

## Offer Information Statement dated 7 July 2015

(Lodged with the Monetary Authority of Singapore on 7 July 2015)

**THIS OFFER INFORMATION STATEMENT IS IMPORTANT. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.**

The collective investment scheme offered in this Offer Information Statement is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). A copy of this Offer Information Statement, together with the application form for the new units in IREIT Global (“IREIT”) to be issued for the purpose of the Rights Issue (as defined herein) (“Rights Units”) and Excess Rights Units (as defined herein) (“ARE”) and the application form and acceptance form for Rights Units to be issued to Purchasers (as defined herein) (“ARS”) under the Rights Issue traded on Singapore Exchange Securities Trading Limited (the “SGX-ST”) under the book-entry (scripless) settlement system, has been lodged with the Monetary Authority of Singapore (the “Authority”). The Authority assumes no responsibility for the contents of this Offer Information Statement, the ARE and the ARS. Lodgement of this Offer Information Statement with the Authority does not imply that the SFA, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the Rights Units on the Main Board of the SGX-ST. The SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the Rights Issue, the Rights Units, the units in IREIT (“Units”), IREIT Global Group Pte. Ltd., as manager of IREIT (the “Manager”), IREIT and/or its subsidiaries. The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Offer Information Statement. No Units shall be allotted or allocated on the basis of this Offer Information Statement later than the date falling six months from the date of lodgement of this Offer Information Statement.

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights Units and the “nil-paid” provisional allotment of Rights Units to Eligible Unitholders (as defined herein) under the Rights Issue (the “Rights Entitlements”) or make an offer of the Rights Units and the Rights Entitlements and the Rights Units and Rights Entitlements may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. In particular, this Offer Information Statement should not be distributed in or sent to the United States of America (“U.S.” or “United States”). The Rights Units and Rights Entitlements have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly, within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state of the United States. The Rights Units and Rights Entitlements are being offered and sold outside the United States in offshore transactions as defined in and in reliance on Regulation S under the Securities Act. Please refer to the section entitled “Offering, Selling and Transfer Restrictions” of this Offer Information Statement.



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

MANAGED BY

**IREIT GLOBAL GROUP PTE. LTD.**

**RENOUNCEABLE RIGHTS ISSUE (THE “RIGHTS ISSUE”) OF 189,607,567 RIGHTS UNITS AT AN ISSUE PRICE OF S\$0.468 FOR EACH RIGHTS UNIT (THE “ISSUE PRICE”), ON THE BASIS OF FORTY-FIVE (45) RIGHTS UNITS FOR EVERY ONE HUNDRED (100) EXISTING UNITS (THE “RIGHTS RATIO”) HELD BY ELIGIBLE UNITHOLDERS AS AT 8 JULY 2015 AT 5.00 P.M. (THE “RIGHTS ISSUE BOOKS CLOSURE DATE”), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED**

Sole Lead Manager, Underwriter and Bookrunner for the Rights Issue

**IMPORTANT DATES AND TIMES**

(The following is qualified by, and should be read in conjunction with, the section entitled “Timetable of Key Events”)

Last date and time for trading of Rights Entitlements	:	22 July 2015 at 5.00 p.m.
Last date and time for acceptance of Rights Entitlements and payment for Rights Units	:	28 July 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks (each as defined herein)) <sup>(1)</sup>
Last date and time for application and payment for Excess Rights Units	:	28 July 2015 at 5.00 p.m. (9.30 p.m. for Electronic Applications through ATMs of Participating Banks) <sup>(1)</sup>

**Note:**

- (1) Eligible Unitholders and/or Purchasers who wish to accept their Rights Entitlements and/or apply for Excess Rights Units through an ATM of one of the Participating Banks should note that Electronic Applications will not be available from 7.00 a.m. to 9.30 p.m. on Saturday, 18 July 2015 due to system maintenance.



## NOTICE TO UNITHOLDERS AND INVESTORS

No person has been authorised to give any information or make any representations other than those contained in this Offer Information Statement in connection with the Rights Issue and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of IREIT, the Manager, DBS Trustee Limited, as trustee of IREIT (the “**Trustee**”) or DBS Bank Ltd., as sole lead manager, underwriter and bookrunner for the Rights Issue (the “**Sole Lead Manager, Underwriter and Bookrunner**”). Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of IREIT or the Manager. Neither the delivery of this Offer Information Statement nor the issue of the Rights Units shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no material change in the affairs of IREIT or in any of the information contained herein since the date of this Offer Information Statement. Where such changes occur after the date of this Offer Information Statement and are material and required to be disclosed by law and/or the SGX-ST, the Manager will announce such changes via SGXNET<sup>1</sup>, and if required, lodge a supplementary or replacement document with the Authority. All holders of Units (“**Unitholders**”) and investors should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

For Eligible Unitholders, acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units may be made through The Central Depository (Pte) Limited (“**CDP**”) or through an automated teller machine (“**ATM**”) of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement (“**Electronic Application**”).

**Central Provident Fund (“CPF”) Investment Scheme (“CPFIS”) investors, Supplementary Retirement Scheme (“SRS”) investors and investors who hold Units through a finance company and/or Depository Agent (as defined herein) should see the section entitled “Important Notice to (A) CPFIS Investors, (B) SRS Investors and (C) Investors Who Hold Units Through a Finance Company and/or Depository Agent” of this Offer Information Statement for important details relating to the offer procedure for them.**

This Offer Information Statement, the ARE and the ARS may not be used for the purpose of, and does not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such offer, invitation or solicitation. In addition, no action has been or will be taken in any jurisdiction (other than Singapore) that would permit a public offering of the Rights Units or the possession, circulation or distribution of this Offer Information Statement or any other material relating to IREIT or the Rights Units in any jurisdiction (other than Singapore) where action for that purpose is required. The Rights Units may not be offered or sold, directly or indirectly, and neither this Offer Information Statement nor any other offering material or advertisements in connection with the Rights Units may be distributed or published in or from any country or jurisdiction, except, in each case, under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice regarding an investment in the Rights Units and/or Units.

The Manager, the Trustee, the Sole Lead Manager, Underwriter and Bookrunner and each of their respective officers and employees make no representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Units, the Rights Entitlements or IREIT, or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to subscribe

---

<sup>1</sup> An internet-based corporate announcement submission system maintained by the SGX-ST.

for the Rights Units or to purchase the Rights Entitlements. Prospective subscribers of Rights Units and purchasers of the Rights Entitlements (“**Purchasers**”) should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the affairs of IREIT, including but not limited to, the assets and liabilities, profits and losses, financial position, financial performance, risk factors and prospects of IREIT, and their own appraisal and determination of the merits of investing in IREIT. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to subscribe for or purchase the Rights Units or the Rights Entitlements.

This Offer Information Statement and the accompanying documents have been prepared solely for the purposes of the Rights Issue and may not be relied upon for any other purposes.

The Rights Units and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly, in the U.S. absent registration, except pursuant to an exemption from registration. There will be no public offering of securities in the U.S. Any public offering of the Rights Units in the U.S. would be made by means of a prospectus that would contain detailed information about IREIT, the Manager and their management, as well as financial statements. The Rights Units and the Rights Entitlements are being offered and sold outside the U.S. in offshore transactions (as defined under Regulation S) in reliance on Regulation S under the Securities Act. Please refer to the section entitled “Offering, Selling and Transfer Restrictions” of this Offering Information Statement. The distribution of this Offer Information Statement and the placement of the Rights Units in certain jurisdictions may be prohibited or restricted by law. Persons who come into possession of this Offer Information Statement and/or its accompanying documents are required by the Manager and the Sole Lead Manager, Underwriter and Bookrunner to inform themselves of, and observe, any such prohibitions and restrictions. Please refer to the sections entitled “Eligibility of Unitholders to Participate in the Rights Issue” and “Offering, Selling and Transfer Restrictions” of this Offer Information Statement.

Selected financial data from the audited financial statements of IREIT for the financial period from 1 November 2013, being the date of constitution of IREIT, to 31 December 2014 (“**FP2014**”, and the audited financial statements of IREIT for FP2014, the “**FP2014 Audited Financial Statements**”) and the unaudited financial statements of IREIT for the three months ended 31 March 2015 (“**3M2015**”, and the unaudited financial statements of IREIT for 3M2015, the “**3M2015 Unaudited Financial Statements**”) (collectively, the “**Financial Statements**”), is set out in **Appendix A** of this Offer Information Statement. Financial data relating to distribution per Unit (“**DPU**”), earnings per Unit and net asset value (“**NAV**”) per Unit before and after any adjustment to reflect the Acquisition (as defined herein) and the issue of Rights Units (as the case may be) is also set out in **Appendix A** of this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of IREIT at <http://www.ireitglobal.com> and are also available for inspection during normal business hours at the registered office of the Manager at 156 Cecil Street, #08-01, Singapore 069544, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>1</sup>.

Save for the Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained on the website of IREIT does not constitute part of this Offer Information Statement.

---

<sup>1</sup> Prior appointment with the Manager will be appreciated.

**Prospective investors are advised to obtain and read the Financial Statements (including the relevant notes, where applicable) before making any investment decision in relation to the Rights Units and the Rights Entitlements.**

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. None of the Manager or any of its affiliates guarantees the performance of IREIT or the repayment of capital from IREIT, or any particular rate of return.

Unitholders have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of IREIT is not necessarily indicative of the future performance of IREIT.

### **Forward-Looking Statements**

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by IREIT or the directors of the Manager (“**Directors**”), its officers or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words that have a bias towards the future or, are forward-looking such as, without limitation, “anticipate”, “aim”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “predict”, “probable”, “project”, “seek”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the future financial position, operating results, business strategies, plans and future prospects of IREIT and its subsidiaries (collectively, the “**Group**”) are forward-looking statements. The Manager, the Trustee and the Sole Lead Manager, Underwriter and Bookrunner do not represent or warrant that the actual future performance, outcomes or results of IREIT will be as discussed in those statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are merely predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual, future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements. Representative examples of such other factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income, changes in property expenses and operating expenses, and governmental and public policy changes. (See the section entitled “Risk Factors” for a discussion of certain factors to be considered in connection with an investment in the Rights Units and the Rights Entitlements.)

Given the risks, uncertainties and other factors that may cause IREIT’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, you are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view of future events. Investors should read the whole of this Offer Information Statement and make their own assessment of the future performance of IREIT before deciding whether to subscribe for the Rights Units and/or apply for Excess Rights Units. Investors should also make their own independent investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

This Offer Information Statement includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information.

### **Pro Forma Financial Information**

The pro forma financial information contained in this Offer Information Statement (including any annualised pro forma net property income (“NPI”) yield and DPU yield) is based on historical statements reconstituted on a pro forma basis based on numerous assumptions and adjustments (as set out in the section entitled “Pro Forma Financial Information”) and is not necessarily indicative of the total returns and cash flows, results of operations or financial position of IREIT that would have been attained had the completion of the Acquisition and/or Rights Issue actually occurred in the relevant periods. Such pro forma financial information, because of its nature, may not give a true or accurate picture of IREIT’s actual total returns, results of operations or financial position and the Manager, the Trustee and the Sole Lead Manager, Underwriter and Bookrunner do not represent or warrant that the actual outcome of the Acquisition or the Rights Issue at the relevant dates or periods would have been as presented. Under no circumstances should the inclusion of such information be regarded as a representation, warranty or prediction that these results would have been achieved, will be achieved or are likely to be achieved. In particular, investors should note that the annualised DPU yield and pro forma annualised DPU yield, which are prepared for illustrative purposes only, are calculated based on the respective assumptions and assumed Unit price (as set out in the section entitled “Pro Forma Financial Information”) and even if investors had purchased the Units at the relevant assumed Unit price, there is no guarantee that the actual or future yields would be as indicated.

**IMPORTANT NOTICE TO (A) CPFIS INVESTORS, (B) SRS INVESTORS AND  
(C) INVESTORS WHO HOLD UNITS THROUGH A FINANCE COMPANY  
AND/OR DEPOSITORY AGENT**

Unitholders who have subscribed for or purchased Units under the CPFIS, the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units by instructing the relevant banks in which they hold their CPFIS accounts and/or SRS Accounts (as defined herein), finance company and/or Depository Agent to do so on their behalf.

**ANY APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED UNITHOLDERS THROUGH CDP OR THROUGH ATMS WILL BE REJECTED.**

The above-mentioned Unitholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units to their respective approved bank, finance company and/or Depository Agent.

**(i) Use of CPF Funds**

Unitholders participating in the CPFIS – Ordinary Account must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units, if they have previously bought their Units using their CPF Investible Savings (“**CPF Funds**”).

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective approved banks, where such Unitholders hold their CPF Investment Accounts, to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

Such Unitholders who have insufficient funds in their CPF Investment Accounts may deposit cash into their CPF Investment Accounts with their approved banks to enable them to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds may not, however, be used for the purchase of the Rights Entitlements directly from the market.

**(ii) Use of SRS Funds**

Unitholders who had purchased Units using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts.

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement. Such Unitholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. SRS investors are advised to provide their respective approved banks in which they hold their SRS Accounts with the appropriate

instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date (as defined herein). Any acceptance and (if applicable) application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Unit Registrar**”) and/or IREIT will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the Rights Entitlements directly from the market.

**(iii) Holdings through Finance Company and/or Depository Agent**

Unitholders who hold Units through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.



## ELIGIBILITY OF UNITHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

### ELIGIBLE UNITHOLDERS

Eligible Unitholders are Unitholders with Units standing to the credit of their securities account with CDP (but do not include securities sub-accounts) (“**Securities Account**”) and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days<sup>1</sup> prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude Unitholders who are otherwise located, resident or with a registered address in any jurisdiction in which the offering of the Rights Entitlements and Rights Units may not be lawfully made (“**Eligible Unitholders**”).

Eligible Unitholders will receive their Rights Entitlements under the Rights Issue on the basis of their unitholdings in IREIT as at the Rights Issue Books Closure Date and are entitled to participate in the Rights Issue and to receive this Offer Information Statement (including the ARE and the ARS) at their respective Singapore addresses. Eligible Unitholders who do not receive this Offer Information Statement and the ARE and the ARS may obtain them from CDP or the Unit Registrar for the period up to the Closing Date.

Eligible Unitholders are at liberty to accept in part or in full, decline or otherwise renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units.

The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders (as defined herein) which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renounees of the Rights Entitlements or the Purchasers (collectively, “**Excess Rights Units**”) will be aggregated and used to satisfy Excess Rights Units applications (if any) or disposed of or otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit.

Subject to the requirements of or otherwise waived by the SGX-ST, in the allotment of Excess Rights Units, preference will be given to the rounding of odd lots (if any) followed by allotment to the Unitholders who are neither Directors nor Substantial Unitholders (as defined herein). Directors and Substantial Unitholders who have control or influence over IREIT or the Manager in connection with the day-to-day affairs of IREIT or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units.

**All dealings in and transactions of the Rights Entitlements through the SGX-ST will be effected under the book-entry (scripless) settlement system.**

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the Rights Entitlements and for the applications for Excess Rights Units, including the different modes of acceptance and application and payment, are contained in **Appendix B – Procedures for Acceptance, Payment, Renunciation and Excess Application by Eligible Unitholders**, in **Appendix C – Additional Terms and Conditions for Electronic Applications** and in the ARE and the ARS.

---

1 “**Market Day**” refers to any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading.

## INELIGIBLE UNITHOLDERS

No Rights Entitlements will be provisionally allotted to Unitholders who are not Eligible Unitholders (“**Ineligible Unitholders**”) and no purported acceptance thereof or application for Excess Rights Units therefore by Ineligible Unitholders will be valid.

This Offer Information Statement and its accompanying documents (including the ARE and the ARS) will not be despatched to Ineligible Unitholders. This Offer Information Statement and its accompanying documents (including the ARE and the ARS) relating to the Rights Issue have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore.

The offer, sale and delivery of the Rights Units and the Rights Entitlements may be prohibited or restricted in certain jurisdictions under their relevant securities laws. Thus, for practical reasons and in order to avoid any violation of the securities legislation or other relevant laws applicable in countries (other than in Singapore) where Unitholders may have as their addresses registered with CDP, the Rights Issue will not be extended to Ineligible Unitholders.

The Rights Units and the Rights Entitlements have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the U.S. and may not be offered, sold, resold, allotted, taken up, exercised, renounced, pledged, transferred or delivered, directly or indirectly, in the U.S. absent registration, except pursuant to an exemption from registration under the Securities Act. There will be no public offering of securities in the U.S. Any public offering of the Rights Units in the U.S. would be made by means of a prospectus that would contain detailed information about IREIT, the Manager and their management, as well as financial statements.

This Offer Information Statement and its accompanying documents will also not be despatched to persons purchasing the Rights Entitlements, whose registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should ensure that they comply with the applicable rules, regulations and make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

The Manager reserves the right, but shall not be obliged, to treat as invalid any application or purported application, or decline to register such application or purported application which (i) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore or which the Manager believes may violate any applicable legislation of such jurisdiction, or (ii) purports to exclude any deemed representation or warranty.

**Notwithstanding the above, Unitholders and any other person having possession of this Offer Information Statement are advised to inform themselves of and to observe all legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.**

If it is practicable to do so, the Manager may, in its absolute discretion, arrange for Rights Entitlements which would otherwise have been allotted to Ineligible Unitholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto.

Where such Rights Entitlements are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Manager, may, in its absolute discretion, decide and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Trustee, the Sole Lead Manager, Underwriter and Bookrunner, CDP or CPF Board or their respective officers in respect of such sales or the proceeds thereof, the Rights Entitlements or the Rights Units represented by such provisional allotments.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Ineligible Unitholders in proportion to their respective unitholdings as at the Rights Issue Books Closure Date and sent to them at their own risk by ordinary post, without interest or any share of revenue or other benefit arising therefrom, provided that where the amount of net proceeds to be distributed to any single Ineligible Unitholder is less than S\$10.00, the Manager shall be entitled to retain or deal with such net proceeds as the Manager may, in its absolute discretion, deem fit for the sole benefit of IREIT and no Ineligible Unitholder shall have any claim whatsoever against the Manager, the Sole Lead Manager, Underwriter and Bookrunner, the Trustee or CDP in connection herewith.

If such Rights Entitlements cannot be or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the Rights Entitlements, the Rights Units represented by such Rights Entitlements will be issued to satisfy applications for Excess Rights Units or dealt with in such manner as the Manager may, in its absolute discretion, deem fit in the interest of IREIT and no Ineligible Unitholder or persons acting for the account or benefit of any such persons, shall have any claim whatsoever against the Manager, the Trustee, the Sole Lead Manager, Underwriter and Bookrunner, CDP or CPF Board and their respective officers in connection therewith.

Unitholders should note that the special arrangement described above will apply only to Ineligible Unitholders.

## OFFERING, SELLING AND TRANSFER RESTRICTIONS

Investors are advised to consult their legal counsel prior to making any offer, sale, resale, pledge or other transfer of the Rights Entitlements and the Rights Units. No action has been taken or will be taken to permit a public offering of the Rights Units or the Rights Entitlements to occur in any jurisdiction, or the possession, circulation, or distribution of this Offer Information Statement, its accompanying documents or any other material relating to IREIT, the Rights Units or the Rights Entitlements in any jurisdiction where action for such purpose is required, except that this Offer Information Statement has been lodged with the Authority. Accordingly, the Rights Units or the Rights Entitlements may not be offered or sold, directly or indirectly, and none of this Offer Information Statement, its accompanying documents or any offering materials or advertisements in connection with the Rights Units or the Rights Entitlements may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Units, applying for Excess Rights Units or making any offer, sale, resale, pledge or other transfer of the Rights Units or the Rights Entitlements.

**This Offer Information Statement and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.**

For the Rights Issue, the Manager on behalf of IREIT is relying upon the exemption from registration provided by Regulation S under the Securities Act. The Rights Entitlements and the Rights Units have not been, and will not be, registered under the Securities Act or under the securities laws of any state of the United States and may be offered, sold, resold, granted, delivered, allotted, taken up, exercised, pledged, transferred or renounced only outside the United States in accordance with Regulation S under the Securities Act. Unitholders acting on a non-discretionary basis for the account or benefit of a person located in the United States may not take up or purchase the Rights Entitlements or the Rights Units. Distribution of the Offer Information Statement in the United States is not authorised, and any person in the United States who obtains a copy of this Offer Information Statement is requested to disregard the contents of this Offer Information Statement.

**The Rights Entitlements and the Rights Units have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Rights Issue or the accuracy or adequacy of this Offer Information Statement. Any representation to the contrary is a criminal offence in the United States.**

Each Purchaser and/or the Rights Units offered and sold in reliance on Regulation S will be deemed to have represented and agreed as follows (terms defined in Regulation S have the same meanings when used herein):

- (a) the Purchaser (i) is, and the person, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Units is, outside the United States; and (ii) is acquiring the Rights Entitlements and/or the Rights Units in an offshore transaction meeting the requirements of Regulation S;
- (b) the Purchaser is aware that the Rights Entitlements and/or the Rights Units have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S; and

- (c) the Purchaser acknowledges that the Manager, the Sole Lead Manager, Underwriter and Bookrunner for the Rights Issue, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

Until 40 days after the commencement of the Rights Issue, an offer or sale of the Rights Units within the United States by any dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act if such offer or sale is made other than in accordance with an available exemption from registration.

The Manager and the Sole Lead Manager, Underwriter and Bookrunner have not taken any action, nor will the Manager and the Sole Lead Manager, Underwriter and Bookrunner take any action, in any jurisdiction other than Singapore that would permit a public offering of the Rights Entitlements and Rights Units, or the possession, circulation or distribution of this Offer Information Statement or any other material relating to IREIT, the Manager, the Rights Entitlements or the Rights Units in any jurisdiction other than Singapore where action for that purpose is required.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Unitholders or any other persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and to observe such prohibitions and restrictions. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

## CERTAIN DEFINED TERMS AND CONVENTIONS

IREIT publishes its financial statements in euro. In this Offer Information Statement, references to “S\$”, “Singapore dollar” or “Singapore cent” are to the lawful currency of the Republic of Singapore and references to “€” or “euro” are to the single currency of the Participating Member States. References to a “Participating Member State” are, for the purposes of this Offer Information Statement, to any member state of the European Union that has the euro as its lawful currency in accordance with the legislation of the European Union relating to European Economic and Monetary Union.

All references to dates and times are to Singapore dates and times.

Capitalised terms used in this Offer Information Statement shall have the meanings set out in the Glossary on pages 62 to 70 of this Offer Information Statement.

This Offer Information Statement contains conversions of euro amounts into Singapore dollar. Unless otherwise indicated, euro amounts in this Offer Information Statement have been translated into Singapore dollar, based on the exchange rate of €1.00 = S\$1.51. Such translations should not be construed as representations that euro amounts have been, would have been or could be converted into Singapore dollar at that rate or any other rate, at any particular rate or at all.

Measurements in square metres (“**sq m**”) are converted to square feet (“**sq ft**”) and *vice versa* based on the conversion rate of 1 sq m = 10.7639 sq ft.

References to “Appendix” or “Appendices” are to the appendices set out in this Offer Information Statement.

## CORPORATE INFORMATION

<b>Directors of the Manager</b>	: Mr Lim Kok Min, John (Chairman and Independent Non-Executive Director) Mr Tan Wee Peng Kelvin (Independent Non-Executive Director) Mr Nir Ellenbogen (Independent Non-Executive Director) Mr Tong Jinquan (Non-Executive Director) Mr Ho Toon Bah (Non-Executive Director) Mr Itzhak Sella (Chief Executive Officer and Executive Director)
<b>Registered Office of the Manager</b>	: 156 Cecil Street #08-01 Singapore 069544
<b>Trustee of IREIT</b>	: DBS Trustee Limited (in its capacity as trustee of IREIT) 12 Marina Boulevard, Level 44 Marina Bay Financial Centre Tower 3 Singapore 018982
<b>Sole Lead Manager, Underwriter and Bookrunner</b>	: DBS Bank Ltd. 12 Marina Boulevard, Level 46 Marina Bay Financial Centre Tower 3 Singapore 018982
<b>Legal Adviser for the Rights Issue and to the Manager and the Trustee</b>	: Allen & Gledhill LLP One Marina Boulevard #28-00 Singapore 018989
<b>Legal Adviser to the Sole Lead Manager, Underwriter and Bookrunner</b>	: Allen & Overy LLP 50 Collyer Quay #09-01 OUE Bayfront Singapore 049321
<b>Unit Registrar and Unit Transfer Office</b>	: Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623
<b>Independent Valuer</b>	: DTZ Debenham Tie Leung Limited 125 Old Broad Street London EC2N 1AR United Kingdom

## TABLE OF CONTENTS

	<b>Page</b>
<b>1. Summary</b> .....	1
<b>2. Principal Terms of the Rights Issue</b> .....	13
<b>3. Timetable of Key Events</b> .....	17
<b>4. Overview of IREIT</b> .....	19
Background of IREIT .....	19
General Development of IREIT .....	19
Latest Valuation .....	19
The Manager of IREIT .....	20
Information on the Units .....	20
Indebtedness .....	22
<b>5. Use of Proceeds</b> .....	23
<b>6. Information relating to the Acquisition</b> .....	25
<b>7. Operating and Financial Review and Prospects</b> .....	29
Operating Review .....	29
Financial Review .....	30
Business Prospects and Trend Information .....	30
<b>8. Pro Forma Financial Information</b> .....	32
<b>9. Risk Factors</b> .....	35
<b>10. General Information</b> .....	60
<b>11. Glossary</b> .....	62
 <b>APPENDICES</b>	
<b>Appendix A</b> Certain Financial Information relating to IREIT .....	A-1
<b>Appendix B</b> Procedures for Acceptance, Payment, Renunciation and Excess Application by Eligible Unitholders .....	B-1
<b>Appendix C</b> Additional Terms and Conditions for Electronic Applications .....	C-1
<b>Appendix D</b> List of Participating Banks .....	D-1
<b>Appendix E</b> Valuation Certificate .....	E-1



## SUMMARY

*The following summary is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Offer Information Statement. Meanings of defined terms may be found in the section titled Glossary in this Offer Information Statement.*

### 1. Overview of IREIT

IREIT is the first SGX-ST listed 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 has an initial primary focus on Germany and the United Kingdom.

IREIT's current portfolio comprises four freehold office properties in Germany (the "**Existing Portfolio**"), namely Bonn Campus, Darmstadt Campus, Münster Campus and Concor Park, which are strategically located in the key German cities of Bonn, Darmstadt, Münster and Munich respectively. As at 31 March 2015, the Existing Portfolio has an aggregate net lettable area ("**NLA**") of 121,506 sq m (1,307,878 sq ft) with 2,945 car park spaces.

IREIT was listed on the SGX-ST on 13 August 2014.

### 2. The Acquisition

In order to continue to grow IREIT in accordance with its investment strategy, the Manager proposes to acquire Schreiberhauer Straße 2, 4, 6, 8, 10, 12, 14, 16, 18, 20 and 22, Berlin 10317, Germany (the "**Berlin Property**", and the acquisition of the Berlin Property, the "**Acquisition**"), a property with an NLA of 79,097 sq m (851,392 sq ft) comprising two connected office buildings of eight and 13 storeys respectively, located in the city of Berlin, Germany, from H.F.S. Immobilienfonds Deutschland 6 GmbH & Co. KG (the "**Vendor**") for a purchase consideration of €144.2 million (S\$217.7 million) (the "**Purchase Consideration**"). A conditional sale and purchase agreement has been entered into between certain wholly-owned subsidiaries of IREIT (the "**Property Purchasers**") and the Vendor on 29 June 2015 in relation to the Acquisition (the "**Property SPA**"). The total cost of the Acquisition, including the Purchase Consideration and the acquisition fee payable to the Manager in connection with the Acquisition (the "**Acquisition Fee**"), as well as other estimated professional and other fees and expenses<sup>1</sup> incurred in connection with the Acquisition, is expected to be approximately €156.9 million (S\$236.9 million) (the "**Total Acquisition Cost**").

### 3. The Rights Issue

The Manager intends to issue 189,607,567 Rights Units under the Rights Issue on a fully underwritten (less the number of Rights Units subscribed for pursuant to (i) the Summit Pro Rata Undertaking, (ii) the LCH Undertaking and (iii) the IGM Pro Rata Undertaking (each as defined herein)) and renounceable basis to Eligible Unitholders based on the Rights Ratio of forty-five (45) Rights Units for every one hundred (100) existing units in IREIT ("**Existing Units**") held as at the Rights Issue Books Closure Date (fractional entitlements to be disregarded), at the Issue Price of S\$0.468 per Rights Unit, to raise gross proceeds of approximately S\$88.7 million to part finance the Total Acquisition Cost.

---

<sup>1</sup> Including a German-Berlin real estate transfer tax of 6.0% levied on the Purchase Consideration.

The Rights Issue would provide Unitholders with the opportunity to subscribe for their *pro rata* entitlement to the Rights Units at the Issue Price, which is at a discount of:

- (i) approximately 41.9% to the closing price of S\$0.805 per Unit on the SGX-ST on 29 June 2015, being the last trading day of the Units prior to the announcement of the Rights Issue (“**Closing Price**”);
- (ii) approximately 24.5% to IREIT’s pro forma NAV per Unit of €0.41 (approximately S\$0.62) after taking into account the latest valuation of the existing properties of IREIT as at 31 December 2014 and the effects of the Rights Issue; and
- (iii) approximately 33.1% to the theoretical ex-rights price (“**TERP**”) of S\$0.700 per Unit which is calculated as follows:

$$\text{TERP} = \frac{\text{Market capitalisation of IREIT based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Units outstanding after the Rights Issue}}$$

For illustrative purposes only, assuming the Acquisition was completed on the Listing Date, and the Berlin Property was held by IREIT through to 31 December 2014, the annualised pro forma DPU yield of the Enlarged Portfolio (comprising the Existing Portfolio and the Berlin Property) would be 14.3% based on the Issue Price<sup>1</sup>.

The Rights Units will be issued pursuant to the general mandate (the “**General Mandate**”) that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 27 April 2015.

As disclosed in the prospectus of IREIT dated 4 August 2014 (the “**Prospectus**”), the Manager has elected to receive 100.0% of the base fee and performance fee in the form of Units for Forecast Period 2014, Projection Year 2015 and Projection Year 2016 (each as defined in the Prospectus). As the Manager has been receiving its fees in Units instead of cash, the Manager has monetised the Units received by selling them to its shareholders and/or entities related to its shareholders. On 30 June 2015, the Manager entered into a sale and purchase agreement (the “**Unit Purchase Agreement**”) for the sale of the 2,013,150 Units it held to IREIT Global Management Pte. Ltd. (“**IREIT Global Management**”), Wealthy Fountain Holdings Inc (“**Summit SPV**”) and Mr Lim Chap Huat (“**LCH**”), in the proportion of 322,104 Units, 1,308,547 Units and 382,499 Units respectively. The transfer was completed on 3 July 2015. As at the date of this Offer Information Statement, the Manager does not hold any Units.

---

1 For the Enlarged Portfolio, the annualised pro forma DPU yield is calculated based on the pro forma DPU of 2.58 Singapore cents for the Pro Forma Financial Period 2014 and annualised, divided by the Issue Price of S\$0.468 per Unit. The annualised pro forma DPU yield, which is prepared for illustrative purposes only, is calculated based on historical statements reconstituted on a pro forma basis based on numerous assumptions and adjustments as set out in the section entitled “Pro Forma Financial Information”, and even if investors had purchased the Units at the Issue Price, there is no guarantee that the actual or future yield would be as indicated.

## 4. Rationale for the Acquisition and the Rights Issue<sup>1</sup>

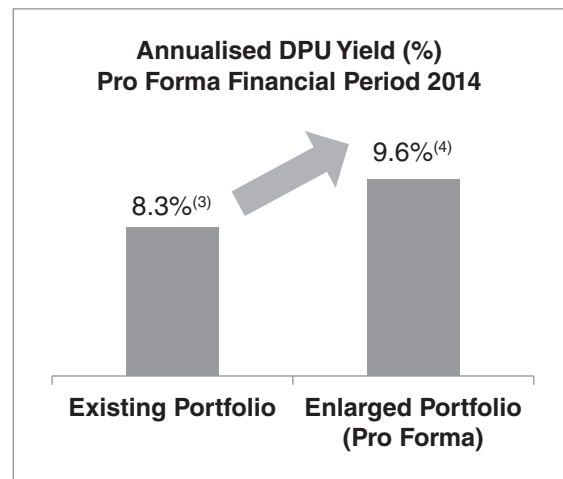
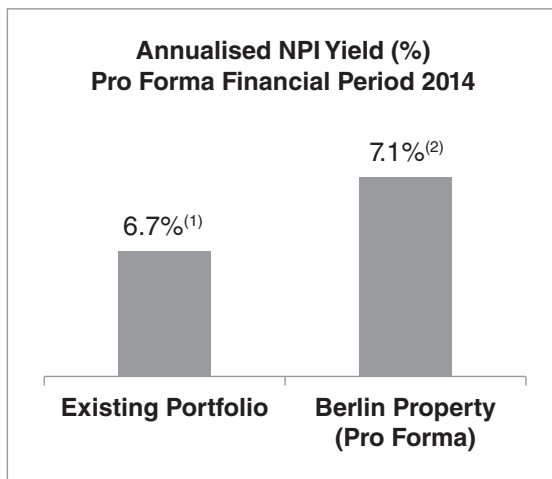
### 4.1 Accretive Acquisition

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<sup>2</sup> and the Manager's investment criteria to enhance return to Unitholders and to pursue opportunities for future income and capital growth.

For illustrative purposes only, assuming the Acquisition was completed on 13 August 2014, being the listing date of IREIT (the "**Listing Date**"), and the Berlin Property was held by IREIT through to 31 December 2014, the annualised pro forma NPI yield of the Berlin Property for the financial period from the Listing Date to 31 December 2014 (the "**Pro Forma Financial Period 2014**") is approximately 7.1%<sup>3</sup> which compares favourably to the annualised NPI yield of IREIT's Existing Portfolio of 6.7%<sup>4</sup>. For the same period, annualised pro forma DPU yield of the enlarged portfolio (comprising the Existing Portfolio and the Berlin Property) (the "**Enlarged Portfolio**") would increase to approximately 9.6%<sup>5</sup> compared to the DPU yield of the Existing Portfolio of approximately 8.3%<sup>6</sup>.

The annualised NPI yield and annualised DPU yield for the Existing Portfolio and the annualised pro forma NPI yield for the Berlin Property and annualised pro forma DPU yield for the Enlarged Portfolio are set out in the charts below.

- 
- 1 This Offer Information Statement contains forward-looking statements as to the economy or the economic trends of the markets which are targeted by IREIT, but these statements are not necessarily indicative of the future or likely performance of the economy or markets. Accordingly, these statements are also not necessarily indicative of the future or likely performance of IREIT. This Offer Information Statement also contains certain pro forma financial information (including annualised pro forma NPI yield and DPU yield), which are based on historical statements reconstituted on a pro forma basis based on numerous assumptions and adjustments as set out in the section entitled "Pro Forma Financial Information". In particular, investors should note that the annualised DPU yield and pro forma annualised DPU yield, which are prepared for illustrative purposes only, are calculated based on the respective assumptions and assumed Unit price (as set out in the section entitled "Pro Forma Financial Information") and even if investors had purchased the Units at the relevant assumed Unit price, there is no guarantee that the actual or future yields would be as indicated.
  - 2 The 'ABBA' investment strategy refers to IREIT's investment strategy of investing in income-producing properties with growth potential, namely in core assets in second tier cities and core plus assets in primary locations or first-tier cities ('A' properties in 'B' cities and 'B' properties in 'A' cities).
  - 3 Based on the annualised pro forma NPI of the Berlin Property for the Pro Forma Financial Period 2014 divided by the purchase consideration of €144.2 million, excluding any real estate taxes and professional and other fees and expenses.
  - 4 Based on the annualised NPI of the Existing Portfolio for the Pro Forma Financial Period 2014 (derived from the FP2014 Audited Financial Statements) divided by the appraised value of the Existing Portfolio of €290.6 million as at 31 December 2014.
  - 5 For the Enlarged Portfolio, the annualised pro forma DPU yield is calculated based on the pro forma DPU of 2.58 Singapore cents for the Pro Forma Financial Period 2014 and annualised, divided by TERP of S\$0.700 per Unit.
  - 6 For the Existing Portfolio, the annualised DPU yield is calculated based on the actual DPU of 2.57 Singapore cents declared for the Pro Forma Financial Period 2014 and annualised, divided by the Closing Price on 29 June 2015 of S\$0.805 per Unit.



**Notes:**

- (1) Based on the annualised NPI of the Existing Portfolio for the Pro Forma Financial Period 2014 (derived from the FP2014 Audited Financial Statements) divided by the appraised value of the Existing Portfolio of €290.6 million as at 31 December 2014.
- (2) Based on the annualised pro forma NPI of the Berlin Property for the Pro Forma Financial Period 2014 divided by the purchase consideration of €144.2 million, excluding any real estate taxes and professional and other fees and expenses.
- (3) For the Existing Portfolio, the annualised DPU yield is calculated based on the actual DPU of 2.57 Singapore cents declared for the Pro Forma Financial Period 2014 and annualised, divided by the Closing Price on 29 June 2015 of S\$0.805 per Unit.
- (4) For the Enlarged Portfolio, the annualised pro forma DPU yield is calculated based on the pro forma DPU of 2.58 Singapore cents for the Pro Forma Financial Period 2014 and annualised, divided by TERP of S\$0.700 per Unit.

(Please refer to the section entitled “Pro Forma Financial Information” for further information.)

#### **4.2 Expansion of IREIT’s Footprint to Berlin and Acquisition of a Well Located Asset within Berlin**

##### **(a) Expansion of IREIT’s footprint to Berlin, one of the top five office investment and rental markets in Germany**

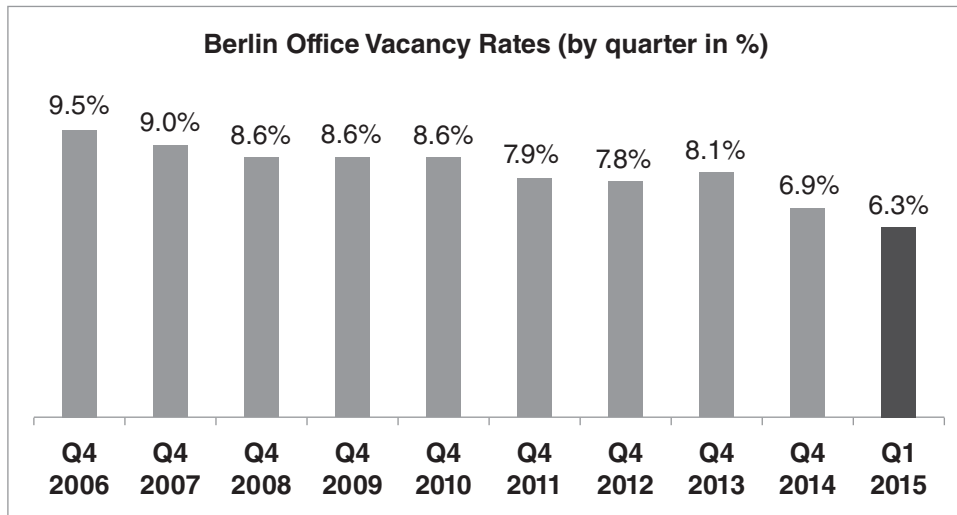
Berlin is the capital of Germany and its largest city with a population of approximately 3.5 million<sup>1</sup>. The federal government and numerous ministries are based in Berlin, whose economy is characterised by the establishment of government functions as well as a transition from an industry-based to a service-based one. With the Acquisition, IREIT will expand its footprint to Berlin, one of the top five office investment and rental markets in Germany.

According to the independent valuer appointed by the Manager and the Trustee to value the Berlin Property, DTZ Debenham Tie Leung Limited (“DTZ” or the “**Independent Valuer**”), the Berlin office sector continues to experience yield compression where the average yield for high quality secondary office space has decreased by 30 basis points in the last 12 months. Amidst healthy demand and supply dynamics, office vacancy rate in the first quarter of 2015 (“**Q1 2015**”) in Berlin has dropped to 6.3%, its lowest in the

<sup>1</sup> Source: DTZ.

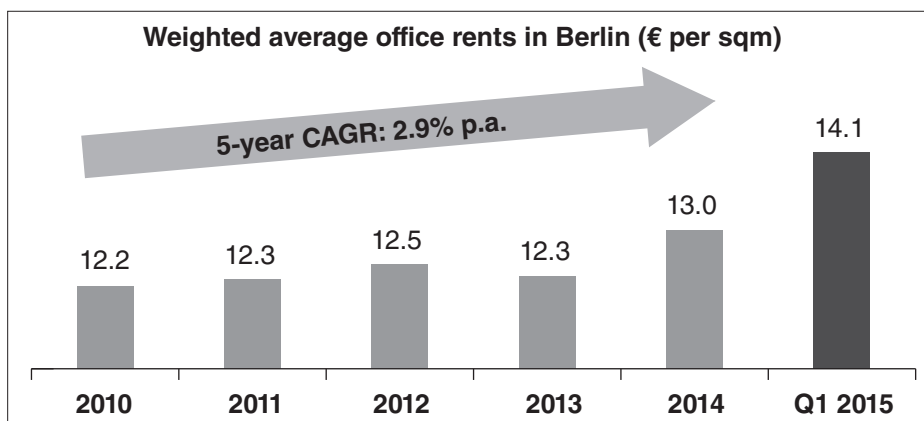
last 10 years. In addition, weighted average office rent in Berlin has increased to €14.1 per sq m in Q1 2015, representing a 5-year compounded annual growth rate of 2.9% per annum.

The following chart sets out the office vacancy rates in Berlin in the fourth quarter of 2006 to 2014 and Q1 2015.



Source: DTZ

The following chart shows the weighted average office rents in Berlin from 2010 to Q1 2015.

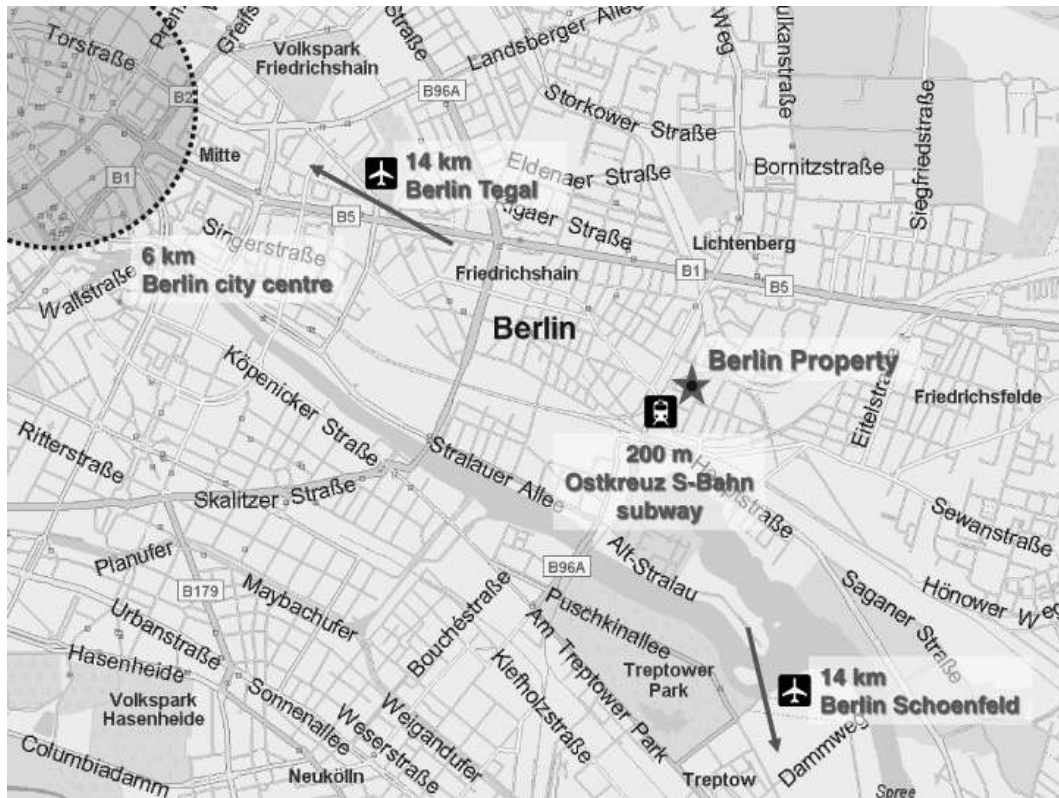


Source: DTZ

**(b) Well located within Berlin with Good Transportation Links**

The Berlin Property is located in the district of Lichtenberg, approximately 6 kilometres east of Berlin city centre. The Berlin Property is within walking distance to the Ostkreuz railway station, which provides regular local train services (including to the Berlin central station) and will expand to offer regional train services across Germany in 2017/2018<sup>1</sup>. With the ongoing expansion of the Ostkreuz railway station, the district of Lichtenberg has experienced substantial growth, which has led to increased commercial office developmental and occupancy demand in recent years. The Manager expects this trend to continue in the medium term.

1 Source: DTZ.



Source: DTZ, Manager

#### 4.3 Increase in Portfolio Size and Diversification

Post-Acquisition, the valuation of IREIT's Enlarged Portfolio<sup>1</sup> will increase from €290.6 million to €438.0 million, representing an increase of approximately 50.7%.

The properties in IREIT's Existing Portfolio are located in Bonn, Darmstadt, Münster and Munich. The addition of the Berlin Property will provide IREIT with exposure to the Berlin office market and greater diversification in the German office market.

#### 4.4 Addition of a Strong Tenant, Enhanced Tenant Diversification and Increased WALE

The principal tenant of the Berlin Property is Deutsche Rentenversicherung Bund ("**DRB**"), which occupies 98.8%<sup>2</sup> of the Berlin Property's total lettable area on a lease expiring in June 2024 and contributed 99.6%<sup>3</sup> to the Berlin Property's Gross Rental Income<sup>4</sup>. DRB is a federal pension fund which provides compulsory pension services under the German social security statutes, and is the largest of the 16 federal pension institutions in Germany. With the addition of DRB, IREIT will have a stronger and more diversified tenant base, better income diversification and a longer weighted average lease expiry ("**WALE**").

1 Based on the appraised values of the Existing Portfolio comprising Bonn Campus, Darmstadt Campus, Münster Campus and Concor Park as at 31 December 2014 and the appraised value of Berlin Property as at 1 May 2015.

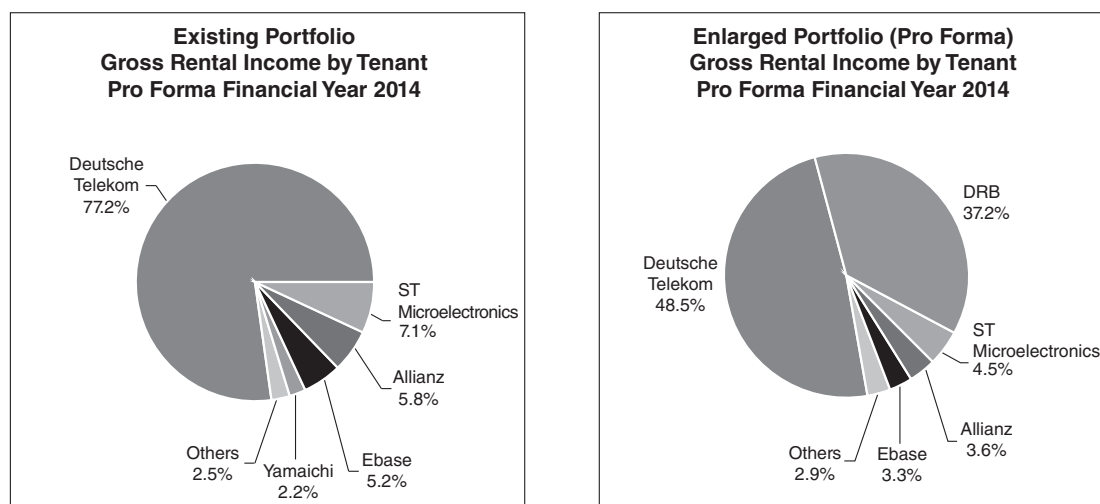
2 As at 1 May 2015.

3 For the month of May 2015.

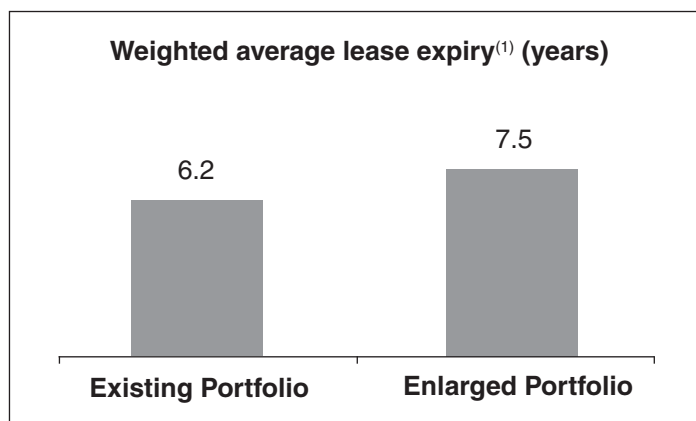
4 "**Gross Rental Income**" comprises rental income received from rental of office space and ancillary technical, storage and general spaces, as well as car park revenue.

For illustrative purposes only, assuming that the Acquisition was completed on the Listing Date and the Berlin Property was held by IREIT through to 31 December 2014, for the Pro Forma Financial Period 2014, DRB would contribute approximately 37.2% towards the Gross Rental Income of the Enlarged Portfolio. Correspondingly, the contribution of Deutsche Telekom AG (“**Deutsche Telekom**”) would decrease from 77.2% to approximately 48.5%. As a result, no single tenant will contribute more than 50% of the Gross Rental Income of IREIT.

The following charts show a breakdown in the Gross Rental Income of IREIT by tenant for the Existing Portfolio and Enlarged Portfolio (on a pro forma basis) for the Pro Forma Financial Period 2014.



Following the Acquisition, IREIT’s portfolio WALE<sup>1</sup> would also increase from 6.2 years to 7.5 years.



**Note:**

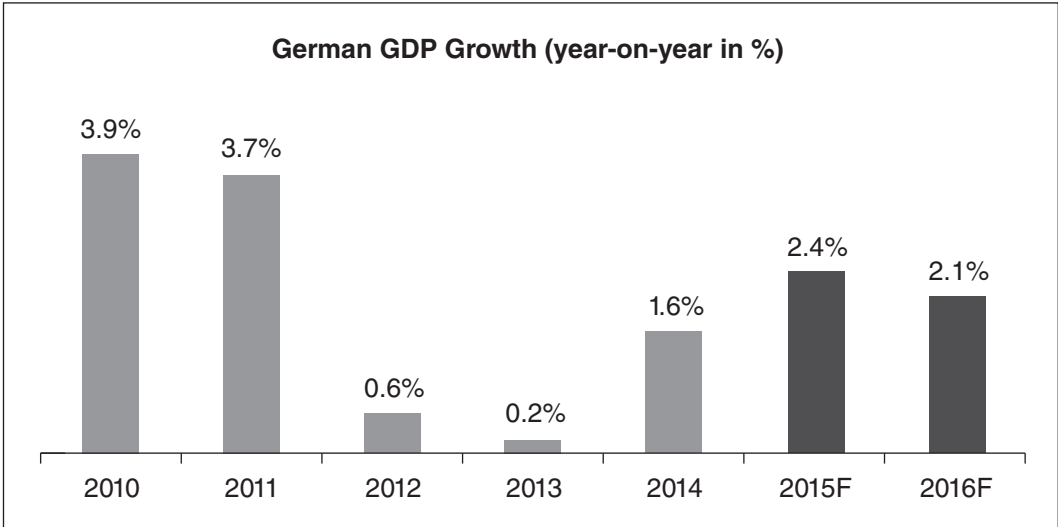
(1) By Gross Rental Income for the month of March 2015, as at 31 March 2015.

1 By Gross Rental Income for the month of March 2015, as at 31 March 2015.

**4.5 Resilient German Economy with Sound Economic Fundamentals**

Germany continues to be the largest economy in the Eurozone, representing approximately 28% of Eurozone’s gross domestic product<sup>1</sup>. The German economy has remained largely resilient, maintaining its AAA credit rating with stable outlook from Fitch Inc, Moody’s and Standard & Poor’s. Businesses continue to profit from the considerable drop in oil prices and the correction of the euro, which is increasing demand for export goods. The recent rise in official wages and the low inflation rate are also contributing to increased demand domestically. The German economy is forecast to grow year-on-year by 2.4% in 2015 and 2.1% in 2016<sup>2</sup>.

The following chart sets out the year-on-year growth in the gross domestic product of Germany for the years 2010 to 2014 and the forecasts for the years 2015 and 2016.



Source: DTZ

The euro’s recent correction against the Singapore dollar and the continued low interest rate environment offer an opportunity for attractive post-leveraged equity return. The Manager may adopt financing and hedging policies, where appropriate, to manage interest rate volatility and foreign exchange exposure for IREIT and optimise risk-adjusted returns to Unitholders.

**4.6 Provides Unitholders with Pro Rata Entitlement to Rights Units**

The Rights Issue provides Unitholders with the opportunity to subscribe for their *pro rata* entitlement to the Rights Units.

Unitholders who do not wish to subscribe for the Rights Units may choose to sell their Rights Entitlements during the Rights Entitlements trading period to realise the value of their Rights Entitlements. In addition, Unitholders are entitled to apply for Excess Rights Units.

**4.7 Potential Increase in Trading Liquidity of Units**

The Rights Issue will increase the number of Units in issue by 189,607,567 Units (or 45.0%) from 421,350,150 Units to 610,957,717 Units. The increase in the total number of Units in issue pursuant to the Rights Issue may improve the trading liquidity of the Units after the Rights Issue.

1 Source: DTZ.  
2 Source: DTZ.



## 5. Use of Proceeds

The Manager expects to raise gross proceeds of approximately S\$88.7 million and net proceeds of approximately S\$86.9 million from the Rights Issue.

Subject to relevant laws and regulations, for each dollar of the gross proceeds of approximately S\$88.7 million that will be raised from the Rights Issue, the Manager intends to allocate the proceeds from the Rights Issue in the following manner:

- (i) approximately 88.2 cents (equivalent to approximately S\$78.2 million) will be used to part finance the Purchase Consideration and the applicable real estate transfer tax<sup>1</sup>;
- (ii) approximately 0.3 cents (equivalent to approximately S\$0.3 million) will be used to pay for the underwriting commission;
- (iii) approximately 8.6 cents (equivalent to approximately S\$7.6 million) will be used to pay the estimated professional fees and expenses and other fees and expenses expected to be incurred in connection with the Acquisition<sup>2</sup> and the Rights Issue; and
- (iv) approximately 2.9 cents (equivalent to approximately S\$2.6 million) will be used for working capital and capital expenditure purposes.

Notwithstanding its current intention, should the Acquisition not be completed, the Manager may, subject to relevant laws and regulations, use the gross proceeds from the Rights Issue at its absolute discretion for other purposes, including funding other acquisitions and/or reducing IREIT's debt.

Pending the deployment of the gross proceeds from the Rights Issue, the gross proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The above allocation of proceeds is only indicative and the Manager will announce the reasons for any material deviation from the above stated use of proceeds. The Manager will also make periodic announcements on the utilisation of the net proceeds from the Rights Issue via SGXNET as and when such funds are materially utilised and will provide a status report on the use of proceeds from the Rights Issue in the annual reports of IREIT.

## 6. Underwriting of the Rights Issue

The Rights Issue is underwritten by the Sole Lead Manager, Underwriter and Bookrunner on the terms and subject to the conditions of the management and underwriting agreement entered into between the Manager and the Sole Lead Manager, Underwriter and Bookrunner on 30 June 2015 (the "**Underwriting Agreement**"). Pursuant to the Underwriting Agreement, the Sole Lead Manager, Underwriter and Bookrunner has agreed, subject to the terms and conditions of the Underwriting Agreement to subscribe for, and/or procure the subscription for, at the Issue Price, the Rights Units (less the number of Rights Units subscribed for pursuant to (i) the Summit Pro Rata Undertaking, (ii) the LCH Undertaking and (iii) the IGM Pro Rata Undertaking) for which valid applications have not been submitted.

---

1 German-Berlin real estate transfer tax of 6.0% levied on the Purchase Consideration.

2 This includes the Acquisition Fee but does not include the German-Berlin real estate transfer tax of 6.0% levied on the Purchase Consideration.

The Sole Lead Manager, Underwriter and Bookrunner will be entitled to an underwriting commission of 2.4% of the Issue Price multiplied by the total number of Rights Units less the number of Rights Units subscribed for pursuant to (i) the Summit Pro Rata Undertaking, (ii) the LCH Undertaking and (iii) the IGM Pro Rata Undertaking, together with any goods and services tax payable thereon.

It should be noted that the Underwriting Agreement may be terminated upon the occurrence of certain events, including those of a *force majeure* nature, but the Sole Lead Manager, Underwriter and Bookrunner will not be entitled to rely on *force majeure* to terminate the Underwriting Agreement on or after the date on which ex-rights trading commences (being 6 July 2015), in compliance with Rule 818 of the Listing Manual of the SGX-ST (the "**Listing Manual**").

## 7. Commitment of Summit Founder

To demonstrate support for IREIT and the Rights Issue, Mr Tong Jinqun ("**Summit Founder**"), who directly and through Summit SPV and Shanghai Summit Pte. Ltd. ("**Summit**"), which are wholly-owned by Summit Founder, has interests in 241,826,547 Units<sup>1</sup> (the "**Summit Initial Units**") representing approximately 57.4% of the issued Units as at the Latest Practicable Date (as defined herein), has, on 30 June 2015, provided an irrevocable undertaking (the "**Summit Pro Rata Undertaking**") to each of (a) the Manager and (b) the Sole Lead Manager, Underwriter and Bookrunner that:

- (i) as at the Rights Issue Books Closure Date, Summit Founder, Summit and Summit SPV, entities wholly-owned by Summit Founder and Summit's or Summit SPV's subsidiaries will together have an interest (either actual or deemed) in not less than the number of Summit Initial Units credited to securities accounts with CDP which are held in Summit Founder's name and in the name of Summit and Summit SPV or, as the case may be, the nominees(s) or custodian(s) of such subsidiary/entity (the "**Summit Relevant Entities**") (each with registered addresses with CDP in Singapore);
- (ii) in accordance with the terms and conditions of the Rights Issue and in any case not later than the last day for acceptance and payment of the Rights Units ("**Closing Date**"), Summit Founder will accept, procure that the Summit Relevant Entities accept, and/or procure one or more of entities wholly-owned by Summit Founder or Summit's or Summit SPV's existing subsidiaries and/or new subsidiaries/entities set up by them to hold Units (together with the Summit Relevant Entities, the "**Summit Subscribing Entities**"), to subscribe and pay in full for, the Summit Relevant Entities' total provisional allotment of Rights Units; and
- (iii) unless required by applicable law or regulations or by an order of a court of competent jurisdiction, Summit Founder will not, and will procure that the Summit Relevant Entities will not, during the period commencing from the date of the announcement of the Rights Issue up to and including the date of the listing of the Rights Units (the "**Rights Issue Period**"), make any public statement or announcement regarding the Rights Issue, without first obtaining the prior written consent of the Manager and the Sole Lead Manager, Underwriter and Bookrunner (such consent not to be unreasonably withheld or delayed).

---

<sup>1</sup> Includes the 1,308,547 Units sold by the Manager to Summit SPV pursuant to the Unit Purchase Agreement.

## 8. Commitment of LCH

To demonstrate support for IREIT and the Rights Issue, LCH, who directly holds 80,057,499 Units<sup>1</sup> (the “**LCH Initial Units**”) representing approximately 19.0% of the issued Units as at the Latest Practicable Date, has on 30 June 2015, provided an irrevocable undertaking (the “**LCH Undertaking**”) to each of (a) the Manager and (b) the Sole Lead Manager, Underwriter and Bookrunner that:

- (i) as at the Rights Issue Books Closure Date, LCH, Dolphin Two Pte. Ltd. (“**LCH SPV**”), entities wholly-owned by LCH and LCH SPV’s subsidiaries will together have an interest (either actual or deemed) in not less than the number of LCH Initial Units credited to securities accounts with CDP which are held in LCH’s name and in the name of LCH SPV or, as the case may be, the nominees(s) or custodian(s) of such subsidiary/entity (the “**LCH Relevant Entities**”) (each with registered addresses with CDP in Singapore);
- (ii) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, LCH will accept, procure that the LCH Relevant Entities accept and/or procure one or more of entities wholly-owned by LCH or LCH SPV’s existing subsidiaries and/or new subsidiaries/entities set up by them to hold Units (together with the LCH Relevant Entities, the “**LCH Subscribing Entities**”), to subscribe and pay in full for, the LCH Relevant Entities’ total provisional allotment of Rights Units;
- (iii) in addition to paragraph 8(ii) above, LCH will, and/or procure that LCH SPV, one or more entities wholly-owned by LCH, and LCH SPV’s subsidiaries, make excess applications for up to 18,960,757 Rights Units (representing approximately 10.0% of the total number of Rights Units), after satisfaction of all other applications and excess applications (if any) for the Rights Units (the “**Excess Rights Commitment**”), and LCH will, and/or procure that LCH SPV, one or more entities wholly-owned by LCH, and LCH SPV’s subsidiaries, subscribes and pays in full for, the Excess Rights Commitment; and
- (iv) unless required by applicable law or regulations or by an order of a court of competent jurisdiction, LCH will not, and will procure that the LCH Relevant Entities will not, during the Rights Issue Period, make any public statement or announcement regarding the Rights Issue, without first obtaining the prior written consent of the Manager and the Sole Lead Manager, Underwriter and Bookrunner (such consent not to be unreasonably withheld or delayed).

## 9. Commitment of IREIT Global Management

To demonstrate support for IREIT and the Rights Issue, IREIT Global Management, who directly holds 322,104 Units<sup>2</sup> (the “**IGM Initial Units**”) representing approximately 0.1% of the issued Units as at the Latest Practicable Date, has on 30 June 2015, provided an irrevocable undertaking (the “**IGM Pro Rata Undertaking**”) to each of (a) the Manager and (b) the Sole Lead Manager, Underwriter and Bookrunner that:

- (i) as at the Rights Issue Books Closure Date, IREIT Global Management will have an interest (either actual or deemed) in not less than the number of IGM Initial Units credited to securities accounts with the CDP which are held in IREIT Global

---

1 Includes the 382,499 Units sold by the Manager to LCH pursuant to the Unit Purchase Agreement.

2 Includes the 322,104 Units sold by the Manager to IREIT Global Management pursuant to the Unit Purchase Agreement.

Management's name or, as the case may be, the nominee(s) or custodian(s) of IREIT Global Management (the "IGM Relevant Entities") (each with registered addresses with CDP in Singapore);

- (ii) in accordance with the terms and conditions of the Rights Issue and in any case not later than the Closing Date, IREIT Global Management will accept, procure that the IGM Relevant Entities accept and/or procure one or more of IREIT Global Management's existing subsidiaries and/or new subsidiaries set up by it to hold Units (together with the IGM Relevant Entities, the "IGM Subscribing Entities"), to subscribe and pay in full for, the IGM Relevant Entities' total provisional allotment of Rights Units; and
- (iii) unless required by applicable law or regulations or by an order of a court of competent jurisdiction, IREIT Global Management will not, during the Rights Issue Period, make any public statement or announcement regarding the Rights Issue, without first obtaining the prior written consent of the Manager and the Sole Lead Manager, Underwriter and Bookrunner (such consent not to be unreasonably withheld or delayed).

#### **10. Moratorium**

Pursuant to the lock-up undertakings provided by Summit Founder, Summit SPV and LCH, 50.0% of their respective effective interest in the Units they held on the date of listing of IREIT are still under moratorium. The moratorium will not be extended to the Rights Units.

#### **11. Status of the Rights Issue**

IREIT's current policy is to distribute its distributable income on a semi-annual basis to Unitholders. The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the Existing Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 January 2015 to 30 June 2015 as well as all distributions thereafter.

Eligible Unitholders who validly accept, in full, their provisional allotments of Rights Units in accordance with the terms of this Offer Information Statement, will receive such amount of the accrued distributions for the period from 1 January 2015 to 30 June 2015 which they would have been entitled to had the Rights Issue not occurred. Eligible Unitholders who decide not to accept in full their provisional allotments of Rights Units can, where applicable, make arrangements to trade their Rights Entitlements on the SGX-ST under the book-entry (scripless) settlement system.

For Ineligible Unitholders, the Manager may, at its absolute discretion and if it is practicable to do so, arrange for the Rights Entitlements which would otherwise have been provisionally allotted to Ineligible Unitholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights Entitlements commence. Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto. (See the section entitled "Eligibility of Unitholders to Participate in the Rights Issue – Ineligible Unitholders".)

## PRINCIPAL TERMS OF THE RIGHTS ISSUE

The following principal terms and conditions of the Rights Issue are derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and are qualified in their entirety by reference to information appearing elsewhere in this Offer Information Statement.

- Issue Size** : 189,607,567 Rights Units.
- The Rights Issue is expected to raise gross proceeds of approximately S\$88.7 million.
- Basis of Provisional Allotments** : Each Eligible Unitholder is entitled to subscribe for forty-five (45) Rights Units for every one hundred (100) Existing Units standing to the credit of his Securities Account with CDP as at the Rights Issue Books Closure Date, fractional entitlements to be disregarded.
- Issue Price** : S\$0.468 per Rights Unit.
- The Rights Units are payable in full upon acceptance and/or application.
- Administrative Fee** : An administrative fee will be incurred by applicants for each Electronic Application made through the ATMs of the Participating Banks.
- Status of Rights Units** : The Rights Units will, upon allotment and issue, rank *pari passu* in all respects with the existing Units in issue as at the date of issue of the Rights Units, including the right to any distributions which may accrue for the period from 1 January 2015 to 30 June 2015 as well as all distributions thereafter.
- Eligible Unitholders who decide not to accept in full their Rights Entitlements can, where applicable, make arrangements to trade them on the SGX-ST under the book-entry (scripless) settlement system. The Manager may also, at its absolute discretion, make arrangements for the Rights Entitlements which would otherwise have been allotted to Ineligible Unitholders to be sold "nil-paid" on the SGX-ST under the book-entry (scripless) settlement system.
- Such sales may, however, only be effected if the Manager, in its absolute discretion, determines that the proceeds from such sales can at least cover the expenses to be incurred in relation thereto.
- Eligible Unitholders** : Eligible Unitholders are Unitholders with Units standing to the credit of their Securities Account and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude Unitholders who are otherwise located, resident or with a registered address in any jurisdiction in which the offering of the Rights Entitlements and Rights Units may not be lawfully made.

**Eligibility to participate in the Rights Issue** : Eligible Unitholders are at liberty to accept in part or in full, decline or otherwise renounce or trade (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for Excess Rights Units.

(See the section entitled “Eligibility of Unitholders to Participate in the Rights Issue” for further details.)

**Rights Entitlements of Eligible Unitholders** : Eligible Unitholders will receive their Rights Entitlements and are at liberty to accept in part or in full, decline, renounce or trade on the SGX-ST (during the Rights Entitlements trading period prescribed by the SGX-ST) their Rights Entitlements and are eligible to apply for the Excess Rights Units on 13 July 2015 from 9.00 a.m. up to the Closing Date as set out in the section entitled “Timetable of Key Events”.

Eligible Unitholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires three Market Days to effect such renunciation. As such, Eligible Unitholders who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his Rights Entitlements and make payment for the Rights Units.

Each Eligible Unitholder may, among other things, choose to:

- (i) accept all or a portion of his Rights Entitlements;
- (ii) renounce all or a portion of Rights Entitlements in favour of a third party; and/or
- (iii) trade all or a portion of his Rights Entitlements.

In addition, each Eligible Unitholder may also apply for Excess Rights Units.

The procedures for acceptance, payment, renunciation and application for Rights Units and/or Excess Rights Units by Eligible Unitholders are set out in **Appendix B – Procedures for Acceptance, Payment, Renunciation and Excess Application by Eligible Unitholders** and in **Appendix C – Additional Terms and Conditions for Electronic Applications**.

**Ineligible Unitholders** : No provisional allotments of Rights Units will be made to Ineligible Unitholders and no purported acceptance thereof or application for Excess Rights Units thereof by Ineligible Unitholders will be valid.

Ineligible Unitholders should refer to the section entitled “Eligibility of Unitholders to Participate in the Rights Issue – Ineligible Unitholders”.

**Trading of the Rights Units/Rights Entitlements** : Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST can do so for the period commencing on 13 July 2015 from 9.00 a.m., being the date and time of commencement of the Rights Entitlements trading, and ending on 22 July 2015 at 5.00 p.m., being the last date and time of the Rights Entitlements trading.

The Rights Units and the Rights Entitlements will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST during the Rights Entitlements trading period should note that the Rights Entitlements will be tradable in either board lots of 1 Rights Entitlement or 100 Rights Entitlements. All dealings in and transactions (including transfers) of the Rights Units effected through the SGX-ST and/or CDP shall be made in accordance with the “Terms and Conditions for Operation of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP.

**Manner of Refund** : When any acceptance of Rights Entitlements and/or Excess Rights Units application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date as follows:

- (i) where the acceptance and/or application had been made through CDP, by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution; and
- (ii) where the acceptance and/or application had been made through Electronic Applications, by crediting their bank accounts with the relevant Participating Banks at their own risk, the receipt by such bank being a good discharge of the Manager’s and CDP’s obligations.

**Trading of Odd Lots of Units** : Eligible Unitholders who hold odd lots of Units (that is, lots other than board lots of 100 Units) and who wish to trade in odd lots are able to trade odd lots of Units on the SGX-ST’s Ready Share Market<sup>1</sup>.

---

<sup>1</sup> “Ready Share Market” refers to the ready market of the SGX-ST for trading of odd lots of Units with a minimum size of one Unit.

**Underwriting** : The Rights Issue is underwritten by the Sole Lead Manager, Underwriter and Bookrunner on the terms and subject to the conditions of the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Sole Lead Manager, Underwriter and Bookrunner has agreed to, subject to the terms and conditions of the Underwriting Agreement, subscribe for, and/or procure the subscription for, at the Issue Price, the Rights Units (less the number of Rights Units subscribed for pursuant to (i) the Summit Pro Rata Undertaking, (ii) the LCH Undertaking and (iii) the IGM Pro Rata Undertaking) for which valid applications have not been submitted.

(See the sections entitled “Summary – Underwriting of the Rights Issue”, “Summary – Commitment of Summit Founder”, “Summary – Commitment of LCH” and “Summary – Commitment of IREIT Global Management” for further details.)

**Listing of the Rights Units** : Approval in-principle has been obtained from the SGX-ST on 29 June 2015 for the listing and quotation of, *inter alia*, the Rights Units on the Main Board of the SGX-ST.

The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Units, the Units, the Manager, IREIT and/or its subsidiaries.

**Unitholders who are CPFIS investors, SRS investors or who hold Units through a finance company and/or Depository Agent** : **CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) CPFIS investors, (B) SRS Investors and (C) Investors who Hold Units Through a Finance Company and/or Depository Agent” for important details.**

**Governing Law** : Laws of the Republic of Singapore.

**AS THE RIGHTS ISSUE IS MADE ON A RENOUNCEABLE BASIS, THE RIGHTS ENTITLEMENTS CAN BE RENOUNCED IN FAVOUR OF A THIRD PARTY OR, TRADED ON THE SGX-ST DURING THE RIGHTS ENTITLEMENTS TRADING PERIOD.**



## TIMETABLE OF KEY EVENTS

The timetable for the Rights Issue is set out below. All dates and times referred to below are to Singapore dates and times.

<b>Event</b>	<b>Date and Time</b>
Last day of “cum-rights” trading for the Rights Issue	: 3 July 2015
First day of “ex-rights” trading for the Rights Issue	: 6 July 2015
Rights Issue Books Closure Date	: 8 July 2015 at 5.00 p.m.
Despatch of this Offer Information Statement (together with the application forms) to Eligible Unitholders	: 13 July 2015
Commencement of trading of Rights Entitlements	: 13 July 2015 from 9.00 a.m.
Close of trading of Rights Entitlements	: 22 July 2015 at 5.00 p.m.
<b>Closing Date:</b>	
Last date and time for acceptance of the Rights Entitlements and payment for Rights Units <sup>(1)</sup>	: 28 July 2015 at 5.00 p.m. <sup>(2),(3)</sup> (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for application and payment for Excess Rights Units <sup>(1)</sup>	: 28 July 2015 at 5.00 p.m. <sup>(2),(3)</sup> (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Last date and time for acceptance of and payment by the renouncee <sup>(1)</sup>	: 28 July 2015 at 5.00 p.m. <sup>(2),(4)</sup> (9.30 p.m. for Electronic Applications through ATMs of Participating Banks)
Expected date of the issuance of the Rights Units	: 5 August 2015
Expected date for crediting of Rights Units	: 5 August 2015
Expected date for commencement of trading of Rights Units on the SGX-ST	: 6 August 2015 from 9.00 a.m.

**Notes:**

- (1) This does not apply to CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent. CPFIS investors, SRS investors and investors who hold Units through a finance company and/or Depository Agent should see the section entitled “Important Notice to (A) CPFIS Investors, (B) SRS Investors and (C) Investors who hold Units through a Finance Company and/or Depository Agent”. Any application made by these investors directly through CDP or through ATMs will be rejected. Such investors, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.
- (2) Eligible Unitholders and/or Purchasers who wish to accept their Rights Entitlements and/or apply for Excess Rights Units through Electronic Applications should note that Electronic Applications will not be available from 7.00 a.m. to 9.30 p.m. on Saturday, 18 July 2015 due to system maintenance.

- (3) If acceptances of the Rights Entitlements and (if applicable) applications for Excess Rights Units, as the case may be, are made through CDP in accordance with the ARE and the ARS.
  - (4) Eligible Unitholders who wish to renounce their Rights Entitlements in favour of a third party should note that CDP requires at least three Market Days to effect such renunciation. As such, Eligible Unitholders who wish to renounce are advised to do so early to allow sufficient time for the renounee to accept his Rights Entitlements and make payment for Rights Units.
- 

The Manager may, in consultation with the Sole Lead Manager, Underwriter and Bookrunner and with the approval of the SGX-ST, modify the above timetable subject to any limitation under any applicable laws. In such an event, the Manager will announce the same via the SGXNET. However, as at the date of this Offer Information Statement, the Manager does not expect the above timetable to be modified.

### **RESULTS OF THE ALLOTMENT**

The Manager will announce the results of the Rights Issue through an SGXNET announcement to be posted on the SGX-ST website at [www.sgx.com](http://www.sgx.com).

### **CREDITING OF RIGHTS UNITS**

The Rights Entitlements will be provisionally allotted to Eligible Unitholders on or about 10 July 2015, and the Rights Units will be credited on or about 5 August 2015.

In the case of Eligible Unitholders with valid acceptances and (where applicable) successful applications for Excess Rights Units, a notification letter representing such number of Rights Units will be sent by CDP within 10 Market Days after the Closing Date.

(See **Appendix B** for further details relating to the procedures for acceptance, payment, renunciation and application for Rights Units and/or Excess Rights Units by Eligible Unitholders.)

## OVERVIEW OF IREIT

### BACKGROUND OF IREIT

IREIT is the first SGX-ST listed 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 has an initial primary focus on Germany and the United Kingdom.

The Existing Portfolio comprises four freehold office properties in Bonn, Darmstadt, Münster and Munich in Germany. The Existing Portfolio has an aggregate NLA of 121,506 sq m (1,307,878 sq ft) with 2,945 car park spaces.

IREIT was listed on the SGX-ST on 13 August 2014.

### GENERAL DEVELOPMENT OF IREIT

Save for the Acquisition and the Rights Issue which have been described elsewhere in this Offer Information Statement, the general development of the business of IREIT from 13 August 2014, being the Listing Date, to 3 July 2015, being the latest practicable date prior to the lodgement of the Offer Information Statement (the “**Latest Practicable Date**”), is set out below. Save as disclosed below, to the best of the Manager’s knowledge and belief, there have been no material changes in the affairs of IREIT since the release of IREIT’s financial results for the financial period from 1 January 2015 to 31 March 2015.

Date	Significant developments
13 August 2014	: Listing of IREIT on the Main Board of the SGX-ST.
13 October 2014	: Appointment of Ms Low Siew Tian as Secretary of the Manager.
17 February 2015	: Appointment of Mr Ho Toon Bah as Non-Executive Director to the board of directors of the Manager.  Appointment of Ms Lee Pay Lee as Joint Secretary of the Manager.
27 February 2015	: The Manager announced IREIT’s financial results for FP2014.  A DPU of 2.57 Singapore cents was announced by IREIT to Unitholders for the period from the Listing Date to 31 December 2014.
27 April 2015	: IREIT held its first annual general meeting.
7 May 2015	: The Manager announced IREIT’s financial results for 3M2015.
25 June 2015	: The Manager announced that IREIT has obtained an issuer rating of ‘BB’ long-term corporate rating with stable outlook from Standard & Poor’s.
30 June 2015	: The Manager announced the proposed Acquisition and Rights Issue.

### LATEST VALUATION

The latest valuation of the properties comprising the Existing Portfolio as at 31 December 2014 is €290.6 million (S\$438.8 million).

## THE MANAGER OF IREIT

The manager of IREIT is IREIT Global Group Pte. Ltd. and its registered office is located at 156 Cecil Street, #08-01, Singapore 069544. The names and addresses of the Directors are set out below.

<u>Name</u>	<u>Position</u>	<u>Address</u>
Mr Lim Kok Min, John	Chairman and Independent Non-Executive Director	c/o 156 Cecil Street, #08-01, Singapore 069544
Mr Tan Wee Peng Kelvin	Independent Non-Executive Director	c/o 156 Cecil Street, #08-01, Singapore 069544
Mr Nir Ellenbogen	Independent Non-Executive Director	c/o 156 Cecil Street, #08-01, Singapore 069544
Mr Tong Jinquan	Non-Executive Director	c/o 156 Cecil Street, #08-01, Singapore 069544
Mr Ho Toon Bah	Non-Executive Director	c/o 156 Cecil Street, #08-01, Singapore 069544
Mr Itzhak Sella	Chief Executive Officer and Executive Director	c/o 156 Cecil Street, #08-01, Singapore 069544

## INFORMATION ON THE UNITS

As at the Latest Practicable Date, there were 421,350,150 Units in issue and outstanding.

### ***Substantial Unitholders<sup>1</sup> of IREIT and their Unitholdings***

Based on the Register of Substantial Unitholders maintained by the Manager, the Substantial Unitholders of IREIT<sup>2</sup> and their interests in the Units as at the Latest Practicable Date are as follows:

<u>Unitholders</u>	<u>Direct Interest</u>		<u>Deemed Interest</u>		<u>Total Interest</u>	
	<u>No. of Units</u>	<u>%<sup>(1)</sup></u>	<u>No. of Units</u>	<u>%<sup>(1)</sup></u>	<u>No. of Units</u>	<u>%<sup>(1)</sup></u>
Wealthy Fountain Holdings Inc	190,689,547	45.3	–	–	190,689,547	45.3
Tong Jinquan	51,137,000	12.1	190,689,547 <sup>(2)</sup>	45.3	241,826,547	57.4
Shanghai Summit Pte. Ltd.	–	–	190,689,547 <sup>(3)</sup>	45.3	190,689,547	45.3
Lim Chap Huat	80,057,499	19.0	–	–	80,057,499	19.0

#### **Notes:**

- (1) The percentage interest is based on the total number of 421,350,150 issued Units as at the Latest Practicable Date.
- (2) Mr. Tong Jinquan wholly owns Shanghai Summit Pte. Ltd., which in turn wholly owns Wealthy Fountain Holdings Inc and 65.0% equity interest in IREIT Global Group Pte. Ltd. Mr. Tong Jinquan is deemed to be interested in 190,689,547 Units held by Wealthy Fountain Holdings Inc.
- (3) Wealthy Fountain Holdings Inc is a wholly-owned subsidiary of Shanghai Summit Pte. Ltd. Accordingly, Shanghai Summit Pte. Ltd. has a deemed interest in the Units held by Wealthy Fountain Holdings Inc.

1 “**Substantial Unitholders**” refer to Unitholders with interests in not less than 5.0% of all Units in issue.

2 The Substantial Unitholders do not have different voting rights from ordinary Unitholders.

### **History of Issuance of Units**

The table below sets out the Units issued for cash or services within the 12 months immediately preceding the Latest Practicable Date.

<b>Date</b>	<b>Number of Units Issued</b>
1 August 2014	Issue of 999 Units to Mr Itzhak Sella at an issue price of S\$1.00 per Unit prior to the initial public offering of IREIT (the "IPO").
13 August 2014	167,733,000 Units were issued at an issue price of S\$0.88 per Unit pursuant to the IPO.  Concurrently with but separate from the IPO, an aggregate of 251,603,000 Units were issued at an issue price of S\$0.88 per Unit to Summit SPV and Summit Founder pursuant to separate subscription agreements dated 10 July 2014.
17 March 2015	Issue of 1,164,704 Units to the Manager at an issue price of S\$0.8853 per Unit as payment of the management fee to the Manager for the financial period from 13 August 2014 to 31 December 2014 (both dates inclusive).
29 May 2015	Issue of 848,446 Units to the Manager at an issue price of S\$0.7656 per Unit as payment of the management fee to the Manager for the financial period from 1 January 2015 to 31 March 2015 (both dates inclusive).

### **Price Range and Trading Volume of the Units on the SGX-ST**

The highest and lowest closing prices and the average daily volume of Units traded on the SGX-ST for the period commencing on 13 August 2014 (being the Listing Date) to 31 August 2014, the 10 calendar months immediately preceding July 2015 and for the period commencing on 1 July 2015 to the Latest Practicable Date are as follows:

<b>Month</b>	<b>Price Range (S\$ per Unit)</b>		<b>Average Daily Volume Traded Units (million)</b>
	<b>Highest</b>	<b>Lowest</b>	
13 August 2014 to 31 August 2014	0.900	0.890	1.5
September 2014	0.900	0.890	0.3
October 2014	0.895	0.880	0.1
November 2014	0.890	0.880	0.1
December 2014	0.895	0.880	0.1
January 2015	0.900	0.860	0.1
February 2015	0.870	0.840	0.2
March 2015	0.865	0.750	0.4
April 2015	0.825	0.780	0.1
May 2015	0.835	0.800	0.1
June 2015	0.805	0.790	0.1
1 July 2015 to the Latest Practicable Date	0.825	0.795	0.5

**Source:** Bloomberg L.P. Bloomberg L.P. has not provided its consent, for purposes of Section 249 of the SFA (read with Sections 302 and 305B of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (both read with Sections 302 and 305B of the SFA). While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Bloomberg L.P. is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager, the Sole Lead Manager, Underwriter and Bookrunner 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.

## INDEBTEDNESS

### *Existing Borrowings*

As at the Latest Practicable Date, IREIT has drawn down €96.6 million (S\$145.9 million) from its secured term loan facility obtained from DekaBank Deutsche Girozentrale at fixed interest rates with an effective interest rate of 2.1% per annum, which includes upfront debt transaction costs. The facility is secured by, amongst others:

- (i) a first ranking land charge over the properties in the Existing Portfolio;
- (ii) an assignment over rents and claims under inter-company loans and insurance claims; and
- (iii) a pledge over the shares in the Initial Dutch Holding Companies<sup>1</sup>.

### *New Loan Facility*

IREIT has received a binding letter of offer from HSH Nordbank AG in relation to the offer of a bank loan facility (the “**New Loan Facility**”), pursuant to which the Manager currently intends to draw down a gross amount of €102.0 million<sup>2</sup> to fund the balance of the Total Acquisition Cost.

---

1 “**Initial Dutch Holding Companies**” means Laughing Rock 1 B.V., Laughing Rock 2 B.V., Laughing Rock 3 B.V., Laughing Rock 4 B.V., Laughing Rock 5 B.V., Laughing Rock 6 B.V., Laughing Rock 7 B.V., Laughing Rock 8 B.V. and Laughing Rock 9 B.V. Laughing Rock 1 B.V., Laughing Rock 2 B.V. and Laughing Rock 3 B.V. each hold 33.3% of Bonn Campus. Laughing Rock 4 B.V. and Laughing Rock 5 B.V. each hold 50.0% of Darmstadt Campus. Laughing Rock 6 B.V. and Laughing Rock 7 B.V. hold Münster North and Münster South, respectively. Laughing Rock 8 B.V. and Laughing Rock 9 B.V. each hold 50.0% of Concor Park. The Initial Dutch Holding Companies are wholly-owned subsidiaries of IREIT.

2 This includes debt upfront transaction costs of approximately €0.9 million.

## USE OF PROCEEDS

### OFFER PROCEEDS AND USE OF PROCEEDS

The Rights Issue is intended to raise gross proceeds of approximately S\$88.7 million with the net proceeds of the Rights Issue (being the gross proceeds of the Rights Issue less the estimated amount of underwriting and selling commissions (excluding goods and service taxes payable) as well as the other fees and expenses (including professional fees and expenses) incurred in connection with the Rights Issue) estimated to be approximately S\$86.9 million.

Subject to relevant laws and regulations, for each dollar of the gross proceeds of approximately S\$88.7 million that will be raised from the Rights Issue, the Manager intends to allocate the proceeds from the Rights Issue in the following manner:

- (i) approximately 88.2 cents (equivalent to approximately S\$78.2 million) will be used to part finance the Purchase Consideration and the applicable real estate transfer tax<sup>1</sup>;
- (ii) approximately 0.3 cents (equivalent to approximately S\$0.3 million) will be used to pay for the underwriting commission (excluding goods and service taxes payable);
- (iii) approximately 8.6 cents (equivalent to approximately S\$7.6 million) will be used to pay the estimated professional fees and expenses and other fees and expenses expected to be incurred in connection with the Acquisition<sup>2</sup> and the Rights Issue; and
- (iv) approximately 2.9 cents (equivalent to approximately S\$2.6 million) will be used for working capital and capital expenditure purposes.

For each dollar of the gross proceeds from the Rights Issue, the Manager intends to use approximately 2.0 cents (equivalent to approximately S\$1.8 million) to pay for expenses incurred in connection with the Rights Issue.

Notwithstanding its current intention, should the Acquisition not be completed, the Manager may, subject to relevant laws and regulations, use the gross proceeds from the Rights Issue at its absolute discretion for other purposes, including funding other acquisitions and/or reducing IREIT's debt.

Pending the deployment of the gross proceeds from the Rights Issue, the gross proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, or used to repay outstanding borrowings or for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

The above allocation of proceeds is only indicative and the Manager will announce the reasons for any material deviation from the above stated use of proceeds. The Manager will also make periodic announcements on the utilisation of the net proceeds from the Rights Issue via SGXNET as and when such funds are materially utilised and will provide a status report on the use of proceeds from the Rights Issue in the annual reports of IREIT.

### Costs of the Rights Issue

IREIT will have to bear the following costs and expenses in relation to the Rights Issue:

- (i) underwriting and selling commission and related expenses of S\$0.3 million (excluding goods and services taxes payable) which the Manager will pay to the Sole Lead Manager, Underwriter and Bookrunner upon completion of the Rights Issue, together with any goods and services taxes payable thereon; and

---

1 German-Berlin real estate transfer tax of 6.0% levied on the Purchase Consideration.

2 This includes the Acquisition Fee but does not include the German-Berlin real estate transfer tax of 6.0% levied on the Purchase Consideration.

- (ii) professional and other fees and expenses, of S\$1.5 million (excluding goods and services taxes payable) in connection with the Rights Issue.

### **ADDITIONAL DETAILS ON THE USE OF PROCEEDS**

The following sets out additional details on the use of proceeds if such proceeds are used to (i) acquire or refinance the acquisition of an asset (other than in the ordinary course of business), (ii) acquire or refinance the acquisition of a business and (iii) discharge, reduce or retire the indebtedness of IREIT.

#### **Acquisition or Refinancing the Acquisition of an Asset (other than in the Ordinary Course of Business)**

None of the proceeds from the Rights Issue will be used to acquire or refinance the acquisition of an asset other than in the ordinary course of business. The net proceeds from the Rights Issue will be used to partly finance the Total Acquisition Cost. The remaining balance of the Total Acquisition Cost is expected to be funded by external borrowings. (See the section entitled “Information Relating to the Acquisition – Method of Financing the Acquisition” for further details.)

#### **Acquisition or Refinancing the Acquisition of a Business**

None of the proceeds from the Rights Issue will be used to finance or refinance the acquisition of a business.

#### **Discharge, Reduction or Retirement of the Indebtedness of IREIT**

None of the proceeds from the Rights Issue is currently intended to be used to discharge, reduce or retire the indebtedness of IREIT. Information on the indebtedness of IREIT is set out in the section entitled “Information Relating to IREIT – Indebtedness”.

Notwithstanding the Manager’s current intention, should the Acquisition not be completed, the Manager may, subject to relevant laws and regulations, use the gross proceeds from the Rights Issue at its absolute discretion for other purposes, including funding other acquisitions and/or reducing IREIT’s debt.

### **WORKING CAPITAL**

The Manager is of the view that, in its reasonable opinion, after taking into consideration IREIT’s internal resources and its available loan facilities, the working capital available to IREIT, as at the date of lodgement of this Offer Information Statement, is sufficient to meet IREIT’s present obligations as and when they fall due.

The Total Acquisition Cost (including the Purchase Consideration) will be financed by the net proceeds from the Rights Issue and external borrowings. (See the section entitled “Information Relating to the Acquisition – Method of Financing the Acquisition” for further details.)

### **COMMISSION**

Pursuant to the Underwriting Agreement, the Sole Lead Manager, Underwriter and Bookrunner will be entitled to an underwriting commission of 2.4% of the Issue Price multiplied by the total number of Rights Units less the number of Rights Units subscribed for pursuant to the Summit Pro Rata Undertaking, the LCH Undertaking and the IGM Pro Rata Undertaking, together with any goods and services taxes payable thereon.



## INFORMATION RELATING TO THE ACQUISITION

### THE BERLIN PROPERTY

The Berlin Property is located in Berlin, the capital of Germany. Situated in the district of Lichtenberg and approximately 6 kilometres east of Berlin city centre, the Berlin Property comprises two connected building sections of eight storeys and 13 storeys, respectively, with a total lettable area of 79,097 sq m (851,392 sq ft). The principal tenant of the Berlin Property is DRB, a federal pension fund and the largest of the 16 federal pension institutions in Germany, which occupies 98.8%<sup>1</sup> of the Berlin Property's total lettable area on a lease expiring in June 2024 and contributed 99.6%<sup>2</sup> to the Berlin Property's Gross Rental Income.

The table below sets out a summary of the key information on the Berlin Property.

<b>Address</b>	Schreiberhauer Straße 2, 4, 6, 8, 10, 12, 14, 16, 18, 20 and 22, Berlin 10317, Germany
<b>Land Tenure</b>	Freehold
<b>Site Area</b>	25,018 sq m (269,291 sq ft)
<b>Completion Year</b>	1994
<b>Number of Floors</b>	8 or 13 (depending on section of the property)
<b>Car Park Spaces</b>	496
<b>Lettable Area</b>	79,097 sq m (851,392 sq ft) comprising: <ul style="list-style-type: none"> <li>• Office space: 70,121 sq m (754,775 sq ft)</li> <li>• Retail space: 911 sq m (9,806 sq ft)</li> <li>• Storage/Ancillary: 8,065 sq m (86,811 sq ft)</li> </ul>
<b>Committed Occupancy as at 1 May 2015<sup>(1)</sup></b>	99.2%
<b>Number of Tenants as at 1 May 2015</b>	5
<b>WALE by Lettable Area as at 1 May 2015</b>	9.1 years
<b>WALE by Gross Rental Income for May 2015</b>	9.1 years
<b>Independent Appraisal by the Independent Valuer as at 1 May 2015</b>	€147.4 million (S\$222.6 million)
<b>Purchase Consideration</b>	€144.2 million (S\$217.7 million) (being a discount of approximately 2.2% to the appraised value of the Berlin Property by the Independent Valuer)

**Note:**

- (1) "Committed Occupancy" means the occupancy rate based on all current leases in respect of the Berlin Property as at 1 May 2015, based on total lettable area.

1 As at 1 May 2015.

2 For the month of May 2015.

## THE ACQUISITION

On 29 June 2015, the Property Purchasers entered into a conditional sale and purchase agreement with the Vendor for the acquisition of the Berlin Property for the Purchase Consideration of €144.2 million (S\$217.7 million).

## THE PURCHASE CONSIDERATION AND VALUATION FOR THE ACQUISITION

The Independent Valuer has been appointed by the Manager and the Trustee to value the Berlin Property. The appraised value of the Berlin Property as at 1 May 2015 is €147.4 million (S\$222.6 million), based on the discounted cash flow analysis. The Purchase Consideration is €144.2 million (S\$217.7 million), representing a discount of approximately 2.2% to the appraised value of the Berlin Property by the Independent Valuer. The Purchase Consideration was arrived at on a willing-buyer willing-seller basis after taking into account the independent valuation of the Berlin Property by the Independent Valuer.

(Please refer to **Appendix E – Valuation Certificate** for further details about the valuation by the Independent Valuer.)

## OTHER ADDITIONAL COSTS OF THE ACQUISITION

### Acquisition Fee

The Manager will receive an Acquisition Fee of €1.2 million (S\$1.8 million) for the Acquisition, payable to the Manager pursuant to Clause 15.2.1 of the trust deed dated 1 November 2013 constituting IREIT (as amended) (the “**Trust Deed**”).

### Other Fees and Expenses in connection with the Acquisition

IREIT is expected to incur other estimated professional and other fees and expenses<sup>1</sup> of approximately €11.5 million (S\$17.4 million) in connection with the Acquisition.

The Total Acquisition Cost is expected to be approximately €156.9 million (S\$236.9 million).

## METHOD OF FINANCING THE ACQUISITION

The Manager intends to finance the Total Acquisition Cost of approximately €156.9 million (S\$236.9 million) as follows:

- (i) S\$84.2 million (which is equivalent to 94.9% of the gross proceeds of the Rights Issue) from the proceeds of the Rights Issue; and
- (ii) S\$152.7 million from external borrowings. The Manager has received a binding letter of offer from HSH Nordbank AG in relation to the New Loan Facility, pursuant to which the Manager currently intends to draw down a gross amount of €102.0 million<sup>2</sup> to fund the balance of the Total Acquisition Cost.

Post-Acquisition, the Aggregate Leverage (as defined herein) of IREIT is expected to increase from 31.8% to 43.7%<sup>3</sup> on a pro forma basis.

---

1 Including a German-Berlin real estate transfer tax of 6.0% levied on the Purchase Consideration.

2 This includes debt upfront transaction costs of approximately €0.9 million.

3 Based on the Aggregate Leverage of 31.8% as at 31 March 2015 (based on the 3M2015 Unaudited Financial Statements) and assuming that the Acquisition and Rights Issue were completed on 31 March 2015.

## CONDITIONS PRECEDENT FOR THE COMPLETION OF THE ACQUISITION AND CERTAIN OTHER TERMS OF THE PROPERTY SPA

Completion of the sale and purchase of the Berlin Property is conditional upon the fulfilment or waiver (as the case may be) of, among others, the following conditions precedent:

- (i) the provisional entry on the Berlin Property securing the right of the Property Purchasers to acquire the Berlin Property against interim dispositions and insolvency risks on the part of the Vendor (the “**Provisional Entry**”) being registered in the land register, and the Provisional Entry being only subject to or subordinated to the encumbrances specified in the Property SPA as well as such encumbrances that were registered with the Property Purchasers’ consent or cooperation;
- (ii) the waiver or negative clearance issued by the Federal State of Berlin concerning possible statutory pre-emption rights being presented to the notary; and
- (iii) proper documentation for the deletion of all encumbrances registered in the land register that are not assumed by the Property Purchasers that are ranking prior or equal to the Provisional Entry, as well as the written release by the land charge creditor of all rent and insurance claims of the Vendor concerning the Berlin Property being presented to the notary.

In addition, the Property SPA contains, *inter alia*, the following terms and conditions:

- (i) In order to secure the Vendor’s claim to *inter alia* payment of the Purchase Consideration, the Property Purchasers have on 29 June 2015 transferred the amount of €450,000 (the “**Security Sum**”) to the notary to be held in trust for both the Property Purchasers and the Vendor. The final Purchase Consideration (less the Warranty Retention Sum (as defined below)) payable to the Vendor upon completion shall be net of this Security Sum.
- (ii) An amount of €668,000 (the “**Warranty Retention Sum**”) will be retained by the Property Purchasers to secure the carrying out by the Vendor of certain technical works and repair measures (which includes the technical separation of the Berlin Property from an adjacent property). The Warranty Retention Sum shall be paid to the Vendor upon receipt of the confirmation by an independent expert agreed by the parties that the relevant works and repair measures have been carried out properly in accordance with the requirements as stipulated under the Property SPA.
- (iii) The Property Purchasers will fully indemnify Vendor against all obligations and claims under public and private law as well as against all disadvantages arising from the rights of authorities and/or other third parties related to environmental damage or archaeological sites, in particular against claims for examination, monitoring, securing, clean-up or disposal of such environmental damage or archaeological sites and all related costs. If the Vendor is held liable under public or private law with regard to any examination, monitoring, securing, clean-up or disposal, the Property Purchasers will carry out such measures for the Vendor and at his own expense including all involved components (e.g. information duty towards authorities or affected parties). Alternatively, the Property Purchasers will reimburse Vendor for all costs accrued after having been prompted by the Vendor to do so. This does not apply to environmental damages that are known to but were not disclosed by the Vendor or that have been intentionally or negligently caused by the Vendor.
- (iv) Under the Property SPA, certain limited representations and warranties are made by the Vendor, which are in most cases qualified by the Vendor’s knowledge. Claims for breach of warranties are subject to an aggregate maximum amount of €5.0 million.

The terms and conditions set out above are in accordance with the current German market practice.

## **COMPLETION**

The Purchase Consideration (less the Warranty Retention Sum) shall be payable 15 Banking Days<sup>1</sup> after the certifying notary has confirmed to the Vendor in writing (or via fax) that all the conditions precedent under the Property SPA have been satisfied (but not before 17 August 2015). The Property Purchasers are entitled to determine a payment date before 17 August 2015 with a notification period of five Banking Days. Completion of the sale and purchase of the Berlin Property shall be the date of the full payment of the Purchase Consideration (including the payment of the Security Sum from the notary account to the Vendor, but less the Warranty Retention Sum).

---

1 “**Banking Day**” means any day (except Saturdays and Sundays) on which banks in Munich, Amsterdam and Singapore are open for ordinary business (irrespective of stock market trading).

## OPERATING AND FINANCIAL REVIEW AND PROSPECTS

*This section should be read together with the selected financial data from the Financial Statements which are set out in **Appendix A**. Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of IREIT at <http://www.ireitglobal.com> and are also available for inspection during normal business hours at the registered office of the Manager at 156 Cecil Street, #08-01, Singapore 069544, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>1</sup>.*

*Save for the Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained in the website of IREIT does not constitute part of this Offer Information Statement.*

### OPERATING REVIEW

#### Statements of Total Return and Distribution Statements

Selected financial data from the FP2014 Audited Financial Statements and the 3M2015 Unaudited Financial Statements is set out in **Appendix A**. Financial data relating to (i) DPU (ii) earnings per Unit and (iii) earnings per Unit after adjustment to reflect the issuance of the Rights Units, amongst others, are also set out in **Appendix A**.

Such selected financial data should be read together with the relevant notes to the Financial Statements where applicable.

#### Balance Sheets and Cash Flow Statements

Selected financial data from the FP2014 Audited Financial Statements and the 3M2015 Unaudited Financial Statements, including the line items in the consolidated balance sheets and cash flow statements of IREIT, NAV per Unit, and NAV per Unit after any adjustment to reflect the issuance of the Rights Units is also set out in **Appendix A**.

Such selected financial data should be read together with the relevant notes to the Financial Statements.

#### Liquidity and Capital Resources

##### **FP2014**

The cash balance of IREIT was €12.3 million as at 31 December 2014. The increase was mainly due to €307.3 million cash generated from financing activities and €8.0 million generated from operating activities, which was offset by cash outflow of €303.0 million due to investing activities.

The main cash inflows from financing activities were proceeds of €219.4 million from issuance of units and proceeds from bank borrowings of €96.6 million, partly offset by expenses related to the issuance of units of €7.5 million and costs related to bank borrowings of €1.2 million. The main cash outflows due to investing activities were the acquisition of investment properties of €303.0 million.

---

<sup>1</sup> Prior appointment with the Manager will be appreciated.

### **3M2015**

The cash balance of IREIT decreased by €2.2 million to €10.1 million during 3M2015. The decrease was mainly due to €7.4 million of cash outflow due to financing activities, partly offset by €5.2 million of net cash from operating activities. The net cash outflow due to financing activities was mainly due to the distributions to Unitholders of €6.4 million and interest paid of €1.0 million.

## **FINANCIAL REVIEW**

*The following sets out the management's discussion and analysis on significant factors, including any unusual or infrequent event or new development, which materially affected income available for distribution to Unitholders after tax, including significant components of revenue or expenditure relating to distribution to Unitholders after tax for the financial periods referred to below.*

## **Management's Discussion and Analysis of Financial Condition and Results of Operations**

### **FP2014**

IREIT's inaugural financial reporting is for the period from 1 November 2013 (being the date of constitution of IREIT) to 31 December 2014. For FP2014, IREIT reported income available for distribution to Unitholders of €6.4 million. Gross revenue for FP2014 was €8.3 million and net property income was €7.5 million. IREIT's total assets was €306.5 million as at 31 December 2014, which is largely attributed to the four investment properties in Germany.

### **3M2015**

Gross revenue for 3M2015 was €5.6 million and property operating expenses was €0.6 million, resulting in a net property income of €5.0 million. Available DPU for the period amounted to €1.04 cents. Total assets as at 31 March 2015 was €304.2 million.

### **Working Capital**

IREIT's internal resources and its available loan facilities have been sufficient for its working capital requirements for FP2014 and 3M2015.

## **BUSINESS PROSPECTS AND TREND INFORMATION**

### **Business and Financial Prospects of IREIT**

Upon completion of the acquisition of the Berlin Property, IREIT's portfolio size<sup>1</sup> will increase to approximately €438.0 million (S\$661.4 million) from €290.6 million (S\$438.8 million) currently. The total NLA of the properties in IREIT's portfolio is expected to increase by 65.1% to 200,603 sq m from 121,506 sq m. In addition, the Acquisition will further expand IREIT's geographical reach within Germany and provide diversity to its tenant mix.

IREIT's portfolio is also expected to enjoy greater stability as this property is tenanted by a strong tenant, DRB, which is the largest of the 16 federal pension institutions in Germany and has a long unexpired lease term of close to nine years.

---

<sup>1</sup> Based on the appraised values of the Existing Portfolio comprising Bonn Campus, Darmstadt Campus, Münster Campus and Concor Park as at 31 December 2014 and the appraised value of Berlin Property as at 1 May 2015.

Post-Acquisition, the Aggregate Leverage of IREIT is expected to increase from 31.8% to 43.7%<sup>1</sup> on a pro forma basis. In addition, following the Acquisition, IREIT's portfolio WALE<sup>2</sup> would also increase from 6.2 years to 7.5 years.

### **Significant Trends and Conditions of the Market**

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. According to the Deutsche Bundesbank, the German economy has recovered more quickly than expected from the cyclical lull in the middle of last year and has returned to a growth path that is underpinned by both domestic and foreign demand<sup>3</sup>. The consumer price index in Germany is also trending positively since February 2015. In general, Germany's economy is performing better than economists' expectations due to improving business activity, although uncertainties remain, such as Greece's standoff with its creditors.

According to Colliers International<sup>4</sup>, office leasing activity for the first three months of 2015 was the strongest for a quarter since 2008, with the take-up for the seven largest German office markets increasing by 12% year-on-year. The commercial investment market also continued its strong uptrend, with transaction volume of €9.7 billion for the quarter matching that in the corresponding period of the previous year.

As the positive economic situation in Germany continues, IREIT will employ its 'ABBA' acquisition strategy and continue to grow IREIT's portfolio by acquiring yield accretive and strategic properties.

(See the section entitled "Risk Factors" for a discussion of certain factors to be considered in connection with an investment in the Rights Units and the Rights Entitlements.)

---

1 Based on the Aggregate Leverage of 31.8% as at 31 March 2015 (based on the 3M2015 Unaudited Financial Statements) and assuming that the Acquisition and Rights Issue were completed on 31 March 2015.

2 By Gross Rental Income for the month of March 2015, as at 31 March 2015.

3 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](http://www.bloomberg.com) (last accessed on the Latest Practicable Date). Bloomberg has not provided its consent, for purposes of Section 249 of the SFA (read with Sections 302 and 305B of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (both read with Sections 302 and 305B of the SFA). 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, the Sole Lead Manager, Underwriter and Bookrunner 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.

4 Source: Colliers International, "Germany's Office and Investment Report Q1 2015", which is available on the website of Colliers International at [www.colliers.com](http://www.colliers.com) (last accessed on the Latest Practicable Date). Colliers International has not provided its consent, for purposes of Section 249 of the SFA (read with Sections 302 and 305B of the SFA), to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 of the SFA (both read with Sections 302 and 305B of the SFA). While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Colliers International is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, none of the Manager, the Sole Lead Manager, Underwriter and Bookrunner 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.

## PRO FORMA FINANCIAL INFORMATION

The pro forma financial effects of the Acquisition and the Rights Issue (together, the “**Transactions**”) presented below are strictly for illustrative purposes only and were prepared based on the FP2014 Audited Financial Statements, and assuming:

- (a) the Total Acquisition Cost is €156.9 million (S\$236.9 million);
- (b) 189,607,567 Rights Units are issued at an Issue Price of S\$0.468 per Rights Unit;
- (c) net proceeds of approximately S\$86.9 million are raised from the Rights Issue after taking into account the estimated costs of the Rights Issue of approximately S\$1.8 million; and
- (d) the remainder of the Total Acquisition Cost of approximately S\$152.7 million is funded by the New Loan Facility.

It is to be noted that while IREIT was constituted on 1 November 2013, it was only listed on the Main Board of the SGX-ST on 13 August 2014 and only commenced operations on and from that date. Accordingly, the pro forma financial effects, presented for illustrative purposes only, are based on the financial period from 13 August 2014 (being the Listing Date) to 31 December 2014.

### FINANCIAL YEAR ENDED 31 DECEMBER 2014

#### PRO FORMA NPI AND NPI YIELD

The pro forma financial effects of the Transactions on the NPI and NPI yield for IREIT for FP2014, as if IREIT had purchased the Berlin Property and completed the Rights Issue on the Listing Date, and held and operated the Berlin Property through to 31 December 2014, are as follows:

	Existing Portfolio	The Berlin Property
NPI (€'000) . . . . .	7,525 <sup>(1)</sup>	3,924 <sup>(2)</sup>
Appraised Value/Purchase Consideration (€'000) . . . . .	290,600 <sup>(3)</sup>	144,234 <sup>(4)</sup>
Annualised NPI yield <sup>(5)</sup> . . . . .	6.7%	7.1%

**Notes:**

- (1) Based on the FP2014 Audited Financial Statements.
- (2) The pro forma NPI is for the Pro Forma Financial Period 2014, based on leases with existing tenants.
- (3) Based on the appraised values of the Existing Portfolio as at 31 December 2014.
- (4) Based on the Purchase Consideration of the Berlin Property, excluding any real estate taxes and professional and other fees and expenses.
- (5) Based on annualised NPI divided by the respective appraised value or Purchase Consideration, excluding any real estate taxes and professional and other fees and expenses.



## PRO FORMA DPU AND DISTRIBUTION YIELD

The pro forma financial effects of the Transactions on the DPU and distribution yield for IREIT for FP2014, as if IREIT had purchased the Berlin Property and completed the Rights Issue on the Listing Date, and held and operated the Berlin Property through to 31 December 2014, are as follows:

	<b>Actual<sup>(1)</sup></b>	<b>Pro Forma</b>
Distributable income (€'000) <sup>(2)</sup> . . . . .	6,417	9,333
Units in issue . . . . .	419,337,000	608,944,567 <sup>(5)</sup>
DPU (€ cents) <sup>(3)</sup> . . . . .	1.53	1.53
DPU (Singapore cents) <sup>(4)</sup> . . . . .	2.57	2.58
Annualised Distribution yield . . . . .	8.3% <sup>(6)</sup>	9.6% <sup>(7)</sup>

### Notes:

- (1) Based on the FP2014 Audited Financial Statements.
- (2) Distributable income is derived based on accounting income adjusted for the relevant adjustments as set out in the Trust Deed.
- (3) The computation of DPU is based on the number of Units in issue which are entitled to distributions as at 31 December 2014.
- (4) Based on the exchange rate of €1.00 : S\$1.68 hedged by IREIT for 100.0% of its distributable income for the financial period from the Listing Date to 31 December 2014.
- (5) The number of Units is arrived at after taking into account the total units in issue and entitled to distribution as at 31 December 2014 of 419,337,000 Units and the issuance of 45 Rights Units for every 100 Existing Units under the Rights Issue amounting to 189,607,567 Units.
- (6) Based on the DPU for the Pro Forma Financial Period 2014 and annualised, divided by the Closing Price on 29 June 2015 of S\$0.805 per Unit.
- (7) Based on the pro forma DPU for the Pro Forma Financial Period 2014 and annualised, divided by TERP of S\$0.700 per Unit.

## PRO FORMA NAV PER UNIT

The pro forma financial effects of the Transactions on the NAV per Unit as at 31 December 2014, as if IREIT had purchased the Berlin Property and completed the Rights Issue on 31 December 2014, are as follows:

	<b>Actual<sup>(1)</sup></b>	<b>Pro Forma</b>
NAV (€'000) . . . . .	199,974	249,323
Units in issue and to be issued . . . . .	420,501,704	610,109,271 <sup>(2)</sup>
NAV per Unit (€ cents) . . . . .	0.48	0.41

### Notes:

- (1) Based on the FP2014 Audited Financial Statements.
- (2) The number of Units is arrived at after taking into account the total existing units in issue and to be issued of 420,501,704 Units as at 31 December 2014 and the issuance of 45 Rights Units for every 100 Existing Units under the Rights Issue amounting to 189,607,567 Units.

## PRO FORMA CAPITALISATION

The following table sets forth the pro forma capitalisation of IREIT as at 31 December 2014, as if IREIT had purchased the Berlin Property and completed the Rights Issue on 31 December 2014.

€'000	As at 31 December 2014	
	Actual <sup>(1)</sup>	Pro Forma <sup>(2)</sup>
<b>Long-term debt:</b>		
Secured .....	96,594	198,594
Total long-term debt .....	96,594	198,594
Total debt .....	96,594	198,594
Unitholders funds .....	199,974	249,323
<b>Total Capitalisation .....</b>	<b>296,568</b>	<b>447,917</b>

**Notes:**

(1) Based on the FP2014 Audited Financial Statements.

(2) Based on the gross borrowings drawn down on the New Loan Facility of €102.0 million.

## RISK FACTORS

*The risks described below should be carefully considered before making an investment decision in relation to the Rights Entitlements, the Rights Units or the Units. The risks described below are not the only ones relevant to IREIT, the Manager, the Trustee, the Rights Entitlements, the Rights Units or the Units. These risk factors are not intended to be exhaustive and, in particular, are not intended to repeat the risk factors set out in the Prospectus, certain of which may continue to be applicable to IREIT. Details of some of the risk factors relating to the Existing Portfolio which continue to be applicable to IREIT can be found in the Prospectus. Additional risks not described below or not presently known to the Manager and/or the Trustee or that it/they currently deem(s) immaterial may also impair the business operations of IREIT. The business, financial condition or results of operations of IREIT could be materially and adversely affected by any of these risks.*

### RISKS ASSOCIATED WITH THE ACQUISITION

**The due diligence exercise on the Berlin Property, tenancies, buildings and equipment may not have identified all defects, breaches of laws and regulations and other deficiencies.**

The Manager believes that reasonable due diligence investigations with respect to the Berlin Property have been conducted and that based on the due diligence commissioned by the Manager, no material defects or deficiencies were found. However, notwithstanding the above, there is no assurance that the Berlin Property will not have defects or deficiencies requiring repair or maintenance (including design, construction or other latent property or equipment defects in the Berlin Property which may require additional capital expenditure, special repair, maintenance expenses, the payment of damages or other obligations to third parties) or be affected by breaches of laws and regulations.

Statutory or contractual representations, warranties and indemnities given by any seller of office properties are unlikely to afford satisfactory protection from costs or liabilities arising from such property or equipment defects. The scope of the warranties provided by the Vendor is limited mainly to the accuracy and completeness of the documents and information provided by the Vendor in the course of the due diligence carried out by the Property Purchasers. The liability of the Vendor for the technical condition of the Berlin Property is explicitly excluded. In addition, the overall liability of the Vendor for breaches of warranties is limited to €5.0 million.

Costs or liabilities arising from such defects or deficiencies may require significant capital expenditures or obligations to third parties and may involve significant and potentially unpredictable patterns and levels of expenditure which may have a material adverse effect on IREIT's earnings and cash flows.

**IREIT may not be able to complete the Rights Issue and hence any draw down on external borrowings to fund the Acquisition would result in an increase in IREIT's Aggregate Leverage.**

Uncertainties and instability in global market conditions could, among other things, including but not limited to the termination of the Underwriting Agreement, adversely affect IREIT's ability to successfully complete the Rights Issue, in which case, it would have to draw down on external borrowings to fund the Acquisition. Accordingly, this could result in an increase in the Aggregate Leverage of IREIT. If IREIT should then, from time to time, require further debt financing to achieve its investment strategy, such increase in its Aggregate Leverage may adversely affect its ability to make further borrowings.

The consequences of this limitation on borrowings may include, among other things:

- an inability to fund capital expenditure requirements;
- cash flow shortages (including with respect to distributions) which IREIT might otherwise be able to resolve by borrowing funds; and
- IREIT may not be able to obtain additional equity or debt financing or be able to obtain such financing on favourable terms.

The above business consequences may adversely affect IREIT's financial condition, results of operations and its level of distributable income and Unit price.

## **RISKS ASSOCIATED WITH IREIT'S OPERATIONS**

### **The Manager may not be able to successfully implement its investment strategy for IREIT or may change IREIT's investment strategy.**

There is no assurance that the Manager will be able to implement its investment strategy successfully or that it will be able to expand IREIT's portfolio at any specified rate or to any specified size. The Manager may not be able to make acquisitions or investments on favourable terms or within a desired time frame. IREIT will be relying on external sources of funding to expand its portfolio, which may not be available on terms favourable to IREIT. Even if IREIT were able to successfully make additional property investments, there can be no assurance that IREIT will achieve its intended return on such investments. Since the amount of debt that IREIT can incur to finance acquisitions is limited by Appendix 6 of the Code on Collective Investment Schemes issued by the Authority (the "**Property Funds Appendix**"), such acquisitions will largely be dependent on IREIT's ability to raise equity capital. This may result in a dilution of Unitholders' holdings. Potential vendors may also view the prolonged time frame and lack of certainty generally associated with the raising of equity capital to fund any such purchase negatively and may prefer other potential purchasers.

Furthermore, there may be significant competition for attractive investment opportunities from other property investors, including other real estate investment trusts, office property development companies and private investment funds. There is no assurance that IREIT will be able to compete effectively against such entities. IREIT's ability to make new property acquisitions under its acquisition growth strategy may be adversely affected.

### **Any breach by the major tenants of their obligations under the lease agreements or a downturn in their businesses may have an adverse effect on IREIT.**

In the event that any major tenants of IREIT are unable to pay their rent or breach their obligations under the lease agreements, the level of distributable income may be adversely affected. The performance of the major tenants' other businesses could also have an impact on their ability to make rental payments to IREIT.

Factors that affect the ability of such major tenants to meet their obligations include, but are not limited to:

- their financial position;
- the local economies in which they have business operations;
- the ability of such major tenants to compete with their competitors;

- in the instance where such major tenants have sub-leased the properties in the Enlarged Portfolio, the failure of the sub-tenants to pay rent; and
- material losses in excess of insurance proceeds.

**The amount IREIT may borrow is limited, which may affect the operations of IREIT.**

Under the Property Funds Appendix, IREIT is permitted to borrow up to 35.0% of the value of the Deposited Property<sup>1</sup> at the time the borrowing is incurred, taking into account deferred payments (including deferred payments for assets whether to be settled in cash or in Units). However, the Property Funds Appendix also allows IREIT to borrow more than 35.0% (up to a maximum of 60.0%) of the value of the Deposited Property if a credit rating from Fitch Inc., Moody's or Standard & Poor's is obtained and disclosed to the public. As at 31 March 2015, IREIT has gross borrowings of €96.6 million (S\$145.9 million), with total borrowings and deferred payments (if any) as a percentage of the Deposited Property (the "**Aggregate Leverage**") of approximately 31.8%. Taking into consideration the additional €102.0 million<sup>2</sup> of external borrowings expected to be taken out to fund the Acquisition, IREIT's pro forma Aggregate Leverage is expected to increase to 43.7%.

IREIT may, from time to time, require further debt financing to achieve its investment strategies. In the event that IREIT decides to incur additional borrowings in the future, IREIT may face adverse business consequences as a result of this limitation on future borrowings, and these may include:

- an inability to fund capital expenditure requirements in relation to IREIT's existing asset portfolio or in relation to IREIT's acquisitions to expand its portfolio;
- a decline in the value of the Deposited Property may cause the borrowing limit to be exceeded, thus affecting IREIT's ability to make further borrowings; and
- cash flow shortages (including with respect to distributions) which IREIT might otherwise be able to resolve by borrowing funds.

**IREIT may face risks associated with debt financing.**

IREIT is subject to risks associated with debt financing, including the risk that its cash flow will be insufficient to meet the required payments of principal and interest under such financing, and therefore to make distributions to Unitholders.

IREIT may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all. If principal amounts due for repayment at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, IREIT will not be able to pay distributions at expected levels to Unitholders or to repay all maturing debt.

If IREIT's property is mortgaged, such property could be foreclosed by the lender or the lender could require a forced sale of the property with a consequent loss of income and asset value to IREIT.

---

1 "Deposited Property" means all the assets of IREIT for the time being held or deemed to be held upon the trusts of the Trust Deed.

2 Including debt upfront transaction costs of approximately €0.9 million.

IREIT may be subject to the risk that the terms of any refinancing undertaken will be less favourable than the terms of the original borrowings, including covenants that may limit or otherwise adversely affect its operations, its ability to make distributions to Unitholders, or its ability to acquire properties or undertake other capital expenditure, and such terms may require it to set aside funds for maintenance or repayment of security deposits or require IREIT to maintain certain financial ratios (e.g. loan to value ratios). The triggering of any of such covenants may have an adverse impact on IREIT's financial condition. In addition, there are tenant's servitudes encumbering the Bonn Campus, Darmstadt Campus and Münster Campus (collectively, the "**Deutsche Telekom Properties**"), which do not comply with the standards for dealing with tenant's servitudes in the context of property financing developed by the Association of German Mortgage-lending Institutions (as they have been registered before these standards had been developed). This may limit the availability of debt financing to be secured by the Deutsche Telekom Properties as certain commercial property lenders might refrain from providing financing.

If prevailing interest rates or other factors at the time of refinancing (such as the possible reluctance of lenders to make commercial property loans) result in higher interest rates, the interest expense relating to such refinanced indebtedness would increase, thereby adversely affecting IREIT's cash flow and the amount of funds available for distribution to the Unitholders.

**Acquisitions may not yield the returns expected, resulting in disruptions to IREIT's business and straining of management resources.**

IREIT's external growth strategy and its asset selection process may not be successful and may not provide positive returns to Unitholders.

Acquisitions may cause disruptions to IREIT's operations and divert management's attention away from day-to-day operations.

**The Manager's strategy to initiate asset enhancement on some of IREIT's properties from time to time may not materialise.**

The Manager may from time to time initiate asset enhancement on some of IREIT's properties. There is no assurance that such plans for asset enhancement will materialise, or in the event that they do materialise, they may not achieve their desired results or may incur significant costs.

**IREIT depends on certain key personnel and the loss of any key personnel may adversely affect its operations.**

IREIT's performance depends, in part, upon the continued service and performance of the executive officers of the Manager. These key personnel may leave the employment of the Manager. If any of the above were to occur, the Manager will need to spend time searching for a replacement and the duties for which such executive officers are responsible may be affected. The loss of any of these individuals could have a material adverse effect on the financial condition and the results of operations of IREIT.

**IREIT may from time to time be subject to legal proceedings and government proceedings.**

Legal proceedings against IREIT and/or its subsidiaries relating to property management and disputes over tenancies may arise from time to time. There can be no assurance that IREIT and/or its subsidiaries will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the financial condition, results of operation or cash flow of IREIT.

IREIT is regulated by various government authorities and regulations. If any government authority believes that IREIT or any of its tenants are not in compliance with the regulations, it could shut down the relevant non-compliant entity or delay the approval process, refuse to grant or renew the relevant approvals or licences, institute legal proceedings to seize IREIT's properties, enjoin future action or (in the case of IREIT's subsidiaries not being in compliance with the regulations), assess civil and/or criminal penalties against IREIT, its officers or employees. Any such action by the government authority would have a material adverse effect on the business, financial condition and results of operations or cash flow of IREIT.

**There may be disagreements between the shareholders of the Manager.**

The Manager is currently held by Summit which is wholly-owned by Summit Founder, LCH SPV which is wholly-owned by LCH and IREIT Global Management in the proportion 65.0%, 19.0% and 16.0% respectively. IREIT Global Management is in turn 87.5% held by Sella Holdings Pte. Ltd. which is the sponsor of IREIT ("**Sponsor**").

Prior to their joint venture in relation to the Manager, none of LCH SPV, Summit and the Sponsor had any business relations. Disagreements may occur between LCH SPV, Summit, IREIT Global Management and/or the Sponsor regarding the business and operations of the Manager which may not be resolved amicably and which may adversely affect the business operations of the Manager. This may in turn have an adverse impact on the results of operations of IREIT.

**IREIT may engage in interest rate hedging transactions, which can limit gains and increase costs.**

IREIT may enter into interest rate hedging transactions to protect itself from the effects of interest rate on floating rate debt. Interest rate hedging activities may not have the desired beneficial impact on the operations or financial condition of IREIT.

Interest rate hedging could fail to protect IREIT or adversely affect IREIT because, among others:

- available interest rate hedging may not correspond directly with the interest rate risk for which protection is sought;
- the party owing money in the hedging transaction may default on its obligation to pay;
- the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs IREIT's ability to sell or assign its side of the hedging transaction; and
- the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting rules to reflect changes in fair value. Such changes although unrealised, would reduce the NAV of IREIT if it is due to downward adjustments.

Interest rate hedging involves risks and transaction costs, which may reduce overall returns.

These costs increase as the period covered by the hedging increases and during periods of rising and volatile interest rates. These costs will also limit the amount of cash available for distributions to Unitholders.

**Possible change of investment strategies may adversely affect Unitholders' investments in IREIT.**

The Manager may from time to time amend the investment strategies of IREIT if it determines that such change is in the best interests of IREIT and its Unitholders without seeking Unitholders' approval. In the event of a change of investment strategies, the Manager may, subject to the relevant laws, regulations and rules (including the Listing Manual), alter such investment strategies upon the expiry of three years from the Listing Date, provided that it has given not less than 30 days' prior notice of the change to the Trustee and Unitholders by way of an announcement on the SGX-ST. The methods of implementing IREIT's investment strategies may vary as new investment and financing techniques are developed or otherwise used. Such changes may adversely affect Unitholders' investment in IREIT.

**The outbreak of an infectious disease or any other serious public health concerns in Europe and elsewhere could adversely impact the business, financial condition and results of operations of IREIT.**

In 2005 and 2006, outbreaks of avian influenza were reported in other parts of the world including Europe, the Middle East and Africa. Some of these outbreaks severely affected the poultry and related industries and, in addition, several cases of bird-to-human transmission of avian influenza were reported in various countries. Cases of the Middle East respiratory syndrome coronavirus (MERS-CoV) has been reported in several countries, including certain countries in the Middle East, the United Kingdom, the United States, South Korea and Thailand.

There can be no assurance that any precautionary measures taken against infectious diseases would be effective.

The outbreak of an infectious disease such as avian influenza or MERS-CoV in Europe and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, could have a negative impact on the economy and business activities in Europe and could thereby adversely impact the revenues and results of IREIT. These factors could materially and adversely affect the business, financial condition and the results of operations of IREIT.

**Occurrence of any acts of God, natural disasters, severe environmental pollution, war and terrorist attacks may adversely and materially affect the business and operations of IREIT's properties.**

Acts of God, such as natural disasters, and severe environmental pollution (including severe smog), are beyond the control of IREIT or the Manager. These may materially and adversely affect the economy, infrastructure and livelihood of the local population. IREIT's business and income available for distribution may be adversely affected should such acts of God occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations of IREIT's properties and hence IREIT's income available for distribution.

In addition, physical damage to IREIT's properties resulting from fire, earthquakes or other acts of God may lead to a significant disruption to the business and operation of IREIT's properties. This may then result in an adverse impact on the business, financial condition and results of operations of IREIT and its capital growth.



**IREIT's investment strategy may entail a higher level of risk as compared to other types of unit trusts that have a more diverse range of investments.**

IREIT's 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, will subject IREIT to risks inherent in concentrating in real estate. The level of risk could be higher as compared to other types of unit trusts that have a more diverse range of investments in other sectors.

A concentration of investments in real estate located in Europe and used primarily for office purposes exposes IREIT to the risk of a downturn in the European office property market and in Europe in general. Any economic slowdown in Europe could negatively affect the performance of the European office property market. The renewal of leases in IREIT's properties will depend, in part, upon the success of the tenants. Any economic downturn may cause higher levels of non-renewals of leases or vacancies as a result of failures or defaults by tenants or the market pressures exerted by an increase in available space for properties used for office purposes. There can be no assurance that the tenants of IREIT's properties will renew their leases or that the new lease terms will be as favourable as the existing leases. In the event that a tenant does not renew its lease, a replacement tenant or tenants would need to be identified, which could subject to IREIT's properties to periods of vacancy and/or costly refittings, during which periods IREIT could experience reductions in rental income.

Such downturns may lead to a decline in occupancy for properties or real estate-related assets in IREIT's portfolio. This will affect the rental income from IREIT's properties, and/or lead to a decline in the capital value of IREIT's portfolio, which will have an adverse impact on distributions to Unitholders and/or on the results of operations and the financial condition of IREIT.

**There is no assurance that the current rating given in respect of IREIT by Standard & Poor's will be maintained or that the rating will not be reviewed, downgraded, suspended or withdrawn in the future.**

The rating assigned by Standard & Poor's<sup>1</sup> is based on the views of Standard & Poor's only. Future events could have a negative impact on the rating in respect of IREIT and prospective investors should be aware that there is no assurance that the rating assigned will be maintained or that the rating would not be reviewed, downgraded, suspended or withdrawn as a result of future events or judgement on the part of Standard & Poor's.

A downgrade of the rating may lead to the Trustee being unable to obtain future credit on terms which are as favourable as those of its existing borrowings, resulting in loans at higher interest rates.

## **RISKS ASSOCIATED WITH THE ENLARGED PORTFOLIO**

**IREIT may be adversely affected by economic and real estate market conditions (including uncertainties and instability in global market conditions and increased competition in the real estate market), as well as changes in regulatory, fiscal and other governmental policies in Europe.**

The properties of the Enlarged Portfolio are located in Europe. As a result, IREIT's gross revenue and results of operations depend upon the performance of the European economy. An economic decline in Europe could adversely affect IREIT's results of operations and future growth.

---

<sup>1</sup> See the section entitled "Overview of IREIT – General Development of IREIT" for further details.

In addition, Europe's economy is affected by global economic conditions. The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries, including the default by Greece of its debt obligations and a possible Greek Eurozone exit. There remains a concern that the debt crisis affecting Europe will impinge upon the health of the global financial system. These events could adversely affect IREIT insofar as they result in:

- a negative impact on the ability of the tenants to pay their rents in a timely manner or continue their leases, thus reducing IREIT's cash flow;
- an increase in counterparty risk (being the risk of monetary loss which IREIT may be exposed to if any of its counterparties encounters difficulty in meeting its obligations under the terms of its respective transaction); and/or
- an increased likelihood that one or more of (i) IREIT's banking syndicates (if any), (ii) banks or insurers, as the case may be, providing bankers' guarantees or performance bonds for the rental deposits or other types of deposits relating to or in connection with the properties of the Enlarged Portfolio or IREIT's operations or (iii) IREIT's insurers, may be unable to honour their commitments to IREIT.

There is also uncertainty as to the strength of the global economy, the potential for slowdown in consumer demand and the impact of the global downturn on the economy of Europe. In particular, the ongoing crisis involving Russia and Ukraine could adversely affect Germany's trade relationship with Russia. Germany also relies strongly on Russia for its natural gas supplies, and there is a possibility that Russia may taper its gas supplies to Europe. These events could contribute to an economic decline in Europe, which may adversely affect IREIT's results of operations and future growth.

Investments in office and real estate-related assets in any particular country will expose IREIT to additional local real estate market conditions. Other real estate market conditions which may adversely affect the performance of IREIT include the attractiveness of competing real estate-related assets or an oversupply or reduced demand for such real estate-related assets.

Further, IREIT will be subject to real estate laws, regulations and policies of European jurisdictions as a result of its property investments in Europe. Measures and policies adopted by European governments and regulatory authorities at national, state or local levels, such as government control over property investments or foreign exchange regulations, may negatively impact IREIT's properties.

**IREIT is reliant on the three properties leased to Generalmietgesellschaft mbH ("GMG") for a substantial portion of its NPI.**

The Deutsche Telekom Properties are 100% leased on long term leases (with extension options) to GMG, which is a wholly-owned subsidiary of Deutsche Telekom (the "**Deutsche Telekom Leases**"). The Deutsche Telekom Leases contributed 80.7% and 79.7% of the NPI of the Existing Portfolio for FP2014 and 3M2015, respectively and contributed 53.0% of the pro forma NPI of the Enlarged Portfolio for Pro Forma Financial Period 2014<sup>1</sup>.

Deutsche Telekom had entered into a profit and loss transfer agreement (the "**Deutsche Telekom Profit and Loss Transfer Agreement**") with GMG<sup>2</sup>. Pursuant to the Deutsche Telekom Profit and Loss Transfer Agreement, Deutsche Telekom will be subject to a claim to compensate GMG for

---

1 Assuming that the Acquisition was completed on the Listing Date and the Berlin Property was held by IREIT through to 31 December 2014.

2 For the avoidance of doubt, the Deutsche Telekom Profit and Loss Transfer Agreement is a general agreement that extends to all creditors of GMG, and not only IREIT.

any and all losses suffered by GMG in the event that the assets of GMG are insufficient to cover the claims of IREIT under the Deutsche Telekom Leases. However, should Deutsche Telekom be unable or unwilling to compensate GMG and GMG becomes insolvent, IREIT would then have to make a direct claim against Deutsche Telekom with respect to all outstanding obligations of GMG until the end of the lease term. Should such a claim be made by IREIT, there can be no assurance that Deutsche Telekom will have sufficient assets, income and access to financing in order to enable it to satisfy its obligations under the respective Deutsche Telekom Leases and to the extent that Deutsche Telekom is not able to satisfy such claim, this would have an adverse impact on the financial condition and financial performance of IREIT.

**IREIT is subject to the risk of non-renewal and non-replacement of leases, and the loss of anchor tenants or a significant number of tenants of any of the properties of the Enlarged Portfolio, or a downturn in the businesses of anchor tenants or a significant number of tenants, could have an adverse effect on the business, financial condition and results of operations of IREIT.**

For the Pro Forma Financial Year 2014, the top five tenants of the Enlarged Portfolio by Gross Rental Income contributed 97.1% of the pro forma Gross Rental Income of IREIT<sup>1</sup>. As such, IREIT's financial condition and results of operations and capital growth may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of one or more of the anchor tenants (particularly Deutsche Telekom, as the sole tenant of the Deutsche Telekom Properties via its wholly-owned subsidiary) or a significant number of tenants of any of the properties of the Enlarged Portfolio, as well as the decision by one or more of these tenants not to renew its lease at the end of a lease cycle or terminate its lease before it expires. If an anchor tenant or a significant number of tenants terminate their leases or do not renew their leases at expiry, it may be difficult to secure replacement tenants at short notice. In addition, the amount of rent and the terms on which lease renewals and new leases are agreed may be less favourable than the current leases. If replacement tenants cannot be found in a timely manner or on terms acceptable to the Manager, there is likely to be a material adverse effect on the Enlarged Portfolio, which could adversely affect the business, financial condition and results of operations of IREIT.

The loss of anchor tenants or a significant number of tenants in any one of the properties of the Enlarged Portfolio or future acquisitions could result in periods of vacancy, which could adversely affect the revenue and financial conditions of the relevant property, consequently impacting the ability of the Dutch Holding Companies<sup>2</sup> to make interest and dividend payments to the Singapore Financing Companies<sup>3</sup> and the Singapore Holding Companies<sup>4</sup> respectively and therefore, the ability of the Singapore Financing Companies and the Singapore Holding Companies to make dividend payments or distributions to IREIT.

There is no assurance that amenities, transportation infrastructure and public transport services near the properties of the Enlarged Portfolio will be implemented as planned or will not be closed, relocated, terminated, delayed or completed. If such an event were to occur, it will adversely impact the accessibility of the affected property and the attractiveness and marketability of the

---

1 For illustrative purposes only, assuming that the Acquisition was completed on the Listing Date and the Berlin Property was held by IREIT through to 31 December 2014, for the Pro Forma Financial Period 2014.

2 **"Dutch Holding Companies"** means Laughing Rock 1 B.V., Laughing Rock 2 B.V., Laughing Rock 3 B.V., Laughing Rock 4 B.V., Laughing Rock 5 B.V., Laughing Rock 6 B.V., Laughing Rock 7 B.V., Laughing Rock 8 B.V., Laughing Rock 9 B.V., Laughing Rock 11 B.V., Laughing Rock 12 B.V., Laughing Rock 13 B.V. and Laughing Rock 14 B.V. The Dutch Holding Companies are wholly-owned subsidiaries of IREIT.

3 **"Singapore Financing Companies"** means IREIT Global Investments Pte. Ltd., IREIT Global Investments 1 Pte. Ltd., IREIT Global Investments 2 Pte. Ltd., IREIT Global Investments 3 Pte. Ltd. and IREIT Global Investments 4 Pte. Ltd.

4 **"Singapore Holding Companies"** means IREIT Global Holdings Pte. Ltd., IREIT Global Holdings 1 Pte. Ltd., IREIT Global Holdings 2 Pte. Ltd., IREIT Global Holdings 3 Pte. Ltd. and IREIT Global Holdings 4 Pte. Ltd.

affected property to tenants. This may have an adverse impact on the demand and rental rates for the affected property and adversely affect the business, financial condition and results of operations of IREIT.

**The Enlarged Portfolio and future properties to be acquired by IREIT may require significant capital expenditure periodically beyond the Manager's current estimate and IREIT may not be able to secure funding.**

The Enlarged Portfolio and future properties to be acquired by IREIT may require periodic capital expenditure beyond the Manager's current estimate for refurbishment, renovation for improvements and development of the properties of the Enlarged Portfolio in order to remain competitive or be income-producing. IREIT may not be able to fund capital expenditure solely from cash provided from its operating activities and may not be able to obtain additional equity or debt financing on favourable terms or at all. If IREIT is not able to obtain such financing, the marketability of such property may be affected.

**IREIT's assets might be adversely affected if the Manager, the Property Manager and/or any property manager appointed to manage a property do not provide adequate management and maintenance.**

Should the Manager, LEOFF Asset Management GmbH (the "Property Manager") and/or any property manager appointed to manage a property fail to provide adequate management and maintenance, the value of IREIT's assets might be adversely affected and this may result in a loss of tenants, which will adversely affect distributions to Unitholders.

**IREIT may suffer material losses in excess of insurance proceeds or IREIT may not put in place or maintain adequate insurance in relation to the Enlarged Portfolio and its potential liabilities to third parties.**

The properties of the Enlarged Portfolio face the risk of suffering physical damage caused by fire, terrorism, acts of God such as natural disasters or other causes, as well as potential public liability claims, including claims arising from the operations of the Enlarged Portfolio.

In addition, certain types of risks (such as war risk and losses caused by the outbreak of contagious diseases, contamination or other environmental breaches) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Currently, IREIT's insurance policies for the Enlarged Portfolio may not cover acts of war, outbreak of contagious diseases, contamination or other environmental breaches.

Should an uninsured loss or a loss in excess of insured limits occur, IREIT could be required to pay compensation and/or lose capital invested in the affected property as well as anticipated future revenue from that property as it may not be able to rent out or sell the affected property. IREIT will also be liable for any debt or other financial obligations<sup>1</sup> related to that property. No assurance can be given that material losses in excess of insurance proceeds will not occur.

**Renovation or redevelopment works or physical damage to the properties of the Enlarged Portfolio may disrupt their operations and collection of rental income or otherwise result in adverse impact on the financial condition of IREIT.**

The quality and design of the properties of the Enlarged Portfolio have a direct influence over the demand for space in, and the rental rates of, the properties of the Enlarged Portfolio. The properties of the Enlarged Portfolio may need to undergo renovation or redevelopment works from time to time to retain their competitiveness and may also require unforeseen ad hoc maintenance

---

<sup>1</sup> Such "debt or other financial obligation" refers to those which are taken up and secured over the properties of the Enlarged Portfolio. Such debts or financial obligations may change over time as IREIT discharges or reduces its indebtedness or seeks refinancing.

or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. The costs of maintaining office properties and the risk of unforeseen maintenance or repair requirements tend to increase over time as the building ages. Although the tenants may be obliged to bear certain maintenance and repair costs to a certain extent, the business and operations of the Enlarged Portfolio may suffer some disruption and it may not be possible to collect the full or any rental income on space affected by such renovation or redevelopment works.

In addition, physical damage to the properties of the Enlarged Portfolio resulting from fire or other causes may lead to a significant disruption to the business and operation of the Enlarged Portfolio and, together with the foregoing, may impose unbudgeted costs on IREIT and result in an adverse impact on the financial condition and results of operations of IREIT and its ability to make distributions.

**IREIT could incur significant costs or liability related to environmental matters.**

IREIT's operations are subject to various environmental laws, including those relating to air pollution control, water pollution control, waste disposal, noise pollution control and the storage of dangerous goods. Under these laws, an owner or operator of real property may be subject to liability, including a fine or imprisonment, for air pollution, noise pollution or the presence or discharge of hazardous or toxic chemicals at that property. In addition, IREIT may be required to make capital expenditures to comply with these environmental laws. While the potential for ground contamination is considered minimal, the sites of Darmstadt Campus and Münster Campus were bombed during the Second World War, and the existence of munitions cannot be excluded entirely. Separately, Concor Park is located in an area that is regarded as potentially contaminated because of its history of commercial use, namely the operation of a cement mill. In addition, due to the historical industrial use of the land, the land on which the Berlin Property is situated could potentially be contaminated. While remediation works had been conducted in the course of redevelopment of this area between 1992 and 1994 and the land had since been used for office and retail accommodation, there remains a possibility that the land on which the Berlin Property is situated is contaminated. The presence of contamination, air pollution, noise pollution or dangerous goods without a valid licence or the failure to remediate contamination, air pollution, noise pollution or dangerous goods may expose IREIT to liability or materially adversely affect its ability to sell or lease the real property or to borrow using the real property as collateral. Accordingly, if the properties of the Enlarged Portfolio are affected by contamination or other environmental effects not previously identified and/or rectified, IREIT risks prosecution by environmental authorities and may be required to incur unbudgeted capital expenditure to remedy such issue and the financial position of tenants may be adversely impacted, affecting their ability to trade and to meet their tenancy obligations.

**The Enlarged Portfolio may face increased competition from other properties.**

The properties of the Enlarged Portfolio are located in areas where other competing properties are present and new properties may be developed which may compete with the properties of the Enlarged Portfolio.

The income from and the market value of the Enlarged Portfolio will be dependent on the ability of the Enlarged Portfolio to compete against other properties for tenants. If competing properties are more successful in attracting and retaining tenants, or similar properties in their vicinity are substantially upgraded and refurbished, the income from the Enlarged Portfolio could be reduced, thereby adversely affecting IREIT's cash flow and the amount of funds available for distribution to Unitholders.

**The appraisals of the properties in the Enlarged Portfolio are based on various assumptions and the price at which IREIT is able to sell a property in the future may be different from the initial acquisition value of the property.**

There can be no assurance that the assumptions on which the appraisals of the properties in the Enlarged Portfolio are based are accurate measures of the market, and the values of the properties may be evaluated inaccurately. The valuers of these properties may have included a

subjective determination of certain factors relating to the properties such as their relative market positions, financial and competitive strengths, and physical condition and, accordingly, the valuation of the properties (which affect the NAV per Unit) may be subjective. In addition, the Independent Valuer, in its appraisal of the market value of the Berlin Property, had assumed that there is no contamination or other adverse environmental matters in relation to the Berlin Property material enough to affect its value. If, *inter alia*, this assumption is not accurate, the market value of the Berlin Property may be adversely affected.

The valuation of any of the properties does not guarantee a sale price at that value at present or in the future. The price at which IREIT may sell a property may be lower than its purchase price.

**The future market value of the Enlarged Portfolio may differ from the valuations determined by independent valuers.**

Property valuations generally include a subjective evaluation of certain factors relating to the relevant properties, such as their relative market positions, their financial and competitive strengths and their physical conditions.

A valuer's determination of the appraised value of any property does not guarantee a sale of such property at its appraised value at present or in the future. The price at which IREIT may sell any of the new properties acquired in the future may be lower than the price paid for that property.

In addition, there can be no assurance that there will be no downward revaluation of the Enlarged Portfolio in the future. In addition, IREIT is required to measure investment properties at fair value at each balance sheet date and any change in the fair value of the investment properties is recognised in the statements of total return. The changes in fair value may have an adverse effect on IREIT's financial results as revaluation losses will be charged to IREIT's statements of total return in the financial years where there is a significant decrease in the valuation of any of the properties of the Enlarged Portfolio. A downward revaluation of any of these properties may also result in an increase in IREIT's Aggregate Leverage.

**The potential increase in rental income pursuant to rent adjustment clauses for certain of the leases may not eventuate if the CPI does not cross the relevant prescribed hurdles, or the rental income may be adjusted downward if the CPI crosses the lower prescribed hurdle.**

64.5%<sup>1</sup> of the leases in the Enlarged Portfolio contain rent adjustment clauses, which provide for rent adjustments each time the Consumer Price Index of Germany ("CPI") crosses a certain prescribed hurdle. Different leases contain different rent adjustment clauses, with different rent adjustments and different prescribed hurdles. For the Deutsche Telekom Properties, if the CPI changes by more than 10.0%, on a cumulative basis assessed monthly, compared to the CPI as of the start of the relevant least term or as of any prior rent adjustment arising from re-indexation (the "**Base CPI**"), then the Gross Rental Income shall be adjusted accordingly by the same percentage of the CPI change, immediately applicable in the following month<sup>2</sup>. For Concor Park, eight out of twelve lease agreements contain provisions which subject the rent to indexation to the

---

1 By Gross Rental Income for the month of December 2014.

2 For illustrative purposes, assuming CPI increases by 1.2% per annum year-on-year constantly, with respect to the Deutsche Telekom Properties with CPI hurdles of 10.0%, over a period of 95 months from the start of the lease term, the CPI will increase by 9.9% compared to the Base CPI and no rent adjustment will have been made during this period. When CPI increases by 10.0% compared to the Base CPI in the 96th month after the start of the lease term, then the rent adjustment clause will apply and the Gross Rental Income will be adjusted accordingly by the same percentage of the CPI change in the 97th month after the start of the lease term. The CPI in the 96th month after the start of the lease term will be the new Base CPI and the cycle to determine future rent adjustments restarts from this month.

CPI, where if the CPI crosses a prescribed point difference hurdle (of either five or seven points, depending on the terms of the lease agreement, i.e. if Base CPI was 100, then a five or seven point increase would be 105 or 107 respectively) or by a prescribed percentage hurdle of 7.0% (in the case of one lease agreement), on a cumulative basis assessed monthly, from the Base CPI, then the Gross Rental Income would be adjusted accordingly by the same percentage of the CPI change. This would be applicable starting on either the next half-year period or the following year, depending on the terms of the lease agreement.

In the event that the relevant prescribed hurdles are not crossed, IREIT would not benefit from the potential rental uplift pursuant to such rental adjustment clause. Conversely, if the CPI decreases by more than the relevant prescribed hurdles on a cumulative basis, the rent adjustment clauses may result in the rent being adjusted downwards by the same percentage or points of the CPI change.

**Any breach by a tenant under a lease agreement that does not provide for rental security from the relevant tenant may have an adverse effect on IREIT.**

Certain of the lease agreements contributing 89.8% of the Gross Rental Income<sup>1</sup> of the Enlarged Portfolio, including the lease agreements in respect of the Deutsche Telekom Properties and one of the lease agreements in respect of the Berlin Property, do not provide for security deposits or bank guarantees to be paid or furnished by the relevant tenant. In the event of default by GMG under the Deutsche Telekom Leases, IREIT may have to seek compensation by relying on the Deutsche Telekom Profit and Loss Transfer Agreement<sup>2</sup>. Should GMG become insolvent, IREIT would have a direct claim against Deutsche Telekom with respect to all outstanding obligations of GMG until the end of the lease term. In the event that GMG is not insolvent (i.e. GMG has sufficient assets to fulfil its obligations but is not willing to pay), IREIT would obtain an enforceable title, for example by obtaining a court judgment, against GMG and could on this basis enforce its claims against GMG's assets. These assets include the claim of GMG against Deutsche Telekom under the Deutsche Telekom Profit and Loss Transfer Agreement which could be seized and enforced by IREIT against Deutsche Telekom directly. Obtaining an enforceable title against GMG or Deutsche Telekom may take approximately three to six months and this delay in obtaining financial compensation may adversely impact IREIT's cash flow and financial condition.

In the case of Concor Park, most of the lease agreements which do not provide for security deposits, provide instead for bank guarantees from the tenants and in the event of default by such tenants under the respective leases, IREIT would have to incur time and costs to enforce the bank guarantees. Furthermore, in relation to the lease by Allianz Handwerker Service GmbH ("**Allianz**"), as a tenant of Concor Park, the provision of rental security was waived on the condition that the Allianz group continues to hold the majority of the shares of the tenant.

In the event of default by a tenant whose lease agreement does not provide for rental security, other methods may have to be employed in order for IREIT to be compensated as set out above. There is no assurance that IREIT would be compensated to the same extent had rental security been furnished by the relevant tenant. This may adversely affect the level of distributable income of IREIT.

---

1 For the month of December 2014.

2 For the avoidance of doubt, the Deutsche Telekom Profit and Loss Transfer Agreement is a general agreement that extends to all creditors of GMG, and not only IREIT.

**In relation to Concor Park, Sodexo may exercise its special termination right to terminate its tenancy agreement, which may result in a breach of IREIT's obligations under the lease agreement with Allianz.**

Under the lease to Allianz in relation to Concor Park, the landlord is obliged to have an external provider operate a canteen in the building for the benefit of the tenants of Concor Park. In order to fulfil this obligation, IREIT has a tenancy agreement with Sodexo Services GmbH ("**Sodexo**"). Sodexo has been granted a special termination right if, for reasons beyond its control, a monthly yield of an average of 5.0% of the net turnover cannot be reached. The notice period for this special termination right is six months. As this yield has never been reached by Sodexo, Sodexo could in principle exercise this special termination right. If Sodexo does exercise this right and IREIT is unable to find a replacement canteen operator within the six month notice period, this may result in a breach of IREIT's obligations under the Allianz lease agreement, which may consequently render IREIT liable to pay compensation to Allianz for any extra costs incurred by Allianz to engage a caterer for its staff.

## **RISKS RELATING TO EUROPE AND GERMANY**

**IREIT may be exposed to risks associated with exchange rate fluctuations and changes in foreign exchange regulations.**

The revenue received or to be received from the Enlarged Portfolio is in euros. The euros have to be converted into Singapore dollars for the distribution payments at IREIT's level. Accordingly, IREIT is exposed to risks associated with exchange rate fluctuations which may adversely affect IREIT's results of operations.

The value of euros against foreign currencies fluctuates and is affected by changes in Participating Member States and international political and economic conditions and by many other factors.

**IREIT may be exposed to risks associated with changes in foreign direct investment regulations.**

German law does not currently provide for any permanent currency or administrative controls on foreign investments. Foreign investors are subject to the same conditions as their German counterparts in obtaining operating licenses, securing building permits and obtaining approval for investment incentives. However, according to sec. 4 of the German Foreign Trade and Payments Act (*Außenwirtschaftsgesetz*), under certain circumstances, foreign trade, payments transactions and legal transactions can be restricted and obligations to act can be imposed by ordinance (for example, in order to guarantee the essential security interests of the Federal Republic of Germany or to prevent a substantial disturbance to the foreign relations of the Federal Republic of Germany). Should such a restriction be imposed in relation to Singapore, the transfer of payments such as dividends and interest from inter-company loans to IREIT could be impeded.

Furthermore, according to Article 86 of the Introductory Act to the Civil Code (*Einführungsgesetz zum BGB*) the government of the Federal Republic of Germany is entitled to restrict the acquisition of rights by foreigners or foreign legal entities by way of an approval requirement, if German and domestic legal entities are limited in the relevant State in the acquisition of rights and foreign policy reasons require such restriction. This does not apply to foreigners or foreign entities from member states of the European Union. However, it is not clear in German law literature whether this exception applies to foreign entities from member states of the European Union which are held by non-European Union entities. Should such approval requirements be imposed, while it would not affect transactions that have already been completed at the time of the instruction of such requirement, this may adversely affect the ability of IREIT to make future acquisitions in Germany.



Furthermore, restriction of capital movements (e.g. incoming rents) as a result of an embargo relating to certain areas, entities or persons may apply as a result of applicable resolutions adopted by the United Nations and the European Union.

There is no assurance that the government of the Federal Republic of Germany will not introduce additional measures to restrict foreign direct investment in Germany, or that the United Nations and the European Union will not adopt resolutions which have a similar effect. The introduction of such new measures may materially and adversely affect IREIT's business, financial condition and results of operations.

**IREIT's properties or part thereof may be acquired compulsorily.**

Article 14 of the German constitution (*Grundgesetz*) permits the compulsory acquisition of property by the government of the Federal Republic of Germany. The expropriation of real estate must be in accordance with purposes fixed by law, and appropriate compensation must be made. Expropriation is allowed in accordance with different laws for different public purposes (for example, infrastructure measures for new national roads, high speed railway lines, airports, energy routes or atomic power stations, nature and landscape protection, monument protection, protection of water resources or flood prevention). The market value of a property (or part thereof) which is acquired by the German government may be less than the price which IREIT paid for the property.

**RISKS ASSOCIATED WITH THE RIGHTS ISSUE**

**An active trading market may not develop for the Rights Entitlements and, if a market does develop, the Rights Entitlements may be subject to greater price volatility than the Unit.**

A trading period for the Rights Entitlements has been fixed for 13 July 2015 to 22 July 2015. There is no assurance that an active trading market for the Rights Entitlements on the SGX-ST will develop during the Rights Entitlements trading period or that any over-the-counter trading market in the Rights Entitlements will develop. Even if active markets develop, the trading price of the Rights Entitlements, which depends on the trading price of the Units, may be volatile. As the Manager may arrange for the sales of the Rights Entitlements of the Ineligible Unitholders, the sales may give pressure to the trading price of the Rights Entitlements. In addition, the market price of the Rights Entitlements may not reflect their actual value.

**Unitholders who do not or are not able to accept their provisional allotments of Rights Units will experience a dilution in their interest in IREIT.**

If Unitholders do not or are not able to accept their provisional allotments of Rights Units, their proportionate interest in IREIT will be reduced. They may also experience a dilution in the value of their Units. Even if a Unitholder sells his Rights Entitlements, or such Rights Entitlements are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his interest in IREIT as a result of the Rights Issue.

**The Issue Price of the Rights Units is not an indication of the underlying value of the Units.**

The Issue Price of the Rights Units was determined based on the last traded price of the Units on the SGX-ST on 29 June 2015, being the last trading day of the Units on the SGX-ST prior to the release of the announcement of the Rights Issue on 30 June 2015. The Issue Price was set at a discount to the Closing Price and to the TERP at that time. The Issue Price does not bear a direct relationship to the book value of IREIT's assets, past operations, cash flow, earnings, financial condition or any other established criteria for value, and Unitholders should not consider the Issue Price to be any indication of the Units' underlying value. The Units may trade at prices lower than the Issue Price in the future.

**The Rights Issue may cause the price of the Units to decrease, and this decrease may continue.**

The Issue Price of the Rights Units represents a discount of (i) approximately 41.9% to the Closing Price of S\$0.805 per Unit, (ii) approximately 24.5% to IREIT's pro forma NAV per Unit of €0.41 (approximately S\$0.62) after taking into account the latest valuation of the properties of IREIT as at 31 December 2014 and the effects of the Rights Issue and (iii) approximately 33.1% to the TERP of S\$0.700 per Unit. This discount, along with the number of Rights Units, may result in a decrease in the trading price of the Units and this decrease may continue after the completion of the Rights Issue.

**Unitholders need to act promptly and follow subscription instructions, otherwise their exercise of Rights Entitlements may be rejected and their Rights Entitlements may expire without value and without any compensation.**

Unitholders who desire to accept their Rights Entitlements or apply for excess Rights Units in the Rights Issue must act promptly to ensure that all required forms, letters and payments are actually received by the relevant agents prior to the respective expiration dates and times as set forth under **Appendix B – Procedures for Acceptance, Payment, Renunciation and Excess Application by Eligible Unitholders** and in **Appendix C – Additional Terms and Conditions for Electronic Applications** to this Offer Information Statement. Failure to complete and sign the required acceptance forms or letters, the sending of an incorrect payment amount, or otherwise failure to follow the procedures that apply to a Unitholder's desired transaction may lead to rejection of the Unitholder's acceptance of the Rights Entitlements and any Rights Entitlements not accepted will expire without value and without any compensation.

None of the Manager, the Unit Registrar, CDP, or the Sole Lead Manager, Underwriter and Bookrunner undertakes to contact the Unitholder concerning, or attempt to correct, an incomplete or incorrect acceptance form, letter or payment. The Manager has sole discretion to determine whether an acceptance of Rights Entitlements and acceptance of or subscription for Rights Units properly follows the appropriate procedures. Unitholders who hold Units through a securities sub-account, brokerage account or other similar custodial account with a depository agent, broker, custodian or nominee other than CDP are urged to consult their depository agent, broker, custodian or nominee without delay regarding the procedures that they need to follow for the subscription and payment for the Rights Units.

## **RISKS RELATING TO INVESTING IN REAL ESTATE**

**There are general risks attached to investments in real estate.**

Investments in real estate and therefore the income generated from the Enlarged Portfolio are subject to various risks, including but not limited to:

- adverse changes in political or economic conditions;
- adverse local market conditions (such as over-supply of properties or reduction in demand for properties in the market in which IREIT operates);
- the financial condition of tenants;
- the availability of financing such as changes in availability of debt or equity financing, which may result in an inability by IREIT to finance future acquisitions on favourable terms or at all;
- changes in interest rates and other operating expenses;

- changes in environmental laws and regulations, zoning laws and other governmental laws, regulations and rules and fiscal policies (including tax laws and regulations);
- environmental claims in respect of real estate;
- changes in market rents;
- changes in energy prices;
- changes in the relative popularity of property types and locations leading to an oversupply of space or a reduction in tenant demand for a particular type of property in a given market;
- competition among property owners for tenants which may lead to vacancies or an inability to rent space on favourable terms;
- inability to renew leases or re-let space as existing leases expire;
- inability to collect rents from tenants on a timely basis or at all due to bankruptcy or insolvency of the tenants or otherwise;
- insufficiency of insurance coverage or increases in insurance premiums;
- changes in the rate of inflation and consumer price indices;
- inability of the property managers to provide or procure the provision of adequate maintenance and other services;
- defects affecting the properties of the Enlarged Portfolio which need to be rectified, or other required repair and maintenance of the properties of the Enlarged Portfolio, leading to unforeseen capital expenditure;
- the relative illiquidity of real estate investments;
- considerable dependence on cash flow for the maintenance of, and improvements to, the properties of the Enlarged Portfolio;
- increased operating costs, including real estate taxes;
- any defects or illegal structures that were not uncovered by physical inspection or due diligence review;
- management style and strategy of the Manager;
- the attractiveness of IREIT's properties to tenants;
- the cost of regulatory compliance;
- ability to rent out properties on favourable terms; and
- power supply failure, acts of God, wars, terrorist attacks, uninsurable losses and other factors.

Many of these factors may cause fluctuations in occupancy rates, rental or room rates or operating expenses, causing a negative effect on the value of real estate and income derived from real estate. The annual valuation of the Enlarged Portfolio will reflect such factors and as a result may

fluctuate upwards or downwards. The capital value of IREIT's real estate assets may be significantly diminished in the event of a sudden downturn in real estate market prices or the economy in Europe, which may adversely affect the financial condition of IREIT.

**IREIT may be adversely affected by the illiquidity of real estate investments.**

IREIT's investment strategy involves a higher level of risk, as compared to a portfolio which has a more diverse range of investments. Real estate investments are relatively illiquid and such illiquidity may affect IREIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, property market or other conditions. IREIT may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets in order to ensure a quick sale. IREIT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on IREIT's financial condition and results of operations, with a consequential adverse effect on IREIT's ability to deliver expected distributions to Unitholders.

**IREIT's ability to make distributions to Unitholders may be adversely affected by increases in direct expenses and other operating expenses.**

IREIT's ability to make distributions to Unitholders could be adversely affected if direct expenses and other operating expenses increase (save for such expenses for which IREIT is not responsible pursuant to the lease agreements) without a corresponding increase in revenue.

Factors which could lead to an increase in expenses include, but are not limited to, the following:

- increase in property tax assessments and other statutory charges;
- change in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;
- change in direct or indirect tax policies, laws or regulations;
- increase in sub-contracted service costs;
- increase in labour costs;
- increase in repair and maintenance costs;
- increase in the rate of inflation;
- defects affecting, or environmental pollution in connection with, IREIT's properties which need to be rectified;
- increase in insurance premium; and
- increase in cost of utilities.

**The rate of increase in rentals (if any) of the properties of the Enlarged Portfolio may be less than the inflation rate.**

The rate of increase in rentals (if any) of the properties of the Enlarged Portfolio may be less than the inflation rate and therefore an investment in IREIT may not provide an effective hedge against inflation.

## **RISKS ASSOCIATED WITH AN INVESTMENT IN THE UNITS**

### **Sale or possible sale of a substantial number of Units by Summit Founder, Summit SPV or LCH in the public market could adversely affect the price of the Units.**

Summit Founder and LCH have each provided the Summit Pro Rata Undertaking and the LCH Undertaking respectively to, amongst others, accept their respective *pro rata* allotment of Rights Units, and in the case of LCH, to make excess applications for up to 18,960,757 Rights Units.

If any of Summit Founder, Summit SPV, LCH and/or any of their transferees of the Units sells or is perceived as intending to sell a substantial amount of its Units, or if a secondary offering of the Units is undertaken in connection with an additional listing on another securities exchange, the market price for the Units could be adversely affected.

### **Summit SPV and Summit Founder had previously drawn down loans to partly finance the acquisition of the Summit Units (as defined herein) which are secured as part of such loans.**

Concurrently with, but separate from the IPO, each of Summit SPV and Summit Founder drew down on loan facilities extended by financial institutions to partially finance their subscription of Units. If Summit SPV or Summit Founder breaches the terms of their respective loan facilities, and the Summit Units are foreclosed and sold pursuant to the terms of such loan facilities, the market price for the Units could be adversely affected.

In addition, each of the relevant financial institutions will be able to enforce the charge on the relevant portion of the Summit Units at their discretion should there be a breach of the terms of the respective loan facilities, except that until 13 August 2015 such charge can only be enforced with respect to 50.0% of the Summit Units. Notwithstanding that the security package comprises other listed securities, the financial institutions have the discretion to decide which security to enforce. Also, such financing arrangements (including the security package) may be subject to change if Summit SPV and Summit Founder were to subsequently refinance or restructure the loan facilities.

### **Summit SPV and LCH will be drawing down loans to partly finance the acquisition of the Summit Rights Units or LCH Rights Units (as the case may be) which are secured as part of such loans and the Lenders have the discretion to decide which security to enforce.**

Summit SPV will be drawing down on loan facilities extended by financial institutions to partially finance its subscription of the Summit Rights Units. LCH will be drawing down on loan facilities extended by financial institutions to partially finance its subscription of the LCH Rights Units. These loan facilities extended to Summit SPV and LCH in this regard will be secured by, a charge over *inter alia* the Summit Rights Units or the LCH Rights Units (as the case may be).

If Summit SPV or LCH breaches the terms of their respective loan facilities, and the Summit Rights Units or the LCH Rights Units (as the case may be) are foreclosed and sold pursuant to the terms of such loan facilities, the market price for the Units could be adversely affected.

In addition, each of the relevant financial institutions will be able to enforce the charge on the relevant portion of the Summit Rights Units or LCH Rights Units (as the case may be) at their discretion should there be a breach of the terms of the relevant loan facilities. Notwithstanding that the security package comprises other securities, the relevant financial institutions have the discretion to decide which security to enforce. Also, such financing arrangements (including the security package) may be subject to change if Summit SPV or LCH were to subsequently refinance or restructure the loan facilities.

**IREIT's ability to make distributions is dependent on the financial position of the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies. IREIT may not be able to make distributions to Unitholders or the level of distributions may fall.**

In order for the Trustee to make distributions from the income of the Enlarged Portfolio, IREIT has to rely on the receipt of dividends, interests or repayments of loans (where applicable) from the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies. There can be no assurance that these entities will have sufficient revenue and cash flows in any future period to pay dividends, pay interest or make repayments of loans.

The level of revenue, distributable profits or reserves of the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies available to pay dividends, pay interest or make repayments of loans may be affected by a number of factors including, among other things:

- their respective business and financial positions;
- the availability of distributable profits;
- sufficiency of cash flows received by the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies from the Enlarged Portfolio;
- applicable laws and regulations which may restrict the payment of dividends by the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies;
- operating losses incurred by the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies in any financial year;
- losses arising from a revaluation of the Enlarged Portfolio. Such losses may become realised losses which would adversely affect the level of realised profits from which the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies may distribute dividends;
- changes in accounting standards (including standards in respect of depreciation policies relating to real estate investment properties), taxation laws and regulations, laws and regulations in respect of foreign exchange and repatriation of funds, corporation laws and regulations in respect of statutory reserves required to be maintained) in Singapore, Germany and the Netherlands;
- potential tax and/or legal liabilities through investing in the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies; and
- the terms of agreements to which the Singapore Financing Companies, the Singapore Holding Companies and the Dutch Holding Companies are, or may become, a party to.

Notwithstanding that there are, in general, currently no laws or regulations which restrict the payment of dividends:

- (i) by the Singapore Financing Companies and the Singapore Holding Companies, save that dividends are only payable out of profits; and

- (ii) by the Dutch Holding Companies, save that the Dutch Holding Companies' equity must be greater than the reserves which must be maintained pursuant to the law or each of its respective articles of association and that the Dutch Holding Companies must be able to continue paying its respective debts,

there can be no assurance that these entities will have sufficient revenue and cash flows in any future period to pay dividends, pay interest or make repayments of loans. As at the Latest Practicable Date, there is no requirement under the law or the articles of association of the Dutch Holding Companies which requires any reserves to be maintained by the Dutch Holding Companies.

**IREIT may not be able to make distributions or the level of distributions may fall.**

The income which IREIT earns from its real estate investments depends on, among other things, its debt-servicing requirements, the amount of rental income received, and the level of property expenses and operating expenses incurred. If the properties held by IREIT do not generate sufficient income, its cash flow and ability to make distributions will be adversely affected. There can be no assurance that the level of distributions will increase over time, that there will be contractual increases in rent under the leases of the properties held by IREIT or that the receipt of rental revenue in connection with any enhancement of the properties held by IREIT or future acquisitions of properties will increase IREIT's income available for distribution to Unitholders.

**The trading price of the Units has been, and may continue to be, volatile.**

The trading price of the Units has been, and may continue to be, subject to large fluctuations. The trading price of the Units may increase or decrease in response to a number of events and factors, including:

- quarterly variations in operating results;
- changes in estimates and recommendations by securities analysts;
- the operating and stock price performance of companies in the real estate industry and other REITs;
- developments affecting IREIT, its tenants or its competitors;
- valuations of the properties held by IREIT;
- changes to the regulatory system, including the tax system, both generally and specifically in relation to Singapore REITs;
- changes in general economic conditions; and
- other events or factors described in this Offer Information Statement.

This volatility may adversely affect the trading price of the Units, including the Rights Units to be allotted and issued by the Manager, regardless of IREIT's operating performance.

A fall in the price of the Units could have a material adverse impact on the value of the Rights Units. There can be no assurance that investors will be able to sell the Rights Units at a price equal to or greater than the Issue Price of the Rights Units. Accordingly, holders of the Units who are existing Unitholders or have acquired Rights Entitlements in the secondary market and/or subscribed to the Rights Units, whether existing Unitholders or not, may suffer a loss.

**Market and economic conditions may affect the market price and demand for the Units.**

Movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Units.

An increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return as compared to other investments.

**Investors may experience future dilution in the value of their Units.**

The Manager may need to raise additional funds in the future to finance the repayment of borrowings, expansion of new developments relating to IREIT's existing operations and/or to finance future investments and acquisitions. If additional funds are raised through the issuance by the Manager of new Units other than on a pro rata basis to existing Unitholders, the percentage ownership of existing Unitholders may be reduced and existing Unitholders may experience dilution in the value of their Units.

**The Sponsor does not hold any interest in the Units save for the Units held by Mr Itzhak Sella as well as 322,104 Units which were sold by the Manager to IREIT Global Management pursuant to the Unit Purchase Agreement.**

The Sponsor does not hold any interest in the Units save for the Units held by Mr Itzhak Sella and the 322,104 Units sold by the Manager to IREIT Global Management pursuant to the Unit Purchase Agreement. Notwithstanding that the management fees, which are based on annual distributable income of IREIT, are structured to align the interest of the Manager with the Unitholders, the alignment of interest of the Sponsor with Unitholders may not be as high as compared to if the Sponsor had subscribed for more Units. While the Sponsor may acquire Units from the open market and will indirectly hold an interest in the Units which are paid to the Manager as management fees from time to time, there may not be a strong alignment of interests between the Unitholders and the Sponsor and the Sponsor may not be incentivised to provide support to IREIT, which may adversely affect its business operations.

**The laws and regulations in Singapore, the Netherlands and/or Germany and the International Financial Reporting Standards may change.**

IREIT is a real estate investment trust constituted in Singapore, the Singapore Financing Companies, the Singapore Holding Companies are incorporated in Singapore, the Dutch Holding Companies are incorporated in the Netherlands and properties of the Enlarged Portfolio are located in Germany. The laws, regulations (including tax laws and regulations in Singapore, the Netherlands and/or Germany) and the International Financial Reporting Standards are subject to change. New laws and regulations may also be introduced in these jurisdictions. As a result, the financial statements of IREIT may be affected by these changes. The extent and timing of these changes in accounting standards are currently unknown and subject to confirmation by the relevant authorities. The Manager has not quantified the effects of these proposed changes and there can be no assurance that these changes will not have a significant impact on the presentation of IREIT's financial statements or on IREIT's results of operations. In addition, such changes may adversely affect the ability of IREIT to make distributions to Unitholders. There can be no assurance that any such changes to laws, regulations and accounting standards will not materially and adversely affect the business, financial condition and results of operations of IREIT.



**IREIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs.**

IREIT may be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs. There is no assurance that new or revised legislation, regulations, guidelines or directives will not adversely affect REITs in general or IREIT specifically.

**Entities operating in Singapore, the Netherlands and Germany are subject to a variety of taxes and changes in legislation or the rules relating to such tax regimes could materially and adversely affect IREIT's business, prospects and results of operations.**

The governments of each of Singapore, the Netherlands or Germany may in the future amend the tax legislation or rules relating to taxation with either prospective or retroactive effect and this may affect the overall tax liabilities of the Singapore, Dutch or German entities, respectively, in the Group and result in significant additional taxes becoming payable by such entities. Such additional tax exposure could have a material adverse effect on the Group's business, financial condition, cash flows and results of operations and consequentially may have a material adverse impact on distributions to be made by IREIT.

**The Dutch Holding Companies may suffer higher German taxes if they are regarded as having permanent establishments in Germany.**

Currently, the Dutch Holding Companies are not regarded as having any permanent establishment in Germany. If any of the Dutch Holding Companies is considered as having a permanent establishment in Germany, income or gains may be subject to additional German taxes, which may have a material adverse impact on IREIT's financial condition on the Group's business, financial condition, cash flows and results of operations and consequentially may have a material adverse impact on distributions to be made by IREIT.

**IREIT may suffer higher taxes if any of its subsidiaries are treated as having a taxable presence or permanent establishment outside its place of incorporation and tax residency.**

Currently, IREIT and its subsidiaries are not regarded as having any taxable presence or permanent establishment outside their place of incorporation and place of tax residency except for the Dutch Holding Companies which have a taxable presence in Germany by reason of owning properties and deriving rental income in Germany. If any of IREIT's subsidiaries is considered as having a taxable presence or permanent establishment outside its place of incorporation and place of tax residency (other than the Dutch Holding Companies which have a taxable presence in Germany by reason of owning properties and deriving rental income in Germany), income or gains may be subject to additional taxes, which may have a material adverse impact on the Group's business, financial condition, cash flows and results of operations and consequentially may have a material adverse impact on distributions to be made by IREIT. For the avoidance of doubt, while the Dutch Holding Companies have a taxable presence in Germany by reason of owning properties and deriving rental income in Germany, such a presence should not constitute a permanent establishment for German tax purposes if the required conditions are satisfied.

**IREIT may suffer higher German taxes if interest income payable by the Dutch Holding Companies to the Singapore Financing Companies is not considered as being at arm's length.**

Currently, the Initial Dutch Holding Companies are liable to pay interest to certain of the Singapore Financing Companies on inter-company loans. The amount of the interest payable on such loans is required to comply with arm's length standards. If the German tax authorities determine that the amount of such interest exceeds the interest which would have been payable on arm's length terms, the excess would not be tax deductible to the relevant Dutch Holding Companies in

Germany, resulting in additional taxes, which may have a material adverse impact on the Group's business, financial condition, cash flows and results of operations and consequentially may have a material adverse impact on distributions to be made by IREIT.

**Tax benefits under the Netherlands-Singapore tax treaty may not be available.**

The Singapore Holding Companies may only claim the benefits of the Netherlands-Singapore tax treaty for dividend income that is taxable in the Netherlands if they satisfy certain conditions prescribed in the Netherlands-Singapore tax treaty. If the required conditions are not satisfied, dividend income payable by the Dutch Holding Companies to the Singapore Holding Companies would be subject to additional taxes, which may have a material adverse impact on the Group's business, financial condition, cash flows and results of operations and consequentially may have a material adverse impact on distributions to be made by IREIT.

**Property yield on real estate to be held by IREIT is not equivalent to distribution yield on the Units.**

Generally, property yield depends on net property income and is calculated as the amount of revenue generated by the properties, less the expenses incurred in maintaining, operating, managing and leasing the properties compared against the current value of the properties.

Distribution yield on the Units, however, depends on the distributions payable on the Units, after taking into account other expenses including (i) taxes, (ii) interest cost for the debt facilities, (iii) REIT management fees and trustee's fees and (iv) other operating costs including administrative fees of IREIT, as compared with the purchase price of the Units.

**The Manager is not obliged to redeem Units.**

Unitholders have no right to request that the Manager redeem their Units while the Units are listed on the SGX-ST. Unitholders may only deal in their listed Units through trading on the SGX-ST. Accordingly, apart from selling their Units through trading on the SGX-ST, Unitholders may not be able to realise their investments in Units.

If the Units are de-listed from the SGX-ST and are unlisted on any other recognised stock exchange, the Manager may, but is not obliged to, repurchase or cause the redemption of Units more than once a year in accordance with the Property Funds Appendix and a Unitholder has no right to request the repurchase or redemption of Units more than once a year.

**There is no assurance that the Units will remain listed on the SGX-ST.**

Although it is intended that the Units will remain listed on the SGX-ST, there is no guarantee of the continued listing of the Units. Among other factors, IREIT may not continue to satisfy the listing requirements. Accordingly, Unitholders will not be able to sell their Units through trading on the SGX-ST if the Units are no longer listed on the SGX-ST.

**The Singapore Code on Take-overs and Mergers may discourage or prevent certain types of transactions.**

The SFA and the Singapore Code on Take-overs and Mergers contains certain provisions that may delay, deter or prevent a future take-over or change in control of IREIT. Any person acquiring an interest (either on his or her own or together with parties acting in concert with him or her) in:

- (i) 30.0% or more of the total Units; or

- (ii) when holding not less than 30.0% but not more than 50.0% of the total Units, more than 1.0% of the total Units in any six-month period,

will be required to make a general offer for the remaining Units. These provisions may discourage or prevent certain types of transactions involving an actual or threatened change of control of IREIT. Some of the Unitholders may, therefore, be disadvantaged as a transaction of that kind might have allowed the sale of Units at a price above the prevailing market price.

**Third parties may be unable to recover in claims brought against the Manager as the Manager is not an entity with significant assets.**

Third parties, in particular, Unitholders, may in future have claims against the Manager in connection with the carrying on of its duties as manager of IREIT (including in relation to this Offer Information Statement).

Under the terms of the Trust Deed, the Manager is indemnified from the Deposited Property against any actions, costs, claims, damages, expenses or demands to which it may be put as the manager of IREIT unless occasioned by the fraud, gross negligence, wilful default or breach of the Trust Deed by the Manager. In the event of any such fraud, gross negligence, wilful default or breach, only the assets of the Manager itself and not the Deposited Property would be available to satisfy a claim.

## GENERAL INFORMATION

### LEGAL AND ARBITRATION PROCEEDINGS

To the best of the Manager's knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, which, in the opinion of the Manager, may have or have had in the last 12 months before the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of IREIT.

### MATERIAL CONTRACTS

There were no material contracts entered into by the Trustee or the Manager, other than contracts entered into in IREIT's ordinary course of business, for the period of two years before the date of lodgement of this Offer Information Statement, save for:

- (i) the underwriting agreement dated 4 August 2014 entered into between the Manager, DBS Bank Ltd. and Barclays Bank PLC, Singapore Branch in connection with the IPO;
- (ii) the right of first refusal dated 14 July 2014 granted by the Sponsor to the Trustee in connection with the IPO<sup>1</sup>;
- (iii) the right of first refusal dated 14 July 2014 granted by Shanghai Summit (Group) Co., Ltd. to the Trustee in connection with the IPO<sup>1</sup>;
- (iv) the right of first refusal dated 29 July 2014 granted by LCH to the Trustee in connection with the IPO<sup>1</sup>;
- (v) the Underwriting Agreement dated 30 June 2015 entered into between the Manager and the Sole Lead Manager, Underwriter and Bookrunner in relation to the Rights Issue;
- (vi) the Summit Pro Rata Undertaking dated 30 June 2015 provided by Summit Founder to the Manager and the Sole Lead Manager, Underwriter and Bookrunner in connection with the Rights Issue;
- (vii) the LCH Undertaking dated 30 June 2015 provided by LCH to the Manager and the Sole Lead Manager, Underwriter and Bookrunner in connection with the Rights Issue; and
- (viii) the IGM Pro Rata Undertaking dated 30 June 2015 provided by IREIT Global Management to the Manager and the Sole Lead Manager, Underwriter and Bookrunner in connection with the Rights Issue.

### BREACH OF TERMS AND CONDITIONS OR COVENANTS OF CREDIT ARRANGEMENT OR BANK LOAN

To the best of the Manager's knowledge and belief, IREIT is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect IREIT's financial position and results or business operations, or the investments by Unitholders.

### SIGNIFICANT CHANGES

Save as disclosed in this Offer Information Statement, to the best of the Manager's knowledge and belief, no event has occurred from 31 March 2015, being the last day of the period covered by the 3M2015 Unaudited Financial Statements, to the Latest Practicable Date, which may have a material effect on the financial position and results of IREIT.

---

1 For a nominal consideration.

## **TRADING OF UNITS**

The Manager is not aware of any significant trading suspension on the SGX-ST during the period from the Listing Date to the Latest Practicable Date.

The Manager believes that Units are regularly traded on the SGX-ST.

## **CONSENT FROM INDEPENDENT VALUER**

DTZ Debenham Tie Leung Limited was responsible for preparing the Valuation Certificate found in **Appendix E** of this Offer Information Statement.

DTZ Debenham Tie Leung Limited has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to the issue of this Offer Information Statement with the inclusion herein of its name and the Valuation Certificate and all references thereto in the form and context in which they appear in this Offer Information Statement.

## **CONSENT FROM SOLE LEAD MANAGER, UNDERWRITER AND BOOKRUNNER**

DBS Bank Ltd. has given, and has not, before the lodgement of this Offer Information Statement, withdrawn its written consent to being named in this Offer Information Statement as the Sole Lead Manager, Underwriter and Bookrunner for the Rights Issue.

## **AUTHORITY TO ISSUE RIGHTS UNITS**

The Manager's authority to issue the Rights Units is pursuant to the General Mandate that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 27 April 2015.

## **MISCELLANEOUS**

IREIT is subject to the Code on Collective Investment Schemes issued by the Authority. The Code on Collective Investment Schemes can be found on the website of the Authority at [www.mas.gov.sg](http://www.mas.gov.sg).

Save as disclosed in this Offer Information Statement, including the Appendices to this Offer Information Statement, the Manager is not aware of any other matters which could materially affect, directly or indirectly, the operations or financial position or results of IREIT or Unitholders.

Statements contained in this Offer Information Statement which do not state historical facts may be forward-looking statements. Such statements are based on certain assumptions and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecasts. See the section entitled "Risk Factors" for further details. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Manager or any other person or that these results will be achieved or are likely to be achieved.

Other than the Rights Entitlements under the Rights Issue, none of the Unitholders has pre-emptive rights to subscribe for or purchase the Rights Units.

As there may be prohibitions or restrictions against the offering of Rights Units in certain jurisdictions (other than Singapore), only Eligible Unitholders are eligible to participate in the Rights Issue. Please refer to the section entitled "Eligibility of Unitholders to Participate in the Rights Issue" for further information.

## GLOSSARY

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

<b>3M2015</b>	:	The three months ended 31 March 2015
<b>3M2015 Unaudited Financial Statements</b>	:	The unaudited financial statements of IREIT for 3M2015
<b>Acquisition</b>	:	The proposed acquisition of the Berlin Property
<b>Acquisition Fee</b>	:	The acquisition fee payable to the Manager in connection with the Acquisition
<b>Aggregate Leverage</b>	:	The total borrowings and deferred payments (if any) as a percentage of the Deposited Property
<b>Allianz</b>	:	Allianz Handwerker Service GmbH
<b>ARE</b>	:	The application form for Rights Units and Excess Rights Units issued to Eligible Unitholders in respect of their Rights Entitlements under the Rights Issue
<b>ARS</b>	:	The application and acceptance form for Rights Units to be issued to Purchasers under the Rights Issue traded on the SGX-ST under the book-entry (scripless) settlement system
<b>ATM</b>	:	Automated teller machine
<b>Authority</b>	:	Monetary Authority of Singapore
<b>Base CPI</b>	:	CPI as of the start of the relevant lease term or as of any prior rent adjustment arising from re-indexation
<b>Berlin Property</b>	:	The property which is located at Schreiberhauer Straße 2, 4, 6, 8, 10, 12, 14, 16, 18, 20 and 22, Berlin 10317, Germany
<b>CDP</b>	:	The Central Depository (Pte) Limited
<b>Closing Date</b>	:	(i) 28 July 2015 at 5.00 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of the Rights Entitlements and payment for the Rights Units, application and payment for Excess Rights Units and acceptance of and payment by the renounees (if acceptance is made through CDP); or

- (ii) 28 July 2015 at 9.30 p.m. (or such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Manager), being the last date and time for acceptance of the Rights Entitlements and payment for the Rights Units, application and payment for Excess Rights Units and acceptance of and payment by the renounees (if acceptance is made through an ATM of a Participating Bank)

<b>Closing Price</b>	:	The closing price of S\$0.805 per Unit on the SGX-ST on 29 June 2015, being the last trading day of the Units prior to the announcement of the Rights Issue
<b>Companies Act</b>	:	The Companies Act, Chapter 50 of Singapore
<b>CPF</b>	:	Central Provident Fund
<b>CPF Funds</b>	:	CPF Investible Savings
<b>CPFIS</b>	:	CPF Investment Scheme
<b>CPI</b>	:	Consumer Price Index of Germany
<b>Deposited Property</b>	:	All the assets of IREIT for the time being held or deemed to be held upon the trusts of the Trust Deed
<b>Deutsche Telekom</b>	:	Deutsche Telekom AG
<b>Deutsche Telekom Leases</b>	:	The single tenant leases to GMG, a wholly-owned subsidiary of Deutsche Telekom, in respect of the Deutsche Telekom Properties
<b>Deutsche Telekom Profit and Loss Transfer Agreement</b>	:	The profit and loss transfer agreement entered into between Deutsche Telekom and GMG, pursuant to which Deutsche Telekom will be subject to a claim to compensate GMG for any and all losses suffered by GMG in the event that the assets of GMG are insufficient to cover the claims of IREIT under the Deutsche Telekom Leases; for the avoidance of doubt, the Deutsche Telekom Profit and Loss Transfer Agreement is a general agreement that extends to all creditors of GMG, and not only IREIT
<b>Deutsche Telekom Properties</b>	:	Bonn Campus, Darmstadt Campus and Münster Campus
<b>Directors</b>	:	The directors of the Manager
<b>DPU</b>	:	Distribution per Unit
<b>DRB</b>	:	Deutsche Rentenversicherung Bund
<b>DTZ</b>	:	DTZ Debenham Tie Leung Limited

<b>Dutch Holding Companies</b>	:	Laughing Rock 1.B.V., Laughing Rock 2 B.V., Laughing Rock 3 B.V., Laughing Rock 4 B.V., Laughing Rock 5 B.V., Laughing Rock 6 B.V., Laughing Rock 7 B.V., Laughing Rock 8 B.V., Laughing Rock 9 B.V., Laughing Rock 11 B.V., Laughing Rock 12 B.V., Laughing Rock 13 B.V. and Laughing Rock 14 B.V., collectively
<b>Electronic Application</b>	:	Acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units under the Rights Issue made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement
<b>Eligible Unitholders</b>	:	Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Rights Issue Books Closure Date or who have, at least three Market Days prior to the Rights Issue Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents, but exclude Unitholders who are otherwise located, resident or with a registered address in any jurisdiction in which the offering of the Rights Entitlements and Rights Units may not be lawfully made
<b>Enlarged Portfolio</b>	:	The Existing Portfolio and the Berlin Property
<b>EUR, euro or €</b>	:	Euros, the lawful currency of the Participating Member States
<b>Eurozone</b>	:	The economic region comprising the Participating Member States
<b>Excess Rights Units</b>	:	The Rights Units represented by the provisional allotments (A) of (i) Eligible Unitholders who decline, do not accept, and elect not to renounce or sell their Rights Entitlements under the Rights Issue (during the Rights Entitlements trading period prescribed by the SGX-ST) and/or (ii) Ineligible Unitholders which have not been sold during the Rights Entitlements trading period or (B) that have not been validly taken up by the original allottees, renounees of the Rights Entitlements or the Purchasers
<b>Existing Portfolio</b>	:	The portfolio of properties currently held by IREIT, comprising Bonn Campus, Darmstadt Campus, Münster Campus and Concor Park
<b>Existing Units</b>	:	The existing Units as at the Rights Issue Books Closure Date
<b>Financial Statements</b>	:	The FP2014 Audited Financial Statements and the 3M2015 Unaudited Financial Statements
<b>Foreign Purchasers</b>	:	Persons whose registered addresses with CDP are outside Singapore and who purchase the Rights Entitlements through the book-entry (scripless) settlement system



<b>FP2014</b>	:	The financial period from 1 November 2013 to 31 December 2014
<b>FP2014 Audited Financial Statements</b>	:	The audited financial statements of IREIT for FP2014
<b>General Mandate</b>	:	The general mandate that was given by the Unitholders to the Manager for the issue of new Units, pursuant to an ordinary resolution obtained at an annual general meeting of Unitholders held on 27 April 2015
<b>GMG</b>	:	The tenant of the Deutsche Telekom Properties, being GMG Generalmietgesellschaft mbH, which is a wholly-owned subsidiary of Deutsche Telekom
<b>Gross Rental Income</b>	:	Comprises rental income received from rental of office space and ancillary technical, storage and general spaces, as well as car park revenue
<b>Group</b>	:	IREIT and its subsidiaries
<b>IGM Initial Units</b>	:	The 322,104 Units (representing approximately 0.1% of the issued Units) which IREIT Global Management has interests in as at the Latest Practicable Date
<b>IGM Pro Rata Undertaking</b>	:	The irrevocable undertaking dated 30 June 2015 provided by IREIT Global Management to the Manager and the Sole Lead Manager, Underwriter and Bookrunner
<b>IGM Relevant Entitles</b>	:	IREIT Global Management or, as the case may be, the nominee(s) or custodian(s) of IREIT Global Management
<b>IGM Subscribing Entitles</b>	:	The IGM Relevant Entitles together with existing subsidiaries and/or new subsidiaries set up by IREIT Global Management to hold Units
<b>Independent Valuer</b>	:	DTZ Debenham Tie Leung Limited
<b>Ineligible Unitholders</b>	:	Unitholders who are not Eligible Unitholders
<b>Initial Dutch Holding Companies</b>	:	Laughing Rock 1.B.V., Laughing Rock 2 B.V., Laughing Rock 3 B.V., Laughing Rock 4 B.V., Laughing Rock 5 B.V., Laughing Rock 6 B.V., Laughing Rock 7 B.V., Laughing Rock 8 B.V., Laughing Rock 9 B.V., collectively
<b>IPO</b>	:	Initial public offering of IREIT
<b>IREIT</b>	:	IREIT Global, a real estate investment trust established in Singapore and constituted by the Trust Deed
<b>IREIT Global Management</b>	:	IREIT Global Management Pte. Ltd.

<b>Issue Price</b>	:	S\$0.468, being the issue price per Rights Unit
<b>Latest Practicable Date</b>	:	3 July 2015, being the latest practicable date prior to the lodgement of this Offer Information Statement with the Authority
<b>LCH</b>	:	Mr Lim Chap Huat
<b>LCH Initial Units</b>	:	The 80,057,499 Units (representing approximately 19.0% of the issued Units) which LCH has interests in as at the Latest Practicable Date
<b>LCH Undertaking</b>	:	The irrevocable undertaking dated 30 June 2015 provided by LCH to the Manager and the Sole Lead Manager, Underwriter and Bookrunner
<b>LCH Relevant Entities</b>	:	LCH, LCH SPV, entities wholly-owned by LCH and subsidiaries of LCH SPV or, as the case may be, their nominees(s) or custodian(s)
<b>LCH Rights Units</b>	:	The Rights Units to be subscribed for by LCH under the Rights Issue
<b>LCH SPV</b>	:	Dolphin Two Pte. Ltd.
<b>LCH Subscribing Entities</b>	:	The LCH Relevant Entities together with existing subsidiaries and/or new subsidiaries/entities set up by LCH or LCH SPV to hold Units
<b>Listing Date</b>	:	13 August 2014, being the date of admission of IREIT to the Official List of SGX-ST
<b>Listing Manual</b>	:	The Listing Manual of the SGX-ST
<b>Manager</b>	:	IREIT Global Group Pte. Ltd., as manager of IREIT
<b>Market Day</b>	:	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading
<b>NAV</b>	:	Net asset value
<b>Net Lettable Area or NLA</b>	:	Net lettable area
<b>New Loan Facility</b>	:	The new bank loan facility in respect of which IREIT received a binding letter of offer from HSH Nordbank AG
<b>NPI</b>	:	Net property income
<b>Offer Information Statement</b>	:	This offer information statement to Unitholders dated 7 July 2015

<b>Participating Banks</b>	:	The banks as set out in <b>Appendix D</b> of this Offer Information Statement
<b>Participating Member State(s)</b>	:	Any member state of the European Union that has the euro as its lawful currency in accordance with the legislation of the European Union relating to the European Economic and Monetary Union
<b>Pro Forma Financial Period 2014</b>	:	The financial period from the Listing Date to 31 December 2014
<b>Property Funds Appendix</b>	:	Appendix 6 of the Code on Collective Investment Schemes issued by the Authority
<b>Property Manager</b>	:	LEOFF Asset Management GmbH, as the property manager of IREIT for the Existing Portfolio
<b>Property Purchasers</b>	:	Certain wholly-owned subsidiaries of IREIT which entered into the Property SPA
<b>Prospectus</b>	:	The prospectus of IREIT dated 13 August 2014
<b>Property SPA</b>	:	The conditional sale and purchase agreement entered into between the Property Purchasers and the Vendor on 29 June 2015 in relation to the Acquisition
<b>Purchase Consideration</b>	:	The purchase consideration payable to the Vendor for the Acquisition
<b>Purchasers</b>	:	Purchasers of the Rights Entitlements (each, a “ <b>Purchaser</b> ”)
<b>Q1 2015</b>	:	The first quarter of 2015
<b>Rights Entitlements</b>	:	The provisional allotments of Rights Units to Eligible Unitholders under the Rights Issue
<b>Rights Issue</b>	:	The issue of new Units on a renounceable basis to Eligible Unitholders on the basis of the Rights Ratio at the Issue Price
<b>Rights Issue Books Closure Date</b>	:	5.00 p.m. on 8 July 2015 being the time and date on which the Transfer Books and Register of Unitholders of IREIT are closed to determine the Rights Entitlements of Eligible Unitholders under the Rights Issue
<b>Rights Issue Period</b>	:	The date of the announcement of the Rights Issue up to and including the date of the listing of the Rights Units
<b>Rights Ratio</b>	:	The rights ratio of forty-five (45) Rights Units for every one hundred (100) existing Units standing to the credit of an Eligible Unitholder’s Securities Account as at the Rights Issue Books Closure Date

<b>Rights Units</b>	:	The new Units to be issued by the Manager pursuant to the Rights Issue
<b>Securities Account</b>	:	A securities account maintained by a Depositor with CDP (but does not include securities sub-accounts)
<b>Securities Act</b>	:	U.S. Securities Act of 1933, as amended
<b>SFA</b>	:	Securities and Futures Act, Chapter 289 of Singapore
<b>SGX-ST</b>	:	Singapore Exchange Securities Trading Limited
<b>Singapore Financing Companies</b>	:	IREIT Global Investments Pte. Ltd., IREIT Global Investments 1 Pte. Ltd., IREIT Global Investments 2 Pte. Ltd., IREIT Global Investments 3 Pte. Ltd. and IREIT Global Investments 4 Pte. Ltd., collectively
<b>Singapore Holding Companies</b>	:	IREIT Global Holdings Pte. Ltd., IREIT Global Holdings 1 Pte. Ltd., IREIT Global Holdings 2 Pte. Ltd., IREIT Global Holdings 3 Pte. Ltd. and IREIT Global Holdings 4 Pte. Ltd., collectively
<b>Sodexo</b>	:	Sodexo Services GmbH
<b>Sole Lead Manager, Underwriter and Bookrunner</b>	:	DBS Bank Ltd., as sole lead manager, underwriter and bookrunner for the Rights Issue
<b>Sponsor</b>	:	Sella Holdings Pte. Ltd.
<b>sq ft</b>	:	Square feet
<b>sq m</b>	:	Square metres
<b>SRS</b>	:	Supplementary Retirement Scheme
<b>SRS Account</b>	:	An account opened by a participant in the SRS from which money may be withdrawn for, <i>inter alia</i> , payment of the Issue Price of the Rights Units and/or, Excess Rights Units
<b>Substantial Unitholders</b>	:	Unitholders with interests in not less than 5.0% of all Units in issue
<b>Summit</b>	:	Shanghai Summit Pte. Ltd.
<b>Summit Founder</b>	:	Mr Tong Jinquan
<b>Summit Initial Units</b>	:	The 241,826,547 Units (representing approximately 57.4% of the issued Units) which Mr Tong Jinquan, directly and through Summit SPV and Summit, has interests in as at the Latest Practicable Date

<b>Summit Pro Rata Undertaking</b>	:	The irrevocable undertaking dated 30 June 2015 provided by Summit Founder to the Manager and the Sole Lead Manager, Underwriter and Bookrunner
<b>Summit Rights Units</b>	:	The Rights Units to be subscribed for by Summit SPV under the Rights Issue
<b>Summit Relevant Entities</b>	:	Summit Founder, Summit, Summit SPV, entities wholly-owned by Summit Founder and subsidiaries of Summit and Summit SPV or, as the case may be, their nominee(s) or custodian(s)
<b>Summit SPV</b>	:	Wealthy Fountain Holdings Inc
<b>Summit Subscribing Entities</b>	:	The Summit Relevant Entities together with existing subsidiaries and/or new subsidiaries/entities set up by Summit Founder, Summit or Summit SPV to hold Units
<b>Summit Units</b>	:	The 251,603,000 Units subscribed for by Summit SPV and Summit Founder in connection with the IPO
<b>TERP</b>	:	The theoretical ex-rights price of S\$0.700 per Unit which is calculated as follows:  $\text{TERP} = \frac{\text{Market capitalisation of IREIT based on the Closing Price} + \text{Gross proceeds from the Rights Issue}}{\text{Units outstanding after the Rights Issue}}$
<b>Total Acquisition Cost</b>	:	The total cost of the Acquisition
<b>Transactions</b>	:	The Acquisition and the Rights Issue
<b>Trust Deed</b>	:	The trust deed dated 1 November 2013 constituting IREIT entered into between the Trustee and the Manager, as amended, varied, or supplemented from time to time
<b>Trustee</b>	:	DBS Trustee Limited, as trustee of IREIT
<b>U.S. or United States</b>	:	United States of America
<b>Underwriting Agreement</b>	:	The management and underwriting agreement entered into between the Manager and the Sole Lead Manager, Underwriter and Bookrunner on 30 June 2015
<b>Unit</b>	:	A unit representing an undivided interest in IREIT as provided for in the Trust Deed
<b>Unitholder(s)</b>	:	Holder(s) of Units

<b>Unit Purchase Agreement</b>	:	The sale and purchase agreement for the sale of the 2,013,150 Units held by the Manager to IREIT Global Management, Summit SPV and LCH, in the proportion of 322,104 Units, 1,308,547 Units and 382,499 Units respectively
<b>Unit Registrar</b>	:	Boardroom Corporate & Advisory Services Pte. Ltd.
<b>Vendor</b>	:	H.F.S. Immobilienfonds Deutschland 6 GmbH & Co. KG
<b>WALE</b>	:	Weighted average lease expiry
<b>Warranty Retention Sum</b>	:	The amount of €668,000 to be retained by the Property Purchasers to secure the carrying out by the Vendor of certain technical works and repair measures
<b>%</b>	:	Per centum or percentage

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

The terms “Depositor” and “Depository Agent” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

The term “subsidiary” shall have the meaning ascribed to it in Section 5 of the Companies Act. Any references to the Manager shall refer to it acting in its capacity as manager of IREIT, unless the context of the statement otherwise requires.

Any reference in this Offer Information Statement, the ARE or the ARS to any enactment is a reference to that enactment for the time being amended or re-enacted. Any words defined in the Companies Act, the SFA, the Securities and Futures (Offer of Investments) (Collective Investment Schemes) Regulations 2005, the Code on Collective Investment Schemes issued by the Authority, the Property Funds Appendix, the Listing Manual or any modification thereof and used in this Offer Information Statement, the ARE or the ARS shall, where applicable, have the same meaning ascribed to it in the Companies Act, the SFA, the Securities and Futures (Offer of Investments) (Collective Investment Schemes) Regulations 2005, the Code on Collective Investment Schemes issued by the Authority, the Property Funds Appendix, the Listing Manual or such modification thereof, as the case may be, unless otherwise provided.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to dates and to a time of day in this Offer Information Statement shall be a reference to Singapore dates and time unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to an appropriate number of decimal places, where applicable.

In relation to this Offer Information Statement

Dated 7 July 2015

**Directors of IREIT Global Group Pte. Ltd.  
(as manager of IREIT Global)**

---

Mr Lim Kok Min, John  
Chairman and Independent  
Non-Executive Director

---

Mr Tan Wee Peng Kelvin  
Independent Non-Executive Director

---

Mr Tong Jinquan  
Non-Executive Director

---

Mr Nir Ellenbogen  
Independent Non-Executive Director

---

Mr Itzhak Sella  
Chief Executive Officer and  
Executive Director

---

Mr Ho Toon Bah  
Non-Executive Director

*This page has been intentionally left blank.*



## CERTAIN FINANCIAL INFORMATION RELATING TO IREIT

Selected financial data from the FP2014 Audited Financial Statements and the 3M2015 Unaudited Financial Statements including the line items in the consolidated statements of profit or loss and other comprehensive income, statements of distribution, consolidated statements of financial position and consolidated statements of cash flows of IREIT, is set out in this Appendix. Financial data relating to (i) DPU, (ii) earnings per Unit, (iii) earnings per Unit after adjustment for the issuance of the Rights Units, (iv) NAV per Unit and (v) NAV per Unit after any adjustment to reflect the issuance of the Rights Units is also set out below.

Such selected financial data should be read together with the relevant notes to the Financial Statements, where applicable, which are available on the website of IREIT at <http://www.ireitglobal.com> and are also available for inspection during normal business hours at the registered office of the Manager at 156 Cecil Street, #08-01, Singapore 069544, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement<sup>1</sup>.

Save for the Financial Statements which are deemed incorporated into this Offer Information Statement by reference, the information contained on the website of IREIT does not constitute part of this Offer Information Statement.

---

<sup>1</sup> Prior appointment with the Manager will be appreciated.

## Consolidated Statements of Profit or Loss and Other Comprehensive Income

	<b>3M2015</b>	<b>FP2014</b>
	<b>EUR'000<sup>(1)</sup></b>	<b>EUR'000<sup>(2)</sup></b>
Gross revenue	5,569	8,326
Property operating expenses	(608)	(801)
<b>Net property income</b>	<b>4,961</b>	<b>7,525</b>
Foreign exchange gain	–	391
Finance costs	(504)	(793)
Manager's fees	(437)	(642)
Trustee's fees	(20)	(24)
Administrative costs	(100)	(154)
Other trust expenses	99	(1,202)
Change in fair value of financial derivatives	420	(2)
Change in fair value of investment properties	–	(12,434)
<b>Profit (Loss) before taxation and transactions with unitholders</b>	<b>4,419</b>	<b>(7,335)</b>
Income tax (expense)/benefit	(164)	1,155
<b>Profit (Loss) for the period, before transactions with unitholders</b>	<b>4,255</b>	<b>(6,180)</b>
Distributions to unitholders	(4,366)	(6,417)
<b>Loss for the period, after transactions with unitholders, representing total comprehensive loss for the period</b>	<b>(111)</b>	<b>(12,597)</b>
<b>Statement of Distribution</b>		
Profit (loss) for the period, before transactions with unitholders	4,255	(6,180)
Distribution adjustments	111	12,597
<b>Income available for distribution to Unitholders</b>	<b>4,366</b>	<b>6,417</b>
<b>Distribution per Unit</b>		
– € cents	1.04 <sup>(1)</sup>	1.53 <sup>(2)</sup>
– S\$ cents	1.61 <sup>(1)</sup>	2.57 <sup>(2)</sup>
<b>Pro forma distribution per Unit</b>		
– € cents	–	1.53 <sup>(3)</sup>
– S\$ cents	–	2.58 <sup>(3)(4)</sup>
<b>Basic and diluted earnings/(loss) per Unit<sup>(5)</sup></b>		
– € cents	1.01 <sup>(7)</sup>	(4.45) <sup>(7)</sup>
<b>Pro forma adjusted basic and diluted earnings/(loss) per Unit</b>		
– € cents	0.69 <sup>(6)</sup>	(3.06) <sup>(6)</sup>

**Notes:**

- (1) The financial information presented is based on unaudited consolidated financial information that has not been reviewed nor audited for the period from 1 January 2015 to 31 March 2015.
- (2) The financial information presented is based on audited consolidated financial statements for the period from 1 November 2013 to 31 December 2014 except for the pro forma distribution per unit and pro forma earnings/(loss) per unit which are prepared based on Notes (3) and (4) below.
- (3) The pro forma financial information as disclosed above is strictly for illustrative purposes and prepared based on the following assumptions:
  - (i) Distributable income is derived based on accounting income adjusted for the relevant adjustments as set out in the Trust Deed.
  - (ii) The number of Units is arrived at after taking into account the total Units in issue and entitled to distribution as at 31 December 2014 of 419,337,000 Units and the issuance of 45 Rights Units for every 100 existing Units under the Rights Issue amounting to an aggregate of 189,607,567 Units.
- (4) Based on the exchange rate of €1.00 : S\$1.68 hedged by IREIT for 100.0% of its distributable income for the financial period from the Listing Date to 31 December 2014.
- (5) Based on profit (loss) for the period, before transactions with unitholders.
- (6) The pro forma adjusted earnings per Unit after Rights Issue is shown based on:
  - (i) the weighted average number of Units in issue during the financial year/period under review; and
  - (ii) the assumption that the Rights Issue was completed at the beginning of each such year/period and without taking into account the use of proceeds from the Rights Issue on the earnings of IREIT.
- (7) The basic and diluted earnings per Unit of €1.01 cents for 3M2015 is computed based on the weighted average number of Units of 419,541,000 and the basic and diluted loss per Unit of €(4.45) cents for FP2014 is computed based on the weighted average number of Units of 138,797,000. The basic and diluted earnings per Unit for 3M2015 and FP2014 as presented above has been computed based on a different weighted average number of Units used in the 3M2015 Unaudited Financial Statements and FP2014 Audited Financial Statements to, *inter alia*, provide a more meaningful comparison with the pro forma adjusted basic and diluted earnings per Unit which has been adjusted for the effects of the Rights Issue.

## Consolidated Statement of Financial Position

	As at 31 March 2015	As at 31 December 2014
	EUR'000 <sup>(1)</sup>	EUR'000 <sup>(2)</sup>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	10,090	12,277
Trade and other receivables	1,453	1,967
Financial derivatives	699	279
	<hr/> 12,242	<hr/> 14,523
<b>Non-current assets</b>		
Investment properties	290,600	290,600
Investment in subsidiaries	–	–
Deferred tax assets	1,345	1,391
	<hr/> 291,945	<hr/> 291,991
<b>Total assets</b>	<hr/> <b>304,187</b>	<hr/> <b>306,514</b>
<b>Current liabilities</b>		
Trade and other payables	3,672	4,528
Distribution payable	4,366	6,417
	<hr/> 8,038	<hr/> 10,945
<b>Non-current liabilities</b>		
Borrowings	95,494	95,359
Deferred tax liabilities	355	236
	<hr/> 95,849	<hr/> 95,595
<b>Total liabilities</b>	<hr/> <b>103,887</b>	<hr/> <b>106,540</b>
<b>Net assets attributable to Unitholders</b>	200,300	199,974
<b>Units in issue and to be issued ('000)</b>	421,350	420,501
<b>Rights Units ('000)<sup>(3)</sup></b>	189,608	189,608
<b>Pro forma Units in issue and to be issued ('000)</b>	610,958	610,109
<b>Net asset value per Unit (€) attributable to Unitholders<sup>(4)</sup></b>	0.48	0.48
<b>Pro forma net asset value per Unit (€) attributable to Unitholders<sup>(5)</sup></b>	0.41	0.41
<b>Pro forma adjusted net asset value per Unit (€) attributable to Unitholders<sup>(6)</sup></b>	0.42	0.42

**Notes:**

- (1) The financial information presented is based on unaudited consolidated financial information that has not been reviewed nor audited for the period from 1 January 2015 to 31 March 2015.
- (2) The financial information presented is based on audited consolidated financial statements for the period from 1 November 2013 to 31 December 2014 except for the pro forma net asset value per Unit attributable to Unitholders and the pro forma adjusted net asset value per Unit attributable to Unitholders which are prepared based on Notes (3), (4) and (5) below.
- (3) Assuming the 45 Rights Units for every 100 existing Units under the Rights Issue in the aggregate of 189,607,567 Units were issued on 31 March 2015 and 31 December 2014.
- (4) Net asset value per Unit attributable to Unitholders is computed based on net assets attributable to Unitholders divided by Units in issue and to be issued.
- (5) The pro forma net asset value per Unit attributable to Unitholders is computed based on the assumption that the Rights Issue and Acquisition took place on 31 March 2015 and 31 December 2014, and the pro forma net assets attributable to Unitholders took into account the use of proceeds from the Rights Issue for the Acquisition.
- (6) The pro forma adjusted net asset value per Unit attributable to Unitholders is computed based on the assumption that only the Rights Issue took place on 31 March 2015 and 31 December 2014, and the pro forma adjusted net assets attributable to Unitholders did not take into account the use of proceeds from the Rights Issue.

## Consolidated Statements of Cash Flows

	<b>3M2015</b>	<b>FP2014</b>
	<b>EUR'000<sup>(1)</sup></b>	<b>EUR'000<sup>(2)</sup></b>
<b>Cash flows from operating activities</b>		
Loss for the period, after transactions with unitholders	(111)	(12,597)
Adjustment for:		
Manager's management fees payable in units	437	642
Finance costs	504	793
Change in fair value of financial derivatives	(420)	2
Change in fair value of investment properties	–	12,434
Income tax (expense)/benefit	164	(1,155)
Operating profit before working capital changes	574	119
Changes in working capital:		
Trade and other receivables	514	(1,967)
Trade, other and distribution payables	4,091	9,870
Cash generated from operations, representing net cash from operating activities	5,179	8,022
<b>Cash flows from investing activity</b>		
Acquisition of investment properties	–	(303,034)
Net cash used in investing activity	–	(303,034)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of units	–	219,368
Expenses related to the issuance of units	–	(7,440)
Proceeds from bank borrowings	–	96,594
Costs related to bank borrowings	(949)	(1,235)
Distributions to Unitholders	(6,417)	–
Net cash from financing activities	(7,366)	307,289
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(2,187)</b>	<b>12,277</b>
Cash and cash equivalents at beginning of the period	12,277	–
<b>Cash and cash equivalents at end of the period</b>	<b>10,090</b>	<b>12,277</b>

### Notes:

- (1) The financial information presented is based on unaudited consolidated financial information (that has not been reviewed nor audited) for the period from 1 January 2015 to 31 March 2015.
- (2) The financial information presented is based on audited consolidated financial statements for the period from 1 November 2013 to 31 December 2014.

## PROCEDURES FOR ACCEPTANCE, PAYMENT, RENUNCIATION AND EXCESS APPLICATION BY ELIGIBLE UNITHOLDERS

### 1. INTRODUCTION

- 1.1 Eligible Unitholders are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM of a Participating Bank shall, where the Eligible Unitholder is a Depository Agent, be taken to include an application made via the SGX-SSH Service.
- 1.2 The Rights Entitlements are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Trust Deed and the instructions in the ARE.

The number of Rights Entitlements allotted to each Eligible Unitholder is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Eligible Unitholders have been credited by CDP with the Rights Entitlements as indicated in the ARE. Eligible Unitholders may accept their Rights Entitlements in whole or in part and are eligible to apply for Excess Rights Units under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Entitlements and payment for Excess Rights Units are set out in the Offer Information Statement as well as the ARE.

- 1.3 If an Eligible Unitholder wishes to accept his Rights Entitlements specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Units in addition to the Rights Entitlements allotted to him, he may do so by completing and signing the relevant sections of the ARE or by way of an Electronic Application. An Eligible Unitholder should ensure that the ARE is accurately completed and signed, failing which the acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units may be rejected.

For and on behalf of the Manager, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the "Free Balance" of the relevant Securities Account is not credited with, or is credited with less than, the relevant number of Rights Units accepted as at the last date and time for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE or the Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

**AN ELIGIBLE UNITHOLDER MAY ACCEPT HIS RIGHTS ENTITLEMENTS SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS UNITS EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK AS DESCRIBED BELOW. WHERE AN ELIGIBLE UNITHOLDER IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SSH SERVICE.**

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE the ARS and/or any other application form for the Right Units and/or excess Rights Units in relation to the Rights Issue, or is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or is accompanied by an improperly or insufficiently drawn remittance, or does not comply with the instructions for Electronic Application, or where the “Free Balance” of the Eligible Unitholder’s Securities Account is not credited with or is credited with less than the relevant number of Rights Units accepted as at the last date and time for acceptance of and excess application and payment for the Rights Units, the Manager and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Manager and CDP shall be entitled to process each application submitted for the acceptance of Rights Entitlements, and where applicable, application of Excess Rights Units in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Eligible Unitholder, on its own, without regard to any other application and payment that may be submitted by the same Eligible Unitholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance of Rights Units and (if applicable) application for Excess Rights Units.

**Eligible Unitholders are to note that the aggregate Issue Price payable pursuant to an application (i) submitted for the acceptance of Rights Entitlements; and where applicable (ii) for Excess Rights Units, will be rounded up to the nearest whole cent.**

- 1.4 **Persons who have previously bought their Units under the CPF Investment Scheme – Ordinary Account (collectively, “CPFIS Members”) can only use, subject to applicable CPF rules and regulations, their CPF account savings (“CPF Funds”) for the payment of the Issue Price to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPFIS Members who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using CPF Funds will need to instruct their respective approved banks, where such CPFIS Members hold their CPF Investment Accounts, to accept the Rights Units and (if applicable) apply for the Excess Rights Units on their behalf in accordance with this Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF agent banks to accept the Rights Entitlements and (if applicable) apply for Excess Rights Units. Any acceptance and (if applicable) application made directly to CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected. CPF Funds cannot, however, be used for the purchase of Rights Entitlements directly from the market.**

**SRS investors who had purchased Units using their SRS Accounts and who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies, must instruct the relevant approved banks in which they hold their SRS Accounts to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf. Such Unitholders who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and/or apply for Excess Rights Units. SRS investors are advised to provide their respective approved banks in which they hold**



their SRS Accounts with the appropriate instructions no later than the deadlines set by their respective approved banks in order for their respective approved banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or (if applicable) application made directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the Rights Entitlements directly from the market.

- 1.5 Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Eligible Unitholders or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

## **2. MODE OF ACCEPTANCE AND APPLICATION**

### **2.1 Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank**

Instructions for Electronic Applications through ATMs to accept the Rights Entitlements or (if applicable) to apply for Excess Rights Units will appear on the ATM screens of the respective Participating Banks. Please refer to **Appendix C** of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

**IF AN ELIGIBLE UNITHOLDER MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ELIGIBLE UNITHOLDER WHO HAS ACCEPTED THE RIGHTS ENTITLEMENTS BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS UNITS BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE MANAGER AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE MANAGER AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.**

### **2.2 Acceptance/Application through CDP**

If the Eligible Unitholder wishes to accept the Rights Entitlements and (if applicable) apply for Excess Rights Units through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part (A) of Section II of the ARE the number of Rights Entitlements accepted, in Part (B) of Section II of the ARE the number of Excess Rights Units applied for and in Section II of the ARE the respective and total amounts to be made payable to “**CDP – IREIT RIGHTS ISSUE ACCOUNT**”; and

- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Units accepted and (if applicable) Excess Rights Units applied for:
- (i) by hand to **IREIT GLOBAL GROUP PTE. LTD., AS MANAGER OF IREIT GLOBAL, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588**; or
  - (ii) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **IREIT GLOBAL GROUP PTE. LTD., AS MANAGER OF IREIT GLOBAL, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147**,

in each case so as to arrive not later than **5.00 P.M. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The payment for the relevant number of Rights Units accepted and (if applicable) Excess Rights Units applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or a Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – IREIT RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Eligible Unitholder clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

**NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

**FOR SRS INVESTORS AND INVESTORS WHO HOLD UNITS THROUGH FINANCE COMPANIES OR DEPOSITORY AGENTS, ACCEPTANCES OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATIONS FOR EXCESS RIGHTS UNITS MUST BE DONE THROUGH THE RELEVANT APPROVED BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS AND THE RESPECTIVE FINANCE COMPANIES OR DEPOSITORY AGENTS, RESPECTIVELY. SUCH INVESTORS ARE ADVISED TO PROVIDE THEIR RESPECTIVE BANKS IN WHICH THEY HOLD THEIR SRS ACCOUNTS, FINANCE COMPANIES OR DEPOSITORY AGENTS, AS THE CASE MAY BE, WITH THE APPROPRIATE INSTRUCTIONS NO LATER THAN THE DEADLINES SET BY THEM IN ORDER FOR SUCH INTERMEDIARIES TO MAKE THE RELEVANT ACCEPTANCE AND (IF APPLICABLE) APPLICATION ON THEIR BEHALF BY THE CLOSING DATE. ANY ACCEPTANCE AND/OR APPLICATION MADE DIRECTLY THROUGH CDP, ELECTRONIC APPLICATIONS AT ATMS OF PARTICIPATING BANKS, THE UNIT REGISTRAR AND/OR THE MANAGER WILL BE REJECTED.**

**WHERE AN ELIGIBLE UNITHOLDER IS A DEPOSITORY AGENT, HE MAY MAKE HIS ACCEPTANCE VIA THE SGX-SSH SERVICE.**

### **2.3 Acceptance through the SGX-SSH Service (for Depository Agents only)**

Depository Agents may accept Rights Entitlements and (if applicable) apply for Excess Rights Units through the SGX-SSH Service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Manager to receive acceptances and (if applicable) applications on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and subject to each of the terms and conditions contained in the ARE and the Offer Information Statement as if the ARE had been completed and submitted to CDP.

## 2.4 Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the Rights Entitlements accepted by the Eligible Unitholder and (if applicable) the Excess Rights Units applied for by the Eligible Unitholder, the attention of the Eligible Unitholder is drawn to paragraphs 1.3 and 5.2 of this **Appendix B** which set out the circumstances and manner in which the Manager and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Manager's behalf whether under the ARE, the ARS or any other application form for Rights Units in relation to the Rights Issue.

## 2.5 Acceptance of Part of Rights Entitlements and Trading of Rights Entitlements

An Eligible Unitholder may choose to accept his Rights Entitlements specified in the ARE in full or in part. If an Eligible Unitholder wishes to accept part of his Rights Entitlements and trade the balance of his Rights Entitlements on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Entitlements which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his Rights Entitlements by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 above.

The balance of his Rights Entitlements may be sold as soon as dealings therein commence on the SGX-ST.

Eligible Unitholders who wish to trade all or part of their Rights Entitlements on the SGX-ST during the Rights Entitlements trading period should note that the Rights Entitlements will be tradable in board lots of 1 Rights Entitlement or 100 Rights Entitlements. Such Eligible Unitholders may start trading in their Rights Entitlements as soon as dealings therein commence on the SGX-ST. Eligible Unitholders who wish to trade in other lot sizes may do so on the SGX-ST's Ready Share Market during the Rights Entitlements trading period.

## 2.6 Sale of Rights Entitlements

The ARE need not be forwarded to the purchasers of the Rights Entitlements ("**Purchasers**") as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, on behalf of the Manager, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the Rights Entitlements may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Unit Registrar, for the period up to **5.00 P.M. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore ("**Foreign Purchasers**"). Subject to compliance with applicable laws, Foreign Purchasers who wish to accept the Rights Entitlements credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

**PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH RIGHTS ENTITLEMENTS ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS ENTITLEMENTS REPRESENTED BY THE RIGHTS ENTITLEMENTS PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE RIGHTS ENTITLEMENTS ON THEIR BEHALF.**

## **2.7 Renunciation of Rights Entitlements**

Eligible Unitholders who wish to renounce in full or in part their Rights Entitlements in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of Rights Entitlements which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Eligible Unitholders who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Manager, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP, and for the renounee to accept his Rights Entitlements. The last date and time for acceptance of the Rights Entitlements and payment for the Rights Units by the renounee is **5.00 P.M. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

## **2.8 Acceptance/Application using CPF Funds**

Unitholders participating in the CPFIS – Ordinary Account must use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units, if they have previously bought their Units using their CPF Funds.

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using CPF Funds must have sufficient funds in their CPF Investment Accounts and must instruct their respective approved banks, where such Unitholders hold their CPF Investment Accounts, to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

Such Unitholders who have insufficient funds in their CPF Investment Accounts may deposit cash into their CPF Investment Accounts with their approved banks to enable them to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds may not, however, be used for the purchase of the Rights Entitlements directly from the market.

## **2.9 Acceptance/Application using SRS Funds**

**Unitholders with SRS Accounts must use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS Accounts to pay for the acceptance of their Rights Entitlements and (if applicable) application for Excess Rights Units.**

Such Unitholders who wish to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units using SRS monies will need to instruct the relevant SRS Bank to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf and make sure that they have sufficient funds in their SRS Accounts to pay for the number of Rights Units (including, if applicable, the Excess Rights Units) for which they intend to subscribe. They may also partially accept their Rights Entitlements and/or instruct their respective brokers to sell their Rights Entitlements held under their SRS Accounts during the Rights Entitlements trading period on the SGX-ST.

Unitholders who have insufficient funds in their SRS Accounts to fully accept their Rights Entitlements and/or apply for Excess Rights Units and who have:

- (a) **not reached their SRS contribution cap** may, subject to the SRS contribution cap, deposit cash into their SRS Accounts and (i) instruct their respective SRS Banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf, to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts after the said deposit to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.
- (b) **reached their SRS contribution cap** may instruct their respective SRS Banks to (i) accept their Rights Entitlements and (if applicable) apply for Excess Rights Units to the extent of the funds available in their SRS Accounts, and/or (ii) to the extent that there are insufficient funds in their SRS Accounts to fully accept their Rights Entitlements, instruct their respective brokers to sell their Rights Entitlements during the Rights Entitlements trading period on the SGX-ST.

If a Unitholder instructs the relevant SRS Bank to subscribe for Rights Units and (if applicable) apply for Excess Rights Units offered under the Rights Issue and he does not have sufficient funds in his SRS Account to pay for the number of Rights Units which he intends to subscribe, his acceptance of Rights Entitlements under the Rights Issue and, if applicable, application for Excess Rights Units will be made in part to the extent of the funds available in his SRS Account with the balance rejected.

**SRS monies may not be used for the purchase of Rights Entitlements directly from the market (“nil-paid” Rights).**

**Any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units made by the above-mentioned Unitholders directly through CDP, Electronic Applications at ATMs of the Participating Banks, the Unit Registrar and/or the Manager will be rejected.**

#### **2.10 Acceptance/Application via Finance Company and/or Depository Agent**

Unitholders who hold Units through a finance company and/or Depository Agent must instruct the relevant finance company and/or Depository Agent to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units on their behalf in accordance with this Offer Information Statement.

**Any acceptance and (if applicable) application made by the above-mentioned Unitholders directly through CDP, Electronic Applications at ATMs of Participating Banks, the Unit Registrar and/or the Manager will be rejected.**

**2.11 Return of Surplus Application Monies**

In the case of applications for Excess Rights Units, if no Excess Rights Units are allotted to an Eligible Unitholder or if the number of Excess Rights Units allotted to an Eligible Unitholder is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to the Eligible Unitholder without interest or any share of revenue or other benefit arising therefrom within 14 days after the Closing Date, at the Eligible Unitholder’s own risk by any one or a combination of the following: (i) by crediting the Eligible Unitholder’s bank account with the relevant Participating Bank if the Eligible Unitholder accepts and (if applicable) applies through an ATM of a Participating Bank, the receipt by such bank being a good discharge to the Manager and CDP of their obligations, if any, thereunder; or (ii) by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent BY ORDINARY POST AT THE ELIGIBLE UNITHOLDER’S OWN RISK to the Eligible Unitholder’s mailing address as recorded with CDP or in such other manner as the Eligible Unitholder may have agreed with CDP for the payment of any cash distributions, if the Eligible Unitholder accepts and (if applicable) applies through CDP.

**3. COMBINATION APPLICATION**

In the event that the Eligible Unitholder or the Purchaser accepts the Rights Units by way of the ARE and/or the ARS and/or has applied for Excess Rights Units by way of the ARE and also by way of Electronic Application(s), the Manager and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Unitholder and the Purchaser shall be regarded as having irrevocably authorised the Manager and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Entitlements and/or application for Excess Rights Units (including an Electronic Application(s)) in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit.

**4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF 45 RIGHTS UNITS FOR EVERY 100 EXISTING UNITS AT AN ISSUE PRICE OF S\$0.468)**

As an illustration, if an Eligible Unitholder has 10,000 Units standing to the credit of his Securities Account as at the Rights Issue Books Closure Date, the Eligible Unitholder will be provisionally allotted 4,500 Rights Units as set out in his ARE. The Eligible Unitholder’s alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

**Alternatives Procedures to be taken**

**Alternatives**

- (a) Accept his entire 4,500 Rights Entitlements and (if applicable) apply for Excess Rights Units

**Procedures to be taken**

**By way of Electronic Application**

- (1) Accept his entire 4,500 Rights Entitlements and (if applicable) apply for Excess Rights Units by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or

## Alternatives

## Procedures to be taken

### Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his 4,500 Rights Entitlements and (if applicable) the number of Excess Rights Units applied for and forward the original signed ARE together with a single remittance for S\$2,106.00 (or, if applicable, such higher amount in respect of the total number of Rights Units accepted and Excess Rights Units applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to **"CDP – IREIT RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** for the full amount due on acceptance and (if applicable) application, by hand to **IREIT GLOBAL GROUP PTE. LTD., AS MANAGER OF IREIT GLOBAL, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post, **AT HIS OWN RISK**, in the self-addressed envelope provided to **IREIT GLOBAL GROUP PTE. LTD., AS MANAGER OF IREIT GLOBAL, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager), and with the name and Securities Account number of the Eligible Unitholder clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

**NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

## Alternatives

- (b) Accept a portion of his Rights Entitlements, for example 1,000 of his 4,500 Rights Entitlements, not apply for Excess Rights Units and trade the balance on the SGX-ST

- (c) Accept a portion of his Rights Entitlements, for example 1,000 of his 4,500 Rights Entitlements, and reject the balance.

## Procedures to be taken

### By way of Electronic Application

- (1) Accept 1,000 of his 4,500 Rights Entitlements by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or

### Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his 1,000 of his 4,500 Rights Entitlements, and forward the original signed ARE, together with a single remittance for S\$468.00 in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The balance of the 3,500 Rights Entitlements which are not accepted by the Eligible Unitholder may be traded on the SGX-ST during the Rights Entitlements trading period. **Eligible Unitholders should note that the Rights Entitlements will be tradable in the ready market, with each board lot comprising either 1 Rights Entitlement or 100 Rights Entitlements. Eligible Unitholders who wish to trade in other lot sizes can do so on the SGX-ST's Ready Share Market during the Rights Entitlements trading period.**

### By way of Electronic Application

- (1) Accept 1,000 of his 4,500 Rights Entitlements by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or



## Alternatives

## Procedures to be taken

### Through CDP

- (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his 1,000 Rights Entitlements, and forward the ARE, together with a single remittance for S\$468.00 in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.00 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

The balance of his 3,500 Rights Entitlements which is not accepted by the Eligible Unitholder will automatically lapse and cease to be available for acceptance by that Eligible Unitholder if an acceptance is not made by way of Electronic Application(s) through an ATM of a Participating Bank by **9.30 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager), or if an acceptance is not made through CDP by **5.00 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager).

## 5. TIMING AND OTHER IMPORTANT INFORMATION

### 5.1 Timing

**THE LAST TIME AND DATE FOR ACCEPTANCE OF RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS UNITS AND PAYMENT FOR THE RIGHTS UNITS IN RELATION TO THE RIGHTS ISSUE IS:**

- (A) **9.30 P.M. ON 28 JULY 2015 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE MANAGER) IF AN ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) AN APPLICATION FOR EXCESS RIGHTS UNITS AND PAYMENT IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; AND**
- (B) **5.00 P.M. ON 28 JULY 2015 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE MANAGER) IF AN ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) AN APPLICATION FOR EXCESS RIGHTS UNITS AND PAYMENT IS MADE THROUGH CDP OR SGX-SSH SERVICE.**

If acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units and payment in the prescribed manner as set out in this Offer Information Statement, the ARE and the ARS (as the case may be) is not received through an ATM of the Participating Banks by **9.30 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager) or through CDP by **5.00 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to

time by or on behalf of the Manager) from any Eligible Unitholder or Purchaser, the Rights Entitlements that have been offered shall be deemed to have been declined and shall forthwith lapse and become void, and such Rights Entitlements not so accepted will be used to satisfy applications for Excess Rights Units, if any, or be otherwise dealt with in such manner as the Manager may, in its absolute discretion, deem fit, in the interests of IREIT. All monies received in connection therewith subsequent to the dates and times specified above will be returned by CDP for and on behalf of the Manager to the Eligible Unitholders or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ELIGIBLE UNITHOLDER'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

**IF ANY ELIGIBLE UNITHOLDER OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

## 5.2 Appropriation

Without prejudice to paragraph 1.3 of this Appendix, an Eligible Unitholder should note that:

- (a) by accepting his Rights Entitlements and/or applying for Excess Rights Units, he acknowledges that, in the case where:
  - (i) the amount of remittance payable to the Manager in respect of his acceptance of the Rights Entitlements and (if applicable) in respect of his application for Excess Rights Units as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Units in relation to the Rights Issue differs from the amount actually received by CDP; or
  - (ii) the amounts as stated in Parts (A) and (B) of Section II in the ARE, the ARS and/or in any other application form for Rights Units in relation to the Rights Issue differs from the amount received by CDP, or otherwise payable by him in respect of his acceptance of the Rights Entitlements and (if applicable) in respect of his application for the Excess Rights Units,

the Manager and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Manager's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Units; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Units. The determination and appropriation by the Manager and CDP shall be conclusive and binding;

- (b) if he has attached a remittance to the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Manager and CDP, in applying the amounts payable for his acceptance of the Rights Units and (if applicable) his application for Excess Rights Units, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Units in relation to the Rights Issue made through CDP; and
- (c) in the event that the Eligible Unitholder accepts the Rights Units by way of the ARE and/or the ARS and/or has applied for Excess Rights Units by way of the ARE and also

by way of an Electronic Application, the Manager and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Eligible Unitholder shall be deemed as having irrevocably authorised the Manager and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Rights Units (including Electronic Application(s)) in whichever mode or combination as the Manager and/or CDP may, in their/its absolute discretion, deem fit.

### 5.3 Availability of Excess Rights Units

The Excess Rights Units available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Trust Deed. Applications for Excess Rights Units will, at the Directors' absolute discretion, be satisfied from such Rights Units as are not validly taken up by the Eligible Unitholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the Rights Entitlements together with the aggregated fractional entitlements to the Rights Units, any unsold Rights Entitlements (if any) of Foreign Unitholders and any Rights Units that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Trust Deed. In the event that applications are received by the Manager for more Excess Rights Units than are available, the Excess Rights Units available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of IREIT. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of Excess Rights Units, preference will be given to the rounding of odd lots. Each of Summit Founder, Summit SPV, LCH and other Substantial Unitholders who have control or influence over the Manager in connection with the day-to-day affairs of the Manager or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board and Directors will rank last in priority for the rounding of odd lots and allotment of Excess Rights Units. The Manager reserves the right to refuse any application for Excess Rights Units, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Units allotted to an Eligible Unitholder is less than the number of Excess Rights Units applied for, the Eligible Unitholder shall be deemed to have accepted the number of Excess Rights Units actually allotted to him.

If no Excess Rights Units are allotted or if the number of Excess Rights Units allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Eligible Unitholders, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Units by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Manager and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for Excess Rights Units through CDP).

## 5.4 Deadlines

It should be particularly noted that unless:

- (a) acceptance of Rights Entitlements is made by the Eligible Unitholders or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Units is effected by **9.30 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Entitlements accepted and (if applicable) Excess Rights Units applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – IREIT RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Eligible Unitholders or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is submitted by hand to **IREIT GLOBAL GROUP PTE. LTD., AS MANAGER OF IREIT GLOBAL, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA, #01-19/20 THE METROPOLIS, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **IREIT GLOBAL GROUP PTE. LTD., AS MANAGER OF IREIT GLOBAL, C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager); or
- (c) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Rights Units is effected by **5.00 p.m. on 28 July 2015** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Manager),

the Rights Entitlements will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned to the Eligible Unitholders or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED UNITHOLDER'S OR PURCHASER'S OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

**ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.**

## 5.5 Confirmation Note

A confirmation note confirming the date of issue and the number of Rights Units issued will be issued by the Manager or the agent appointed by the Manager to CDP. Upon crediting of the Rights Units and Excess Rights Units, CDP will send to Eligible Unitholders and/or Purchasers, **BY ORDINARY POST AND AT THEIR OWN RISK**, a notification letter showing the number of Rights Units and Excess Rights Units credited to their Securities Accounts.

## 5.6 General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Entitlements credited to an Eligible Unitholder's Securities Account. An Eligible Unitholder can verify the number of Rights Entitlements credited to his Securities Account online if he has registered for CDP Internet Access or through CDP Automated Phone Services Hotline number (65) 6535-7511 using his telephone pin ("T-Pin"). Alternatively, an Eligible Unitholder may proceed personally to CDP with his identity card or passport to verify the number of Rights Entitlements credited to his Securities Account.

It is the responsibility of an Eligible Unitholder and/or Purchaser to ensure that the ARE and/or ARS is accurately completed in all respects and signed. The Manager and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Manager accepts any responsibility or liability for the consequences of such a decision.

**EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE RIGHTS ENTITLEMENTS AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS UNITS IS IRREVOCABLE.**

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. An Eligible Unitholder can check the status of his acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units through CDP Automated Phone Services Hotline number (65) 6535-7511 using his T-Pin.

### **CDP Phone User Guide**

1. Dial (65) 6535-7511.
2. Press '1' for English; Press '2' Mandarin.
3. Press '3' for 'Corporate Actions Announcement and Transactions'.
4. Press '2' for your rights application status.
5. Enter your 12 digit CDP securities account number.
6. Enter your 6 digit telephone pin.

All communications, notices, documents and remittances to be delivered or sent to an Eligible Unitholder and/or Purchaser will be sent by **ORDINARY POST** to his mailing address as maintained in the records of CDP, **AT HIS OWN RISK.**

**ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS**

The procedures for Electronic Applications at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks (the “**Electronic Application Steps**”). Please read carefully the terms and conditions set out in this Offer Information Statement, the Electronic Application Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept Rights Units and (if applicable) apply for Excess Rights Units at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

**Eligible Unitholders who have subscribed for or purchased Units under the CPFIS and/or the SRS or through a finance company and/or Depository Agent can only accept their Rights Entitlements and (if applicable) apply for Excess Rights Units by instructing the respective approved banks in which they hold their CPFIS accounts and/or SRS Accounts, finance company and/or Depository Agent to do so on their behalf. ANY APPLICATION MADE BY THE ABOVEMENTIONED ELIGIBLE UNITHOLDERS DIRECTLY THROUGH CDP OR THROUGH ATMS WILL BE REJECTED.** Such Eligible Unitholders who have insufficient funds in their CPF Investment Accounts or SRS Accounts may deposit cash into their CPF Investment Accounts or SRS Accounts with their approved banks before instructing their respective approved banks to accept their Rights Entitlements and (if applicable) apply for Excess Rights Units. CPF Funds or SRS monies may not, however, be used for the purchase of the Rights Entitlements directly from the market.

Such Eligible Unitholders, where applicable, will receive notification letter(s) from their respective approved bank, finance company and/or Depository Agent and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective approved bank, finance company and/or Depository Agent.

All references to “Rights Issue” and “Rights Application” on the ATM screens of the Participating Banks shall mean the offer of Rights Units under the Rights Issue and the acceptance of Rights Entitlements and (if applicable) the application for Excess Rights Units, respectively. All references to “Document” on the ATM screens of the Participating Banks shall mean this Offer Information Statement.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Electronic Application Steps shall mean the Eligible Unitholder or the Purchaser who accepts his Rights Entitlements and (if applicable) applies for Excess Rights Units through an ATM of a Participating Bank.

An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks.

Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Slip**”), confirming the details of his Electronic Application. The Transaction Slip is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

**An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units liable to be rejected.**

The Electronic Applications shall be made in accordance with, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

- (1) In connection with his Electronic Application for the Rights Units, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
  - (a) **that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units under the Rights Issue prior to effecting the Electronic Application and agrees to be bound by the same; and**
  - (b) **that he authorises CDP to give, provide, divulge, disclose or reveal information pertaining to his Securities Account maintained in CDP's record, including, without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number(s), address(es), the number of Units standing to the credit of his Securities Account, the number of Rights Entitlements allotted to him, his acceptance and (if applicable) application for Excess Rights Units and any other information (the "Relevant Particulars") to the Manager and any other relevant parties (the "Relevant Parties") as CDP may deem fit for the purpose of the Rights Issue and his acceptance and (if applicable) application.**

His acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units will not be successfully completed and cannot be recorded as a complete transaction in the ATM unless he presses the "Enter" or "OK" or "Confirm" or "Yes" key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application at an ATM of any Participating Bank for the Rights Units using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and accept up to the aggregate of the number of Rights Entitlements allotted and Excess Rights Units applied for as stated on the Transaction Slip or the number of Rights Units standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Manager decides to allot any lesser number of Excess Rights Units or not to allot any number of Excess Rights Units to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.



- (4) If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM) of the number of Rights Entitlements accepted and (if applicable) Excess Rights Units applied for shall signify and shall be treated as his acceptance of the number of Rights Units that may be allotted to him and (if applicable) his application for Excess Rights Units.
- (5) In the event that the Applicant accepts the Rights Entitlements both by way of the ARE and/or the ARS (as the case may be) through CDP and/or by way of Electronic Application through the ATM of a Participating Bank, the Manager and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Rights Entitlements which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of Rights Entitlements which are standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date, and the aggregate number of Rights Entitlements which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank, and the Manager and/or CDP, in determining the number of Rights Entitlements which the Applicant has validly given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Entitlements, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or the ARS or by way of the acceptance through the Electronic Application through the ATM of a Participating Bank, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's acceptance.
- (6) If applicable, in the event that the Applicant applies for Excess Rights Units both by way of ARE through CDP and by Electronic Application through the ATM of a Participating Bank, the Manager and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of Excess Rights Units which the Applicant has validly given instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Units not exceeding the aggregate number of Excess Rights Units for which he has applied by way of Electronic Application through the ATM of a Participating Bank and by way of ARE through CDP. The Manager and/or CDP, in determining the number of Excess Rights Units which the Applicant has given valid instructions for the application, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of Excess Rights Units, whether by way of Cashier's Order or Banker's Draft drawn on a bank in Singapore accompanying the ARE or by way of Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's application.
- (7) The Applicant irrevocably requests and authorises the Manager to:
  - (a) register, or procure the registration of the Rights Entitlements and (if applicable) the Excess Rights Units allotted to the Applicant in the name of CDP for deposit into his Securities Account; and
  - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the full amount or, as the case may be, the balance of the acceptance and/or application monies, should his Electronic Application in respect of the Rights Entitlements accepted and (if applicable) Excess Rights Units applied for, as the case may be, not be accepted or, as the case may be, be accepted in part only by or on

behalf of the Manager for any reason, by automatically crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within fourteen (14) days after the Closing Date.

- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING THE RIGHTS ENTITLEMENTS OR APPLYING FOR EXCESS RIGHTS UNITS AS A NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Unit Registrar, the Sole Lead Manager, Underwriter and Bookrunner and/or the Manager) and any events whatsoever beyond the control of CDP, the Participating Banks, the Unit Registrar, the Sole Lead Manager, Underwriter and Bookrunner and/or the Manager and if, in any such event, CDP, the Participating Banks, the Unit Registrar, the Sole Lead Manager, Underwriter and Bookrunner and/or the Manager do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 28 July 2015 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE MANAGER)**, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Unit Registrar, the Sole Lead Manager, Underwriter and Bookrunner and/or the Manager for any purported acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units, or for any compensation, loss or damage in connection therewith or in relation thereto.
- (10) Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between **7.00 a.m. and 9.30 p.m.**
- (11) Eligible Unitholders and/or Purchasers who wish to accept their Rights Entitlements and/or apply for Excess Rights Units through an Automated Teller Machine of one of the Participating Banks ("**Electronic Applications**") should note that Electronic Applications will not be available from **7.00 a.m. to 9.30 p.m. on Saturday, 18 July 2015** due to system maintenance.
- (12) Electronic Applications shall close at **9.30 p.m. on 28 July 2015** or such other time as the Manager (in consultation with the Sole Lead Manager, Underwriter and Bookrunner) may, in its absolute discretion, deem fit in the interests of IREIT.
- (13) All particulars of the Applicant in the records of the relevant Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify the relevant Participating Bank.
- (14) The Applicant must have sufficient funds in his bank account(s) with the relevant Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.

- (15) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance and/or application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 14 days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance and/or application monies will be refunded on the same terms.
- (16) In consideration of the Manager arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 p.m. on 28 July 2015** or such other time or date as the Manager may (in consultation with the Sole Lead Manager, Underwriter and Bookrunner), in its absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document is lodged with the Authority);
  - (b) his Electronic Application, the acceptance thereof by the Manager and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the non-exclusive jurisdiction of the Singapore courts;
  - (c) none of the Manager, the Sole Lead Manager, Underwriter and Bookrunner, CDP, the Unit Registrar nor the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Manager or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 8 above or to any cause beyond their respective control;
  - (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of his Rights Entitlements and (if applicable) application for Excess Rights Units;
  - (e) in respect of the Rights Entitlements and (if applicable) the Excess Rights Units for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any payment received by or on behalf of the Manager; and
  - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not party to any contracts made pursuant to this Offer Information Statement or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement or the Electronic Application, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (17) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondences will be sent to his address last registered with CDP.

- (18) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Manager will reject any application by any person acting as nominee.
- (19) In the event that the Applicant accepts the Rights Entitlements, by way of the ARE, the ARS, and/or by way of Electronic Application through ATMs of Participating Banks, the Rights Units and/or Excess Rights Units will be allotted in such manner as the Manager and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within fourteen (14) days after the Closing Date by any one or a combination of the following:
- (a) by means of a crossed cheque in Singapore currency sent by ORDINARY POST **AT HIS OWN RISK** to his mailing address as maintained with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and
  - (b) by crediting the Applicant's bank account with the Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank a good discharge to the Manager and CDP of their obligations, if any, thereunder.
- (20) The Applicant hereby acknowledges that, in determining the total number of Rights Entitlements which the Applicant can validly accept, the Manager and CDP are entitled and the Applicant hereby authorises the Manager and CDP to take into consideration:
- (a) the total number of Rights Entitlements which the Applicant has validly accepted, whether by way of an ARE or any other form of application (including an Electronic Application through an ATM) for the Rights Units and/or Excess Rights Units; and/or
  - (b) the total number of Rights Entitlements allotted to the Applicant and standing to the credit of the "Free Balance" of his Securities Account which is available for acceptance; and/or
  - (c) the total number of Rights Units represented by the Rights Entitlements which has been disposed of by the Applicant.

The Applicant hereby acknowledges that CDP's and/or the Manager's determination shall be conclusive and binding on him.

- (21) The Applicant irrevocably requests and authorises CDP to accept instructions from the relevant Participating Bank through whom the Electronic Application is made in respect of the Rights Entitlements accepted by the Applicant and (if applicable) the Excess Rights Units which the Applicant has applied for, and such instructions shall be binding and conclusive on the Applicant.
- (22) With regard to any acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units which does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS and/or any other application form for the Rights Units in relation to the Rights Issue, or which does not comply with the instructions for Electronic Application, or where the "Free Balance" of the Applicant's Securities Account is credited with less than the relevant number of Rights Units subscribed for as at the Closing Date, or in the case of an application by the ARE, the ARS and/or any other application form for the Rights Units in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or

insufficiently drawn remittance, the Manager and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such application and payment or otherwise process all remittances at any time after receipt in such manner as it deems fit.

- (23) The Manager and/or CDP shall be entitled to process each application submitted for the acceptance of Rights Entitlements and (if applicable) application of Excess Rights Units in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application on its own, without regard to any other application and payment that may be submitted by the Applicant. For the avoidance of doubt, insufficient payment for an application submitted for the acceptance of the Rights Entitlements and (if applicable) application for Excess Rights Units may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of Rights Entitlements and (if applicable) application for Excess Rights Units.

*This page has been intentionally left blank.*

**LIST OF PARTICIPATING BANKS**

- DBS Bank Ltd. (including POSB);
- Oversea-Chinese Banking Corporation Limited; and
- United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited.

*This page has been intentionally left blank.*



## VALUATION CERTIFICATE

[www.dtz.com](http://www.dtz.com)



### Property Valuation Summary Report

#### Prepared for

#### **IREIT Global Group Pte. Ltd.**

(in its capacity as manager of IREIT Global)

#### **DBS Trustee Ltd.**

(in its capacity as trustee of IREIT Global)

### **Schreiberhauer Strasse 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 10317 Berlin, Germany**

Valuation date: 1 May 2015

Report date: 29 June 2015

In accordance with your instruction and our letter of engagement, dated 26 January 2015, we have valued the freehold interest in the above properties, as at 1 May 2015.

This is only a summary and has to be read in conjunction with the full Report and Appendices.

The valuation is required for the inclusion in the offer information statement for its proposed Rights Issue.

We confirm that the valuation has been prepared in accordance with the appropriate sections of the Professional Standards ("PS") and Valuation Practice Statements ("VPS") of the RICS Valuation - Professional Standards, January 2014 (the "Red Book") and in accordance with local market practice.

**DTZ Debenham Tie Leung Limited**  
125 Old Broad Street  
London EC2N 1AR

## Valuation Certificate - Berlin

Client	IREIT Global Group Pte. Ltd. (in its capacity as manager of IREIT Global)
Property Address	Schreiberhauer Strasse 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 10317 Berlin, Germany
Purpose of Valuation	For the inclusion in the offer information statement for its proposed Rights Issue.



Location	The Property is located on “Schreiberhauer Strasse” in the district of Lichtenberg, circa six kilometres to the east of the Berlin city centre, in the submarket “Berlin East”.
Date of inspection	29 January 2015
Property type	Office building complex
Year of construction	1994
Building description	<p>The Property comprises a substantial office development, with a total lettable area of 79,097 sq m (851,393 sq ft), which includes 78,186 sq m (841,587 sq ft) of office accommodation and 911 sq m (9,806 sq ft) of retail space across ten shop units on the ground floor.</p> <p>The property has two fully connected building sections: Facing Schreiberhauer Strasse is an eight storey (including the ground floor) development, comprising a concrete frame construction with glazed and powder coated steel and aluminium cladding under a flat roof. The building is arranged to form an irregularly shaped E from above, forming three internal courtyards. The rear development comprises a thirteen storey (including the ground floor) concrete frame construction, with fully glazed elevations under a flat roof. The rear development is arranged in a semi-circle alongside the railway lines and is fully connected to the front section of the development. The building is double-glazed throughout, with painted aluminium framed windows.</p>

Building description	The building further provides for basement storage facilities, 432 underground garage spaces and 64 external car parking spaces.
Building condition	Overall, the Property appears to be in good repair and condition.
Situation and surrounding area	<p>The Property is located in Berlin, within the district of Lichtenberg and the submarket "Berlin East". It has a frontage to Schreiberhauer Strasse to the east, bordering with Am Bremsenwerk and the railway lines to the north-west and south. Surrounding developments include office, residential, local retail, industrial and mixed-use developments.</p> <p>The well-frequented Ostkreuz railway station is situated within a short walking distance (circa one kilometre) from the property and provides regular local and sub-regional train services, including to Berlin's international airports Schönefeld and Tegel. The station is currently being redeveloped and extended to additionally provide regional train services by 2017/2018.</p> <p>Bus and tram services are available from Marktstrasse (at its junction with Schreiberhauer Strasse, circa 500 m distant), running approximately every ten minutes, serving the surrounding area and providing access to further public transportation nodes. The nearest Underground stations are Frankfurter Allee and Magdalenenstrasse, both of which are approximately one kilometre distant. These provide regular services (every three to five minutes during peak times) to east and central Berlin destinations.</p> <p>Overall, property is reasonably well situated, within close proximity to the city centre and good access to the public transportation network.</p>
Planning	The subject property lies within the area of the urban land use plan ("Flächennutzungsplan") and may be developed in accordance with Article 34 of the German Building and Planning Code (BauGB). The site falls within an area zoned for mixed uses (MI/Mischgebiet).
Tenure	Freehold
Legal description	Schreiberhauer Strasse 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22 consists of 3 parcels, registered with the local court of Lichtenberg, land register of Lichtenberg, folio 430N.
Site area	25,018 sq m (269,292 sq ft)
Total lettable area	79,097 sq m (851,393 sq ft)
Car parking	432 underground garage spaces and 64 external car parking spaces.
Tenancies	<p>The Property is let to Deutsche Rentenversicherung Bund, which currently occupies 100% of the office accommodation.</p> <p>The tenant is a federal pension fund providing compulsory pension services under the German social security statutes. It is the largest of the 16 federal pension institutions in Germany and, as a public entity, it operates under public law.</p>

Tenancies

Based on the credit rating agency "CreditSafe" the tenant has a credit score of "1.9" (on a scale of 1.0-6.0), which is considered a "very good covenant". The tenant's international risk rating is "A" (on a scale of A-E), which is considered to be "very low risk".

The property is further let to four local retail tenants, occupying four of ten retail units. Six retail units are currently vacant, reflecting a vacancy rate of below one percent by floor area.

The lease of the principal tenant, Deutsche Rentenversicherung Bund expires in June 2024. There is a break option in favour of the tenant in 2019 and 2022 for floors eight to twelve (14,192 sq m (152,761 sq ft) of office space, including 78 garage spaces and 12 external car parking spaces).

The average weighted unexpired lease term (AWULT) for the principal tenant (weighted by the current rental income, as at the valuation date) is 9.2 years to lease expiry and 8.3 years to breaks.

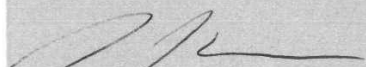
Current Gross Rental Income	€10,788,295 p.a. (as at May 2015 * 12)
Basis of Valuation	Market Value
Valuation approach	Discounted-Cash-Flow (DCF) method
Market Value	€147,400,000 (rounded)
Market Value per sq m	€1,864
Date of valuation	1 May 2015

**Disclaimer**

This valuation certificate is only an excerpt from our full valuation report and has to be read in conjunction with the full Report and Appendices.

Reliance on the valuation and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is only for the use of the party to whom it is addressed and for no other purpose. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this valuation.

If our opinion of value is disclosed to persons other than the addressees of this report, the basis of valuation should be stated. For any other purposes than the above stated purpose of valuation, neither the whole or any part of the valuation report (including this summary) nor any reference thereto may be included in any published document, circular or statement nor published in any way whatsoever whether in hard copy or electronically (including on any web site) without our prior written approval of the form and context in which it may appear.



Steve Watts FRICS  
 Managing Director  
 For and on behalf of  
 DTZ Debenham Tie Leung Limited



Bryn Williams MRICS  
 International Director  
 For and on behalf of  
 DTZ Debenham Tie Leung Limited

*This page has been intentionally left blank.*

*This page has been intentionally left blank.*



