



ESR-REIT Investor Presentation

August 2019



Contents



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⁽¹⁾ and 6.7% discount to adjusted VWAP⁽²⁾
- 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⁽³⁾

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%⁽²⁾
- 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

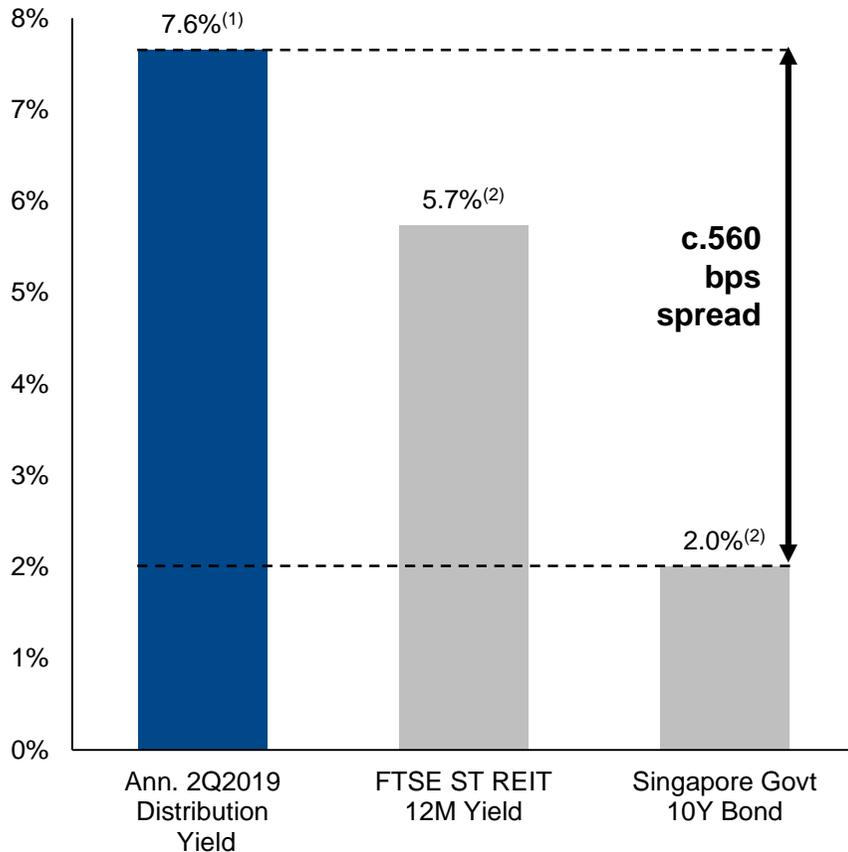
- Successfully completed S\$100.0m Private Placement on 18 June 2019 (2.5x subscribed)
- WADE⁽³⁾ and WAFDE⁽⁴⁾ at 3.1 and 2.9 years respectively
- 89.2% of interest rate exposure fixed for 2.9 years
- Portfolio remains 100% unencumbered
- No major refinancing requirements due in 2019

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⁽⁵⁾
- Achieved stable distributions with lower portfolio & capital structure risk, demonstrating effective execution of strategy

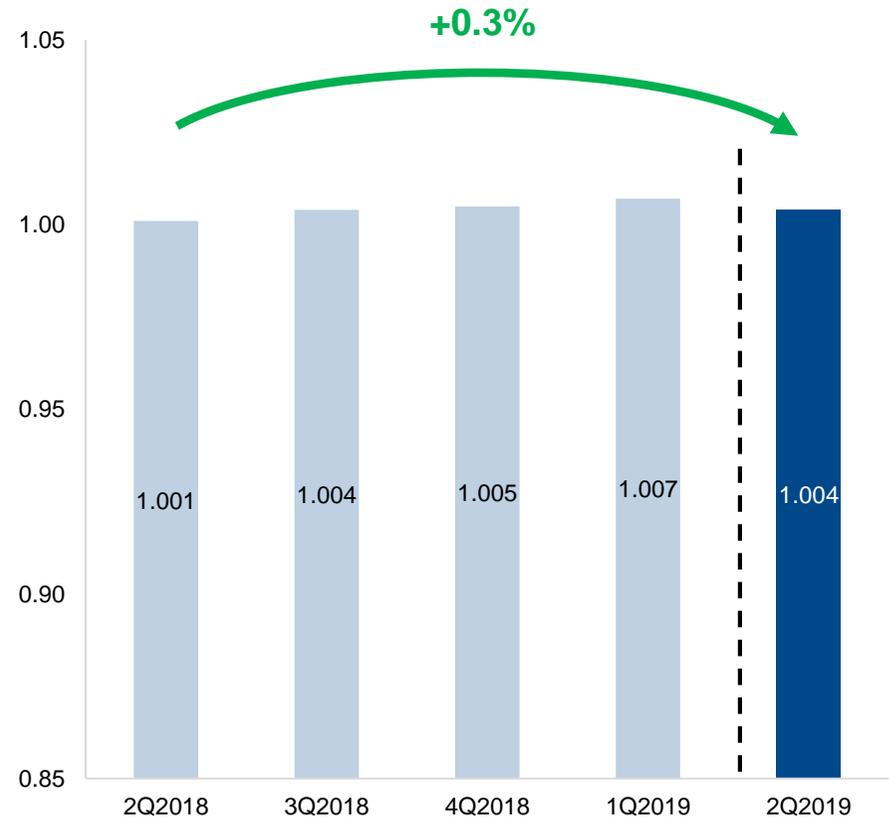
Consistently Maintained Stable Distributions

Annualised Quarterly Distribution Yield (%)



Attractive Distribution Yield...

Quarterly Distribution Per Unit (cents)

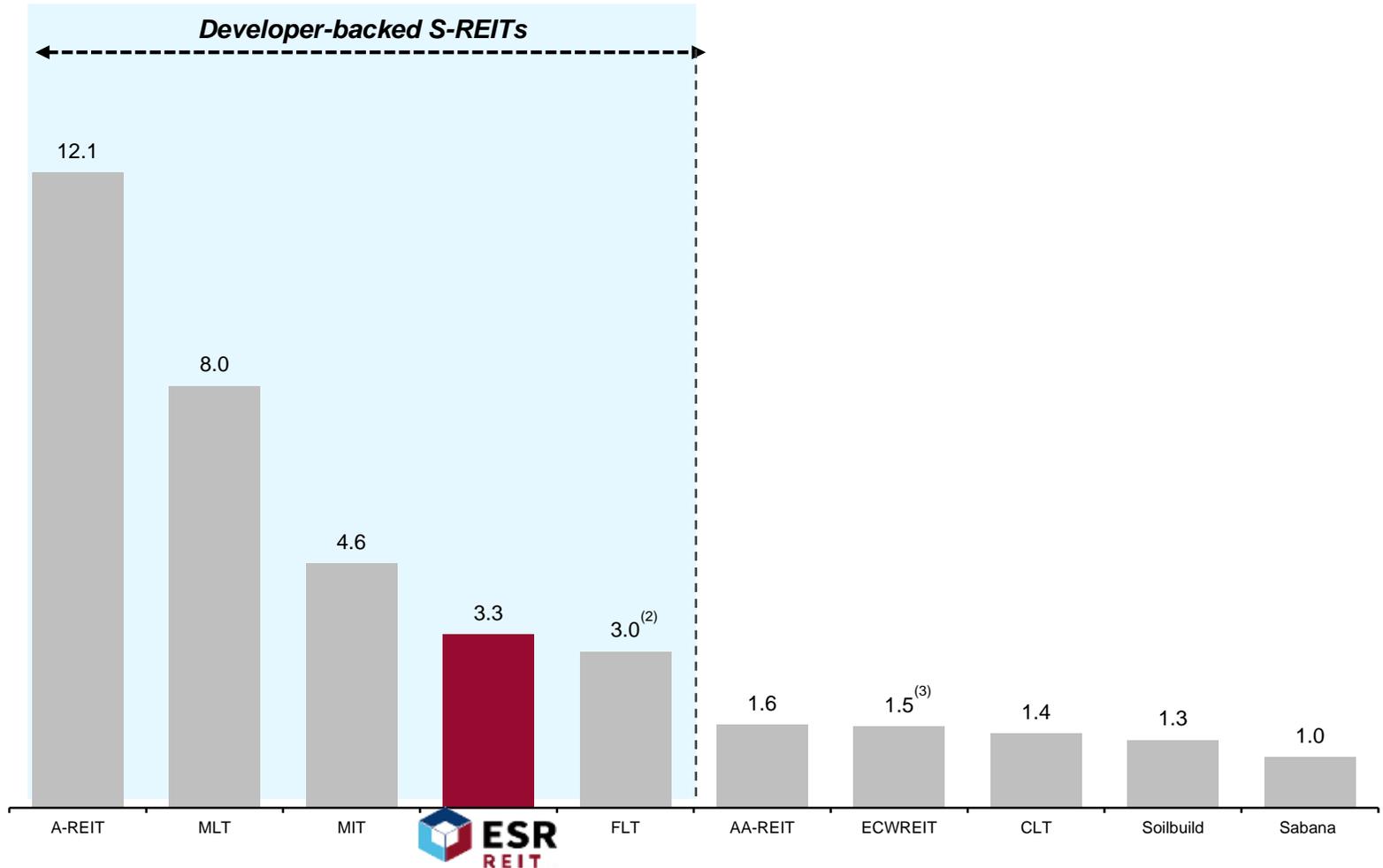


Stabilising DPU

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

Industrial S-REITs Total Assets⁽¹⁾ (S\$ billion)

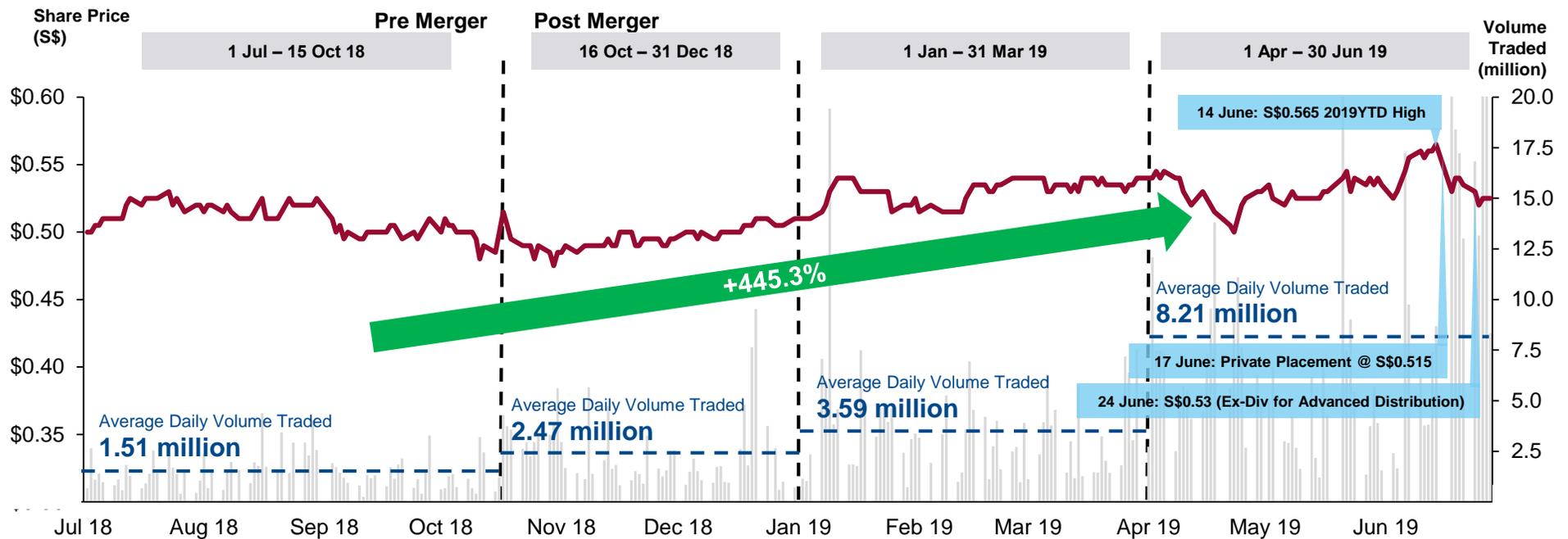
- In FY2018, ESR-REIT merged with Viva Industrial Trust and acquired 15 Greenwich Drive
- In 2Q2019, ESR-REIT also announced the acquisition of 48 Pandan Loop
- Total assets grew from S\$1.3b to S\$3.3b



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⁽¹⁾: S\$0.61



“Outperform”

TP⁽¹⁾: S\$0.58



“Hold”

TP⁽¹⁾: S\$0.52



“Buy”

TP⁽¹⁾: S\$0.59



“Buy”

TP⁽¹⁾: S\$0.58



“Buy”

TP⁽¹⁾: S\$0.61



“Buy”

TP⁽¹⁾: 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%⁽¹⁾



Asset Valuation

S\$3.02 billion⁽²⁾

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⁽²⁾



Business Park



High-Specs Industrial



Logistics / Warehouse



General Industrial

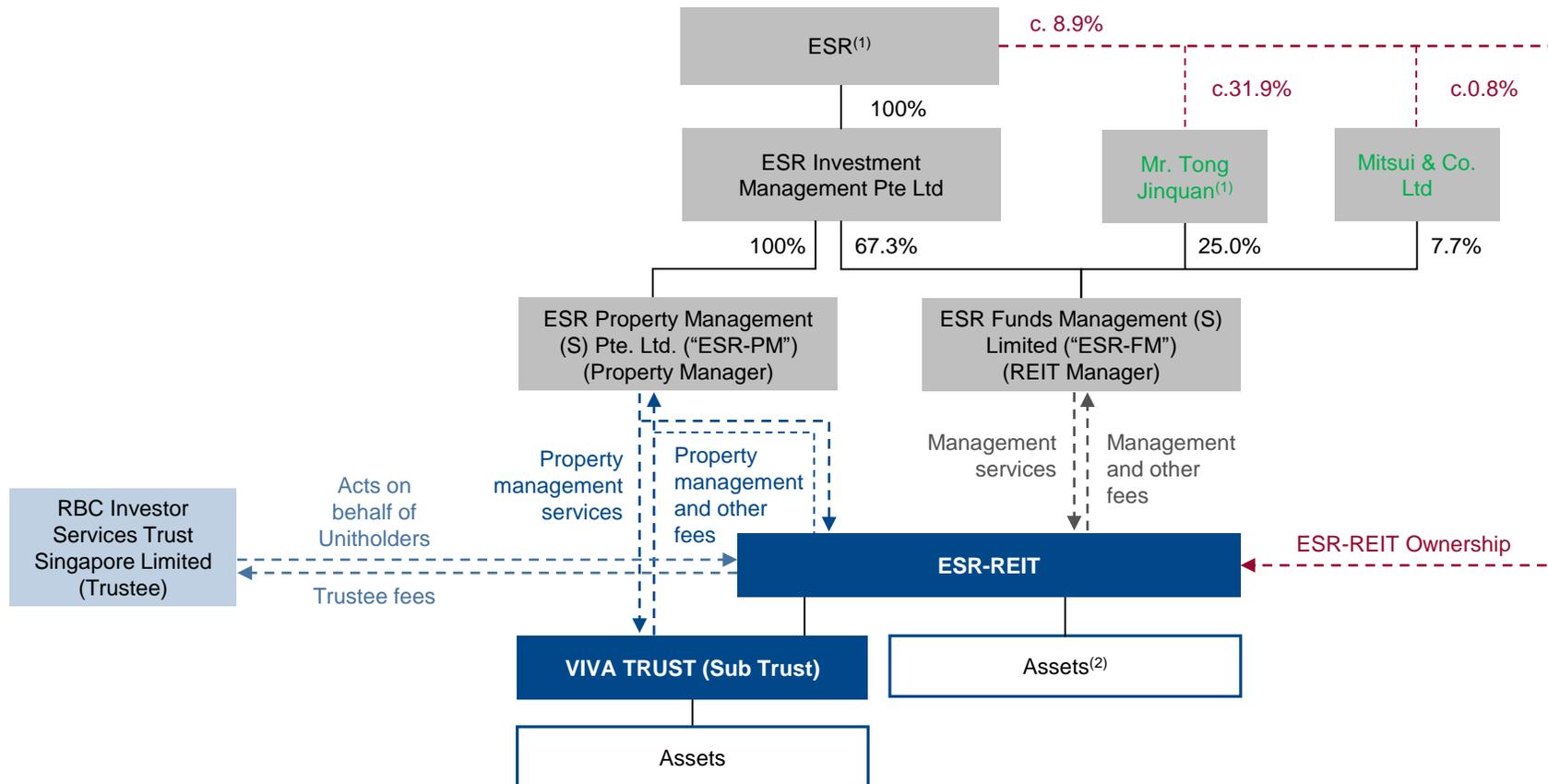
Well Located Portfolio Across Singapore

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



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

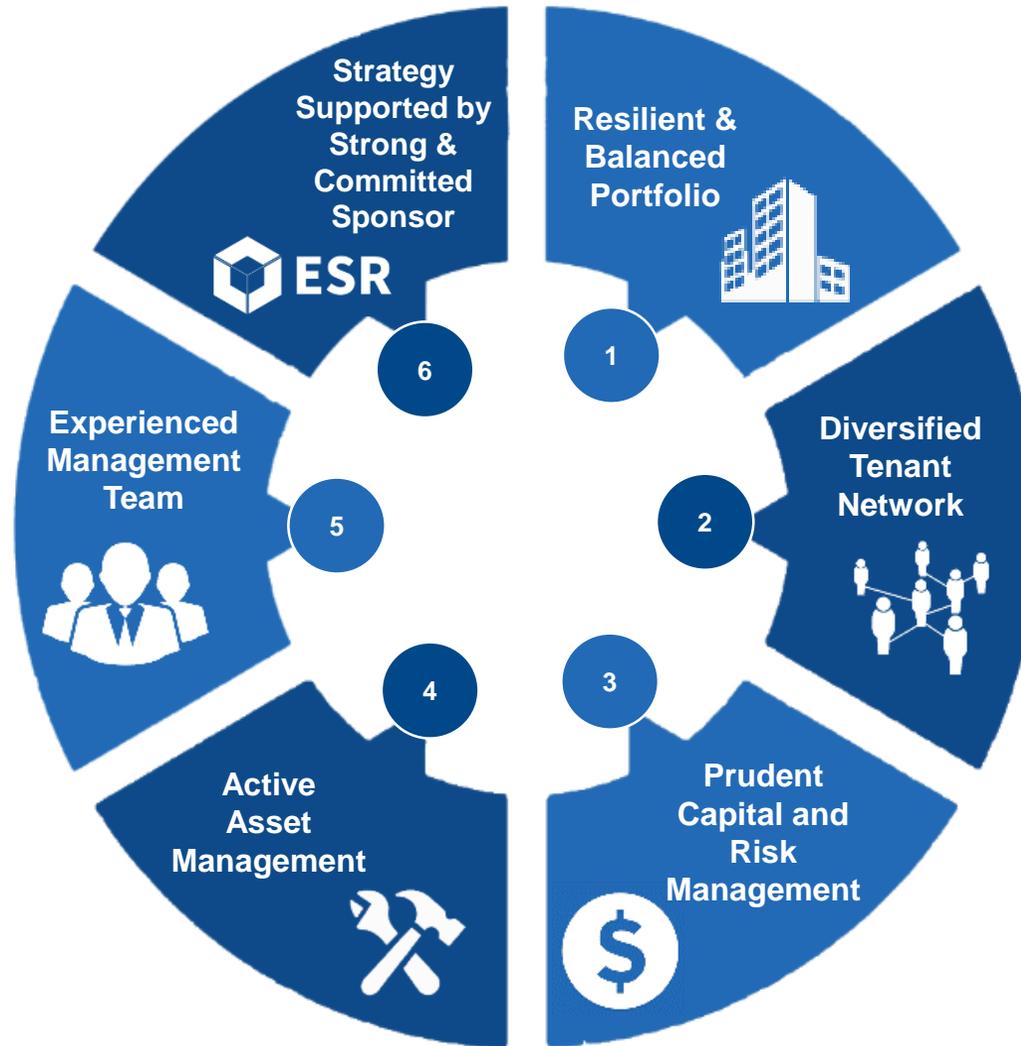


Key Investment Highlights



*Top: UE BizHub EAST | Business Park
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Key Investment Highlights



1 Resilient & Balanced Portfolio

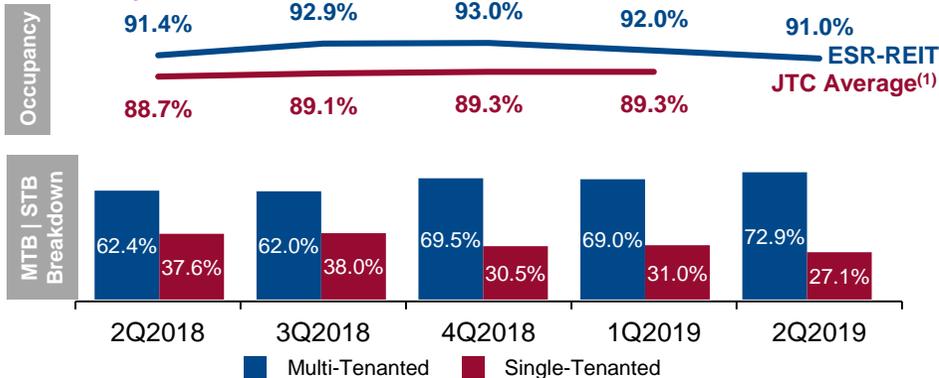


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1 Stabilising and Diversified Portfolio Fundamentals

Stabilised Occupancy and Consistently Above JTC Average

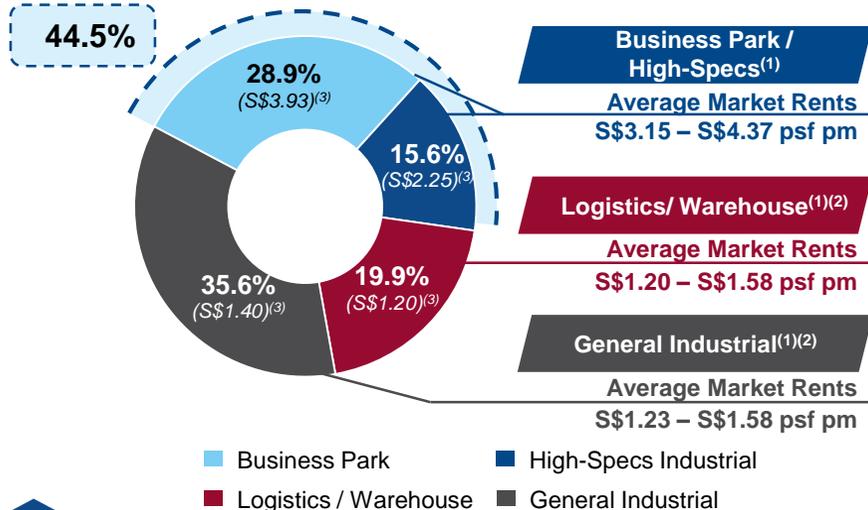
Occupancy fluctuations due to portfolio comprising c.73% MTBs by rental income



Year-to-Date Rental Reversions

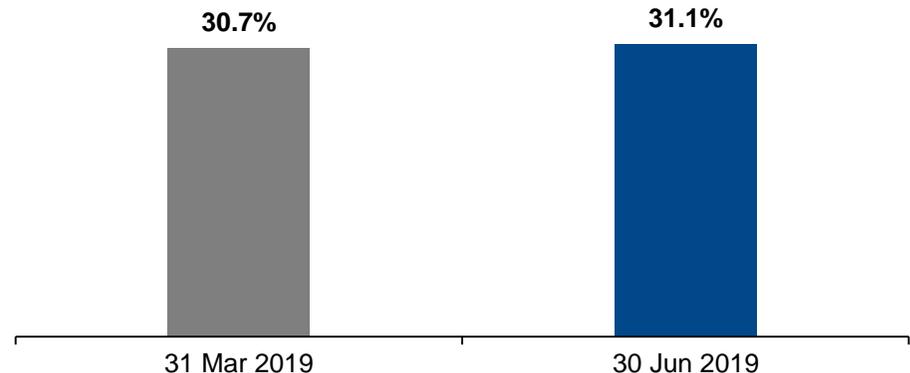


Increased Exposure to Business Park & Hi-Specs Sector



Top 10 Tenant Concentration Risk

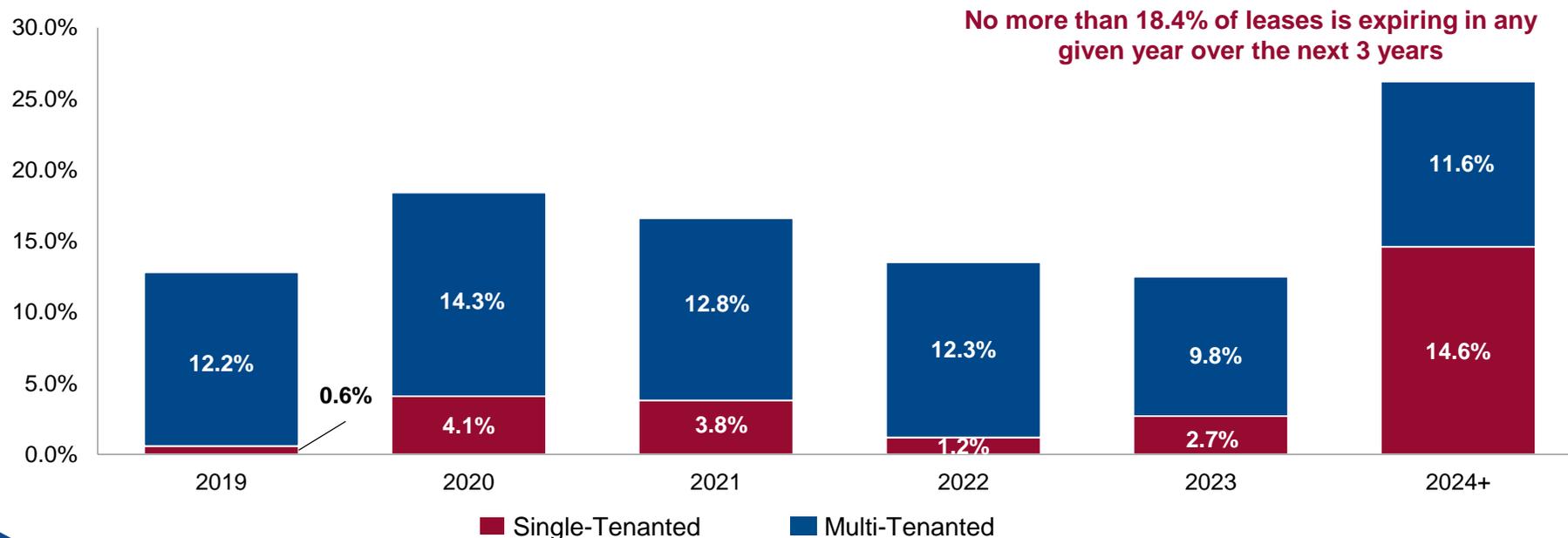
Top 10 tenants account for 31.1% of rental income as at 30 Jun 2019



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%⁽¹⁾
- Divestment of 31 Kian Teck Way completed in 2Q2019 at above valuation

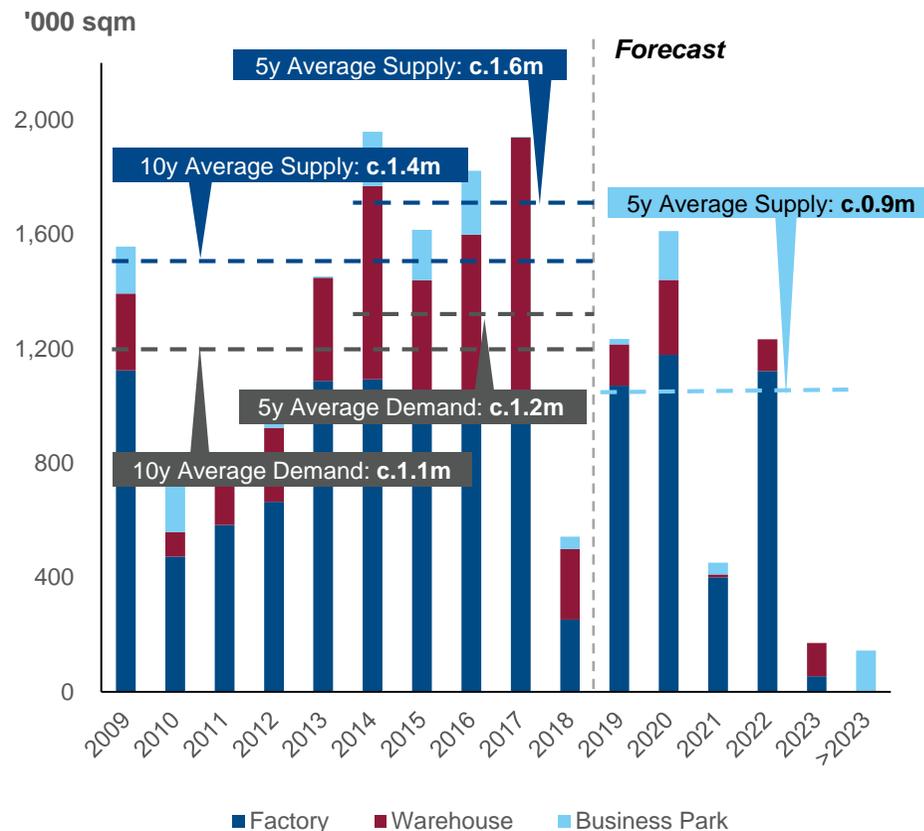
WALE by Rental Income (as at 30 Jun 2019)



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⁽¹⁾**
 - 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⁽²⁾ 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⁽²⁾
 - 1.2 million sqm of industrial space is expected to come on-stream, representing c.3% of current industrial stock⁽²⁾
- 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⁽²⁾

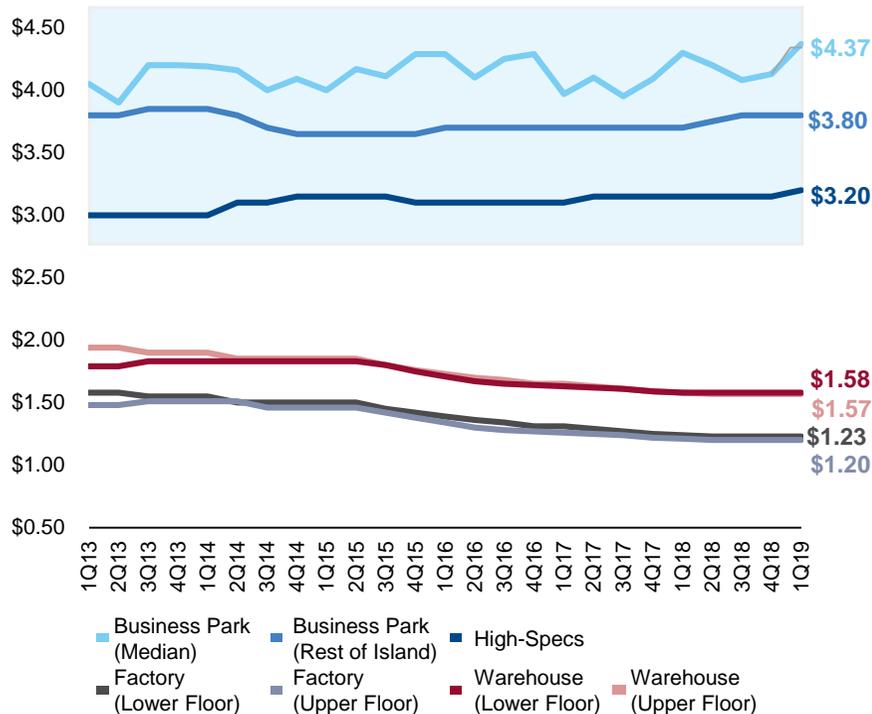


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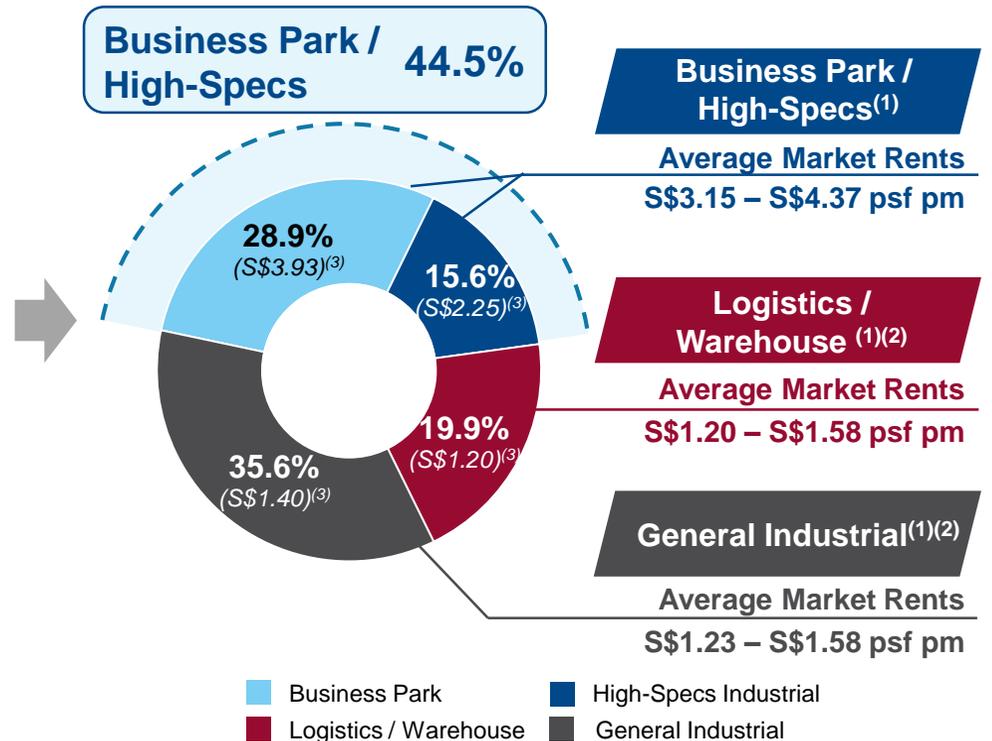
In Sub-Sectors with Favourable Demand/ Supply Dynamics

- 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)⁽¹⁾



Asset Class Breakdown by Rental Income



1 Announced DPU Accretive Acquisition: PTC Logistics Hub – Modern Ramp-up Warehouse

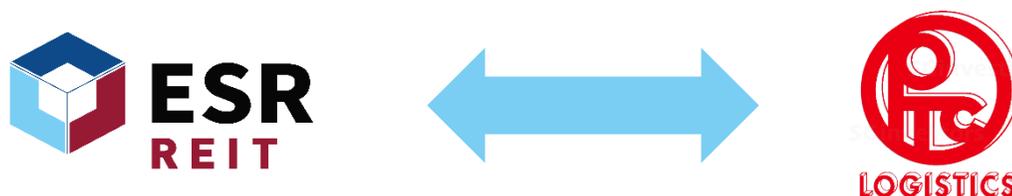


- ✓ Newly-completed, modern ramp-up warehouse
- ✓ Strategically located within the Jurong Industrial Estate
- ✓ Strengthens portfolio exposure to the logistics sector (c. 60% of logistics portfolio comprising in-demand and modern ramp-up facilities)
- ✓ 10-year lease with fixed rental escalation p.a. lengthens WALE

| Poh Tiong Choon Logistics Hub | |
|---|--|
| Address | 48 Pandan Road, Singapore 609289 |
| Location | <ul style="list-style-type: none"> ▪ Located within the Pandan area and is in close proximity to major infrastructure – a key logistics cluster of the Jurong Industrial Precinct ▪ Immediate proximity to Jurong Port, International Business Park and Jurong Island ▪ Well accessed by major expressways such as the Ayer Rajah Expressway (“AYE”) and West Coast Highway |
| Property Description | 6-storey ramp-up general warehouse building with ancillary facilities |
| Type | Business 2 |
| Remaining Land Tenure | Existing lease term with a further term of 24 years 4 months commencing from 1 July 2019 |
| Land Area | c.437,436 square feet |
| Gross Floor Area | 1,093,415 square feet |
| Independent Valuation / Purchase Consideration | S\$225.0 million (100.0% basis) |
| ESR-REIT Ownership | 49% (via JV with PTC) |
| Total Acquisition Cost ⁽¹⁾ | c.S\$44.4 million |
| Lease Term | 10 years with fixed rental escalation p.a. |
| Expected Completion | 3Q 2019 |

1 Strategic Partnership with PTC Logistics

Additional driver to underpin long term growth



The strategic partnership has also been undertaken with PTC to provide real estate solutions for their business expansion and logistics real estate needs in Singapore and the region

Poh Tiong Choon Logistics Limited (“PTC”)

- Owner-operator of transport company founded in 1950 with an established and long track record in Singapore logistics business
- Leading third-party logistics provider with core business in transportation, bulk cargo handling, warehousing, drumming, trading, terminal management, leasing and property development

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

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

2 Diversified Tenant Network

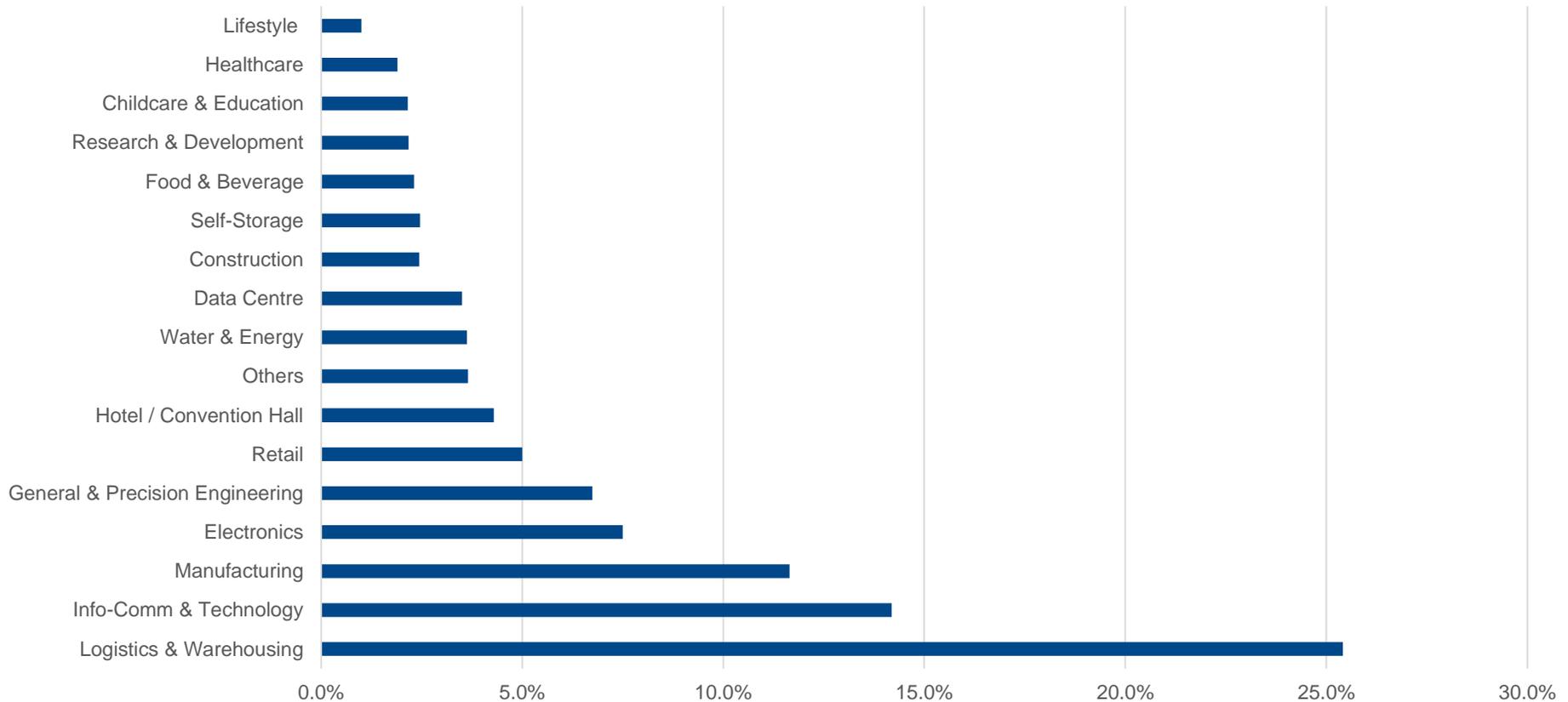
Top: UE BizHub EAST | Business Park
Second: 7000 Ang Mo Kio Avenue 5 | High-Specs Industrial
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2 Diversified Tenant Base and Trade Sectors

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

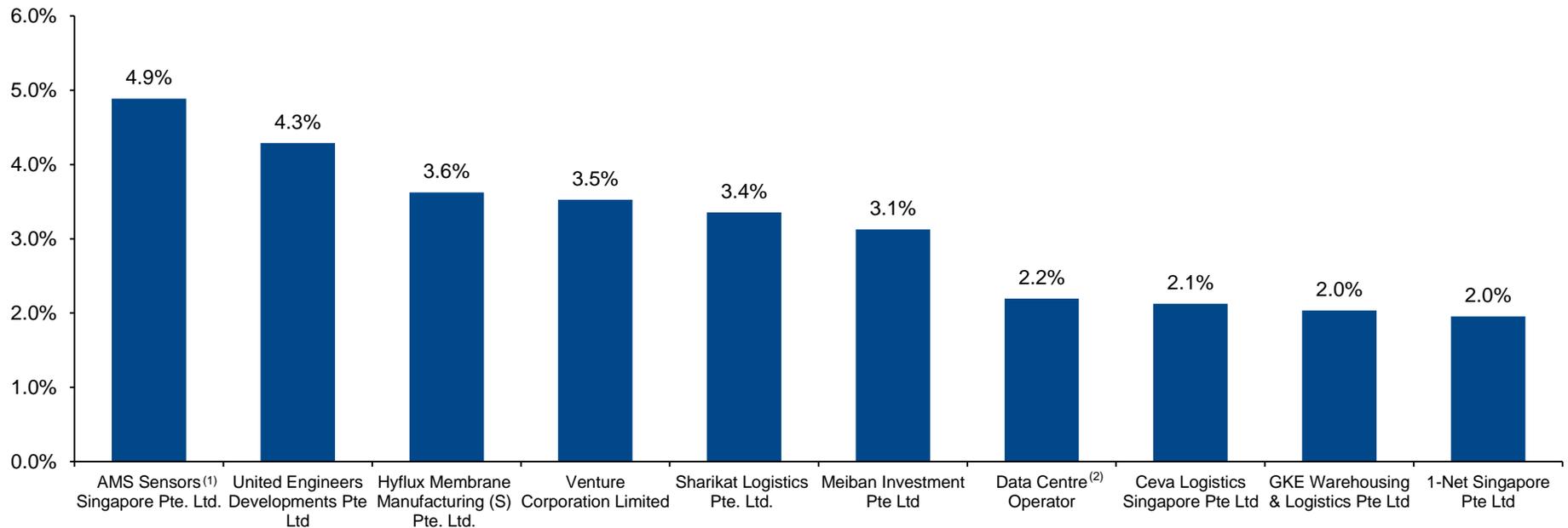
Breakdown by Trade Sectors (by Rental Income) (as at 30 Jun 2019)



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
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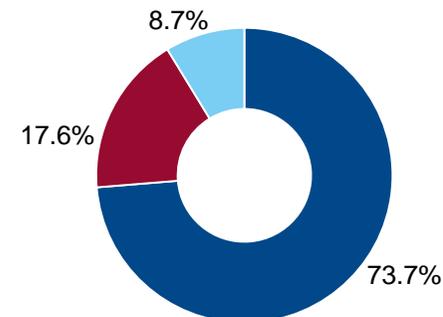
3 Key Capital Management Indicators

- **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 ⁽¹⁾ | 42.0 ⁽¹⁾ |
| 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)

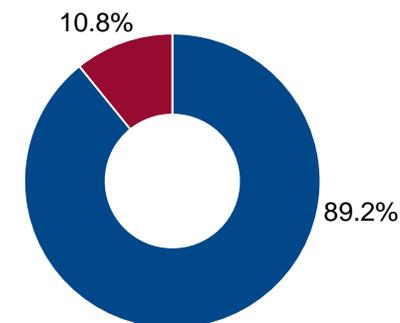
Total Debt of S\$1,193.6m



- Unsecured Term Loans
- MTNs
- Unsecured RCF Loans

Interest Rate Exposure Fixed (%)

89.2% of interest rate exposure fixed for 2.9 years

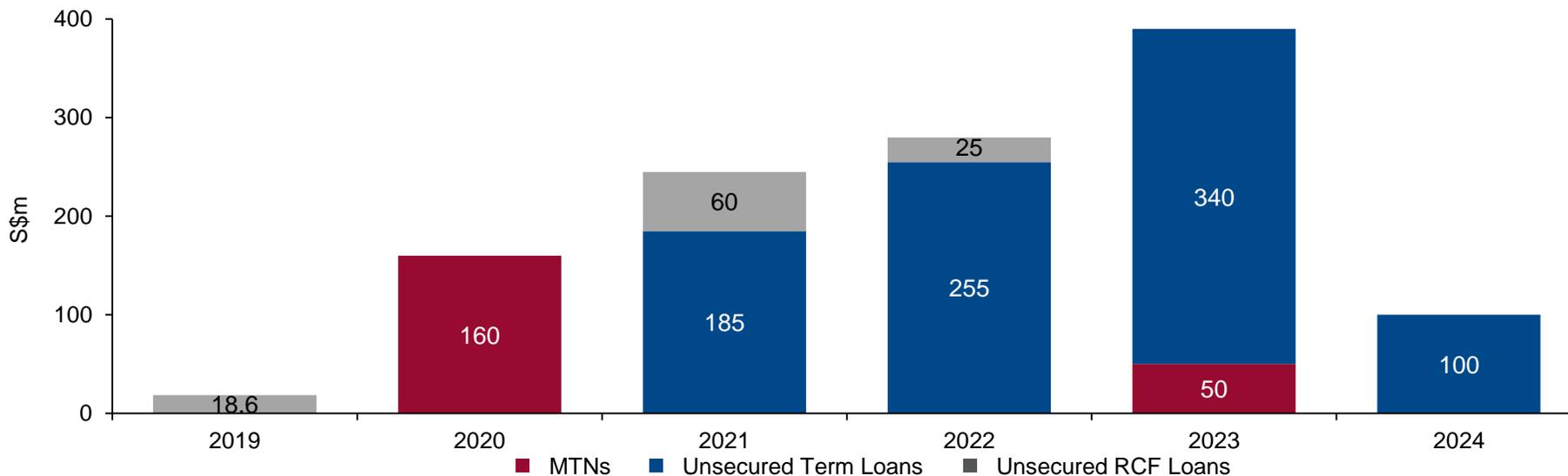


- Fixed Interest Rate
- Floating Interest Rate

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⁽¹⁾ and 6.7% discount to adjusted VWAP⁽²⁾ 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⁽³⁾
- **WADE⁽⁴⁾ as at 30 June 2019 was 3.1 years**
- **No major refinancing requirements due in 2019**

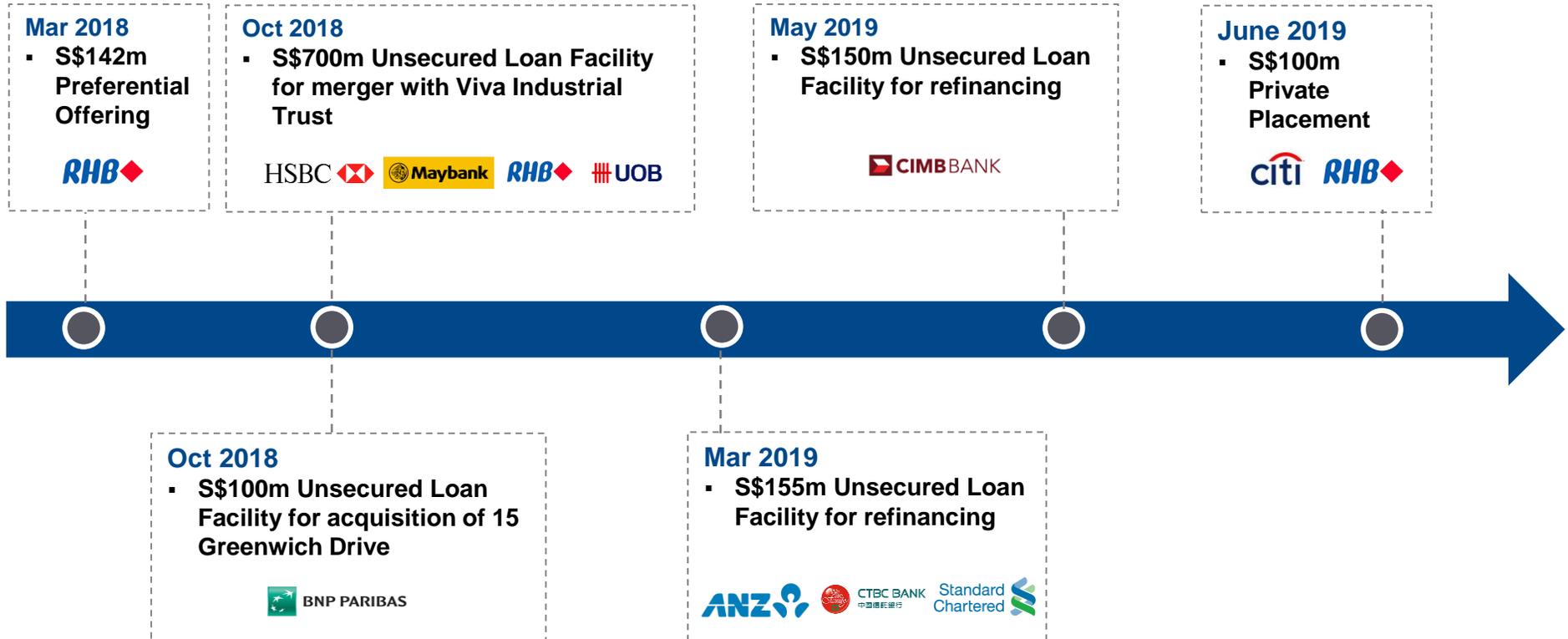
Debt Maturity Profile (as at 30 Jun 2019)



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

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

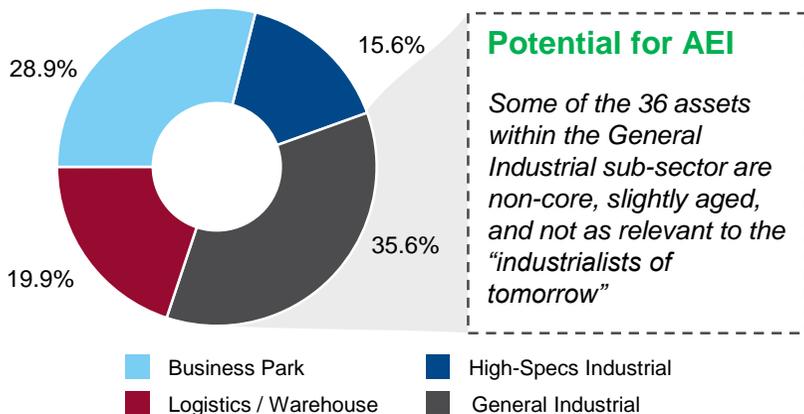


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4 Unlocking Further Asset Value Through AEs to Rejuvenate Assets to Become “Future-Ready”

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

(As at 30 Jun 2019)



AEI Opportunities within Portfolio

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

– Includes c.1 million⁽¹⁾ 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⁽²⁾
(High-Specs Industrial)



UE BizHub EAST
(Business Park)

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

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



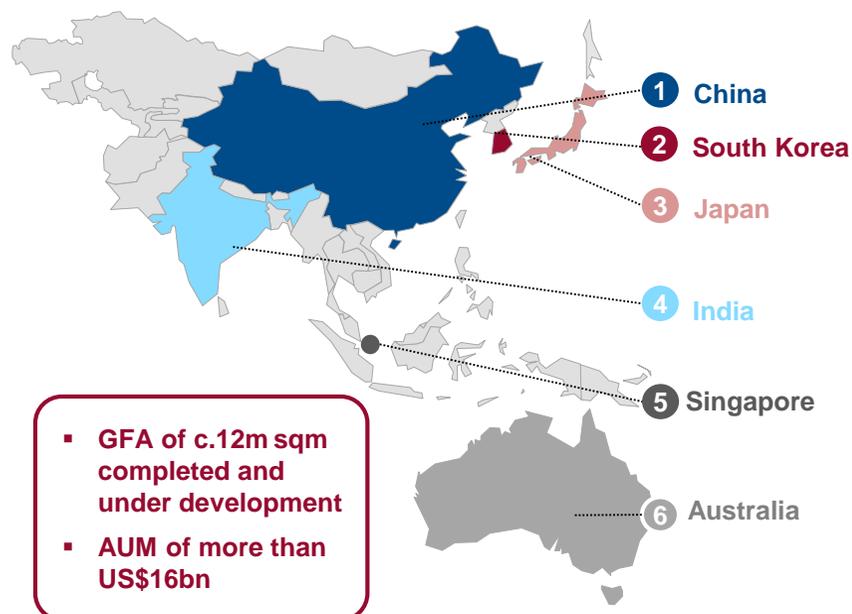
- ✓ Wider product suite for tenants and leasing
- ✓ Reduced property expenses
- ✓ Reduced cost of funding

6 ESR Group⁽¹⁾: Strong Developer Sponsor



- Largest APAC focused logistics real estate platform by GFA and by value⁽²⁾⁽³⁾, 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⁽¹⁾, WAFDE⁽²⁾, 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 ⁽¹⁾⁽²⁾ | 63.8 | 32.5 | 95.9 | ↑ |
| Net Property Income ("NPI") ⁽¹⁾⁽²⁾ | 47.8 | 23.4 | 103.9 | ↑ |
| Distributable Income ⁽³⁾ | 28.3 | 14.0 | 101.1 | ↑ |
| Distribution from Other Gains ⁽⁴⁾ | 3.8 | 1.8 | 112.4 | ↑ |
| Total Distribution to Unitholders | 32.1 | 15.8 | 102.4 | ↑ |
| Distribution Per Unit ("DPU") (cents) | 1.004 | 1.001 | 0.3 | ↑ |

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 ⁽¹⁾⁽²⁾ | 128.6 | 66.2 | 94.4 | ↑ |
| Net Property Income (“NPI”) ⁽¹⁾⁽²⁾ | 96.4 | 47.2 | 104.2 | ↑ |
| Distributable Income ⁽³⁾ | 58.1 | 27.5 | 111.6 | ↑ |
| Distribution from Other Gains ⁽⁴⁾ | 5.9 | 1.8 | 229.8 | ↑ |
| Total Distribution to Unitholders | 64.0 | 29.3 | 118.7 | ↑ |
| Distribution Per Unit (“DPU”) (cents) | 2.011 | 1.848 | 8.8 | ↑ |

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 ⁽¹⁾ | 3,022.1 | 3,025.3 |
| Right-of-use of Leasehold Land (FRS 116) | 226.6 | 226.6 |
| Other Assets | 38.4 | 24.4 |
| Total Assets | 3,287.1 | 3,276.3 |
| 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 |
| Total Liabilities | 1,590.3 | 1,639.7 |
| Net Assets Attributable to: | | |
| - Perpetual Securities Holders | 151.1 | 152.8 |
| - Unitholders | 1,545.7 | 1,483.8 |
| No. of Units (million) | 3,379.4 | 3,173.8 |
| NAV Per Unit (cents) | 45.7 | 46.8 |

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) ⁽¹⁾ | 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) ⁽²⁾ | 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 ⁽¹⁾ |
| 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 3rd Lok Yang Rd & 4 4th 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



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

1/2 Changi North Street 2



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

2 Tuas South Ave 2



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

3 Tuas South Ave 4



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

5/7 Gul Street 1



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

8 Tuas South Lane



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

9 Tuas View Crescent



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

11 Woodlands Walk



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

11 Ubi Road 1



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

11 Lor 3 Toa Payoh



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

11 Serangoon North Ave 5



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

13 Jalan Terusan



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

19 Tai Seng Avenue



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

21B Senoko Loop



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

22 Chin Bee Drive



| | |
|-----------------------------|--------------------|
| Asset type | General Industrial |
| Valuation | S\$16.4m |
| Term of lease | 58.0 years |
| Remaining land lease | 47.9 years |
| NLA (sqft) | 76,003 |
| Lease type | 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



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

130 Joo Seng Road



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

120 Pioneer Road



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

128 Joo Seng Road



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

160A Gul Circle



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

136 Joo Seng Road



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

511/513 Yishun Industrial Park A

Important Notice

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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