



IREIT GLOBAL 1ST ANNUAL GENERAL MEETING

27 APRIL 2015

AGM Resolutions

- 1) To receive and adopt the Trustee's Report, the Manager's Statement, the Audited Financial Statements of IREIT for the financial period from 1 November 2013 (constitution date) to 31 December 2014 and the Auditors' Report thereon
- 2) To re-appoint Deloitte & Touche LLP as the Independent Auditor of IREIT and authorise the Manager to fix their remuneration
- 3) To authorise the Manager to issue Units and to make or grant convertible instruments

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This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

Agenda

- Performance Highlights
- Portfolio Updates
- Outlook & Strategy



PERFORMANCE HIGHLIGHTS

Performance in Brief

For the period 13 August 2014 – 31 December 2014⁽¹⁾

- ▶ Gross revenue was slightly lower than the forecast due to lower service charge which is in tandem with the lower operating expenses incurred
- ▶ NPI was €7.5 million is in line with the forecast
- ▶ Property operating expense of €0.8 million was lower by 17.3% compared with the forecast of €1.0 million
- ▶ DPU in Singapore dollars of 2.57 cents was marginally higher the forecast

Gross Revenue		
Actual (€ '000)	Forecast (€ '000)	Δ %
8,326	8,478	-1.8

Net Property Income (“NPI”)		
Actual (€ '000)	Forecast (€ '000)	Δ %
7,525	7,511	0.2

Distributable Income		
Actual (€ '000)	Forecast (€ '000)	Δ %
6,417	6,381	0.6

DPU			
	Actual	Forecast	Δ %
€	1.53 cents	1.52 cents	0.7
S\$	2.57 ⁽²⁾ cents	2.55 ⁽²⁾ cents	0.8

Notes:

- 1) IREIT financial results from the Listing Date on 13 August 2014 to 31 December 2014
- 2) IREIT has entered into forward foreign currency exchange contracts to hedge the currency risk for distribution to Unitholders. The actual distribution per unit is computed taking such contracts into consideration.

Healthy Balance Sheet

€ '000	As at 31 December 2014
Investment Properties	290,600
Total Assets	306,514
Borrowings	95,359
Total Liabilities	106,540
Net Assets Attributable to Unitholders	199,974
NAV per Unit (€/unit)	0.48 ⁽¹⁾

Note:

1) The NAV per Unit is computed based on the Units in issue and to be issued as at 31 December 2014 of 420,501,706.

Prudent Capital Structure

As at 31 December 2014

- Five year secured term loan repayable on a bullet basis in FY2019
- Secured on the properties, the assignment of rental proceeds and a fixed charge over the rent and deposit accounts

Aggregate Leverage Ratio ⁽¹⁾	Effective Interest Rate
31.5%	2.1% per annum
Total Debt	Interest Cover Ratio ⁽²⁾
€96.6 million	13x
Debt Maturity	Debt Yield ⁽³⁾
FY2019	20.2%

Note:

- 1) Based on total debt over deposited properties as at 31 December 2014
- 2) Based on net operating income over interest expense for the period from Listing Date to 31 December 2014
- 3) Based on net operating income (annualized) over total debt

Forex Risk Management

- Use of Euro denominated borrowings acts as a natural hedge to match the currency of assets and cashflows at the property level
- Distributable income in EUR will be paid out in SGD and has been hedged as follows:

	%	Average Hedge Rate
Distributable Income 2014	100	~S\$1.68 per EUR
Distributable Income 2015	100	~S\$1.55 per EUR

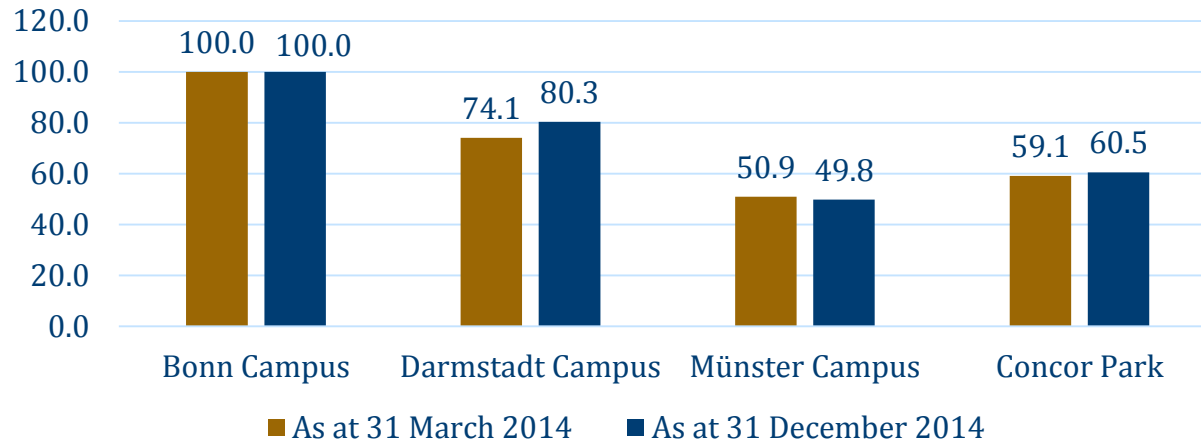
- When and if appropriate, the Manager may enter into hedging transactions in respect of distributions for future periods.

PORTFOLIO UPDATES

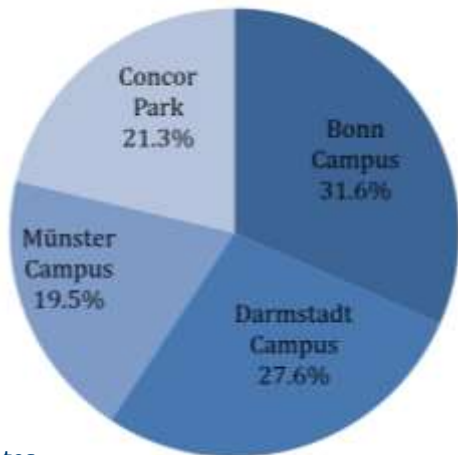
High Quality Freehold Assets

€'million

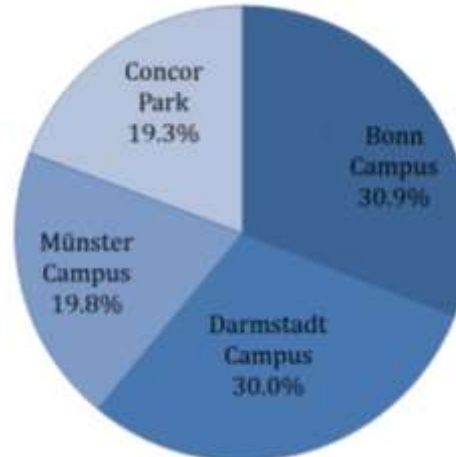
Asset Valuation By Property



Gross Revenue by Property (1)



NPI by Property (1)



Notes:

1) Based on the period from Listing Date to 31 December 2014

2) Based on independent valuations as at 31 December 2014

Total NLA

121,506 sqm

Total GFA

214,877 sqm

Total Properties

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Portfolio Value (2)

€290.6 million

No. of Car Park Spaces

2,945

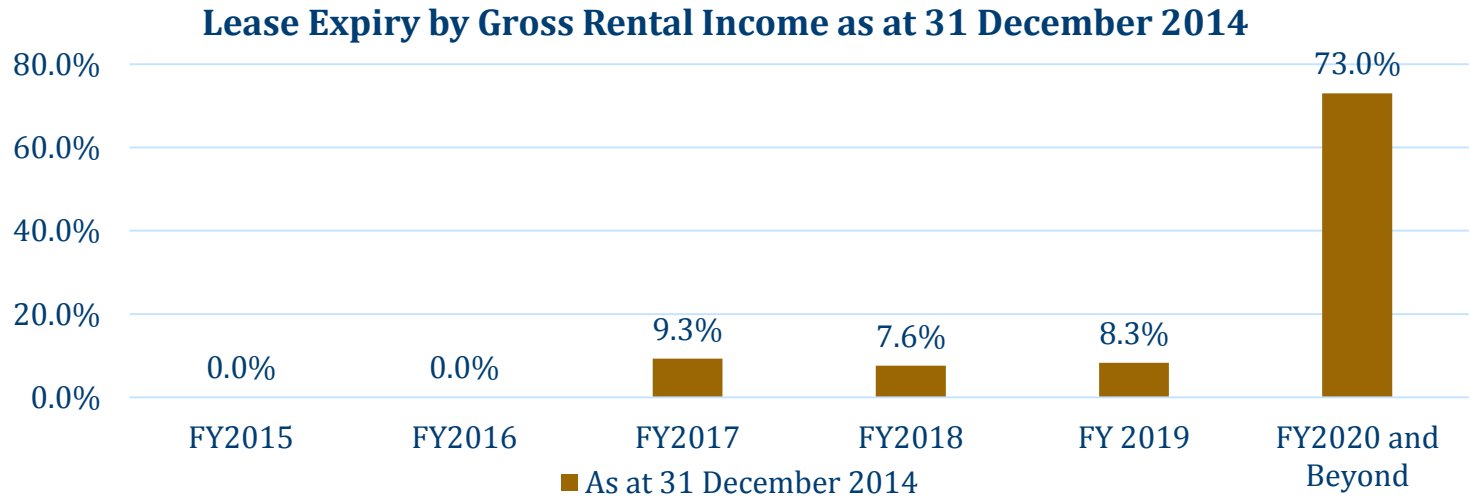
WALE

6.7 years

Number of Tenants

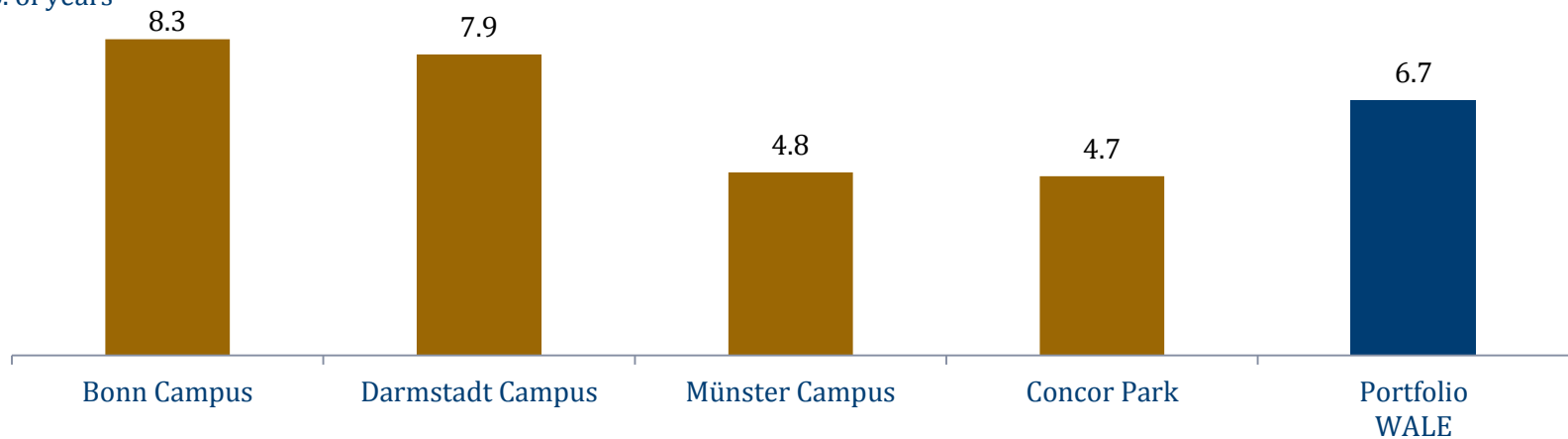
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Stable and Long Leases



Portfolio with WALE of 6.7 years ⁽¹⁾

No. of years



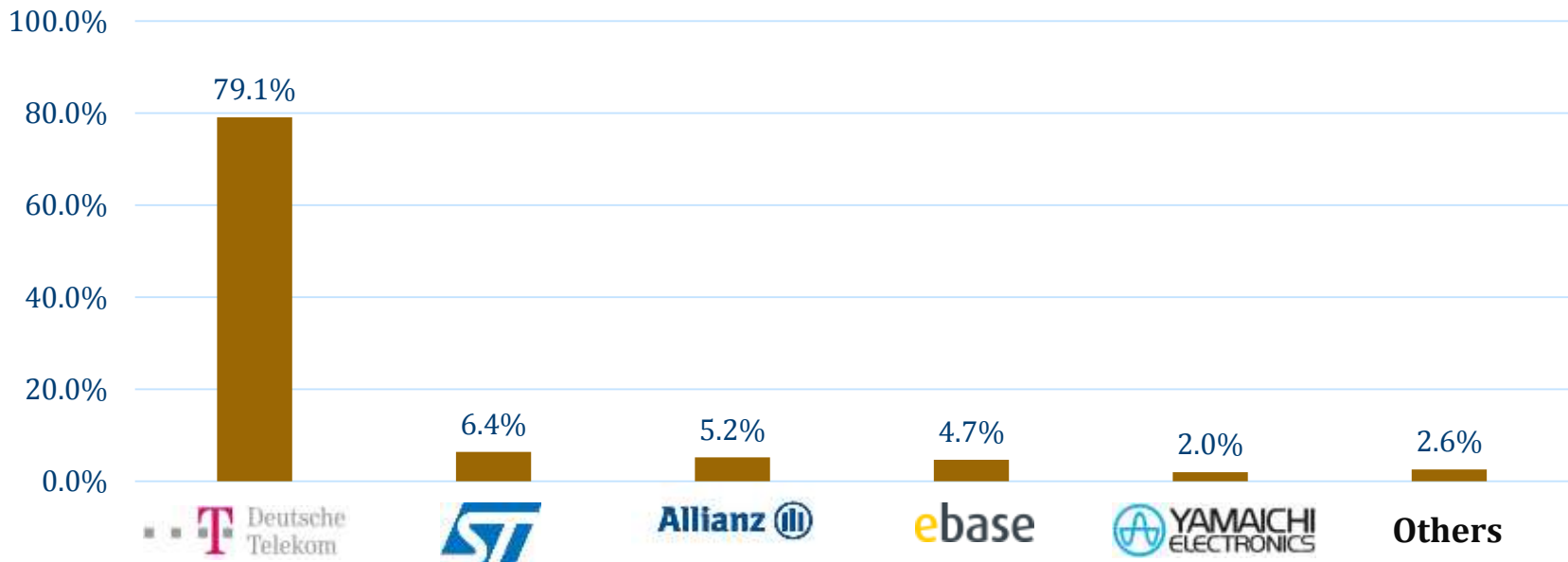
Note:

1) By Gross Rental Income as at 31 December 2014

Strong Tenant Profile

- 100% occupancy rate
- High quality and strong tenant base with key occupiers such as Deutsche Telekom and other global companies

Top 5 Tenants ⁽¹⁾



Note:

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

OUTLOOK & STRATEGY

Outlook for 2015

- The German government lifted its economic growth forecast for 2015 to 1.5% in January 2015, higher compared to an earlier forecast of 1.3% made in October 2014, as growth in consumer spending and wages accelerates.⁽¹⁾
- Although Germany's economy is expected to show positive growth, data released by the Federal Statistical Office of Germany (Destatis) showed that the German consumer price index ("CPI"), which has already remained stagnant over the last quarter of 2014, declined by 1.1% in January 2015 over December 2014. Compared to January 2014, the CPI for January 2015 represented a decline of 0.4% year-on-year⁽²⁾. This is likely to have a negative impact on the forecast rental income of the Bonn Campus for 2015, as the time taken to reach the prescribed CPI-linked hurdle rate for its 10% upward rental adjustment is expected to be extended to after 2015.
- The weakening of the Euro in 2014 continued into 2015. On the back of the quantitative easing ("QE") stimulus of €1.1 trillion launched by the European Central Bank in January 2015⁽³⁾, the Euro declined further against most currencies.
- With the QE stimulus introducing massive liquidity into the market and coupled with the weakened Euro and the low interest rates in Europe, competition for commercial properties in Germany will be intense. On the other hand, such market conditions also provide IREIT with opportunities to proactively pursue yield accretive acquisition deals. The Manager is currently looking at acquisition opportunities that are in line with IREIT Global's 'ABBA' strategy.

Note:

1. Based on Bloomberg's article "Germany Lifts Economic Outlook as Oil, QE Spell Stimulus" dated 28 January 2015
2. Based on data from the website of the Federal Statistical Office of Germany (Destatis) https://www.destatis.de/EN/PressServices/Press/pr/2015/02/PE15_045_611.html
3. Based on Reuters, "ECB launches 1 trillion euro rescue plan to revive euro economy" dated 22 January 2015

Strategy

- Actively pursuing acquisition opportunities in Germany through networking with vendors, banks, private funds, brokers and others
- Proactive asset management and tenant management initiatives to provide value add services to tenants
- Deploying prudent capital management strategies to ensure financial flexibility and further strengthen IREIT's balance sheet

Thank You