



# CROMWELL EUROPEAN REIT

EXTRAORDINARY GENERAL MEETING  
PRESENTATION

15 NOVEMBER 2018



**CROMWELL**  
EUROPEAN REIT

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SECTION 1

# Overview

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# Existing Portfolio



Haagse Poort  
The Hague, The Netherlands



De Ruijterkade  
Amsterdam, The Netherlands



Hørskættens 5  
Copenhagen, Denmark



Bischofsheim (An der Steinlach)  
Frankfurt, Germany



Parc Des Grésillons  
Paris, France



Naverland 7-11  
Copenhagen, Denmark



Milano Piazza Affari  
Lombardy, Italy



Naverland 8  
Copenhagen, Denmark



Parc Delizy  
Paris, France



Central Plaza  
Rotterdam, The Netherlands



Koningskade  
The Hague, The Netherlands



Bischofsheim (An der Kreuzlache)  
Frankfurt, Germany



Roma Amba Aradam  
Lazio, Italy



Hamburg (Moorfleeter Strasse)  
Hamburg, Germany



Parc Des Docks  
Paris, France



Veemarkt  
Amsterdam, The Netherlands



Herstedvang 2-4  
Copenhagen, Denmark



Parc Acticlub  
Paris, France

# New Properties (subject to unitholders' approval)



Moeder Teresalaan 100-200  
Utrecht, The Netherlands



Willemsplein 2-4  
's-Hertogenbosch, The Netherlands



Riverside  
Warsaw, Poland



Grojecka 5  
Warsaw, Poland



Arkonska Business Park  
Gdansk, Poland



Plaza Vivace  
Helsinki, Finland



Liiketalo Myyrinraitti  
Helsinki, Finland



Plaza Forte  
Helsinki, Finland



Pakkalan Kartanonkoski 3  
Helsinki, Finland



Opus 1  
Helsinki, Finland



Pakkalan Kartanonkoski 12  
Helsinki, Finland



Grandinkulma  
Helsinki, Finland



Plaza Allegro  
Helsinki, Finland



Purotie 1  
Helsinki, Finland



Mäkitorpantie 3  
Helsinki, Finland



Kuopion Kauppakeskus  
Kuopio, Finland

# Italian and French Properties (not subject to unitholders' approval)



46-48 boulevard Dequevauvilliers  
Gennevilliers, France



105 route d'Orléans  
Sully-sur-Loire, France



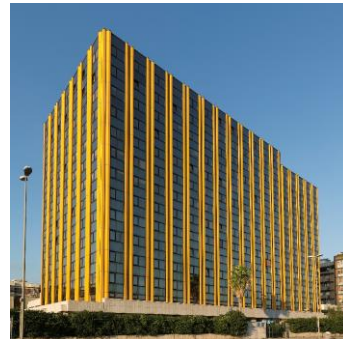
ZI du Papillon  
Parcay-Meslay, France



Rue Charles Nicolle  
Villeneuve-lès-Béziers, France



54 avenue de Savigny  
Aulnay-sous-Bois, France



Corso Lungomare Trieste N. 29  
Bari, Italy



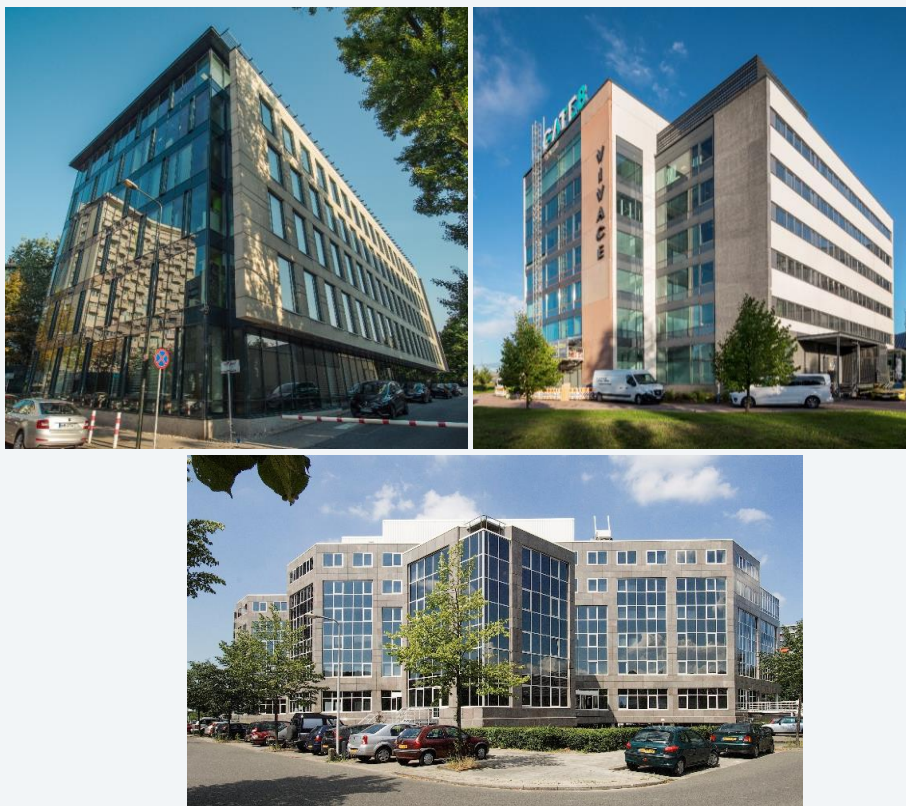
Via Camillo Finocchiaro Aprile N.1  
Genova, Italy



# Overview

Acquisition of 3 portfolios of 23 properties to be funded by Rights Issue and Debt Financing

## 1. New Properties



**16** Predominantly Office

Properties

**€315.9 million**

Valuation<sup>(1)</sup>

**6.2%**

Net Initial Yield<sup>(2)</sup>

**7.4%**

Reversionary Yield<sup>(3)</sup>

**100% Freehold**

or freehold-equivalent

**4.7 years**

WALE

**84.5%**

Occupancy Rate

Notes:

(1) Based on the average of the two independent valuations of each New Properties conducted by Cushman & Wakefield Debenham Tie Leung Limited and Colliers International Valuers UK UP ("the **Independent Valuers**") as at 27 September 2018

(2) Net Initial Yield means the average of the Independent Valuers' annualised current passing rental income net of non-recoverable property expenses, divided by the Property Purchase Price

(3) Reversionary Yield means the average of the Independent Valuers' estimated market rental income per annum net of non-recoverable property expenses, divided by the Property Purchase Price



# Overview

## Acquisition of 3 portfolios of 23 properties to be funded by Rights Issue and Debt Financing

### 2. Italian Properties



**2 Office**  
Properties

**€37.5 million**  
Purchase Price

**7.4%**  
Net Initial Yield<sup>(1)</sup>



### 3. French Properties



**4 Logistics**  
Properties

**1 DIY**  
Home Improvement Centre

**€34.4 million**  
Purchase Price

**8.5%**  
Net Initial Yield<sup>(1)</sup>



Notes:

(1) Net Initial Yield means the annualised current passing rental income net of non-recoverable property expenses, based on the average estimates from the two independent valuers, divided by the aggregate purchase price



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SECTION 2

# Proposed Acquisition of New Properties

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# Rationale for the Proposed Acquisition

- 1 Consistent with the Manager's Investment Strategy
- 2 Opportunity to Invest in Attractive European Office Markets of the Netherlands, Finland and Poland
- 3 High Quality Portfolio Comprising Well-located and Predominantly Freehold Properties
- 4 Portfolio Positioned for Long-Term Sustainable Growth
- 5 Increased Resilience from Size and Diversification of CEREIF's Enlarged Portfolio
- 6 Acquisition of New Properties at Attractive Yields
- 7 Leveraging the Sponsor's Integrated European Asset Management Platform



# 1. Consistent with the Manager's Investment Strategy

## Proposed Acquisition is well aligned with investment strategy and key objectives

Good quality freehold and perpetual leasehold office assets

Enhanced geographical diversification

Enhanced tenant diversification

84.5%<sup>(1)</sup> occupied by quality tenants with a WALE of 4.7 years

Majority of leases have consumer price index-linked indexation

Rental upside as Reversionary Yield<sup>(2)</sup> (based on market rental income) is significantly higher than Net Initial Yield<sup>(3)</sup>

Exposure to attractive office markets, Finland and Poland, two of Europe's fastest growing economies

### Objectives

- Delivering regular and stable distributions
- Long-term DPU growth
- Long-term NAV growth
- Maintaining an appropriate capital structure

Notes:

(1) Occupancy rate as at 31 August 2018; For Arkonska Business Park in Gdansk, Poland, while the occupancy rate as at 31 August 2018 is only 46.7%, the committed occupancy rate is 69.1%. With respect to Willemsplein 2, the occupancy rate is as at 1 September 2018

(2) Reversionary Yield means the average of the Independent Valuers' estimated market rental income per annum net of non-recoverable property expenses, divided by the Property Purchase Price

(3) Net Initial Yield means the average of the Independent Valuers' annualised current passing rental income net of non-recoverable property expenses, divided by the Property Purchase Price

## 2. Opportunity to Invest in Attractive European Office Markets of the Netherlands, Finland and Poland

The acquisition will position CEREIF to benefit from attractive economic and office sector dynamics

### The Netherlands



### Finland



### Poland



### Outperformed Eurozone economic growth

- The Netherlands, Finland and Poland have all achieved economic growth rates that have outpaced the Eurozone average in 2017
- Expected to continue in 2018 as well, providing tailwinds for the office sector

### Higher demand and limited office supply

- Increasing demand for quality, well-located assets
- Upward pressure on rents

# 3. High Quality Portfolio Comprising Well-Located and Predominantly Freehold Properties

## Strategically Located with Excellent Connectivity

### Dynamic Cities with Very Good Accessibility to Major Transport Infrastructure



- Helsinki Airport, the largest airport in Finland
- Chopin Airport in Poland
- Gdansk Lech Walesa Airport in Poland



- Utrecht Central Station, the busiest train station in the Netherlands
- 's-Hertogenbosch Central Station in the Netherlands
- Urban city centre train stations in Finland
- Central Railway Station in Poland

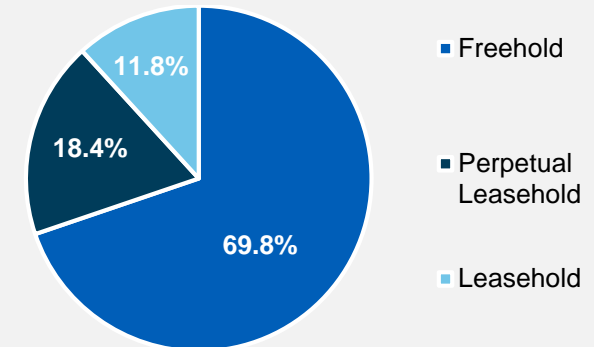


- A2 highway in the Netherlands
- Ring Road III, the most important road network in the Helsinki Metropolitan Area in Finland
- Amber Highway in Poland
- Trasa Łazienkowska freeway in Poland
- Wisłostrada freeway in Poland

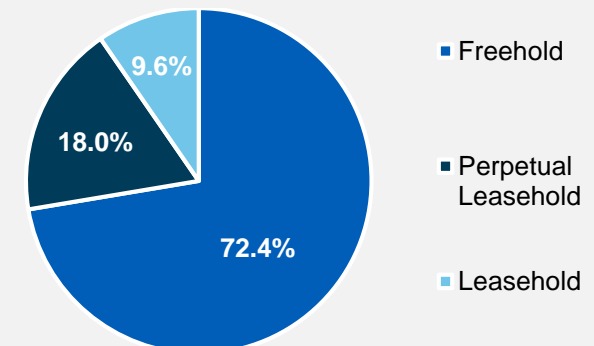
## All on Freehold or Freehold-Equivalent Land

### Increases Proportion of Freehold and Perpetual Leasehold Assets in CERIT's Portfolio

Before the Proposed Acquisition <sup>(1)</sup>



After the completion of the Proposed Acquisition <sup>(1) (2)</sup>



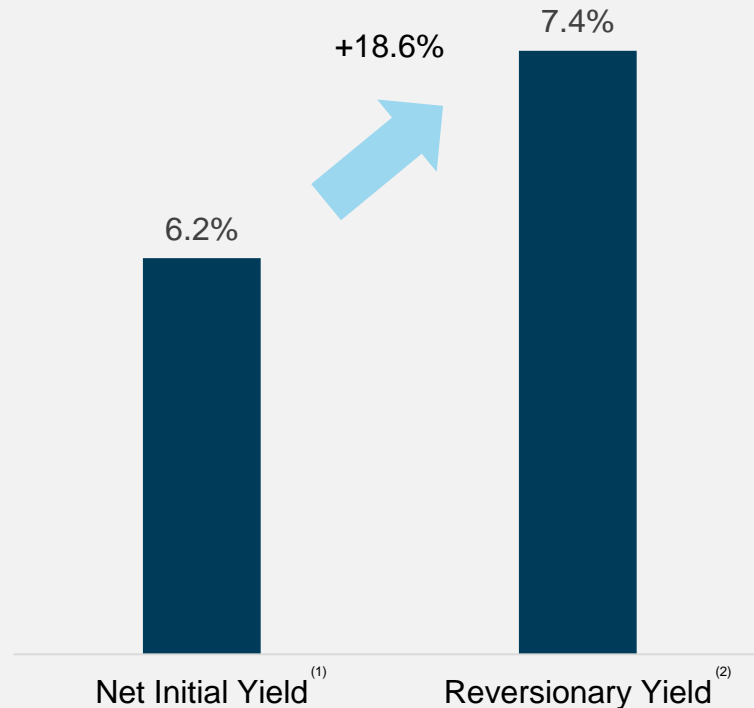
Notes:

(1) By percentage of the sum of Based on the valuation of the Existing Portfolio (except Ivrea) as of 31 March 2018 and the valuation of Ivrea on 1 April 2018

(2) By percentage of the Enlarged Portfolio for the New on the average of the two independent valuations of each New Property conducted by the Independent Valuers as at 27 September 2018

# 4. Portfolio Positioned for Long-Term Sustainable Growth

## Potential upside from rental reversions



## Growth upside from vacancy reduction

- Occupancy rate of 84.5% provides headroom for growth from vacancy reduction given strong demand for space

## Steady and relatively predictable rental growth

- Majority of leases have rental increases indexed to Consumer Price Indices

## Acquired at discount to independent valuations

- Property Purchase Price is at ~1.1% discount to average of the two independent valuations

Notes:

(1) Net Initial Yield means the average of the Independent Valuers' annualised current passing rental income net of non-recoverable property expenses, divided by the Property Purchase Price

(2) Reversionary Yield means the average of the Independent Valuers' estimated market rental income per annum net of non-recoverable property expenses, divided by the Property Purchase Price

# 5. Increased Resilience from Size and Diversification of CEREIF's Enlarged Portfolio

## Enhanced Geographical Diversity

- Footprint expands from five countries to seven countries

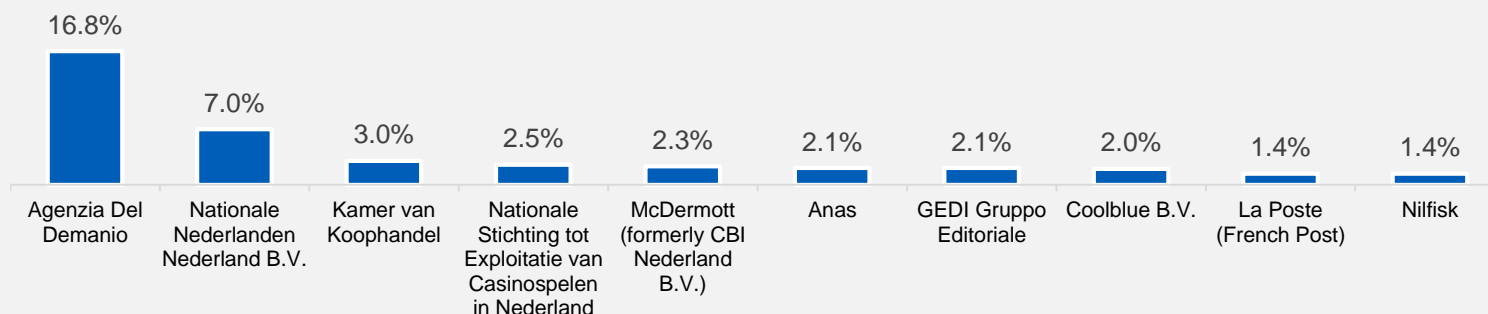
## Enhanced Tenant Trade Sector Diversity

## Lower Tenant Concentration Risks

- Top 10 tenants' contribution to CEREIF's Gross Rental Income drops from 40.5% to 36.6%

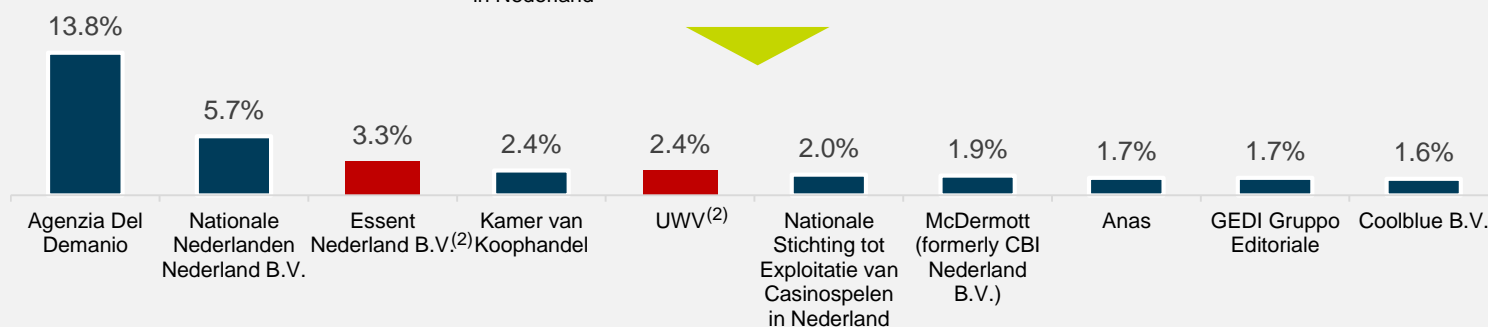
### Existing Portfolio

Top 10 Tenants' Contribution to Gross Rental Income as at 30 June 2018



### Enlarged Portfolio

Top 10 Tenants' Contribution to Gross Rental Income in June / August 2018<sup>(1)</sup>



Notes:

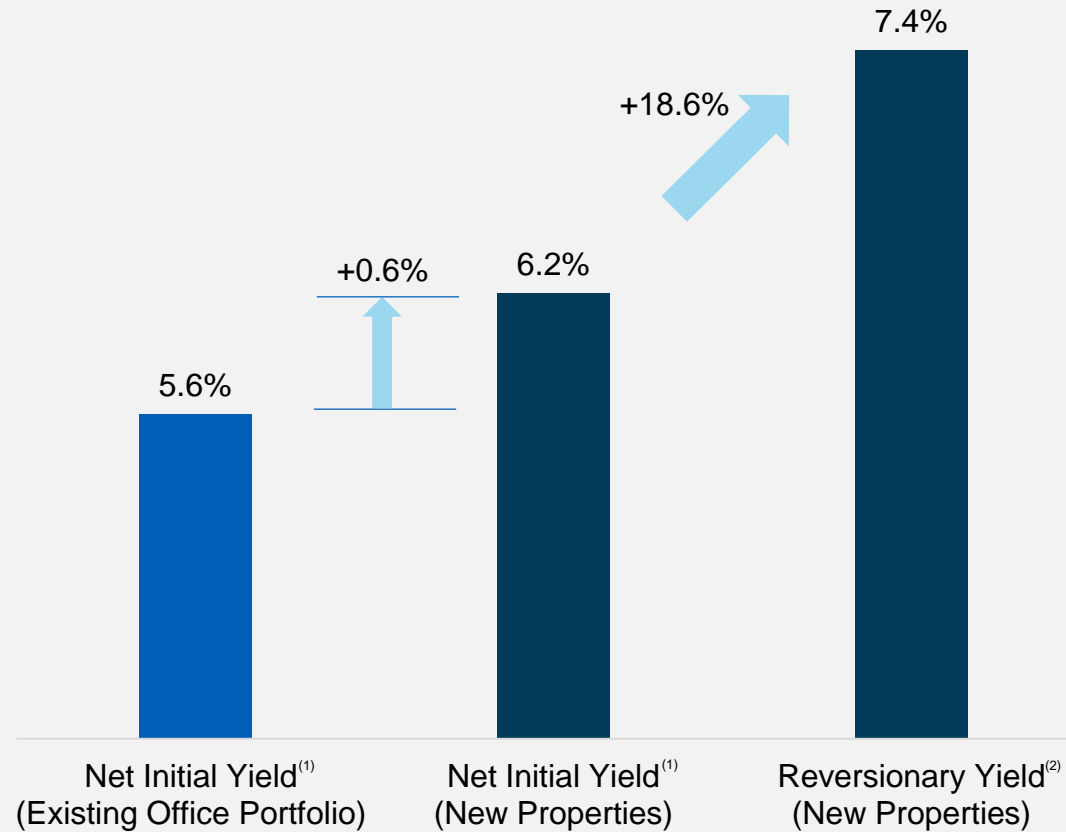
(1) New tenant data as at 31 August 2018, Existing Portfolio data as at 30 June 2018

(2) New tenants



# 6. Acquisition of New Properties at Attractive Yields

New Properties have attractive Net Initial Yield and offer further rental upside



Notes:

(1) Net Initial Yield means the average of the Independent Valuers' annualised current passing rental income net of non-recoverable property expenses, divided by the Property Purchase Price

(2) Reversionary Yield means the average of the Independent Valuers' estimated market rental income per annum net of non-recoverable property expenses, divided by the Property Purchase Price

# 7. Leveraging the Sponsor's Integrated European Asset Management Platform of 200 staff and 20 regional offices

## Sponsor's Integrated European Asset Management Platform Locations



- On-the-ground asset management team across the Netherlands, Finland and Poland
- Well-positioned to actively manage the assets to drive improved operating and financial performance
- Strong track record of enhancing value through asset enhancement initiatives (“AEIs”)

Legend:

- Sponsor's 17 regional offices, excluding those in the Netherlands, Finland and Poland
- Sponsor's 3 regional offices in the Netherlands, Finland and Poland



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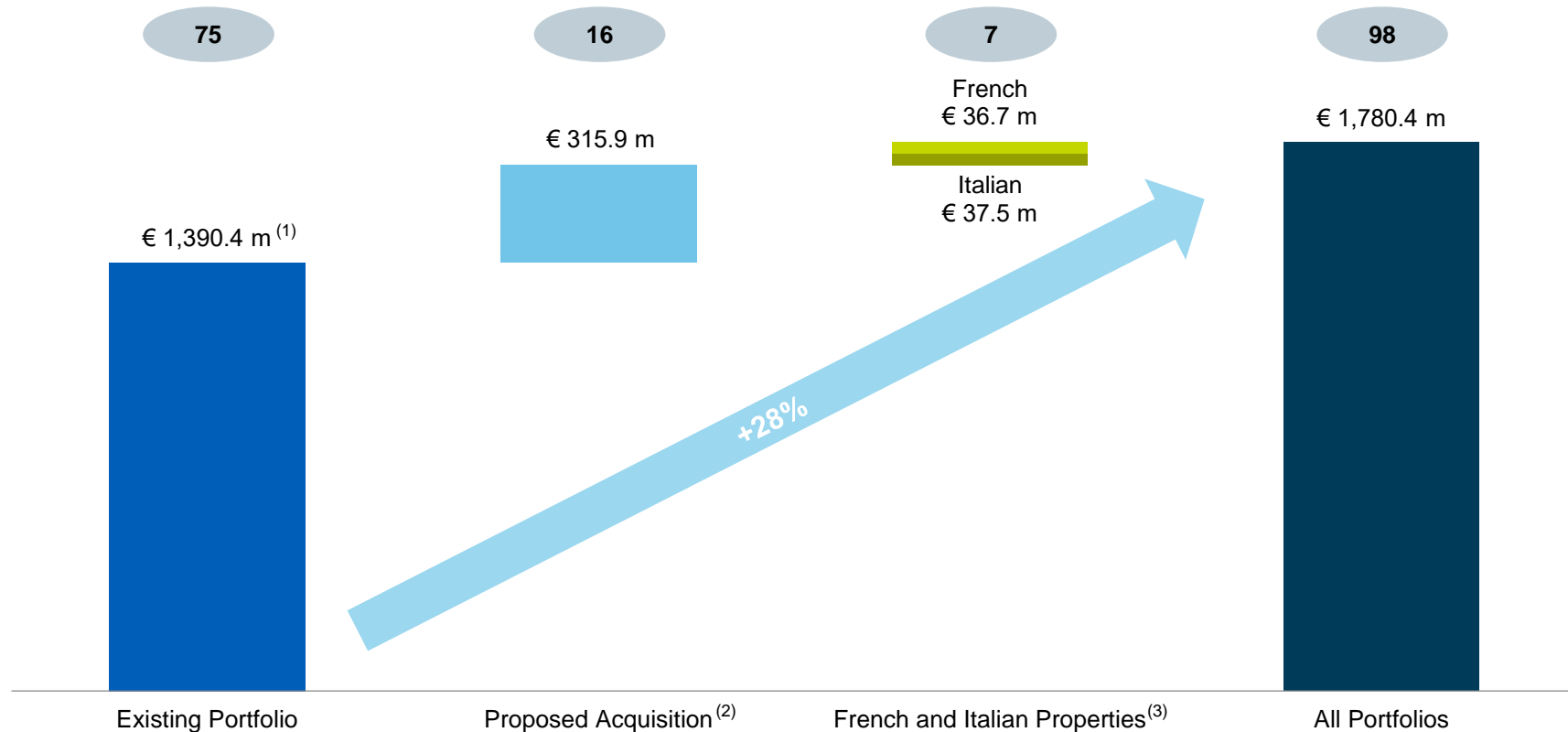
SECTION 3


# Benefits of the Overall Transaction

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# Acquisitions are Consistent with CEREIF's Investment Strategy (1/3)

## Enhanced Size, Scale and Deepening Presence in CEREIF's Key Markets



 No. of Properties

Notes:

(1) Based on the valuation of the Existing Portfolio (except Ivrea) as of 31 March 2018 and the valuation of Ivrea on 1 April 2018

(2) Based on the average of the two independent valuations of each New Property conducted by the Independent Valuers as at 27 September 2018

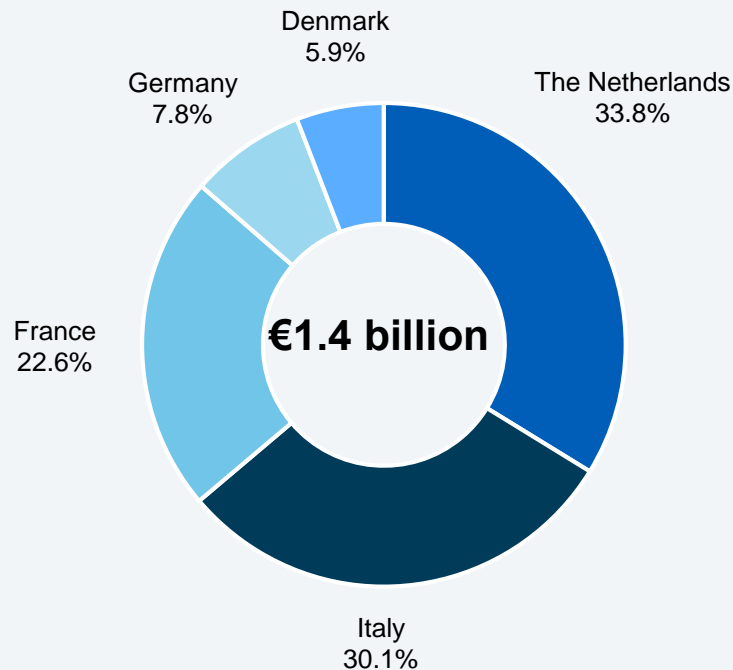
(3) Based on the independent valuations conducted by Colliers as at 30 September 2018 for the Italian Properties and 30 September 2018 for the French Properties

# Acquisitions are Consistent with CEREIT's Investment Strategy (2/3)

## Increased Diversification across 7 Countries

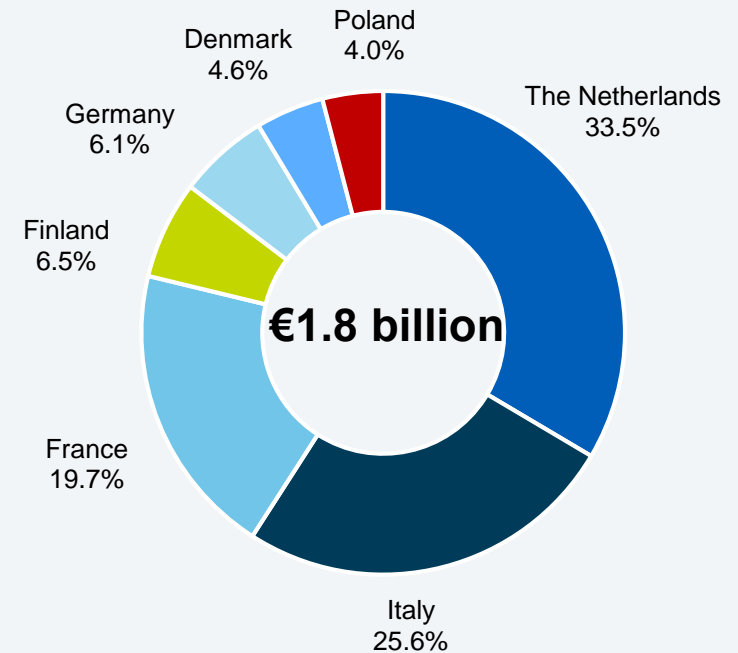
### Existing Portfolio

Breakdown of Valuation<sup>(1)(2)</sup> by Country



### All Portfolios

Breakdown of Valuation<sup>(1)(2)(3)</sup> by Country



Notes:

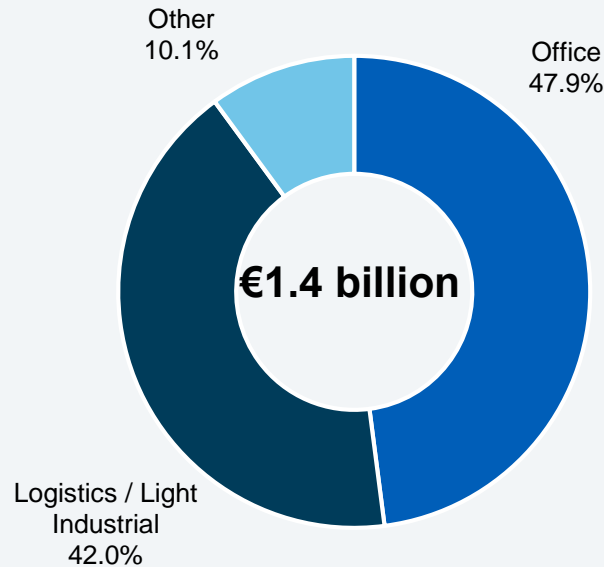
- (1) Based on the valuation of the Existing Portfolio (except Ivrea) as of 31 March 2018 and the valuation of Ivrea on 1 April 2018
- (2) Based on the average of the two independent valuations of each New Property conducted by the Independent Valuers as at 27 September 2018
- (3) Based on the independent valuations conducted by Colliers as at 30 September 2018 for the Italian Properties and 19 October 2018 for the French Properties

# Acquisitions are Consistent with CEREIT's Investment Strategy (3/3)

## Balanced Asset Class Exposure with Weighting Towards Attractive Office Sector Dynamics

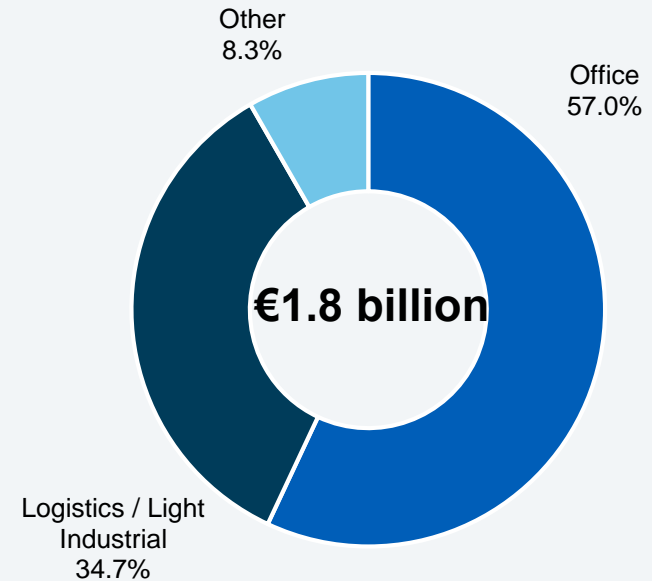
### Existing Portfolio

Breakdown of Valuation<sup>(1)(2)</sup> by Section



### All Portfolios

Breakdown of Valuation<sup>(1)(2)(3)</sup> by Section

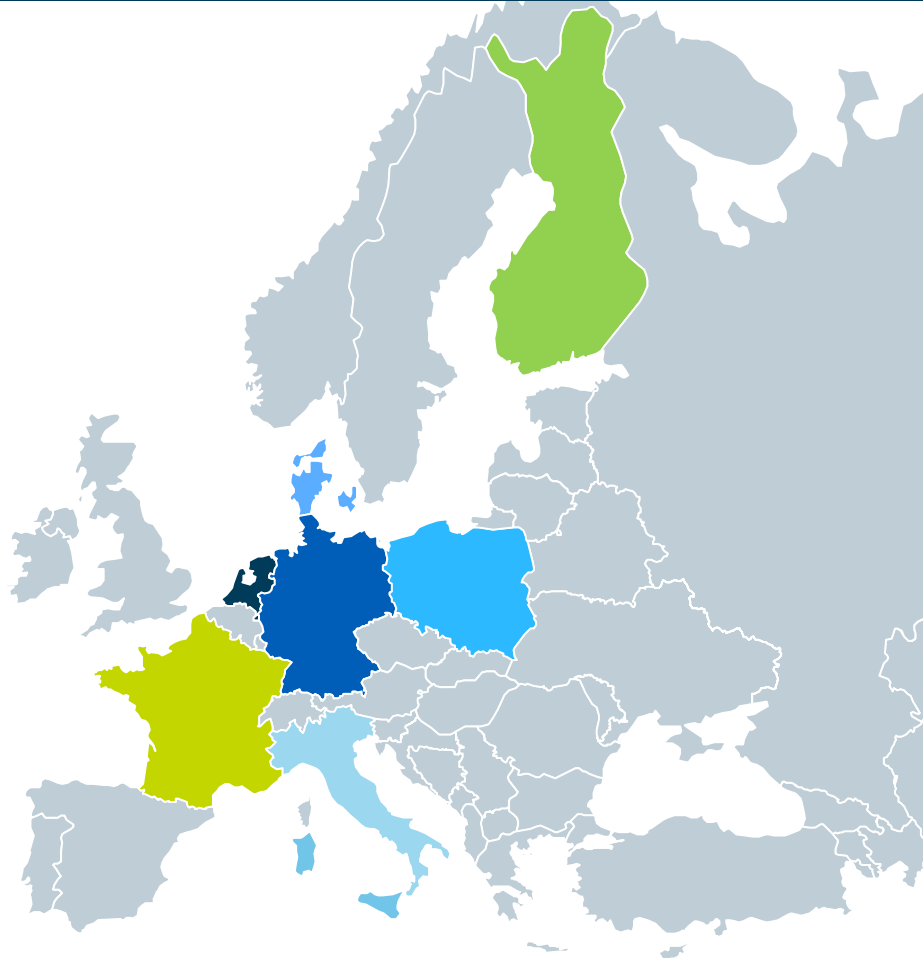


Notes:

- (1) Based on the valuation of the Existing Portfolio (except Ivrea) as of 31 March 2018 and the valuation of Ivrea on 1 April 2018
- (2) Based on the average of the two independent valuations of each New Property conducted by the Independent Valuers as at 27 September 2018
- (3) Based on the independent valuations conducted by Colliers as at 30 September 2018 for the Italian Properties and 19 October 2018 for the French Properties

# CEREIT Post Acquisitions

Unique opportunity to invest in scale and diversification across Europe



**98**

Properties

**€1,780.4 million**

Valuation<sup>(1)</sup>

**1,385,990**

Lettable Floor Area (sq m)

**88.8%**

Occupancy Rate<sup>(2)(3)</sup>

**5.0 / 4.1 years**

WALE / WALB<sup>(4)</sup>

**90.4%**

Freehold<sup>(5)</sup>

Notes:

- (1) Valuation as at 31 March 2018 for Existing Portfolio except Ivrea; 1 April 2018 for Ivrea; 27 September 2018 for New Properties; 30 September 2018 for Italian Properties; and 19 October 2018 for French Properties
- (2) Occupancy rate as at 30 June 2018 for Existing Portfolio; 31 August 2018 for New Properties excluding Willemplein 2; and 1 September 2018 for Willemplein 2
- (3) Assumes Milano Piazza Affari is 100% leased in view of the rental guarantee
- (4) WALE as at 30 June 2018 for Existing Portfolio; 31 August 2018 for New Properties, French Properties, and Italian Properties
- (5) % Freehold and continuing / perpetual leasehold by value



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## SECTION 4

# Rights Issue and Pro Forma Financial Effects

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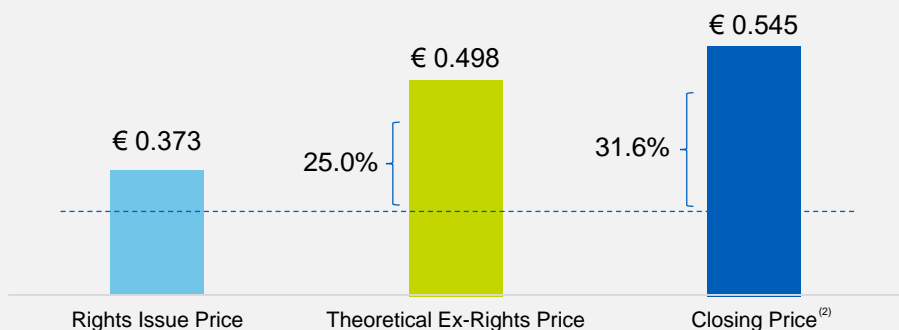


# Details of the Rights Issue

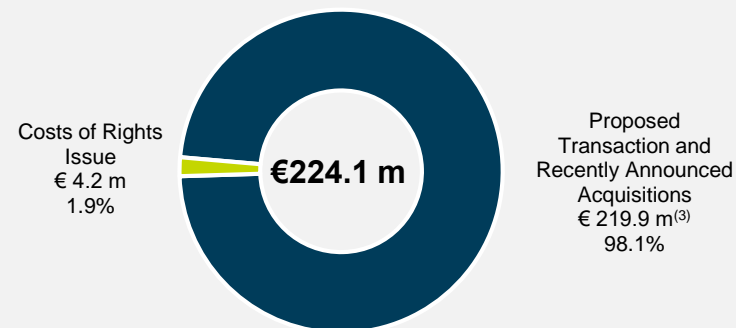
**Underwritten and renounceable Rights Issue to raise gross proceeds of approximately € 224.1 million**

- €0.373 for each Rights Unit
- 38 Rights Units for every 100 Units held
- Irrevocable undertaking for Cromwell Singapore Holdings Pte Ltd and its related corporations to subscribe for their entitlement of 35.31%
- Sub-Underwriting by Tang Gordon @ Tang Yigang, Celine Tang @ Chen Huaidan and Hillsboro Capital, Ltd. to subscribe for an additional 93,420,000 Rights Units<sup>(1)</sup>
- Rights Issue underwritten by UBS, DBS, Morgan Stanley and Daiwa

## Attractive Rights Issue Price



## Use of Proceeds

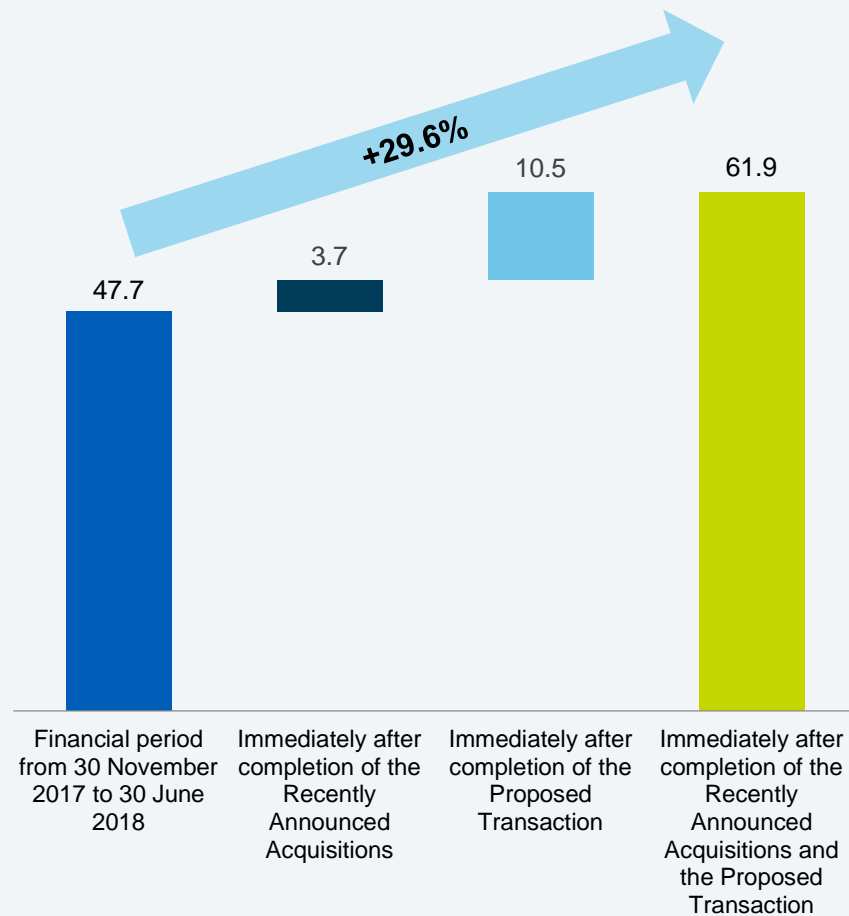


**Notes:**

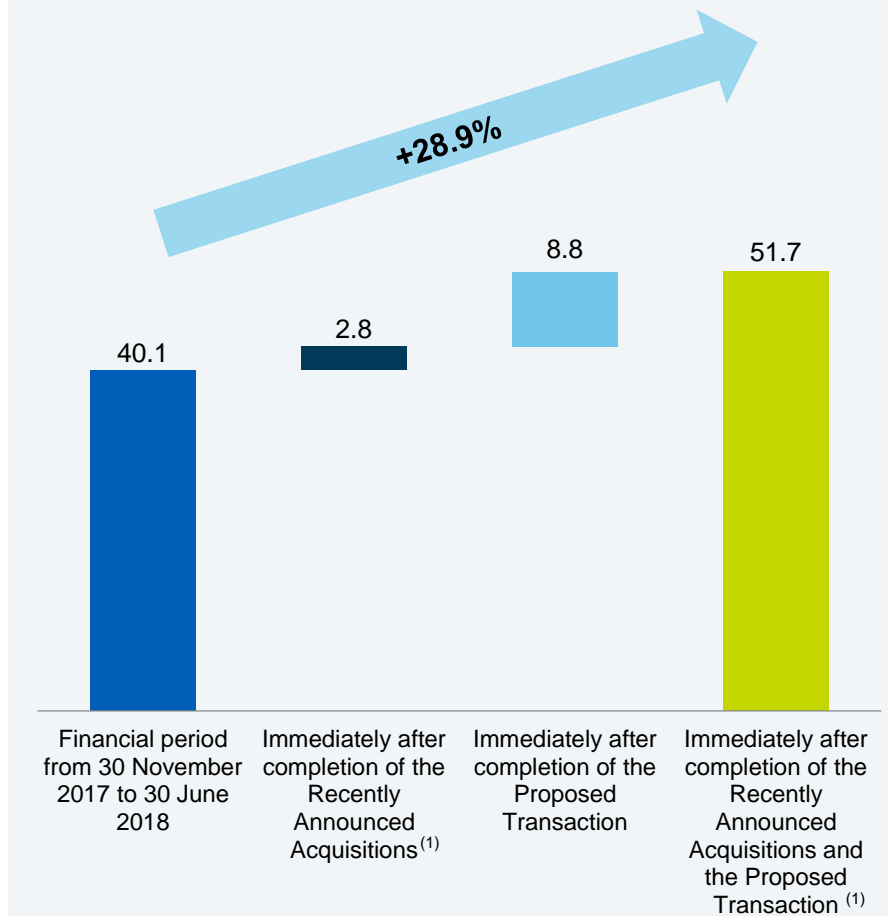
- (1) This excludes the GTCT Base Sub-Underwriting Units of 82,908,770 Rights Units and Hillsboro Base Sub-Underwriting Units of 69,091,590 Rights Units. GTCT refers to Tang Gordon @ Tang Yigang and Celine Tang @ Chen Huaidan
- (2) Based on the closing price of € 0.545 per Unit on the SGX-ST on 30 October 2018, being the last trading day of the Units prior to the announcement of the proposed Rights Issue
- (3) The proceeds set aside to fund the acquisition may be used to repay bridging loans taken up to fund such acquisition

# Pro Forma Financial Effects

## Net Property Income (€ million)



## Distributable Income (€ million)



# New Properties



Moeder Teresalaan 100-200  
Utrecht, The Netherlands



Willemsplein 2-4  
's-Hertogenbosch, The Netherlands



Riverside  
Warsaw, Poland



Grojecka 5  
Warsaw, Poland



Arkonska Business Park  
Gdansk, Poland



Plaza Vivace  
Helsinki, Finland



Liiketalo Myyrinraitti  
Helsinki, Finland



Plaza Forte  
Helsinki, Finland



Pakkalan Kartanonkoski 3  
Helsinki, Finland



Opus 1  
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Pakkalan Kartanonkoski 12  
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Grandinkulma  
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Mäkitorpantie 3  
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Kuopion Kauppakeskus  
Kuopio, Finland



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EUROPEAN REIT



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APPENDIX A

# The Proposed Acquisition at a Glance

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# Overview of the Proposed Acquisition

No.	Property	Land Tenure	LFA (sq m) <sup>(1)</sup>	Valuation by C&W (€ m) <sup>(2)</sup>	Valuation by Colliers (€ m) <sup>(2)</sup>	Purchase Price (€ m)	WALE (years) <sup>(3)</sup>	Occupancy Rate (%) <sup>(4)</sup>
The Netherlands								
1	Moeder Teresalaan 100-200, Utrecht	Leasehold plot acquired in perpetuity	21,922	50.1	51.5	50.7	6.3	86.1
2	Willemsplein 2, 's-Hertogenbosch <sup>(5)</sup>	Freehold	31,979	74.7	77.6	76.9	7.1	91.9
Finland								
3	Plaza 2 Park (Plaza Vivace), Helsinki Metropolitan Area	Freehold	5,661	14.1	12.9	13.2	2.2	88.3
4	Plaza 2 Park (Plaza Allegro), Helsinki Metropolitan Area	Freehold	4,620	11.4	10.8	11.2	1.8	91.7
5	Plaza Forte, Helsinki Metropolitan Area	Freehold	6,054	13.8	12.9	12.6	2.0	86.9
6	Grandinkulma, Helsinki Metropolitan Area	Freehold	6,189	12.5	12.8	12.5	3.5	98.4
7	Liiketalo Myyrinraitti, Helsinki Metropolitan Area	Freehold	7,515	12.2 <sup>(6)</sup>	12.0 <sup>(6)</sup>	12.0	4.9	94.1
8	Pakkalan Kartanonkoski 3, Helsinki Metropolitan Area	Freehold	7,796	9.2	10.6	9.7	3.2	77.2
9	Pakkalan Kartanonkoski 12, Helsinki Metropolitan Area	Freehold	3,425	6.7	6.4	6.1	1.6	100.0
10	Purotie 1, Helsinki	Freehold	4,692	6.5	7.5	7.1	2.7	97.2
11	Mäkitorpantie 3, Helsinki	Freehold	4,367	7.6	7.8	7.6	3.4	85.6
12	Opus 1, Helsinki	Freehold	6,821	15.4	15.7	13.5	7.2	77.1
13	Kuopion Kauppakeskus, Kuopio	Freehold	4,832	7.7	7.2	7.6	5.9	98.5
Poland								
14	Riverside, Warsaw	Freehold	12,478	31.9	30.5	31.3	4.6	72.9
15	Grojecka 5, Warsaw	Freehold	10,718	22.4	22.0	22.3	3.1	83.4
16	Arkonska Business Park, Gdansk	Freehold	11,166	18.4	19.0	18.2	3.4	46.7 <sup>(7)</sup>
<b>Total / Average</b>			<b>150,235</b>	<b>314.6</b>	<b>317.1</b>	<b>312.5</b>	<b>4.7</b>	<b>84.5</b>

Notes:

(1) LFA as at 27 September 2018

(2) Valuation as at 27 September 2018

(3) WALE refers to the weighted average lease expiry by headline rent based on the final termination date of the agreement (assuming the tenant does not terminate the lease on any of the permissible break date(s), if applicable) as at 31 August 2018

(4) Occupancy rate as at 31 August 2018

(5) With respect to the property Willemsplein 2, the WALE and occupancy rate is as at 1 September 2018

(6) CERET will own 100% of the underlying land relating to Liiketalo Myyrinraitti and, through its ownership of 94% of the shares of Liiketalo Myyrinraitti Oy, own approximately 94% most of the building in accordance with the articles of association of Liiketalo Myyrinraitti Oy, and the valuations as at 27 September 2018 are based on such ownership interest

(7) While the occupancy rate as at 31 August 2018 is only 46.7%, the committed occupancy rate is 69.1%

(8) The difference between the LFA value in this value in this table and of that provided by the independent valuers (being 150,232 sq m) is attributable to the rounding of the values of each property in this table

# Overview of the Proposed Acquisition (The Netherlands)



	Moeder Teresalaan	Willemsplein 2
<b>Key Information</b>	In close proximity to the CBD and the Utrecht Central Station	Located in the Paleiskwartier CBD of Den Bosch, a key office district outside of the Randstad conurbation
<b>Title</b>	Leasehold (acquired in perpetuity)	Freehold
<b>Address</b>	Moeder Teresalaan 100-200, Utrecht	Willemsplein 2, 's-Hertogenbosch
<b>LFA (sq m)</b>	21,922	31,979
<b>Type (% of LFA)</b>	Office: 100.0%	Office: 98.3% Warehouse: 1.3% Retail: 0.4%
<b>WALE (years)</b>	6.3	7.1
<b>Occupancy Rate (%)</b>	86.1	91.9
<b>Independent Valuation by Colliers (€ m)<sup>(1)</sup></b>	51.5	77.6
<b>Independent Valuation by C&amp;W (€ m)<sup>(1)</sup></b>	50.1	74.7
<b>Property Purchase Price (€ m)</b>	50.7	76.9
<b>Number of Tenants</b>	1	6
<b>Trade Sector of Largest Tenant</b>	Public administration and defence; compulsory social security	Electricity, gas, steam and air conditioning supply

Notes:  
(1) As at 27 September 2018

# Overview of the Proposed Acquisition (Finland)



	Plaza Vivace	Plaza Allegro	Plaza Forte	Pakkalan Kartanonkoski 3
<b>Key Information</b>	Business Park developments in Helsinki Metropolitan Area; in close proximity to Helsinki Airport			
<b>Title</b>	Freehold	Freehold	Freehold	Freehold
<b>Address</b>	Äyritie 8c, Vantaa	Äyritie 8b, Vantaa	Äyritie 12c, Vantaa	Pakkalankuja 6, Vantaa
<b>LFA (sq m)</b>	5,661	4,620	6,054	7,796
<b>Type (% of LFA)</b>	Office: 83.1% Warehouse: 6.2% Other: 10.7%	Office: 96.6% Warehouse: 1.4% Other: 2.0%	Office: 94.6% Warehouse: 1.8% Retail: 3.5%	Office: 85.4% Warehouse: 7.2% Retail: 7.3%
<b>WALE (years)</b>	2.2	1.8	2.0	3.2
<b>Occupancy Rate (%)</b>	88.3	91.7	86.9	77.2
<b>Independent Valuation by Colliers (€ m)<sup>(1)</sup></b>	12.9	10.8	12.9	10.6
<b>Independent Valuation by C&amp;W (€ m)<sup>(1)</sup></b>	14.1	11.4	13.8	9.2
<b>Property Purchase Price (€ m)</b>	13.2	11.2	12.6	9.7
<b>Number of Tenants</b>	13	18	28	20
<b>Trade Sector of Largest Tenant</b>	Manufacturing	Construction	Other service activities	Wholesale and retail trade

Notes:  
(1) As at 27 September 2018



# Overview of the Proposed Acquisition (Finland)



	<b>Pakkalan Kartanonkoski 12</b>	<b>Grandinkulma</b>	<b>Liiketalo Myyrinraitti</b>
<b>Key Information</b>	Business Park development in close proximity to Helsinki Airport and Jumbo Shopping Centre	Located in the main commercial hub and regional centre of Vantaa	Adjacent to a large shopping centre and close to the main railway station
<b>Title</b>	Freehold	Freehold	Freehold
<b>Address</b>	Pakkalankuja 7, Vantaa (Helsinki Metropolitan Area)	Kielotie 7, Vantaa (Helsinki Metropolitan Area)	Myyrmäenraitti 2, Vantaa (Helsinki Metropolitan Area)
<b>LFA (sq m)</b>	3,425	6,189	7,515
<b>Type (% of LFA)</b>	Office: 95.8% Retail: 4.2%	Office: 75.4% Warehouse: 2.5% Retail: 15.1% Other: 7.1%	Office: 59.6% Warehouse: 9.1% Retail: 20.8% Other: 10.5%
<b>WALE (years)</b>	1.6	3.5	4.9
<b>Occupancy Rate (%)</b>	100.0	98.4	94.1
<b>Independent Valuation by Colliers (€ m)<sup>(1)</sup></b>	6.4	12.8	12.0
<b>Independent Valuation by C&amp;W (€ m)<sup>(1)</sup></b>	6.7	12.5	12.2
<b>Property Purchase Price (€ m)</b>	6.1	12.5	12.0
<b>Number of Tenants</b>	9	14	8
<b>Trade Sector of Largest Tenant</b>	Other service activities	Healthcare and social work activities	Healthcare and social work activities

Notes:

(1) As at 27 September 2018

# Overview of the Proposed Acquisition (Finland)



	<b>Kuopion Kauppakeskus</b>	<b>Opus 1</b>	<b>Mäkitorpantie 3</b>	<b>Purotie 1</b>
<b>Key Information</b>	Close to the main market square in the city centre of Kuopio	Located next to the main road and near a Metro train station	Close to the Käpylä train station and Helsinki CBD	Located in a key office location with access to two train stations
<b>Title</b>	Freehold	Freehold	Freehold	Freehold
<b>Address</b>	Kauppakatu 39, Kuopio	Hitsaajankatu 24, Helsinki	Mäkitorpantie 3, Helsinki	Purotie 1, Helsinki
<b>LFA (sq m)</b>	4,832	6,821	4,367	4,692
<b>Type (% of LFA)</b>	Office: 57.0% Warehouse: 4.9% Retail: 35.5% Other: 2.7%	Office: 95.6% Warehouse: 3.3% Other: 1.0%	Office: 44.8% Warehouse: 5.8% Retail: 37.2% Other: 12.2%	Office: 78.9% Warehouse: 4.5% Retail: 12.3% Other: 4.3%
<b>WALE (years)</b>	5.9	7.2	3.4	2.7
<b>Occupancy Rate (%)</b>	98.5	77.1	85.6	97.2
<b>Independent Valuation by Colliers (€ m)<sup>(1)</sup></b>	7.2	15.7	7.8	7.5
<b>Independent Valuation by C&amp;W (€ m)<sup>(1)</sup></b>	7.7	15.4	7.6	6.5
<b>Property Purchase Price (€ m)</b>	7.6	13.5	7.6	7.1
<b>Number of Tenants</b>	11	5	11	11
<b>Trade Sector of Largest Tenant</b>	Healthcare and social work activities	Wholesale and retail trade; repair of motor vehicles and motorcycles	Wholesale and retail trade; repair of motor vehicles and motorcycles	Electricity, gas, steam and air conditioning supply

Notes:

(1) As at 27 September 2018

# Overview of the Proposed Acquisition (Poland)



	Riverside	Grojecka 5	Arkonska Business Park
<b>Key Information</b>	Close to the Warsaw city centre and at the crossroads of two important highways	Close to the CBD and on a key street connecting the motorway	Close to Gdansk International Fair Co. and University of Gdansk
<b>Title</b>	Freehold	Freehold	Freehold
<b>Address</b>	Fabryczna 5, Warsaw, Poland	Grójecka 5, Warsaw, Poland	Ulica Arkonska 6, Gdansk, Poland
<b>LFA (sq m)</b>	12,478	10,718	11,166
<b>Type (% of LFA)</b>	Office: 98.5% Warehouse: 0.2% Retail: 1.2% Other: 0.1%	Office: 98.0% Warehouse: 1.1% Retail: 0.9% Other: 0.1%	Office: 99.7% Warehouse: 0.3% Other: 0.1%
<b>WALE (years)</b>	4.6	3.1	3.4
<b>Occupancy Rate (%)</b>	72.9	83.4	46.7 <sup>(2)</sup>
<b>Independent Valuation by Colliers (€ m)<sup>(1)</sup></b>	30.5	22.0	19.0
<b>Independent Valuation by C&amp;W (€ m)<sup>(1)</sup></b>	31.9	22.4	18.4
<b>Property Purchase Price (€ m)</b>	31.3	22.3	18.2
<b>Number of Tenants</b>	16	16	9
<b>Trade Sector of Largest Tenant</b>	Information and communication	Financial and insurance activities	Financial and insurance activities

Notes:

(1) As at 27 September 2018

(2) While the occupancy rate as at 31 August 2018 is only 46.7%, the committed occupancy rate is 69.1%.



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## APPENDIX B

# Italian Acquisition and French Acquisition at a Glance

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# Overview of the Italian Properties



	Bari	Genova
<b>Key Information</b>	Master leased to Agenzia del Demanio (Italian government)	Master lease to Agenzia delle Entrate under a master lease to Agenzia del Demanio
<b>Title</b>	Freehold	Freehold
<b>Address</b>	Corso Lungomare Trieste N.23, Bari	Via Camillo Finocchiaro Aprile N.1, Genova
<b>LFA (sq m)</b>	11,674	15,537
<b>Type (% of LFA)</b>	Office (100%)	Office (100%)
<b>WALE (years)</b>	4.3 (as at 31 August 2018)	5.3 (as at 31 August 2018)
<b>Occupancy Rate (%)</b>	100.0	100.0
<b>Independent Valuation by Colliers (€ m)<sup>(1)</sup></b>	12.3	25.2
<b>Property Purchase Price (€ m)</b>	12.3	25.2
<b>Number of Tenants</b>	1	1
<b>Largest Tenants</b>	Agenzia del Demanio	Agenzia del Demanio

Notes:  
(1) As at 30 September 2018

# Overview of the French Properties



	Gennevilliers	Sully-sur-Loire	Parcay Meslay	Villeneuve-lès-Béziers	Aulnay-sous-Bois
<b>Key Information</b>	Large scale logistic asset located in Paris Region	Large scale logistic asset located in French Region	Large scale logistic asset located in French Region	Large scale logistic asset located in French Region	DIY Home Improvement big box retail asset located in Paris region
<b>Title</b>	27 year Leasehold	Freehold	Freehold	Freehold	Freehold
<b>Address</b>	46-48 boulevard Dequevauvilliers	105 Route d'Orléans	ZI du Papillon	Rue Charles Nicolle	54 Avenue de Savigny
<b>LFA (sq m)</b>	7,404	15,500	5,494	8,944	5,105
<b>Type (% of LFA)</b>	Warehouse: 86% Office: 14%	Warehouse: 100%	Warehouse: 93% Office: 7%	Warehouse: 89% Office: 11%	Retail: 96% Office: 4%
<b>WALE (years)</b>	2.5	8.3	3.1	0.1	0.3
<b>Occupancy Rate (%)</b>	100.0	100.0	100.0	100.0	100.0
<b>Independent Valuation by Colliers (€ m)<sup>(1)</sup></b>	7.1	5.5	5.9	10.4	7.8
<b>Property Purchase Price (€ m)</b>	6.8	5.4	5.5	10.5	6.1
<b>Number of Tenants</b>	1	1	1	1	1
<b>Largest Tenants</b>	GRDF	Inteva Products	Atac	DHL	Bricoman

Notes:  
(1) As at 30 September 2018



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## APPENDIX C

# Details of the Italian Acquisition and French Acquisition

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# Acquisition of Italian Properties

Overview	
No. of Properties	<ul style="list-style-type: none"> <li>2 office properties</li> </ul>
Land Tenure	<ul style="list-style-type: none"> <li>Freehold properties master-leased to government-linked entities</li> </ul>
LFA (sq m)	<ul style="list-style-type: none"> <li>27,211</li> </ul>
Purchase Price	<ul style="list-style-type: none"> <li>€ 37.5 million</li> </ul>
Independent Valuation by Colliers	<ul style="list-style-type: none"> <li>€ 37.5 million</li> </ul>
Net Initial Yield	<ul style="list-style-type: none"> <li>7.4%</li> </ul>
Occupancy Rate (%)	<ul style="list-style-type: none"> <li>100.0</li> </ul>
WALE	<ul style="list-style-type: none"> <li>5.0 years</li> </ul>
Key Tenant	<ul style="list-style-type: none"> <li>Agenzia del Demanio</li> </ul>

## Key Benefits

**Enlarged Portfolio with Additional Cash Flow Visibility and Stability**

- Master leased to Agenzia del Demanio, the Italian government agency in charge of 45,000 real estate assets owned and/or occupied by Italian administrations
- WALE of 5.0 years further enhances stability of CEREIT portfolio's cash flows
- Purchase Price reflects an average capital value of € 1,378 per sq m and net rental income of € 102 per sq m per annum

**Attractive Net Initial Yield**

Portfolio	Net Initial Yield
Existing Office Portfolio	5.6%
Italian Properties	7.4%

+1.8%

- Acquired off market based on terms similar to recent Ivrea acquisition
- Annual rent escalations pegged to 75% of Consumer Price Index
- Both Genova and Bari are significant shipping and seaside tourist cities in Italy



# Acquisition of French Properties

Overview	
<b>No. of Properties</b>	<ul style="list-style-type: none"> <li>4 logistics properties</li> <li>1 DIY home improvement centre</li> </ul>
<b>Land Tenure</b>	<ul style="list-style-type: none"> <li>Predominantly freehold properties located in strategic logistics locations</li> </ul>
<b>LFA (sq m)</b>	<ul style="list-style-type: none"> <li>42,322</li> </ul>
<b>Purchase Price</b>	<ul style="list-style-type: none"> <li>€ 34.4 million</li> </ul>
<b>Independent Valuation by Colliers</b>	<ul style="list-style-type: none"> <li>€ 36.7 million</li> </ul>
<b>Net Initial Yield</b>	<ul style="list-style-type: none"> <li>8.5%</li> </ul>
<b>Occupancy Rate (%)</b>	<ul style="list-style-type: none"> <li>100.0</li> </ul>
<b>WALE</b>	<ul style="list-style-type: none"> <li>2.5 years</li> </ul>
<b>Key Tenants</b>	<ul style="list-style-type: none"> <li>Atac</li> <li>Bricoman</li> <li>DHL</li> <li>GRDF</li> <li>Inteva Products</li> </ul>

## Key Benefits

**Enlarged Portfolio with Increased Exposure to Greater Paris**

- Increases CEREIT's exposure to attractive Greater Paris logistics market
- Well located along strategic French logistics corridor (e.g. key roads including the A86, A9, A10 motorways)
- Exposure to global retail and auto sector supply chains

**Attractive Net Initial Yield**

Portfolio	Net Initial Yield
Existing Logistics / Light Industrial Portfolio	7.1%
French Properties	8.5%

+1.4%

- Acquired off market at 6.3% discount to valuation

**Asset Enhancement Potential**

- Provides asset enhancement opportunities, with a number of assets having development or expansion potential, in line with CEREIT's strategy
- A metro station for new Paris Line 16 is planned by 2024 on part of the Aulnay-sous-Bois site
- 2 leases under tacit rolling agreement are expected to convert to long term leases at completion

Notes:

(1) With respect to Aulnay-sous-Bois, whilst the relevant French Vendor is bound to sell the asset on the terms set forth in the Binding Offer should CEREIT so elect upon satisfactory completion of additional due diligence, CEREIT is not committed to acquire said asset unless it effectively exercises its option prior and enters into a preliminary agreement prior to 31 December 2018



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# Thank You

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If you have any queries, kindly contact:  
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