ready” Rejuvenation of UE BizHub EAST

B Rejuvenation works estimated at S\$10 million, expected to complete by 4Q 2020



Rejuvenation works to attract quality tenants in the Changi Business Park precinct by improving traffic flow, ease of navigation and accessibility

## Details of the Proposed AEI

- Limited down-time: property will remain fully operational
- Construction expected to commence in 4Q2019 and take an estimated 12 months to complete

AEI will rejuvenate, refresh and reinforce its position as Singapore’s leading business park in the East, allowing UEBH to continue to attract and retain quality tenants





# 5 Experienced Management Team



Top: UE BizHub EAST | Business Park  
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial  
Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial

# 5 Experienced Management Team

Experienced Professionals with Proven Track Record and Real Estate Expertise

## Board of Directors

**Ooi Eng Peng**  
*Independent Chairman*

**Adrian Chui**  
*CEO and Executive Director*

**Wilson Ang**  
*Non-Executive Director*

**Jeffrey David Perlman**  
*Non-Executive Director*

**Tong Jinquan**  
*Non-Executive Director*

**Leong Horn Kee**  
*Independent Non-Executive Director*

**Bruce Kendle Berry**  
*Independent Non-Executive Director*

**Stefanie Yuen Thio**  
*Independent Non-Executive Director*

**Ronald Lim**  
*Independent Non-Executive Director*

**Philip John Pearce**  
*Non-Executive Director*

## Management Team



**Adrian Chui**  
*CEO and Executive Director*



**Lawrence Chan**  
*CFO*



**Nancy Tan**  
*Head of Real Estate*



**Charlene-Jayne Chang**  
*Head of Capital Markets and Investor Relations*



**Loy York Ying**  
*Head of Compliance and Risk Management*

The management of ESR-REIT has collective experience of more than 60 years in the real estate and financial services industries



# 6 Strategy Supported by Strong & Committed Sponsor



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# 6 Targeted Strategy To Deliver Returns

**3** areas targeted to deliver stable and value-added returns to Unitholders on the back of an increasingly stabilised supply environment; adding on to already resilient ESR-REIT portfolio



**UNITHOLDERS ENJOY SUSTAINABLE RETURNS**

Value-Enhancing Asset Acquisitions

**3**



- ✓ Continue to pursue sensible acquisitions (eg individual assets, portfolio acquisitions and/or M&A) which are value-adding to REIT

Flexibility to Optimize Assets Through AEIs

**2**



- ✓ Almost all non-core assets divested
- ✓ Up to 7 properties identified for AEI over next 3 years
- ✓ c.1m sqft of unutilised plot ratio identified

Operational Synergies and Economies of Scale via Integration of Enlarged Portfolio

**1**



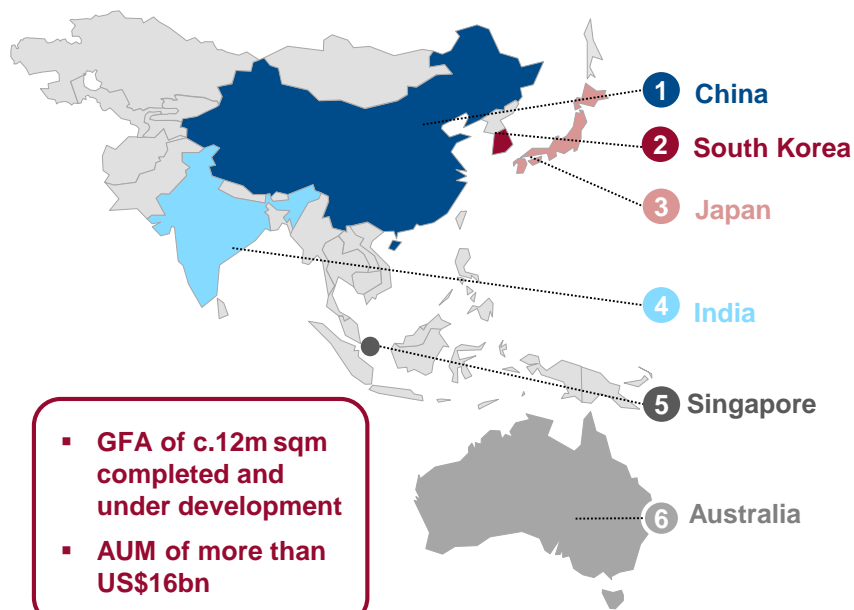
- ✓ Wider product suite for tenants and leasing
- ✓ Reduced property expenses
- ✓ Reduced cost of funding

# 6 ESR Group<sup>(1)</sup>: Strong Developer Sponsor



- Largest APAC focused logistics real estate platform by GFA and by value<sup>(2)(3)</sup>, and has the largest development pipeline in aggregate across the major APAC markets
- Backed by some of the world's preeminent investors including Warburg Pincus, APG, SK Holdings, JD.com, CLSA, Goldman Sachs, CPPIB, Ping An and Allianz Real Estate

## ESR Group's Regional Presence



### China

ESR has established a leading market position in the PRC, with one of the largest logistics property portfolios in Greater Shanghai, Greater Beijing and Greater Guangzhou.

### South Korea

ESR builds, operates and invests in modern logistics facilities in Greater Seoul and Busan markets. It is the largest owner of logistics stocks and has the largest development pipeline in the Seoul Metropolitan Area.

### Japan

ESR is a top institutional operator in Japan with the largest development pipeline in the Greater Tokyo and Greater Osaka regions. It is also a leading landlord for 3PL providers.

### India

With an initial focus on Tier 1 cities, ESR launched its India platform to capitalise on the growing demand for larger industrial facilities in modern logistics parks.

### Singapore

- Invested in ESR-REIT, an early industrial S-REIT player with c.14.1m sqft of GFA across key industrial zones
- c.9% stake in ESR-REIT; c.67% stake in ESR-REIT Manager and 100% stake in its Property Manager

### Australia

ESR Australia was officially launched in 2018. ESR's Australian business includes Commercial & Industrial Property, a property development group, and Propertylink, which owns and manages a portfolio of Australian industrial, business park and office properties.



Notes: Information above as of 31 December 2018.

(1) ESR Cayman Limited and its subsidiaries. (2) Source: JLL market report. (3) Includes assets owned directly and by the funds and investment vehicles ESR Manages



# 6 Committed to Supporting ESR-REIT's Growth

- ESR-REIT has “first look” on more than US\$16bn of ESR Group’s portfolio of assets in an increasingly asset scarce environment for quality logistics assets
- REIT’s overseas exposure will be in countries where ESR has a footprint and established “on the ground” expertise



## ESR Group’s Demonstration of Support for ESR-REIT



Payment of S\$62.0m for the VI-REIT Manager to facilitate the Merger with Viva Industrial Trust



Financial commitment to grow ESR-REIT via S\$125.0m backstop in March 2018 Preferential Offering and S\$50.0m backstop for upcoming Preferential Offering

### Selected properties from ESR’s regional portfolio



China



South Korea



Japan



Notes: Information above as of 31 December 2018.

# Conclusion

ESR-REIT's portfolio and capital risks continue to reduce while distributions continue to be stable...

1



## Stabilised Portfolio provides ample opportunity for REIT to Pursue Organic Growth

- Attractive distribution yield of 7.6%
- Healthy occupancy at 91% and stable WALE at 3.6 years
- Improving portfolio metrics supports effective execution of strategies to optimise returns for unitholders

2



## Continue the REIT's strategy to Strengthen Quality of Portfolio

- DPU accretive acquisition of PTC Logistics Hub, a high quality, newly-completed modern ramp-up warehouse
- Strategic partnership with PTC to provide real estate solutions for their business expansion
- Focus on accretive AEI works in 7000 AMK and UE BizHub EAST with targeted completion by 4Q 2021 and 4Q 2020 respectively
- Divested 31 Kian Teck Way at above valuation

3



## Prudent Capital Management

- Reduced risks to our capital structure by improving WADE<sup>(1)</sup>, WAFDE<sup>(2)</sup>, and having a higher proportion of interest rate exposure fixed
- No major refinancing requirements due in 2019
- Broader investor base with higher trading liquidity and research coverage

...with opportunities for organic growth and strengthening of portfolio quality to be future-ready

# Appendix



*Top: UE BizHub EAST | Business Park  
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial  
Bottom: 30 Marsiling Industrial Estate Road 8 | High-Specs Industrial*



# 2Q2019 vs 2Q2018 Financial Results

	2Q2019 (S\$ million)	2Q2018 (S\$ million)	+ / (-) (%)	
Gross Revenue <sup>(1)(2)</sup>	63.8	32.5	95.9	↑
Net Property Income ("NPI") <sup>(1)(2)</sup>	47.8	23.4	103.9	↑
Distributable Income <sup>(3)</sup>	28.3	14.0	101.1	↑
Distribution from Other Gains <sup>(4)</sup>	3.8	1.8	112.4	↑
Total Distribution to Unitholders	32.1	15.8	102.4	↑
<b>Distribution Per Unit ("DPU") (cents)</b>	<b>1.004</b>	<b>1.001</b>	<b>0.3</b>	<b>↑</b>

Notes:

- (1) Higher gross revenue and NPI mainly due to the contributions from the acquisition of 15 Greenwich, Viva Trust's portfolio of 9 properties after the Merger in Oct 2018 and the leasing up of 30 Marsiling and rental escalations from the existing property portfolio. The growth was partially offset by the lease conversion from single to multi-tenancy for certain properties.
- (2) Includes straight line rent adjustment of S\$1.1 million (2Q2018: S\$0.3 million).
- (3) Includes management fees payable in units of S\$2.1 million for 2Q2019. All management fees for 2Q2018 were paid in cash.
- (4) Capital gains from disposal of investment properties in prior years and ex-gratia payments received from Singapore Land Authority in connection with the compulsory acquisitions of land in prior years.

# 1H2019 vs 1H2018 Financial Results

	1H2019 (S\$ million)	1H2018 (S\$ million)	+ / (-) (%)	
Gross Revenue <sup>(1)(2)</sup>	128.6	66.2	94.4	↑
Net Property Income (“NPI”) <sup>(1)(2)</sup>	96.4	47.2	104.2	↑
Distributable Income <sup>(3)</sup>	58.1	27.5	111.6	↑
Distribution from Other Gains <sup>(4)</sup>	5.9	1.8	229.8	↑
Total Distribution to Unitholders	64.0	29.3	118.7	↑
<b>Distribution Per Unit (“DPU”) (cents)</b>	<b>2.011</b>	<b>1.848</b>	<b>8.8</b>	<b>↑</b>

Notes:

- (1) Higher gross revenue and NPI mainly due to the contributions from the acquisition of 15 Greenwich, Viva Trust's portfolio of 9 properties after the Merger in Oct 2018 and the leasing up of 30 Marsiling and rental escalations from the existing property portfolio. The growth was partially offset by the lease conversion from single to multi-tenancy for certain properties.
- (2) Includes straight line rent adjustment of S\$1.3 million (1H2018: S\$0.7 million).
- (3) Includes management fees payable in units of S\$4.3 million for 1H2019. All management fees for 1H2018 were paid in cash.
- (4) Capital gains from disposal of investment properties in prior years and ex-gratia payments received from Singapore Land Authority in connection with the compulsory acquisitions of land in prior years.

# Financial Position

	As at 30 Jun 2019 (S\$ million)	As at 31 Mar 2019 (S\$ million)
Investment Properties <sup>(1)</sup>	3,022.1	3,025.3
Right-of-use of Leasehold Land (FRS 116)	226.6	226.6
Other Assets	38.4	24.4
<b>Total Assets</b>	<b>3,287.1</b>	<b>3,276.3</b>
Total Borrowings (net of debt transaction costs)	1,182.9	1,269.6
Lease Liabilities for Leasehold Land (FRS 116)	226.6	226.6
Non-Controlling Interest	61.1	61.1
Other Liabilities	119.7	82.4
<b>Total Liabilities</b>	<b>1,590.3</b>	<b>1,639.7</b>
<b>Net Assets Attributable to:</b>		
- Perpetual Securities Holders	151.1	152.8
- Unitholders	1,545.7	1,483.8
No. of Units (million)	3,379.4	3,173.8
<b>NAV Per Unit (cents)</b>	<b>45.7</b>	<b>46.8</b>



# Key Portfolio Statistics

	As at 30 Jun 2019	As at 31 Mar 2019	As at 30 Jun 2018
Number of Properties	56	57	47
Valuation (S\$ million) <sup>(1)</sup>	3,016.2	3,021.9	1,652.2
GFA (million sqft)	14.0	14.1	9.7
NLA (million sqft)	12.5	12.6	8.9
Weighted Average Lease Expiry (“WALE”) (years)	3.6	3.7	4.5
Weighted Average Land Lease Expiry (years) <sup>(2)</sup>	32.7	33.0	34.0
Occupancy (%)	91.0	92.0	91.4
Number of Tenants	328	336	197
Security Deposit (months)	6.3	6.3	6.8

# ESR-REIT Portfolio Details

## Business Park



16 International Business Park

Asset type	Business Park
Valuation	S\$31.3m
Term of lease	60.0 years
Remaining land lease	37.4 years
NLA (sqft)	69,258
Lease type	Master Lease



Viva Business Park

Asset type	Business Park
Valuation	S\$322.8m
Term of lease	43.0 years
Remaining land lease	11.9 years
NLA (sqft)	1,134,067
Lease type	Multi-Tenanted



UE BizHub EAST

Asset type	Business Park
Valuation	S\$531.0m
Term of lease	60.0 years
Remaining land lease	48.9 years
NLA (sqft)	654,353
Lease type	Multi-Tenanted

## High Specs Industrial



2 Jalan Kilang Barat

Asset type	Hi-Specs Industrial
Valuation	S\$27.4m
Term of lease	99.0 years
Remaining land lease	43.3 years
NLA (sqft)	67,667
Lease type	Multi-Tenanted



11 Chang Charn Road

Asset type	Hi-Specs Industrial
Valuation (S\$m)	S\$29.8m
Term of lease	99.0 years
Remaining land lease	37.8 years
NLA (sqft)	73,745
Lease type	Multi-Tenanted



12 Ang Mo Kio Street 65

Asset type	Hi-Specs Industrial
Valuation	S\$38.2m
Term of lease	60.0 years
Remaining land lease	31.6 years
NLA (sqft)	166,124
Lease type	Multi-Tenanted



16 Tai Seng Street

Asset type	Light Industrial
Valuation	S\$58.5m
Term of lease	60.0 years
Remaining land lease	48.3 years
NLA (sqft)	182,729
Lease type	Multi-Tenanted



21/23 Ubi Road 1

Asset type	Hi-Specs Industrial
Valuation	S\$36.7m
Term of lease	60.0 years
Remaining land lease	37.9 years
NLA (sqft)	148,055
Lease type	Multi-Tenanted



30 Marsiling Industrial Estate Road 8

Asset type	General Industrial
Valuation	S\$47.5m
Term of lease	60.0 years
Remaining land lease	30.7 years
NLA (sqft)	190,365
Lease type	Multi-Tenanted



7000 Ang Mo Kio Ave 5

Asset type	Hi-Specs Industrial
Valuation	S\$305.4m <sup>(1)</sup>
Term of lease	62.0 years
Remaining land lease	37.9 years
NLA (sqft)	819,323
Lease type	Multi-Tenanted

# ESR-REIT Portfolio Details (cont'd)

## Logistics & Warehouse



1 3<sup>rd</sup> Lok Yang Rd & 4 4<sup>th</sup> Lok Yang Rd

Asset type	Logistics & Warehouse
Valuation	S\$11.4m
Term of lease	30.0 years
Remaining land lease	12.7 years
NLA (sqft)	114,111
Lease type	Master Lease



6 Chin Bee Ave

Asset type	Logistics & Warehouse
Valuation	S\$94.3m
Term of lease	30.0 years
Remaining land lease	24.6 years
NLA (sqft)	324,166
Lease type	Master Lease



25 Changi South Ave 2

Asset type	Logistics & Warehouse
Valuation	S\$12.6m
Term of lease	60.0 years
Remaining land lease	35.6 years
NLA (sqft)	72,998
Lease type	Master Lease



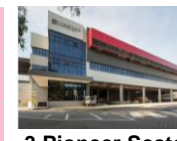
30 Pioneer Road

Asset type	Logistics & Warehouse
Valuation	S\$54.0m
Term of lease	30.0 years
Remaining land lease	17.9 years
NLA (sqft)	281,101
Lease type	Master Lease



160 Kallang Way

Asset type	Logistics & Warehouse
Valuation	S\$26.3m
Term of lease	60.0 years
Remaining land lease	13.9 years
NLA (sqft)	322,604
Lease type	Master Lease



3 Pioneer Sector 3

Asset type	Logistics & Warehouse
Valuation	S\$95.8m
Term of lease	60.0 years
Remaining land lease	31.7 years
NLA (sqft)	645,499
Lease type	Multi-Tenanted



3C Toh Guan Road East

Asset type	Logistics & Warehouse
Valuation	S\$30.5m
Term of lease	60.0 years
Remaining land lease	31.9 years
NLA (sqft)	173,102
Lease type	Multi-Tenanted



4/6 Clementi Loop

Asset type	Logistics & Warehouse
Valuation	S\$44.1m
Term of lease	60.0 years
Remaining land lease	34.5 years
NLA (sqft)	255,560
Lease type	Multi-Tenanted



15 Greenwich Drive

Asset type	Logistics & Warehouse
Valuation	S\$98.0m
Term of lease	30.0 years
Remaining land lease	22.7 years
NLA (sqft)	453,005
Lease type	Multi-Tenanted



24 Jurong Port Road

Asset type	Logistics & Warehouse
Valuation	S\$91.7m
Term of lease	42.0 years
Remaining land lease	17.9 years
NLA (sqft)	737,817
Lease type	Multi-Tenanted



# ESR-REIT Portfolio Details (cont'd)

## General Industrial



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$22.0m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	41.9/46.7 years
<b>NLA (sqft)</b>	125,870
<b>Lease type</b>	Master Lease

**1/2 Changi North Street 2**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$36.3m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	39.8 years
<b>NLA (sqft)</b>	217,351
<b>Lease type</b>	Master Lease

**2 Tuas South Ave 2**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$43.0m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	40.1 years
<b>NLA (sqft)</b>	315,522
<b>Lease type</b>	Master Lease

**3 Tuas South Ave 4**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$14.3m
<b>Term of lease</b>	29.5 years
<b>Remaining land lease</b>	18.5 years
<b>NLA (sqft)</b>	98,864
<b>Lease type</b>	Master Lease

**5/7 Gul Street 1**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$115.0m
<b>Term of lease</b>	46.0 years
<b>Remaining land lease</b>	35.0 years
<b>NLA (sqft)</b>	768,201
<b>Lease type</b>	Master Lease

**8 Tuas South Lane**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$10.0m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	39.3 years
<b>NLA (sqft)</b>	71,581
<b>Lease type</b>	Master Lease

**9 Tuas View Crescent**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$17.4m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	36.6 years
<b>NLA (sqft)</b>	96,625
<b>Lease type</b>	Master Lease

**11 Woodlands Walk**



<b>Asset type</b>	Light Industrial
<b>Valuation</b>	S\$84.0m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	36.4 years
<b>NLA (sqft)</b>	253,058
<b>Lease type</b>	Master Lease

**11 Ubi Road 1**



<b>Asset type</b>	Light Industrial
<b>Valuation</b>	S\$63.0m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	10.1 years
<b>NLA (sqft)</b>	348,103
<b>Lease type</b>	Multi-Tenanted

**11 Lor 3 Toa Payoh**



<b>Asset type</b>	Light Industrial
<b>Valuation</b>	S\$20.0m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	38.1 years
<b>NLA (sqft)</b>	112,601
<b>Lease type</b>	Multi-Tenanted

**11 Serangoon North Ave 5**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$36.9m
<b>Term of lease</b>	28.0 years
<b>Remaining land lease</b>	16.0 years
<b>NLA (sqft)</b>	245,172
<b>Lease type</b>	Master Lease

**13 Jalan Terusan**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$47.8m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	48.5 years
<b>NLA (sqft)</b>	120,556
<b>Lease type</b>	Master Lease

**19 Tai Seng Avenue**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$16.4m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	33.9 years
<b>NLA (sqft)</b>	76,003
<b>Lease type</b>	Master Lease

**21B Senoko Loop**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$14.9m
<b>Term of lease</b>	30.0 years
<b>Remaining land lease</b>	16.5 years
<b>NLA (sqft)</b>	120,653
<b>Lease type</b>	Master Lease

**22 Chin Bee Drive**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$16.4m
<b>Term of lease</b>	58.0 years
<b>Remaining land lease</b>	47.9 years
<b>NLA (sqft)</b>	76,003
<b>Lease type</b>	Master Lease

**25 Pioneer Crescent**

# ESR-REIT Portfolio Details (cont'd)

## General Industrial



Asset type	General Industrial
Valuation	S\$13.6m
Term of lease	60.0 years
Remaining land lease	20.7 years
NLA (sqft)	159,338
Lease type	Master Lease

28 Senoko Drive



Asset type	General Industrial
Valuation	S\$17.3m
Term of lease	60.0 years
Remaining land lease	36.6 years
NLA (sqft)	131,859
Lease type	Master Lease

28 Woodlands Loop



Asset type	Light Industrial
Valuation	S\$33.4m
Term of lease	60.0 years
Remaining land lease	48.1 years
NLA (sqft)	85,070
Lease type	Master Lease

29 Tai Seng Street



Asset type	Light Industrial
Valuation	S\$39.3m
Term of lease	32.0 years
Remaining land lease	20.2 years
NLA (sqft)	139,525
Lease type	Master Lease

30 Teban Gardens Crescent



Asset type	Light Industrial
Valuation	S\$61.0m
Term of lease	60.0 years
Remaining land lease	36.4 years
NLA (sqft)	292,944
Lease type	Multi-Tenanted

30 Toh Guan Road



Asset type	General Industrial
Valuation	S\$12.0m
Term of lease	60.0 years
Remaining land lease	35.9 years
NLA (sqft)	59,697
Lease type	Master Lease

31 Changi South Ave 2



Asset type	General Industrial
Valuation	S\$12.1m
Term of lease	60.0 years
Remaining land lease	35.0 years
NLA (sqft)	75,579
Lease type	Master Lease

31 Tuas Ave 11



Asset type	General Industrial
Valuation	S\$16.4m
Term of lease	30.0 years
Remaining land lease	18.9 years
NLA (sqft)	122,836
Lease type	Master Lease

43 Tuas View Circuit



Asset type	General Industrial
Valuation	S\$12.2m
Term of lease	60.0 years
Remaining land lease	36.4 years
NLA (sqft)	63,530
Lease type	Multi-Tenanted

45 Changi South Avenue 2



Asset type	Hi-Specs Industrial
Valuation	S\$23.2m
Term of lease	60.0 years
Remaining land lease	37.2 years
NLA (sqft)	116,761
Lease type	Multi-Tenanted

54 Serangoon North Ave 4



Asset type	General Industrial
Valuation	S\$4.3m
Term of lease	30.0 years
Remaining land lease	16.0 years
NLA (sqft)	44,675
Lease type	Master Lease

60 Tuas South Street 1



Asset type	Light Industrial
Valuation	S\$9.2m
Term of lease	30.0 years
Remaining land lease	22.6 years
NLA (sqft)	53,729
Lease type	Master Lease

70 Seletar Aerospace View



Asset type	General Industrial
Valuation	S\$11.4m
Term of lease	60.0 years
Remaining land lease	40.9 years
NLA (sqft)	67,942
Lease type	-

79 Tuas South Street 5



Asset type	General Industrial
Valuation	S\$28.0m
Term of lease	60.0 years
Remaining land lease	47.3 years
NLA (sqft)	107,567
Lease type	Master Lease

81 Tuas Bay Drive



Asset type	General Industrial
Valuation	S\$44.7m
Term of lease	60.0 years
Remaining land lease	35.7 years
NLA (sqft)	237,229
Lease type	Multi-Tenanted

86/88 International Rd

# ESR-REIT Portfolio Details (cont'd)

## General Industrial



<b>Asset type</b>	Light Industrial
<b>Valuation</b>	S\$15.2m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	32.7 years
<b>NLA (sqft)</b>	89,626
<b>Lease type</b>	Multi-Tenanted

**130 Joo Seng Road**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$40.3m
<b>Term of lease</b>	58.0 years
<b>Remaining land lease</b>	35.9 years
<b>NLA (sqft)</b>	219,781
<b>Lease type</b>	Multi-Tenanted

**120 Pioneer Road**



<b>Asset type</b>	Light Industrial
<b>Valuation</b>	S\$11.8m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	33.1 years
<b>NLA (sqft)</b>	73,760
<b>Lease type</b>	Multi-Tenanted

**128 Joo Seng Road**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$18.0m
<b>Term of lease</b>	27.0 years
<b>Remaining land lease</b>	21.5 years
<b>NLA (sqft)</b>	86,075
<b>Lease type</b>	Master Lease

**160A Gul Circle**



<b>Asset type</b>	Light Industrial
<b>Valuation</b>	S\$12.8m
<b>Term of lease</b>	60.0 years
<b>Remaining land lease</b>	31.5 years
<b>NLA (sqft)</b>	78,189
<b>Lease type</b>	Multi-Tenanted

**136 Joo Seng Road**



<b>Asset type</b>	General Industrial
<b>Valuation</b>	S\$26.1m
<b>Term of lease</b>	59.0/60.0 years
<b>Remaining land lease</b>	35.2/34.7 years
<b>NLA (sqft)</b>	200,562
<b>Lease type</b>	Multi-Tenanted

**511/513 Yishun Industrial Park A**



# Important Notice

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**This material shall be read in conjunction with ESR-REIT's results announcements for the financial period ended 30 June 2019.**

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