PRESS RELEASE
28 February 2017

IREIT Global delivers stable performance for 4Q 2016 and DPU of 6.33 Singapore cents for FY 2016

Financial Results Summary

	4Q 2016 vs 3Q 2016			FY 2016 vs FY 2015		
	4Q 2016 Actual	**3Q 2016 Actual**	**Variance (%)**	**FY 2016 Actual**	**FY 2015 Actual**	**Variance (%)**
Gross revenue (€'000)	**8,584**	**8,543**	**0.5**	**34,399**	**26,924**	**27.8**
Net property income (€'000)	**7,922**	**7,678**	**3.2**	**30,856**	**24,029**	**28.4**
Distributable income (€'000)	**6,387**	**6,344**	**0.7**	**25,550**	**20,782**	**22.9**
Available distribution per Unit						
- € cents	**1.03**	**1.03**	**-**	**4.14**	**3.39**	**22.1**
- S$ cents[1]	**1.58**	**1.57**	**0.6**	**6.33**	**5.24**	**20.8**

IREIT Global Group Pte. Ltd., as the manager (the "Manager") of IREIT Global ("IREIT"), is pleased to announce a distribution per unit ("DPU") of 1.58 Singapore cents for 4Q 2016, a marginal increase as compared to 3Q 2016. Together with the DPU of 1.57 Singapore cents achieved for 3Q 2016, a DPU of 3.15 Singapore cents for the period from 1 July 2016 to 31 December 2016 will be paid to unitholders.

The performance for FY 2016 benefited significantly from the full-year contribution of the Berlin Campus, which was acquired in August 2015. Net property income for FY 2016 increased by 28.4% from the year before. On the back of the increase in net property income, distributable income came in at €25.6 million, which was 22.9% higher than that for FY 2015. This resulted in a DPU of 6.33 Singapore cents for FY 2016, an increase of 20.8% year-on-year. Based on IREIT's closing unit price of S$0.715 as at the end of FY 2016, the DPU for FY 2016 translates to an attractive annualised yield of approximately 8.9%.

Mr Aymeric Thibord, Chief Executive Officer of IREIT said, "Our portfolio continues to deliver steady performance for the fourth quarter and FY2016. This demonstrates the stability of IREIT's portfolio, underpinned by its freehold quality assets, long stable leases and diversified blue chip client base. On a full year basis, the results were boosted by the additional income derived from the strategic acquisition of the Berlin Campus."

[1] The DPU was computed after taking into consideration the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.

Operational and Financial Review

As at 31 December 2016, IREIT's total portfolio occupancy rate stood at close to 100% and the weighted average lease expiry was 5.9 years. The aggregate asset valuation of IREIT's portfolio, comprising 5 properties in Germany, increased to €453.0 million as at 31 December 2016 vis-à-vis a year ago as at 31 December 2015 of €441.4 million.

Deutsche Telekom's real estate leasing subsidiary, GMG GeneralmietgesellschaftmbH, will be vacating one out of the six floors it currently occupies in the Münster South Building, from 1 April 2017. The release of the space presents an opportunity for IREIT to convert the building into a multi-tenant building. The introduction of new tenants into this asset is in line with IREIT's strategy to retain its blue-chip tenants as the core base, while continuing to broaden its tenant profile.

During 4Q 2016, the CPI-linked hurdle rate for the rental adjustment in respect of the Bonn Campus was reached. This has allowed the Bonn Campus to enjoy a 10% increase in its gross rental income from December 2016 onwards.

In terms of capital management, as previously announced, 100% of IREIT's expected distributable income for 2017 has been hedged at an average exchange rate of approximately S$1.55 per Euro. A term loan facility of €23.6 million is due to mature in August 2017. The Manger has received credit approval from the lending bank to extend the maturity date of the facility by one year with partial amortisation, and is now in the process of finalising the legal documentation. A separate announcement with further details will be provided in due course.

Looking Ahead

The Manager is now part of Tikehau Capital, a pan-European asset management and investment company supported by shareholders' equity of €1.5 billion and directly or indirectly manages assets of over €9.9 billion as at 31 December 2016. These assets include €1.7 billion worth of real estate in the office, retail and industrial sectors which are managed by its regulated asset management company, Tikehau Investment Management SAS.

In order for IREIT to leverage on Tikehau Capital's pan-European network, experience and expertise across the various real estate sectors, the Manager will be seeking the approval of unitholders to broaden IREIT's investment mandate to invest in income-producing real estate beyond the office sector, into the retail and industrial (including logistics) sectors. The geographical focus of IREIT's investments shall remain as Europe. Further details will be provided to unitholders in due course.

Mr Thibord added, "We are confident that the proposed broadening of the investment mandate will be beneficial to IREIT in achieving its objectives of long-term portfolio growth and greater asset and tenant diversification."

IREIT's distribution policy has been to distribute 100% of its annual distributable income up to 31 December 2016 and thereafter, at least 90% of its annual distributable income for each financial year. The actual level of distribution will be determined at the Manager's discretion. Going forward, the Manager intends to exercise its discretion as appropriate, taking into account IREIT's funding requirements, other capital management considerations (including any needs for loan amortisations) and the overall stability of distributions.

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About IREIT Global

IREIT Global (SGX-UD1U) which was listed on 13 August, 2014, is the first Singapore listed REIT established with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe that is primarily used for office purposes, as well as real estate-related assets.

IREIT Global's portfolio comprises five freehold properties strategically located in the key German cities of Berlin, Bonn, Darmstadt, Münster and Munich with net lettable area of 200,673 sqm and 3,441 car park spaces.

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Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.