

## **IREIT maintains stable performance and delivers 2.89 Singapore cents DPU for 1H 2017**

- ◆ Gross revenue and net property income for 2Q 2017 and 1H 2017 marginally higher compared to 2016 year-on-year
- ◆ DPU of S\$2.89 cents for 1H 2017, in line with distribution policy of at least 90% of IREIT's annual distributable income
- ◆ Outlook for European economy and real estate market remain positive
- ◆ Focused on executing growth strategy based on the 4 pillars of seeking diversification, achieving scale, taking a long-term approach and having local presence, in order to enhance long-term income

SINGAPORE ◆ 10 AUGUST 2017

For immediate release

IREIT Global (IREIT), a Europe-focused real estate investment trust managed by IREIT Global Group Pte. Ltd. (the Manager), today reported gross revenue and net property income of €8.8 million and €7.9 million for the quarter ended 30 June 2017 (2Q 2017), which were 4.0% and 2.7% higher year-on-year respectively. For the half year ended 30 June 2017 (1H 2017), gross revenue and net property income came in at €17.6 million and €15.7 million, an increase of 1.7% and 3.1% year-on-year respectively.

The increase in gross revenue and net property income was attributed mainly to the CPI-linked increase of 10% in the rental income for the Bonn Campus which took effect from December 2016, although this was partially offset by the decrease in rental income for the Münster South Building as the tenant vacated one floor with effect from 1 April 2017.

Distribution per unit (DPU) for 2Q 2017 was €0.93 cents (S\$1.45 cents). Together with the DPU for 1Q 2017, Unitholders will receive a DPU for 1H 2017 of S\$2.89 cents, which translates to an attractive annualised distribution yield of approximately 7.6%, based on IREIT's closing unit price of S\$0.760 on 30 June 2017.

As at the end of 1H 2017, IREIT's total portfolio occupancy rate remained at close to 100% and the weighted average lease expiry as at 30 June 2017 was 5.5 years. As at 30 June 2017, IREIT had a portfolio of 5 properties with an aggregate valuation of €455.8 million, which was marginally higher than the valuation as at 31 December 2016.

Mr Aymeric Thibord, the Chief Executive Officer of the Manager, said, "We are pleased to report another set of stable results for this quarter. This is testament to the strength of IREIT's portfolio which is underpinned by its freehold quality assets, long stable leases and diversified blue chip tenant base."

Sustained economic growth, decreasing vacancy rates and attractive yield spreads should continue to support the positive outlook for the European real estate market. The growth of the German economy is expected to be healthy and the real estate sector should continue to be a key target investment market for investors into Europe.

Mr Thibord added, "Building on its strong existing asset portfolio as a foundation, IREIT will seek to enhance long-term income by investing in income-producing quality assets across Europe, in particular in Germany, France and Italy. It is focused on executing a growth strategy based on the 4 pillars of seeking diversification, achieving scale, taking a long-term approach and having local presence. "

#### Financial Results Summary

	Quarter Ended 30 June			Half Year Ended 30 June		
	2Q 2017 Actual	2Q 2016 Actual	Variance (%)	1H 2017 Actual	1H 2016 Actual	Variance (%)
Gross revenue (€'000)	8,816	8,475	4.0	17,574	17,272	1.7
Net property income (€'000)	7,852	7,646	2.7	15,732	15,256	3.1
Income available for distribution (€'000)	6,443	6,407	0.6	12,946	12,819	1.0
Income to be distributed to Unitholders ((€'000) <sup>1</sup>	5,799	6,407	(9.5)	11,651	12,819	(9.1)
Distribution per Unit						
- € cents	0.93	1.04	(10.6)	1.86	2.08	(10.6)
- S\$ cents <sup>2</sup>	1.45	1.60	(9.4)	2.89	3.18	(9.1)

<sup>1</sup> The 2Q 2017 and 1H 2017 distributions are in line with IREIT's distribution policy of distributing at least 90% of its annual distributable income.

<sup>2</sup> The DPU in S\$ cents was computed after taking into consideration the forward foreign currency exchange contracts entered into to hedge the currency risk for distribution to Unitholders.



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#### ABOUT IREIT GLOBAL

[www.ireitglobal.com](http://www.ireitglobal.com) ♦ SGX mainboard listing: August 2014

IREIT Global (SGX-UD1U) which was listed on 13 August 2014, is the first Singapore-listed real estate investment trust 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, retail and industrial (including logistics) purposes, as well as real estate-related assets.

IREIT Global's current portfolio comprises five freehold properties strategically located in the key German cities of Berlin, Bonn, Darmstadt, Münster and Munich with a total net lettable area of 200,673 sqm and 3,441 car park spaces.

IREIT Global is managed by IREIT Global Group Pte. Ltd., a subsidiary of pan-European asset management and investment firm Tikehau Capital.

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#### ABOUT TIKEHAU CAPITAL

[www.tikehaucapital.com](http://www.tikehaucapital.com) ♦ Paris Euronext, compartment A listing: March 2017

Tikehau Capital is an asset management and investment firm which manages approximately €10bn of assets. The group invests in various asset classes (private debt, real-estate, private equity and liquid strategies), including through its asset management subsidiary Tikehau IM, on behalf of institutional and private investors. Controlled by its managers, alongside leading institutional partners, Tikehau Capital employs 170 staff in its Paris, Milan, Brussels, London and Singapore offices.

Tikehau Capital's independent positioning has consolidated its value and reputation within the asset management industry year after year. Its independence has enabled it to develop a business model with a flexible approach to allocate capital across all four business lines, clearly differentiating it from the competition. By deploying its shareholders' equity towards its investment strategies, Tikehau Capital, working alongside leading institutional partners, continues to fortify its culture of aligning its interests with those of its shareholders and investors, thereby establishing a relationship founded on trust.

Tikehau Capital is listed on Euronext Paris, compartment A (ISIN code: FR0013230612; Ticker: TKO.FP)

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#### FOR FURTHER ENQUIRIES

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