



FY17/18 Financial Results Presentation

23 April 2018



20 Tuas Avenue 1
Singapore



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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Key Highlights for FY17/18

Key Highlights for FY17/18

- Total amount available for distribution rose by 4.9% y-o-y to S\$468.0m
- Key drivers 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%
 - Achieved positive rental reversion of 0.7% for multi-tenant buildings
- Distribution per Unit (DPU) rose 1.6% y-o-y to 15.988 cents despite the increase in number of Units in issue.

Key Highlights for FY17/18





- Assets Under Management has grown 1.8% y-o-y to S\$10.35b
 - Acquired S\$225.8m worth of properties in Australia
 - Completed S\$52.9m redevelopment and asset enhancement projects in Singapore
 - Divested S\$60.8m worth of properties in Singapore
- Annual Property Revaluation
 - Same-store valuation ⁽¹⁾ of 126 properties @ 31 Mar 2018 was stable at S\$9.84b (vs S\$9.75b @ 31 Mar 2017)
 - Portfolio capitalisation rate at 6.24% (vs 6.29% @ 31 Mar 2017)
- Proactive Capital Management
 - Maintained A3 credit rating and healthy aggregate leverage at 34.4%
 - 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).



Financial Performance

FY17/18 vs FY16/17

| (S\$'000) | FY17/18 ⁽¹⁾ | FY16/17 ⁽¹⁾ | % Fav/ (Unfav) |
|---|------------------------|------------------------|--|
| Gross revenue | 862,111 | 830,592 |  3.8 |
| Net property income ⁽²⁾ | 629,400 | 610,954 |  3.0 |
| Total amount available for distribution ⁽³⁾ | 468,045 | 446,304 |  4.9 |
| DPU (cents) ⁽⁴⁾ | 15.988 | 15.743 |  1.6 |





(1) The Group had 131 properties as at 31 March 2018 and 131 properties as at 31 March 2017.

(2) Higher net property income was mainly attributable to contributions from the acquisitions of 12, 14 and 16 Science Park Drive in Singapore, and 197-201 Coward Street, 100 Wickham Street, 108 Wickham Street and 52 Fox Drive, Dandenong South in Australia. The completion of redevelopment works at 50 Kallang Avenue since June 2017 also contributed to the increase. These were partially offset by the divestment of the three China properties, as well as 84 Genting Lane, 10 Woodlands Link and 13 International Business Park in Singapore. Included in FY16/17 was a one-off property tax refund arising from retrospective downward revisions in the annual value of certain properties. Excluding this one-off property tax refund, net property income would have increased by 5.3%.

(3) Higher total amount available for distribution was underpinned by the higher net property income.

(4) Includes taxable (FY17/18: 14.976 cents, FY16/17: 14.824 cents), tax exempt (FY17/18: Nil, FY16/17: 0.359 cents) and capital (FY17/18: 1.012 cents, FY16/17: 0.560 cents) distributions.

4Q FY17/18 vs 3Q FY17/18

| (S\$'000) | 4Q FY17/18 ⁽¹⁾ | 3Q FY17/18 ⁽¹⁾ | % Fav/ (Unfav) |
|--|------------------------------|------------------------------|---|
| Gross revenue ⁽²⁾ | 215,748 | 217,279 |  (0.7) |
| Net property income ⁽³⁾ | 157,870 | 157,625 |  0.2 |
| Total amount available for distribution ⁽⁴⁾ | 114,503 | 116,261 |  (1.5) |
| DPU (cents) ⁽⁵⁾ | 3.910 | 3.970 |  (1.5) |

(1) The Group had 131 properties as at 31 Mar 2018 and 132 properties as at 31 Dec 2017.

(2) Gross revenue is lower due to the divestment of 84 Genting Lane in Singapore in January 2018 and higher utility income in 3QFY17/18 in some properties.

(3) Net property income in 4Q FY17/18 was comparable to that achieved in 3Q FY17/18, as the contributions from the acquisition of 108 Wickham Street in Brisbane, Australia in December 2017 was partly offset by the divestment of 84 Genting Lane in Singapore in January 2018.

(4) Lower amount available for distribution despite increase in net property income is mainly due to higher interest expenses and related borrowing costs.

(5) Includes taxable (4Q FY17/18: 3.590 cents, 3Q FY17/18: 3.734 cents) and capital (4Q FY17/18: 0.320 cents, 3Q FY17/18: 0.236 cents) distributions.

Distribution Details

Distribution timetable

Last day of trading on “cum” basis

26 Apr 2018 (Thursday)

Ex-distribution date

27 Apr 2018 (Friday), 9.00 am

Books closure date

2 May 2018 (Wednesday), 5.00 pm

Distribution payment date

24 May 2018 (Thursday)

| Stock Counter | Distribution Period | Taxable Income (cents) | Capital (cents) | Total (cents) |
|---------------|---------------------------|------------------------|-----------------|---------------|
| Ascendas Reit | 1 Oct 2017 to 31 Mar 2018 | 7.324 | 0.556 | 7.880 |



Investment Management

Investment Highlights in FY17/18

| | Country | Purchase Consideration / Cost (S\$m) | Completion Date |
|---|-----------|--------------------------------------|-----------------|
| Total (Acquisition/Redevelopment/AEI) | | 278.7 | |
| Acquisitions | | 225.8 | |
| 100 Wickham Street, Fortitude Valley, Brisbane | Australia | 90.3 ⁽¹⁾ | 25 Sep 2017 |
| 108 Wickham Street, Fortitude Valley, Brisbane | Australia | 109.0 ⁽²⁾ | 22 Dec 2017 |
| 52 Fox Drive, Dandenong South, Melbourne | Australia | 26.5 ⁽³⁾ | 3 Apr 2017 |
| Redevelopment & Asset Enhancement Initiative | | 52.9 | |
| 50 Kallang Avenue | Singapore | 45.2 | 21 Jun 2017 |
| The Gemini | Singapore | 7.7 | 17 Aug 2017 |

| | Country | Sale Price (S\$m) | Completion Date |
|--------------------------------|-----------|-------------------|-----------------|
| Total (Divestments) | | 60.8 | |
| 84 Genting Lane | Singapore | 16.7 | 19 Jan 2018 |
| 13 International Business Park | Singapore | 24.8 | 24 Aug 2017 |
| 10 Woodlands Link | Singapore | 19.3 | 12 Jul 2017 |

(1) S\$ amount based on exchange rate stated on press release on 25 Sep 2017.

(2) S\$ amount based on exchange rate stated on press release on 22 Dec 2017.

(3) S\$ amount based on exchange rate stated on announcement on 3 Apr 2017.

Suburban Office Acquisition:

100 Wickham Street, Fortitude Valley, Brisbane, Australia

| | |
|---|---|
| Purchase Consideration ⁽¹⁾⁽²⁾ | A\$83.8 m (S\$90.3 m) |
| Acquisition Fee, Stamp Duty and Other Transaction Costs | A\$6.1 m (S\$6.6m) |
| Total Acquisition Cost | A\$89.9 m (\$96.9m) |
| Vendor | 100W Pty Ltd |
| Valuation (as at 31 March 2018) ⁽²⁾⁽³⁾⁽⁴⁾ | A\$88.8 m (S\$90.0 m) |
| Land Area | 2,975 sqm |
| Land Tenure | Freehold |
| Lettable Floor Area | 13,131 sqm |
| Occupancy (31 Mar 2018) | 100% |
| Weighted Average Lease Expiry (31 Mar 2018) | 4.3 years |
| Key Tenants | <ul style="list-style-type: none"> ▪ State of Queensland (Department of Health) ▪ 3 data centre operators |
| Initial NPI Yield | 7.6% (7.1% post-cost yield) |
| Completion Date | 25 Sep 2017 |

(1) All S\$ amount based on exchange rate stated on press release on 25 Sep 2017.
 (2) Includes outstanding incentives reimbursed by the Vendor.
 (3) Based on exchange rate of A\$1.00: S\$1.0133 as at 31 Mar 2018.
 (4) Valuation by Valuations Services (NSW) Pty Ltd Trading As Knight Frank Valuations, using the capitalisation and discounted cashflow method.



The Property:

- 14-storey office building with 2 levels of basement carpark.

Well-Located:

- Located approximately 450m from the 'Golden Triangle', Brisbane's premier corporate precinct;
- Close proximity to Fortitude Valley Train Station and Central Train station, multiple bus routes, the Story Bridge (linkage to South Bank) and three new inner-city road tunnels.

Suburban Office Acquisition:

108 Wickham Street, Fortitude Valley, Brisbane, Australia

| | |
|---|--|
| Purchase Consideration ⁽¹⁾⁽²⁾ | A\$106.2 m (S\$109.0 m) |
| Acquisition Fee, Stamp Duty and Other Transaction Costs | A\$7.7 m (S\$7.9 m) |
| Total Acquisition Cost | A\$113.9 m (S\$116.8 m) |
| Vendor | 108 Wickham Pty Ltd |
| Valuation (as at 31 March 2018) ⁽²⁾⁽³⁾⁽⁴⁾ | A\$106.8 m (S\$108.2 m) |
| Land Area | 2,796 sqm |
| Land Tenure | Freehold |
| Lettable Floor Area | 11,913 sqm |
| Occupancy (31 Mar 2018) | 100% |
| Weighted Average Lease Expiry (31 Mar 2018) | 6.2 years |
| Key Tenants | <ul style="list-style-type: none"> ▪ State of Queensland (Department of Health) ▪ ARUP (Brisbane HQ) |
| Initial NPI Yield | 6.5% (6.1% post-cost yield) |
| Completion Date | 22 Dec 2017 |

- (1) All S\$ amount based on exchange rate stated on press release on 22 Dec 2017.
- (2) Includes outstanding incentives reimbursed by the Vendor.
- (3) Based on exchange rate of A\$1.00: S\$1.0133 as at 31 Mar 2018.
- (4) Valuation by Valuations Services (NSW) Pty Ltd Trading As Knight Frank Valuations, using the capitalisation and discounted cashflow method.



108 Wickham Street, Fortitude Valley, Brisbane

The Property:

- 6-storey office building with 141 carpark lots.

Well-Located:

- Located approximately 450m from the 'Golden Triangle', Brisbane's premier corporate precinct;
- Close proximity to Fortitude Valley Train Station and Central Train Station, multiple bus routes, the Story Bridge (linkage to South Bank) and three new inner-city road tunnels.

Logistics Acquisition:

52 Fox Drive, Dandenong South, Melbourne, Australia

| | |
|---|---|
| Purchase Consideration ⁽¹⁾⁽²⁾⁽³⁾ | A\$24.8 m (S\$26.5 m) |
| Acquisition Fee, Stamp Duty and Other Transaction Costs | A\$0.8 m (S\$0.9 m) |
| Total Acquisition Cost | A\$25.6 m (S\$27.3 m) |
| Vendor | Goodman Dandenong Trust |
| Valuation (as at 31 March 2018) ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ | A\$26.8 m (S\$27.2 m) |
| Land Area | 33,107 sqm |
| Land Tenure | Freehold |
| Lettable Floor Area | 18,007 sqm (comprising of 2 warehouses of 12,200 sqm and 5,807 sqm) |
| Occupancy (31 Mar 2018) | 100% |
| Weighted Average Lease Expiry (31 Mar 2018) | 6.2 years |
| Key Tenant | Bunzl Outsourcing Service |
| Initial NPI Yield | 6.7% (6.5% post-cost yield) |
| Completion Date | 3 Apr 2017 |



52 Fox Drive, Dandenong South, Melbourne

The Property:

- Prime single-storey modern logistics facility.

Well-Located:

- Power Park Industrial Estate in the industrial suburb of Dandenong South.
- Good connectivity to arterial roads and the proposed Port Shuttle intermodal terminal.
- Fast access to and from the Port of Melbourne in 45 min.

(1) All S\$ amount based on exchange rate stated on announcement on 3 Apr 2017.
 (2) Includes rental guarantee provided by vendor
 (3) Includes outstanding incentives reimbursed by the Vendor.
 (4) Based on exchange rate of A\$1.00: S\$1.0133 as at 31 Mar 2018.
 (5) Valuation by Valuations Services (NSW) Pty Ltd Trading As Knight Frank Valuations, using the capitalisation and discounted cashflow method.

Redevelopment:

50 Kallang Avenue, Singapore

| | |
|-------------------------------|---|
| Description | New façade cladding, reconfiguration of spaces, lift modernisation, new air conditioning system and enlarging windows for natural lighting etc. |
| Property Segment | High-Specifications Industrial |
| Gross Floor Area | 18,970 sqm |
| Valuation (as at 31 Mar 2018) | S\$90.0 m |
| Occupancy (31 Mar 2018) | 100% |
| Cost | S\$45.2m |
| Handover Date | 21 Jun 2017 |



Asset Enhancement:

The Gemini (part of The Aries, Sparkle & Gemini), Singapore

| | |
|--|--|
| Description | Enhancement to main and lift lobbies, upgrading of lifts, replacement to energy efficient lighting, air-con systems, improvement to landscape, restroom, and level 2 terrace |
| Property Segment | Business & Science Park |
| Gross Floor Area ⁽¹⁾ | 49,851 sqm |
| Valuation (as at 31 Mar 2018) ⁽²⁾ | S\$204.4 m |
| Occupancy (31 Mar 2018) ⁽³⁾ | 71.3% |
| Estimated Cost | S\$7.7 m |
| Completion Date | 17 Aug 2017 |

(1) Total Gross Floor Area for The Aries, Sparkle & Gemini

(2) Total Valuation for The Aries, Sparkle & Gemini

(3) Total Occupancy for The Aries, Sparkle & Gemini



Reception Area at the atrium



Roof Deck at level 2 terrace

Capital Recycling

Divested 3 properties in Singapore, realising total capital gains of S\$16.8m over original costs



| | 84 Genting Lane | 13 International Business Park | 10 Woodlands Link |
|--|---|--|---|
| Description | 7-storey light industrial building with a covered carpark | 7-storey business park building designed with column-free floor plates | Light industrial building comprising a 3-storey warehouse |
| Remaining Land Tenure (at point of sale) | 22 years | 47 years | 39 years |
| Gross Floor Area | 11,916 sqm | 10,116 sqm | 11,537 sqm |
| Acquisition Year / Price | 2005/ S\$10.0 m | 2006/ S\$20.0 m | 2005/ S\$12.0 m |
| Book Value (as at 31 Mar 2017) | S\$15.8 m | S\$22.4 m | S\$16.5 m |
| Sales Price ⁽¹⁾ | S\$16.7 m | S\$24.8 m | S\$19.3 m |
| Pro-forma Net Property Income Impact | S\$1.2 m | S\$0.3 m | S\$0.87 m |
| Buyer | Axxel Marketing Pte Ltd | Pension Real Estate Singapore Pte Ltd | Sengkang Import & Export Pte Ltd |
| Capital Gains over Original Costs | S\$5.3 m | S\$4.6 m | S\$6.9 m |
| Completion Date | 19 Jan 2018 | 24 Aug 2017 | 12 Jul 2017 |

(1) 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 properties.

Investments/Divestments in FY18/19

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

(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.

Proposed Acquisition (New):

169-177 Australis Drive, Derrimut, Melbourne, Australia

| | |
|---|---|
| Purchase Consideration ⁽¹⁾⁽²⁾ | A\$34.0 m (S\$34.5 m) |
| Acquisition Fee, Stamp Duty and Other Transaction Costs | A\$2.3 m (S\$2.3 m) |
| Total Acquisition Cost | 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 Area | 56,330 sqm |
| 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 | 6.9% (6.5% post-cost yield) |
| Estimated Completion Date | 1Q FY18/19 |

(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.



169-177 Australis Drive, Derrimut, Melbourne

The Property:

- Modern logistics facility with flexibility to accommodate multiple tenancies

Well-Located:

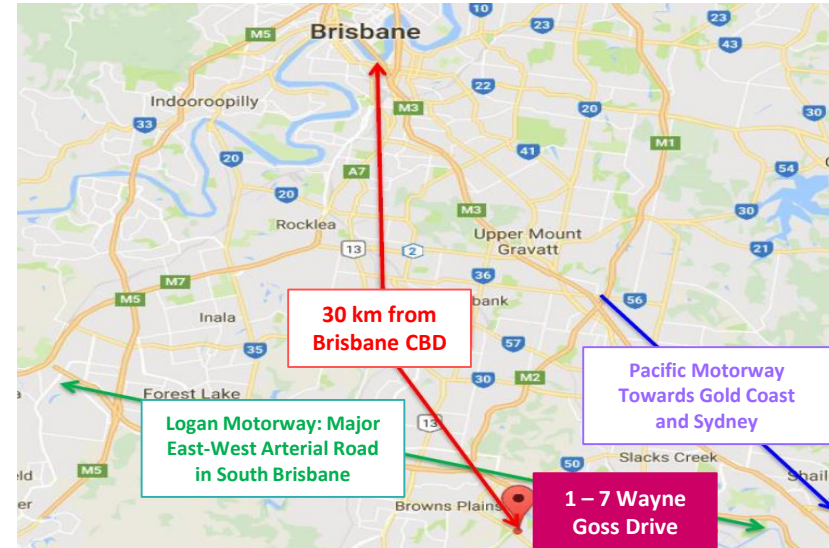
- Sits within the highly regarded West Park Industrial Estate, in the established industrial precinct of Derrimut.
- Serviced by the Western Ring Road, the Western Freeway and the Princes Freeway.
- Located 16 km west of the Melbourne Central Business District, 15 km from the Port of Melbourne and 24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

Proposed Acquisition:

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

| | |
|---|--|
| Land and Development Cost ⁽¹⁾⁽²⁾ | A\$30.0 m (S\$30.8 m) |
| Acquisition Fee, Stamp Duty and Other Transaction Costs | A\$1.0 m (S\$1.0 m) |
| Total Investment Cost | A\$31.0 m (S\$31.8 m) |
| Developer | Goodman Property Services (Aust) Pty Ltd (“Goodman”) |
| “As if Complete” Valuation ⁽¹⁾⁽²⁾⁽³⁾ | A\$30.0 m (S\$30.8 m) |
| Land Area | 30,196 sqm |
| Land Tenure | Freehold |
| Lettable Floor Area | 17,880 sqm |
| Initial NPI Yield | 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 (dated 31 Oct 2017) by Jones Lang Lasalle Advisory Services Pty Ltd, using the capitalisation method and discounted cashflow method.



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

1Q FY18/19



Proposed 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 |
| Estimated Completion Date | 1Q FY18/19 |

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

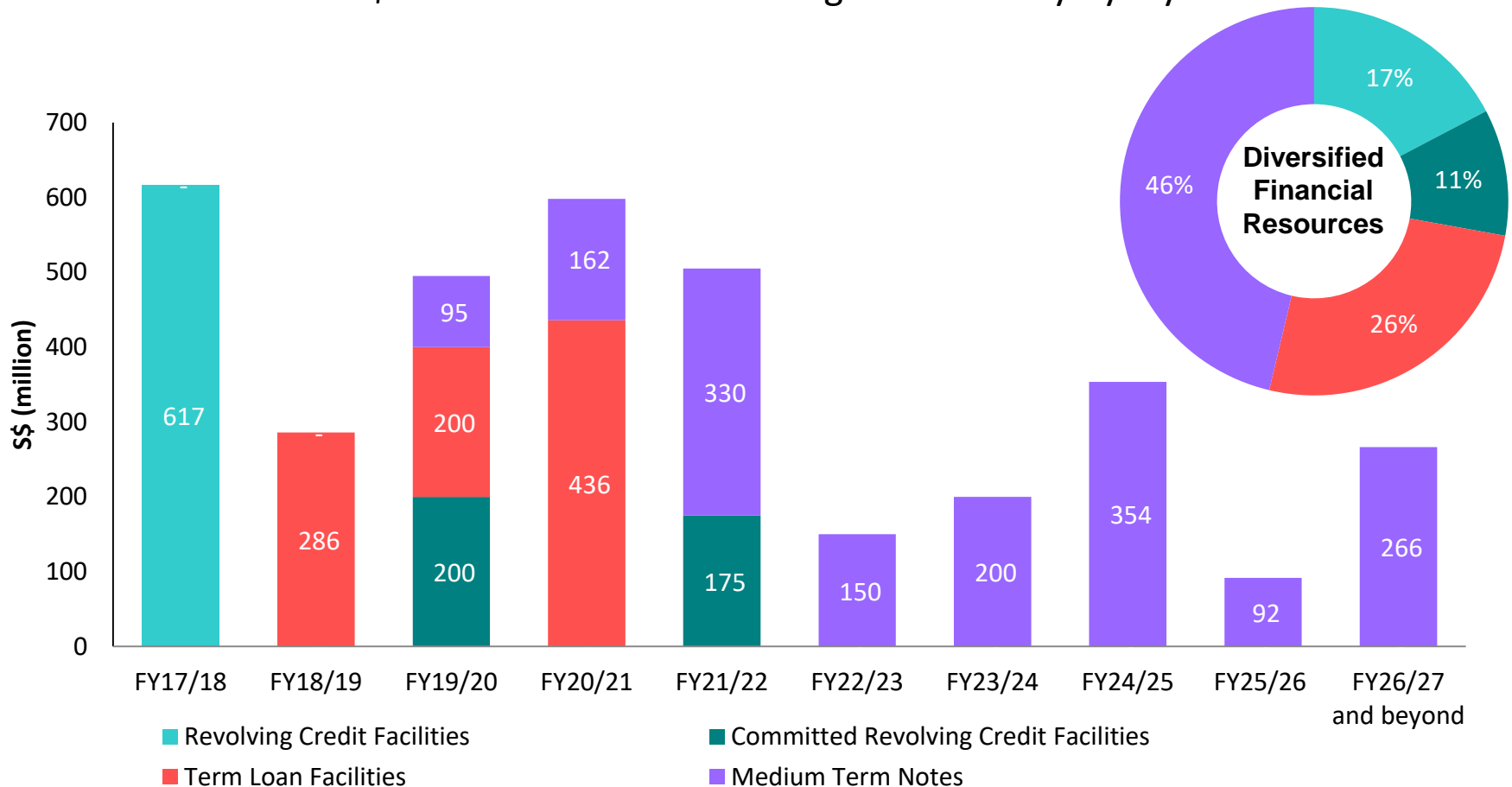
| | As at 31 Mar 2018 | As at 31 Dec 2017 | As at 31 Mar 2017 |
|--------------------------------------|----------------------|----------------------|----------------------|
| Total Debt (S\$m) ⁽¹⁾ | 3,563 | 3,649 | 3,442 |
| Total Assets (S\$m) | 10,354 | 10,369 | 10,171 |
| Aggregate Leverage | 34.4% | 35.2% | 33.8% |
| Unitholders' Funds (S\$m) | 6,194 | 6,071 | 6,031 |
| Net Asset Value (NAV) per Unit | 212 cents | 207 cents | 206 cents |
| Adjusted NAV per Unit ⁽²⁾ | 204 cents | 203 cents | 204 cents |
| Units in Issue (m) | 2,929 | 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 improved from 2.8 years to 3.2 years:
 - 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 Dec 2017 | As at 31 Mar 2017 |
|---|-----------------------------|----------------------|----------------------|
| Aggregate Leverage | 34.4% ⁽¹⁾ | 35.2% | 33.8% |
| Unencumbered Properties as % of Total Investment Properties ⁽²⁾ | 89.7% | 89.7% | 89.3% |
| Interest Cover Ratio | 5.9 x | 5.9 x | 5.7 x |
| Debt / EBITDA | 6.2 x | 6.4 x | 6.3 x |
| Weighted Average Tenure of Debt (years) | 3.2 | 2.8 | 3.3 |
| Weighted Average all-in Debt Cost | 2.9% | 2.9% | 3.0% |
| Issuer Rating by Moody's | A3 stable | | |

(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.

Prudent Interest Rate Risk Management

- 71.9% of borrowings are on fixed rates with an average term of 3.3 years
- 50 bps increase in interest rate is expected to have a pro forma impact of S\$5.0m decline in distribution or 0.17 cent decline in DPU

| Change in Interest Rates | Decrease in Distribution (\$m) | Change as % of FY17/18 Distribution | Pro Forma DPU Impact (cents) ⁽¹⁾ |
|--------------------------|--------------------------------|-------------------------------------|---|
| +50 bps | 5.0 | 1.1% | -0.17 |
| +100 bps | 10.0 | 2.1% | -0.34 |
| +150 bps | 15.0 | 3.2% | -0.51 |
| +200 bps | 20.0 | 4.3% | -0.68 |

(1) Based on number of Units in issue of 2,929m as at 31 Mar 2018.

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).

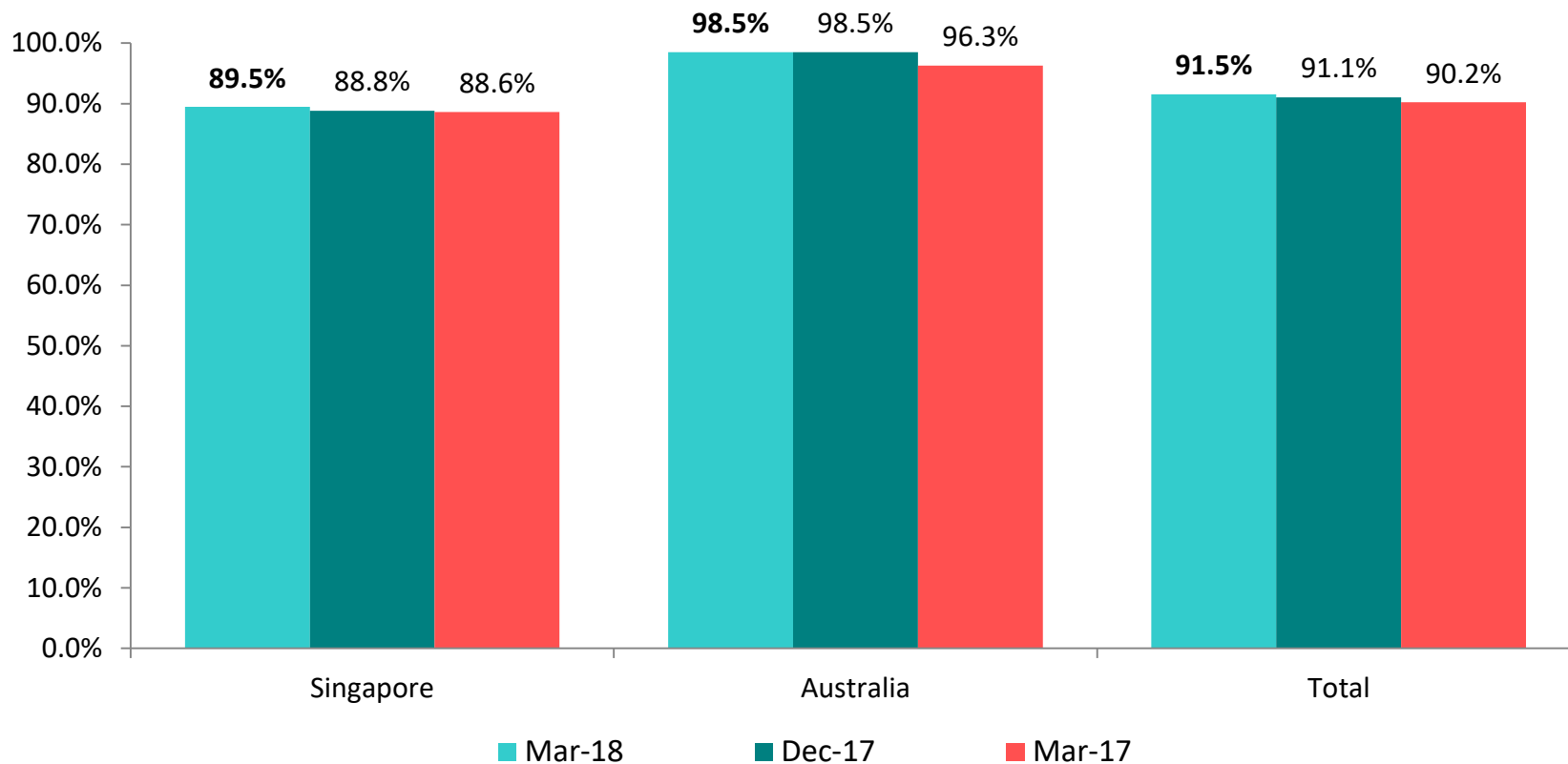
(2) Excludes properties which were under redevelopment as at 31 Mar 17 and 31 Mar 18 (50 Kallang Avenue and 20 Tuas Avenue 1), divested properties (84 Genting Lane, 13 International Business Park and 10 Woodlands Link) and newly acquired properties (108 Wickham Street, 100 Wickham Street and 52 Fox Drive).

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



Asset Management: Portfolio Update

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 0.7% to 89.5% mainly due to higher occupancies at Techpoint, 20 Tuas Avenue 6 and Xilin Districentre Building D

| As at | 31 Mar 18 | 31 Dec 17 | 31 Mar 17 |
|--|--------------------------------|-----------------------------|-----------------------------|
| Total Singapore Portfolio GFA (sqm) | 3,012,157 ⁽¹⁾⁽²⁾⁽³⁾ | 3,024,074 ⁽²⁾⁽³⁾ | 3,025,823 ⁽²⁾⁽⁴⁾ |
| Singapore Portfolio Occupancy (same store) ⁽⁵⁾ | 89.4% | 88.8% | 89.1% |
| Singapore MTB Occupancy (same store) ⁽⁶⁾ | 85.9% | 85.4% | 85.4% |
| Occupancy of Singapore Investments Completed in the last 12 months | 100.0% | 100.0% | 93.4% |
| Overall Singapore Portfolio Occupancy | 89.5% | 88.8% | 88.6% |
| Singapore MTB Occupancy | 85.9% | 85.1% | 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 maintained at 98.5%

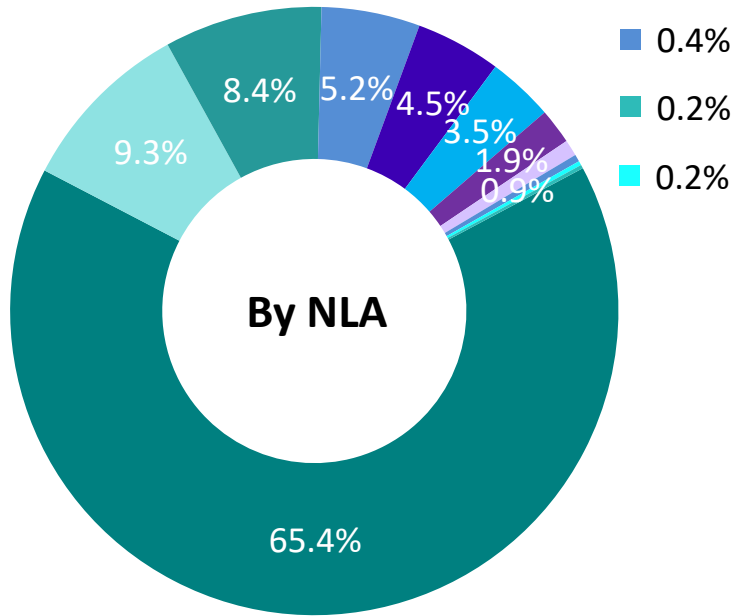
| As at | 31 Mar 18 | 31 Dec 17 | 31 Mar 17 |
|--|--------------|--------------|--------------|
| Total Australian Portfolio GFA (sqm) | 737,092 | 734,645 | 692,153 |
| Australian Portfolio Occupancy (same store) ⁽¹⁾ | 98.4% | 98.4% | 96.3% |
| Occupancy of Australian Investments Completed in the last 12 months ⁽²⁾ | 100.0% | 100.0% | 100.0% |
| Overall Australian Portfolio Occupancy | 98.5% | 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.

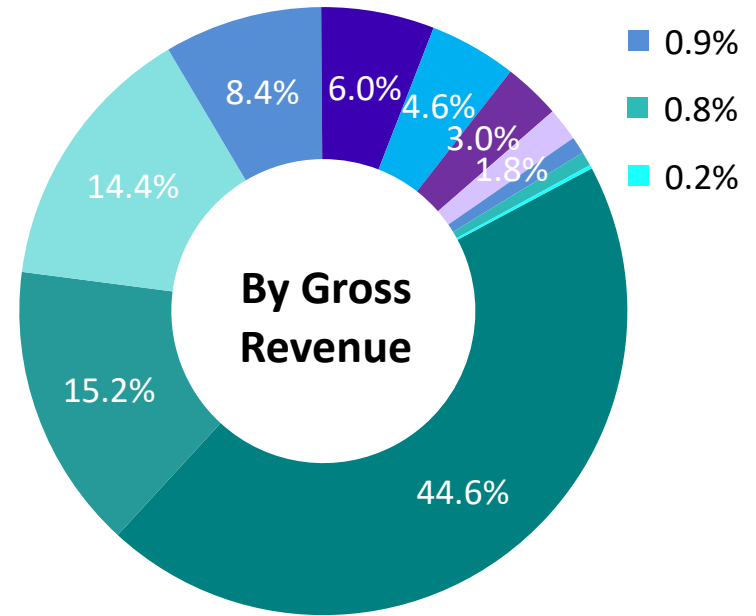
(2) Investment property completed in the last 12 months.

Singapore: Sources of New Demand (4Q FY17/18)

- Continues to attract demand from a wide spectrum of industries



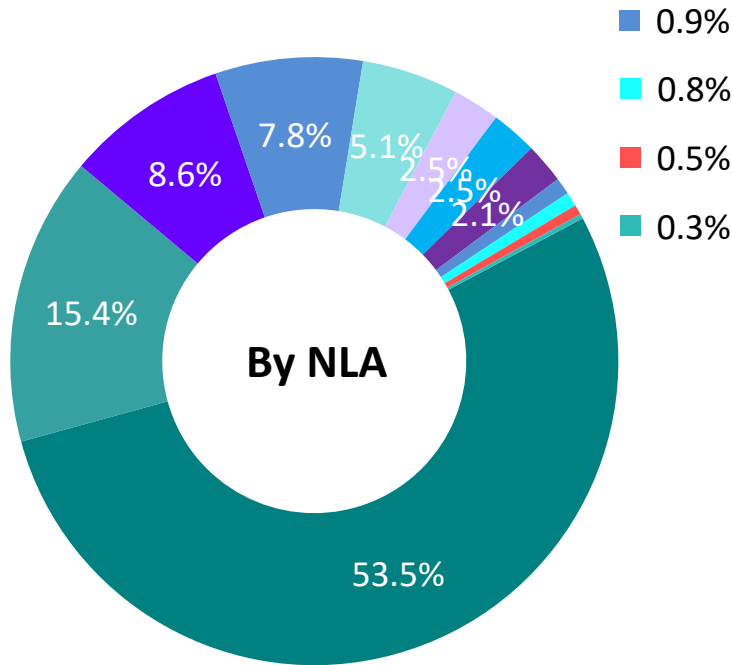
- Transport and Storage
- Others
- IT
- Electronics
- Lifestyle and Services
- Telecommunication & Datacentre



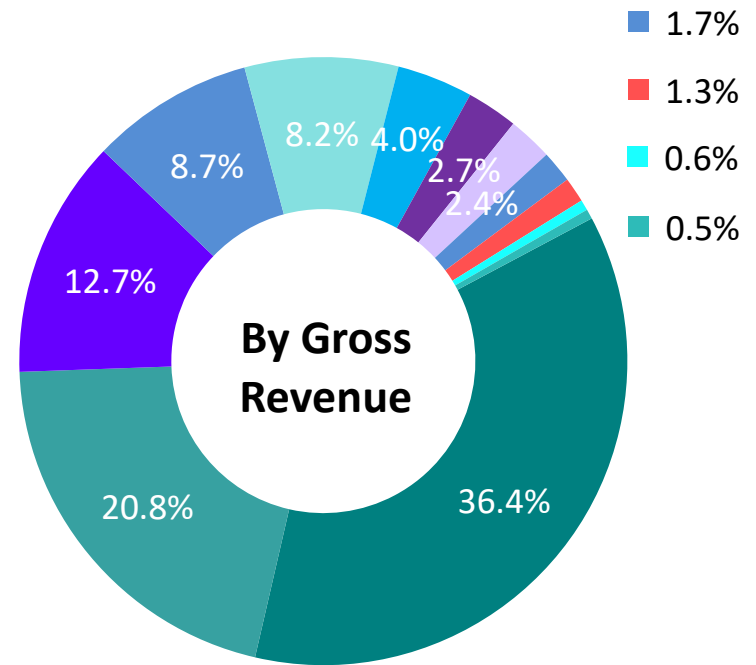
- Biomedical
- Precision Engineering
- General Manufacturing
- Food Products & Beverages
- Structural Engineering

Singapore: Sources of New Demand (FY17/18)

- Continues to attract demand from a wide spectrum of industries



- Transport and Storage
- IT
- Biomedical
- General Manufacturing
- Lifestyle and Services
- Financial Service



- Others
- Precision Engineering
- Food Products & Beverages
- Electronics
- Structural Engineering
- Telecommunication & Datacentre

Portfolio Rental Reversions

- Portfolio reversions of 0.7% and -6.8% were recorded for leases renewed in FY17/18 and 4Q FY17/18 respectively
- Rental reversion is expected to see slight improvement in FY18/19

| Multi-tenant Buildings | Percentage Change in Renewal Rates ⁽¹⁾ | | | |
|--|---|-------------|--------------|--------------|
| | FY17/18 | FY16/17 | 4Q FY17/18 | 4Q FY16/17 |
| Singapore | 0.5% | 3.1% | -6.8% | 3.2% |
| Business & Science Parks | 3.9% | 4.6% | 1.7% | 5.2% |
| High-Specifications Industrial | -6.6% | 0.4% | -18.8% | -3.4% |
| Light Industrial | 0.4% | 1.1% | 3.3% | 0.7% |
| Logistics & Distribution Centres | 0.1% | -6.5% | 0.0% | -18.8% |
| Integrated Development, Amenities & Retail | 11.6% | 7.0% | 3.3% | 9.2% |
| Australia | 1.8% | 0.5% | _ (2) | _ (2) |
| Suburban Offices | _ (2) | _ (2) | _ (2) | _ (2) |
| Logistics & Distribution Centres | 1.8% | 0.5% | _ (2) | _ (2) |
| Total Portfolio: | 0.7% | 3.1% | -6.8% | 3.2% |

- (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

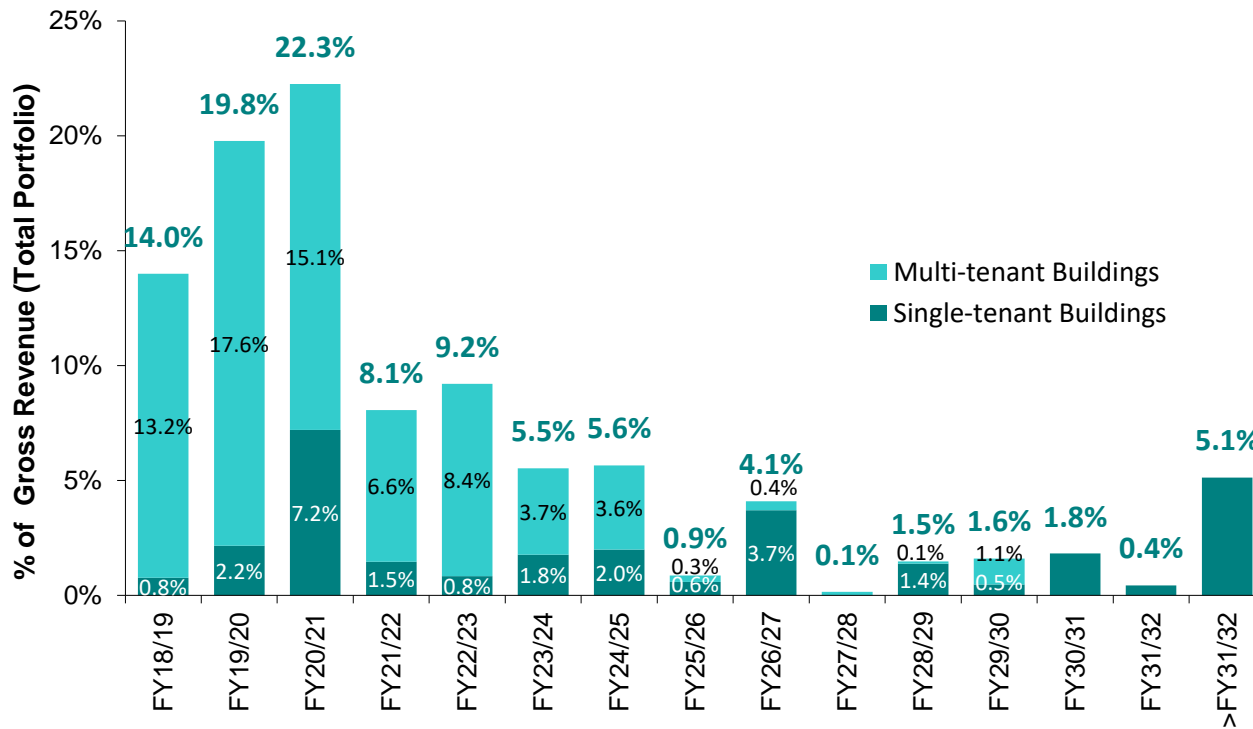
(By gross revenue)

- 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 |

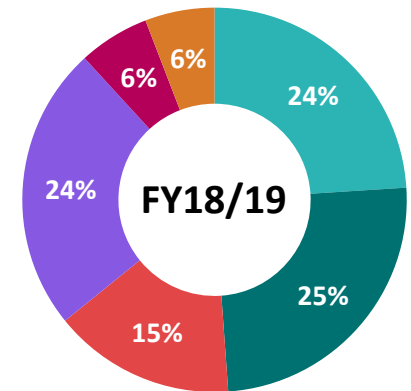
Portfolio Lease Expiry Profile (as at 31 Mar 18)

- 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
- Weighted average lease term of new leases ⁽¹⁾ signed in 4Q FY17/18 was 3.1 years and contributed 2.1% of 4Q FY17/18 total gross revenue

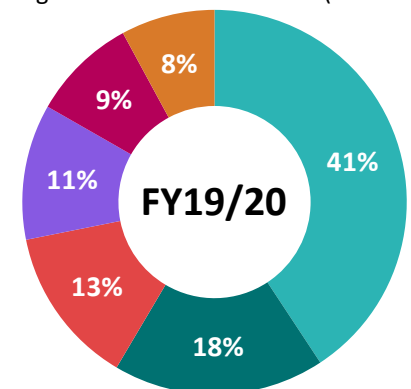


(1) New leases refers to new, expansion and renewal leases. Excludes leases from new acquisitions.

Breakdown of expiring leases for FY18/19 and FY19/20

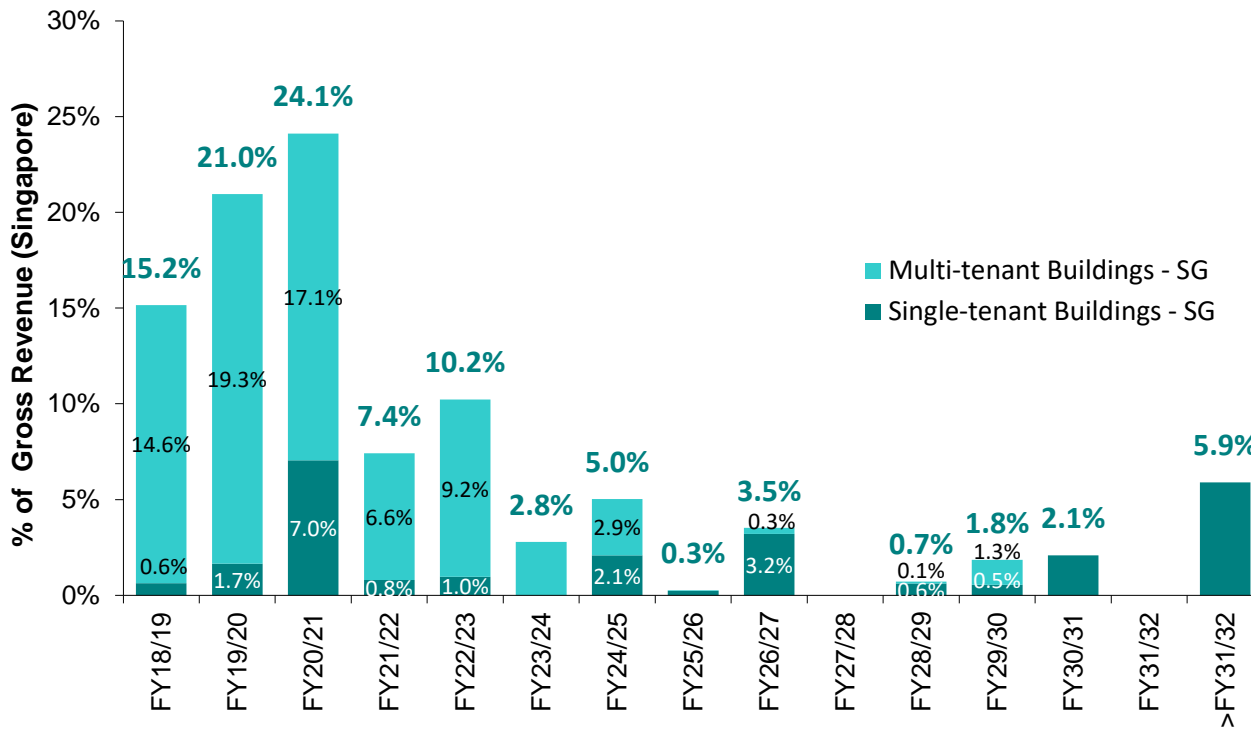


- Business and Science Parks
- High-Specifications Industrial
- Light Industrial
- Logistics
- IDAR
- Logistics & Suburban Offices (Australia)

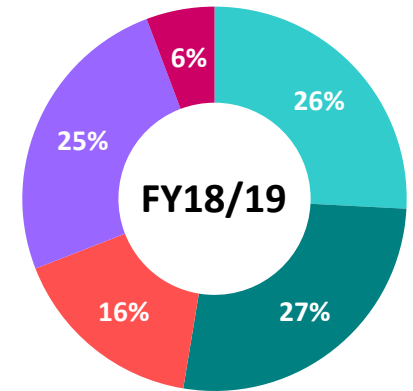


Singapore: Lease Expiry Profile (as at 31 Mar 18)

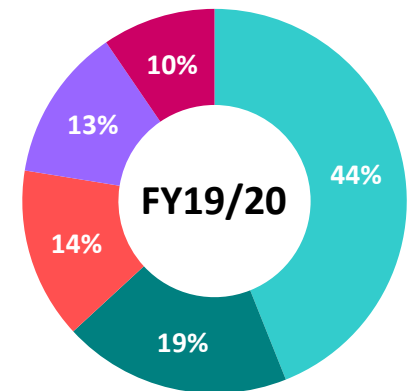
- Singapore portfolio weighted average lease to expiry (WALE) of 4.0 years
- Lease expiry is well-spread, extending beyond 2032
- 15.2% of Singapore's gross revenue is due for renewal in FY18/19



Breakdown of expiring leases for FY18/19 and FY19/20

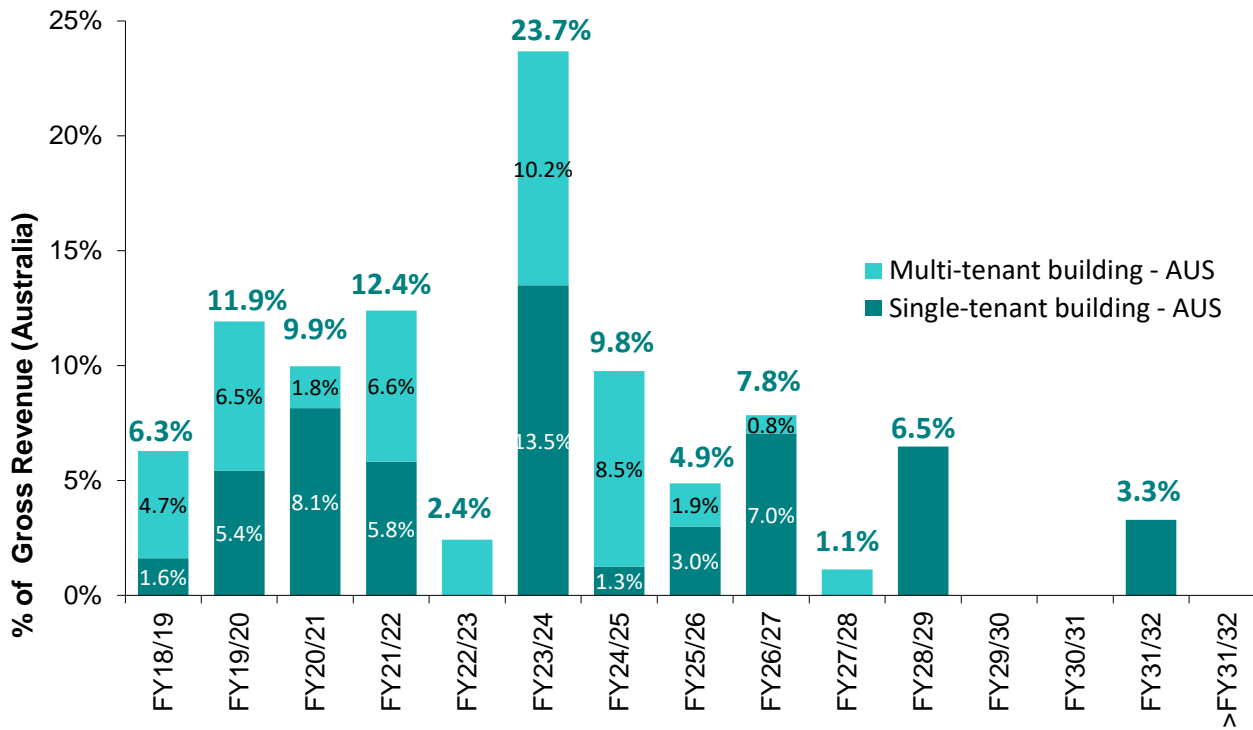


- Business and Science Parks
- High-Specifications Industrial
- Light Industrial
- Logistics
- IDAR

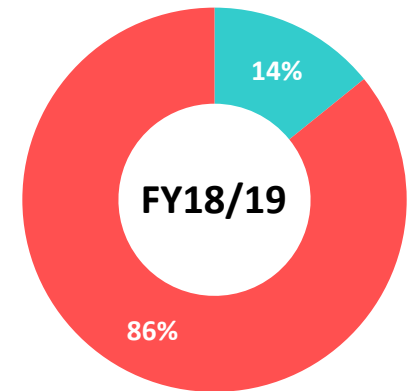


Australia: Lease Expiry Profile (as at 31 Mar 18)

- Australia portfolio weighted average lease to expiry (WALE) of 5.1 years
- Lease expiry is well-spread, extending beyond 2031
- 6.3% of Australia's gross revenue is due for renewal in FY18/19



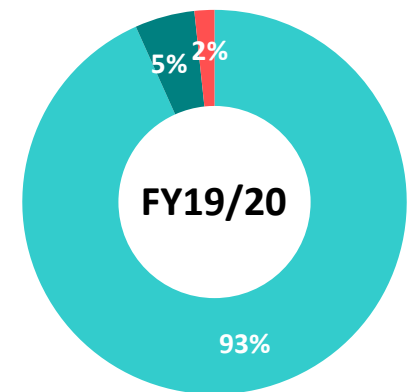
Breakdown of expiring leases for FY18/19 and FY19/20



■ Sydney

■ Melbourne

■ Brisbane



Ongoing Projects: Improve portfolio quality

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

New Asset Enhancement Initiative:

Nordic European Centre, International Business Park, Singapore

| | |
|---------------------------------|--|
| Description | <ul style="list-style-type: none"> ▪ 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

New Asset Enhancement Initiative:

Aperia, Kallang Ave, Singapore

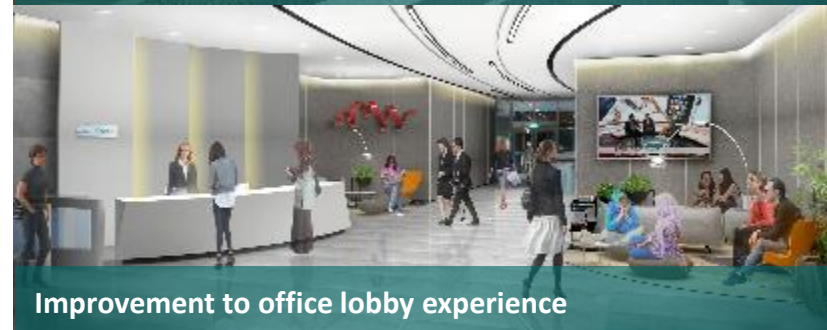
| | |
|---------------------------------|---|
| Description | <ul style="list-style-type: none"> ▪ Improve tenant mix with more F&B options and active lifestyle venues such as rock climbing, gym & yoga studio ▪ Create a Food Street corridor with more F&B options such as restaurant, café and take-away 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

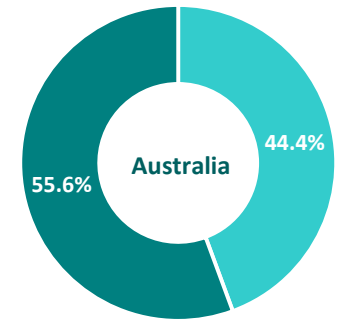
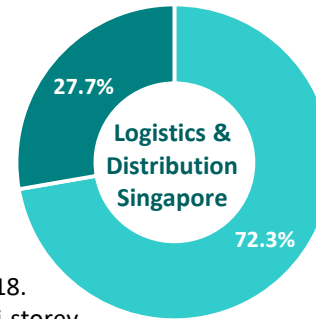
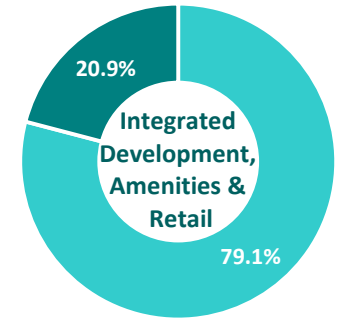
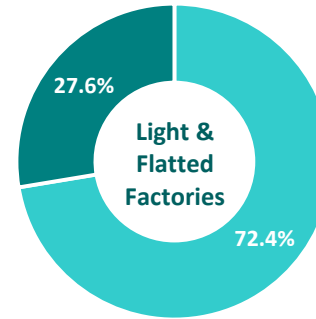
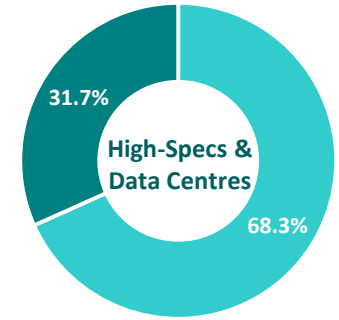
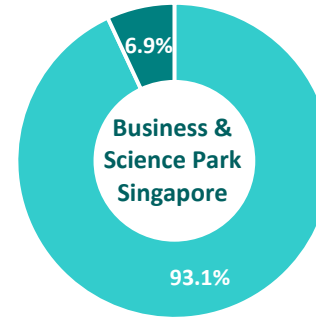
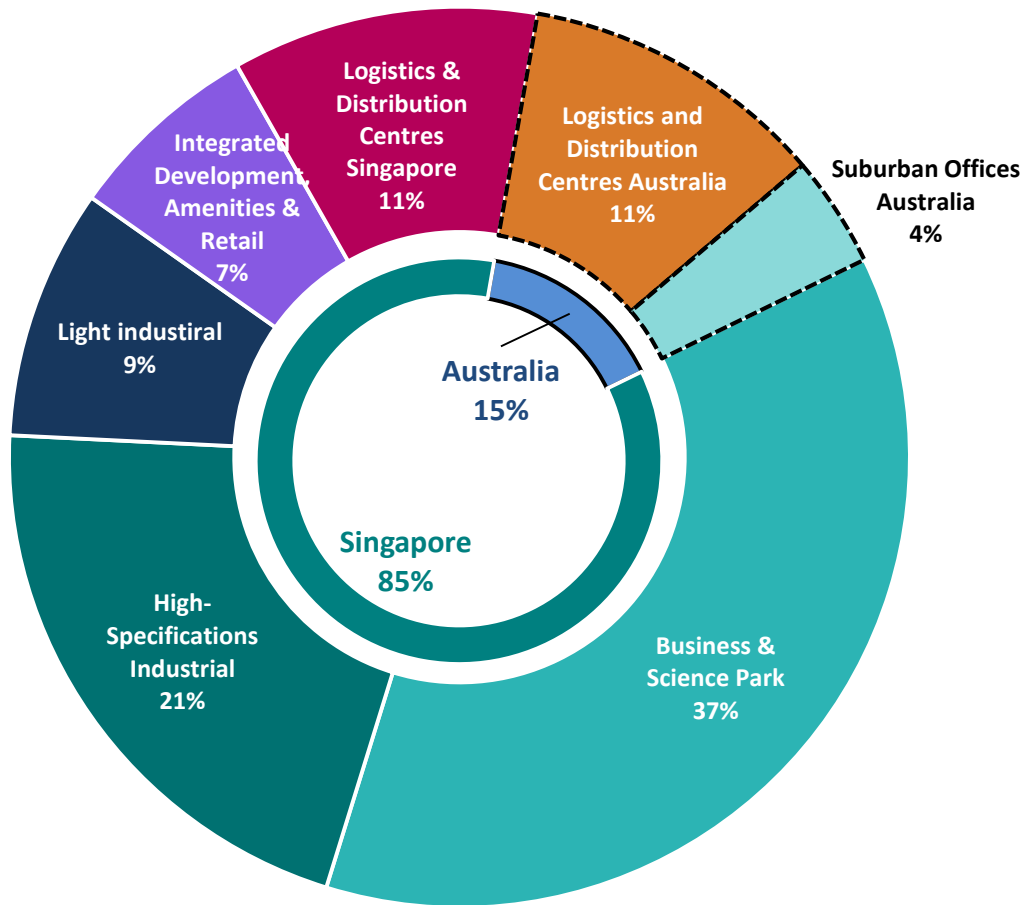
Artist impressions



Asset Management: Portfolio Resilience

Well Diversified Portfolio

By value of Investment Properties

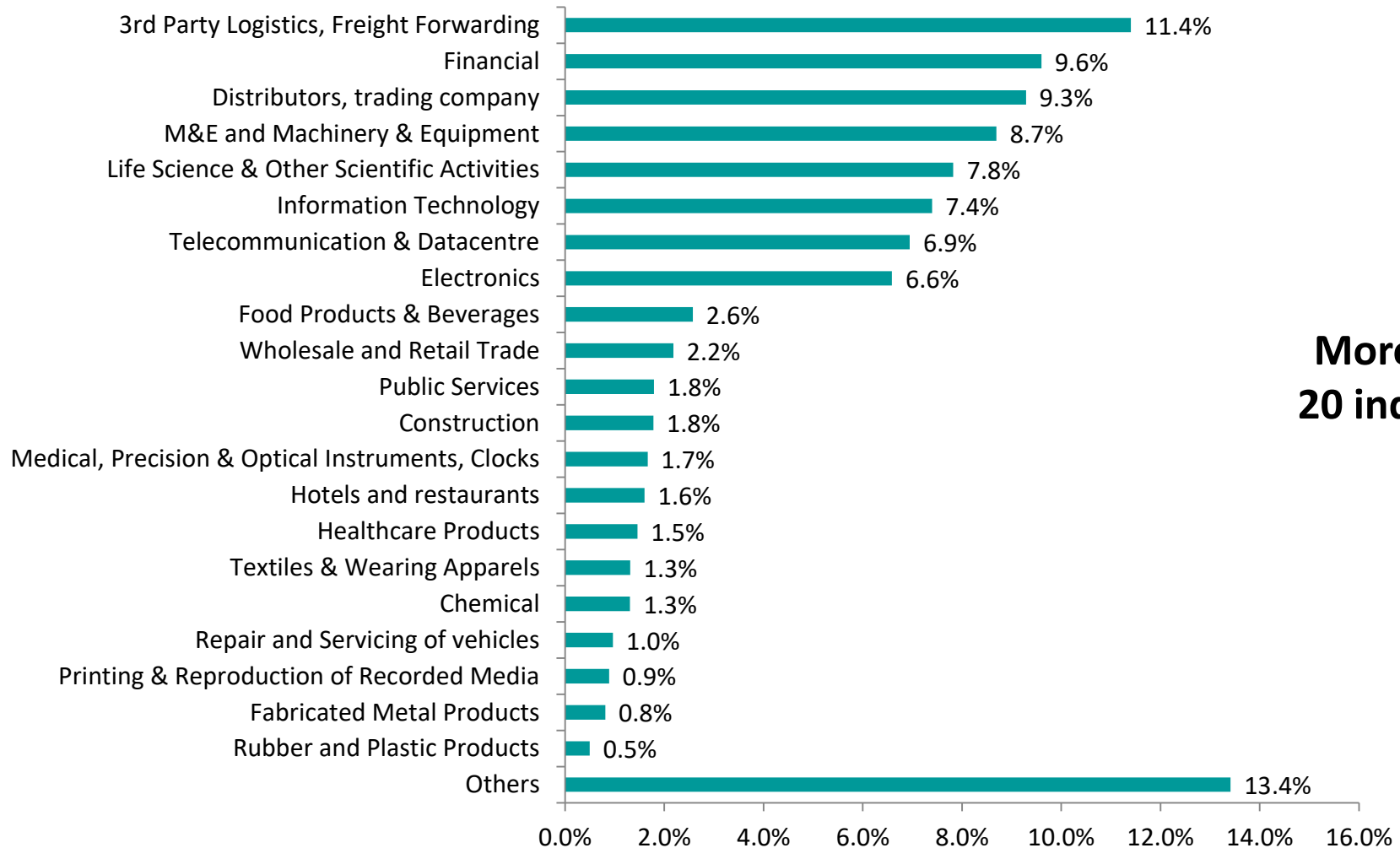


Notes:

- Multi-tenant buildings account for 75.3% of Ascendas Reit’s portfolio by asset value as at 31 Mar 18.
- About 63.9% of Logistics & Distribution Centres in Singapore (by gross floor area) are multi-storey facilities with vehicular ramp access.
- Within Hi-Specs Industrial, there are 3 data centres (5.0% of portfolio), of which 2 are single-tenant.
- Within Light Industrial, there are 2 multi-tenant flatted factories (3.0% of portfolio).

■ Multi-tenant buildings
■ Single-tenant buildings

Tenants' Industry Diversification By Monthly Gross Revenue

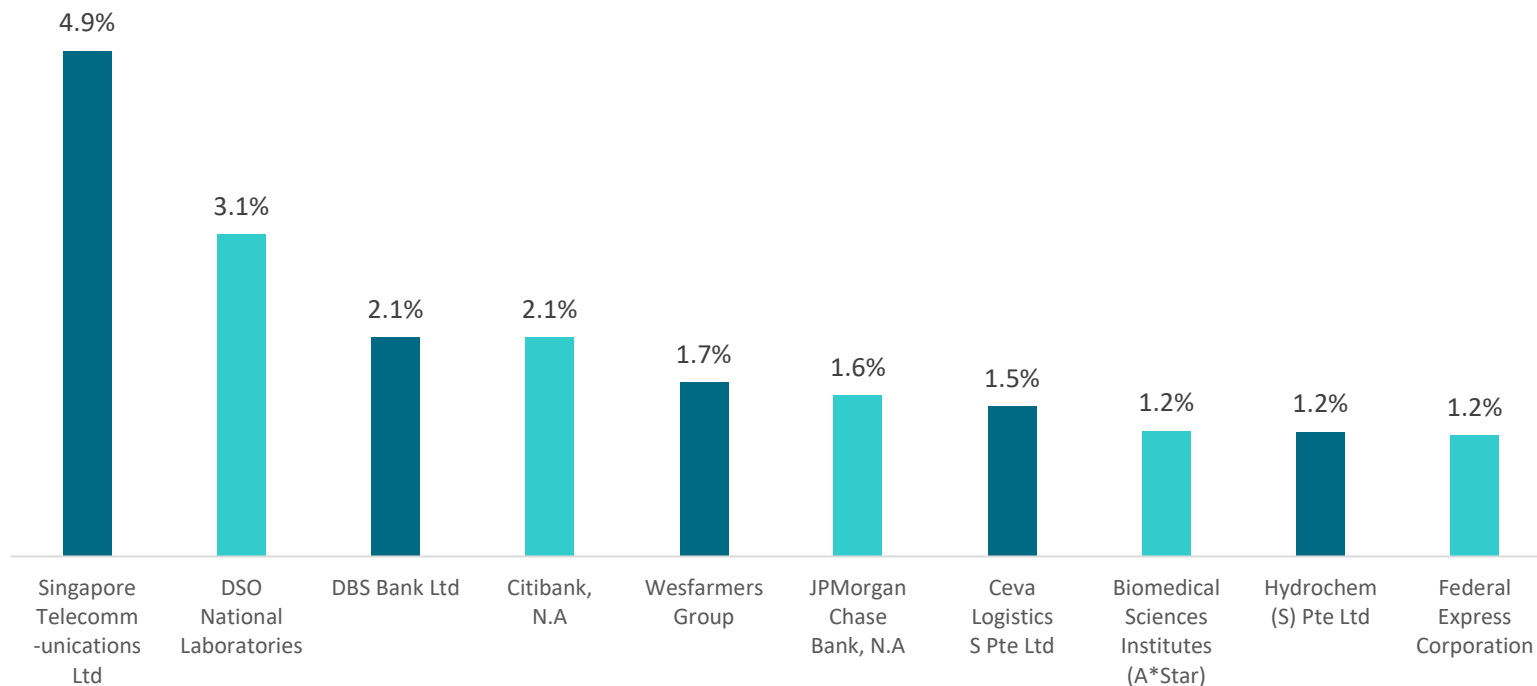


More than
20 industries

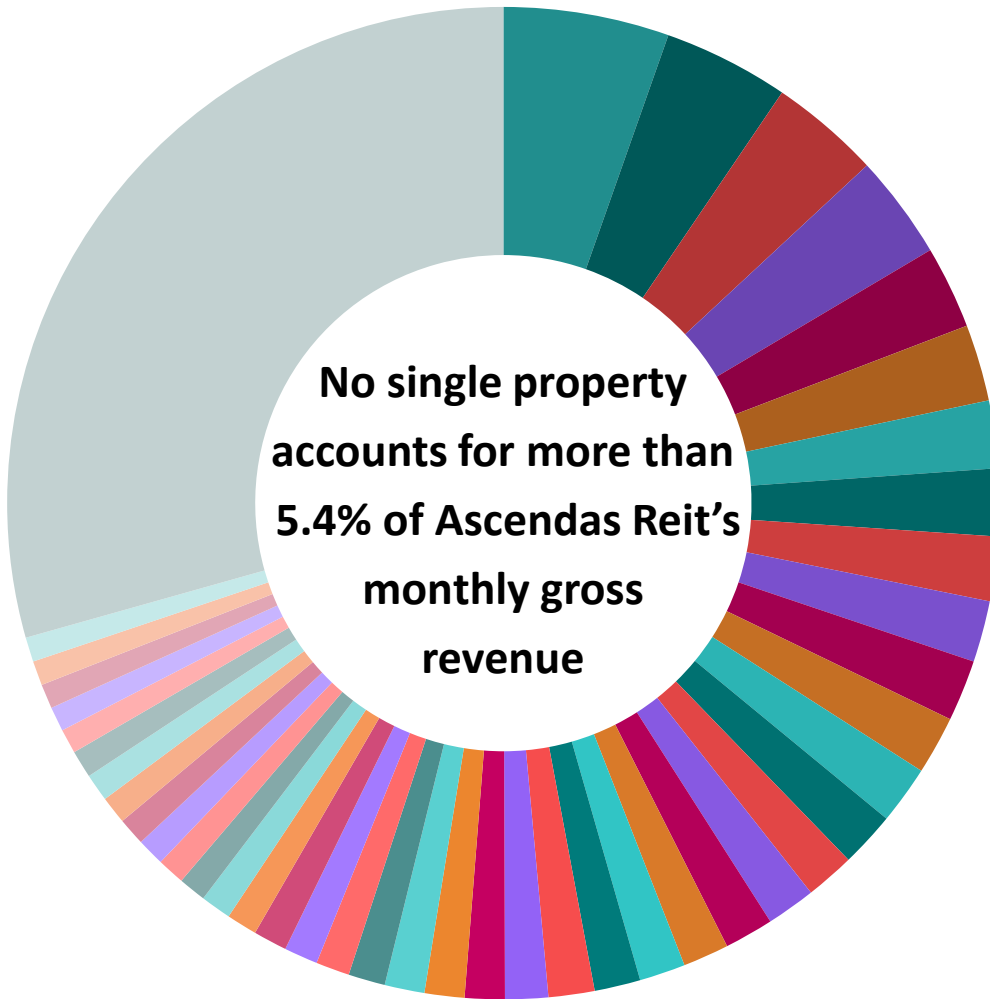
Note: Others include research & development, manufacturing, oil and gas, multi-media products etc.

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



Diversified Portfolio



- Aperia, 5.4%
- ONE @ Changi City, 4.1%
- 12, 14 & 16 Science Park Drive, 3.6%
- 1, 3 & 5 Changi Business Park Crescent, 3.4%
- Kim Chuan Telecommunication Complex, 2.7%
- TelePark, 2.5%
- 40 Penjuru Lane, 2.2%
- 31 International Business Park, 2.2%
- Neuros & Immunos, 2.1%
- Hyflux Innovation Centre, 2%
- Pioneer Hub, 2%
- TechPlace II, 1.9%
- Nexus@One North, 1.9%
- The Aries, Sparkle & Gemini, 1.8%
- Techview, 1.6%
- Techlink, 1.6%
- DBS Asia Hub (Phase I & II), 1.6%
- TechPlace I, 1.5%
- TechPoint, 1.5%
- The Kendall, 1.5%
- 10 Toh Guan Road, 1.5%
- Corporation Place, 1.4%
- Cintech III & IV, 1.3%
- Siemens Centre, 1.3%
- 197-201 Coward Street, 1.3%
- FoodAxis @ Senoko, 1.2%
- HansaPoint @ CBP, 1.1%
- Infineon Building, 1.1%
- Nordic European Centre, 1.1%
- Giant Hypermart, 1%
- Changi Logistics Centre, 1%
- The Capricorn, 0.9%
- 100 Wickham Street, 0.9%
- AkzoNobel House, 0.9%
- The Rutherford & Oasis, 0.9%
- 19 & 21 Pandan Avenue, 0.9%
- Courts Megastore, 0.9%
- 7 Grevillea Street, 0.9%
- Acer Building, 0.8%
- The Galen, 0.8%
- LogisTech, 0.8%
- 108 Wickham Street, 0.8%
- 21 Jalan Buroh, 0.8%
- Others, 29.4%

MTB Occupancy: NPI & DPU Sensitivity

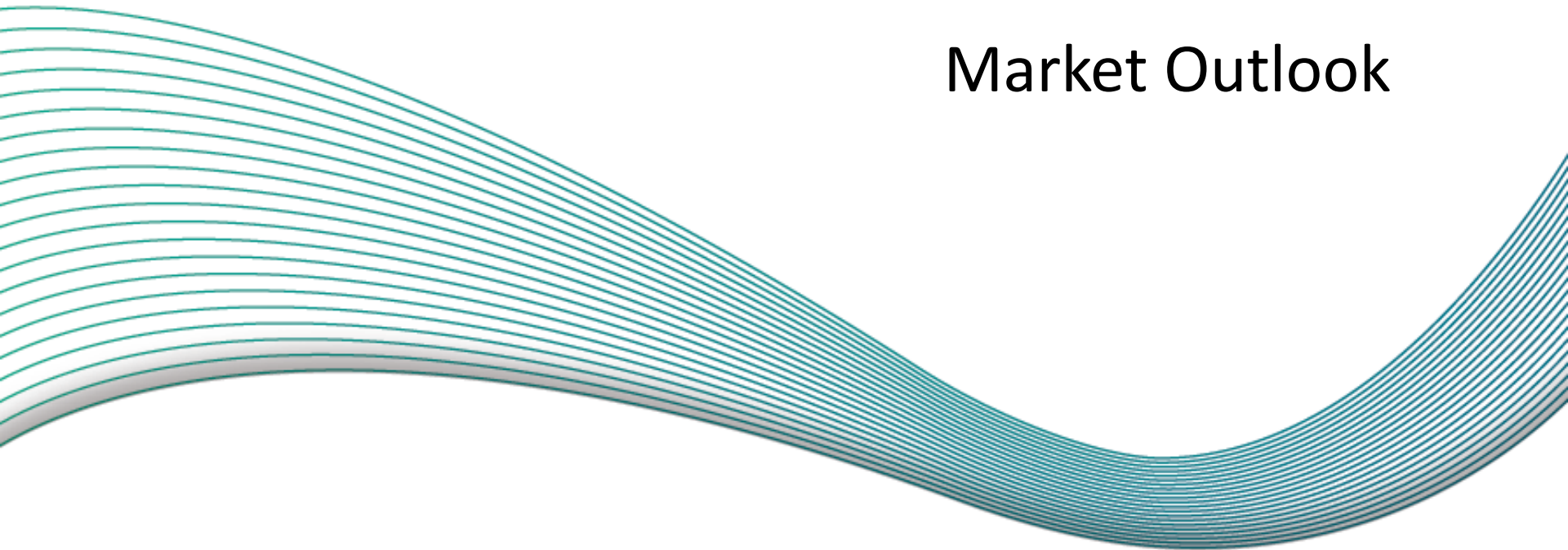
- 100 bps increase in MTB occupancy is expected to result in a 0.8% increase in portfolio net property income or about 0.18 cents increase in DPU

| Change in MTB Occupancy | Expected Change in Annualised MTB NPI (\$m) | Change in Portfolio NPI (%) | Impact on Full FY DPU (cents)* |
|-------------------------|---|-----------------------------|--------------------------------|
| +500 bps | 26.3 | 4.2% | 0.90 |
| +300 bps | 15.8 | 2.5% | 0.54 |
| +100 bps | 5.3 | 0.8% | 0.18 |
| -100 bps | -6.4 | -1.0% | -0.22 |
| -300 bps | -19.1 | -3.0% | -0.65 |
| -500 bps | -31.9 | -5.1% | -1.09 |

* Based on number of Units in issue as at 31 Mar 18

Note: Estimates for increase in MTB occupancy takes into account corresponding increases in variable costs. Estimates for a decline in MTB occupancy, assumes no reduction in variable costs to be conservative.

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 1.5% 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.

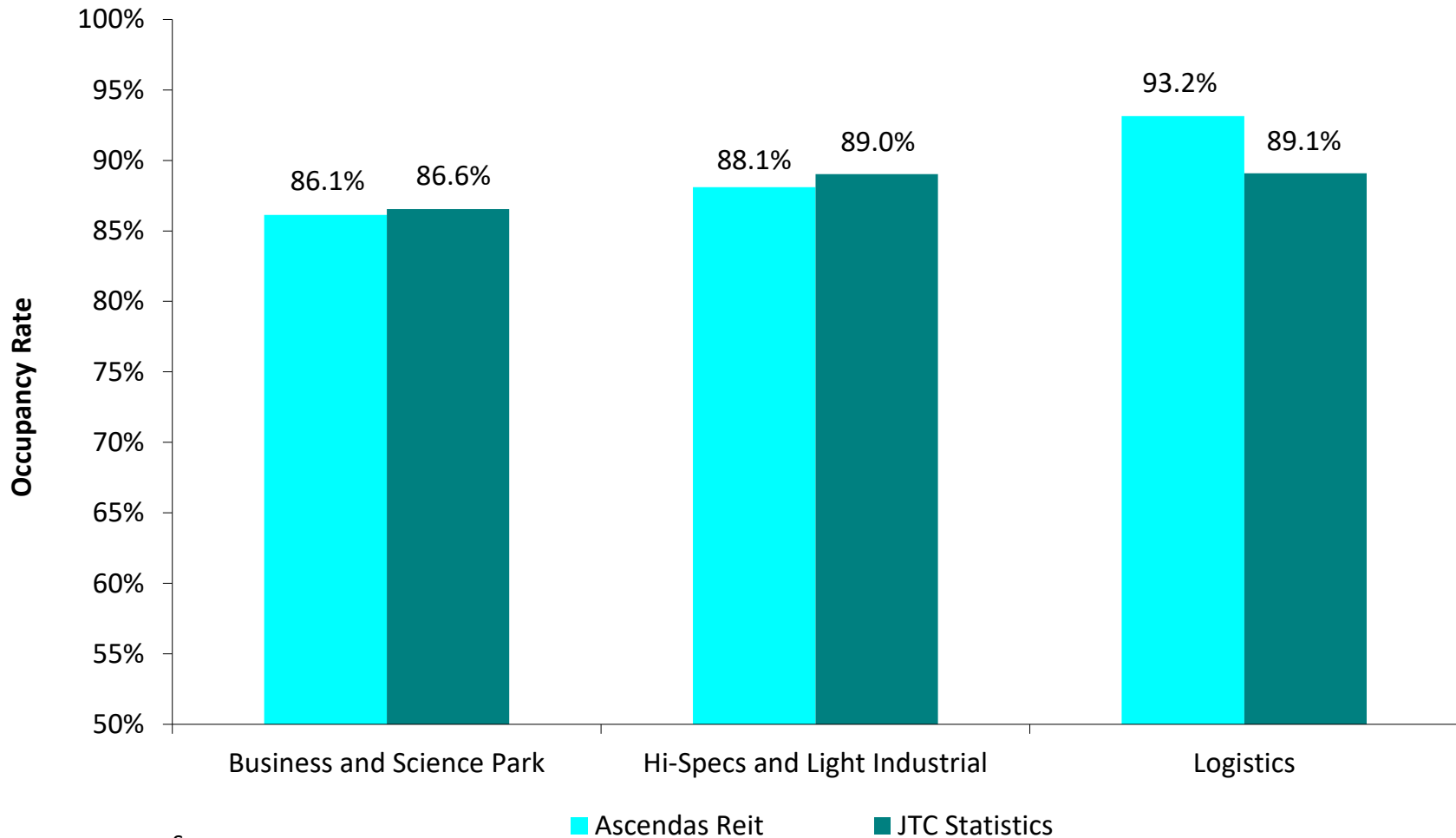
Additional Information

- (1) Quarterly Results
- (2) Ascendas Reit Singapore Occupancy
vs Industrial Average
- (3) Singapore Industrial Property Market

Quarterly Results

| Summary (S\$ m) | FY16/17 | | | | | FY17/18 | | | | |
|---|---------|-------|-------|-------|--------|---------|-------|-------|--------------|---------------|
| | 1Q | 2Q | 3Q | 4Q | Total | 1Q | 2Q | 3Q | 4Q | Total |
| Gross Revenue | 208 | 205 | 209 | 209 | 831 | 213 | 216 | 217 | 216 | 862 |
| Net Property Income | 150 | 152 | 155 | 154 | 611 | 152 | 161 | 158 | 158 | 629 |
| Total Amount Available for Distribution | 107 | 113 | 115 | 112 | 446 | 118 | 119 | 116 | 115 | 468 |
| No. of Units in Issue (m) | 2,674 | 2,816 | 2,851 | 2,925 | 2,925 | 2,927 | 2,927 | 2,929 | 2,929 | 2,929 |
| Distribution Per Unit (cents) | 3.882 | 4.016 | 3.993 | 3.852 | 15.743 | 4.049 | 4.059 | 3.970 | 3.910 | 15.988 |

Ascendas Reit Singapore Occupancy vs Industrial Average

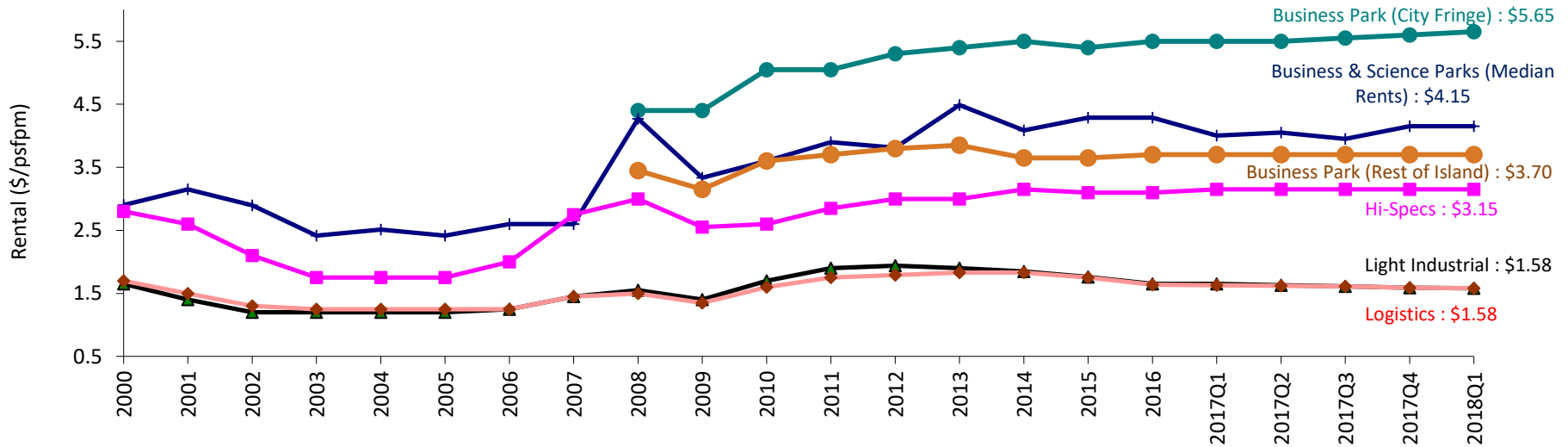
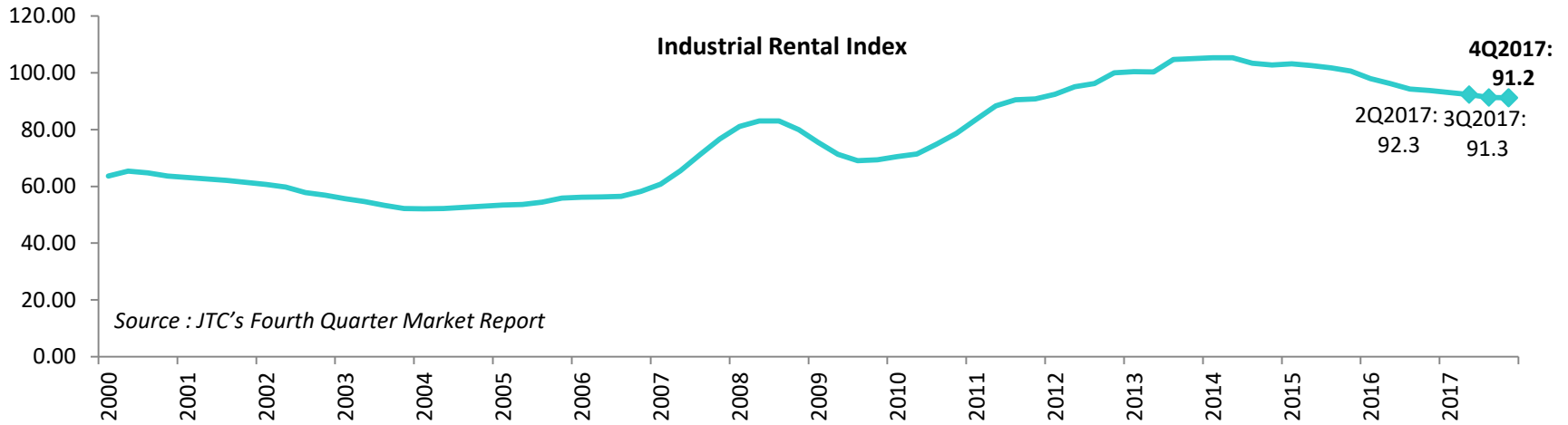


Source :

Ascendas Reit's Singapore portfolio as at 31 Mar 18. Market: JTC statistics as at 25 Jan 18 (4Q 2017).

JTC statistics do not breakdown Hi-Specs Industrial and Light Industrial, ie they are treated as one category with occupancy of 89.0%

Average Market Rents by Segment (Singapore)



Source :
CBRE Market View Report Q4 2017 for Business Park (City Fringe), Business Park (Rest of Island), Hi,Specs, Light Industrial and Logistics
JTC for Business Parks (Median Rents)

Singapore Industrial Market: New Supply

- Potential new supply of about 2.8m sqm (~5.9% of existing stock) over next 3 years, of which 47% are pre-committed
- Island-wide occupancy was 88.9% as at 31 Dec 17 (vs. 88.6% as at 30 Sep 17)

| Sector ('000 sqm) | 2018 | 2019 | 2020 | New Supply (Total) | Existing Supply (Total) | % of New/ Existing supply |
|---|--------------|------------|------------|--------------------|-------------------------|---------------------------|
| Business & Science Park | 60 | 88 | 0 | 148 | 2,142 | 6.9% |
| % of Pre-committed (est) | 41% | 0% | 0% | 17% | | |
| High-Specifications Industrial | 196 | 153 | 0 | 349 | 35,649 | 5.8% |
| % of Pre-committed (est) | 75% | 15% | 0% | 49% | | |
| Light Industrial | 934 | 148 | 622 | 1,703 | | |
| % of Pre-committed (est) | 79% | 27% | 2% | 46% | | |
| Logistics & Distribution Centres | 377 | 170 | 88 | 634 | 10,433 | 6.1% |
| % of Pre-committed (est) | 79% | 23% | 0% | 53% | | |
| Total | 1,566 | 559 | 709 | 2,834 | 48,224 | 5.9% |
| % Pre-committed (est) | 77% | 18% | 2% | 47% | | |

Note: Excludes projects under 7,000 sqm. Based on gross floor area

Source: URA Realis & Ascendas Reit internal research

Singapore Business & Science Parks: New Supply



| Expected Completion | Location | Developer | GFA (sqm) | % Pre-committed (estimated) |
|---------------------------|--------------------------------|-----------------------------|----------------|-----------------------------|
| Under Construction | | | | |
| 2018 | Pasir Panjang Road | Singapore Science Park Ltd | 11,610 | 100% |
| 2018 | Changi Business Park Central 2 | Kingsmen Creatives Ltd | 13,130 | 100% |
| 2018 | Media Circle | BP-DoJo LLP | 35,210 | 0% |
| 2019 | Science Park Drive | Ascendas-Singbridge Pte Ltd | 25,650 | 0% |
| 2019 | Cleantech Loop | JTC Corporation | 62,530 | 0% |
| Total | | | 148,130 | 17% |

Source: URA Realis & Ascendas Reit internal research

The End

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