



Annual General Meeting

28 June 2018



20 Tuas Avenue 1
Singapore



100 & 108 Wickham Street, Fortitude Valley,
Queensland Australia

Disclaimers

This material shall be read in conjunction with Ascendas Reit’s financial statements for the financial year ended 31 March 2018.

This presentation 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 property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support Ascendas Reit's future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager’s current view on future events.

The value of Units in Ascendas Reit (“Units”) and the income derived from them, if any, may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested. Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that unitholders of Ascendas Reit may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of Ascendas Reit is not necessarily indicative of the future performance of Ascendas Reit.

Any discrepancies between the figures in the tables and charts and the listed amounts and totals thereof are due to rounding.

Agenda

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ONE @ CHANGI CITY



Financial Performance & Key Highlights



Financial Performance

(S\$'000)	FY17/18	FY16/17	% fav/ (unfav)
Gross revenue	862,111	830,592	 3.8
Net property income	629,400	610,954	 3.0
Total amount available for distribution	468,045	446,304	 4.9
DPU (cents)	15.988	15.743	 1.6

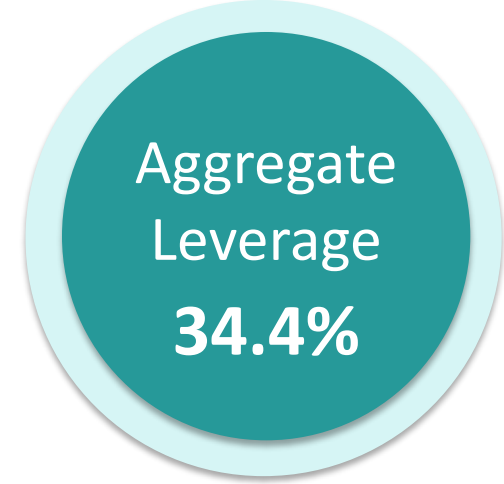
Note: Please refer to Ascendas Reit's financial announcement for the financial year ended 31 March 2018 for more information

Key Highlights of FY17/18



- Key contributors were new acquisitions:
 - Singapore: 12, 14 & 16 Science Park Drive (Singapore)
 - Australia: 197-201 Coward Street (Sydney) and 100 Wickham Street (Brisbane)
- Portfolio operating performance
 - Occupancy improved to 91.5% (from 90.2% as at 31 March 2017)
 - Achieved positive rental reversion of 0.7% for multi-tenant buildings

Key Highlights of FY17/18



- **Acquisitions:** S\$225.8m in Australia
- **Redevelopment/AEIs:** S\$52.9m
- **Divestments:** S\$60.8m

- **Same-store valuation⁽¹⁾ stable** at S\$9.84b

- **Moody's A3 credit rating** maintained
- **71.9%** of borrowings are on **fixed** rates for an average term of **3.3** years

(1) Excludes properties which were under redevelopment as at 31 Mar 17 and 31 Mar 18 (50 Kallang Avenue and 20 Tuas Avenue 1), divested properties (84 Genting Lane, 13 International Business Park and 10 Woodlands Link) and newly acquired properties (100 & 108 Wickham Street and 52 Fox Drive).



Investment Management

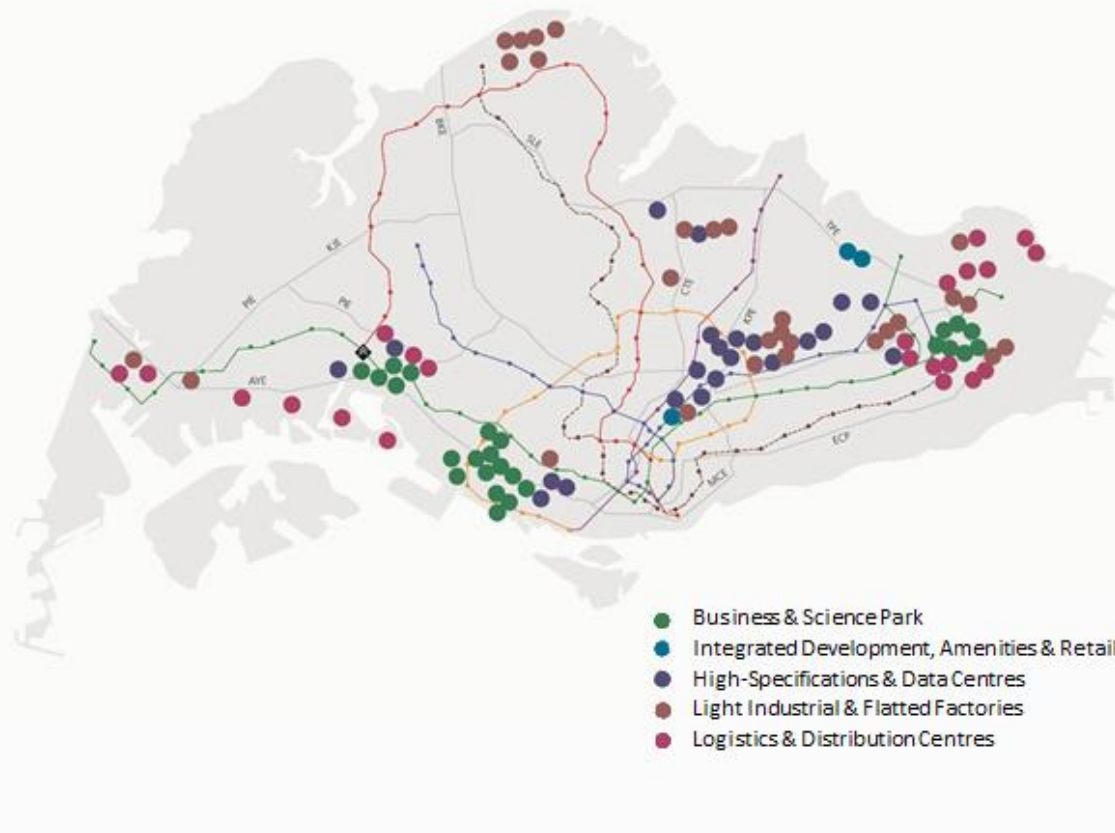


Total Assets Exceeded S\$10b

Acquired S\$225.8m	Redevelopment/ AEIs S\$52.9m	Divested S\$60.8m
<ul style="list-style-type: none">100 Wickham Street, Brisbane108 Wickham Street, Brisbane52 Fox Drive, Melbourne	<ul style="list-style-type: none">50 Kallang AveThe Gemini	<ul style="list-style-type: none">84 Genting Lane13 International Business Park10 Woodlands Link

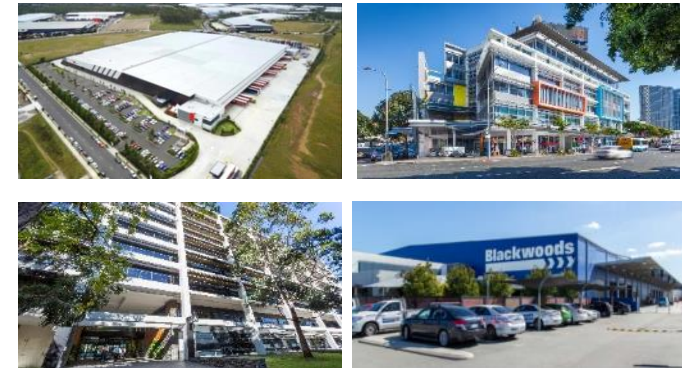
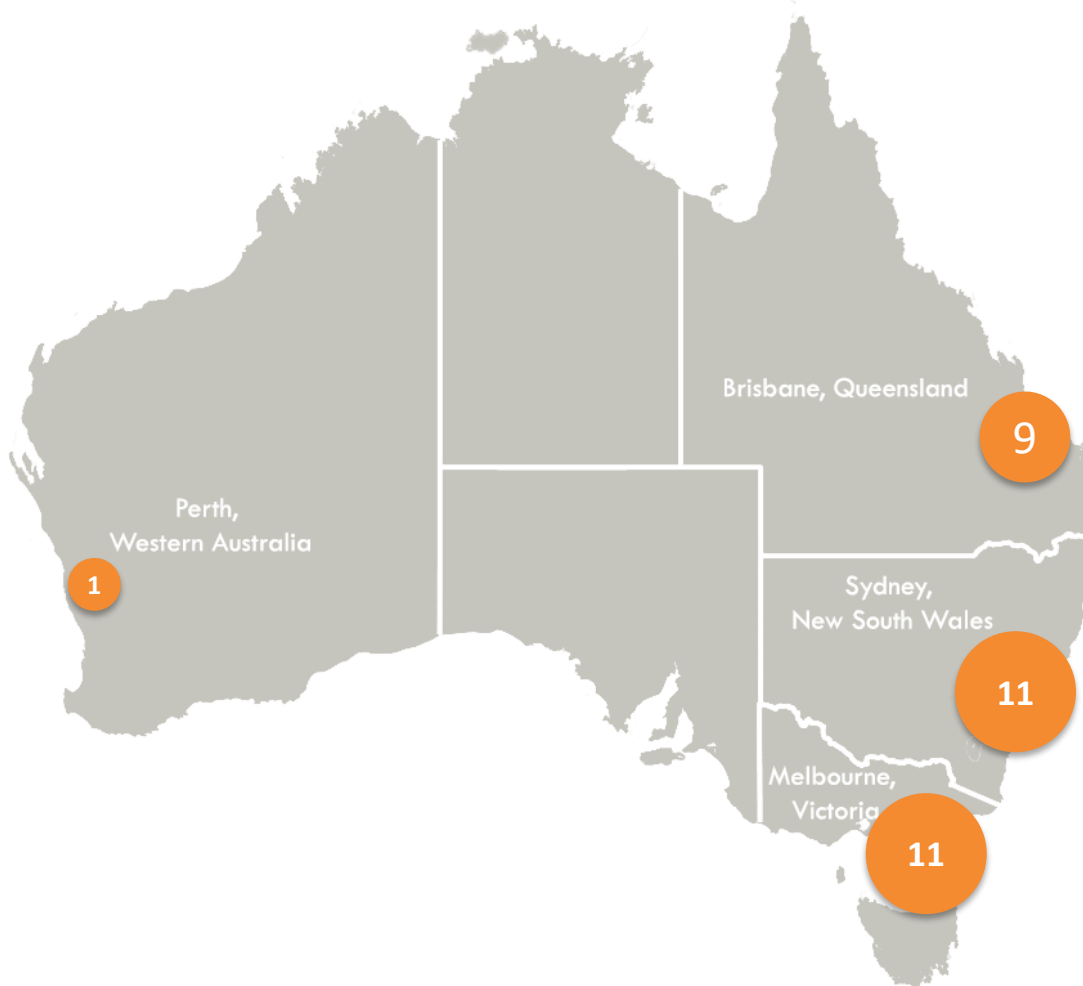


Singapore Portfolio



- **GFA 3,040,253 sm**
- **99 properties** located across the island
- Segments include Business & Science Park, Integrated Development, High-Specifications, Light Industrial and Logistics & Distribution centres

Australia Portfolio



- **GFA 768,140 sm**
- **32 properties** located in key cities: Sydney, Melbourne, Brisbane and Perth
 - 29 modern logistics properties
 - 3 suburban office buildings

Post FY17/18: Investments/Divestments

	Country	Purchase Consideration Cost/ Sale Price (S\$m)	(Estimated) Completion Date
FY18/19			
Acquisitions		65.3	
169-177 Australis Drive, Derrimut, Melbourne	Australia	34.5 ⁽¹⁾	Jun 2018
1-7 Wayne Goss Drive, Berrinba, Brisbane	Australia	30.8 ⁽²⁾	3Q FY18/19
Redevelopment		61.4	
20 Tuas Avenue 1	Singapore	61.4	Apr 2018
Divestment		24.0	
30 Old Toh Tuck Road	Singapore	24.0	Apr 2018

(1) S\$ amount based on exchange rate of A\$1.00: S\$1.0133 as at 31 Mar 2018.

(2) S\$ amount based on exchange rate of A\$1.00: S\$1.0258 as at 30 Nov 2017.

Acquisition:

169-177 Australis Drive, Derrimut, Melbourne, Australia

Purchase Consideration ⁽¹⁾⁽²⁾	A\$34.0 m (S\$34.5 m)
Total Acquisition Cost (incl. A\$2.3m of Acquisition Fee, Stamp Duty and Other Costs)	A\$36.3 m (S\$36.8 m)
Vendor	Abacus Funds Management
Valuation (as at 17 Apr 2018) ⁽¹⁾⁽²⁾⁽³⁾	A\$34.0 m (S\$34.5 m)
Land Tenure	Freehold
Lettable Floor Area	31,048 sqm
Occupancy (upon completion)	100%
Weighted Average Lease Expiry (upon completion)	~3.0 years
Key Tenants	<ul style="list-style-type: none"> ▪ Hitachi Transport System ▪ United Wholesalers ▪ HB Commerce
Initial Net Property Income Yield ⁽⁴⁾	6.9% (6.5% post-cost yield)
Completion Date	Jun 2018

- (1) All S\$ amount based on exchange rate of A\$1.00: S\$1.0133 as at 31 Mar 2018.
- (2) Includes outstanding incentives reimbursed by the Vendor.
- (3) Valuation by Savills Valuation Pty Ltd, using the capitalisation method and discounted cashflow method.
- (4) The NPI yield is derived using the estimated net property income expected in the first year of acquisition and the outstanding incentives for the first year which are reimbursed by the Vendor.



169-177 Australis Drive, Derrimut, Melbourne

The Property:

- Modern logistics facility with flexibility to accommodate multiple tenancies

Well-Located:

- Sits within the highly regarded West Park Industrial Estate, in the established industrial precinct of Derrimut
- Served by the Western Ring Road, the Western Freeway and the Princes Freeway
- Located 16 km west of the Melbourne Central Business District, 15 km from the Port of Melbourne and 24 km from Melbourne Airport

Acquisition:

1-7 Wayne Goss Drive, Berrinba, Brisbane, Australia

Land and Development Cost ⁽¹⁾⁽²⁾	A\$30.0 m (S\$30.8 m)
Total Investment Cost (incl A\$1.0m of Acquisition Fee, Stamp Duty and Other Costs)	A\$31.0 m (S\$31.8 m)
Developer	Goodman Property Services (Aust) Pty Ltd (“Goodman”)
“As if Complete” Valuation (as at 31 Oct 2017) ⁽¹⁾⁽²⁾⁽³⁾	A\$30.0 m (S\$30.8 m)
Land Tenure	Freehold
Lettable Floor Area	17,880 sqm
Initial Net Property Yield ⁽⁴⁾	6.7% (6.5% post-cost yield)
Estimated Construction Completion Date	3Q FY18/19

- (1) All S\$ amount based on exchange rate of A\$1.00: S\$1.0258 as at 30 Nov 2017.
- (2) Includes rental guarantee provided by the Vendor.
- (3) Valuation by Jones Lang Lasalle Advisory Services Pty Ltd, using the capitalisation method and discounted cashflow method.
- (4) The NPI yield is derived using the estimated net property income expected in the first year of acquisition and the rental guarantee for the first year provided by the Vendor.



1-7 Wayne Goss Drive, Berrinba, Brisbane

The Property:

- Currently being developed by Goodman
- Generic design and layout - functional and efficient for a wide range of users.
- Designed with sub-division flexibility to accommodate up to 2 tenants

Well-Located:

- In the established industrial precinct of Berrinba, 30km south of Brisbane CBD
- Good access to Logan, Gateway and Pacific Motorways

Redevelopment:

20 Tuas Avenue 1, Singapore

Description	The property was redeveloped into a ramp-up 3-storey warehouse block with efficient and regular floor plate sizes. Features include a concrete rooftop carpark for 40 foot container and lorries. Plot ratio was maximized.
Property Segment	Logistics & Distribution Centre
Gross Floor Area	44,449 sqm
Cost	S\$61.4 m
Completion Date	Apr 2018



Divestment:

30 Old Toh Tuck Road, Singapore

Description	5-storey ramp-up logistics building located in the Western part of Singapore
Remaining Land Tenure (as at 31 Mar 2018)	~39 years
Gross Floor Area	16,353 sqm
Acquisition Year/ Price	2006/ S\$19.6 m
Book Value (as at 31 Mar 2018)	S\$20.3 m
Sales Price	S\$24.0 m
Pro-forma Net Property Income Impact	S\$0.69 m
Buyer	Soon Bee Huat Trading Pte Ltd
Capital Gains over Original Costs	S\$3.3 m
Completion Date	Apr 2018



30 Old Toh Tuck Road, Singapore

In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to a divestment fee of 0.5% of the sale price of the property.

Capital Management



Healthy Balance Sheet

- Aggregate leverage remained healthy at 34.4%
- Available debt headroom of ~S\$1.0b to reach 40.0% aggregate leverage

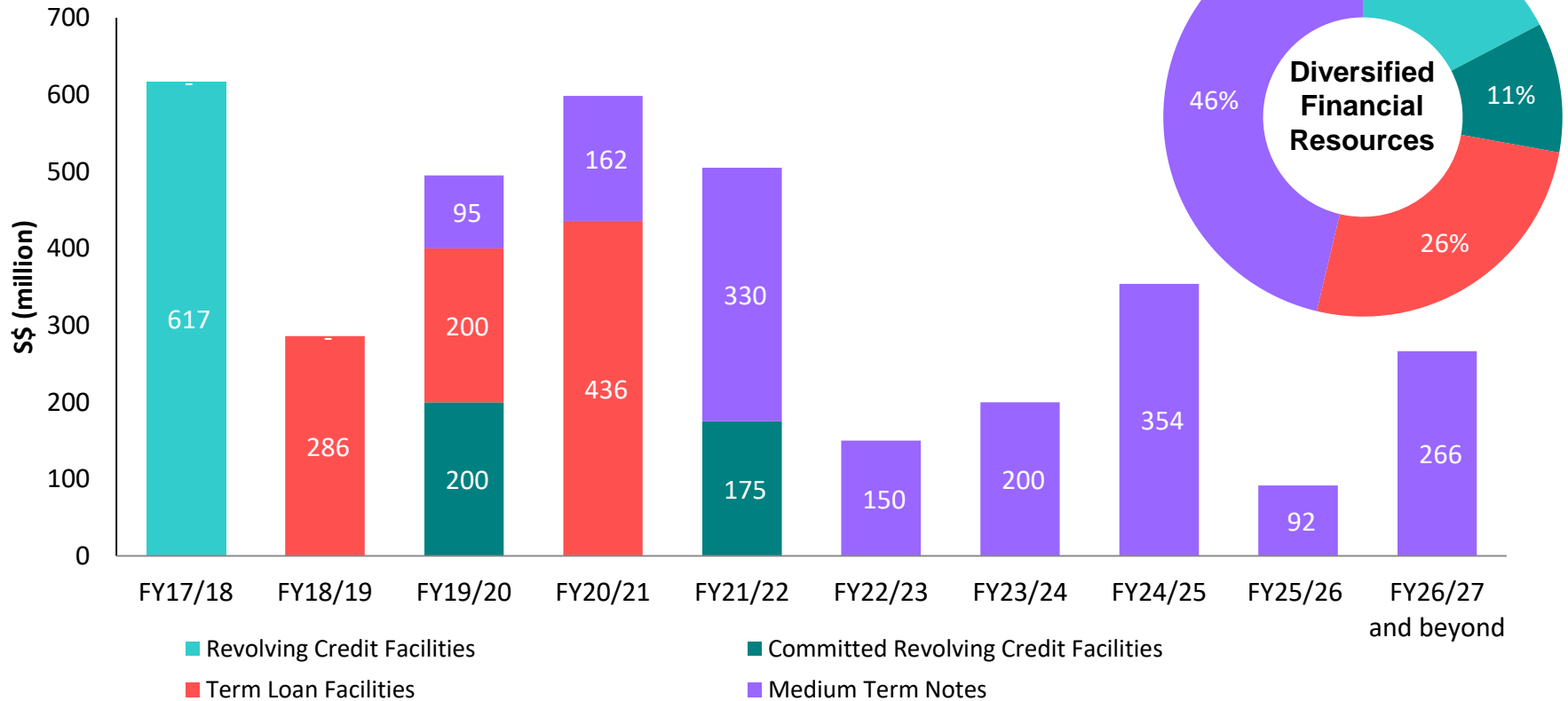
	As at 31 Mar 2018	As at 31 Mar 2017
Total Debt (S\$m) ⁽¹⁾	3,563	3,442
Total Assets (S\$m)	10,354	10,171
Aggregate Leverage	34.4%	33.8%
Unitholders' Funds (S\$m)	6,194	6,031
Net Asset Value (NAV) per Unit	212 cents	206 cents
Adjusted NAV per Unit ⁽²⁾	204 cents	204 cents
Units in Issue (m)	2,929	2,925

(1) Excludes fair value changes and amortised costs. Borrowings denominated in foreign currencies are translated at the prevailing exchange rates except for JPY/HKD-denominated debt issues, which are translated at the cross-currency swap rates that Ascendas Reit has committed to.

(2) Excludes the amount to be distributed for the relevant period after the reporting date.

Well-spread Debt Maturity Profile

- Well-spread debt maturity with the longest debt maturing in 2029
- Average debt maturity is stable at 3.2 years:
 - Issued S\$200m 6-year Notes at 2.47% (SOR + 60bps) in Aug 2017
 - Issued S\$200m 7-year Notes at 3.14% (SOR + 70bps) in Mar 2018
 - Extended S\$200m committed revolving credit facility by 3 years



Key Funding Indicators

- Robust indicators enable Ascendas Reit to borrow at competitive costs

	As at 31 Mar 2018	As at 31 Mar 2017
Aggregate Leverage	34.4% ⁽¹⁾	33.8%
Unencumbered Properties as % of Total Investment Properties ⁽²⁾	89.7%	89.3%
Interest Cover Ratio	5.9 x	5.7 x
Debt / EBITDA	6.2 x	6.3 x
Weighted Average Tenure of Debt (years)	3.2	3.3
Weighted Average all-in Debt Cost	2.9%	3.0%
Issuer Rating by Moody's	A3 Positive	

(1) Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings to total net assets is 57.5%.

(2) Total investment properties exclude properties reported as finance lease receivable.

Annual Property Revaluation

- Total valuation of 130 properties was S\$10.14b ⁽¹⁾
- Same-store valuation ⁽²⁾ of 126 properties @ 31 Mar 2018 was stable at S\$9.84b (vs. S\$9.75b @ 31 Mar 2017)
- Capitalisation rate of **6.24%** for total portfolio (vs. 6.29% @ 31 Mar 2017)

As at 31 Mar 2018	Valuation (S\$b)	Weighted Average Cap Rates	Cap Rates Range
<i>Singapore portfolio (99 properties)</i> ⁽¹⁾	8.65	6.22%	5.00% - 7.00%
Business & Science Parks	3.66	6.07%	5.75% - 6.50%
High-Specifications/ Data Centres	2.17	6.34%	5.50% - 6.75%
Light Industrial/ Flatted Factories	0.95	6.37%	6.00% - 7.00%
Logistics & Distribution Centres	1.14	6.57%	6.00% - 7.00%
Integrated Development, Amenities & Retail	0.73	5.87%	5.00% - 6.75%
<i>Australia portfolio (31 properties)</i> ⁽³⁾	1.49	6.32%	5.50% - 7.00%
Total Portfolio (130 properties)	10.14	6.24%	

(1) Excludes 20 Tuas Avenue 1 which was under-going redevelopment as at 31 March 2018 (investment properties under development).

(2) Excludes properties which were under redevelopment as at 31 Mar 17 and 31 Mar 18 (50 Kallang Avenue and 20 Tuas Avenue 1), divested properties (84 Genting Lane, 13 International Business Park and 10 Woodlands Link) and newly acquired properties (108 Wickham Street, 100 Wickham Street and 52 Fox Drive).

(3) All S\$ amount based on exchange rate of A\$1.00: S\$1.0133 as at 31 Mar 2018.

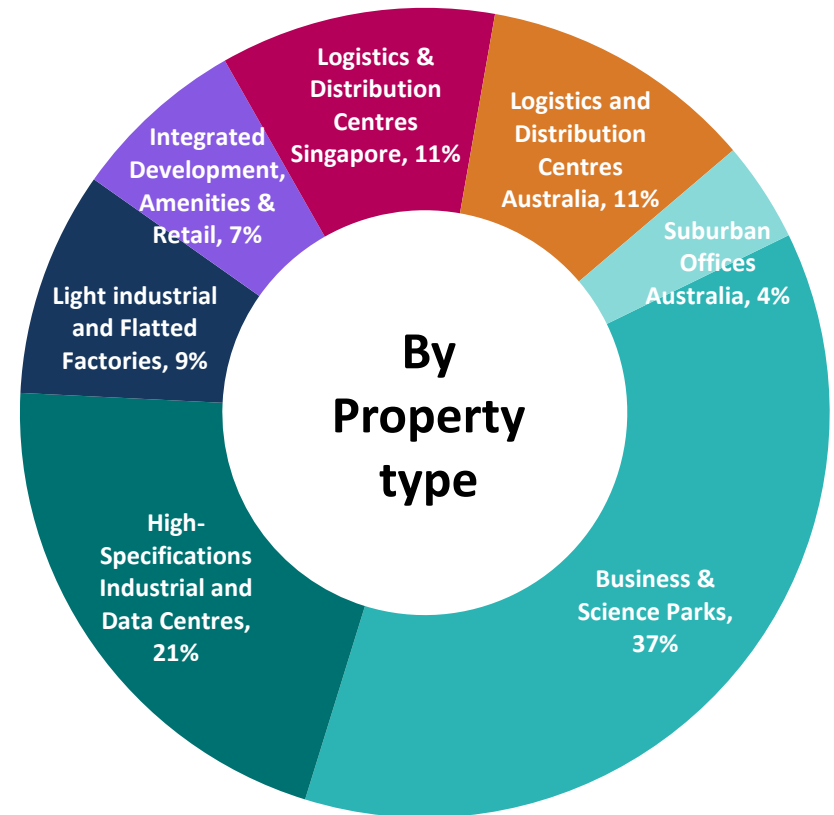
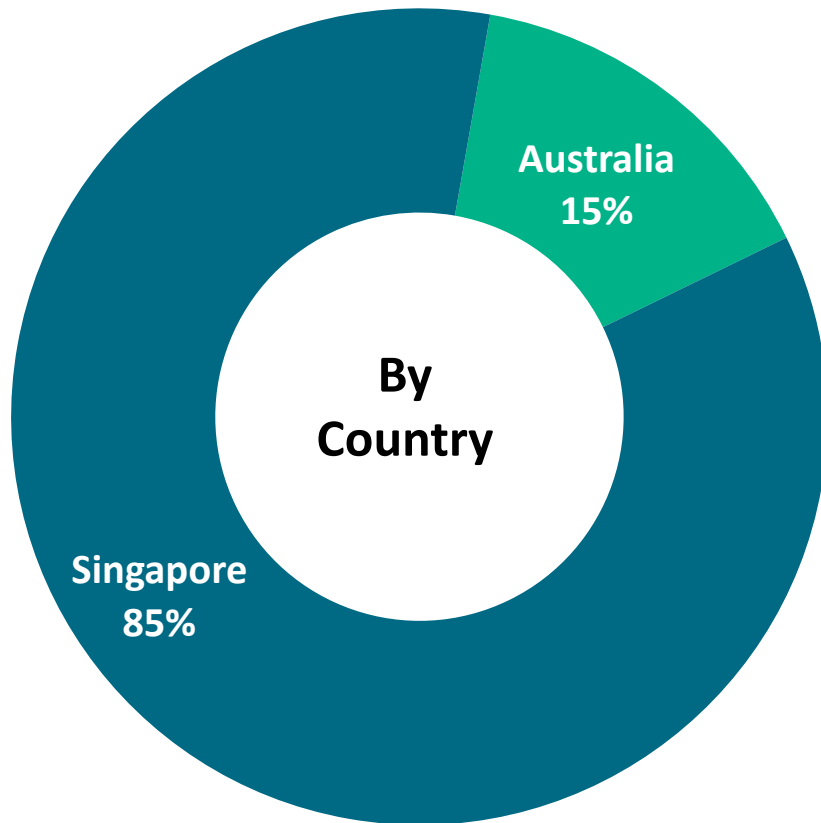


Portfolio Management



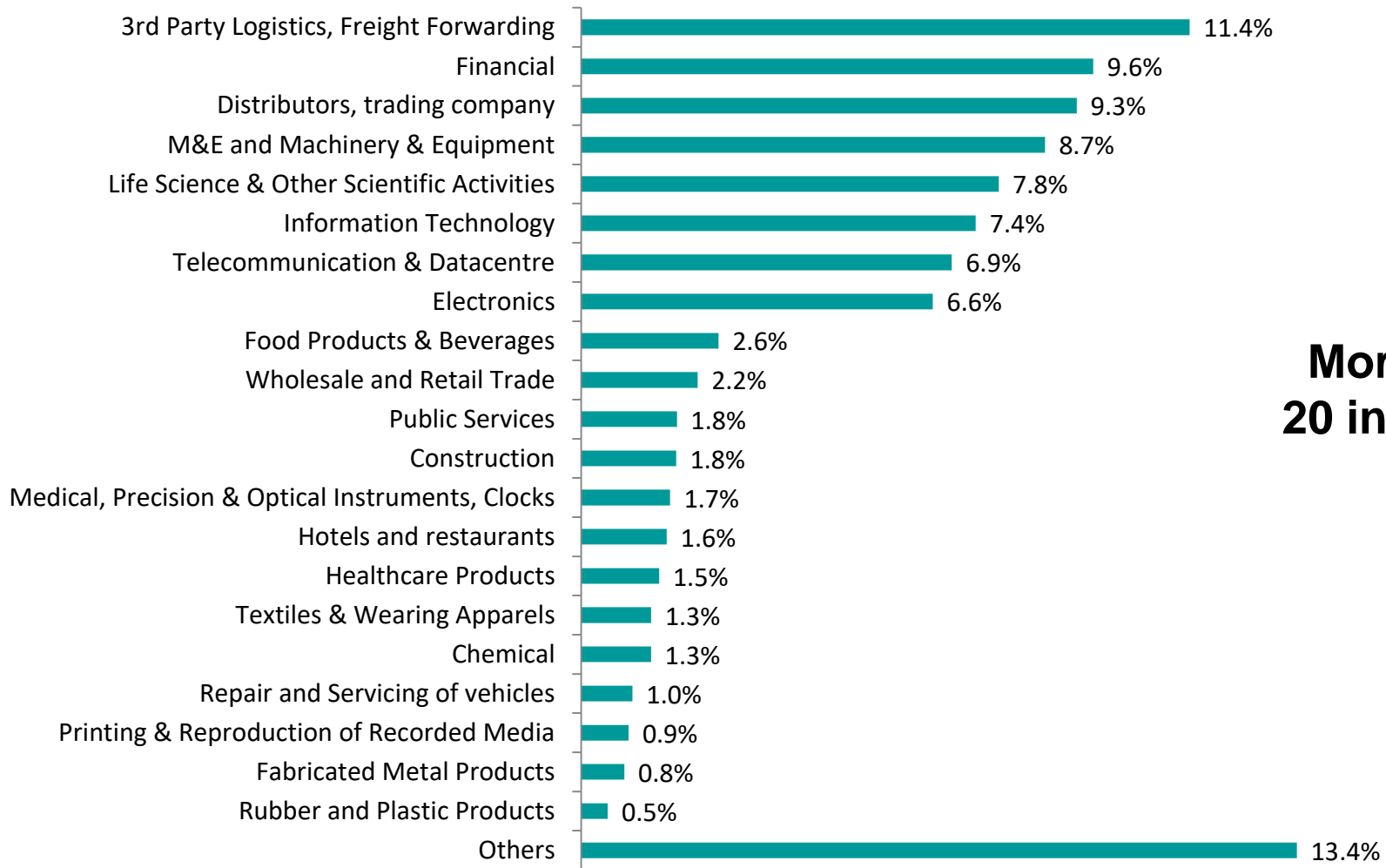
Well Diversified Portfolio

By Asset Value



Tenants' Industry Diversification

By Monthly Gross Revenue

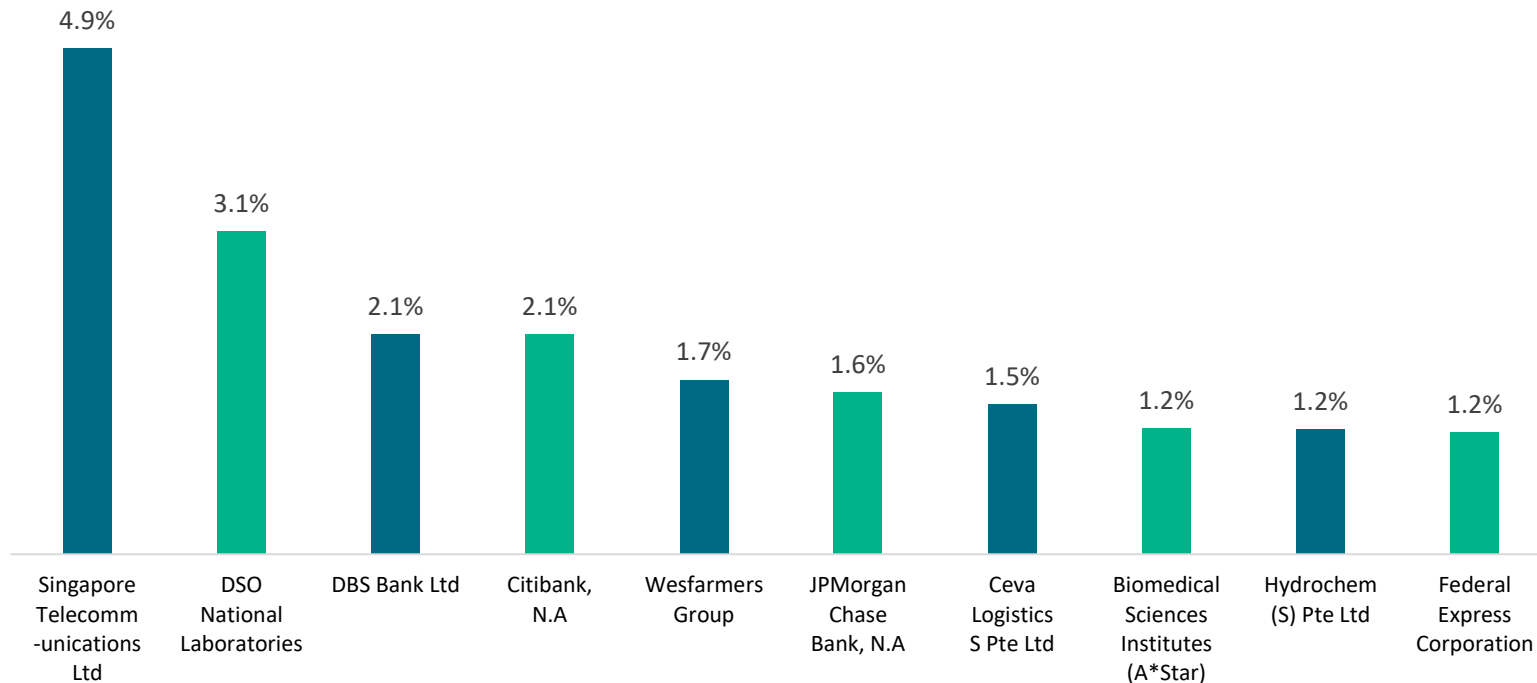


More than
20 industries

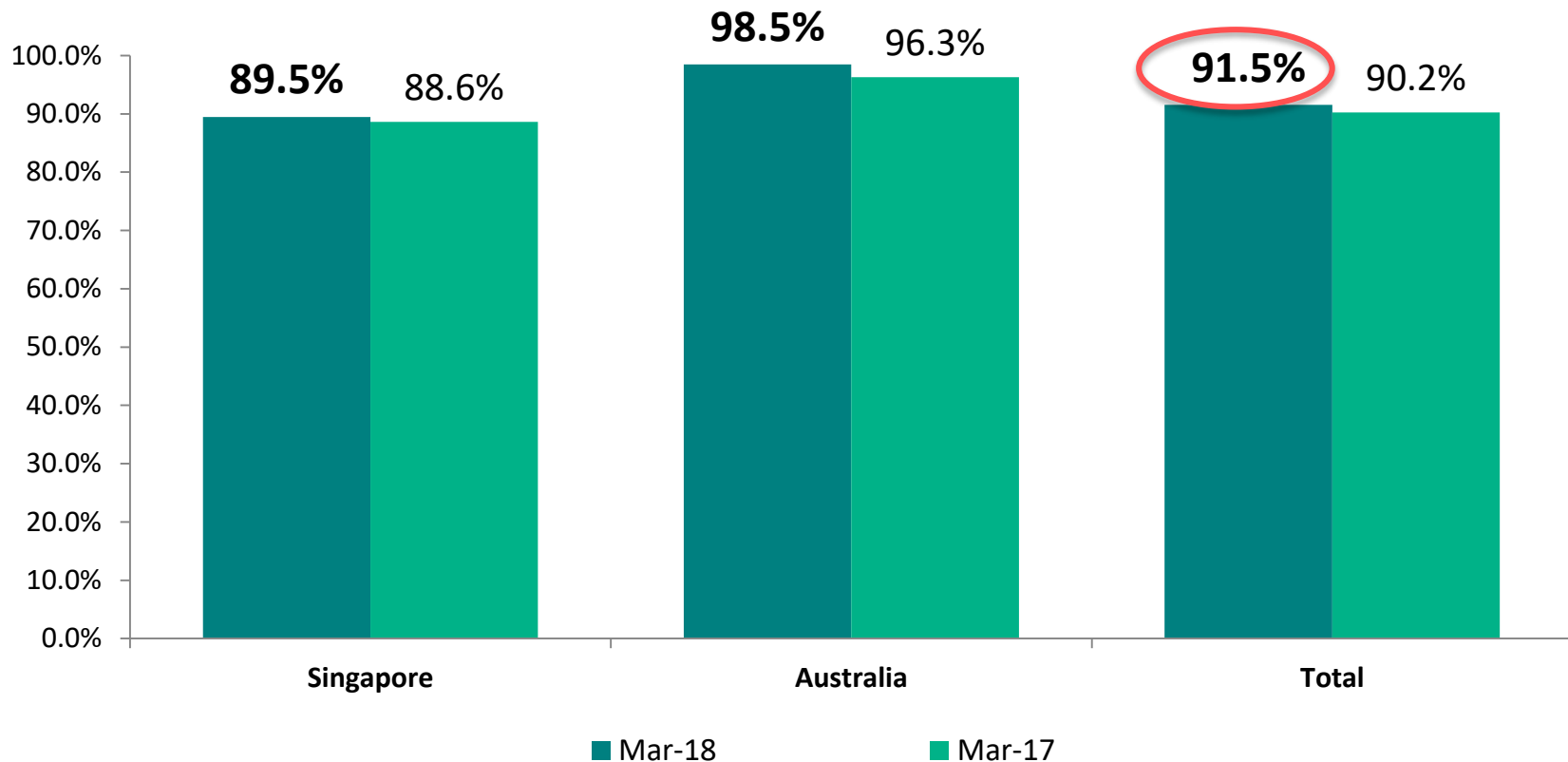
Note: Others include research & development, manufacturing, oil and gas, multi-media products etc.

Quality and Diversified Customer Base

- Total customer base of around 1,320 tenants
- Top 10 customers (as at 31 Mar 2018) account for about 20.6% of portfolio gross rental income
- On a *portfolio* basis, weighted average security deposit is about 5.5 months of rental income



Overview of Portfolio Occupancy



Gross Floor Area (sqm) ⁽¹⁾

3,012,157 ⁽²⁾

737,092 ⁽³⁾

3,749,249

Note:

(1) Gross Floor Area as at 31 Mar 2018.

(2) Gross Floor Area excludes 20 Tuas Avenue 1 which was de-commissioned for redevelopment as at 31 March 2018

(3) Gross Floor Area for Australia portfolio refers to the Gross Lettable Area/Net Lettable Area.

Singapore: Occupancy

- Occupancy improved by 0.9% to 89.5% mainly due to occupancy improvements in 2 Senoko South Road (Light industrial), Logistech (Logistics) and 71 Alps Avenue (Logistics)

As at	31 Mar 18	31 Mar 17
Total Singapore Portfolio GFA (sqm)	3,012,157 ⁽¹⁾⁽²⁾⁽³⁾	3,025,823 ⁽²⁾⁽⁴⁾
Singapore Portfolio Occupancy (same store) ⁽⁵⁾	89.4%	89.1%
Singapore MTB Occupancy (same store) ⁽⁶⁾	85.9%	85.4%
Occupancy of Singapore Investments Completed in the last 12 months	100.0%	93.4%
Overall Singapore Portfolio Occupancy	89.5%	88.6%
Singapore MTB Occupancy	85.9%	84.9%

(1) Excludes 84 Genting Lane which was divested on 19 Jan 2018.

(2) Excludes 20 Tuas Ave 1 which has been de-commissioned for redevelopment.

(3) Excludes 13 International Business Park and 10 Woodlands Link which were divested on 24 Aug 2017 and 12 Jul 2017 respectively.

(4) Excludes 50 Kallang Avenue which was previously decommissioned for redevelopment.

(5) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2018, excluding new investments completed in the last 12 months and divestments.

(6) Same store MTB occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2018, excluding new investments completed in the last 12 months, divestments and changes in classification of certain buildings from single-tenant to multi-tenant buildings or vice-versa.

Australia: Occupancy

- Occupancy improved by 2.2% to 98.5% as our logistics properties, 62 Stradbroke Street (Brisbane) and 494-500 Great Western Highway (Sydney), achieved full occupancies during the year

As at	31 Mar 18	31 Mar 17
Total Australian Portfolio GFA (sqm)	737,092	692,153
Australian Portfolio Occupancy (same store) ⁽¹⁾	98.4%	96.3%
Occupancy of Australian Investments Completed in the last 12 months ⁽²⁾	100.0%	100.0%
Overall Australian Portfolio Occupancy	98.5%	96.3%

(1) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Mar 2018, excluding new investments completed in the last 12 months and divestments.

(2) Investment property completed in the last 12 months.

Portfolio Rental Reversions

- Portfolio reversions of 0.7% were recorded for leases renewed in FY17/18
- Rental reversion is expected to see slight improvement in FY18/19

Multi-tenant Buildings	Percentage Change in Renewal Rates ⁽¹⁾
	FY17/18
Singapore	0.5%
Business & Science Parks	3.9%
High-Specifications Industrial	-6.6%
Light Industrial	0.4%
Logistics & Distribution Centres	0.1%
Integrated Development, Amenities & Retail	11.6%
Australia	1.8%
Suburban Offices	- ⁽²⁾
Logistics & Distribution Centres	1.8%
Total Portfolio:	0.7%

(1) Percentage change of the average gross rent over the lease period of the renewed leases against the preceding average gross rent from lease start date. Takes into account renewed leases that were signed in their respective periods and average gross rents are weighted by area renewed.

(2) There were no renewals signed in the period for the respective segments.

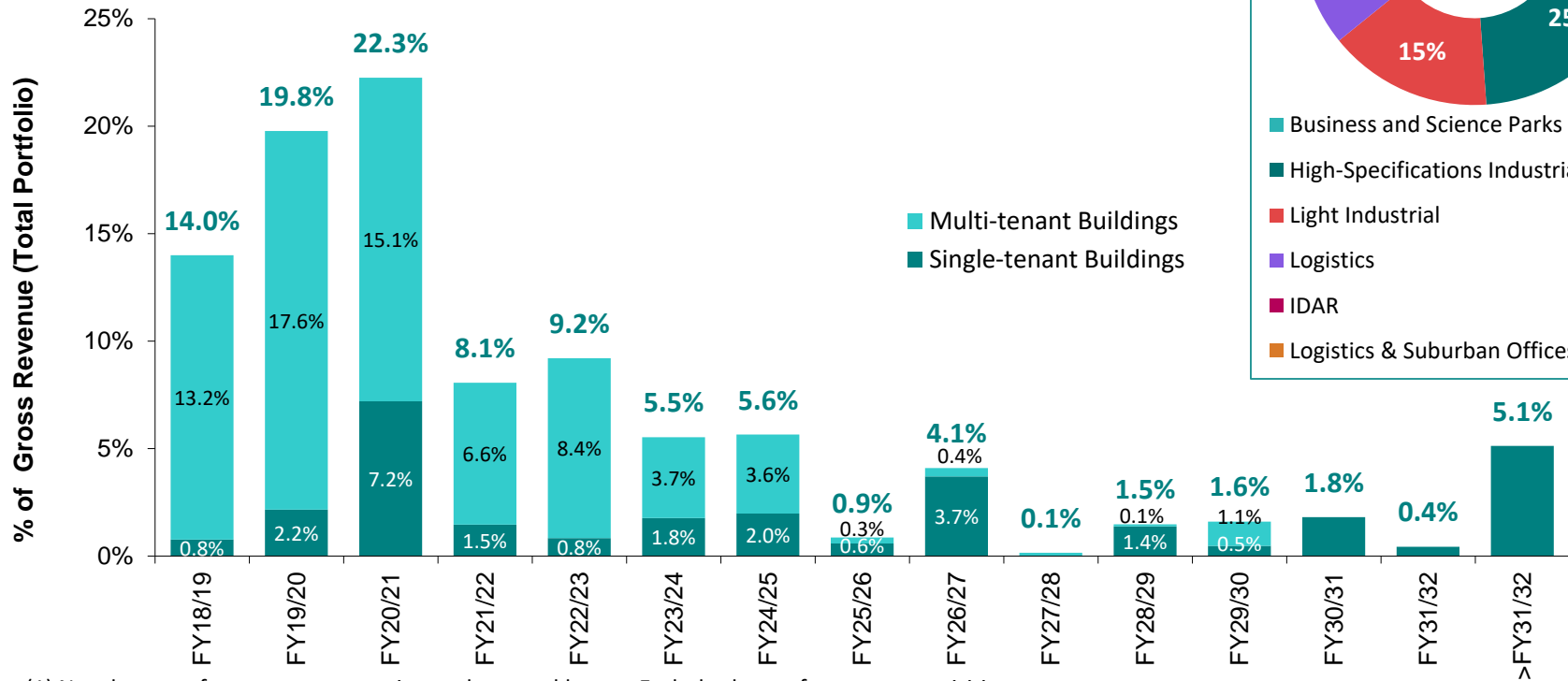
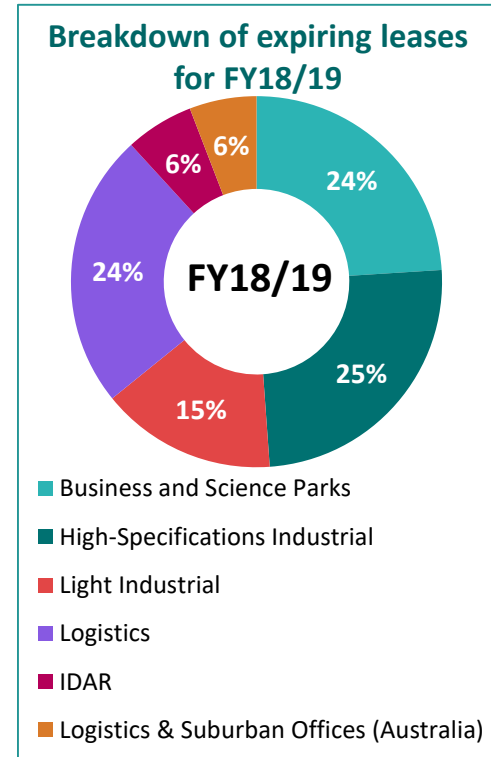
Weighted Average Lease Expiry (By gross revenue)

- Portfolio Weighted Average Lease Expiry (WALE) at 4.2 years

WALE (as at 31 Mar 18)	Years
Singapore	4.0
Australia	5.1
Portfolio	4.2

Portfolio Lease Expiry Profile (as at 31 Mar 18)

- Portfolio weighted average lease to expiry (WALE) of 4.2 years
- Lease expiry is well-spread, extending beyond 2032
- About 14.0% of gross revenue is due for renewal in FY18/19



(1) New leases refers to new, expansion and renewal leases. Excludes leases from new acquisitions.

Ongoing Projects: Improve portfolio quality

	Country	Estimated Value (\$m)	Estimated Completion Date
Asset Enhancement Initiatives		34.5	
Nordic European Centre	Singapore	8.5	4Q FY18/19
Aperia	Singapore	13.7	3Q FY18/19
21 Changi South Avenue 2	Singapore	4.5	Apr 2018
KA Centre, KA Place and 1 Jalan Kilang	Singapore	7.8	Jun 2018

Asset Enhancement Initiative:

Nordic European Centre, International Business Park, Singapore

Description

- Activate the main lobby with shared collaborative spaces for tenants and visitors
- Refresh building façade
- Delight tenants with gym and End-of-trip facility, promoting Live-Work-Learn-Play
- Adopt technologies e.g. mobile platforms for access to shared facilities e.g. gym and meeting rooms
- Achieve Green Mark certification

Property Segment

Business Park

Gross Floor Area

28,378 sqm

Occupancy (as at 31 March 2018)

71.1%

Estimated Cost

S\$8.5m

Estimated Completion Date

4Q FY18/19



Artist impressions

Asset Enhancement Initiative: Aperia, Kallang Ave, Singapore

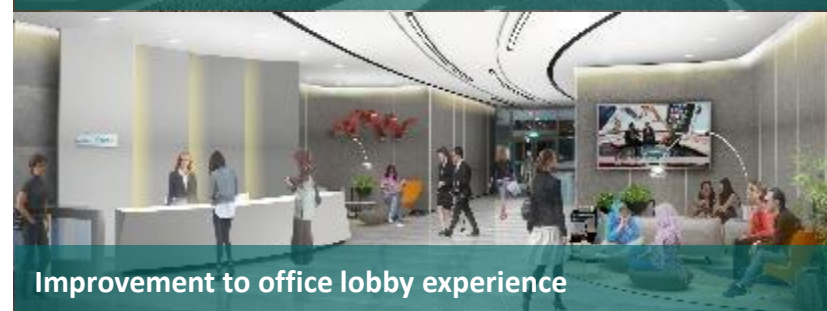
Description	<ul style="list-style-type: none"> ▪ Improve tenant mix with more F&B options and active lifestyle venues such as rock climbing, gym & yoga studio ▪ Create a Food Street corridor with more F&B options such as restaurant, café and take-away kiosk ▪ Enhance drop-off point and lobby to improve visitor experience for both retail and B1 towers
Property Segment	Integrated Development, Amenities and Retail
Gross Floor Area	86,696 sqm
Occupancy (as at 31 March 2018)	93.5%
Estimated Cost	S\$13.7m
Estimated Completion Date	3Q FY18/19



Repositioning of Retail Mall



Enhancement to drop-off point



Improvement to office lobby experience

Artist impressions



Market Outlook

Market Outlook

- A rebound in investment and trade has contributed to the cyclical recovery in the global economy. However, the global outlook is still subject to downside risks, including in particular the escalating trade tensions between the US and China.
- Singapore's economy is forecast to grow by 2.5% to 3.5% in 2018 (source: MTI).
 - Although leasing enquiries have improved in recent months, businesses are still cautious and some are still consolidating and right-sizing.
- Australia's economy is forecast to grow by 2.7% in 2018 (source: Bloomberg).
 - Our properties are well-located in the key cities of Sydney, Melbourne and Brisbane and we expect our performance in Australia to remain stable.
- Interest rates are widely expected to continue rising in the months ahead. With a prudent capital management strategy in place and a well-spread out debt expiry profile, we are well positioned to mitigate the impact of interest rate increases and maintain an optimal financial position.