FOR IMMEDIATE RELEASE

Soilbuild REIT exceeds IPO forecast for 5th consecutive quarter

- **3Q FY2014 DPU of 1.546 cents, 2.0% above IPO Forecast**
- **Healthy portfolio occupancy of 99.9% as at 30 September 2014**
- **Only 1.5% of total portfolio NLA due for renewal in 4Q FY2014**
- **Well-defined growth plans through further market acquisition of two properties**
- **Total portfolio size in excess of S$1 billion upon completion of both acquisitions**

Singapore, 21 October 2014 – SB REIT Management Pte. Ltd. ("Manager"), the Manager of Soilbuild Business Space REIT ("Soilbuild REIT"), is pleased to announce that Soilbuild REIT has recorded a Distribution per Unit ("DPU") of 1.546 cents for the three months ended 30 September 2014 ("3Q FY2014"), which is 2.0% above the IPO Forecast[1] ("Forecast") of 1.515 cents. This represents the fifth consecutive quarter of outperformance since Soilbuild REIT's IPO on 16 August 2013.

Mr Shane Hagan, CEO of the Manager, said: "It is pleasing to report another DPU outperformance against the IPO Forecast notwithstanding a continued subdued industrial market. Our properties rental rates and occupancy have held up well mainly due to their specifications and suitability for existing and prospective tenants. In the last quarter we welcomed new tenants in our portfolio taking up in total over 135,000 sq ft of space. With little in the way of lease expiries left in 2014, this allows us to proactively focus on leases expiring in 2015 where 28.8% of NLA will be due for renewal".

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[1] The Forecast is based on the Soilbuild REIT's Initial Public Offering ("IPO") Prospectus dated 7 August 2013 ("Prospectus").

	Unaudited Actual 3Q FY2014 (S$'000)	IPO Forecast 3Q FY2014 (S$'000)	Variance (%)
Gross revenue	16,916	16,770	0.9%
Property operating expenses	(2,723)	(2,817)	3.3%
Net property income	**14,193**	**13,953**	**1.7%**
Net Finance expenses	(2,444)	(2,302)	(6.2)%
Manager's fees	(1,254)	(1,228)	(2.1)%
Trust expenses	(395)	(222)	(77.9)%
Total trust expense	**(4,093)**	**(3,752)**	**(9.1)%**
Net income	**10,100**	**10,201**	**(1.0)%**
Non-tax deductible items	2,439	2,082	17.1%
Distributable income	**12,539**	**12,283**	**2.1%**
DPU (cents)	**1.546**	**1.515**	**2.0%**

The 3Q FY2014 outperformance against the Forecast was due to a combination of higher revenue, partly attributable to income from the recently acquired Tellus Marine and lower property expenses due to lower maintenance costs for multi-tenanted properties.

Soilbuild REIT's portfolio occupancy stood at 99.9% as at 30 September 2014, an increase from the 98.5% in 2Q 2014 with new take-up at Tuas Connection. The portfolio is well placed for the remainder of 2014 given only 1.5% of total portfolio NLA due for renewal with the rest having been renewed, re-leased or pre-committed.

Third-party Acquisitions

On 27 August 2014 and 21 October 2014, the Manager announced the proposed acquisitions of 20 Kian Teck Lane and 61 & 71 Tuas Bay Drive, respectively. Upon completion, they will represent the second and third acquisitions for Soilbuild REIT in a short space of time since its IPO, bringing the total portfolio value beyond S$1.0 billion.

Soilbuild REIT's fixed interest rate exposure currently stands at 95% with a lower all-in interest rate of 3.08% p.a. as at 30 September 2014 compared to the IPO Forecast of 3.28% p.a.. As at 30 September 2014, Soilbuild REIT maintained a conservative aggregate leverage of 30.3%. Post-completion of the two acquisitions, the aggregate leverage is expected to rise to approximately 35.6%, within the 35% to 40% target gearing of Soilbuild REIT.

Solaris Building Awards

Solaris, the trophy asset in Soilbuild REIT's portfolio, was awarded the Landscape Excellence Assessment Framework ("LEAF") award, Existing Developments, by the National Parks Board and the Built Environment Industry ("BEI") Asia Award, Commercial Buildings category for the Asia Green Building Awards in the last quarter.

Both these awards recognise the ecologically friendly and sustainable green features of Solaris and continues a prestigious list of accolades the building has received.

Outlook

Looking forward, various real estate market commentators have pointed out that rents for business parks and independent high-specification buildings are expected to hold steady in the final quarter of 2014. This is largely due to the gradual absorption of the existing available space and limited supply in the pipeline for the rest of 2014 and 2015. As for prime conventional industrial space, rentals are expected to ease further due to increased competition from premises with newer and better specifications.

As Soilbuild REIT has a majority of its portfolio focused in the business parks and hi-specifications sector, Management believes that it is well-placed to deliver on its forecast distribution for the 2014 financial year. This continues to be underpinned by a strong focus on early renewal negotiations for lease expiries, minimising operating expenses, and prudent capital management.

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About Soilbuild Business Space REIT

Soilbuild REIT is a Singapore-focused real estate investment trust ("REIT") with a portfolio of business parks and industrial properties used by industries engaging in manufacturing, engineering, logistic, warehousing, electronics, marine, oil & gas, research and development and value-added knowledge-based activities. Its portfolio of properties includes Solaris, a landmark development in one-north, Eightrium @ Changi Business Park, Tuas Connection and West Park BizCentral. Soilbuild REIT's portfolio has a net lettable area of 3,050,588 square feet and an occupancy rate of 99.9% as at 30 September 2014.

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Citigroup Global Markets Singapore Pte. Ltd., DBS Bank Ltd. and Oversea-Chinese Banking Corporation Limited were the joint global coordinators, issue managers, bookrunners & underwriters of the initial public offering of Soilbuild REIT.