Viva Industrial Trust
2Q2018
Results Presentation

13 August 2018



Important Notice

This presentation is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any Stapled Securities of Viva Industrial Trust ("VIT") in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of the Stapled Securities and the income derived from them may fall as well as rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by, Viva Industrial Trust Management Pte. Ltd., in its capacity as manager of Viva Industrial Real Estate Investment Trust ("VI-REIT", and the manager of VI-REIT, the "REIT Manager"), Viva Asset Management Pte. Ltd., in its capacity as trustee-manager of Viva Industrial Business Trust ("VI-BT", and the trustee-manager of VI-BT, the "Trustee-Manager", and collectively with the REIT Manager, the "Managers"), Perpetual (Asia) Limited, as trustee of VI-REIT, or any of their respective affiliates.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Stapled Securityholders have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual 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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of VIT. The forecast financial performance of VIT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers' current view of future events.

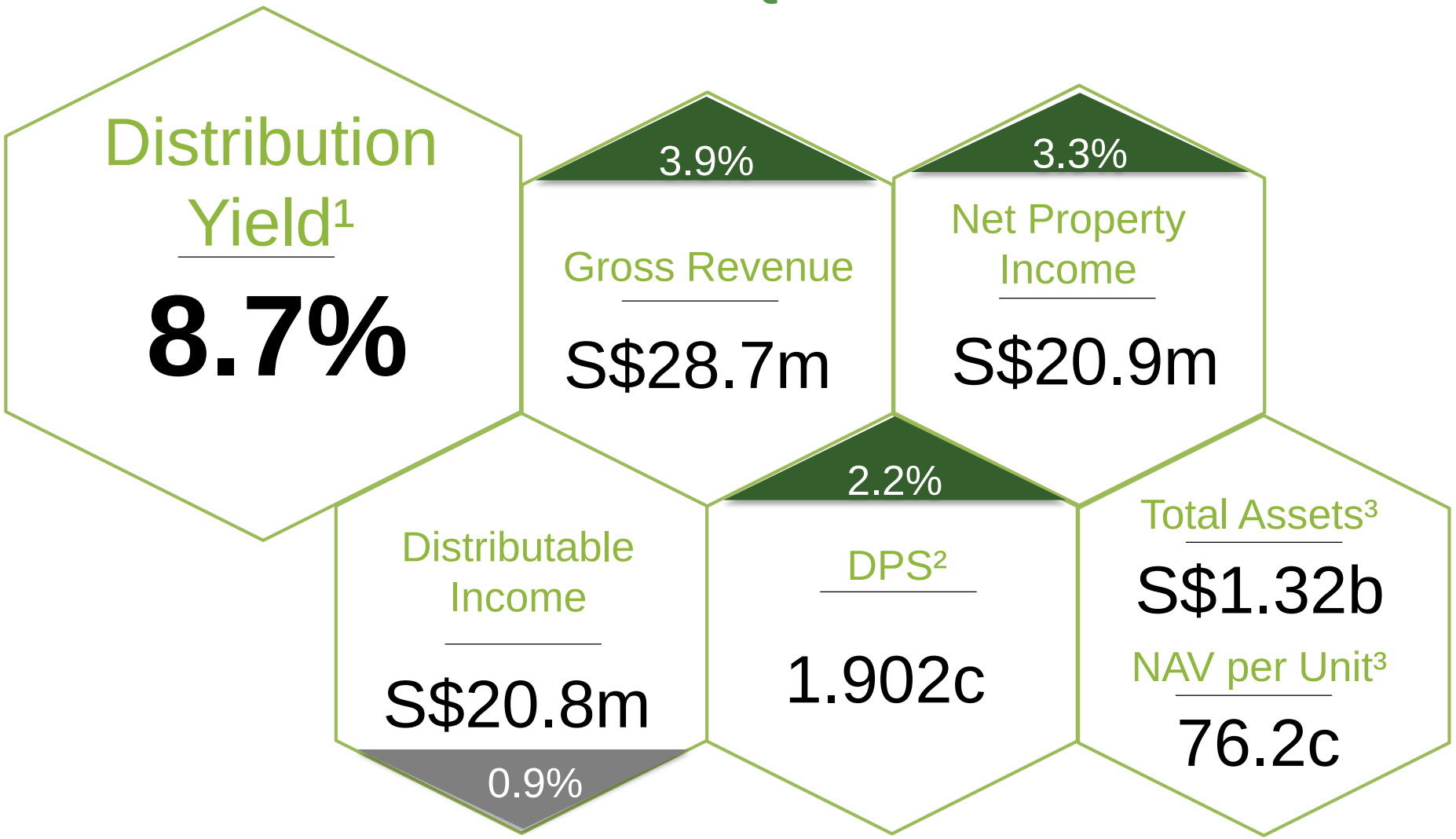
Contents

- Key Highlights
- Financial Performance
- Portfolio Update
- Outlook & Strategic Focus



Key Highlights

Robust Y-o-Y Performance in 2Q2018



[1] *Based on annualised 2Q2018 DPS of 7.629 cents and closing price of S$0.875 as at 29 June 2018.*
[2] *All management fees payable to the REIT manager and the Property Manager were paid in cash.*
[3] *As at 30 June 2018.*

Tax Transparency Update

- IRAS has accorded **tax transparency treatment** to the rental support received/receivable by VI-REIT under the UE BizHub East rental arrangement and the Jackson Square rental support arrangement retrospectively with effect from 1 January 2014.
- VI-REIT recognized a net income tax credit of **S$4.96 million** in 2Q2018, which in turn gave rise to **S$4.46 million** of distributable income.

Distributable income of S$4.46 million attributable to the net income tax credit:

50% has been included in the distribution for 2Q2018

50% has been retained and will be included in the next distribution



Financial Performance

Financial Performance

		Year-On-Year Comparison		Quarter-On-Quarter Comparison	
	2Q2018	2Q2017	Variance	1Q2018	Variance
Gross Revenue (S$'000)	**28,681**	27,606	▲ 3.9%	28,692	▼ 0.0%
NPI (S$'000)	**20,878**	20,211	▲ 3.3%	21,051	▼ 0.8%
Distributable Income[1] (S$'000)	**20,790**	20,971	▼ 0.9%	16,170	▲ 28.6%
Distribution Declared (S$'000)	**18,559[2]**	18,005[3]	▲ 3.1%	17,949[4]	▲ 3.4%
Number of stapled securities for calculation of DPS ('000)	**975,759**	967,473	▲ 0.9%	975,759	— 0.0%
DPS (SG cents)	**1.902**	1.861	▲ 2.2%	1.838	▲ 3.5%
Annualised Distribution Yield	**8.7%[5]**	8.0%[6]	--	8.4%[7]	--

1. *As VI-BT is inactive, only the distribution of VI-REIT Group has been included for the purpose of calculating the DPS.*
2. *The distribution declared for 2Q2018 included 50% of the distributable income attributable to the net income tax credit of S$4.96 million in 2Q2018.*
3. *The distribution declared for 2Q2017 was made on the basis as if the JS rental support arrangement was still in place notwithstanding the JS Rental Support Settlement as announced on 21 May 2017.*
4. *The distribution declared for 1Q2018 included the release of all the previously retained distributable income of S$1.78 million attributable to the JS Rental Support Settlement.*
5. *Based on closing price of S$0.875 on 29 June 2018.*
6. *Based on actual FY2017 DPS and closing price of S$0.935 on 29 December 2017.*
7. *Based on closing price of S$0.885 on 29 March 2018.*

Financial Performance

Year-On-Year Comparison			
	1H2018	1H2017	Variance
Gross Revenue (S$'000)	**57,373**	54,985	▲ 4.3%
NPI (S$'000)	**41,929**	40,551	▲ 3.4%
Distributable Income[1] (S$'000)	**36,960**	38,778	▼ 4.7%
Distribution Declared (S$'000)	**36,508[2]**	35,812[3]	▲ 1.9%
Number of stapled securities for calculation of DPS ('000)	**975,759**	963,975	▲ 1.2%
DPS (SG cents)	**3.740**	3.715	▲ 0.7%

1. *As VI-BT is inactive, only the distribution of VI-REIT Group has been included for the purpose of calculating the DPS.*
2. *The distribution declared for 1H2018 included the release of all the previously retained distributable income of S$1.78 million attributable to the JS Rental Support Settlement and 50% of the distributable income attributable to the net income tax credit of S$4.96 million in 2Q2018*
3. *The distribution declared for 1H2017 was made on the basis as if the JS rental support arrangement was still in place notwithstanding the JS Rental Support Settlement as announced on 21 May 2017.*

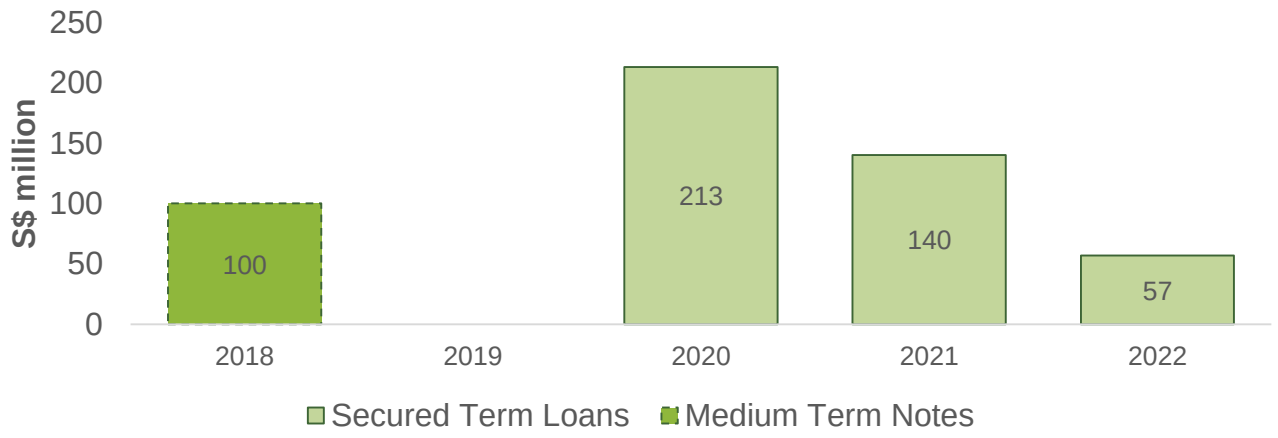
Financial Position

	30 Jun 2018 S$ mil	31 Dec 2017 S$ mil
Investment Properties	1,284.9	1,284.7
Other Assets	31.5	33.7
Total Assets	**1,316.4**	**1,318.4**
Borrowings (net of transaction costs)	536.5	520.5
Other Liabilities	36.3	51.3
Total Liabilities	**572.8**	**571.8**
Net Assets	**743.5**	**746.6**
No. of Stapled Securities issued and issuable (in mil)	975.8	975.8
Net Asset Value per Stapled Security (SG cents)	**76.2**	**76.5**

Proactive Capital Management

As at 30 June 2018	
Gross Borrowings	S$540 million
Gearing Ratio (Gross Borrowings over Total Assets)	41.0%
All-in Borrowing Cost	4.0%
Weighted Average Debt Maturity[1]	2.0 years
Interest Rate Exposure Fixed[2]	82.0%
Interest Cover	4.38 times

Debt Maturity Profile[1]



1. *Excludes the revolving credit facility of S$50 million.*
2. *Based on outstanding borrowings as at 30 June 2018.*

Distribution Details

2Q2018 Distribution Details	
Distribution Period	1 April 2018 – 30 June 2018
Distribution per Stapled Security	Taxable income of 1.902 cents
Ex-Date	20 Aug 2018
Books Closure Date	23 Aug 2018
Distribution Payment Date	14 Sep 2018



Portfolio Update

Well-Spread, Strategically Located Assets in Singapore

9	3.9m	S$1.28b	Singapore Focused Portfolio
Property Assets	Sq ft GFA	Total Portfolio Valuation	



6 Chin Bee Avenue

GFA: 324,166 sq ft
Valuation: S$94.3 m



Jackson Square

GFA: 418,586 sq ft
Valuation: S$73.2 m



Jackson Design Hub

GFA: 85,070 sq ft
Valuation: S$33.4 m



Viva Business Park

GFA: 1,526,762 sq ft
Valuation: S$350.0 m



UE BizHub EAST (Hotel & Business Park)

GFA: 783,415 sq ft
Valuation: S$518.0 m



Mauser Singapore

GFA: 107,566 sq ft
Valuation: S$28.0 m



Planned development of Tuas Port, where all of Singapore's port operations will be consolidated



30 Pioneer Road

GFA: 281,090 sq ft
Valuation: S$55.0 m



11 Ubi Road 1

GFA: 253,058 sq ft
Valuation: S$85.0 m



Home-Fix Building

GFA: 120,556 sq ft
Valuation: S$47.8 m

- Major Business Park Cluster
- Business Park Properties
- Light Industrial Properties
- Logistics Properties

Improved Portfolio Fundamentals

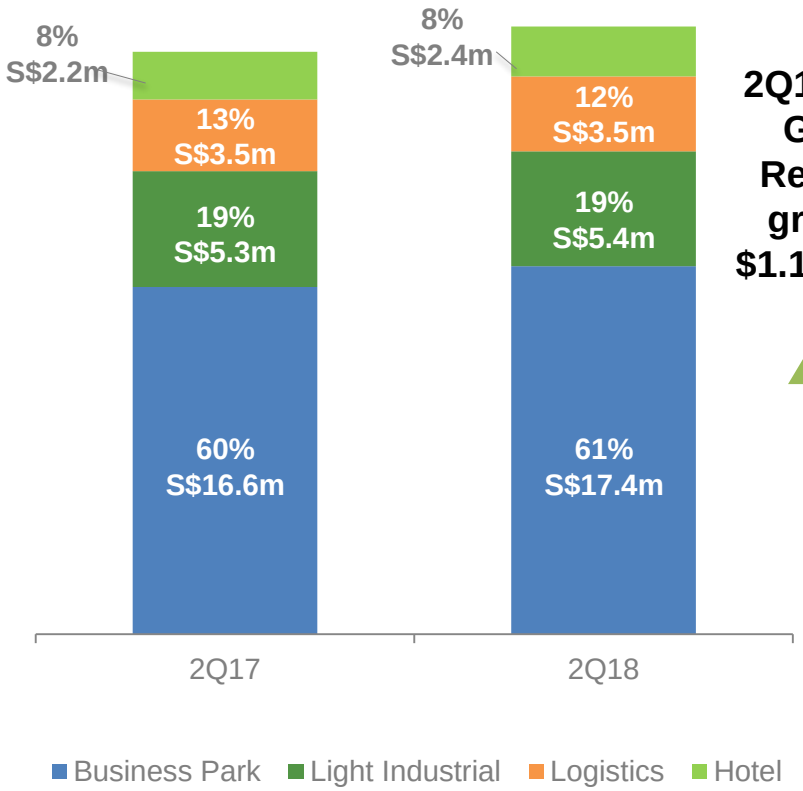
Portfolio Summary		
	30 June 2018	31 March 2018
Total Number of Properties	9	9
Total Portfolio GFA	3,900,269 sq ft	3,900,269 sq ft
Net Lettable Area (NLA)	3,313,493 sq ft	3,320,464 sq ft
WALE (by rental income)[1]	2.9 years	3.0 years
Weighted Average Land Lease (by valuation)	33.4 years	33.5 years
Weighted Average Age of Buildings (by valuation)	8.8 years	8.6 years
Weighted Average Portfolio Occupancy *- Weighted Average Portfolio Occupancy as at Listing Date (4 November 2013)*	92.0% 70.1%	91.5% 70.1%
Total Portfolio Valuation	**S$1.28 billion**	S$1.28 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.

Key Revenue drivers

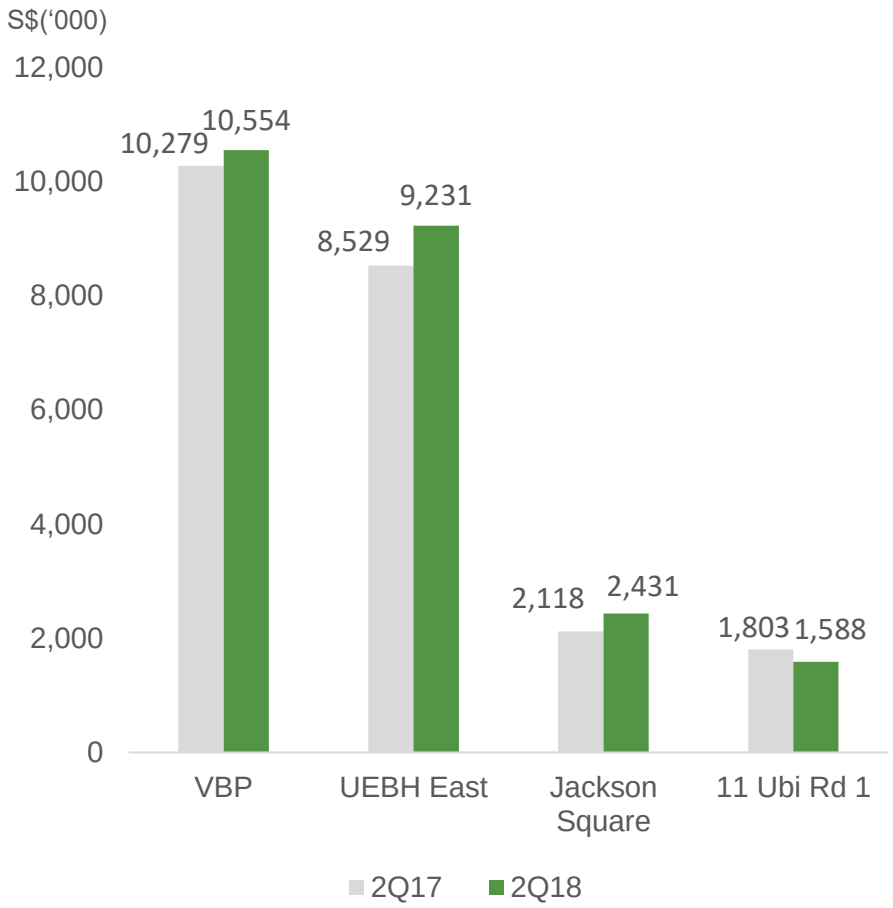
Increasingly diversified portfolio underpinned by resilient business park assets.

Gross Revenue (by Asset Type)

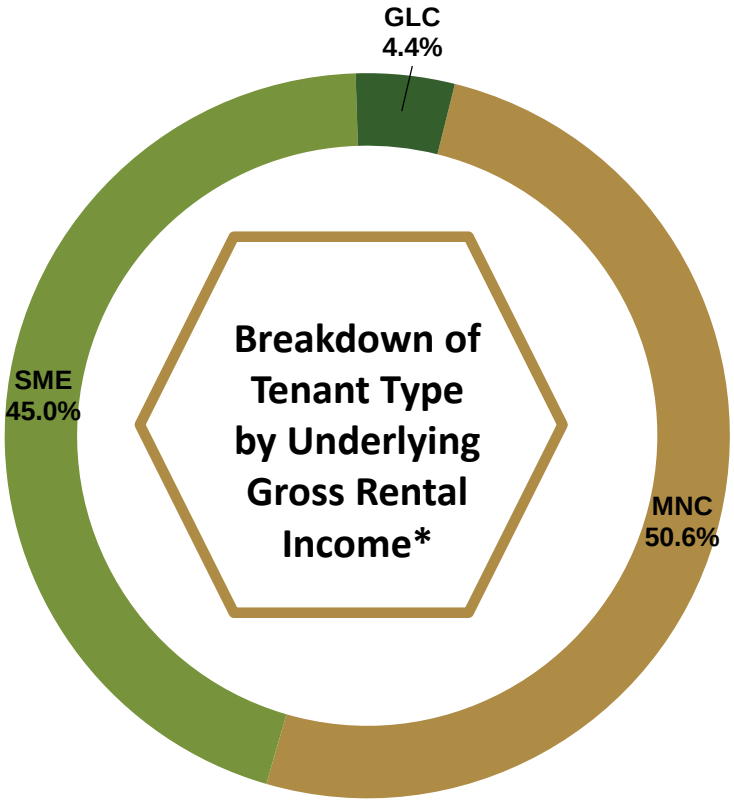


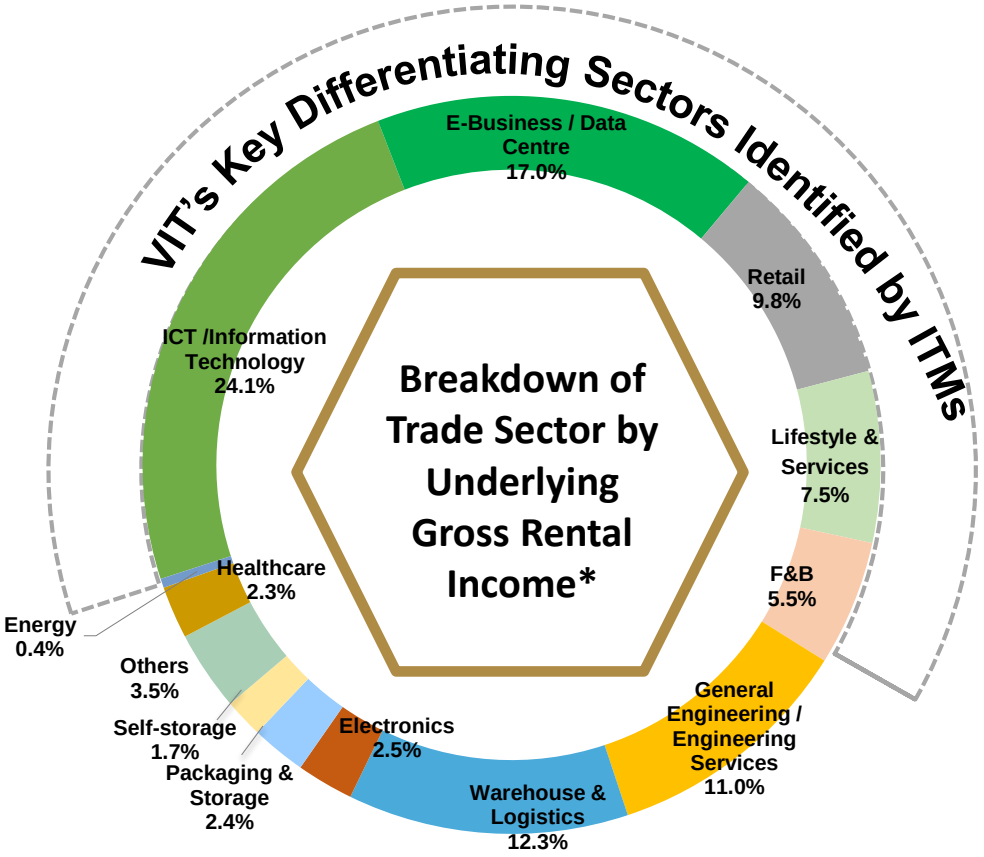
2Q18 Total Gross Revenue grew by $1.1m y-o-y

Contribution to y-o-y Revenue Growth



Diversified Quality Tenant Mix



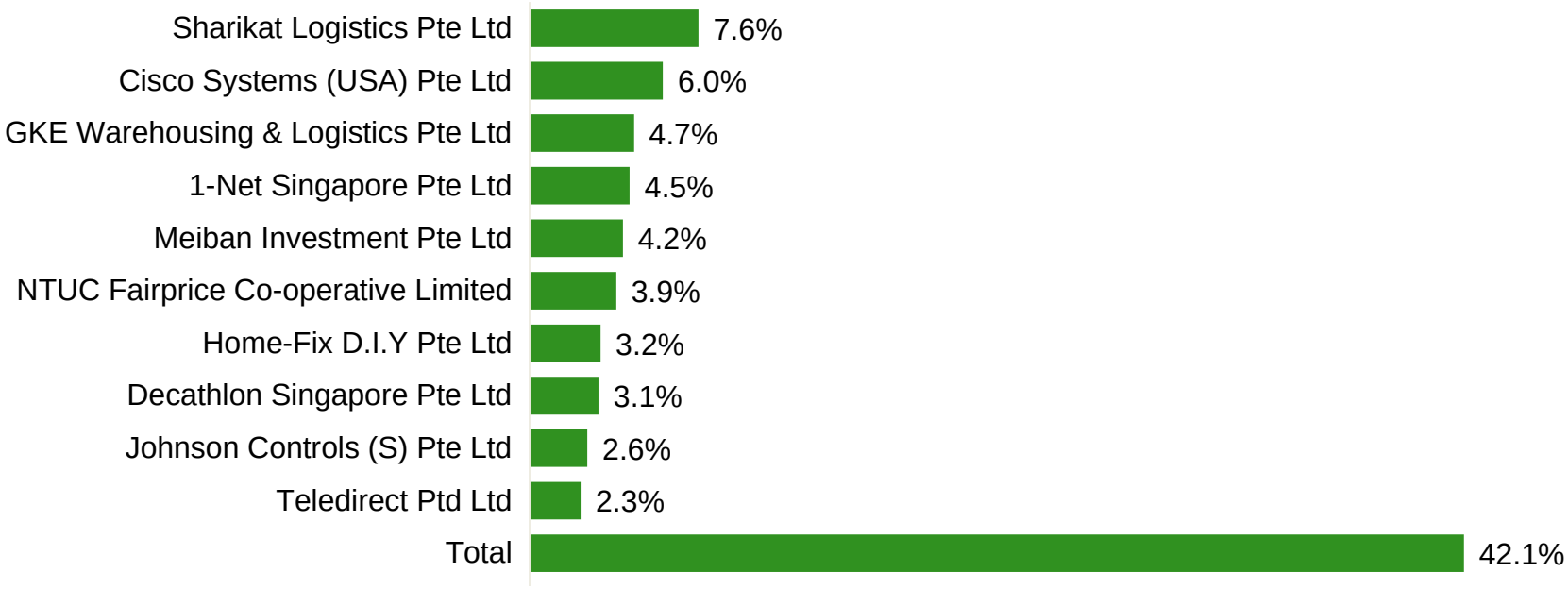


- Total of 162 tenants, of which 41% operate in the information technology, e-business or data centre sectors.
- 55% of tenants are multinational corporations or government-linked corporations.

** Based on monthly gross rental income for the month of June 2018, excluding the rental income from the UEBH Hotel Leased Premises.*

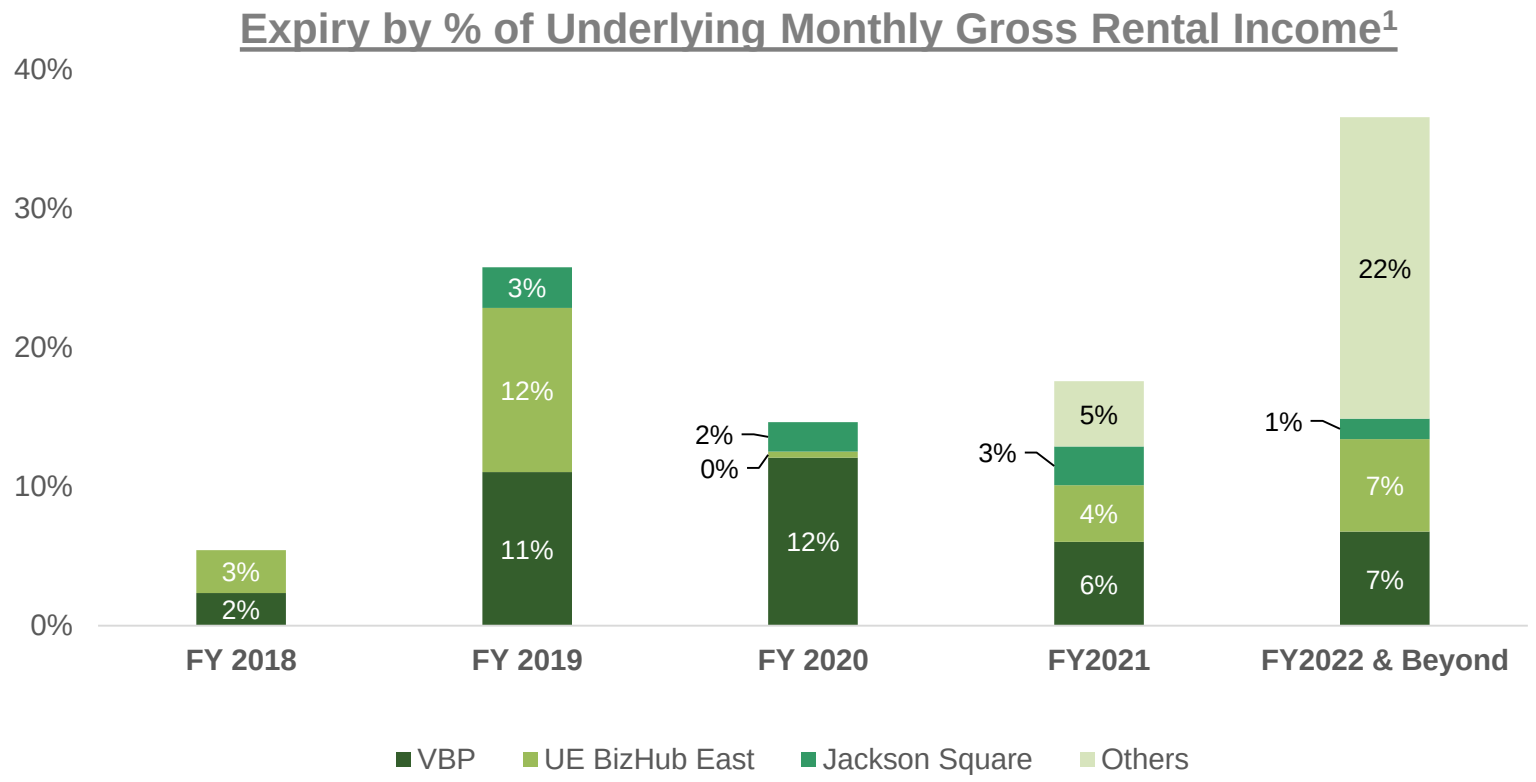
Diversified Quality Tenant Mix[1]

Top 10 tenants/sub-tenants account for 42% of monthly committed rental income.



[1] *As at 30 June 2018, excluding United Engineers Developments Pte Ltd as lessee of the UEBH Hotel Leased Premises.*

Staggered Lease Expiry Provides Income Stability



- Secured over 235,000 sq ft of lease renewals and new leases in 2Q2018.
- Renewed 44.6% of leases due for renewal in FY2018 with an overall positive rental reversion of 2.3%.

1. *Based on committed leases as at 30 June 2018, assuming renewal options are not exercised and excluding United Engineers Developments Pte Ltd as lessee of the UEBH Hotel Leased Premises.*

Successful Signing of Master Lease with Mauser

Master lease expiry risk mitigated with the signing of master lease with Mauser before lease expiry on 31 May 2019.



- Executed forward master lease agreement for **5+5 years**.
- **5%** rental escalation every alternate year.
- **5 months** of security deposit.
- No near-term master lease expiry in portfolio until **FY2021**.



Outlook & Strategic Focus

Proposed Merger with ESR-REIT

On 7 August 2018, the Managers announced:

- ***An extraordinary general meeting ("EGM") and a scheme meeting of the Stapled Securityholders will be held on 31 August 2018, Friday at 2.30pm and 4.00pm respectively at Stephen Riady Auditorium @ NTUC, Level 7, NTUC Centre, One Marina Boulevard, Singapore 018989.***

1

EGM

31 August 2018, Friday, 2.30pm

Resolutions

1. The proposed VIT Trust Scheme Amendments to the VIT Trust Deeds

2. The VIT Facilitation Fee Amendments to the VI-REIT Trust Deed

2

Scheme Meeting

31 August 2018, Friday, 4.00pm

or as soon thereafter following the conclusion or adjournment of the EGM to be held, whichever is later

Resolution

1. The proposed merger of ESR-REIT and Viva Industrial Trust by way of a trust scheme of arrangement

YOUR VOTE COUNTS ☑

VIT's Value Proposition

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



Proactive Leasing and Asset Management

- Secured over 235,000 sq ft of new leases and lease renewals in 2Q2018 with **positive rental reversion** of 2.3%.
- Signed master lease agreement with Mauser for 5+5 years, mitigating master lease expiry risk.

3



Crystalizing Value for Stapled Securityholders

- Differentiate ourselves in the challenging REITs market with active management, deep relationships and prudent investment decisions while bringing the REIT forward to outperform expectations and crystallise value for our Stapled Securityholders.

Thank you

VIVA iTRUST

