Viva Industrial Trust
4Q2016 & FY2016
Financial Results

26 January 2017



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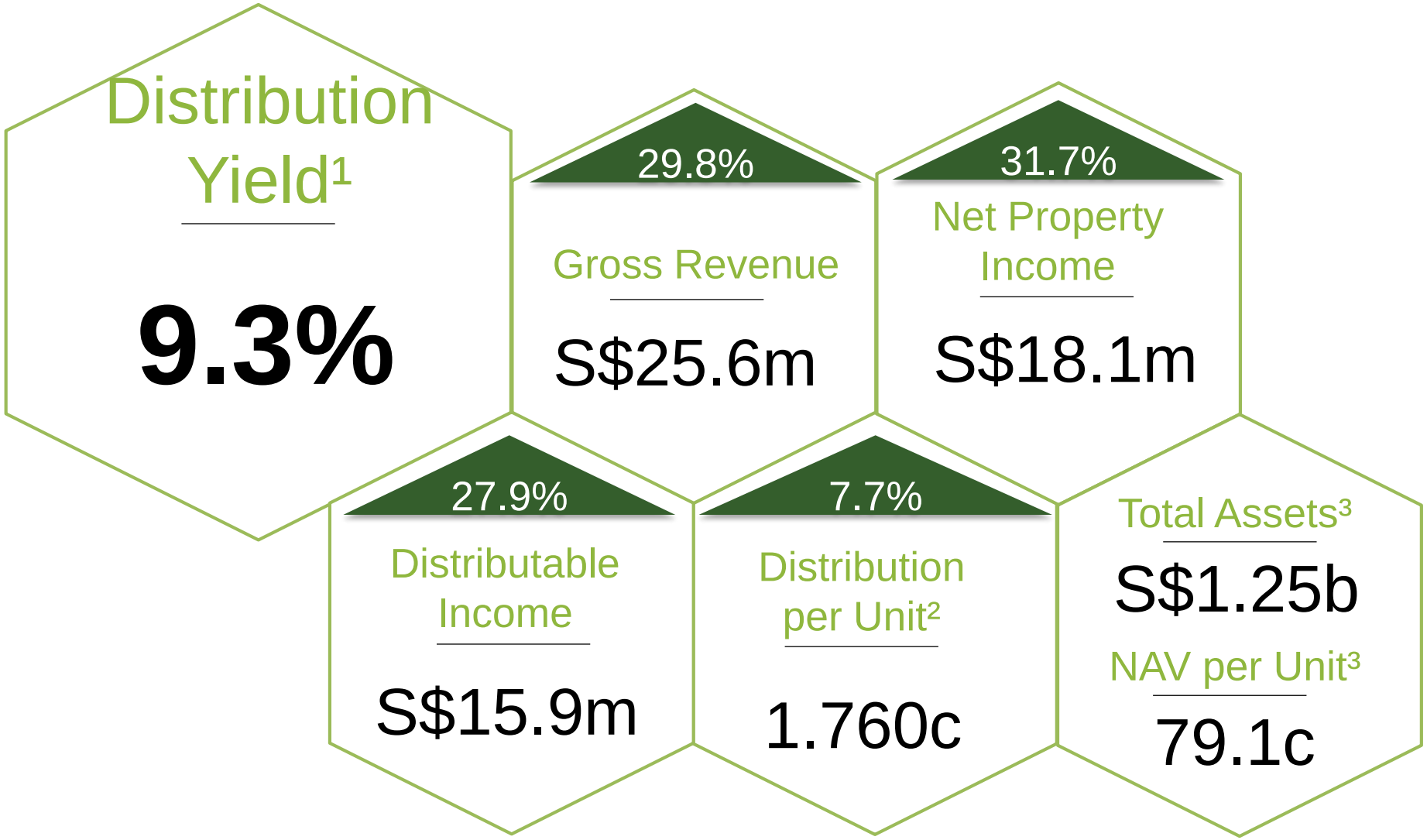
Contents

- Key Highlights and Financial Performance
- Portfolio Update
- Operational Performance
- Update on Growth Drivers
- Outlook & Strategic Focus



Key Highlights

Robust Y-o-Y Performance in 4Q2016



[1] *Based on annualised 4Q2016 DPS and closing price of S$0.755 as at 30 December 2016.*
[2] *Annualised distribution of 7.002 cents.*
[3] *As at 31 December 2016.*

Financial Performance

		Year-On-Year Comparison			Quarter-On-Quarter Comparison		
	4Q2016	4Q2015	Variance		3Q2016	Variance	
Gross Revenue (S$'000)	**25,568**	19,702	▲	29.8%	24,252	▲	5.4%
NPI (S$'000)	**18,078**	13,725	▲	31.7%	17,405	▲	3.9%
Distributable Income[1] (S$'000)	**15,935**	12,463	▲	27.9%	15,713	▲	1.4%
Number of stapled securities for calculation of DPS ('000)	**905,225**	762,865	▲	18.7%	868,112	▲	4.3%
DPS (SG cents)	**1.760**	1.634	▲	7.7%	1.810	▼	2.8%
Annualised DPS (SG cents)	**7.002**	7.000[2]	▲	0.03%	7.201	▼	2.8%
Annualised Distribution Yield	**9.3%[3]**	9.9%[4]		--	9.1%[5]		--

1. *As VI-BT is dormant, only the distributable income of VI-REIT has been included for the purpose of calculating the DPS.*
2. *Actual FY2015 DPS.*
3. *Based on closing price of S$0.755 as at 30 December 2016.*
4. *Based on closing price of S$0.710 as at 31 December 2015.*
5. *Based on closing price of S$0.790 as at 30 September 2016.*

Financial Performance

		Year-On-Year Comparison		
	FY2016	**FY2015**	**Variance**	
Gross Revenue (S$'000)	**95,119**	73,989	▲	28.6%
NPI (S$'000)	**68,478**	50,838	▲	34.7%
Distributable Income[1] (S$'000)	**60,938**	47,478	▲	28.3%
Number of stapled securities for calculation of DPS ('000)	**875,667**	678,203	▲	29.1%
DPS (SG cents)	**6.958**	7.000	▼	0.6%
Annualised Distribution Yield	**9.2%[2]**	9.9%[3]		--

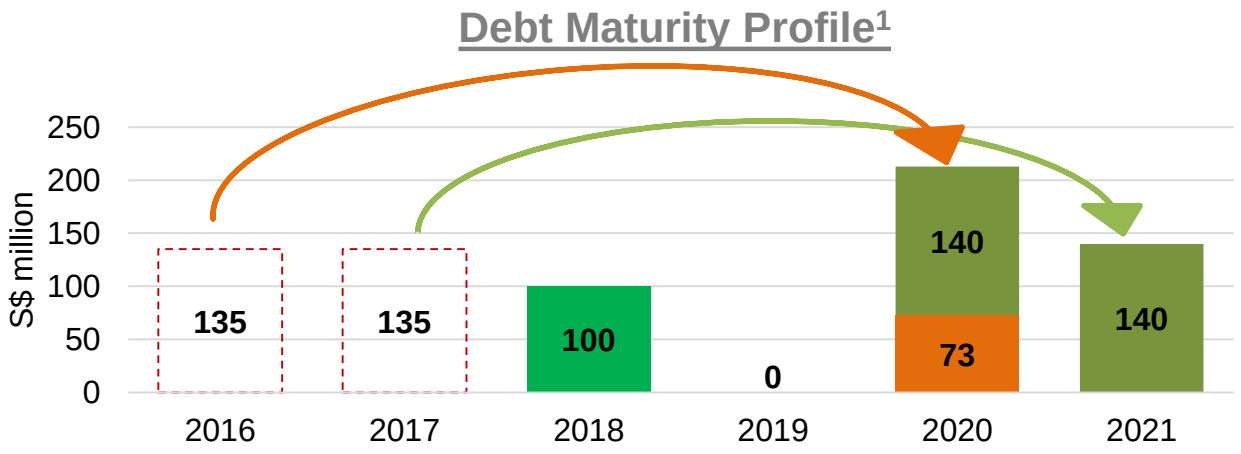
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3. *Based on closing price of S$0.710 as at 31 December 2015.*

Financial Position

	31 Dec 2016 S$ mil	31 Dec 2015 S$ mil
Investment Properties	1,199.7	1,123.2
Other Assets	54.2	75.1
Total Assets	**1,253.9**	**1,198.3**
Borrowings (net of transaction costs)	461.5	459.2
Other Liabilities	53.5	37.5
Total Liabilities	515.0	496.7
Net Assets	**738.9**	**701.6**
No. of Stapled Securities issued and issuable (in mil)	934.1	863.1
Net Asset Value per Stapled Security (SG cents)	**79.1**	**81.3**

Proactive Capital Management

As at 31 December 2016	
Total Borrowings	S$461.5 million
Gearing Ratio (Total Borrowings over Total Assets) - As at 31 December 2016 - Post completion of acquisition of 6 Chin Bee Ave	 37.2% 39.4%
All-in Borrowing Cost	4.0%
Weighted Average Debt Maturity[1]	3.2 years
Interest Rate Exposure Fixed[2]	89.9%
Interest Cover	4.21 times



1. *Excludes the revolving credit facility of S$50 million.*
2. *Based on outstanding borrowings as at 31 December 2016.*

Distribution Details

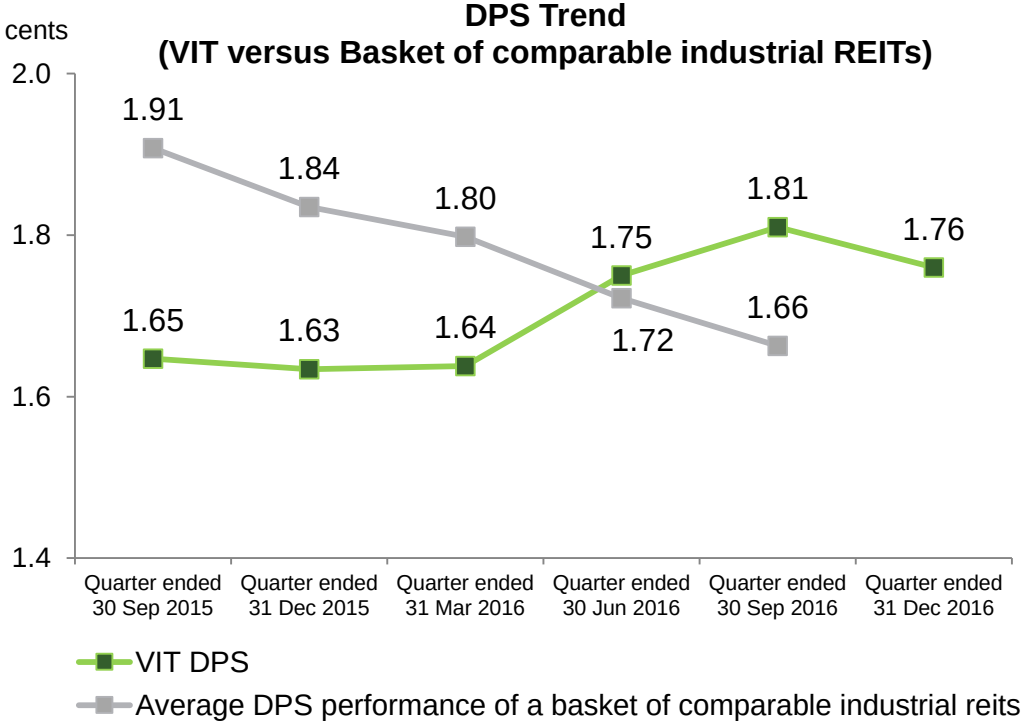
4Q2016 Distribution Details	
Distribution Period	1 October 2016 – 31 December 2016
Distribution per Stapled Security (Singapore cents)	1.760* comprising (a) taxable income – 1.486 (b) tax exempt income – 0.274
Ex-Date	2 February 2017
Books Closure Date	6 February 2017
Distribution Payment Date	28 February 2017

*Advanced distribution of 0.728 cents in respect of the period from 1 October 2016 to 6 November 2016 has been paid out on 28 November 2016. The remaining distribution of 1.032 cents will be paid out on 28 February 2017.

VIT's DPS Remains Resilient YTD 2016

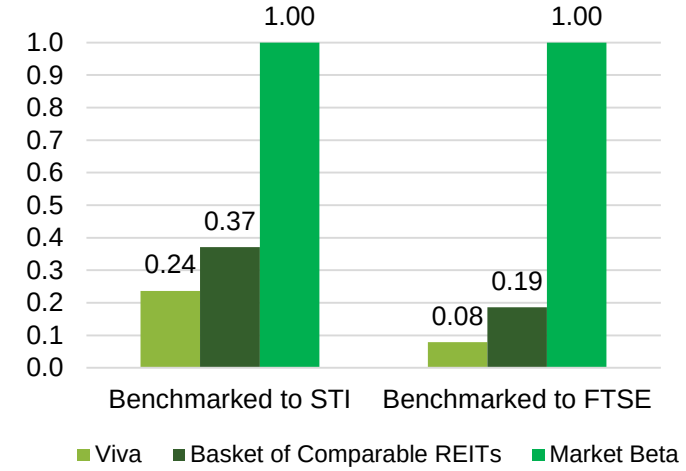
VIT's DPS continues to buck the downward trend of comparable industrial REITs despite facing challenging market conditions, although DPS tapered slightly in 4Q2016 due to the private placement exercise

DPS Trend
(VIT versus Basket of comparable industrial REITs)



Volatility to the Market

- Beta value of 1 represents the market
- Values closer to 1 indicate higher correlation with the market

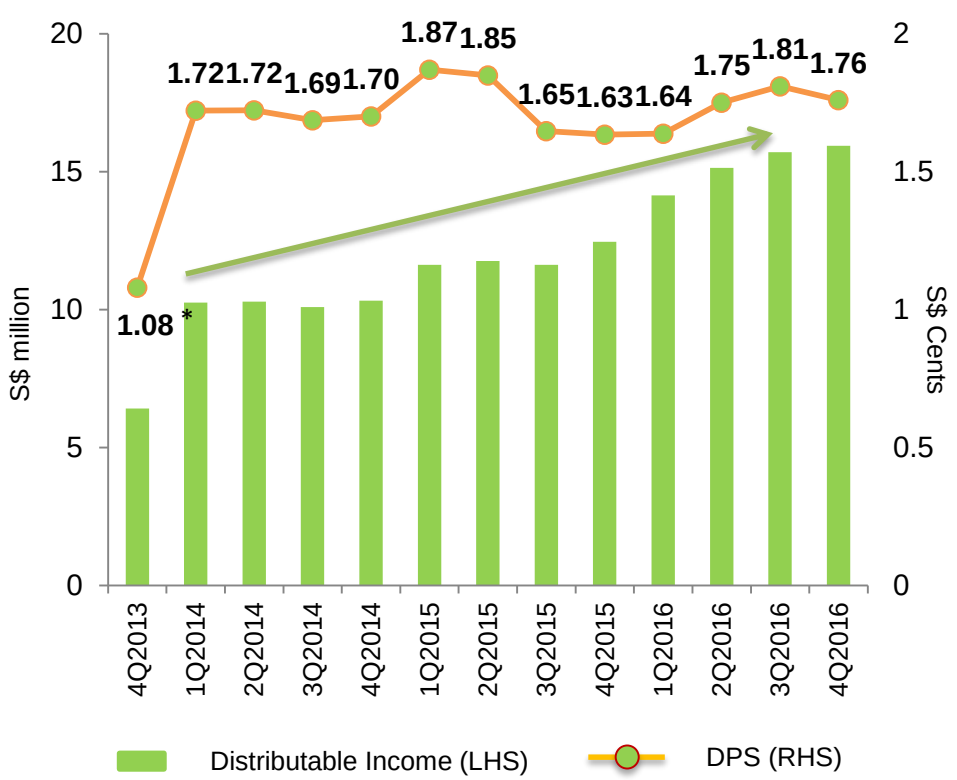


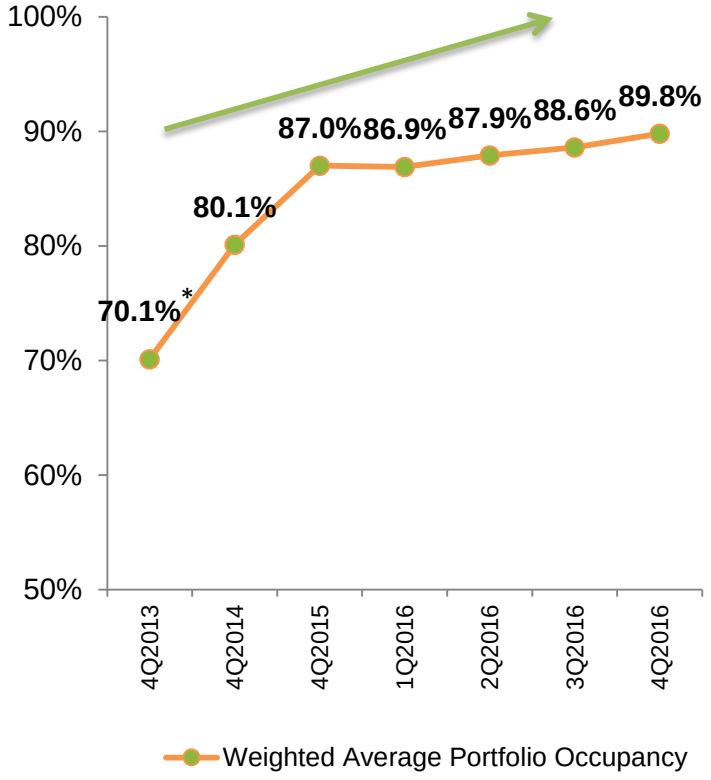
- VIT resilient and able to extract value amidst soft industrial property market
- Result of strategic acquisitions and enhancing value through organic growth
- Low correlation to the market (low beta) demonstrates **defensiveness of VIT's property portfolio**; VIT well-cushioned to weather economic uncertainties

Source: ShareInvestor

Rising DPS and Occupancy Trend

Robust distribution and occupancy performance despite facing a challenging economic environment, particularly for industrial REITs





** Relates to the period from 4 November 2013 (the "Listing Date") to 31 December 2013.*



Portfolio Update

Recent Yield-Accretive Acquisition

Acquisition of 6 Chin Bee Avenue was completed on 16 Jan 2017. However, equity fundraising was completed in November 2016 resulting in larger unitholder base before the property contributed income



1. *Based on unaudited financial statements for the 9 months ended 30 September 2016 ("9M2016").*
2. *Based on 9M2016 unaudited financial statements and assuming that the acquisition of 6 Chin Bee Avenue had been completed on 1 January 2016.*

Latest Acquisition Completed – 6 Chin Bee Avenue

Property Details	
Location	6 Chin Bee Avenue, Singapore 619930
Purchase Price	S$87.3 million
Land Premium	Approximately S$5.6 million
Valuation	S$94.3 million[1]
Master Lease Tenant	Sharikat Logistics Pte Ltd
Land Tenure	30 years (wef 16 October 2013)
Land Area	129,746 sq. ft.
GFA	324,166 sq. ft.
Occupancy	100%
Lease Structure	7-year triple-net master lease at S$7.44m per annum (8% NPI Yield), with an option to renew for a further term of 3 years

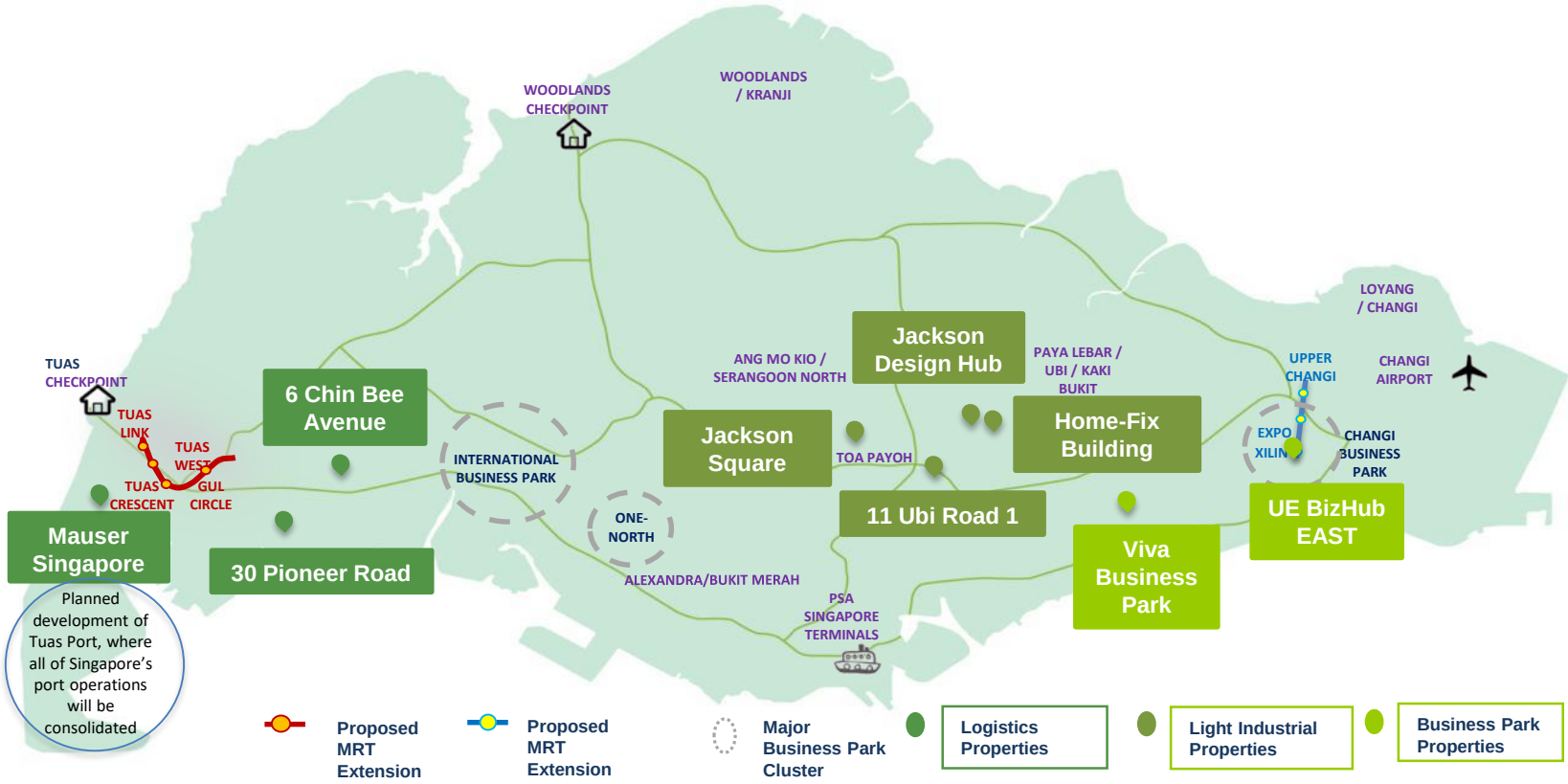




1. *Based on independent valuation performed by Suntec Real Estate Consultants Pte Ltd as at 12 October 2016.*

Well-Spread, Strategically Located Assets* in Singapore

9	3.9m	S$1.294b	Singapore Focused Portfolio
Property Assets	Sq ft GFA	Total Portfolio Valuation	



* As at 16 January 2017

VIT's portfolio valuations remain resilient

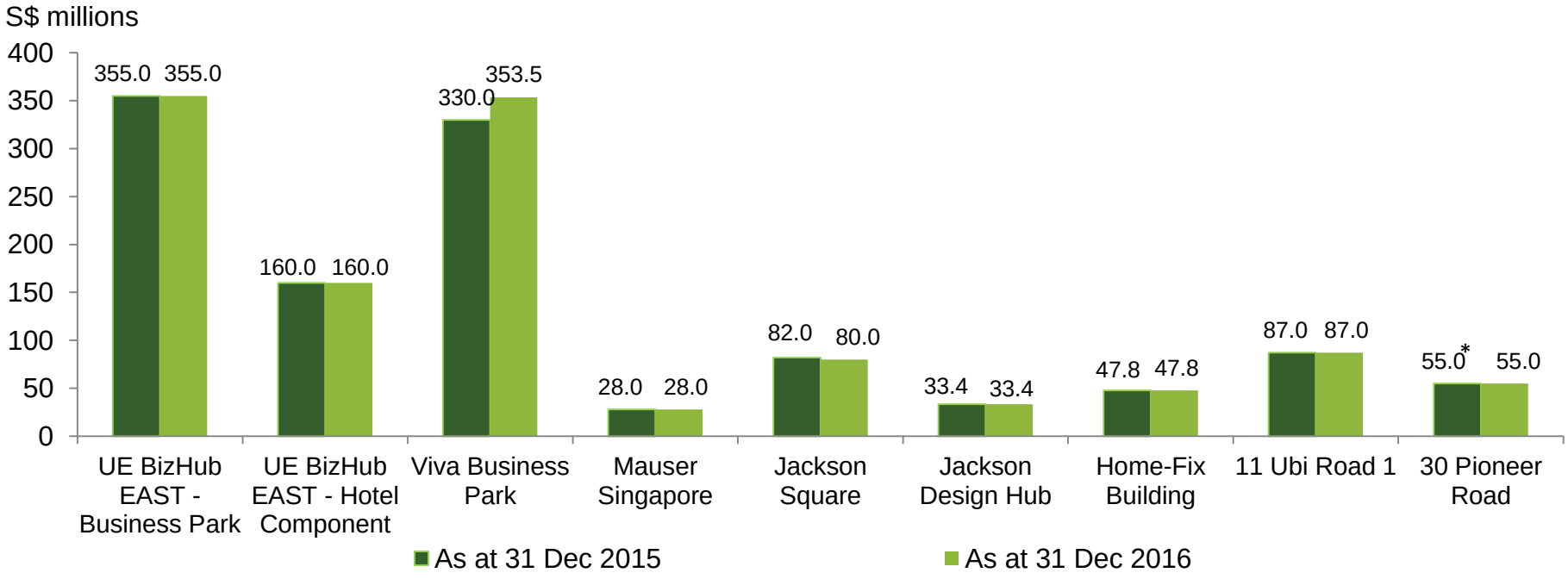
Despite lacklustre performance in industrial property prices and rentals in Singapore, VIT's portfolio valuations remain constant and resilient year-on-year

"We expect Q4 rents to continue its slide, with full-year 2016 decline to be 7-10%. In 2017, we expect [rents in] H1 2017 to stabilise." ~ Tricia Song, Head of Research, Colliers International Singapore

The Business Times, 28 December 2016, "*Steeper declines in rents, prices*"

"Savills said prices for upper-storey factory and warehouse units on 60-year leases fell about 4.7 percent from the second to the third quarter to an average of $444.61 psf."

The Straits Times, 3 December 2016, *"Grim Q3 for industrial property sector"*



**Acquired on 15 April 2016*



Operational Performance

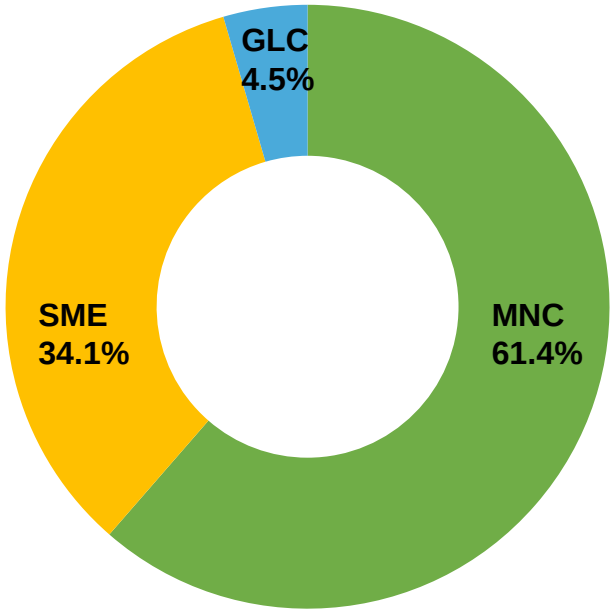
Improved Portfolio Fundamentals

Portfolio Summary		
	31 December 2016	31 December 2015
Total Number of Properties	8	7
Total Portfolio GFA	3,576,103 sq ft	3,292,936 sq ft
Net Lettable Area (NLA)	3,001,401 sq ft	2,703,768 sq ft
WALE (by rental income)[1]	3.1 years	3.8 years
Weighted Average Land Lease (by valuation)	35.5 years	37.4 years
Weighted Average Age of Buildings (by valuation)	9.8 years	9.7 years
Weighted Average Portfolio Occupancy *- Weighted Average Portfolio Occupancy as at Listing Date (4 November 2013)*	89.8% 70.1%	87.0% 70.1%
Total Portfolio Valuation	S$1.20 billion	S$1.12 billion

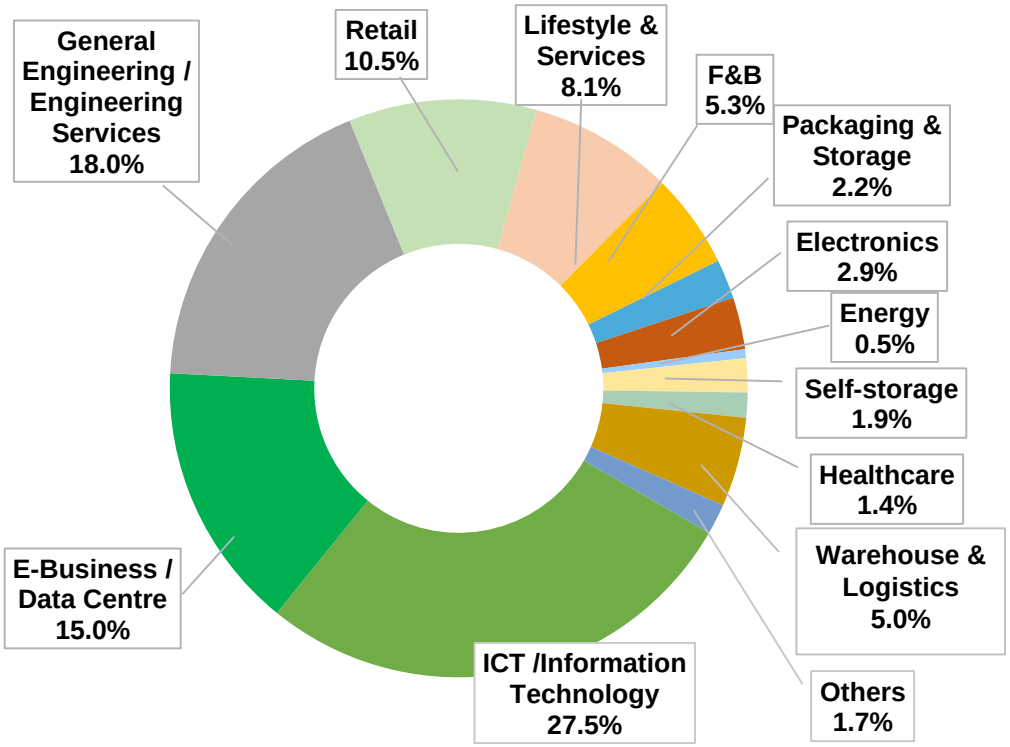
[1] *By Rental Income - based on net property income and rental support, taking into account the master lease arrangements and rental support arrangements, assuming that renewal options are not exercised.*

Diversified Quality Tenant Mix

Breakdown of Tenant Type by Underlying Gross Rental Income*



Breakdown of Trade Sector by Underlying Gross Rental Income*

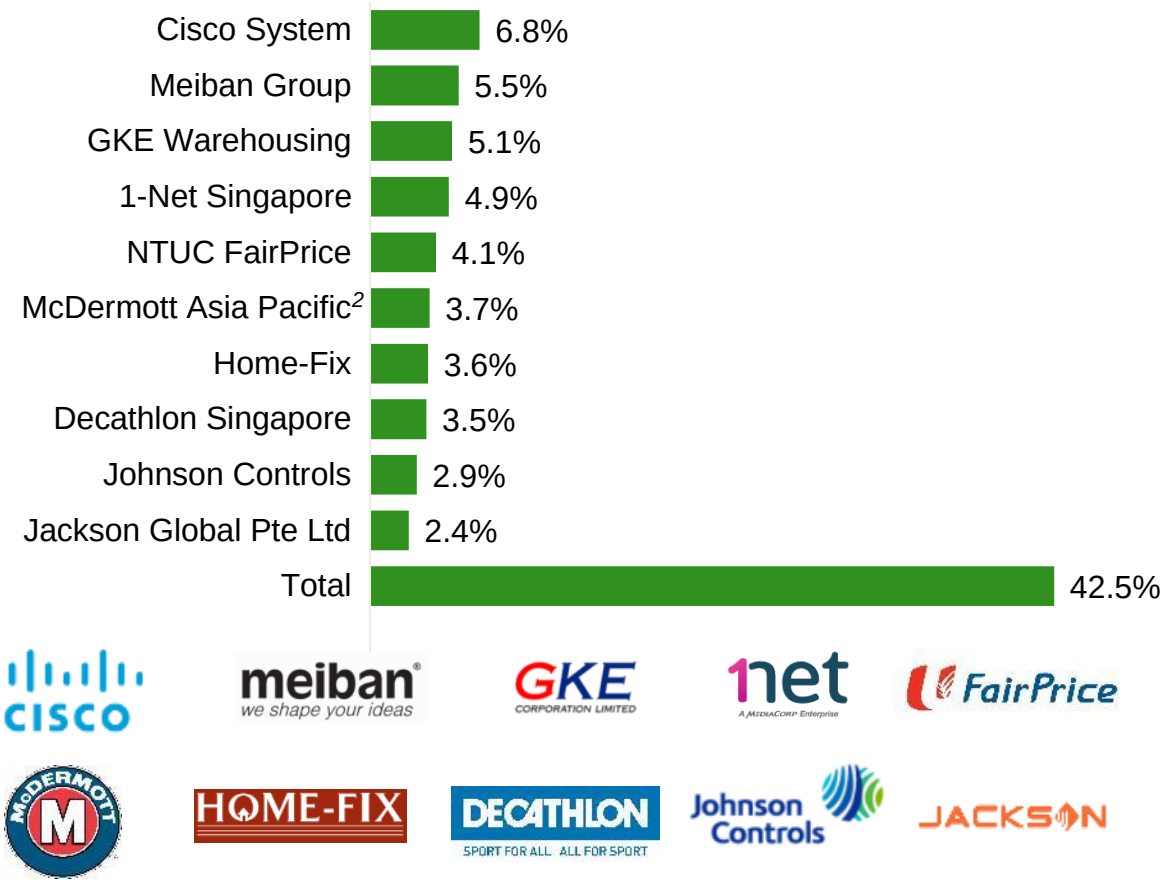


- Total of 143 tenants, of which 42.5% of tenants are in information technology, e-business or data centre operations.
- 65.9% of tenants are multinational corporations or government-linked corporations.

** Based on monthly gross rental income for the month of December 2016, excluding the rental income from the UEBH Hotel Leased Premises.*

Diversified Quality Tenant Mix[1]

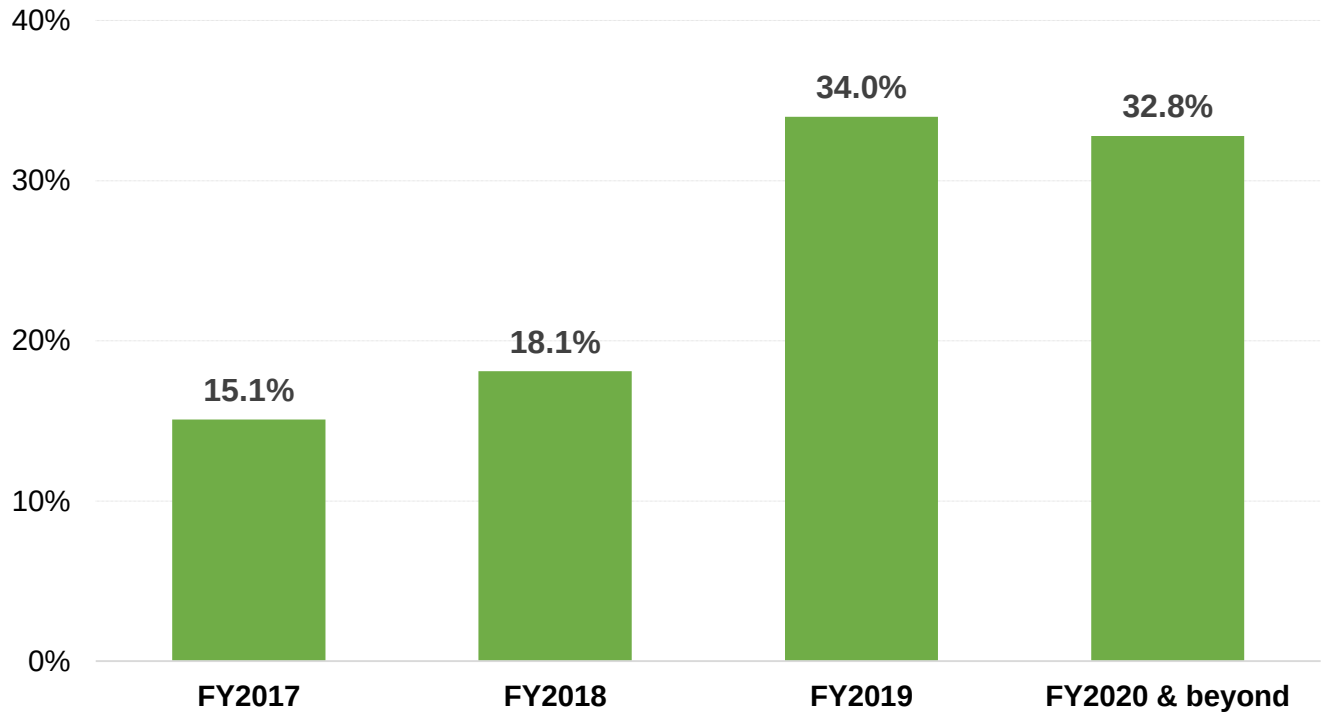
Top 10 tenants/sub-tenants account for 42.5% of monthly committed rental income



[1] *As at 31 December 2016, excluding United Engineers Developments Pte Ltd as lessee of the UEBH Hotel Leased Premises.*
[2] *McDermott will be vacating Jackson Square and Foxconn has taken up part of the space vacated.*

Staggered Lease Expiry Provides Income Stability

Expiry by % of Underlying Gross Rental Income[1]

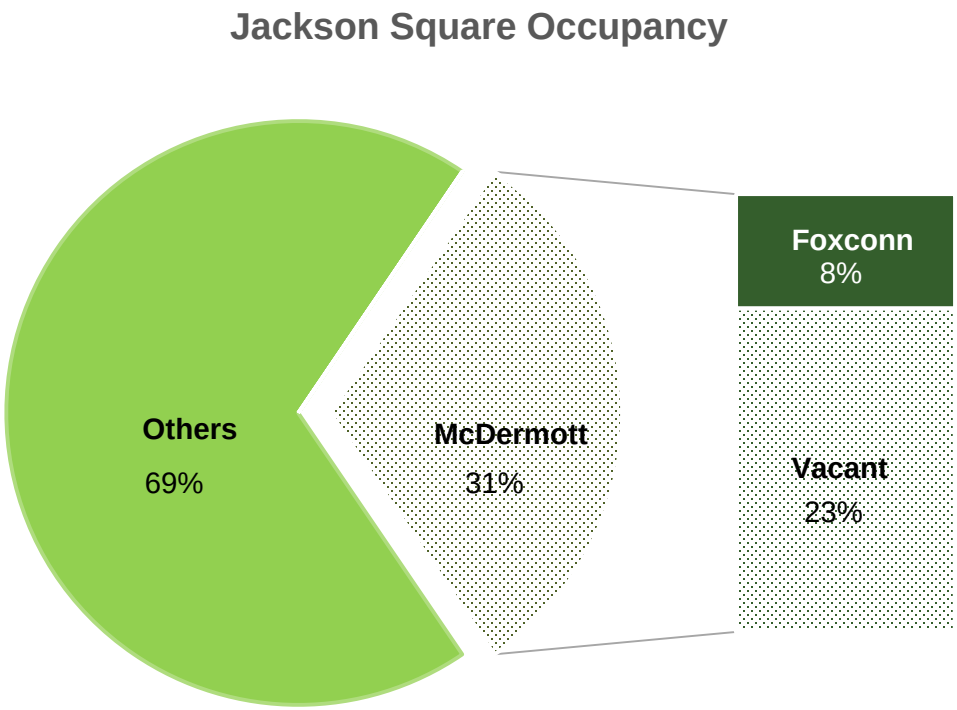


Renewed over 90% of leases that expired in 2016 equivalent to 356,000 sqft of space and secured new leases for 101,000[2] sqft of space for the full year. Furthermore, VIT achieved positive rental reversion of 5.2% for 2016.

1. *Based on committed leases as at 31 December 2016, assuming renewal options are not exercised and excluding United Engineers Developments Pte Ltd as lessee of the UEBH Hotel Leased Premises.*
2. *Does not include pre-committed leases for VBP "white" space.*

Occupancy Updates at Jackson Square

Jackson Square has downside protection in place till November 2019.



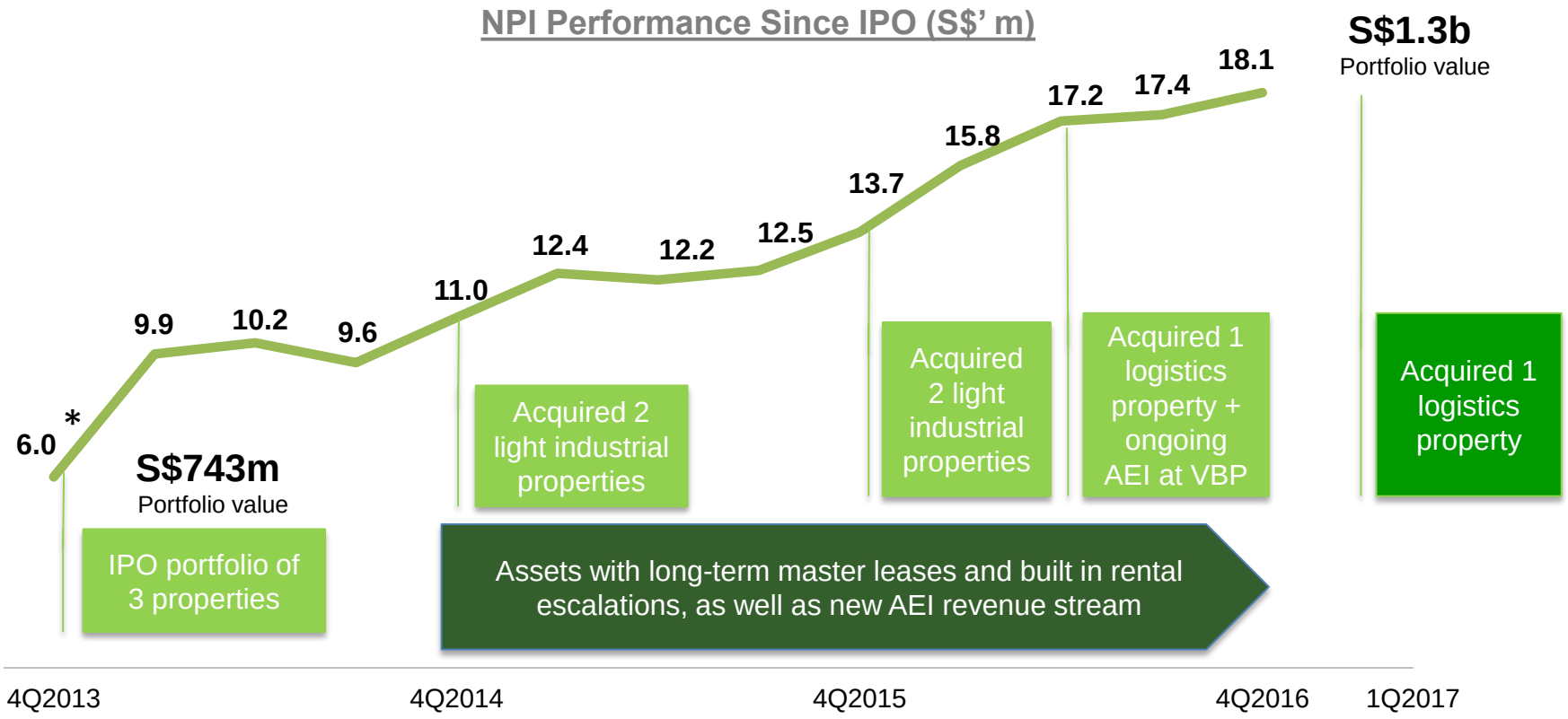
- McDermott will not be renewing its leases expiring in April 2017
- Jackson Square property income will be protected by rental guarantee arrangement till November 2019
- Foxconn has taken up part of the space vacated by McDermott
- Strong interest for the remaining space due to central location of the property



Update on Growth Drivers

1 Growing Revenue Streams and Delivering Income Growth

Strategic acquisitions and AEI have resulted in steady NPI growth since listing

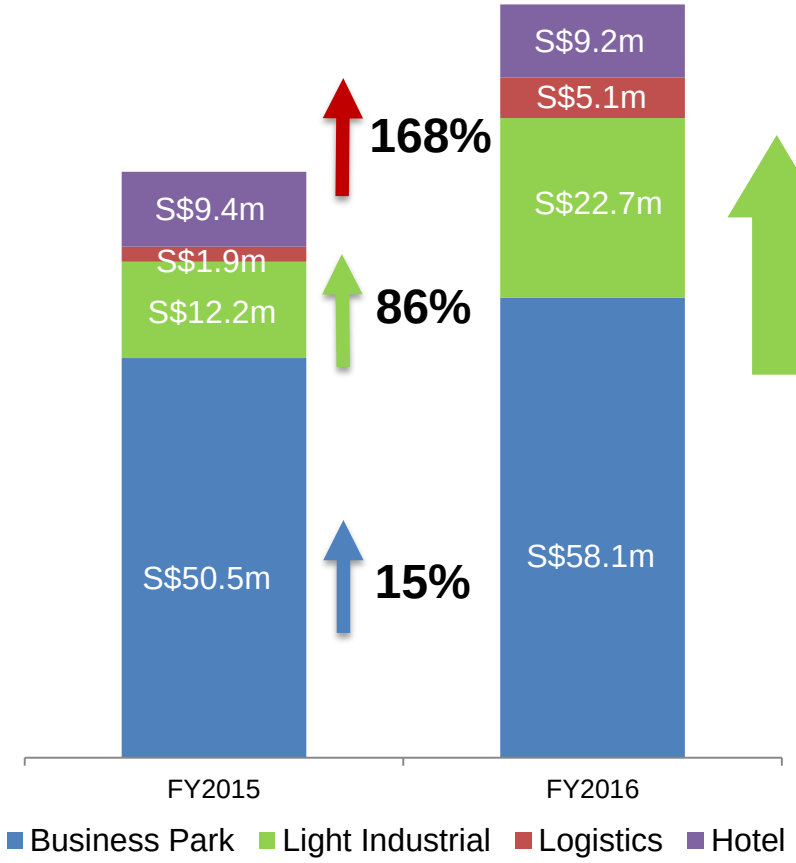


** Relates to the period from 4 November 2013 (the "Listing Date") to 31 December 2013.*

2 Sharpening Portfolio to Diversify and Strengthen Income

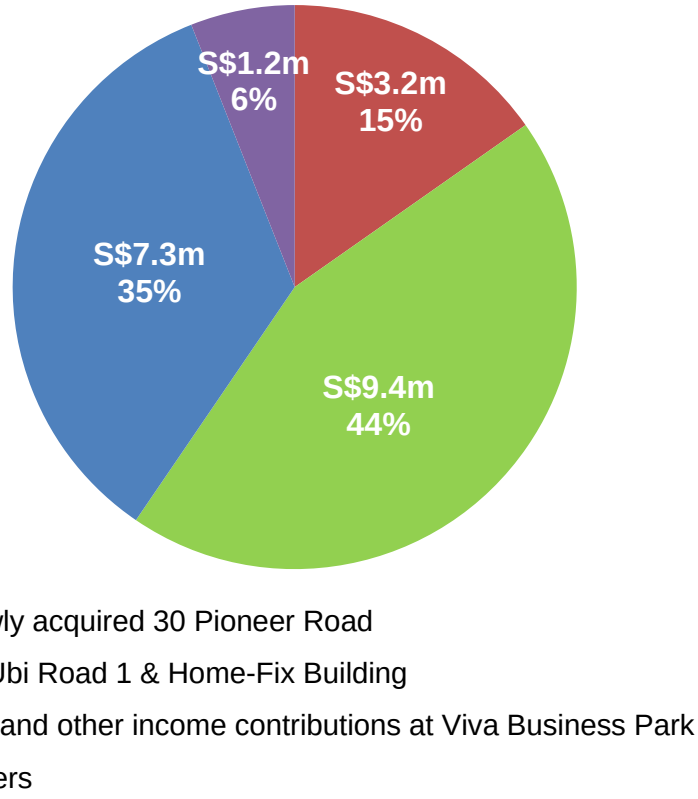
Increasingly diversified portfolio underpinned by resilient business park assets

Gross Revenue (by Asset Type)



FY16 Total Gross Revenue grew by S$21.1m Y-o-Y

Contribution to Y-o-Y Revenue Growth (by Growth Driver)



3 The Transformation of VBP Into a Vibrant Business Park

VBP's Roadmap to transformation

1979



Rollei Camera Factory

1983



Mails and Parcels Centre

1990s



Technopark@Chai Chee

2015



AEI Announcement in May 2015

2016



Phase 2 (750)

Obtained TOP on 4 May 2016



Phase 3 (750B)

Partial TOP was obtained in Q4 2016

Present



Phase 1 (750A)

Obtained TOP on 11 January 2016







Source: National Archives, Singapore

3 VBP Shaping Up as 'Work-Play-Eat-Shop' Destination

VBP's transformation reinvents the concept of business park, offering a vibrant mix of tenants with three core themes of Sports & Fitness, Food & Beverage and Family-Oriented amenities

ASTONS specialities



Chic-a-boo



DECATHLON
SPORT FOR ALL ALL FOR SPORT



Gelare





mmmm!

GLOBAL HALAL HUB
WORLD SOURCED HALAL FOOD & BEVERAGE
MY OUTLETS

PASTAMANIA
CASUAL DINING

Simply Wrapps











and more:

Alpha Gymnastics

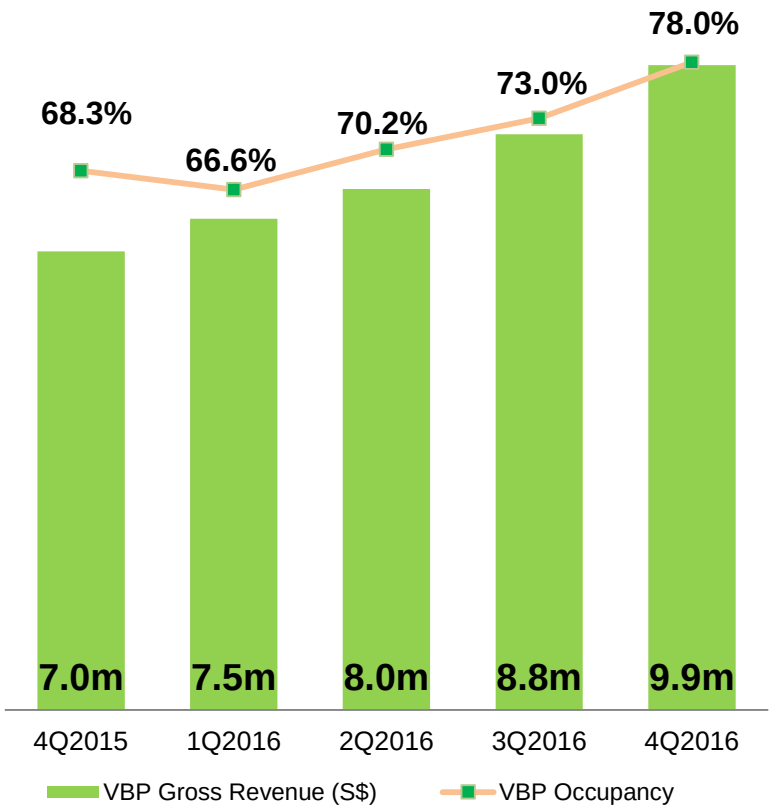
SONG FISH

Royz et Vous
SPECIALTY COFFEE

TRUE FITNESS

3 Increasing Contributions From VBP as AEI Nears Completion

VBP on track to bring greater vibrancy to the wider Bedok region; progressively contribute higher revenue and distributable income to VIT



94.9% of "white space" is committed

58% of total "white space" contributed to 4Q2016 income

Valuation

S$353.5m

as at 31 Dec 2016



Outlook & Strategic Focus

Continued Opportunities For Organic and Inorganic Growth

Viva Business Park and UE BizHub EAST are resilient assets, well-positioned to tap on future opportunities in Changi Business Park as a new centre for growth

Cyclical Dynamics

BUSINESS PARKS
(Limited supply of business parks; remains resilient)

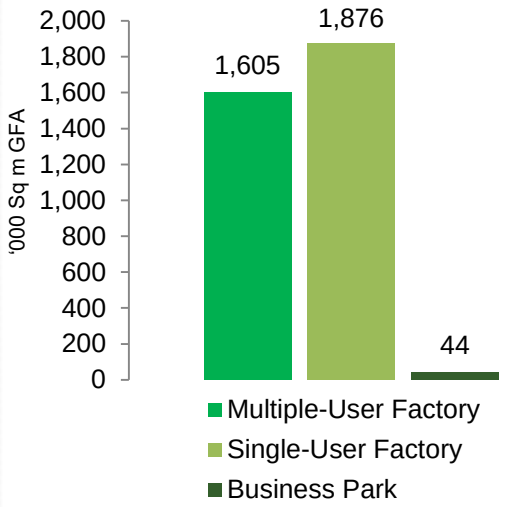
LOGISTICS
(Rising vacancy islandwide leading to some short-term oversupply)

LIGHT INDUSTRIAL
(Tapping on the Govt's push for more digital factories by 2020)

- Economic uncertainty and volatility led to weaker market conditions and business sentiments
- VIT's diversified property portfolio to remain resilient and ride through cyclical downturns in the industrial property sector

Sources: JTC, CBRE, Savills

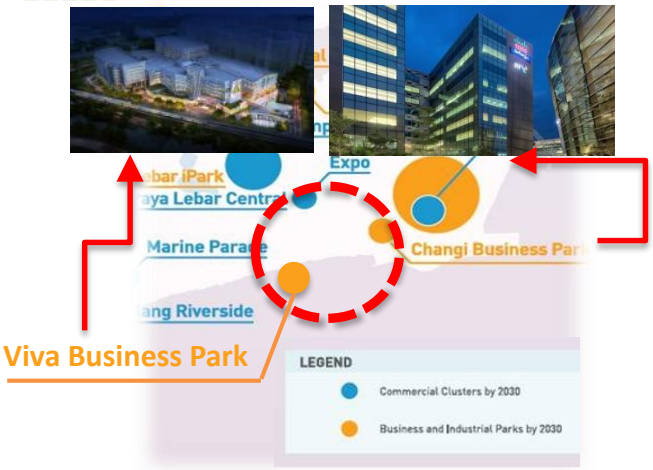
Limited Supply of New Business Parks



Supply of Factory Space by Type of Industrial Space for Completion by 2020

- 44,000 sq m GFA of business park space expected to be completed by 2020 (as at end of 3rd Quarter 2016)

Opportunities for VBP and UE BizHub EAST in Near-Term



Changi is a new centre for growth

Decentralisation trend

New strategies to attract tenants

Clear Strategy to Enhance VIT's Value

Near-term focus on creating a vibrant VBP while seeking out defensive acquisitions against the backdrop of a subdued economy

Focus on retaining tenants while increasing portfolio occupancy

Drive long-term growth and enhancement of VIT's value

1 Value Creating Investment Management



- Timely delivery of AEI works within budget
- Build pipeline of yield accretive acquisitions in Singapore and overseas

2 Proactive Asset & Lease Management



- Maximise tenant retentions with positive rental reversions
- Unlock value through asset enhancements
- Effective asset operating cost management

3 Prudent Capital & Risk Management



- Maintain stable DPS
- Maintain prudent financial policy with gearing ratio below 40%
- Diversify sources of funding

Summary

1



Best in Class Portfolio Anchored by Sizeable Integrated Business Park Developments

- Integrated Business Park developments attract quality tenants by providing complementary amenities that enliven the workplace.
- **UE BizHub East** is an unique business park development integrated with a 251-room hotel, convention centre and retail component, while **Viva Business Park** has significant “white” component.

2



Clear Growth Strategy for 2017

- VBP’s AEI has been successful in revitalising the Business Park, and is contributing to rising revenues and distributions amidst subdued macroeconomic conditions.
- Completion of yield accretive acquisition of 6 Chin Bee Avenue taps on the strong potential of Singapore’s growing and recession-resilient food services sector.

3



VIT is a Safe Haven Defensive Investment Amid Macro Uncertainties

- VIT continues to provide investors with stable distributions and long-term growth potential in asset value.
- Low correlation to the market (low beta) demonstrates defensiveness of VIT’s property portfolio and VIT is well-positioned to weather economic uncertainties.

Thank you

VIVA iTRUST

