Contents

A  Overview of ESR-REIT

B  Portfolio Overview

C  Key Financials

D  Appendix
Overview of ESR-REIT
Overview of ESR-REIT
Listed on the SGX-ST, Backed By Strong Developer Sponsor ESR

- Listed on the SGX-ST since 25 July 2006 (formerly known as Cambridge Industrial Trust)
- Current market cap of c.S$770m
- 48 quality income-producing industrial properties valued at S$1.33 billion across 5 sub-sectors

Diversified portfolio of 48 properties located across Singapore

Total GFA of c.8.2 million sq ft

Property value of S$1.33 billion

Located close to major transportation hubs and key industrial zones

Note:
(1) As at 31 Aug 2017
(2) Portfolio statistics as at 31 Dec 2016, excludes 55 Lubi Ave 3 which was divested on 29 Aug 2017
ESR-REIT’s Key Milestones
12 Years of Development, Chartering Into A New Growth Phase

2006
- Listing of Cambridge Industrial Trust (“CIT”) on the SGX-ST
- Rights issue of S$56.7m for acquisition of 3 properties
- Refinanced S$320m of loan facilities

2007
- Acquisition of majority ownership of CITM by NAB, Oxley Capital and Mitsui
- Private placement of S$70.0m and preferential offering of S$20.4m
- Established S$500m Multi-currency MTN Programme
- Issued S$50m of 4.75% fixed rate notes
- Established S$40m revolving credit facility
- Increased existing S$320m term loan facility with S$100m short term loan facility and S$30m revolving credit facility
- Issued S$30m of 4.10% fixed rate notes due 2020
- Issued S$100m of 3.50% fixed rate notes due 2018
- Won prestigious Solar Pioneer Award at the Asian Clean Energy Summit from EDB Singapore

2008
- Listed on the SGX-ST
- Launched first private placement in the USA under Rule 144A – the first Singapore REIT to raise funds in this manner
- Granted the Capital Markets Services License by MAS
- Private placement of S$28.0m for AEI and working capital purposes
- Completed S$390.1m of loan refinancing
- Granted the Capital Markets Services License by MAS
- Issued S$55m of 3.95% fixed rate notes due 2023
- Entry into S$100m unsecured loan facility
- Published first Sustainability Report, one of the first few companies in Singapore to do so

2009
- Established S$100m of revolving credit facilities
- Granted the Capital Markets Services License by MAS
- Issued S$100m of 3.50% fixed rate notes due 2018
- Won prestigious Solar Pioneer Award at the Asian Clean Energy Summit from EDB Singapore
- Updated S$500m Multicurrency MTN programme to S$750m
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Corporate Actions
Capital Management
Awards and Achievements

2017
- e-Shang Redwood acquires 80% indirect stake in Manager from NAB and Oxley (remaining 20% in Manager held by Mitsui), and c.12% of REIT units, becoming REIT’s second largest unitholder
- Cambridge Industrial Trust changes its name to “ESR-REIT”
ESR: Strong Developer-Sponsor
Leading “Pure Play” Pan-Asian Logistics Real Estate Platform

- Developer, operator and fund manager with c.8.4m sqm (c.90.4m sq ft) of existing and under development projects\(^{(1)}\) across 5 markets with a high quality tenant base
- Substantial external AUM of c.US$9.0bn\(^{(2)}\) and wholly-owned balance sheet assets of c.US$1.0bn
- With operations across China, Japan, Korea, Singapore and India, ESR has emerged as a leading “pure play” Pan-Asian logistics real estate platform
- Focused on developing and managing modern, institutional-quality logistics facilities
- Co-founded by Warburg Pincus and backed by blue-chip institutional investors, including:

**Equity Investors**
- Warburg Pincus
- Goldman Sachs
- CPPIB
- PINGAN

**Fund Level Investors**
- SK
- apg

**Legend**
- Number of investment vehicles

<table>
<thead>
<tr>
<th>Country</th>
<th>Key Achievements</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>One of the top players by logistics facilities area</td>
</tr>
<tr>
<td></td>
<td>A leading landlord of key global e-commerce players</td>
</tr>
<tr>
<td>Korea</td>
<td>One of the largest modern warehouse developers in Korea upon completion of projects under development</td>
</tr>
<tr>
<td>Japan</td>
<td>One of the highest starts by value in 2015 and 2016</td>
</tr>
<tr>
<td></td>
<td>Strong execution and capital market capability to manage sizable developments</td>
</tr>
<tr>
<td>Singapore</td>
<td>Invested in ESR-REIT, an early industrial S-REIT players with &gt;8m sq ft of GFA</td>
</tr>
<tr>
<td></td>
<td>c.12% stake in ESR-REIT; c.80% stake in ESR-REIT Manager and c.100% stake in its Property Manager</td>
</tr>
<tr>
<td>India</td>
<td>To build a leading real estate platform in both size and volume</td>
</tr>
<tr>
<td></td>
<td>Initial focus on Tier-1 city agglomerations</td>
</tr>
</tbody>
</table>

**GFA**
- China 55%
- Japan 25%
- Singapore 10%
- Korea 10%

**External AUM**
- Manages 19 third-party pooled investment vehicles and ESR-REIT
- Funds 52%
- REIT 13%
- Separate Accounts 22%
- Club Deals 13%

Note:
- As of Aug 2017
- \(^{(1)}\) Includes existing projects and projects under development and Chinese wholly-owned assets. Under development projects include land held for future development
- \(^{(2)}\) Aggregate amount of assets under management when fully leveraged and invested, on 100% basis for the assets accounted. Excludes wholly-owned balance sheet assets of c.US$1.0bn
## ESR’s Key Client Network

### Ability to Leverage Off Sponsor’s Network and Expertise

Strategic relationship with leading global e-commerce companies, retailers, logistic service providers/3PLs and manufacturers

<table>
<thead>
<tr>
<th>Landlord of E-Commerce Companies &amp; Retailers</th>
<th>Collaborations with 3PLs / Logistics Operators</th>
<th>Built-to-suit Logistics Solutions Provider &amp; Reliable Landlord</th>
</tr>
</thead>
<tbody>
<tr>
<td> One of the largest landlords of leading e-commerce companies in China</td>
<td></td>
<td></td>
</tr>
<tr>
<td> One of the major warehouse facilities providers for offline retailers</td>
<td></td>
<td></td>
</tr>
<tr>
<td> Examples of key clientele:</td>
<td></td>
<td></td>
</tr>
<tr>
<td><img src="image1" alt="JD.COM" /></td>
<td><img src="image2" alt="GS" /></td>
<td><img src="image3" alt="唯品会" /></td>
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<td><img src="image7" alt="Carrefour" /></td>
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<tr>
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<td><img src="image11" alt=" Cainiao" /></td>
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<tr>
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<td><img src="image25" alt="DACHSER" /></td>
<td><img src="image26" alt="DHL" /></td>
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<tr>
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<td><img src="image28" alt="Kerry EAS" /></td>
<td><img src="image29" alt="DAIMLER" /></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Diversified Customer Source</th>
<th>Broad Offering to Clients</th>
<th>Economies of Scale</th>
</tr>
</thead>
</table>

### Note:
(1) Former clients of Redwood founders
ESR-REIT’s Competitive Strengths
Poised to Take on the Next Stage of Growth

- Close to 70 years of collective experience in local and regional real estate companies and financial institutions
  - In-depth knowledge, proven track record and capabilities in Real Estate market, with focus in industrial property sector
- Members have played key roles in the shaping and management of successful REITs in Singapore

- Leading “pure play” Pan-Asian logistics real estate platform with c.US$9.0bn AUM
- ESR has c.80% stake in the REIT Manager, c.100% stake in Property Manager and a c.12% stake in the REIT
- Demonstrates long-term commitment and alignment of interest
- Co-founded by Warburg Pincus and backed by blue-chip institutional ownership and investors
- Provides ESR-REIT with development expertise and extensive network to strong regional tenant base

- Proactively conducting AEI Initiatives to optimize asset returns
- Established track record of acquiring strategic assets and managing build-to-suit (“BTS”) development projects
- In-house expertise to specifically address the requirements of clients and their projects
- Experienced and flexible team to pro-actively manage projects
- Sponsor ESR has proven track record of developing BTS warehousing and distribution facilities for leading global e-commerce companies

- Stable and secure income stream supported by prudent capital and risk management
  - Staggered debt maturity profile; no refinancing until November 2018
  - c.90% of interest rates fixed
  - 100% of assets unencumbered
- Diversified sources of funding, with alternative pools of capital

- Extensive network of >200 tenants
- Diversified across industries including: Logistics, Wholesale Trade, General Storage, Fabrication and Electronics
- Top 10 tenants account for c.34.1% of rental income
- Long lease terms of 3-15 years provide stability for Unitholders, with in-built escalation
- Only 13% of portfolio represents single tenant leases expiring in next three years
- c.70% tenant retention rate

Note:
(1) Portfolio valued as at 31 Dec 2016, excludes 55 Ubi Ave 3 which was divested on 29 Aug 2017
(2) As at 30 Jun 2017
(3) As at 31 Aug 2017
ESR-REIT’s 3-Pronged Growth Strategy
Targeted Strategy to Grow Into a Sizeable Pan-Asian Industrial REIT

ESR-REIT has adopted a 3-pronged strategy to maximise returns to unitholders, leveraging on Developer-Sponsor’s expertise:

- **Asset enhancements** to unlock value
- **Proactive asset management** to maximise unitholder returns
- Regular review of portfolio and to recycle capital and enhance portfolio quality
- **Leverage on ESR’s capabilities:**
  - Tap into ESR’s client network to enhance REIT’s tenant quality and diversify tenant base
  - **One of the largest landlords** of leading e-commerce companies in China
  - May provide solutions to existing ESR tenants who are keen to expand into this region

- **Evaluation of yield-accretive and value-enhancing opportunities in Singapore and overseas**
  1) Overseas expansion to focus on scalability in markets where ESR has **on-the-ground expertise**
     - Eg. Australia, China, Japan, Korea
  2) **Potential pipeline from Sponsor**
     - c.8.4m sqm of existing and under-development projects across China, Japan and Korea
  3) Increased acquisition opportunities from ESR’s network

- Approval of General Mandate obtained at 2017 AGM provides **financial flexibility** to execute growth plans

- **Potential investment into development projects**
  - ESR-REIT is permitted to take **up to 10%** of its deposited properties
  - May potentially **participate alone or jointly with ESR**
- Provides potential **upside kicker**; downside protected from stable income generating assets
- **Further able to take on more development projects** as ESR-REIT grows in size
- Leverage on ESR’s **proven track record and built-to-suit (“BTS”) development capabilities**
  - Developer of BTS warehousing and distribution facilities for leading global e-commerce companies
ESR-REIT’s Asset Management Strategies
Pro-active Approach Targeted At Maximising Portfolio’s Return

**Active Asset Management**
- Delivering quality properties and customer service
- Diversification of asset and tenant base
- Operational efficiency and cost management that maximises economies of scale
- Focus on tenant retention and effective marketing to achieve healthy occupancy and improve WALE
- Updated knowledge on industry policies and tenant occupancy trends
- Adopting green, practices and initiatives to reduce collective environmental impact

**Asset Enhancement**
- Enhancement of assets’ marketability to stay current in changing market
- Engagement with tenants to facilitate expansion needs
- Pro-active policies and measures to enhance property performance and yields to improve overall returns

**Acquisitions**
- Improve overall quality of portfolio
- Quality assets which are yield-accrative and scalable in Singapore and overseas
- Potential Sponsor pipeline
- Renewed financial flexibility facilities acquisitions
- Sourcing of overseas properties to strengthen portfolio’s diversification and resilience

**Divestments**
- Divestment of non-core assets to optimise unitholder value
- Recycling of capital for acquisition of higher-yielding quality properties

- **Sustainability of income**
- **Long-term stability to REIT**
- **Optimise value of portfolio**
- **Maximum returns to unitholders**
ESR-REIT’s Development Capabilities
Proactive Team Focused on Delivering Customer-Focused Solutions

- Track record in acquiring strategic assets and managing built-to-suit development projects
- Specifically address requirements of our clients and their projects
- Team of experienced professionals who pro-actively manage every aspect of the development to ensure we deliver quality results on time and on budget
- Sponsor ESR is a developer of built-to-suit warehousing and distribution facilities for leading global e-commerce companies

**The ESR-REIT Built-to-Suit Advantage:**
- Customised purpose-built facility to suit end user requirements
- Modern, innovative and sustainable solutions offered at market rents
- Maximising site and leased area efficiency using best-in-class, industry standards in construction technology
- Capital recycling initiatives which support business growth, resources and technology
- Integrated ownership, development and management model with a focus on sustainable development
- Dedicated team of pro-active and experienced in-house professionals with focus on developing long-term customer partnerships
- Extensive client network with presence in key and developing markets
- Consultative design process with streamlined single point-of-contact
<table>
<thead>
<tr>
<th>Name</th>
<th>Experience and Roles</th>
<th>Qualifications</th>
</tr>
</thead>
</table>
| Adrian Chui          | CEO and Executive Director | Over 17 years of experience in real estate developers, REITs, banking and capital markets in Singapore and ASEAN  
Former Managing Director, Head of Real Estate Southeast Asia at Standard Chartered Bank  
Former Director of Real Estate, Lodging and Leisure Group at UBS Investment Bank Singapore  
Former lead property analyst at Morgan Stanley Asia (Singapore) Securities Pte Ltd  
Held management roles with CapitaCommercial Trust Management Limited and was part of the pioneer management team of Ascendas Funds Management (S) Limited  
Bachelor of Business, Nanyang Technological University |
| Shane Hagan          | CFO and COO           | Over 20 years of experience working for real estate companies, across New Zealand, Australia and Singapore  
Former CEO of Soilbuild Business Space REIT; Former CFO of Mapletree Commercial Trust  
Also held a number of management positions at Mapletree Investments, Lippo Mapletree Indonesia Retail Trust and Ascendas Real Estate Investment Trust  
Bachelor’s Degree in Commerce and Administration, Victoria University and Chartered Accountant of the Institute of Chartered Accountants of New Zealand |
| Charlene-Jayne Chang | Head of Capital Markets | Manages the Capital Markets, Treasury and Investor Relations functions of the Manager, including the provision of insights on originating and executing Capital Markets and Treasury strategies  
Former Director of Real Estate Southeast Asia at Standard Chartered Bank; involved in the structuring and listing of REITs, fund raising across equity and debt capital markets and mergers and acquisitions advisory  
Formerly originated and executed corporate finance transactions at The Royal Bank of Scotland in both Hong Kong and Singapore  
Bachelor of Business Administration (Honours) with double majors in Finance and Management, National University of Singapore |
| Nancy Tan            | Head of Real Estate   | Over 20 years of experience in the real estate and asset management industry in Singapore  
Former Fund Manager of MacarthurCook Industrial REIT, also held management positions in a number of established real estate firms, including Far East Organisation and City Developments Limited  
Bachelor of Science (Estate Management), National University of Singapore and Graduate Diploma in Marketing, Marketing Institute of Singapore |
| Loy York Ying        | Head of Compliance    | Over 10 years of experience in regulatory and compliance requirements in the financial services industry  
Former Head of Regulatory Advisory and Policy, Compliance at Maybank Singapore; responsible for the oversight and management of all compliance-related requirements of Singapore branch  
Also managed portfolio and provided financial advisory services to high net-worth individuals with DBS Bank Ltd and UOB Ltd  
Bachelor of Business (Banking), Nanyang Technological University. Holds the Institute of Banking and Finance Advanced, Compliance (Banking) Certification |
Portfolio Overview
Portfolio Overview (2)
Diversified Portfolio Across Asset Class and Tenant Base, with Healthy Occupancy

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Properties (1)</td>
<td>48</td>
</tr>
<tr>
<td>Valuation (S$ billion) (1)</td>
<td>1.33</td>
</tr>
<tr>
<td>GFA (million sq ft) (1)</td>
<td>8.2</td>
</tr>
<tr>
<td>NLA (million sq ft) (1)</td>
<td>7.6</td>
</tr>
<tr>
<td>Weighted Average Lease Expiry (“WALE”) (2)</td>
<td>3.4</td>
</tr>
<tr>
<td>Weighted Average Land Lease Expiry (years)</td>
<td>33.4</td>
</tr>
<tr>
<td>Occupancy (%) (2)</td>
<td>95.4(3)</td>
</tr>
<tr>
<td>Number of Tenants (2)</td>
<td>208</td>
</tr>
<tr>
<td>Security Deposit (months) (2)</td>
<td>8.4</td>
</tr>
</tbody>
</table>

Note:
(1) Portfolio statistics as at 31 Dec 2016, excludes 55 Ubi Ave 3 which was divested on 29 Aug 2017
(2) As at 30 Jun 2017
(3) Excluding 120 Pioneer Road which is currently undergoing AEI, and 55 Ubi Ave 3 which was divested on 29 Aug 2017 and 23 Woodlands Terrace which is held for divestment

### Asset Class (by Rental Income)
No asset class accounts for > 36.3% of rental income

- General Industrial: 36.3%
- Logistics / Warehouse: 13.2%
- Light Industrial: 27.3%
- Hi-Specs Industrial: 21.3%
- Business Park: 1.8%

### STBs vs MTBs (by Rental Income)
Stable mix of single and multi-tenanted portfolio

- Multi-Tenanted: 42.6%
- Single-Tenanted: 57.4%

### Top 10 Tenants Account for c.34.1% of Rental Income

- Venture Corporation Limited: 7.1%
- Nobel Design Holdings Ltd: 5.3%
- CWT Limited: 3.9%
- HG Metal Manufacturing Limited: 3.5%
- Eurosports Auto Pte Ltd: 3.3%
- Tellus Marine Engineering Pte Ltd: 2.4%
- StorHub Kallang Pte. Ltd: 2.3%
- Soon Wing Investments Pte Ltd: 2.2%
- Yenom Pte Ltd: 2.1%
- Beyonics International Pte. Ltd: 2.0%
Proactive Lease Management
Increasingly Balanced Portfolio, with A Strategy of Conversions from Single-Tenanted to Multi-Tenanted

- Renewed and leased approximately 692,509 sq ft of leases in 1H2017
- Tenant retention rate of 66.6% for 1H2017
- Rental reversion of -18.3% for 1H2017
- More balanced portfolio with a move from single-tenanted to multi-tenanted
  - In 2012, 44% of the portfolio represented single tenant leases expiring in the next 3 years
  - Today, only 13% of the portfolio represents single tenant leases expiring in the next 3 years

WALE by Rental Income (2012)

```
Year   Single-Tenanted  Multi-Tenanted
2013   11.0%            4.4%
2014   21.9%            7.3%
2015   10.8%            2.5%
2016   16.5%            1.1%
2017+  22.8%            1.7%
```

WALE by Rental Income (2Q2017)

```
Year   Single-Tenanted  Multi-Tenanted
2017   12.9%            1.9%
2018   9.2%             16.3%
2019   17.4%            1.9%
2020   9.2%             10.6%
2021   0.2%             2.7%
2022+  15.7%            2.7%
```

Proactive Lease Management
Increasingly Balanced Portfolio, with A Strategy of Conversions from Single-Tenanted to Multi-Tenanted
Key Financials
2Q2017 Financial Results

**DPU (Cents)**

0.956

**Gross Revenue**

S$27.7m

**Net Property Income**

S$19.2m

**Total Assets**

S$1.37bn

**NAV Per Unit (Cents)**

63.3

---

**Key P/L Financials**

<table>
<thead>
<tr>
<th></th>
<th>2Q2017 (S$ million)</th>
<th>2Q2016 (S$ million)</th>
<th>YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenue (1)</td>
<td>27.7</td>
<td>28.3</td>
<td>(2.2)</td>
</tr>
<tr>
<td>Net Property Income (2)</td>
<td>19.2</td>
<td>21.2</td>
<td>(9.2)</td>
</tr>
<tr>
<td>Amount Available for Distribution (3)</td>
<td>12.5</td>
<td>14.1</td>
<td>(11.4)</td>
</tr>
<tr>
<td>Distribution Per Unit (“DPU”) (cents)</td>
<td>0.956</td>
<td>1.078</td>
<td>(11.3)</td>
</tr>
</tbody>
</table>

Note:
(1) Includes straight line rent adjustment of S$0.2 million (2Q2016: S$0.4 million)
(2) Lower net property income mainly due to the lease conversion effect of properties to multi-tenancy after master lease expiries, property divestments since 2Q2016 and higher maintenance costs on existing property portfolio
(3) 100% of management fees paid in cash and no capital distribution

**Key Balance Sheet Financials**

<table>
<thead>
<tr>
<th></th>
<th>As at 30 Jun 2017 (S$ million)</th>
<th>As at 31 Dec 2016 (S$ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Properties</td>
<td>1,358.5</td>
<td>1,354.0</td>
</tr>
<tr>
<td>Other Assets</td>
<td>11.3</td>
<td>13.0</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>1,369.8</td>
<td>1,367.0</td>
</tr>
<tr>
<td>Total Borrowings (net of loan transaction costs)</td>
<td>517.1</td>
<td>509.6</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>27.5</td>
<td>30.4</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>544.6</td>
<td>540.0</td>
</tr>
<tr>
<td>Net Assets Attributable to Unitholders</td>
<td>825.2</td>
<td>827.0</td>
</tr>
<tr>
<td>No. of Units Issued (million)</td>
<td>1,304.4</td>
<td>1,304.4</td>
</tr>
<tr>
<td><strong>NAV Per Unit (cents)</strong></td>
<td>63.3</td>
<td>63.4</td>
</tr>
</tbody>
</table>
Prudent Capital and Risk Management

100% Unencumbered Assets, with 89.5% of Interest Rates Fixed for the Next 2.4 Years

Target Leverage of 30 - 40%, with majority fixed interest rate exposure and an aim to diversify sources of funding

<table>
<thead>
<tr>
<th>Metric</th>
<th>As at 30 Jun 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Gross Debt (S$ million)</td>
<td>519.5</td>
</tr>
<tr>
<td>Gearing Ratio (%)</td>
<td>37.9</td>
</tr>
<tr>
<td>All-in Cost (%) p.a.</td>
<td>3.67</td>
</tr>
<tr>
<td>Weighted Average Debt Expiry (years)</td>
<td>2.6</td>
</tr>
<tr>
<td>Interest Coverage Ratio (times)</td>
<td>3.6</td>
</tr>
<tr>
<td>Interest Rate Exposure Fixed (%)</td>
<td>89.5</td>
</tr>
<tr>
<td>Proportion of Unencumbered Investment Properties (%)</td>
<td>100</td>
</tr>
<tr>
<td>Available Committed Facilities (S$ million)</td>
<td>95.5</td>
</tr>
</tbody>
</table>

Debt Maturity Profile

No refinancing till Nov 2018

Debt Composition – Fixed vs Floating

89.5% of interest rates fixed for the next 2.4 years

- Floating Rate Loan, 10.5%
- Fixed Rate Loan, 89.5%

Debt Composition – Secured vs Unsecured

100% unsecured debt

Unsecured Debt, 100%
ESR-REIT Corporate Structure

ESR is the REIT’s second largest unitholder; has c.80% stake in the REIT Manager, c.100% stake in Property Manager and a c.12% stake in the REIT
Diversified Tenant Base and Trade Sectors
No individual trade sector accounts for more than 13.4% of ESR-REIT’s rental income

Breakdown by Trade Sectors (by Rental Income)
(2Q2017)

- Transportation and Storage, 28.7%
- Manufacturing, 25.4%
- Wholesale, Retail Trade Services and Others, 24.2%
- Professional, Scientific and Technical Activities, 11.1%
- Logistics, 11.6%
- General storage, 12.4%
- Specialised storage, 4.7%
- Fabricated Metal Products, 10.1%
- Computer, Electronic and Optical Products (Manufacturing), 4.8%
- Machinery and Equipment (Manufacturing), 4.8%
- Paper and Paper Products, 3.6%
- Pharmaceutical, 1.7%
- Rubber and Plastic Products, 1.5%
- Non-manufacturing, 13.4%
- Professional Computer, Electronic and Optical Products, 5.9%
- Architectural and Engineering Activities and Related Technical Consultancy, 3.8%
- Construction, Civil & Engineering Services, 3.5%
- Other Services, 3.9%
- M&E Services and Gas Supply, 1.4%
- Others, 1.4%
- Education, 1.5%
- Car Distribution, 3.7%
- Wholesale of Industrial, Construction and IT Related Machinery and Equipment, 4.2%
- Wholesale of Household Goods, Textiles, Furniture & Furnishing and Others, 13.4%
## ESR-REIT Portfolio Details

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Location</th>
<th>Valuation (S$m)</th>
<th>Leasehold expiry</th>
<th>NLA (sqm)</th>
<th>Lease type</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>16 International Business Park</strong></td>
<td></td>
<td>$31.0m</td>
<td>31 July 2056 (39 years)</td>
<td>69,258</td>
<td>Master lease (M+W Singapore)</td>
</tr>
<tr>
<td><strong>28 Woodlands Loop</strong></td>
<td></td>
<td>$18.3m</td>
<td>15 October 2055 (39 years)</td>
<td>131,859</td>
<td>Master lease (Sanwa Plastic Industry)</td>
</tr>
<tr>
<td><strong>22 Chin Bee Drive</strong></td>
<td></td>
<td>$15.1m</td>
<td>15 September 2035 (19 years)</td>
<td>120,653</td>
<td>Master lease (Deluge Fire Protection (S.E.A))</td>
</tr>
<tr>
<td><strong>9 Tuas View Crescent</strong></td>
<td></td>
<td>$9.5m</td>
<td>15 July 2058 (42 years)</td>
<td>71,581</td>
<td>Master lease (CMR (Far East))</td>
</tr>
<tr>
<td><strong>28 Senoko Drive</strong></td>
<td></td>
<td>$9.5m</td>
<td>15 August 2042 (26 years)</td>
<td>33,088</td>
<td>Master lease (Donald Mccarthy Trading)</td>
</tr>
<tr>
<td><strong>31 Changi South Ave 2</strong></td>
<td></td>
<td>$8.8m</td>
<td>31 August 2055 (36 years)</td>
<td>59,697</td>
<td>Master lease (Presscrete Eng)</td>
</tr>
<tr>
<td><strong>23 Woodlands Terrace</strong></td>
<td></td>
<td>$13.2m</td>
<td>31 August 2055 (39 years)</td>
<td>63,530</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td><strong>21B Senoko Loop</strong></td>
<td></td>
<td>$12.6m</td>
<td>31 January 2053 (36 years)</td>
<td>195,823</td>
<td>Master lease (Tellus Marine Engineering)</td>
</tr>
<tr>
<td><strong>511/513 Yishun Industrial Park A</strong></td>
<td></td>
<td>$11.2m</td>
<td>15 December 2039 (23 years)</td>
<td>194,635</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td><strong>60 Tuas South Street 1</strong></td>
<td></td>
<td>$5.7m</td>
<td>15 January 2053 (40 years)</td>
<td>99,224</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td><strong>5/7 Gul street 1</strong></td>
<td></td>
<td>$17.2m</td>
<td>15 March 2035 (18 years)</td>
<td>98,864</td>
<td>Master lease (Precise Industries)</td>
</tr>
<tr>
<td><strong>2 Tuas South Ave 2</strong></td>
<td></td>
<td>$36.0m</td>
<td>31 January 2053 (42 years)</td>
<td>217,351</td>
<td>Master lease (Soon Wing Investments)</td>
</tr>
<tr>
<td><strong>25 Pioneer Crescent</strong></td>
<td></td>
<td>$14.5m</td>
<td>31 January 2053 (36 years)</td>
<td>159,338</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td><strong>45 Changi South Ave 2</strong></td>
<td></td>
<td>$31.5m</td>
<td>31 January 2053 (36 years)</td>
<td>195,823</td>
<td>Master lease (Tellus Marine Engineering)</td>
</tr>
<tr>
<td><strong>58 Tuas South Street 2</strong></td>
<td></td>
<td>$15.1m</td>
<td>15 September 2035 (19 years)</td>
<td>120,653</td>
<td>Master lease (Deluge Fire Protection (S.E.A))</td>
</tr>
</tbody>
</table>

**Notes:**

(1) Portfolio statistics as at 31 Dec 2016

(2) Proposed divestment announced on the 14 Jun 2017

Source: Company filings
## ESR-REIT Portfolio Details (cont’d)

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Valuation (S$m)(1)</th>
<th>Leasehold expiry</th>
<th>NLA (sqm)</th>
<th>Lease type</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Industrial</td>
<td>S$38.0m</td>
<td>30 November 2049</td>
<td>171,747</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$19.5m</td>
<td>29 September 2040</td>
<td>86,075</td>
<td>Master lease (Unicable)</td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$23.5m</td>
<td>28 February 2061 / 22 November 2065 (44/49 years)</td>
<td>125,870</td>
<td>Master lease (ETLA)</td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$39.8m</td>
<td>31 May 2039</td>
<td>139,525</td>
<td></td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$11.7m</td>
<td>15 October 2055</td>
<td>96,625</td>
<td>Master lease (NTS Components Singapore)</td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$39.5m</td>
<td>24 March 2035</td>
<td>245,172</td>
<td>Master lease (HG Metal Manufacturing)</td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$23.5m</td>
<td>31 January 2038</td>
<td>122,836</td>
<td>Master lease (Q’son Precision Engineering)</td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$11.3m</td>
<td>24 March 2035</td>
<td>124,172</td>
<td>Master lease (HG Metal Manufacturing)</td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$11.3m</td>
<td>24 March 2035</td>
<td>124,172</td>
<td>Master lease (HG Metal Manufacturing)</td>
</tr>
<tr>
<td>General Industrial</td>
<td>S$37.0m</td>
<td>30 April 2059</td>
<td>315,522</td>
<td>Master lease (Strides Pharma Global)</td>
</tr>
</tbody>
</table>

Source: Company filings
Notes:
(1) Portfolio statistics as at 31 Dec 2016
# ESR-REIT Portfolio Details (cont’d)

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Valuation ($S$m)(1)</th>
<th>Leasehold expiry</th>
<th>NLA (sqm)</th>
<th>Lease type</th>
</tr>
</thead>
<tbody>
<tr>
<td>130 Joo Seng Road</td>
<td>Light Industrial</td>
<td>$16.1m</td>
<td>89,626</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>136 Joo Seng Road</td>
<td>Light Industrial</td>
<td>$13.4m</td>
<td>78,189</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>11 Serangoon North Ave 5</td>
<td>Light Industrial</td>
<td>$19.7m</td>
<td>112,601</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>87 Defu Lane 10(3)</td>
<td>Light Industrial</td>
<td>$17.4m</td>
<td>91,213</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>12 Ang Mo Kio Street 65</td>
<td>Hi-Specs Industrial</td>
<td>$38.9m</td>
<td>168,124</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>24 Jurong Port Road</td>
<td>Logistics &amp; Warehouse</td>
<td>$12.1m</td>
<td>114,111</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>1 3rd Lok Yang Rd &amp; 4 4th Lok Yang Rd</td>
<td>Logistics &amp; Warehouse</td>
<td>$12.7m</td>
<td>73,778</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>3 Pioneer Sector 3</td>
<td>Logistics &amp; Warehouse</td>
<td>$106.8m</td>
<td>644,991</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>31 Tuas Ave 11</td>
<td>Logistics &amp; Warehouse</td>
<td>$119.0m</td>
<td>75,579</td>
<td>Multi-Tenanted</td>
</tr>
<tr>
<td>24 Jurong Port Rd</td>
<td>Logistics &amp; Warehouse</td>
<td>$32.0m</td>
<td>167,317</td>
<td>Multi-Tenanted</td>
</tr>
</tbody>
</table>

Source: Company filings
Notes:
(1) Portfolio statistics as at 31 Dec 2016
(2) Proposed divestment announced on the 06 Jul 2017

Notes:
(1) Portfolio statistics as at 31 Dec 2016
(2) Proposed divestment announced on the 06 Jul 2017
### ESR-REIT Portfolio Details (cont’d)

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Logistics &amp; Warehouse</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Valuation (S$m)</strong></td>
<td><strong>$28.2m</strong></td>
</tr>
<tr>
<td><strong>Leasehold expiry</strong></td>
<td>15 February 2033 (16 years)</td>
</tr>
<tr>
<td><strong>NLA (sqm)</strong></td>
<td>322,604</td>
</tr>
<tr>
<td><strong>Lease type</strong></td>
<td>Master lease (StorHub Kallang)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Logistics &amp; Warehouse</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Valuation (S$m)</strong></td>
<td><strong>$51.3m</strong></td>
</tr>
<tr>
<td><strong>Leasehold expiry</strong></td>
<td>30 September 2053 (37 years)</td>
</tr>
<tr>
<td><strong>NLA (sqm)</strong></td>
<td>255,560</td>
</tr>
<tr>
<td><strong>Lease type</strong></td>
<td>Multi-Tenanted</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset type</th>
<th>Logistics &amp; Warehouse</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Valuation (S$m)</strong></td>
<td><strong>$23.6m</strong></td>
</tr>
<tr>
<td><strong>Leasehold expiry</strong></td>
<td>31 January 2053 (36 years)</td>
</tr>
<tr>
<td><strong>NLA (sqm)</strong></td>
<td>132,447</td>
</tr>
<tr>
<td><strong>Lease type</strong></td>
<td>Multi-Tenanted</td>
</tr>
</tbody>
</table>

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</tr>
<tr>
<td><strong>Lease type</strong></td>
<td>Multi-Tenanted</td>
</tr>
</tbody>
</table>

*Source: Company filings*

*Notes:*

(1) Portfolio statistics as at 31 Dec 2016
Industrial Property Market Overview

- Overall industrial property market remains soft despite the improved manufacturing sector
  - Due to global trade uncertainties, rising operating costs and increased supply coming on-stream
- Since its peak in 2014, the Rental Index and Price Index of industrial property has fallen 12% and 14% respectively

Source: JTC 1Q 2017 Industrial Property Statistics
Industrial Property Market Overview (cont’d)

- Decline in rental and capital values coincide with the oversupply of industrial space
- After three years of decline in Rental Index, the supply forecast is expected to fall off after 2017 and amidst improving macroeconomic indicators
- Colliers and CBRE have reported increased leasing enquiries in 1Q2017 although much of this focus is on high-specs buildings
- Occupancy of buildings with better specifications have also begun to improve
- Supported by high-specs buildings, Colliers projects the overall industrial rents to recover marginally towards end 2017
- Based on past experience, the time lag between economic activity and its impact on industrial space rental is c.9 – 12 months
Potential to capitalise on the upside after Rental Index decline in recent years due to oversupply and on the back of improving macroeconomic indicators

**Industrial Market**

- JTC 1Q2017 Industrial Property Statistics showed that occupancy rates of multiple-user factories declined 0.3% points Q-o-Q (0.3% points Y-o-Y) to 87%
- Amid falling demand, rental rates continued to fall with the rental indices of multiple-user factory space declining 1.1% Q-o-Q (5.2% Y-o-Y)
- However, it is encouraging to note that new supply forecast is expected to fall off after 2017 amidst improving macroeconomic indicators

- Portfolio occupancy maintained at 95.4%(1), above JTC industrial average
- The Manager remains focused on managing our assets and lease expiries proactively, while divesting non-core assets
- Ability to leverage onto ESR’s clientele and capabilities
- Prudent capital management with 89.5% of the portfolio’s interest rates fixed, and a 100% unencumbered portfolio

**Note:**

(1) Excluding 120 Pioneer Road which is currently undergoing AEI, and 55 Ubi Ave 3 which was divested on 29 Aug 2017 and 23 Woodlands Terrace which is held for divestment
Important Notice

This material shall be read in conjunction with ESR-REIT’s results announcements for the financial period ended 30 June 2017.

Important Notice

The value of units in ESR-REIT (“Units”) and the income derived from them may fall as well as rise. Units are not investments or deposits in, or liabilities or obligations, of ESR Funds Management (S) Limited (“Manager”), RBC Investor Services Trust Singapore Limited (in its capacity as trustee of ESR-REIT) (“Trustee”), or any of their respective related corporations and affiliates (individually and collectively “Affiliates”). An investment in Units is subject to equity investment risk, including the possible delays in repayment and loss of income or the principal amount invested. Neither ESR-REIT, the Manager, the Trustee nor any of the Affiliates guarantees the repayment of any principal amount invested, the performance of ESR-REIT, any particular rate of return from investing in ESR-REIT, or any taxation consequences of an investment in ESR-REIT. Any indication of ESR-REIT performance returns is historical and cannot be relied on as an indicator of future performance.

Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that investors 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.

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 from similar developments, shifts in expected levels of occupancy or property rental income, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in amounts and on terms necessary to support future ESR-REIT business. 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.

This announcement is for informational purposes only and does not have regard to your specific investment objectives, financial situation or your particular needs. Any information contained in this announcement is not to be construed as investment or financial advice, and does not constitute an offer or an invitation to invest in ESR-REIT or any investment or product of or to subscribe to any services offered by the Manager, the Trustee or any of the Affiliates.