



**PRESS RELEASE**  
**14 November 2016**

**IREIT Global Delivers 13% Growth in Distributable Income  
to €6.3 million in 3Q 2016**

**Financial Results Summary**

	Quarter Ended 30 September 2016			9 Months Ended 30 September 2016		
	3Q 2016 Actual	3Q 2015 Actual	Variance (%)	9M 2016 Actual	9M 2015 Actual	Variance (%)
Gross revenue ("€000)	8,543	7,348	16.3	25,815	18,303	41.0
Net property income ("€000)	7,678	6,539	17.4	22,934	16,370	40.1
Distributable income ("€000)	6,344	5,597	13.3	19,163	14,321	33.8
Available distribution per Unit						
- " cents	1.03	0.91	13.2	3.11	2.34	32.9
- S\$ cents <sup>1</sup>	1.57	1.41	11.3	4.75	3.62	31.2

IREIT Global Group Pte. Ltd., as the manager (the "Manager") of IREIT Global ("IREIT"), the first Singapore listed REIT focused on European office properties, is pleased to report a robust set of results for IREIT for the third quarter ended 30 September 2016 ("3Q 2016").

Net property income for 3Q 2016 increased by 17.4% from the corresponding period last year ("3Q 2015"). On the back of the increase in net property income, distributable income came in at "€6.3 million, which was 13.2% higher than that for 3Q 2015. This resulted in an available distribution per unit ("DPU") of 1.57 Singapore cents for the reporting period, an increase of 11.3% year-on-year.

Based on IREIT's closing unit price of S\$0.735 on 30 September 2016, the DPU for 3Q 2016 translates to an attractive annualised yield of approximately 8.5%.

<sup>1</sup> The DPU was computed after taking into consideration the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.

## **Operational and Financial Review**

The performance of IREIT's property portfolio to remain stable, underpinned by its freehold quality assets, long stable leases and diversified blue chip client base.

As at the end of 3Q 2016, IREIT's total portfolio occupancy rate remained at almost 100% and the weighted average lease expiry as at 30 September 2016 was 6.2 years.

The current lease in respect of the Münster South building will expire on 31 March 2017. As previously announced, Deutsche Telekom, through its real estate leasing subsidiary, GMG Generalmietgesellschaft mbH, has exercised its lease extension option, and will continue to occupy 5 of the 6 floors for another 2.5 years upon expiry of the current lease. The Manager is in the process of repositioning the Münster South building as a multi-tenanted property, and is concurrently in discussions with third parties to lease the vacant space.

In order to mitigate foreign exchange risks for more steady returns to Unitholders, the Manager has taken the decision to hedge 100% of IREIT's expected distributable income for 2017 at an average exchange rate of approximately S\$1.55 per Euro. Consequently, IREIT's expected distributable income in respect of the full year 2017 have been fully hedged, similar to the expected distributable income for full year 2016. The Manager will continue to implement hedging strategies where appropriate as part of its proactive currency management strategies.

### **Tikehau Acquisition of the Manager**

On 11 November 2016, Tikehau Capital, a pan-European asset management firm and investment group, completed the acquisition of 80% of the issued shares in the Manager. The group manages over "9 billion for institutional and private investors in various asset classes, including over " 900 million in real estate.

As per the announcement dated 5 October 2016 titled "Entry into Share Purchase Agreement for Sale of 80.0% of the Shares of the Manager of IREIT Global", Tikehau Capital has also indicated its intention to broaden the investment mandate of IREIT to cover all commercial income-producing properties including offices, retail and industrial properties across Europe as soon as reasonably practicable.

Mr. Bruno de Pampelonne, President of Tikehau Investment Management and newly appointed member of the IREIT Global Board of Directors, said, "We are very pleased to have successfully completed the acquisition of the Manager. Tikehau is looking forward to contribute to the growth of IREIT with its pan-European network combined with strong local operational expertise and existing pipeline of real estate transactions in Europe."

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## About IREIT Global

IREIT Global (SGX-UD1U) which was listed on 13 August, 2014, is the first Singapore listed REIT established with the investment strategy of principally investing, directly or indirectly, in a portfolio of income-producing real estate in Europe that is primarily used for office purposes, as well as real estate-related assets.

IREIT Global's portfolio comprises five freehold properties strategically located in the key German cities of Berlin, Bonn, Darmstadt, Münster and Munich with net lettable area of 200,603 sqm and 3,441 car park spaces.

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## Important Notice

This Announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for units in IREIT Global (the "IREIT") and the units in IREIT, the "Units".

The value of the Units and the income derived from them may rise or fall. The Units are not obligations of, deposits in, or guaranteed by, IREIT Global Group Pte. Ltd., as manager of IREIT (the "Manager"), or any of its affiliates. Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that unitholders of IREIT may only deal in their Units through trading on Singapore Exchange Securities Trading Limited (the "SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of IREIT or the Manager is not necessarily indicative of the future performance of IREIT or the Manager. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

This announcement may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition, shifts in expected levels of property rental income, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events.