



VIVA INDUSTRIAL TRUST

Comprising:

VIVA INDUSTRIAL REAL ESTATE INVESTMENT TRUST

(a real estate investment trust constituted on 23 August 2013 under the laws of the Republic of Singapore) managed by

Viva Industrial Trust Management Pte. Ltd.

VIVA INDUSTRIAL BUSINESS TRUST

(a business trust constituted on 14 October 2013 under the laws of the Republic of Singapore) managed by

Viva Asset Management Pte. Ltd.

Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd. and The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch are the Joint Global Coordinators and Issue Managers for the initial public offering and listing of Viva Industrial Trust (the "**Offering**"). Standard Chartered Securities (Singapore) Pte. Limited, Merrill Lynch (Singapore) Pte. Ltd., The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch, CIMB Securities (Singapore) Pte. Ltd., Maybank Kim Eng Securities Pte. Ltd. and Credit Suisse (Singapore) Limited are the Joint Bookrunners and Underwriters for the Offering.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

Viva Industrial Trust (“**VIT**”) is a stapled group comprising Viva Industrial Real Estate Investment Trust (“**VI-REIT**”) and Viva Industrial Business Trust (“**VI-BT**”). VI-REIT and VI-BT are managed by Viva Industrial Trust Management Pte. Ltd. (the “**REIT Manager**”) and Viva Asset Management Pte. Ltd. (the “**BT Trustee-Manager**”), respectively.

VI-REIT is a Singapore-based real estate investment trust established with the principal investment strategy of investing, directly or indirectly, in a diversified portfolio of income-producing real estate which is used predominantly for business park and other industrial purposes, whether wholly or partially, in Singapore and elsewhere in the Asia-Pacific region, as well as real estate-related assets in connection with the foregoing. VI-BT is a Singapore-based business trust which has remained dormant since its constitution on 14 October 2013.

VI-REIT has an initial portfolio of three properties located in Singapore, namely UE BizHub EAST (“**UEBH**”), Technopark@Chai Chee (“**TPCC**”), and Mauser Singapore (collectively, the “**Initial Properties**”).

Stapled Securities in VIT commenced trading on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 4 November 2013 (the “**Listing Date**”).

Distribution Policy

VIT’s distribution policy is to distribute 100% of its Taxable Specified Income (as defined herein) and Specified Taxed Income (as defined herein) for the period from the Listing Date to 31 December 2015 and thereafter to distribute at least 90% of its Taxable Specified Income and Specified Taxed Income. Taxable Specified Income refers to VI-REIT’s income chargeable to tax under the Income Tax Act after deduction of allowable expenses and applicable tax allowances (but excluding gains on sale of real properties which are determined to be trading gains and rental income support in respect of the UEBH rental arrangement). Under the tax transparency treatment accorded to VI-REIT, VI-REIT will not be taxed on its Taxable Specified Income to the extent of the amount distributed to the Stapled Securityholders of VI-REIT. Specified Taxed Income refers to VI-REIT’s after-tax income arising from gains on sale of real properties which are determined to be trading gains and rental income support in respect of the UEBH rental arrangement, which may be subject to income tax. For further details on the tax treatment of the rental income support arising from the UEBH rental arrangement, please refer to note (h) on page 4 of this announcement.

VI-BT remains dormant as at the date of this announcement. In the event that VI-BT becomes active and profitable, VI-BT’s distribution policy will be to distribute as much of its income as practicable, and the declaration and payment of distributions by VI-BT will be at the sole discretion of the BT Trustee-Manager.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

Summary of results of Viva Industrial Trust

VIT			
4-Nov-13 to 31-Dec-13 ^(a)			
Actual	Forecast ^(b)	Variance	
S\$'000	S\$'000	%	
Gross revenue	9,017	8,781	2.7%
Net property income	6,004	5,674	5.8%
Distributable income	6,421	6,429	(0.1%)
Distribution per Stapled Security (cents)	1.080	1.082	(0.2%)

Notes:

- (a) Period from 4 November 2013 (the "**Listing Date**") to 31 December 2013. Although VI-REIT and VI-BT were constituted on 23 August 2013 and 14 October 2013 respectively, the initial public offering and issue of new Stapled Securities in VIT and the acquisition of the Initial Properties were completed on the Listing Date. There were no income or expenses for the period from the respective dates of constitution of VI-REIT and VI-BT to 3 November 2013. This is the first period incorporating the results of the Initial Properties held directly by VI-REIT.
- (b) The forecast results for the period from the Listing Date to 31 December 2013 were derived from the Prospectus and have been pro-rated for the 58 days in the period.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

1(a) Income statements together with comparatives for corresponding periods in immediately preceding financial year

1(a)(i) Consolidated Statement of Total Return (4 November 2013 to 31 December 2013)

Although VI-REIT and VI-BT were constituted on 23 August 2013 and 14 October 2013 respectively, the initial public offering and issue of new Stapled Securities in VIT and the acquisition of the Initial Properties were completed on the Listing Date. There were no income or expenses for the period from the respective dates of constitution of VI-REIT and VI-BT to 3 November 2013. As VI-BT has remained dormant since its date of constitution, the Consolidated Statement of Total Return of VIT comprises primarily the financial results of VI-REIT for the period from the Listing Date on 4 November 2013 to 31 December 2013.

	Note	VIT 4-Nov-13 to 31-Dec-13 S\$'000
Gross revenue		9,017
Property operating expenses		(3,013)
Net property income		6,004
Rental support / rental arrangement	(b)	2,470
REIT Manager's fees	(c)	(642)
Trustee's fees		(33)
Finance expenses		(1,681)
Amortisation of intangible assets	(d)	(665)
Other trust expenses	(e)	(224)
Net income		5,229
Change in fair value of investment properties	(f)	(2,556)
Change in fair value of derivative financial instruments	(g)	(1,488)
Total return before income tax and distribution		1,185
Income tax expense	(h)	(382)
Total return after income tax but before distribution		803

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
- (b) This relates to the rental differentials which are received/receivable under the UEBH rental arrangement and TPCC rental support arrangement, pursuant to which, each of the respective vendors of UEBH and TPCC has agreed to pay VI-REIT for the rental differential where the actual net rental income derived from UEBH (excluding the hotel component) is less than S\$26.0 million per annum and where the actual gross rental income derived from TPCC is less than S\$2.15 million per month, as the case may be. The respective duration of the UEBH rental arrangement and TPCC rental support arrangement is 5 years and 2 years from the Listing Date. The aggregate amount of the rental differential to be provided by the vendor of TPCC under the TPCC rental support arrangement is capped at S\$2.3 million.
- (c) This relates to the REIT Manager's base fee ("**REIT Base Fee**"), which is calculated based on 10% per annum of the distributable income of VI-REIT (before accounting for the REIT Base Fee). No performance fee is payable to the REIT Manager for the period ended 31 December 2013.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

- (d) This relates to the amortisation of the rental differential to be provided to VI-REIT by the respective vendors of UEBH and TPCC pursuant to the UEBH rental arrangement and TPCC rental support arrangement, respectively as described in note (b) on page 3 of this announcement. Such rental differential is amortised on a systematic basis over the duration of the UEBH rental arrangement and TPCC rental support arrangement of 5 years and 2 years from the Listing Date, respectively.
- (e) Other trust expenses include recurring expenses such as annual listing fee, registrar and secretarial fees, audit and tax compliance fees, valuation fees, costs associated with the preparation of annual reports, investor communications costs and other miscellaneous costs.
- (f) This relates to unrealised loss on revaluation of the investment properties as at 31 December 2013, the details of which are as shown below:

	S\$'000
Purchase price of the Initial Properties	739,000
Costs directly attributable to the acquisition of the Initial Properties	7,456
Acquisition costs of the Initial Properties	746,456
Fair value of rental differential recognised as intangible assets	(18,300)
Amount recognised as investment properties on Listing Date	728,156
Fair value of investment properties as at 31 December 2013	(725,600)
Change in fair value of investment properties recognised in the consolidated statement of total return	2,556

- (g) This relates to the change in fair value of interest rate swaps.
- (h) A provisional approval that the tax transparency treatment is applicable to the rental income support in respect of the UEBH rental arrangement was granted by Inland Revenue Authority of Singapore (“**IRAS**”) on 11 October 2013, subject to certain conditions being met, which amongst others, included the condition that VI-REIT shall endeavour to work with the vendor of UEBH, United Engineers Developments Pte Ltd (“**UED**”), to make an application to IRAS on the outstanding concerns that IRAS may have on this income support issue (the “**Subsequent Tax Application**”). In this connection, VI-REIT collaborated with UED to address the IRAS’s concerns on the aforesaid income support issue and the Subsequent Tax Application was submitted to IRAS in November 2013.

As at the date of this announcement, IRAS has not issued a final tax ruling to VI-REIT on whether tax transparency treatment is applicable to the rental income support in respect of the UEBH rental arrangement. In the absence of such final tax ruling from IRAS, the financial statements of VI-REIT have been prepared on the basis that the tax transparency treatment would not be applicable to the rental income support in respect of the UEBH rental arrangement and consequently, VI-REIT has made an income tax provision of approximately S\$382,000 in respect of the rental income support arising from the UEBH rental arrangement for the period ended 31 December 2013. When the REIT Manager receives the final tax ruling from IRAS on whether tax transparency treatment is applicable to the rental income support in respect of the UEBH rental arrangement, it will issue an announcement on the SGXNET.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

1(a)(ii) **Distribution Statement**

Note (a)	VIT 4-Nov-13 to 31-Dec-13 S\$'000
Total return after income tax but before distribution	803
Net effect of non-tax deductible items (Note A)	5,618
Net income available for distribution for the period	6,421
Distribution per Stapled Security (cents): For the period ended 31 December 2013 Annualised	1.080 6.802

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
(b) Based on 594,000,275 issued Stapled Securities.

Note A

	VIT 4-Nov-13 to 31-Dec-13 S\$'000
<u>Non-tax deductible items and other adjustments:</u>	
REIT Manager's fees payable in Stapled Securities	642
Property Manager's fees payable in Stapled Securities	202
Trustee's fees	33
Amortisation of intangible assets	665
Amortisation of debt transaction costs	294
Change in fair value of investment properties	2,556
Change in fair value of derivative financial instruments	1,488
Other non-taxable items	(262)
Net effect of non-tax deductible items	5,618

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

1(b) Balance Sheet

1(b)(i) Balance Sheet as at 31 December 2013

	Note	VIT	VI-REIT	VI-BT
	(a)	31-Dec-13	31-Dec-13	31-Dec-13
		S\$'000	S\$'000	S\$'000
Non-current assets				
Investment properties	(b)	725,600	725,600	-
Intangible assets	(c)	17,635	17,635	-
		743,235	743,235	-
Current assets				
Trade and other receivables		17,664	17,664	30
Cash and cash equivalents		11,683	11,683	-
		29,347	29,347	30
Total assets		772,582	772,582	30
Non-current liabilities				
Interest-bearing borrowings (net of transaction costs)		265,264	265,264	-
		265,264	265,264	-
Current liabilities				
Trade and other payables		27,670	27,700	-
Interest-bearing borrowings (net of transaction costs)		29,223	29,223	-
Derivative financial instruments	(d)	1,488	1,488	-
Income tax payable		382	382	-
		58,763	58,793	-
Total liabilities		324,027	324,057	-
Net assets		448,555	448,525	30
Represented by:				
Stapled Securityholders' funds		448,555	448,525	30

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
- (b) This represents the average of the two independent valuations conducted by Suntec Real Estate Consultants Pte Ltd and Jones Lang LaSalle Property Consultants Pte Ltd for each of the investment properties as at 31 December 2013.
- (c) This represents the carrying amounts of unamortised rental differential to be provided to VI-REIT by the respective vendors of UEBH and TPCC pursuant to the UEBH rental arrangement and TPCC rental support arrangement, respectively as described in note (d) on page 4 of this announcement.
- (d) This represents the fair value of interest rate swaps entered into to hedge against fluctuations in the interest rates on the interest-bearing borrowings.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

1(b)(ii) Aggregate amount of borrowings

	VIT 31-Dec-13 S\$'000
Secured borrowings	
Amount repayable within one year	30,000
Less: Unamortised transaction costs	(777)
	29,223
Amount repayable after one year	270,000
Less: Unamortised transaction costs	(4,736)
	265,264
Total secured borrowings	294,487

Details of borrowings and collateral:

VI-REIT has in place a Singapore Dollar senior three-year secured term loan facility and a Singapore Dollar senior four-year secured term loan facility, each amounting to S\$135.0 million, from a syndicate of lenders (the "**Syndicated Lenders**") (the "**Term Loan Facilities**"). In addition, VI-REIT has in place a committed revolving credit facility of S\$45.0 million from the Syndicated Lenders (the "**Revolving Credit Facility**", together with the Term Loan Facilities, the "**Credit Facilities**").

The Credit Facilities bear interest at rates based on the aggregate of a margin plus swap offer rate per annum and are secured by way of the following:

- mortgages over the Initial Properties (the "**Mortgaged Properties**");
- debenture creating fixed and floating charges on all present and future assets in relation to the Mortgaged Properties;
- an assignment of the relevant lease agreements, acquisition agreement, services agreement and other key agreements in relation to the Mortgaged Properties;
- an assignment of all tenancy agreements, insurance policies, rental assignments, rental support arrangements and bankers' guarantees in relation to the Mortgaged Properties; and
- an assignment of all rental, sale and insurance proceeds and all sums from time to time which VI-REIT is entitled to receive from the Mortgaged Properties.

S\$270.0 million in aggregate of the Term Loan Facilities has been drawn down on the Listing Date to partially finance the acquisition of the Initial Properties and S\$30.0 million of the Revolving Credit Facility has been utilised as at 31 December 2013 for settlement of property acquisition related costs, debt upfront fees and general working capital.

VI-REIT has entered into interest rate swaps to fix the interest rates for 76.7% of the outstanding Credit Facilities as at 31 December 2013.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

1(c) Consolidated statement of cash flows

	Note (a)	VIT 4-Nov-13 to 31-Dec-13 S\$'000
Cash flows from operating activities		
Total return for the period before income tax and distribution		1,185
Adjustments for:		
Effects of recognising accounting income on a straight-line basis over the lease term		(281)
Finance expenses		1,681
Change in fair value of investment properties		2,556
Change in fair value of derivative financial instruments		1,488
Amortisation of intangible assets		665
REIT Manager's fees payable in Stapled Securities		642
Property Manager's fees payable in Stapled Securities		202
Operating income before working capital changes		8,138
Changes in working capital		
Trade and other receivables		(17,383)
Trade and other payables		21,938
Net cash generated from operating activities		12,693
Cash flows from investing activities		
Acquisition of the Initial Properties (comprising investment properties and intangible assets)	(b)	(727,156)
Net cash used in investing activities		(727,156)
Cash flows from financing activities		
Proceeds from interest-bearing borrowings		300,000
Debt transaction costs		(5,405)
Interest paid		(700)
Proceeds from issuance of new Stapled Securities		463,320
Issue expenses		(11,769)
Repayment of private trust debt	(b)	(19,300)
Net cash from financing activities		726,146
Net increase in cash and cash equivalents		11,683
Cash and cash equivalents at beginning of the period	(c)	-
Cash and cash equivalents at end of the period		11,683

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
- (b) The proceeds from the private trust debt of S\$19.3 million were fully utilized for payment of 10% of the purchase price of TPCC prior to the Listing Date.
- (c) Denotes an amount of S\$550 being the proceeds from the issuance of the initial units of VI-REIT and VI-BT prior to the Listing Date.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

(d)(i) Consolidated Statement of Changes in Stapled Securityholders' Funds

Note	VIT
(a)	4-Nov-13 to 31-Dec-13
	S\$'000
Balance at beginning of the period	-
Operations	
Total return for the period after income tax but before distribution	803
Net increase in net assets resulting from operations	803
Stapled Securityholders' transactions	
Issuance of new Stapled Securities on Listing Date	463,320
Issue expenses	(16,412)
Stapled Securities to be issued:	
- As payment of REIT Manager's fees	642
- As payment of Property Manager's fees	202
Net increase in net assets resulting from Stapled Securityholders' transactions	447,752
Total Stapled Securityholders' funds as at end of the period	448,555

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
- (b) Denotes an amount of S\$550 being the proceeds from the issuance of the initial units of VI-REIT and VI-BT prior to the Listing Date.

1(d)(ii) Details of any changes in the number of Stapled Securities

	VIT
	4-Nov-13 to 31-Dec-13 ^(a)
Issued Stapled Securities at beginning of the period	275
Issuance of new Stapled Securities on Listing Date	594,000,000
Total issued Stapled Securities	594,000,275
Stapled Securities to be issued:	
- As payment of REIT Manager's fees	829,645
- As payment of Property Manager's fees	260,790
Total issued and issuable Stapled Securities at end of the period	595,090,710

Note:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.

2 Whether the figures have been audited or reviewed and in accordance with which standard (eg. The Singapore Standard on Auditing 910 (Engagement to Review Financial Statements), or an equivalent standard).

The figures have not been audited or reviewed by our auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation applied in the financial statements for the current reporting period are consistent with those stated in the Prospectus.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

6 Earnings per Stapled Security (“EPS”) and Distribution per Stapled Security (“DPS”) for the financial period from 4 November 2013 to 31 December 2013

	Note (a)	VIT 4-Nov-13 to 31-Dec-13
EPS (Basic and diluted)		
Total return after income tax but before distribution (S\$'000)		803
Weighted average number of issued and issuable Stapled Securities during the period		594,019,076
EPS (cents)	(b)	0.135
DPS		
Net income available for distribution for the period (S\$'000)		6,421
Applicable number of Stapled Securities for calculation of DPS		594,000,275
DPS (cents)	(c)	1.080

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
- (b) The EPS has been calculated using total return after income tax but before distribution for the period, which includes the change in fair values of investment properties and derivative financial instruments, and the weighted average number of issued and issuable Stapled Securities during the period. The diluted EPS is the same as the basic EPS as no dilutive instruments were in issue during the period.
- (c) DPS has been calculated using net income available for distribution and the number of Stapled Securities entitled to distribution during the period.

7 Net asset value (“NAV”) per Stapled Security based on the number of issued and issuable Stapled Securities at the end of the period

	Note (a)	VIT 31-Dec-13
NAV per Stapled Security (S\$)	(b)	0.75

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
- (b) NAV per Stapled Security has been calculated based on 595,090,710 issued and issuable Stapled Securities as at the end of the period.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

8 A review of the performance for the period ended 31 December 2013

Please refer to Section 9 for a comparison of VIT's actual results for the period from 4 November 2013 to 31 December 2013 against the forecast as disclosed in the Prospectus.

9 Variance between the actual results and forecast

9(a) Statement of total return and income available for distribution (actual vs forecast)

	VIT		
	4-Nov-13 to 31-Dec-13		
	Actual (a)	Forecast (b)	Variance
	S\$'000	S\$'000	%
Gross revenue	9,017	8,781	2.7
Property operating expenses	(3,013)	(3,107)	(3.0)
Net property income	6,004	5,674	5.8
Rental support / rental arrangement	2,470	2,571	(3.9)
Finance income	-	7	n.m
REIT Manager's fees	(642)	(643)	(0.2)
Trustee's fees	(33)	(28)	17.9
Finance expenses	(1,681)	(1,677)	0.2
Amortisation of intangible assets	(665)	(662)	0.5
Other trust expenses	(224)	(230)	(2.6)
Net income	5,229	5,012	4.3
Change in fair value of investment properties	(2,556)	-	n.m
Change in fair value of derivative financial instruments	(1,488)	-	n.m
Total return before income tax and distribution	1,185	5,012	n.m
Income tax expense	(382)	(403)	(5.2)
Total return after income tax but before distribution	803	4,609	n.m
Net effect of non-taxable items	5,618	1,820	n.m
Net income available for distribution for the period	6,421	6,429	(0.1)

Notes:

- (a) The actual results relate to the period from the Listing Date to 31 December 2013.
- (b) The forecast results for the period from the Listing Date to 31 December 2013 were derived from the Prospectus and have been pro-rated for the 58 days in the period.
- (c) n.m – not meaningful.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

9(b) A review of the performance (actual vs forecast)

Gross revenue of S\$9.0 million for the period from the Listing Date to 31 December 2013 was 2.7% higher than the forecast mainly due to higher rental income from UEBH.

Property operating expenses of S\$3.0 million for the period from the Listing Date to 31 December 2013 were 3.0% lower than the forecast mainly due to lower marketing expenses incurred for TPCC.

Net property income of S\$6.0 million for the period from the Listing Date to 31 December 2013 was 5.8% higher than the forecast due to the above reasons.

Net income of S\$5.2 million for the period from the Listing Date to 31 December 2013 was 4.3% higher than the forecast mainly due to higher net property income.

Income available for distribution for the period from the Listing Date to 31 December 2013 was S\$6.4 million, which is largely in line with the forecast.

10 Commentary on the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Singapore economy grew by 4.1% in 2013, exceeding the Ministry of Trade & Industry's ("MTI") forecast of 3.5-4.0% in part driven by the robust growth of the manufacturing sector towards the second half of 2013. Growth in the manufacturing sector improved from 0.3% in 2012 to 1.7% in 2013, on the back of strong growth in the transport engineering cluster and the electronics cluster. By contrast, growth in the construction sector moderated to 5.9% from 8.6% in 2012, due to a slowdown in both public and private construction activities.

Going forward into 2014, MTI has forecast growth for Singapore to be between 2.0-4.0%.¹ Externally-oriented sectors such as manufacturing and wholesale trade are likely to continue to recover and provide support to growth, in tandem with the recovery in global demand.

The Singapore Government appears to be tapering its industrial land supply following recent signs of stabilisation in the industrial property market and the substantial quantum of industrial space completing over the next few years.

In all, about 20.4 hectares of industrial land have been placed on the 1H 2014 Industrial Government Land Sale ("IGLS") programme, which is lower than the 22.8 hectares and 24.8 hectares of industrial land offered under the 2H 2013 and 1H 2013 IGLS programmes, respectively.

JTC, the main landlord of industrial land, had recently announced tightening conditions to the assignment of lease with a longer assignment prohibition period before sellers are allowed to sell the property in the open market and a longer minimum occupation period for anchor tenants in sale and leaseback programmes to minimally 5 years from the date of assignment (for leases with less than or equal to 30 years remaining) and 10 years from the date of assignment (for leases with more than 30 years remaining). These measures by JTC will be beneficial for VI-REIT as the longer minimum occupation period will bring income stability for VI-REIT.

The known factors or events that may affect VI-REIT in the next reporting period and the next 12 months are as follows:

(a) Management of lease renewal

Approximately 20.6% of VI-REIT's existing leases (weighted by underlying gross rental income) will be subject to renewal in 2014. The Property Manager will proactively manage these lease renewals to ensure that occupancy rates remain firm.

¹ Ministry of Trade and Industry: MTI maintains 2014 GDP growth forecast at 2.0% to 4.0% in 2014, 20 February 2014

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

- (b) Project VivaCity (Asset enhancement initiative on Technopark@Chai Chee)

Subject to further feasibility studies, tenant commitments and regulatory and Board approval, the REIT Manager plans to embark on an asset enhancement initiative to rejuvenate TPCC so as to enliven the premises and boost the attractiveness of the business park.

11 Distributions

11(a) Current financial period

Any distribution declared for the current period? Yes.

Name of distribution: First distribution for the period from 4 November 2013 to 31 December 2013

Distribution type: Taxable income / tax-exempt income

Distribution rate: 1.080 cents per Stapled Security comprising:
(a) taxable income - 0.774 cents
(b) tax exempt income - 0.306 cents

Tax Rate: Taxable income distribution
The distribution is made out of VI-REIT's taxable income. Stapled Securityholders receiving distributions will be subject to Singapore income tax on the distributions received except for individuals where the distribution is exempt from tax (unless they hold their Stapled Securities through partnership or as trading assets).

Tax exempt income distribution
The distribution is made out of income that has been taxed on VI-REIT's trustee and will be exempt from tax in the hands of all Stapled Securityholders, regardless of their nationality, corporate identity or tax residence status. Stapled Securityholders are not entitled to claim tax credit against their Singapore income tax liability in respect of the tax paid at VI-REIT's trustee level.

11(b) Corresponding period of the immediately preceding financial year

Any distributions declared for the corresponding period of the immediately preceding financial year?

Not applicable.

11(c) Books closure date: 5 March 2014

11(d) Date Payable: 27 March 2014

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

12 If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13 If the Group has obtained a general mandate from Stapled Securityholders for IPTs, the aggregate value of each transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

VIT has not obtained a general mandate from Stapled Securityholders for IPTs.

Additional information required for full year announcement

14 Segment revenue and results

VIT				
4-Nov-13 to 31-Dec-13 (a)				
Actual (b)		Forecast (c)		
S\$'000	%	S\$'000	%	
<u>Gross revenue</u>				
Business Park	7,215	80%	7,003	80%
Hotel	1,500	17%	1,490	17%
Logistics	302	3%	288	3%
	9,017	100%	8,781	100%
<u>Net property income</u>				
Business Park	4,264	71%	3,949	70%
Hotel	1,444	24%	1,442	25%
Logistics	296	5%	283	5%
	6,004	100%	5,674	100%
<u>Rental support / rental arrangement</u>				
Business Park	2,471	100%	2,586	101%
Hotel	(1)	-	(15)	(1%)
Logistics	-	-	-	-
	2,470	100%	2,571	100%

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
- (b) The actual results relate to the period from the Listing Date to 31 December 2013.
- (c) The forecast results for the period from the Listing Date to 31 December 2013 were derived from the Prospectus and have been pro-rated for the 58 days in the period.

15 Breakdown of revenue

Not applicable.

16 Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, the Board of Directors of the REIT Manager and the BT Trustee-Manager confirms that there are no persons occupying managerial positions in the REIT Manager or the BT Trustee-Manager who are relatives of a Director or the Chief Executive Officer or a substantial shareholder of the REIT Manager or the BT Trustee-Manager or of a substantial Stapled Securityholder of VIT.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

17 Interested person transactions (“IPTs”)

Name of Entity	VIT 4-Nov-13 to 31-Dec-13 (a)	
	Aggregate value of all IPTs during the financial period under review	Aggregate value of all IPTs conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual during the financial period under review
	S\$'000	S\$'000
Viva Industrial Trust Management Pte Ltd (the "REIT Manager")		
Management fees paid and payable	642	-
Acquisition fee paid in relation to the acquisition of investment properties	7,110	-
Viva Real Estate Asset Management Pte Ltd (the "Property Manager") (Note (b))		
Property and lease management fees paid and payable	202	-
The Trust Company (Asia) Limited (the "Trustee")		
Trustee fees paid and payable	33	-
Ho Seng Lee Industries Pte Ltd (Related party of the REIT Manager) (Note (c))		
Acquisition of an investment property	28,000	-
Rental income received and receivable	290	-

Notes:

- (a) No comparative figures have been presented as VIT became listed on SGX-ST on 4 November 2013.
- (b) The Property Manager is a related corporation of the REIT Manager.
- (c) Ho Seng Lee Industries Pte Ltd, which is a wholly owned subsidiary of Ho Lee Group Pte Ltd (“HLG”), is related to the REIT Manager by virtue of HLG’s indirect equity interest in the REIT Manager of 25%.

Viva Industrial Trust
Unaudited Financial Statements Announcement
For the financial period from 4 November 2013 to 31 December 2013

18 Use of proceeds

Following the announcement made on 4 November 2013, the remaining proceeds from the initial public offering (“IPO”) have been fully disbursed in accordance with the stated uses and amounts allocated in the Prospectus, except for S\$2.4 million which has been reallocated towards the acquisition of the Initial Properties by reducing the amount of the Revolving Credit Facility drawn down to partially finance the acquisition of the Initial Properties by the said amount. These savings resulted from lower professional fees, spending on prospectus production, road show expenses and certain other expenses incurred in connection with the IPO.

As disclosed in the Prospectus, S\$428,000 of the IPO proceeds has been allocated for working capital purposes. Such IPO proceeds have been fully disbursed towards the payment of property operating expenses.

By Order of the Board
Wilson Ang Poh Seong
Chief Executive Officer

Viva Industrial Trust Management Pte. Ltd.
(Company Registration No. 201204203W)
As manager of Viva Industrial Real Estate Investment Trust

Viva Asset Management Pte. Ltd.
(Company Registration No. 201316690M)
As trustee-manager of Viva Industrial Business Trust

25 February 2014

IMPORTANT NOTICE

This announcement is for information purposes only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for any Stapled Securities of Viva Industrial Trust in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The value of the Stapled Securities and the income derived from them may fall as well as rise. The Stapled Securities are not obligations of, deposits in, or guaranteed by the Managers, The Trust Company (Asia) Limited (as trustee of VI-REIT) or any of their respective affiliates.

An investment in the Stapled Securities is subject to investment risks, including the possible loss of the principal amount invested. Stapled Securityholders have no right to request that the Managers redeem or purchase their Stapled Securities while the Stapled Securities are listed. It is intended that Stapled Securityholders may only deal in their Stapled Securities through trading on Singapore Exchange Securities Trading Limited (“SGX-ST”). Listing of the Stapled Securities on the SGX-ST does not guarantee a liquid market for the Stapled Securities.

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. Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of VIT. The forecast financial performance of VIT is not guaranteed. A potential investor is cautioned not to place undue reliance on these forward-looking statements, which are based on the Managers’ current view of future events.