(a real estate investment trust constituted on 1 November 2013 under the laws of the Republic of Singapore)

IREIT GLOBAL
UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE SECOND QUARTER AND FINANCIAL PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015 AND DISTRIBUTION ANNOUNCEMENT

Introduction

IREIT Global ("**IREIT**") is a Singapore real estate investment trust established with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe which is used primarily for office purposes, as well as real estate-related assets.

IREIT completed its initial public offering ("**IPO**") and was listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 13 August 2014 (the "**Listing Date**"). IREIT's IPO portfolio comprises four office properties in Germany, strategically located in Bonn, Darmstadt, Münster and Munich with an aggregate net lettable area of 121,506 sq m (1,307,878 sq ft). The IPO portfolio consists of the following properties (the "**Properties**"):

(i) Bonn Campus
(ii) Darmstadt Campus
(iii) Münster Campus
(iv) Concor Park

IREIT is managed by IREIT Global Group Pte. Ltd. (the "**Manager**").

On 6 August 2015, IREIT completed the acquisition of Schreiberhauer Straße 2, 4, 6, 8, 10, 12, 14, 16, 18, 20 and 22, Berlin 10317, Germany (the "**Berlin Campus**") (the "**Acquisition**"). The Berlin Campus has a net lettable area of 79,097 sq m (851,392 sq ft) comprising two connected office buildings of eight and 13 storeys respectively.

The Acquisition was financed by a renounceable rights issue (the "**Rights Issue**") of 189,607,567 new units (the "**Rights Units**") in IREIT and external bank borrowings.

The Acquisition is consistent with the Manager's strategy to achieve portfolio growth through the acquisition of quality income-producing office properties which fits IREIT's 'ABBA' investment strategy and the Manager's investment criteria to enhance returns to Unitholders and to pursue opportunities for future income and capital growth.

Distribution policy

IREIT's distribution policy is to distribute 100% of its annual distributable income for the period from the Listing Date to 31 December 2016 and thereafter, at least 90% of its annual distributable income for each financial year.

Distributions to Unitholders will be made semi-annually based on the half-yearly results of IREIT and this distribution will be for the period from 1 January 2015 to 30 June 2015.

Note # - No comparative figures for the corresponding period of the preceding financial year have been presented as IREIT was only listed on the Listing Date. As disclosed in the prospectus of IREIT dated 4 August 2014 (the "**Prospectus**"), the SGX-ST has granted IREIT a waiver from the requirement to prepare historical pro forma financial statements. However, where appropriate, comparisons are made against the pro-rated forecast figures for the second quarter and financial period from 1 January 2015 to 30 June 2015 as disclosed in the Prospectus.

DBS Bank Ltd. is the sole global coordinator for the initial public offering and listing of IREIT Global (the "**Offering**"). DBS Bank Ltd. and Barclays Bank PLC, Singapore Branch are the joint issue managers, bookrunners and underwriters for the Offering.

SUMMARY CONSOLIDATED RESULTS OF IREIT GLOBAL

	2Q 2015			1H 2015		
	Actual	**Forecast[1]**	**Variance (%)**	**Actual**	**Forecast[1]**	**Variance (%)**
Gross revenue (€'000)	**5,386**	**5,633**	**(4.4)**	**10,955**	**11,267**	**(2.8)**
Net property income (€'000)	**4,870**	**5,017**	**(2.9)**	**9,831**	**10,033**	**(2.0)**
Distributable income (€'000)	**4,358**	**4,394**	**(0.8)**	**8,724**	**8,786**	**(0.7)**
Available distribution per unit						
- € cents[2]	**1.03**	**1.03**	**-**	**2.07**	**2.07**	**-**
- S$ cents [4]	**1.59**	**1.75**	**(9.1)**	**3.20**	**3.50**	**(8.6)**
Available distribution per unit, including effects of the Rights Issue						
- € cents[3]	**0.71**	**-**	**NM**	**1.43**	**-**	**NM**
- S$ cents[4]	**1.10**	**-**	**NM**	**2.21**	**-**	**NM**

Footnotes:

(1) The forecast figures were derived from the Projection Year 2015 (for the period 1 January 2015 to 30 June 2015) as disclosed in the Prospectus and have been pro-rated for the quarter and half year ended 30 June 2015 respectively.

(2) Available distribution per unit was calculated based on the number of issued units as at 30 June 2015.

(3) Available distribution per unit was calculated based on the number of issued units as at 30 June 2015 and the 189,607,567 Rights Units, which commenced trading on the SGX-ST on 6 August 2015.

(4) The available distribution per unit was computed after taking into consideration the forward foreign currency exchange contracts that IREIT has entered into to hedge the currency risk for distribution to Unitholders. 100% of the distributable income relating to the Properties and the Berlin Campus for the financial year ending 31 December 2015 have been hedged at an average exchange rate of approximately S$1.54 per Euro.

1(a) Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Distribution Statement

	Note	2Q 2015 (€'000)	1H 2015 (€'000)
Gross revenue		5,386	10,955
Property operating expenses		(516)	(1,124)
Net property income		**4,870**	**9,831**
Finance costs		(509)	(1,013)
Manager's management fees		(435)	(872)
Trustee's fees		(27)	(47)
Administrative costs		(29)	(129)
Other trust expenses		(119)	(20)
Net change in fair value of financial derivatives	1	(236)	184
Net change in fair value of investment properties	2	1,200	1,200
Profit before tax		**4,715**	**9,134**
Income tax expense		(242)	(406)
Profit for the period, before transactions with Unitholders		**4,473**	**8,728**
Distribution payable to Unitholders		(4,358)	(8,724)
Profit for the period, after transactions with Unitholders		**115**	**4**
<u>**Distribution Statement**</u>			
Profit for the period, before transactions with Unitholders		4,473	8,728
Distribution adjustments[(1)]	3	(115)	(4)
Amount available for distribution to Unitholders		**4,358**	**8,724**

Footnote:

(1) Distribution adjustments comprise expenses relating to the Manager's management fees to be paid in Units, net change in fair value of financial derivatives, net change in fair value of investment properties, interest expense due to differences between accounting method of computation which is based on the effective interest rate method and actual interest payments made, and other adjustments.

Notes to Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Distribution Statement

1. Net change in fair value of financial derivatives

This represents the net change in fair value of forward foreign currency exchange contracts which were entered into to hedge the currency risk for distribution to Unitholders.

The fair value of the financial derivatives falls under Level 2 of the fair value hierarchy.

Notes to Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Distribution Statement (continued)

2. Net change in fair value of investment properties

Net change in fair value of investment properties relate to the difference between (i) the net book value of the investment properties and (ii) the fair value of the investment properties based on independent valuations as at 30 June 2015.

The valuation of the investment properties were appraised at €291.8 million as at 30 June 2015. This represents a 0.4% increase from the valuation of €290.6 million as at 31 December 2014. The valuation has resulted in a valuation gain of €1.2 million for the reporting period.

3. Distribution adjustments

	2Q 2015 (€'000)	**1H 2015 (€'000)**
Distribution adjustments		
- Difference between accounting and actual finance costs paid	137	273
- Management fee payable in Units	435	872
- Foreign exchange loss / (gain)	35	(171)
- Net change in fair value of financial derivatives	236	(184)
- Net change in fair value of investment properties	(1,200)	(1,200)
- Income tax expense	242	406
Net distribution adjustments	**(115)**	**(4)**

1(b)(i) Unaudited Statements of Financial Position

		Group (€'000)		Trust (€'000)	
	Note	30 Jun 2015	31 Dec 2014	30 Jun 2015	31 Dec 2014
Current assets					
Cash and cash equivalents	1	14,102	12,277	2,064	2,156
Trade and other receivables	2	1,442	1,967	7,474	6,047
Financial derivatives	3	463	279	463	279
		16,007	14,523	10,001	8,482
Non-current assets					
Investment properties	4	291,800	290,600	-	-
Investment in subsidiaries		-	-	206,729	208,309
Deferred tax assets		1,472	1,391	-	-
		293,272	291,991	206,729	208,309
Total assets		**309,279**	**306,514**	**216,730**	**216,791**
Current liabilities					
Trade and other payables	5	3,350	4,528	327	737
Distribution payable		8,724	6,417	8,724	6,417
		12,074	10,945	9,051	7,154
Non-current liabilities					
Borrowings	6	95,632	95,359	-	-
Deferred tax liabilities	7	723	236	-	-
		96,355	95,595	-	-
Total liabilities		**108,429**	**106,540**	**9,051**	**7,154**
Net assets attributable to Unitholders	8	**200,850**	**199,974**	**207,679**	**209,637**

Notes to Unaudited Statements of Financial Position

1. The Group's cash and cash equivalents as at 30 June 2015 were €1.8 million higher than the balance as at 31 December 2014 mainly due to the cash flows generated from operations for 1H 2015, offset by the payment of distribution in March 2015 for the period ended 31 December 2014.

2. The decrease of €0.5 million in the Group's trade and other receivables was mainly due to goods and services taxes recoverable as at 31 December 2014 pertaining to the Trust's IPO expenses, which were recovered after 31 December 2014. The increase of €1.4 million in the Trust's trade and other receivables was mainly due to balances due from subsidiaries as at 30 June 2015.

3. This represents the fair value of forward foreign currency exchange contracts which were entered into to hedge the currency risk for distribution to Unitholders.

4. Investment properties were stated at valuation based on independent professional valuations carried out by Colliers International Valuation UK LLP in respect of the Bonn Campus, Darmstadt Campus and Münster Campus, and by Cushman & Wakefield LLP for Concor Park.

5. The decrease in trade and other payables for the Group and the Trust was mainly due to the higher turnover in respect of trade creditors for 1H 2015.

6. Please refer to the Aggregate Amount of Borrowings Item 1b(ii) for details.

7. The Group's deferred tax liabilities increased mainly due to reversal of deductible temporary differences arising from the investment properties.

8. Please refer to the Unaudited Statement of Movements in Net Assets Attributable to Unitholders Item 1d(i) for details.

1(b)(ii) Aggregate Amount of Borrowings

	Group (€'000)	
	30 Jun 2015	31 Dec 2014
Secured borrowings		
Amount repayable after one year	96,594	96,594
Less: Upfront debt transaction costs[1]	(962)	(1,235)
Total secured borrowings	**95,632**	**95,359**

Footnotes:

(1) Upfront debt transaction costs are amortised over the life of the loan facility.
(2) The fair value of the bank borrowings as at 30 June 2015 is approximately EUR 98.1 million.

Details of any collaterals

IREIT has secured and drawn down €96.6 million through a bank facility agreement with a bank in Germany for a 5-year secured term loan facility (the "**Facility**"). The Facility of €96.6 million was drawn down as part payment of the acquisition value of the Properties.

The loan amount of €96.6 million drawn down under the bank facility is secured on:

(a) the investment properties;
(b) the assignment of rental proceeds; and
(c) a fixed charge over the rent and deposit accounts.

1(c)(i) Unaudited Consolidated Statement of Cash Flows

	Note	2Q 2015 (€'000)	1H 2015 (€'000)
Cash flows from operating activities			
Profit for the period, after transactions with Unitholders		115	4
Adjustments for:			
Manager's management fees payable in Units		435	872
Finance costs		509	1,013
Change in fair value of financial derivatives		236	(184)
Change in fair value of investment properties		(1,200)	(1,200)
Income tax expense		242	406
Operating profit before working capital changes		337	911
Changes in working capital:			
Trade and other receivables		11	525
Trade, other and distribution payables		3,455	7,547
Cash generated from operations, representing net cash from operating activities		**3,803**	**8,983**
Cash flows from financing activities			
Distribution to Unitholders		-	(6,417)
Interest paid		209	(741)
Net cash from / (used in) financing activities		**209**	**(7,158)**
Net increase in cash and cash equivalents		4,012	1,825
Cash and cash equivalents at beginning of the period		10,090	12,277
Cash and cash equivalents at end of the period	1	**14,102**	**14,102**

1(c)(i) Unaudited Consolidated Statement of Cash Flows (continued)

Notes to Unaudited Consolidated Statement of Cash Flows

1. Following the announcement dated 23 April 2015, the use of IPO proceeds for the remaining balance allocated as working capital is set out as below:

	(€'000)
Balance of proceeds allocated as working capital	2,996
Amount utilised:	
Administrative expenses	(309)
Legal and professional fees	(191)
Remaining balance allocated as working capital	2,496

This amount comprises various cash balances maintained by the Trust and its subsidiaries for general corporate and working capital purposes.

1(d)(i) Unaudited Statement of Changes in Net Assets Attributable to Unitholders

<u>Statement for 2Q 2015</u> <u>Group</u>	Units in issue and to be issued (€'000)	Unit issue costs (€'000)	Accumulated (losses) / profit (€'000)	Total (€'000)
Operations				
Balance as at 1 April 2015	-	-	(12,708)	(12,708)
Profit for the period, before transactions with Unitholders	-	-	4,473	4,473
Distribution payable of 0.71€ cents per Unit for the period from 1 April 2015 to 30 June 2015	-	-	(4,358)	(4,358)
Total comprehensive loss for the period	-	-	(12,593)	(12,593)
Unitholders' transactions				
Issue of units:				
Balance as at 1 April 2015	213,008	-	-	213,008
Manager's base fee payable in Units	435	-	-	435
Net assets resulting from transactions	213,443	-	-	213,443
Net assets attributable to Unitholders as at 30 June 2015	**213,443**	**-**	**(12,593)**	**200,850**

1(d)(i) Unaudited Statement of Changes in Net Assets Attributable to Unitholders (continued)

Statement for 1H 2015 **Group**	**Units in issue and to be issued (€'000)**	**Unit issue costs (€'000)**	**Accumulated (losses) / profit (€'000)**	**Total (€'000)**
Operations				
Balance as at 1 January 2015	-	-	(12,597)	(12,597)
Profit for the period, before transactions with Unitholders	-	-	8,728	8,728
Distribution payable of 1.43€ cents per Unit for the period from 1 January 2015 to 30 June 2015	-	-	(8,724)	(8,724)
Total comprehensive loss for the period	-	-	(12,593)	(12,593)
Unitholders' transactions				
Issue of units:				
Balance as at 1 January 2015	220,011	(7,440)	-	212,571
Manager's base fee payable in Units	872	-	-	872
Net assets resulting from Unitholders' transactions	220,883	(7,440)	-	213,443
Net assets attributable to Unitholders as at 30 June 2015	**220,883**	**(7,440)**	**(12,593)**	**200,850**

Statement for 2Q 2015 **Trust**	**Units in issue and to be issued (€'000)**	**Unit issue costs (€'000)**	**Accumulated (losses) / profit (€'000)**	**Total (€'000)**
Operations				
Balance as at 1 April 2015	-	-	(7,153)	(7,153)
Profit for the period, before transactions with Unitholders	-	-	5,747	5,747
Distribution payable of 0.71€ cents per Unit for the period from 1 April 2015 to 30 June 2015	-	-	(4,358)	(4,358)
Total comprehensive loss for the period	-	-	(5,764)	(5,764)
Unitholders' transactions				
Issue of units:				
Balance as at 1 April 2015	213,008	-	-	213,008
Manager's base fee payable in Units	435	-	-	435
Net assets resulting from Unitholders' transactions	213,443	-	-	213,443
Net assets attributable to Unitholders as at 30 June 2015	**213,443**	**-**	**(5,764)**	**207,679**

1(d)(i) Unaudited Statement of Changes in Net Assets Attributable to Unitholders (continued)

<u>Statement for 1H 2015</u> <u>Trust</u>	Units in issue and to be issued (€'000)	Unit issue costs (€'000)	Accumulated (losses) / profit (€'000)	Total (€'000)
Operations				
Balance as at 1 January 2015	-	-	(2,934)	(2,934)
Profit for the period, before transactions with Unitholders	-	-	5,894	5,894
Distribution payable of 1.43€ cents per Unit for the period from 1 January 2015 to 30 June 2015	-	-	(8,724)	(8,724)
Total comprehensive loss for the period	-	-	(5,764)	(5,764)
Unitholders' transactions				
Issue of units:				
Balance as at 1 January 2015	220,011	(7,440)	-	212,571
Manager's base fee payable in Units	872	-	-	872
Net assets resulting from Unitholders' transactions	220,883	(7,440)	-	213,443
Net assets attributable to Unitholders as at 30 June 2015	**220,883**	**(7,440)**	**(5,764)**	**207,679**

1(d)(ii) Details of Any Change in Units

	2Q 2015 (Units)	1H 2015 (Units)
Unit in issue:		
At beginning of the period	420,501,704	419,337,000
Issue of new Units in lieu of the Manager's management fees	848,446	2,013,150
At end of the period	**421,350,150**	**421,350,150**
Units to be issued:		
Manager's management fees payable in Units(1)	943,712	943,712
At end of the period	**422,293,862**	**422,293,862**

Footnote:

1. Based on the issue price of S$0.6964 per Unit ("Issue Price"). The Issue Price was computed based on the volume weighted average traded price for a Unit for all trades on the SGX-ST for the last 10 business days immediately preceding 30 June 2015 of S$0.7992, and adjusted for the effects of the Rights Issue, subject to approval by the Trustee.

2. Whether the figures have been audited, or reviewed and in accordance with which standard, (e.g. the Singapore Standard on Auditing 2410 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited but have been reviewed by the auditors in accordance with Singapore Standard on Review Engagements 2410.

3. Where the figures have been audited, or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Please see attached review report.

4. Whether the same accounting policies and methods of computation as in the issuer's most recent audited annual financial statements have been applied

For the current reporting period, the Group has applied the same accounting policies and methods of computation as those applied in its audited financial statements for the financial period ended 31 December 2014**.**

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

Not applicable.

6. Earnings Per Unit and Distribution Per Unit

	2Q 2015	1H 2015
Weighted average number of Units ('000)[1]	486,100	485,360
Earnings per Unit (**"EPU"**)		
Basic and Diluted[1] (€ cents)	0.92	1.80
Number of Units entitled to distribution ('000)	421,350	421,350
Distribution per Unit (**"DPU"**)		
- € cents[2]	1.03	2.07
- S$ cents[4]	1.59	3.20
Number of Units entitled to distribution after the Rights Issue ('000)	610,957	610,957
DPU including effects of the Rights Issue		
- € cents[3]	0.71	1.43
- S$ cents[4]	1.10	2.21

Footnotes:

(1) The weighted average number of Units has been adjusted to take into effect (i) the additional units as payment of management fees for the period from 1 April 2015 to 30 June 2015 and (ii) the bonus element in the 189,607,567 Rights Units.

The Diluted EPU was the same as the Basic EPU as there were no dilutive instruments in issue at the end of the period.

(2) For illustrative purposes only, the computation of DPU was based on 421,350,150 Units in issue as at 30 June 2015.

(3) The computation of DPU was based on 421,350,150 Units in issue, as well as the 189,607,567 Rights Units which commenced trading on SGX-ST on 6 August 2015.

(4) IREIT has entered into forward foreign currency exchange contracts to hedge the currency risk for distribution to Unitholders. The DPU was computed taking such contracts into consideration. 100% of the distributable income for the financial year ending 31 December 2015 relating to the Properties and the Berlin Campus have been hedged at an average exchange rate of approximately S$1.54 per Euro.

7. Net Asset Value Per Unit

	Group	
	30 June 2015	**31 Dec 2014**
Number of Units in issue and to be issued at end of period ('000)[1]	422,294	420,502
Net asset value (**"NAV"**) per Unit (€)	0.48	0.48

Footnote:

(1) The NAV per Unit was computed based on net assets attributable to Unitholders as at 30 June 2015 and 31 December 2014 and the Units in issue and to be issued as at 30 June 2015 of 422,293,862 (31 December 2014: 420,501,704).

8. Segmental Reporting

Operating segments are identified on the basis of internal reports on components of IREIT that are regularly reviewed by the chief operating decision maker, which is the management of the Manager, in order to allocate resources to segments and to assess their performance.

IREIT owns four properties which are all located in Germany. Revenue and net property income of the four properties (which constitute an operating segment on an aggregated basis) are the measures reported to the Manager for the purposes of resource allocation and performance assessment. The Manager considers that the four properties held by IREIT have similar economic characteristics and have similar nature in providing leasing services to similar type of tenants for rental income. In addition, the cost structure and the economic environment in which each of the four properties operate are similar. Therefore, the Manager concluded that the four properties should be aggregated into a single reportable segment and no further analysis for segment information is presented by property.

9. Review of the Performance for the second quarter and financial period from 1 January 2015 to 30 June 2015

Please refer to Section 10 on the review of the actual results of IREIT against forecast.

10. Variance between Actual and Forecast Results

Unaudited Consolidated Statement of Profit or Loss and Other Comprehensive Income and Distribution Statement

	2Q 2015			1H 2015		
	Actual (€'000)	**Forecast# (€'000)**	**Variance %**	**Actual (€'000)**	**Forecast# (€'000)**	**Variance %**
Gross revenue	5,386	5,633	(4.4)	10,955	11,267	(2.8)
Property operating expenses	(516)	(616)	(16.2)	(1,124)	(1,234)	(8.9)
Net property income	**4,870**	**5,017**	**(2.9)**	**9,831**	**10,033**	**(2.0)**
Finance costs	(509)	(513)	(0.8)	(1,013)	(1,026)	(1.3)
Manager's management fees	(435)	(494)	(11.9)	(872)	(988)	(11.7)
Trustee's fees	(27)	(18)	50.0	(47)	(36)	30.5
Administrative costs	(29)	(96)	(69.8)	(129)	(192)	(32.8)
Other trust expenses	(119)	(137)	(13.1)	(20)	(274)	(92.7)
Net change in fair value of financial derivatives	(236)	-	NM	184	-	NM
Net change in fair value of Investment properties	1,200	-	NM	1,200	-	NM
Profit before tax	**4,715**	**3,759**	**25.4**	**9,134**	**7,517**	**21.5**
Income tax (expense) / benefit	(242)	96	NM	(406)	192	NM
Profit for the period, before transactions with Unitholders	**4,473**	**3,855**	**16.0**	**8,728**	**7,709**	**13.2**
Distribution payable to Unitholders	(4,358)	(4,394)	(0.8)	(8,724)	(8,786)	(0.7)
Profit / (loss) for the period, after transactions with Unitholders	**115**	**(539)**	**(121.3)**	**4**	**(1,077)**	**(100.4)**
Distribution Statement						
Profit for the period	4,473	3,855	16.0	8,728	7,709	13.2
Distribution adjustments	(115)	539	(121.3)	(4)	1,077	(100.4)
Amount available for distribution to Unitholders	**4,358**	**4,394**	**(0.8)**	**8,724**	**8,786**	**(0.7)**

Footnote:

NM denotes "Not meaningful".

10. Variance between Actual and Forecast Results (continued)

Review of the Performance

2Q 2015

Gross revenue of €5.4 million was 4.4% lower than forecast of €5.6 million largely due to lower service charge income recognised.

Property operating expenses of €0.5 million were 16.2% lower than forecast of €0.6 million. As a result, net property income was €4.9 million, 2.9% lower than forecast of €5.0million.

Finance costs and trustee fees were largely in line with forecast while administrative expenses were 69.8% lower than forecast mainly due to savings achieved for the period.

Manager's management fees were lower than forecast by €59,000 mainly due to the absence of performance fees.

Included in other trust expenses were foreign exchange loss of €35,000 arising mainly from the translation of Singapore dollar denominated cash balances as at 30 June 2015. Excluding this foreign exchange loss, other trust expenses were €53,000 lower than forecast, mainly due to savings achieved in respect of professional fees.

The net change in fair value of financial derivatives was due to the re-measurement to fair value as at 30 June 2015 of the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.

The €1.2 million fair value gain of investment properties was due to a higher valuation appraised by independent valuers of €291.8 million as at 30 June 2015 (31 December 2014: €290.6 million).

Income tax expense was higher mainly due to the higher deferred tax effect on the reversal of deductible temporary differences arising from the investment properties.

1H 2015

For the six months ended 30 June 2015, gross revenue of €11.0 million was 2.8% lower than forecast of €11.3 million. The decrease was mainly due to (i) the pro-rata effects of the upward rental adjustment for the Bonn Campus, which was forecast to only take place in the second half of the financial year ending 31 December 2015 and (ii) lower service charge income recognised.

Property operating expenses of €1.1 million were 8.9% lower than forecast of €1.2 million. As a result, net property income was €9.8 million, 2.0% lower than forecast of €10.0 million.

Finance costs and trustee fees were largely in line with forecast.

Manager's management fees were lower than forecast by €116,000 mainly due to the absence of performance fees. Administrative expenses of €63,000 were 32.8% lower than forecast of €192,000 mainly due to savings achieved in 2Q 2015.

Included in other trust expenses was a foreign exchange gain of €171,000 arising mainly from the translation of Singapore dollar denominated cash balances. Excluding this foreign exchange gain for 1H 2015, other trust expenses were €83,000 lower than forecast of €274,000, mainly due to savings achieved in respect of legal and professional fees.

The net change in fair value of financial derivatives was due to the re-measurement to fair value as at 30 June 2015 of the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.

10. Variance between Actual and Forecast Results (continued)

Review of the Performance (continued)

1H 2015 (continued)

The €1.2 million fair value gain of investment properties was due to a higher valuation appraised by independent valuers of €291.8 million as at 30 June 2015 (31 December 2014: €290.6 million).

Income tax expense was higher mainly due to the higher deferred tax effect on the reversal of deductible temporary differences arising from the investment properties.

Income available for distribution for the period amounted to €8.7 million, which was largely in line with forecast.

11. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months

In June 2015, the Deutsche Bundesbank revised its forecasts for Germany's economic growth. Its gross domestic product forecasts were revised to 1.7% for 2015 and 1.8% for 2016 as compared to the earlier forecasts in December 2014 of 1.0% and 1.6% respectively. Deutsche Bundesbank reported that the German economy has recovered sooner than expected from the cyclical lull in the middle of last year and has returned to its growth path which is underpinned by both domestic and foreign demand.[1] In general, Germany's economy is performing better than economists' expectations due to improving business activity, although uncertainties remain, such as Greece's unresolved debt crisis.

According to Colliers International[2], for the first half of 2015, the total office space take-up in the top seven cities, Berlin, Dusseldorf, Frankfurt am Main, Hamburg, Cologne, Munich and Stuttgart in Germany was about 1,521,200 sqm, which represents a year-on-year increase of 13%. Among the seven cities, Berlin recorded the highest take-up with a total of 337,000 sqm. Total investment transactions in the same period amounted to about €24.2 billion. Office buildings remain as the most popular asset class with approximately €9.5 billion worth of transacted deals, or approximately 40% of total investments.

The commercial investment market continues to thrive with strong demand from both local German investors as well as those from Asia, North America and France. The massive liquidity, affordable interest rate and depreciating Euro, coupled with the stability of Germany's economy and its active leasing market, make Germany a preferred location for investment.[2]

As the positive economic situation in Germany continues, the Manger will employ its 'ABBA' acquisition strategy and continue to grow IREIT's portfolio by acquiring yield accretive and strategic properties. The Manager will also continue to explore other European markets for suitable acquisition opportunities.

The Monetary Authority of Singapore recently announced a list of changes to the REIT regulations in order to boost investor confidence in the Singapore REIT market while strengthening corporate governance disclosures and practices among Singapore REITs. The majority of the changes will take effect on 1 January 2016. These include the adoption of a single-tier leverage limit of 45% (without requirement for credit rating) and removal of the option for a REIT to leverage up to 60% by obtaining a credit rating. After the Acquisition, IREIT's leverage ratio is expected to be kept within the revised 45% limit.

Footnotes:

(1) Source: Bloomberg's article titled "German Factory Orders Increase as Economic Outlook Improves" on 5 June 2015, which is available on the website of Bloomberg at www.bloomberg.com (last accessed on the Latest Practicable Date). Bloomberg has not provided its consent. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Bloomberg is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

11. Commentary on the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting and the next 12 months (continued)

Footnotes (continued):

(2) Source: Colliers International, Market report, "Mid-year 2015 for Office Letting and Investment". Colliers has not provided its consent. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Colliers is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager or any other party has conducted an independent review of the information contained in such report or verified the accuracy of the contents of the relevant information.

12. Distributions

(a) Current financial period

Any distributions declared for the current financial period?	Yes
Name of distribution	Distribution for the period from 1 January 2015 to 30 June 2015
Distribution type	Tax-exempt income
Distribution rate	2.21 Singapore cents per Unit
Tax rate	These distributions are made out of IREIT's tax exempt income. Unitholders receiving distributions will not be assessable to Singapore income tax on the distribution received.

(b) Corresponding period of the preceding financial period

Any distributions declared for the corresponding period of the immediate preceding financial period?	Not applicable

(c) Books closure date 9 September 2015

(d) Date payable 28 September 2015

13. If no distribution has been declared/(recommended), a statement to that effect.

Not applicable.

14. If IREIT has obtained a general mandate from shareholders for IPTs, the aggregate value of each transaction as required under Rule 920(i)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

IREIT has not obtained a general mandate from Unitholders for Interested Person Transactions.

15. Confirmation pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Manager which may render these unaudited financial results to be false or misleading in any material aspect.

On behalf of the Board of the Manager,

Lim Kok Min, John Director	Itzhak Sella Director

This announcement may contain forward-looking statements that involve risks and uncertainties. Future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/ distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management of future events.

Any discrepancies in the tables included in this announcement between the listed amounts and total thereof are due to rounding.

BY ORDER OF THE BOARD OF DIRECTORS
Evelyn Low
Company Secretary
IREIT Global Group Pte. Ltd.
(As manager for IREIT GLOBAL)
(Company Registration No. 201331623K)

13 August 2015

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Singapore 069544

DBS Trustee Limited
(in its capacity as trustee of IREIT) (the "Trustee")
12 Marina Boulevard,
Level 44, Marina Bay Financial Centre Tower 3
Singapore 018982

Attention: Mr. Itzhak Sella

Dear Sirs

We have reviewed the accompanying interim condensed financial information of IREIT Global ("IREIT") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and IREIT as of 30 June 2015, and the statements of changes in net assets attributable to unitholders of the Group and of IREIT and the statement of profit or loss and other comprehensive income and statement of cash flows of the Group for the Second Quarter and Half Year then ended, and selected explanatory notes as enumerated in sections 1, 4, 5, 6, 7, 8, 12, 13 of the announcement ("interim condensed financial information").

The management of IREIT Global Group Pte. Ltd. (the "Manager" of IREIT) is responsible for the preparation and fair presentation of this interim condensed financial information in accordance with the International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"). Such interim condensed financial information has been prepared by the Manager for announcement on the Singapore Exchange Securities Trading Limited. Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Deloitte.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information of IREIT and the Group are not prepared in all material respects, in accordance with IAS 34.

Yours faithfully

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

13 August 2015