











FORTIFY MARKET LEADERSHIP

DIVERSIFY PORTFOLIO



MAGNIFY MARKET PRESENCE

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Any discrepancies in the tables and charts between the listed figures and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.



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2009 was a tumultuous year – one which saw major global economies reach the brink of collapse.

2010 was a year of rapid recovery, due mainly to the deluge of liquidity unleashed by major central banks, especially the US Federal Reserve.

2011 – significant global uncertainties: concerns over political tumult in certain North African and Middle Eastern countries, sovereign debt and other major macro-economic problems of certain developed countries, rising inflation risks, possibility of overheating in some major developing countries, etc., continue to cast a cloud over the global economy.

As the first and largest business space and industrial REIT in Singapore, the success of A-REIT is very much defined by its singular focus, discipline and resolution in executing its strategies of proactive asset management, value-adding investments and prudent capital & risk management. Coming through the global financial crisis unscathed and riding the recovery wave in 2010, we focused on these core fundamentals to fortify our market leadership position, further diversify our portfolio and magnify our market presence and accomplishments.





FORTIFY

MARKET LEADERSHIP

Our singular focus, discipline and resolution in the continuous pursuit of excellence have led us to constantly improve our stable of products and services.

The continuous development of talent within our team has contributed to our ability to consistently improve our performance, be it in asset, capital or investment management.

This success does not come overnight, and we take great care to ensure that each step we take forward will contribute to **fortify our market leadership position** and attain our mission of delivering predictable distributions and long-term capital stability to Unitholders.





DIVERSIFY

PORTFOLIO

One should never rely solely on one resource or risk everything in a single venture. Beyond being a prudent strategy, it is but a simple principle that guides our business operations: to **diversify our portfolio** in ways that will create greater value for our customers and Unitholders as well as our team members.

Our customer-centric focus inspires us to develop new, integrated strategies that aim to achieve sustainable growth through the depth and diversity of our property and customer portfolio, which will continue to provide long-term stability and enhance customer satisfaction.

We are proud to have a dedicated team who continues to develop a strong, diversified portfolio that fuels our growth in good times and remains resilient during down turns.





MAGNIFY

MARKET PRESENCE

A wide range of real estate propositions, from logistics, light industrial, hi-tech industrial to business and science park properties and the geographical dispersion of our property portfolio in Singapore and soon China as well, provides customers with choices and flexibilities to meet their spatial requirements.

Capitalising on our core competencies, we create and maintain a competitive edge that constructs a leading position within the market, **magnifying our market presence** within Singapore and beyond. A-REIT is the largest business space and industrial REIT listed on the SGX-ST, accounting for 10.7% of the market capitalization of the S-REITs sector and 6.2% of Asian REIT ex-Japan.

A-REIT'S MISSION

TO DELIVER PREDICTABLE DISTRIBUTIONS AND ACHIEVE LONG TERM CAPITAL STABILITY FOR UNITHOLDERS

ABOUT A-REIT A-REIT STRUCTURE A-REIT'S COMPETITIVE EDGE

SIGNIFICANT EVENTS

FINANCIAL HIGHLIGHTS

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HI-TECH INDUSTRIAL PROPERTIES
LIGHT INDUSTRIAL PROPERTIES / FLATTED FACTORIES
LOGISTICS & DISTRIBUTION CENTRES
WAREHOUSE RETAIL FACILITIES
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ENHANCING RELATIONS INVESTOR RELATIONS CORPORATE GOVERNANCE FINANCIAL STATEMENTS STATISTICS OF UNITHOLDINGS

ABOUT A-REIT



A-REIT owns a diversified portfolio of properties in Singapore comprising:

BUSINESS & SCIENCE PARKS

Suburban office, corporate HQ buildings and R&D space.

HI-TECH INDUSTRIAL PROPERTIES

High office content combined with high specifications mixed-use industrial space.

LIGHT INDUSTRIAL PROPERTIES

Low office content combined with manufacturing space.

FLATTED FACTORIES

Stacked-up manufacturing space.

LOGISTICS & DISTRIBUTION CENTRES

Warehousing and distribution centres.

WAREHOUSE RETAIL FACILITIES

Retail frontage with warehousing facility at the back of the property.

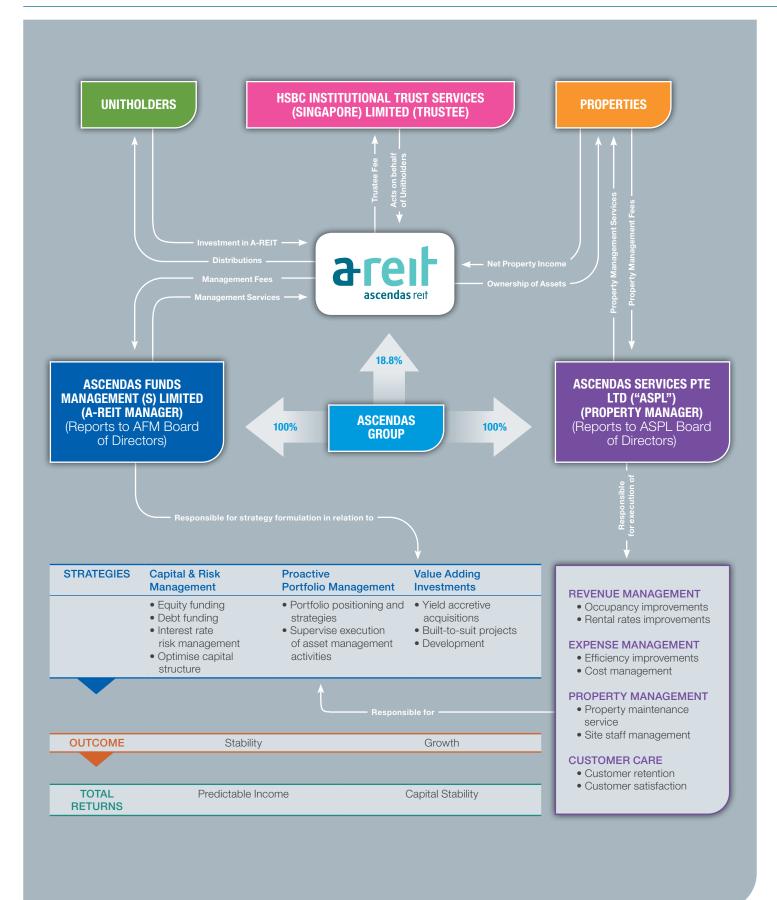
These properties house a customer base of about 980 international and local companies from a range of industries, including research and development, life sciences, information technology, engineering, light manufacturing, logistics service providers, electronics, telecommunications, manufacturing services and back-room office support.

Ascendas Funds Management (S) Limited ("AFM") is the manager of A-REIT (the "Manager").

The Manager is committed to delivering long-term sustainable distributions and capital stability to Unitholders through a three-pronged strategy of:

- Value-adding investments comprising development as well as acquisition of income-producing properties with strong underlying real estate fundamentals
- Organic portfolio growth through proactive asset management
- Prudent capital & risk management

A-REIT STRUCTURE



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A-REIT'S COMPETITIVE EDGE



Stability & Sustainability

A-REIT offers stable and sustainable earnings as it capitalises on its three core strategies to drive performance: prudent capital and risk management, disciplined and value-adding investment and proactive asset management. Building upon our strengths, we seek to create a competitive edge to differentiate ourselves, to fortify stability and sustainability within the portfolio.

Diversity and Depth

A-REIT is the largest business space and industrial REIT in Singapore with a portfolio diversified across five segments of the suburban business space and industrial property industry. As a result of its disciplined investment strategy, A-REIT owns a portfolio of well-located properties with optimal specifications to cater to the diverse real estate needs of its existing and prospective customers. There is a good balance of long-term and short-term leases which provides stability and potential for rental growth.

Market Leadership

A-REIT is focused on suburban business space and industrial properties with a committed sponsor, Ascendas Group which has a proven track record of more than 20 years of experience in this industry.

A-REIT has established itself as the market leader in most of the segments that it operates in since its listing in 2002, growing from 8 properties worth about \$\$607.0 million in 2002 to the current 93 properties worth about \$\$5.3 billion.

Operations Platform

Our Property Manager, Ascendas Services Pte Ltd ("ASPL"), has a dedicated sales/marketing, leasing and property management team of about 130 people, all of whom possess in-depth understanding of this property sector and its customers' needs.

Development Capabilities

A-REIT is the first S-REIT to undertake development projects on its own balance sheet in 2006, enabling Unitholders to enjoy the benefits of potential development upside. To date, A-REIT has completed 10 development projects, achieving a total revaluation gain of about S\$225.8 million or 34.8% over the total development cost, demonstrating the Manager's ability to add value to the portfolio through its development capabilities.

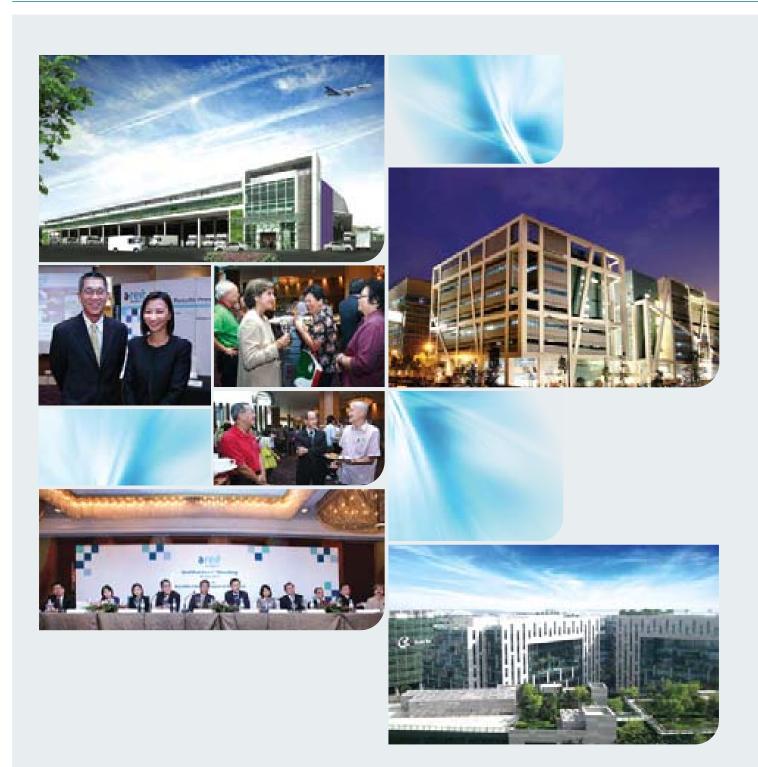
Customer Focus

A-REIT has a track record of customers growing with us and has consistently maintained a high customer retention ratio when leases are due for renewal.

Size Advantage

A-REIT accounted for 10.7% of the market capitalization of the S-REITs and 6.2% of Asian REIT ex-Japan as at 31 March 2011. In FY10/11, it accounted for about 9.1% of the trading volume for S-REITs on the SGX-ST, making it one of the most liquid REITs in the Singapore market. A-REIT is also included in major indices including the MSCI Singapore Index, FTSE Mid Cap Index as well as iShare FTSE EPRA/NAREIT Asia Index.

SIGNIFICANT EVENTS



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APRIL 2010

- **19th** Announced results for financial year ended 31 March 2010: Net property income rose by 7.9% y-o-y
- 23rd 3 Changi Business Park Crescent was awarded Green Mark (Gold) Certification by Singapore's Building & Construction Authority
- 30th A-REIT was voted Singapore's 8th Best Managed Company (after SIA, SingTel, ST Engineering, Olam International, DBS, OCBC and Keppel Corp) and 11th Best Corporate Governance in FinanceAsia's 2010 annual poll of Asia's best managed companies

MAY 2010

3rd 3 Changi Business Park Crescent was awarded Winner in the "Best Green Building (Built)" category in the 2010 Cityscape Asia Real Estate Awards

JUNE 2010

28th A-REIT's Annual General Meeting and Extraordinary General Meeting were held. All resolutions were approved

JULY 2010

16th Announced results for 1QFY10/11: Net property income grew by 8.2% y-o-y

AUGUST 2010

27th Moody's Investor Services upgraded A-REIT's corporate family rating to "A3"

OCTOBER 2010

- Runner-up for the "Most Transparent Company Award 2010" in the REITs Category at the SIAS' Investor Choice Award 2010
- **18th** Announced results for 2QFY10/11: Net property income grew by 3.5% y-o-y

NOVEMBER 2010

22nd AFM announced the opening of a representative office in Shanghai, China to carry out business development efforts for A-REIT

DECEMBER 2010

31st Completed 5 Changi Business Park, a built-to-suit Business Park facility for Citibank N.A. and achieved a revaluation gain of 123.0% (\$\$42.9 million) over its cost

JANUARY 2011

17th Announced results for 3QFY10/11: Net property income grew by 3.1% y-o-y

Announced development project of FedEx Singapore Regional Hub for \$\$35.9 million

FEBRUARY 2011

- **11th** A-REIT forayed into Shanghai, China with a forward purchase of a Business Park property for S\$117.6 million
- **24th** Issued ¥9.6 billion 7-year Medium Term Notes Due 2018 which was immediately swapped into S\$148.4 million on a floating rate basis

MARCH 2011

31st Announced acquisition of Neuros & Immunos for S\$125.6 million

Launched private placement of about 206 million new Units at an issue price of S\$1.94 per new Unit (10.5% premium to NAV) to raise net proceeds of about S\$393.3 million to fund committed investments. Placement was 2.55 times oversubscribed with strong participation from 77 new and existing institutional investors

APRIL 2011

17th Announced results for financial year ended 31 March 2011: Net property income grew by 6.1% y-o-y. Achieved revaluation gains amounting to approximately \$\$344.8 million

FINANCIAL HIGHLIGHTS



Net Property Income (S\$m)

296.6 210.3 243.5 210.3 243.5 210.3 243.5 296.6 296.6 296.6 296.6 296.6 296.6

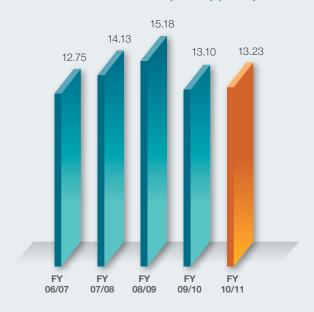
S\$248.0M

Total Amount Available For Distribution (S\$m)



13.23¢

Distribution Per Unit ("DPU") (cents)

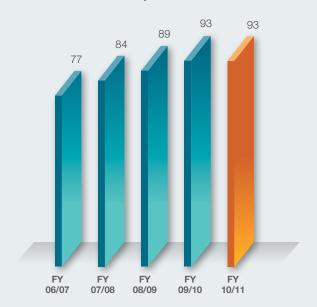


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93 PROPERTIES

Number Of Properties In Portfolio



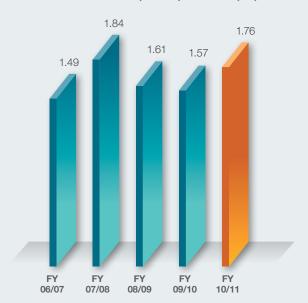
S\$5,419.8M

Total Assets (S\$m)



S\$1.76

Net Asset Value ("NAV") Per Unit (S\$) (1)

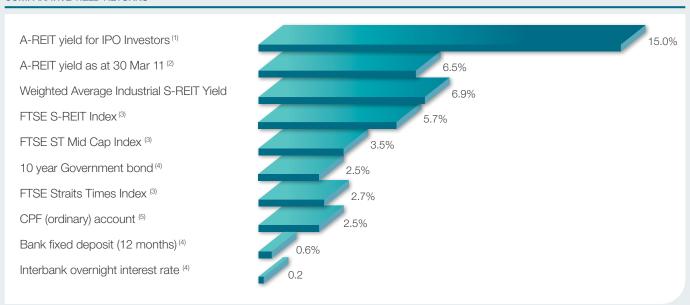


Note:

(1) Before adjustment for distributable income not yet distributed.

FINANCIAL HIGHLIGHTS

COMPARATIVE YIELD RETURNS



Notes:

- (1) Based on A-REIT's IPO price of S\$0.88 per unit and DPU of 13.23 cents for FY10/11
- (2) Based on A-REIT's closing price of S\$2.04 per unit as at 30 Mar 2011 and DPU of 13.23 cents for FY10/11
- (3) As at 31 Mar 11. Source: Bloomberg
- (4) As at 31 Mar 11. Source: Singapore Government Securities website
- (5) Based on interest paid on Central Provident Fund ("CPF") ordinary account from 1 Jan 11 to 31 Mar 11. Source: CPF Website

As at	31 Mar 11	31 Mar 10	31 Mar 09	31 Mar 08	31 Mar 07
Total gross borrowings (S\$m)	1,900.2	1,521.8	1,590.5	1,562.4	1,185.4
Total Unitholders' funds (S\$m)	3,291.7	2,947.0	2,703.0	2,438.0	1,970.0
Aggregate leverage (1)	35.2%	31.6%	35.5%	38.2%	37.3%
Unit price (S\$)	2.04 (2)	1.92	1.22	2.38	2.39
Number of Units in issue (m)	1,874.3	1,871.2	1,683.5	1,325.6	1,321.6

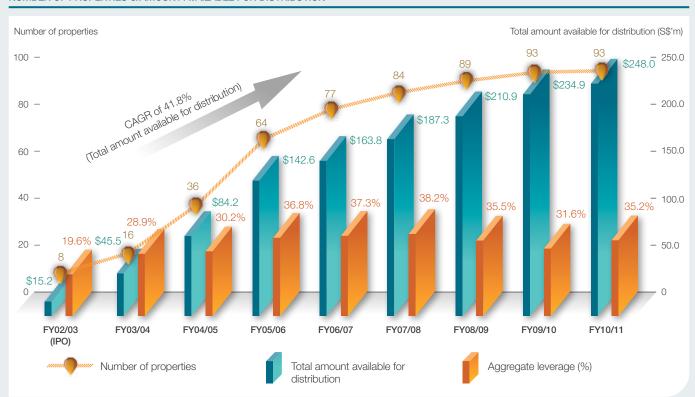
Notes:

- (1) Includes total borrowings and deferred payments on acquistion of properties
- (2) Unit price as at 30 Mar 2011, being the last trading day of FY10/11

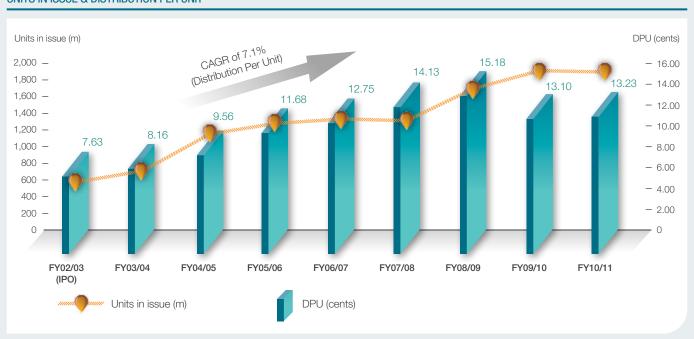
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NUMBER OF PROPERTIES & AMOUNT AVAILABLE FOR DISTRIBUTION



UNITS IN ISSUE & DISTRIBUTION PER UNIT



CHAIRMAN'S MESSAGE FORTIFY · DIVERSIFY · MAGNIFY

IN THE MIDST OF THE
RECOVERING ECONOMY,
A-REIT CONTINUED TO
FORTIFY ITS MARKET
LEADERSHIP POSITION
THROUGH ITS CORE
STRATEGIES OF PRUDENT
CAPITAL & RISK MANAGEMENT,
DISCIPLINED INVESTMENTS
AND PROACTIVE ASSET
MANAGEMENT.

2009 was a tumultuous year - one which saw major global economies reach the brink of collapse. In contrast, 2010 was a year of rapid recovery, due mainly to the deluge of liquidity unleashed by major central banks, especially the US Federal Reserve.

The negative impact of the global financial crisis on the Singapore economy was short-lived and it recovered rapidly to record a 14.5% growth in GDP in 2010, reversing the decline of 0.8% in 2009. This growth was mainly driven by improvement in the manufacturing sector.

In the midst of the recovering economy, A-REIT continued to fortify its market leadership position through its core strategies of prudent capital & risk management, disciplined investments and proactive asset management. Consequently, it has produced yet another set of respectable results for the financial year ended 31 March 2011.

On behalf of the Board, I am pleased to present A-REIT's 9th annual report for the financial year ended 31 March 2011.



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Fortify: Market Leadership Position

A-REIT was the first S-REIT to undertake development projects on its own balance sheet in 2006, enabling Unitholders to enjoy the benefits of potential development upside. During the last financial year, A-REIT commenced its 11th development project, a built-to suit logistics facility (FedEx Singapore Regional Hub) in the eastern region of Singapore. To date, A-REIT has completed 10 development projects, achieving a total revaluation gain of about 34.8% or \$\$225.8 million over the total development cost.

NAV per Unit also increased to about S\$1.76 per unit as at 31 March 2011 compared to S\$0.89 per unit at IPO, notwithstanding that an additional 1.5 billion Units have been issued during this period.

The number of properties in the portfolio remained unchanged at 93 properties from the previous financial year (after one property was decommissioned for redevelopment) but total assets under management ("AUM") grew to \$\$5.4 billion compared to \$\$4.9 billion as at 31 March 2010, an increase of about 10.2% as a result of gains on revaluation of investment properties, as well as a new acquisition (Neuros & Immunos) and completion of a development at 5 Changi Business Park Crescent (the final phase of the development at Plot 8, Changi Business Park). A-REIT accounted for approximately 34.9% of the AUM of all listed industrial S-REITs and 10.7% of the S-REIT market capitalisation as at 31 March 2011.

In March 2011, the Manager raised new equity of about \$\$393.3 million to fund the acquisition of Neuros & Immunos as well as the various investments and asset enhancement initiatives announced previously. The new Units were issued at \$\$1.94 each which was 10.5% above NAV as at 31 March 2011. After funding the acquisition of Neuros & Immunos and the deployment of net proceeds for their intended use, aggregate leverage is expected to decline to about 31.1%, creating a debt headroom of about \$\$840 million before aggregate leverage reaches 40%. With this, A-REIT's balance sheet is fortified and is well-placed to take advantage of potential growth opportunities.

With an enhanced capital structure and improving portfolio performance from a year ago, A-REIT's corporate rating was upgraded by Moody's Investor Services in August 2010 to "A3". This is the highest corporate rating amongst industrial S-REITs.

Diversify: Portfolio

Through a diversified asset portfolio spread across five segments of Business & Science Parks, Hi-Tech Industrial, Light Industrial, Logistics & Distribution Centres and Warehouse Retail Facilities, A-REIT is able to attract tenants from a wide array of industries. As a result, A-REIT's overall portfolio occupancy stands at a healthy 96.0% compared to 95.7% a year ago while occupancy for the multi-tenanted buildings improved to 92.1% from 91.2% in the prior year.

A-REIT also maintains a healthy profile of long and short term leases (43% and 57% by portfolio value respectively). With this, it is able to capitalise on the recovering market through positive rental reversion of the short term leases upon renewal, while the long term leases provide stability and predictability in earnings for the portfolio (with about 33% of such leases having rental escalation pegged to CPI). Weighted average lease to expiry remains high at 4.7 years.

Through active asset management, disciplined investment and prudent capital and risk management, the Manager continues to strengthen A-REIT's financial performance, resulting in a 8.2% increase in gross revenue to \$\$447.6 million and a 6.1% increase in net property income to \$\$339.4 million compared to the prior financial year. This is attributable mainly to new investments and an increase in occupancy rate within the portfolio.

In addition to the diversity of A-REIT's asset portfolio, the Manager has also successfully diversified its sources of funding such that each type of debt funding accounts for not more than 23% of outstanding borrowings, thereby enhancing its capital structure. For instance, A-REIT issued ¥9.6 billion 7-year fixed rate notes in February 2011 as part of the Multicurrency Medium Term Note Programme established in March 2009, to meet a refinancing requirement in 2011. This has been swapped into approximately \$\$148.4 million on a floating rate basis to eliminate the foreign currency risk arising from this issuance. Through this diversified capital structure, A-REIT was able to maintain an all-in cost of funding of 3.46% as at 31 March 2011. The average tenure of its debt is 3.2 years with 71.3% of its interest rate exposure hedged into fixed rate.





CHAIRMAN'S MESSAGE FORTIFY · DIVERSIFY · MAGNIFY

FY10/11 also marked A-REIT's first foray into the region. In February 2011, the Manager announced a forward purchase of a business park facility in Jinqiao, Pudong, Shanghai. This has enabled A-REIT to gain a foothold in China and the popular Jinqiao Export and Processing Zone as well as diversify its portfolio geographically. While maintaining an astute position in investments, the Manager will continue to identify potential investment opportunities in Singapore and China.

The expansion of A-REIT's investment mandate into China is based on the following considerations:

- 1) Following its customers to serve their real estate needs through the provision of one-stop real estate services to A-REIT's customers in Singapore and in China;
- 2) Seeking yield accretive investment opportunities with potential capital appreciation upside;
- 3) Providing access to real estate markets which Unitholders could not access efficiently on their own; and
- 4) Providing Unitholders with a geographically diversified portfolio and an opportunity to ride on growth in the China market.







Magnify: Market Presence

A-REIT remains the largest business space and industrial real estate investment trust listed on the SGX-ST. It accounts for 10.7% of the market capitalization of the S-REIT sector and 6.2% of Asian REIT ex-Japan. In FY10/11, it accounted for about 9.1% of the trading volume of S-REITs on the SGX-ST, making it one of the most liquid REITs in the Singapore market.

A-REIT is also included in major indices, namely: the MSCI Singapore Index, FTSE Mid Cap Index as well as iShare FTSE EPRA/NAREIT Asia Index.

A-REIT continues to expand its presence in Singapore. During the financial year, it committed to a total investment volume of about \$\$376.1 million comprising two acquisitions, a development as well as three asset enhancement projects. A-REIT also completed the final phase of Plot 8 at Changi Business Park (5 Changi Business Park Crescent) during the financial year, achieving a total revaluation gain of about \$\$94.4 million (or about 47%) over the total development cost of \$200.9 million for the three-phase development.

Looking Ahead

While the global economy and financial markets have recovered significantly from the trough of the recent global financial crisis, uncertainties remain. Concerns over the political tumult in certain North African and Middle Eastern countries, sovereign debt problems of certain developed countries, rising inflation risks, combined with the possibility of overheating in some major developing countries dwell beneath the global economic system.

Nevertheless, we will build on A-REIT's position as the leader in business space and industrial properties and will continue to focus on activities that matter, including:

- a) Continuously improving our **products and services**
- b) Motivating and rewarding our employees and
- c) Pleasing our customers

We will persist in our focus on the core fundamentals of our business. The Manager remains committed to pursue quality and sustainable yield accretive investments. With a strong balance sheet, A-REIT is well placed to take advantage of potential growth opportunities.

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The Manager will continue with its tested strategies to further fortify, diversify and magnify A-REIT's market leadership position, its portfolio and market presence to deliver yet another year of stable returns.

In Appreciation

A-REIT's success would not have been possible without the concerted effort of many parties. First, I would like to thank my fellow Board members for their invaluable advice and contributions throughout the year.

We are also very grateful to our tenants and business partners for their unwavering support, which has been the basis of the success of A-REIT over all these years.

On behalf of all Unitholders, I would also like to extend our sincere appreciation to the hardworking team at AFM, the Manager of A-REIT for their dedication and discipline in pursuing the core strategies that underlie the success of A-REIT.

Last but not least, I would like to thank you, our Unitholders, for your trust and confidence in us, and for your investment in A-REIT.

With unwavering focus on our enduring values and core strategies, I am confident that we will be able to capitalise on the opportunities that are available in a challenging business environment and continue to deliver another year of steady performance.









Mr David Wong Cheong Fook Chairman

06 June 2011

主席献词

加强・多样化・扩大

2009是动荡不定的一年。在这年,全球一些主要经济体濒临崩溃的边缘。与此形成鲜明对照的是,2010年见证了经济的迅速复苏,而这主要是因为各国央行下猛药 — 特别是美联储释放了大量补充流动资金的结果。

全球金融危机对新加坡经济的负面影响并未持续多久。2010年新加坡国内生产总值骤然回升,增幅达创纪录的14.5%,从而根本扭转了2009年国内生产总值下降0.8%的颓势。带动这一增长的主要因素是生产制造行业形势的改善。

在经济复苏阶段,腾飞房产投资信托基金(腾飞瑞资)继续凭借 其各项核心战略,即审慎的资本与风险管理、专业严谨的投资和 积极的资产管理来加强并巩固其市场领先地位。截止至2011年 3月31日,基金在这一财年中取得了又一轮不俗的业绩。

本人谨代表董事会呈交腾飞瑞资第九财年(截止至2011年3月31日)年度报告。

加强市场领导地位

2006年,腾飞瑞资成为首个自负盈亏经营开发项目的新加坡房产投资信托基金,从而让单位持有人能够从中分享开发项目的潜在利益和升值空间。在上一财年中,腾飞瑞资启动其第11个开发项目,即在新加坡东部地区兴建一座量身定制的物流中心(FedEx Singapore Regional Hub)。到目前为止,腾飞瑞资已经完成了10个开发项目,其帐面增值累计达两亿两千五百八十万新加坡元,比成本增值了34.8%。

截止到2011年3月31日,每单位净资产额增至1.76新加坡元,比2002年首次公开招股时的每单位净资产额仅为0.89新加坡元高 — 尽管在此期间还增发了15亿新单位。

与上一财年相比,资产组合中的物业数目未变(因有一房产拆除后,正在进行重建),仍旧为93个。常年房产价值重估,收购一个新项目和樟宜商务园弯第五号楼开发项目的竣工所带来的增值使腾飞瑞资的总资产规模(AUM)增加到五十四亿新元,相对于2010年3月31日之前的四十九亿新元增加了10.2%。截止到2011年3月31日,腾飞瑞资占所有在新加坡证交所上市的房产投资信托基金的总市值的10.7%及所有工业房产投资信托基金的总资产的34.9%。

2011年3月,腾飞瑞资募集新股金三亿九千三百万新加坡元用以收购 Neuros & Immunos 和落实早先宣布的各项投资和资产增值计划。新单位发行价为每单位1.94新加坡元,比截止日2011年3月31日之前的每单位净资产额高出了10.5%。在将净募集的资金用于指定的用途后,预计总杠杆率将降至31.1%。距40%的杠杆率还有大约八亿四千万新加坡元的债务余度。随着新单位的发行,腾飞瑞资的资产负债状况更臻完善并且使其能更好地把握和利用各种潜在的增长机遇。

本着腾飞瑞资的坚强资本结构和资产组合的优质效穆迪投资者服务公司在2010年8月将腾飞瑞资的企业评级提升为"A3"。在所有新加坡工业房产类的房产投资信托基金中这是最高的企业评级分数。

加强多样化资产组合

腾飞瑞资的多元化资产组多层厂房合涉及五个细分领域: 商务与科学园、高技术工业、轻工业、物流及配送中心和仓储零售设施,这让它能够吸引到各行各业的租户。腾飞瑞资的整体物业出租率从一年前的95.7%增加到96.0%这一良好水平,而多租户建筑的租用率则从前一年前的91.2%提高到92.1%。

腾飞瑞资还保持着长期与短期租赁项目的合理组合配套(各自占资产组合价值的比例分别为43%和57%)。借助这种组合模式,腾飞瑞资能在市势上扬时通过对短期租赁户在续租时提高租金,增加组合的回报率,同时长期租赁项目则确保稳定和可预测的资产组合收益(大约33%的此类租赁项目的常年租金上调是与消费价格指数挂钩的)。组合的加权平均租赁期限继续保持在较高水平,即4.7年。

通过积极的资产管理、专业严谨的投资和审慎的资本和风险管理,经理人不断增强腾飞瑞资的财务绩效,从而使营业总收入比上一财年增长了8.2%,达到四亿四千七百六十万新加坡元;净资产收益较上一财年增长了6.1%,达到三亿三千九百四十万新加坡元。这一业绩的取得主要应归功于新的投资以及资产组合中租用率的提高。

除了拥有多元化的资产组合外,腾飞瑞资还实现了融资来源的多元化,而使每一种类型的债务融资占未清偿债项的比例最多不超过23%,并因此使资本结构更加优化。例如,腾飞瑞资在2011年2月发行了金额为九十六亿日元的定息票据,以满足2011年的再融资需求。该笔票据已按照浮动汇率被兑换成一亿四千八百四十万新加坡元现金,完全消除发行日元票据所带来的外汇风险。基于这种多元化的融资结构,截止至2011年3月31日腾飞瑞资得以维持3.46%的总融资利率成本,并使未偿债务的剩余期限延长至3.2年,同时将71.3%的债务浮动利率风险对冲为固定利率。

在2010/11财年,腾飞瑞资还首次走出国门,进军区域市场。2011年2月,经理人宣布预购位于上海浦东金桥的一座商务园房产。此举让腾飞瑞资在中国市场,特别是在倍受追捧的金桥出口加工区拥有了立脚点,同时也使其资产组合的地理分布更加多元化。经理人将带着敏锐精明的投资眼光,继续在新加坡和中国寻求潜在的投资机遇。

腾飞瑞资将中国定为扩大投资的目标市场是基于以下几点的考虑:

- 1) 为其在新加坡和中国的客户提供一站式房产服务
- 2) 寻求能带来增值的投资机遇和潜在的资本增值

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在经济复苏阶段,腾飞房产投资信托基金(腾飞瑞资)继续凭借其各项核心战略,即审慎的资本与风险管理、专业严谨的投资和积极的资产管理来加强并巩固其市场领先地位。

- 3) 为单位持有人提供进入那些仅凭其自身力量无法有效运作 的房产市场的途径
- 4) 为单位持有人提供地理分布多元化的资产组合和从快速增长的中国市场中获得收益的机会

扩大市场影响力

在新加坡证交所上市的诸多商务空间和工业房产投资信托基金中,腾飞瑞资的规模实力始终位列第一。此外,它占新加坡房产投资信托基金行业总市值10.7%的份额,占日本除外的亚洲房产投资信托行业总市值6.2%的份额。在2010/11财年,腾飞瑞资占新加坡证交所新加坡房产投资信托基金的股票交易量的比例大约为9.1%,这使其成为新加坡市场上股权流通率最高的房产投资信托基金之一。

腾飞瑞资还被列入到各大主要市场指数中,它们是:摩根斯坦利新加坡指数、富时中型股指数和 iShare FTSE EPRA/NAREIT Asia Index指数。

腾飞瑞资继续加强其在新加坡房产的市场份额。在该财年度,腾飞瑞资承诺的新投资额大约为三亿七千六百一十万新加坡元,其中包括两个收购项目、一个开发项目和三个资产增值项目。腾飞瑞资在这一财年还完成了樟宜商务园八号地块的末期开发,三期开发的总成本为两亿零九十万新加坡元,建成后物业重估体现了约九千四百四十万新加坡元的资产增值(或占成本比例47%)。

展望未来

尽管全球经济和金融市场已在很大程度上摆脱了最近全球金融危机所造成的萧条局面,但不确定性因素仍旧存在。北非和中东国家的政治动荡、某些发达国家的主权债务问题、日益增加的通货膨胀风险以及某些主要发展中国家经济过热的可能性都引起了人们的普遍忧虑,而这种情绪就隐含在世界经济体系中。

但是,我们将依托腾飞瑞资位居商务空间与工业房产龙头地位的优势,同时继续将重点放在基金的重要经营活动上,这其中包括:

- a) 持续不断地改进我们的产品和服务
- b) 实行有效的员工激励和奖励措施
- c) 服务好客户并让他们感到满意

我们将一如既往地把工作重点放在我们核心业务方面。经理 人始终致力于追求高质量和可持续性的增值投资。凭借良好 的资产负债状况,腾飞瑞资能够很好地把握和利用潜在的增 长机遇。

经理人将继续实行其经过验证的各项战略,用以加强并巩固腾 飞瑞资的市场领先地位,使其资产组合更加多元化,提高其市 场份额从而在新一财年中实现基金的稳定收益。

致谢

腾飞瑞资的成功离不开多方的齐心协力。首先我要向各位董事 致谢,感谢大家在一年当中为基金提供的宝贵建议和各自所做 的贡献。

还要特别感谢我们的租户和商务伙伴,感谢他们对腾飞瑞资坚定不移的支持。这些年来正是有了他们的支持才有腾飞瑞资的成功。

我还要代表所有单位持有人向在AFM(经理人)辛勤工作的团队和管理层表达我们真挚的谢意,他们在实施基金核心战略过程中所表现出的奉献和自律精神为腾飞瑞资的成功奠定了基础。

最后,也是最重要的,我要感谢您们,我们尊敬的单位持有人,感谢您们对我们的信任和信心以及对腾飞瑞资所做的投资。

我们会毫不动摇地秉。持基金持久的价值信念,将工作重点放在基金的核心战略上。由此我可以满怀信心地说我们有能力抓住存在于一个充满挑战的商务环境中的发展机遇,并继续在新的一年中创造稳健的经营业绩。

Devide Duf

董事会主席 **黄昌福 敬上** 2011年6月6日

MANAGER'S REPORT



HIGHLIGHTS OF FY10/11

Financial Performance

- Gross revenue grew by 8.2% y-o-y to S\$447.6 million from S\$413.7 million.
- Net property income increased by 6.1% y-o-y to S\$339.4 million from S\$320.0 million.
- Total amount available for distribution increased by 5.6% y-o-y to \$\$248.0 million from \$\$234.9 million.
- Achieved a net revaluation gain of about S\$344.8 million.
 Consequently, A-REIT's total assets stand at about S\$5.4 billion and NAV at S\$1.76 per unit as at 31 March 2011.

Proactive Capital Management

- Raised new equity of about S\$393.3 million (net proceeds) to fund committed investments and to provide A-REIT with greater financial flexibility to take advantage of growth opportunities; New Units were issued at 10.5% premium to NAV.
- Further diversified sources of debt funding through the issuance of ¥9.6 billion 7-year notes due 2018 which was immediately swapped into approximately \$\$148.4 million on a floating rate basis.

Committed investment volume of S\$376.1 million

- Completed acquisition of Neuros & Immunos, a Science Park property at Biopolis, for S\$125.6 million.
- Embarked on three asset enhancement projects and A-REIT's 11th development project (a built-to-suit logistics facility for FedEx Singapore) at a total estimated development cost of about \$\$132.9 million.
- Forayed into Shanghai, China with the forward purchase of a Business Park property for approximately \$\$117.6 million.

Strong Portfolio Performance

- Portfolio occupancy at 96.0% as at 31 March 2011. A-REIT's multi-tenanted properties are 92.1% occupied.
- Positive rental reversion of between 2.1% and 6.7% across Business & Science Parks, Hi-Tech Industrial and Logistics & Distribution Centres segments.

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FORTIFY • DIVERSIFY • MAGNIFY

Emerging from the 2009 global financial crisis unscathed, the Manager persisted with its time-tested strategies of disciplined and value-adding investments, proactive asset management and prudent capital and risk management. In FY10/11, the Manager focused its effort to fortify A-REIT's market leading position in Singapore, to diversify A-REIT's portfolio and to magnify A-REIT's presence in its arena.

Market Leader

A-REIT continues to be the market leader within the industrial S-REITs sector with a total AUM of about S\$5.4 billion (34.9% of industrial S-REIT's AUM) and a market capitalization of S\$3.8 billion (10.7% of S-REIT's market capitalization) as at 31 March 2011.

Financial Performance

A-REIT's gross revenue increased by 8.2% to S\$447.6 million, contributed mainly by new investments and improvement in occupancy rates of the portfolio. However, this increase was partly offset by higher operating expenses due to increase in utilities cost as well as cessation of land rent and property tax rebates granted by the Singapore Government in 2009. As a result, net property income grew by a smaller extent of 6.1% to S\$339.4 million.

In FY10/11, A-REIT achieved a 5.6% increase in total amount available for distribution to \$\$248.0 million from \$\$234.9 million a year ago. This amount includes a distribution of about \$\$4.8 million which is classified as capital distribution from a tax perspective, equivalent to the amount of interest income net of corporate tax from a finance lease granted to a tenant. Such distribution is not taxable in the hands of all Unitholders, save for Unitholders who are holding the Units as trading assets.

The Manager remains committed to paying out 100% of A-REIT's income available for distribution. For FY10/11, A-REIT announced a distribution per unit of 13.23 cents which translates to a trading yield of about 6.5% based on A-REIT's closing price of \$\$2.04 on 30 March 2011, the last trading day of the financial year.

FORTIFY • DIVERSIFY • MAGNIFY: HEALTHY CAPITAL STRUCTURE

With the recovery of major global economies during the financial year, the Manager persisted in its proactive approach towards capital and risk management to fortify and diversify A-REIT's capital structure. During the financial year, the Manager capitalised on the low interest rate environment as well as the

increased liquidity in the financial markets to enhance A-REIT's capital structure which has put A-REIT in good stead to capitalise on potential growth opportunities.

Enhanced Capital Base

On 31 March 2011, the Manager raised new equity of approximately \$\$393.3 million to fund A-REIT's committed investments of \$\$376.1 million, with the balance for general working capital. The issue price of \$\$1.94 per unit represents a 10.5% premium to A-REIT's net asset value of about \$\$1.76 per unit as at 31 March 2011. The exercise saw strong participation from 77 new and existing institutional investors from Asia, Australia, Europe and the United States and was 2.55 times oversubscribed. After funding the acquisition of Neuros & Immunos and the deployment of net proceeds for their intended use, aggregate leverage is expected to decline to 31.1%. With this, A-REIT would have a debt headroom of about \$\$840 million before reaching an aggregate leverage of 40%. This debt headroom would allow A-REIT to capitalise on potential growth opportunities.

With an enhanced capital structure and improved portfolio performance from a year ago, A-REIT's family credit rating was upgraded to "A3" by Moody's Investor Services in August 2010.

	As at 31 Mar 11	Immediately after private placement (1)	After deployment of equity proceeds for intended use
Total Assets (S\$m)	5,419.8	5,419.8	5,670.3
Net assets attributable to Unitholders (S\$m)	3,291.7	3,685.0	3,685.0
Aggregate	1,907.4	1,514.1	1,764.6
leverage (2) (S\$m)	35.2%	27.9%	31.1%
NAV per Unit	175.6 cents	177.1 cents	177.1 cents
Units in Issue (m)	1,874.3	2,080.5	2,080.5

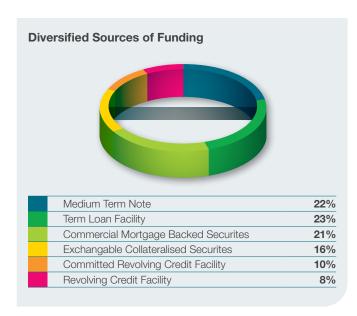
Notes:

- (1) Based on 31 Mar 2011 financial statements and adjusted for the estimated net proceeds of \$\$393.3 million from the equity fund raising exercise announced on 31 Mar 2011 after repayment of short term borrowings used to fund the acquisition of Neuros & Immunos and repayment of debt pending deployment of funds for their intended use.
- (2) Aggregate leverage includes deferred payment on purchase price of some properties.

MANAGER'S REPORT

Liquidity Management

To reduce reliance on any one source of funding, the Manager further diversified A-REIT's sources of debt funding through the issuance of ¥9.6 billion 7-year notes due 2018 in February 2011 to meet refinancing requirements. To eliminate the foreign currency risk arising from this issuance, the Japanese Yen proceeds were immediately swapped into approximately \$\$148.4 million on a floating rate basis.



Debt Profile	31 Mar 11	31 Mar 10
Aggregate leverage	35.2% (1)	31.6%
Total debt (2) (S\$m)	1,900	1,522
Fixed as a % of total debt	71.3%	100.0%
Weighted average all-in funding cost	3.46%	3.94%
Weighted average term of debt	3.2 years	4.0 years
Weighted average term of fixed rate debt	3.2 years	3.1 years
Interest cover ratio	4.5 times	4.7 times
Unencumbered assets as % of total investment properties	55.3%	52.9%

Notes

- Expected to decline to 27.9% immediately after the equity fund raising exercise announced on 31 Mar 2011, assuming net proceeds from the placement are used to repay bank borrowings, pending deployment of funds for their intended use.
- (2) Difference between total debt and aggregate leverage is due to the deferred payments on purchase price of some properties.

The Manager is in the process of documentation to rollover the \$\\$200.0 million committed revolving credit facility due in November 2011 for a further five years. With this, A-REIT would not have any major debts due until 2013 and there is not more than \$\\$400.0 million due for refinancing in any one year. No single source of debt accounts for more than 23% of A-REIT's total debt.



Interest Rate Risk Management

Reflecting the low interest rate environment, A-REIT reduced its weighted average borrowing cost to 3.46% compared to 3.94% a year ago. As at 31 March 2011, secured debt only accounted for about 13% of A-REIT's total assets and about \$\$2.9 billion of its properties (representing 55.3% of A-REIT's total investment properties) are free from encumbrance, thereby providing greater flexibility to manage its capital structure. To manage its interest rate exposure, 71.3% of A-REIT's floating interest rate exposure is hedged into fixed rate for the next 3.2 years.

Tenant and Credit Risk Management

The Manager regularly reviews the credit risk profile of its customers with the aim of minimizing potential credit risk.

A-REIT has about 980 customers. A weighted average of 6.4 months worth of rental income is collected as security

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deposit to safeguard A-REIT against potential tenant default. The standard industry practice is to hold one month worth of rental as security deposit for each year's lease. However, for single-tenanted buildings, resulting typically from a sale-and-leaseback transaction or a built-to-suit arrangement, a larger sum of security deposits may be obtained depending on the credit-standing of the customer and commercial negotiation. The weighted average security deposit for single-tenanted buildings is 10 months worth of rental income.

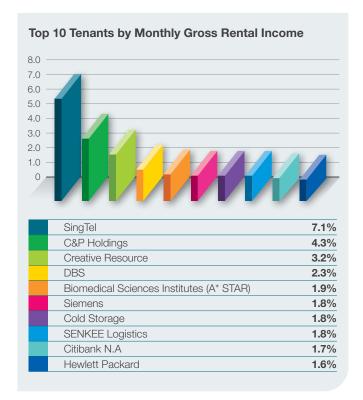
As a result of the rigorous management of account receivables, the Manager has attained a low doubtful debt provisions as a percentage of total gross revenue. The Manager collects about 89.1% of rental receipts via Interbank GIRO services. This has allowed the Manager to react efficiently and appropriately towards any inadequacy in payment. Regular customer visits as well as vigilance on tenant's activities also helped to detect early signs of trouble.

Segments	No. of single tenanted properties	Weighted average security deposit* (no. of months)
Business & Science Parks	4	12
Hi-Tech Industrial	8	7
Light Industrial	23	12
Logistics & Distribution Centres	12	10
Warehouse Retail Facilities	2	11
	49	10

^{*} Excluding cases where rental is paid upfront.

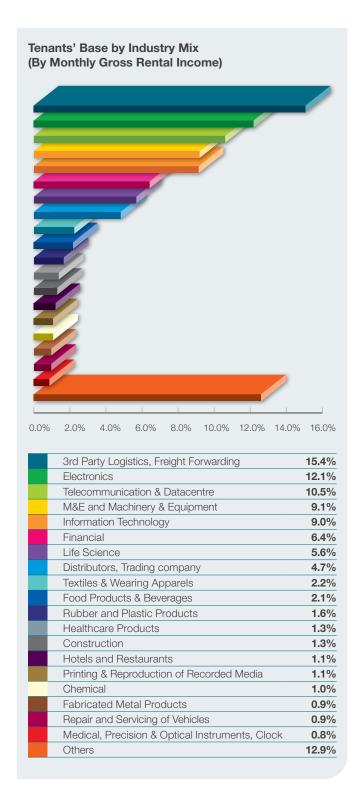
As at 31 March 2011, outstanding accounts receivables that are more than two months past due amounted to about S\$0.2 million or about 0.05% of gross revenue. These are adequately covered by way of bankers' guarantees and/or cash security deposits held by A-REIT.

With a diversified portfolio of 93 properties housing about 980 customers, the top 10 tenants account for only 27.5% of A-REIT's monthly gross revenue. It is also through this diversification that no single property or customer accounts for more than 4.5% or 7.1% of A-REIT's monthly gross revenue respectively.

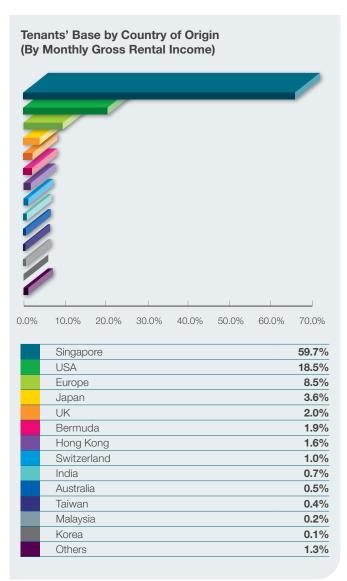


S\$'000	FY10/11	FY09/10	FY08/09	FY07/08	FY06/07
Doubtful debt	6	_	102	324	58
Doubtful debt provided/bad debt write-off/(write back)	6	(72)	(222)	266	21
Trade receivables	1,583	3,066	2,137	1,977	1,589
Total annual gross revenue	447,634	413,678	396,534	322,270	283,007
Doubtful debt provision/bad debts write-off/(write back) as % of gross revenue	0.001%	(0.02)%	(0.06%)	0.08%	0.01%

MANAGER'S REPORT



A-REIT's customers hail from a wide array of industries and types such as multi-national companies, listed companies and small-and-medium-sized enterprises, in various trades such as telecommunications, life sciences, food, fragrances and flavours, research & development, light manufacturing, information technology, engineering, electronics, manufacturing services, back-room office in service industries as well as storage and warehousing from over 15 countries.



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FORTIFY • DIVERSIFY • MAGNIFY: VALUE-ADDING INVESTMENTS

With an aim to diversify and magnify A-REIT's market presence, the Manager continued with its disciplined approach in making value-adding investments. Through selective acquisitions and development of high-quality properties as well as asset enhancement projects, the Manager enlarged A-REIT's portfolio through the commitment of \$\$376.1 million in new investments in FY10/11. This includes the acquisition of Neuros & Immunos for \$\$125.6 million, the forward purchase of a Business Park property in Shanghai, China for approximately \$\$117.6 million as well as development and asset enhancement projects totaling \$\$132.9 million.

During the financial year, the Manager completed the final phase of the development at Plot 8, Changi Business Park (5 Changi Business Park Crescent). This property is 100% pre-committed to Citibank N.A. for an initial period of six years with annual rental escalation and options to renew for another two terms of three years each. The lease has commenced progressively from February 2011. The property was valued by Jones Lang LaSalle at S\$82.3 million as at 31 March 2011, representing a revaluation gain of about S\$47.5 million (136.5%) over its development cost of S\$34.8 million, demonstrating the Manager's abilities to add value to A-REIT's portfolio through development projects.

5 Changi Business Park Crescent is part of a three-phased development comprising two business space blocks (3 & 5 Changi Business Park Crescent) and a business space cum amenities block (Plaza8@CBP) in Changi Business Park. A-REIT commenced this 74,660 sqm project in FY07/08







FY10/11 Committed Investments	Value	Expected Completion			
	(S\$m)				
Neuros & Immunos	125.6	Completed			
Forward Purchase of a Business Park Property at Jinqiao, Shanghai, China	117.6	Expected completion in 2H FY12/13			
Ongoing Development/ Asset Enhancements	Value (S\$m)	Expected Commencement	Expected Completion		
Techview	4.3	Started	1Q FY11/12		
Food Axis @ Senoko	59.0	Started	4Q FY11/12		
FedEx Singapore Regional Hub	35.9	Started	4Q FY11/12		
Phase 1, 10 Toh Guan Road	00.7	Started	4Q FY11/12		
Phase 2, 10 Toh Guan Road	33.7	2Q FY11/12 2Q FY12/13			
Total Estimated Cost	376.1				

MANAGER'S REPORT

with an initial pre-commitment of 75% of space for 3 Changi Business Park Crescent (21,167 sqm) and 50% of space for 5 Changi Business Park Crescent (20,989 sqm) by Citibank N.A. 3 & 5 Changi Business Park Crescent were fully taken up by Citibank N.A. when they were completed. In addition, to cater to the growing working population in Changi Business Park and the surrounding area, the Manager developed Plaza8@CBP (32,504 sqm), a business space and amenities building. Some tenants in this block include IBM Global Services Pte. Ltd, Infosys Technologies Limited, Optimum Solutions (Singapore) Pte Ltd as well as Reed Elsevier (Singapore) Pte Ltd. With the completion of 5 Changi Business Park Crescent, the three-phased development of Plot 8 Changi Business Park is now fully completed and has achieved a total revaluation gain of about \$\$94.4 million (or about 47%) over the total development cost of \$200.9 million.

Cafes & restaurants at Plaza8@CBP catering to the ground working population



Childcare facilities for the convenience of working parents



Plaza8@CBP - a business space cum amenities block



Asset Enhancements

During the financial year, the Manager also took steps to magnify the returns on A-REIT's existing portfolio through asset enhancement initiatives, so as to maximize plot ratio and/or enhancing the attractiveness and marketability of the properties. These initiatives are:

Redevelopment of 1 Senoko Avenue (FoodAxis @ Senoko)

Located within the designated food zone in the north of Singapore and easily accessible by major expressways, the redevelopment will create an additional gross floor area of 34,519 sqm with the maximization of plot ratio from 0.6 times to 2.5 times. Estimated to cost about S\$59.0 million, the facility, when completed in 4QFY11/12, will be positioned as a food hub for the food & beverages industry to address the relative shortage of suitable food processing space in Singapore.



2) Asset Enhancement for Techview

To enhance the attractiveness and value of the property, the Manager has commenced work on the reconfiguration of selected floors through the creation of an internal courtyard on the upper levels of the building. When the planned Downtown Line (DTL3) MRT station is ready by 2017, Techview will have a station exit within its compound. This asset enhancement initiative has an estimated cost of \$\\$4.3 million and is expected to be completed in 1QFY11/12.



3) Asset Enhancement for 10 Toh Guan Road

The Manager has obtained the necessary regulatory approvals for the asset enhancement works to reposition the building for higher value usage. The asset enhancement work comprises the removal of the existing Automated Service & Recovery System to create more parking spaces and the enhancement of its exterior façade to reflect its repositioned image. At an expected cost of S\$33.7 million, this exercise will be undertaken over two phases and completion of phase I is expected in 4QFY11/12 and phase II in 2QFY12/13.

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The Manager will continue with its disciplined investment approach to evaluate potential investment opportunities. It will continue to focus on the following investment opportunities:

- a) Acquisitions of income producing properties with established tenants:
- b) Built-to-suit/lease development projects to capitalise on our development capabilities and strengthen and broaden our customer base; and
- Acquisitions of good quality multi-tenanted properties with strong income stream and/or asset enhancement potential.

With a view to expand A-REIT's investment mandate geographically, the Manager announced that it has set up a representative office in Shanghai, China to improve the Manager's visibility in the various business space segments and micro property markets. The Manager feels that this could create value-add for A-REIT's Unitholders by:

 Following its customers to serve their real estate needs through the provision of one-stop real estate services to A-REIT's customers in Singapore and in China;

- 2) Seeking yield accretive investment opportunities with potential capital appreciation upside;
- 3) Providing access to real estate markets which Unitholders could not access efficiently on their own; and
- 4) Providing Unitholders with a geographically diversified portfolio and an opportunity to ride on growth in the China market.

Annual Revaluation

As required under the S-REIT guidelines, the Manager has obtained new independent valuation for its portfolio of 92 properties (excluding new acquisition – Neuros & Immunos). Average capitalisation rate compressed marginally to 6.7% in March 2011 as compared to 6.8% in the prior year. Riding on the improvements in occupancy rates and positive rental reversions on lease renewals, a net revaluation gain of \$\$344.8 million was recorded in FY10/11.

As stipulated by the S-REIT guidelines, the same valuer cannot value the same property for more than two consecutive years. A total of five international valuers, namely DTZ Debenham Tie Leung (SEA) Pte Ltd, CB Richard Ellis (Pte) Ltd, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, Cushman & Wakefield Singapore Pte Ltd and Jones Lang LaSalle were used for the exercise.

Weighted average land lease to expiry for the portfolio of properties (excluding freehold properties) is 49.2 years. 71 properties worth about S\$3.1 billion are on a land rent basis. This implies that these properties only have a nominal land value component in its book value.

Land Tenure Expiry Year	Busine Science		Hi-Tech In	dustrial	Light Indi		Logisti Distribi Centi	ution			etail Total	
	No. of Properties	S\$'m	No. of Properties	S\$'m	No. of Properties	S\$'m	No. of Properties	S\$'m	No. of Properties	S\$'m	No. of Properties	S\$'m
< 30 years left (2011 to 2041)	_	_	_	-	4	53	2	120	2	149	8	322
< 40 years left (2042 to 2051)	-	-	1	69	5	88	5	474	_	-	11	631
< 50 years left (2052 to 2061)	5	388	7	439	23	654	13	525	_	-	48	2,006
< 60 years left (2062 to 2071)	11	1,238	6	302	1	36	3	91	_	-	21	1,667
>60 years left (Beyond 2072)	2	325	2	242	-	-	-	_	_	-	4	567
FreeHold	-	_	1	64	-	_	_	_	_	_	1	64

MANAGER'S REPORT

FORTIFY • DIVERSIFY • MAGNIFY: PROACTIVE ASSET MANAGEMENT

As the largest business space and industrial S-REIT in Singapore, A-REIT continues to own a balanced and well-diversified portfolio of 93 properties across five segments, namely Business & Science Parks (37%), Hi-Tech Industrial (21%), Light Industrial (11%)/ Flatted Factories (5%), Logistics and Distribution Centres (23%) as well as Warehouse Retail Facilities (3%) in Singapore. Its portfolio of long and short term leases (43% and 57% by portfolio value respectively) provide stability and predictability in earnings while the short term leases (typically of 3 years duration) are able to capitalise on the recovering economic market through positive rental reversion of the short term leases up for renewal.

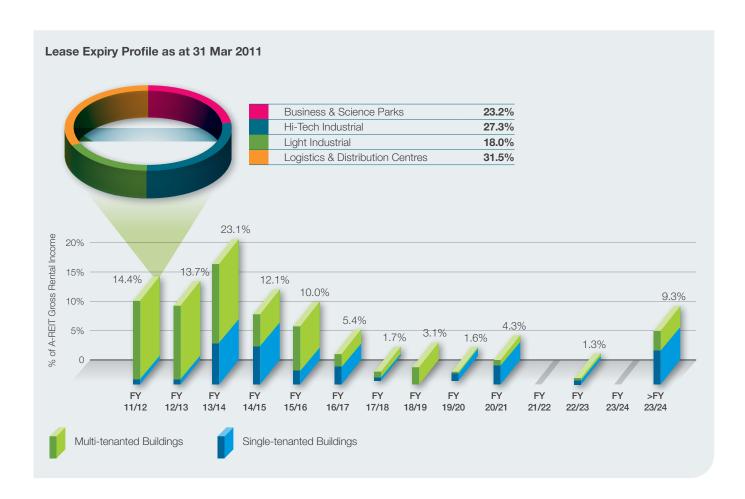
Diversified Customer Base and Lease Structure

As a result of the mix of long and short term leases, A-REIT has a weighted average lease to expiry of about 4.7 years, with the

expiry of some leases extending beyond 2024. About 14.4% of A-REIT's gross rental income is due for renewal in FY11/12.

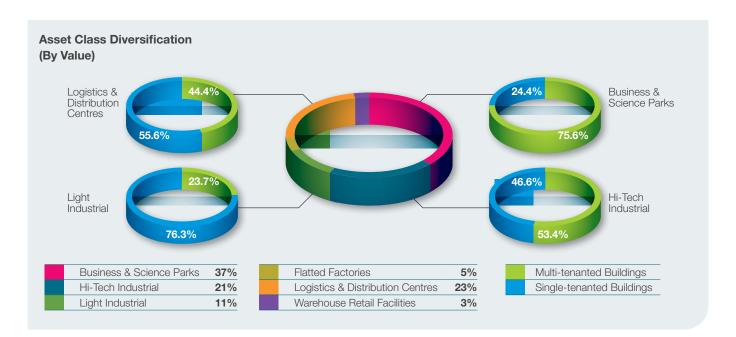
Each of the property segments caters to different sectors of the economy and is exposed to different growth drivers. In FY10/11, sources of new demand continued to be broad based and originated from more than 11 economic sectors including telecommunications, biomedical, general manufacturing as well as lifestyle and service industries.

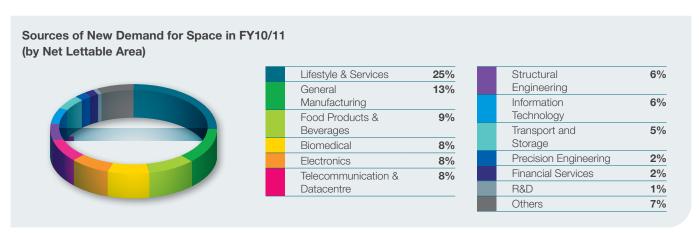
In line with the recovering economy, A-REIT's portfolio achieved a positive rental reversion of between 2.1% to 6.7% for its Business & Science Parks, Hi-Tech Industrial as well as Logistics and Distribution Centres segments, as the in-place rental rates were lower than the prevailing market spot rates.



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Multi-tenanted properties	Net lettable area (sqm)	Tatalit opast		Increase / (decrease) in new take up	
	As at 31	Mar 11	_	rates (2)	
Business & Science Parks	294,648	27,385	6.7%	3.7%	
Hi-Tech Industrial	202,196	31,468	2.1%	19.0%	
Light Industrial/ Flatted Factories	228,865	10,150	(0.2)%(3)	0.6%	
Logistics & Distribution Centres	300,068	12,253	2.7%	4.8%	

Notes:

- (1) FY10/11 renewal rental rates versus previously contracted rates.
- (2) Rental rates for new take up (including expansion by existing tenants) in 4QFY10/11 versus rates achieved in 3QFY10/11.
- (3) Renewal rates in Light Industrial sector declined due to discount granted for a renewal of a large space. Excluding this renewal, renewal rental rates would have increased by 2.3%.

MANAGER'S REPORT

Healthy Occupancy

The quality of A-REIT's portfolio has resulted in healthy occupancy rates since its listing in November 2002. As at 31 March 2011, occupancy rate of the portfolio improved to 96.0% from 95.7% a year ago while the occupancy for the multi-tenanted properties increased to 92.1% compared to 91.2% in the prior year due

to the increase of total new take-up by 45.8% year-on-year to 127,810 sqm. This is despite a net increase (4.6%) in gross floor area in the portfolio from 2,353,650 sqm to 2,462,671 sqm. Rental rates for new leases continued to be on an uptrend across all segments reflecting the buoyant mood of the Singapore's economy.



Note

(1) Source: Ministry of Trade and Industry

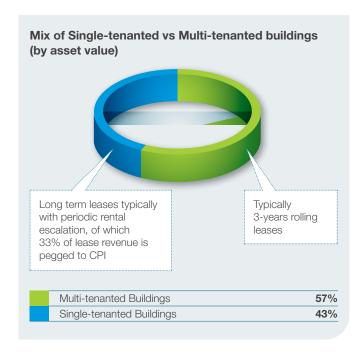
OUTLOOK FOR FY11/12

Organic Growth

About 14.4% of A-REIT's gross revenue will be due for renewal in FY11/12. The current passing rent of these expiring leases, with the exception of Hi-Tech Industrial, is below the prevailing market rental rates. URA statistics have shown an improvement in rental rates over the last five quarters, therefore, the Manager expects potential for positive rental reversions for majority of the leases due for renewal in the current financial year.

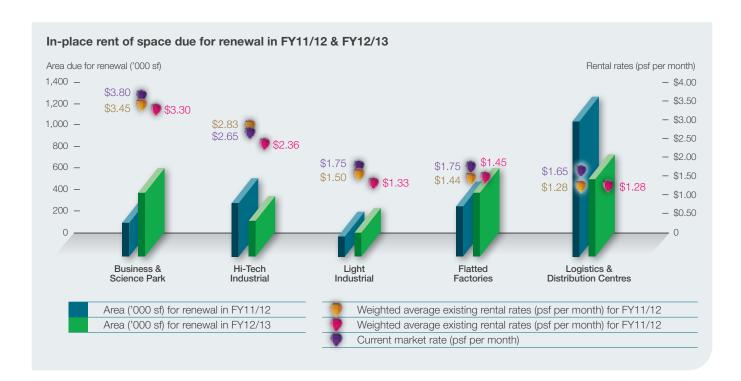
43% of the portfolio is made up of long term leases with built-in rental escalation. 33% of such leases have annual escalation pegged to CPI with a floor rate of growth while the balance has regular fixed rate adjustments.

On the back of an improving economy, A-REIT will capitalise on its wide spectrum of real estate space to cater to the different requirements of tenants seeking space for their operations. As at 31 March 2011, A-REIT has a vacancy rate of about 7.9% for its multi-tenanted buildings which could be another source of organic growth if the economic recovery is sustained.



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Prudent Value-Adding Investments

The Manager remains committed to pursue quality and sustainable yield accretive investments. For development projects, the Manager will continue to exploit its development capability and capacity to achieve better returns per investment dollar.

Disciplined acquisitions of high quality properties with strong fundamentals are an inherent component of the Manager's investment strategy. The Manager seeks to focus on investments which are versatile in use and offer sustainable returns to its Unitholders.

For investments in China, the Manager will focus on major tier one cities such as Shanghai initially with an eye on investments with good property fundamentals and/or potential asset enhancement opportunities with a particular interest in Business & Science Parks, Logistics and Distribution Centres and Warehouse Retail Facilities as it seeks to complement A-REIT's existing portfolio to further enhance its footprint in the business space and industrial property arena.

Conclusion

While the financial markets and many economies globally have recovered significantly from the trough of 2009, concerns lurked beneath the system. Many challenges remain unaddressed even as new ones have emerged. Weak sovereign balance sheets and still moribund real estate markets remain major concerns. High unemployment, rising food and commodity prices impose harsh burdens and inflationary pressure is likely to intensify.

In the meantime, Singapore, being an open and free economy, has recovered well. It grew at a healthy pace of 8.3% year-on-year in the first quarter of 2011 led by improvement in the manufacturing sector. GDP growth for 2011 is projected by the Ministry of Trade & Industry to be between 5% and 7%, following a strong rebound of 14.5% in 2010. The Singapore industrial property market displayed signs of improvement in 2010 with improvement in both price and rental rates. If the optimism in the current economic climate is sustained, A-REIT could benefit from the upswing in the rental market for its leases due for renewal as well as for new space leased.

In FY11/12, A-REIT has about 14.4% of gross revenue due for renewal. The majority of these leases due for renewal have passing rents which are below current market rents. A-REIT's portfolio has a weighted lease to expiry of about 4.7 years. With a diversified portfolio of properties across five segments of the business space and industrial property market and a good mix of long and short term leases, A-REIT is able to provide a highly predictable and sustainable return to Unitholders.

BOARD OF DIRECTORS



















1 Mr David Wong Cheong Fook Chairman, Independent Director

Mr Wong is a Director on the boards of LMA International NV, PacificMas Bhd, Banking Computer Services Pte Ltd, Jurong International Holdings Pte Ltd, OCBC Bank (Malaysia) Bhd and Teva Pharmaceutical Investments (Singapore) Pte Ltd. He is also a Member of the Casino Regulatory Authority and is a board member of the National Environment Agency. He is a Fellow of the Institute of Certified Public Accountants in Singapore, and a member of the Institute of Chartered Accountants in England and Wales.

2 Ms Chong Siak Ching

Vice Chairman, Non-executive Director

Ms Chong is the President and Chief Executive Officer of Ascendas Pte Ltd. She sits on the boards of Ascendas Pte Ltd and its subsidiaries. Ascendas pioneered Singapore's first business space trust, Ascendas REIT which was listed in November 2002, and Singapore's first India-based properties business trust, Ascendas India Trust which was listed in August 2008. She is also a board member of Jurong Health Services and a member of the National University of Singapore (NUS) Board of Trustees. Previously Jurong Town Corporation's Deputy Chief Executive Officer, she has extensive experience in business space management.

Ms Chong studied Estate Management at the National University of Singapore where, in 1981, she graduated with honours and was awarded a Gold Medal by the Singapore Institute of Surveyors and Valuers. In 1991, Ms Chong obtained a Masters in Business Administration from the same university. Ms Chong completed the Advanced Management Programme at Harvard Business School in 1998. In recognition of her unwavering commitment and service to her alma mater, Ms Chong was conferred the NUS Distinguished Alumni Award by the Faculty of Architecture and Building Management in 1999 and NUS Distinguished Alumni Service Award in 2009. In March 2009, Ms Chong was recognized as the "Outstanding CEO of the Year" in the Singapore Business Awards 2009 for her steadfast leadership and dynamism in establishing Ascendas as Asia's leading provider of business space across Asia.

3 Mr Joseph Chen Seow Chan Independent Director

Mr Chen has 29 years of experience in the treasury and fixed income business. He worked in a number of major foreign banks and the Monetary Authority of Singapore, prior to joining United Overseas Bank Limited ("UOB"), where he worked for 17 years. He was Managing Director, Global Treasury of UOB when he retired in November 2005. He was also a Director of UOB Bullion & Futures, a subsidiary of UOB, until retirement. Mr Chen was also a member of the UOB Management Committee and the Assets & Liabilities Committee.

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4 Mr Chia Kim Huat

Independent Director

Mr Chia is presently a partner of Rajah & Tann LLP and heads its Corporate and Capital Markets Practice Group. Mr Chia has more than 16 years experience as a practicing lawyer and his main areas of practice include capital market transactions, cross-border joint ventures, private equity investments, mergers and acquisitions, corporate and banking transactions. He also advises foreign investors on their investments in Singapore, including listings on the Singapore Exchange Ltd, privatisations, secondary and dual listings. He graduated from National University of Singapore with a Bachelor of Laws (Honours) degree in 1992 and is a member of the Singapore Academy of Law and The Law Society of Singapore. Mr Chia is a director on the Board of PEC Ltd.

5 Mr Koh Soo Keong

Independent Director

Mr Koh is presently Chief Executive Officer of with KS Distribution Pte Ltd. He was the President & Chief Executive Officer of SembCorp Logistics Ltd, a publicly listed company, for more than eight years and retired in April 2007 after the company was bought over by Toll Holdings. He is also the Chairman of the Board of Agrifood & Veterinary Authority of Singapore, EcoSave Pte Ltd, ABL Asia Pte Ltd, Aqua-Terra Supply Co Ltd, KS Flow Control Pte Ltd, Marinehub Pte Ltd and SSH Corporation Ltd. He is also a board member of KS Energy, Noel Ltd, ECS Ltd, Northern Technology Industrial Corporation, all publicly listed companies. Mr Koh holds a Bachelor of Engineering (Honors), a Master of Business Administration and a post-graduate diploma in Law from the National University of Singapore.

6 Mr Henry Tan Song Kok

Independent Director

Mr Tan is the Managing Director of Nexia TS Public Accounting Corporation ("Nexia TS"). Nexia TS is a member of Nexia International, an international network of independent accounting and consulting firms. He holds a Bachelor of Accountancy (First Class Honours) from the National University of Singapore.

Mr Tan is Regional Chairman (Asia Pacific) of Nexia International. He has more than 10 years experience in the China market and been helping companies in Singapore to set up and expand in China. He sits on the Financial Reporting Committee of the Institute of Certified Public Accountants in Singapore. He is also a director of listed companies namely, Chosen Holdings Limited, Pertama Holdings Limited, YHI International Ltd, Raffles Education Corporation Limited and China New Town Development Company Limited.

7 Ms Monica Villegas Tomlin

Independent Director

Ms Tomlin is presently an independent senior management advisor. Most recently she held the post of Assistant Chief Executive (Planning) at the Singapore Tourism Board, after spending over 20 years in management consulting with international firms including Arthur D Little and McKinsey & Company. Ms Tomlin holds a Master's degree of Science in Management from the Sloan School of Management at the Massachusetts Institute of Technology, U.S.A.

Ms Tomlin's professional experience is in the area of strategy and change management, both in private and public sector organizations.

8 Mr Tan Ser Ping

Executive Director, CEO

Mr Tan, Executive Director and CEO of the Manager, is responsible for the overall management and operation of A-REIT. He works with the Board of Directors to determine the business strategies and plans for the strategic development of A-REIT and together with the AFM team and the Property Manager (ASPL), ensure that the operations of A-REIT are aligned with the stated business strategies.

Prior to joining the Manager, he was the Executive Vice President of Real Estate Development & Investment (REDI) of Ascendas Pte Ltd. He was responsible for formulating REDI policies, strategies and plans across all country operations and developing new product offerings and markets for Ascendas. He headed the task force for the establishment of A-REIT prior to its IPO. Before joining Ascendas in 2001, he was Senior General Manager, Residential & Commercial Properties Business Group of China-Singapore Suzhou Industrial Park Development Company Ltd. He lived and worked in China for about seven years.

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- 2. Kevin Lee
- 3. Roy Teo
- 4. Vincent Lee5. Chae Meng Kern
- 6. Mary De Souza
- 7. Tey Chee Ying
- 8. Yong Kok Fong
- 9. Jeffrey Toh
- 10. Stanley Chua
- 11. Teu Lee Chen
- 12. Leong Sai Keong
- 13. Teo Mui Lynn

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- 1. Chan Lai Kuan
- 2. Patricia Goh
- 3. Stefanie Tan
- 4. Kathryn Chew
- 5. Carol Ng
- 6. Sharon Seet
- 7. Tan Shu Lin
- 8. Calvin Tay
- 9. Sabrina Tay
- 10. Crystal Koh
- 11. Rina Ang
- 12. Ryan Tan
- 13. Joanne Neo

THE A-REIT TEAM

Tan Ser Ping

Executive Director Chief Executive Officer

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Tan Shu Lin

Head, Capital Markets

Shu Lin is responsible for managing the capital structure of A-REIT, overseeing equity, debt capital market and other related transactions. She is also responsible for maintaining and enhancing relationship with A-REIT's investors. Shu Lin chairs the Executive Committee for Singapore Operations.

Prior to joining the Manager, Shu Lin was Assistant Vice President of Real Estate Fund Management at Ascendas Pte Ltd where she was responsible for developing property fund management activities in the region. She was also responsible for sourcing and evaluating potential investment opportunities in the region. Before joining Ascendas, Shu Lin has had more than six years of working experience with various financial institutions. She graduated with a First Class Honours degree in Economics from University of Portsmouth, United Kingdom and is also a Chartered Financial Analyst.

Kevin Lee Roy Teo

Co-Head, Business Development & Investment

Kevin and Roy are jointly responsible for developing and executing A-REIT's business development and investment strategy. Their team is responsible for generating and evaluating opportunities for acquisitions and development, structuring deals, negotiating and closing such transactions.

Kevin Lee

Head, Light Industrial Properties Portfolio

In this role, Kevin oversees the Property Manager, ASPL, in its asset management strategies and execution of A-REIT's portfolio of Light Industrial properties. Kevin is a member of the Executive Committee for Singapore Operations.

Prior to joining the Manager, Kevin was a Director at an international property consultant where he has served corporate clients and banks involving assets appraisal and also investment advisory. Kevin is a licensed valuer and also a member of the Royal Institution of Chartered Surveyors. He holds a Bachelor of Science degree in Land Management from University of Reading, United Kingdom.

Roy Teo

Head, Logistics and Distribution Centres Portfolio

In this role, Roy oversees the Property Manager, ASPL in its asset management strategies and execution of A-REIT's portfolio of Logistics and Distribution Centres properties. Roy is also responsible for overall service quality provided by the Property Manager to ensure that the best possible outcome is delivered for A-REIT properties. Roy is a member of the Executive Committee for Singapore Operations.

Roy has over eight years of experience in the logistics industry in areas including finance, accounting, project management and business development in Singapore and regionally. Roy holds a Bachelor of Science (Honours) degree in Applied Accountancy from Oxford Brookes University and is an Affiliate member of the Association of Chartered Certified Accountants.

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Chae Meng Kern

Head, Reporting and Corporate Services

As Head, Reporting and Corporate Services, Meng Kern is responsible for financial accounting and reporting, management accounting and analysis, taxation, compliance execution and corporate services. She has over 19 years of experience in the areas of budgeting, financial analysis, cashflow management, taxation and consolidation of management and statutory accounts.

Prior to joining the Manager, Meng Kern was Senior Finance Manager of Lend Lease Asia Holdings Pte Ltd where she was responsible for the financial reporting and analysis of the Bovis Lend Lease (Asia). Meng Kern holds a Bachelor of Accountancy degree from the National University of Singapore and is a Member of the Institute of Certified Public Accountants of Singapore.

Teu Lee Chen

Portfolio Manager, Business & Science Park Portfolio

As Portfolio Manager (Business & Science Parks), Lee Chen oversees the Property Manager, ASPL, in its asset management strategies and execution for A-REIT's portfolio of Business & Science Park properties.

Prior to joining the Manager, Lee Chen was the Asset Manager in Ascendas Services Pte Ltd where she was responsible for the asset management and leasing activities pertaining to the Business & Science Park portfolio. Lee Chen also had prior experience in development and project management where she oversaw the conceptualization, design and implementation of developments and asset enhancement works for industrial and business & science park properties.

Lee Chen is a Member of the Royal Institution of Chartered Surveyors, and has a Bachelor of Science in Building (2nd Upper Honors) and a Master of Science in Project Management from the National University of Singapore

Vincent Lee

Portfolio Manager, Hi-Tech Properties Portfolio

As Portfolio Manager (Hi-Tech Properties), Vincent oversees the planning and execution of asset management strategies for A-REIT's portfolio of Hi-Tech Industrial properties.

Vincent has more than 15 years of experience in various aspects of real estate management and operations spanning across the marketing, leasing, research, investment analysis and asset management functions in the commercial office, retail, industrial and residential sectors.

Vincent holds a Master of Applied Finance from the University of Adelaide and a Master of Real Estate from the University of New South Wales in Australia. He first graduated with a Bachelor of Commerce degree in Urban Land Economics from the University of British Columbia, Canada.

THE PROPERTY MANAGER

ASCENDAS SERVICES PTE LTD (ASPL)



4 Lee Chin Leong Vice President, Head Of Property Management

5 Karen Lee

Vice President, Asset Management (Industrial Properties) Assistant Chief Executive Officer

6 Thng Bee Lay Vice President, Asset Management (Logistics & Distribution Centres)

Assistant Chief Executive Officer

7 Dacon Pao Yah Chow Vice-President, Head Of Singapore Marketing

Ascendas Services Pte Ltd ("ASPL" or the "Property Manager"), a 100% owned subsidiary of Ascendas Land (Singapore) Pte Ltd, is the Property Manager of AREIT and is responsible for asset management activities.

The ASPL team provides proactive and professional services to enhance the market positioning and attractiveness of A-REIT's properties so as to maximize returns to Unitholders.

The Property Manager oversees day-to-day operational matters such as marketing and leasing of space, property management and maintenance, providing high quality customer care, coordinating customers' fitting out requirements, supervising the performance of contractors and ensuring building and safety regulations are complied with. It is also responsible for the management of operating expenses and the achievement of organic growth within the portfolio.

More specifically, ASPL is tasked with the following responsibilities:

Revenue and Occupancy Management

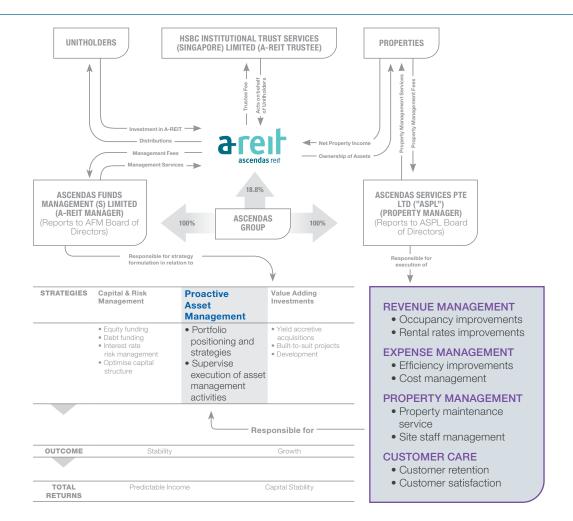
The ASPL team is responsible for the revenue and occupancy of A-REIT's portfolio. In this respect, it actively markets and leases vacant space in the portfolio of properties. They also liaise closely with existing customers for expansion space as well as renewal of leases to maximise gross revenue. In addition, the ASPL team conducts proactive prospecting for new tenants to enhance the portfolio occupancy and revenue.

Property Management

Working hand-in-hand with the Manager's Portfolio Management team, ASPL ensures that the property specifications and service levels are commensurate with the intended market positioning of each property. The ASPL team is also responsible for managing site staff to ensure that the desired level of property and customer care is implemented at the respective properties.

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Expense Management

The ASPL team adopts a prudent operational strategy in line with the Manager's objective in maximizing return without compromising its service standards. They strive to continuously improve operating processes to improve productivity and enhance operational effectiveness so as to optimise operational cost.

Customer Care

Together with the Manager's Portfolio Management team, ASPL implements a Customer Care Program to maximize customer retention. The program is set up through periodic discussion between the ASPL team and the Manager's Portfolio Management team to ensure that the desired level of customer service is delivered to A-REIT's customers. The team is also responsible for the active management of accounts receivable where they strive to minimize arrears and bad debts by continuously monitoring customers' credit standing.

Project Management

In addition, on a needs basis, the ASPL team provides expertise in the area of construction and project management for development projects undertaken by A-REIT. They liaise closely with the AFM Development Managers and external professionals such as architects to ensure each project is carried out in a timely and efficient manner.

The team at ASPL is committed to providing optimal solutions and services to meet the needs of A-REIT's customers as well as to enhance the value of A-REIT's portfolio.

THE PROPERTY MANAGER

Thomas Teo

Chief Executive Officer

Thomas is the Chief Executive Officer of Ascendas Services Pte Ltd.

Thomas was previously the Senior Vice President, Development & Project Management of Ascendas, responsible for the Singapore property portfolio. He has over 20 years of working experience in companies including DBS Land and OCBC Property Services. He joined Technology Parks in 1996 as Senior Manager to head the Project Management division. He was CEO of Ascendas Land from 2002 to 2008 looking after Ascendas' Singapore real estate investment and development portfolio.

Thomas holds a Master of Science degree in Construction Management from the University of Bath as well as professional memberships from the Chartered Institute of Building (UK) and the Association for Project Management (UK). He also completed the Advanced Management Programme at Berkerley-Nanyang Business Schools in 2010.

Han Tui Heng

Assistant Chief Executive Officer

As the Assistant Chief Executive Officer, Tui Heng works closely with Thomas to oversee the project and property management operations at ASPL.

Tui Heng has more than 20 years of working experience in the real estate industry in the areas of asset management, marketing and lease management. Prior to her appointment as ACEO, Tui Heng was the Vice-President of Ascendas Real Estate Services Business Unit and Real Estate Development & Investment Business Unit where she was in charge of the Group's Portfolio Asset Management. Tui Heng was previously Group Head of Corporate Development Department where she was responsible for the development of Corporate Strategies, Corporate Planning & Research as well as Knowledge Management.

Tui Heng holds a Bachelor of Science in Estate Management (Hons) from the National University of Singapore and a Master in Business Administration from University of Wales, UK.

Pang Yee Ean

Assistant Chief Executive Officer

As the Assistant Chief Executive Officer, Yee Ean works closely with Thomas to grow ASPL's businesses and provide excellent service to asset owners and tenants.

Yee Ean was previously the Senior Vice President for Ascendas India. When he was first stationed in Hyderabad, Yee Ean was the Chief Executive Officer (CEO) of The V and Cyber Pearl, two Information Technology Parks with a total of two million square feet. When stationed in Gurgaon, Yee Ean was Head of North India for Ascendas, starting up the operations in Gurgaon and taking charge of the development of Special Economic Zone projects in Gurgaon and Pune.

Prior to Ascendas, Yee Ean was the CEO and co-founder of Abecha Pte Ltd, a joint venture between JTC Corporation, Microsoft Corporation and SESAMi Inc to provide aggregated services to the business tenants of JTC Corporation. During his service in JTC Corporation, Yee Ean held several engineering, customer service and business positions.

Yee Ean graduated with a Degree in Electrical and Electronics from the National University of Singapore (NUS). He also holds a Masters in Business Administration from NUS.

Lee Chin Leong

Vice President, Head Of Property Management

Chin Leong has over 20 years of experience in development, construction, operations and maintenance in the real estate & infrastructure related industries. Trained as a Mechanical & Electrical Engineer, he has worked for several developers to spearhead major development projects for the provision of key infrastructures, building construction and facility management. Chin Leong is also experienced in corporate real estate services including business development, feasibility studies, construction management, operations & maintenance, optimization & enhancement as well as the acquisitions and disposals of assets. As Head of Property Management in ASPL, he leads a team over 80 technical specialists to manage existing buildings owned by A-REIT and Ascendas Land Singapore Pte Ltd.

Chin Leong holds a Bachelor of Science Degree (Hons) in Electrical Engineering from South Dakota State University, USA.

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Mark Chan Swee Kee

Vice-President, Head Of Project Management

Mark has over 20 years of experience in the development and construction industry. Trained as a builder/quantity surveyor, he has worked for construction companies, developers, civil engineering contractors, quantity surveyors in Australia, New Zealand, Malaysia and Singapore. As Head of the Project Management Department of Ascendas Services Pte Ltd, he leads a team of 14 project managers in the development and management of projects undertaken by A-REIT and Ascendas Land Singapore.

Mark holds a Bachelor of Building (Hons) from the University of Melbourne, Australia.

Dacon Pao Yah Chow

Vice-President, Head Of Singapore Marketing

As Head of Singapore Marketing for Ascendas Services Pte Ltd, Dacon leads the team to formulate and implement effective marketing strategies for the leasing and sale of Ascendas products and services in Singapore.

Prior to managing the Singapore portfolio, Dacon was marketing the Ascendas' portfolio of Asia projects, particularly in China, Philippines and Thailand. In 2000, he was seconded to Xinsu Development, a subsidiary of Ascendas China on a one-year stint to market Ascendas' properties in Suzhou and to train the local marketing staff.

Dacon holds a Masters of Business Administration from the University of Warwick, UK and a Bachelor of Engineering (Civil) from the Nanyang Technological University.

Karen Lee

Vice President, Asset Management (Industrial Properties)

Karen heads the Asset Management Team for Hi-Tech Industrial & Light Industrial portfolio in Ascendas Services Pte Ltd. Karen has over 11 years of experience in the real estate industry covering various areas of industrial lease and property management and marketing in Singapore and Vietnam.

Prior to joining ASPL, Karen held several positions in industrial real estate companies such as Head of Lease & Operations in JTC Corporation, Manager for Asset Management & Corporate Marketing for Mapletree Logistics Trust in Singapore and Vietnam. She also held the position of Vice President in Trust Company Asia in charge of client services for REIT-Trustee related and compliance matters.

Karen holds a Bachelor of Science (Economics) (Hons) degree and a Masters of Science (Real Estate) from the National University of Singapore.

Thng Bee Lay

Vice President, Asset Management (Logistics & Distribution Centres)

Bee Lay possesses over 15 years of experience in the real estate industry and currently holds 2 positions - heads the Asset Management Team for Logistics & Distribution portfolio and the Operation & Resource Management Department in Ascendas Services Pte Ltd. She is in charge of the marketing, leasing, asset management of A-REIT's logistics portfolio as well as overseeing the lease administration, property tax, credit control and customer relationship programmes for all the Singapore properties of Ascendas Group.

Prior to this appointment, Bee Lay was overseeing the asset & lease management team of the Ascendas Land portfolio in Ascendas Services Pte Ltd and had extensive experience in managing industrial, science & business parks development properties. Prior to joining ASPL, she was with United Overseas Land Limited Organization where she specialized in both sales & leasing of residential & commercial properties respectively.

Bee Lay holds a Bachelor of Business Administration degree and a Master of Science (Real Estate) from the National University of Singapore.

A-REIT'S PORTFOLIO POSITIONED FOR THE FUTURE



BUSINESS & SCIENCE PARKS

Characteristics

Suburban office, corporate HQ buildings and R&D space. Zonal specified by the Government. Manufacturing activities are not allowed.

Typical Customers

Regional corporate HQs of industrial companies and MNCs; backroom support office of financial institutions; IT firms, research & development companies in various fields including life sciences, food & fine chemicals, electronics, etc.

Jurong Lake District Regional Centre

International Business Park Buildings

> SECOND LINK



HI-TECH INDUSTRIAL

Characteristics

Vertical corporate campus with high office content combined with high specifications mixed-use industrial space.

Typical Customers

Multi-national industrial companies which wish to co-locate their manufacturing activities with their HQ functions. Also include data centres.



LIGHT INDUSTRIAL

Characteristics

Low office content combined with manufacturing space.

Typical Customers

Large local companies which house their light manufacturing activities and HQ operations within a single facility. Higher manufacturing content compared to Hi-Tech Industrial buildings.

KRANJI EXPRESSWA

SAN QLAND EXPRESSINAL POLE

Woodlands Regional Centre

Master Plan Area

WOODLANDS CAUSEWAY

BUKIT TIMAH EXPRESSWAY

Paya Lebar Regional Centre

SELETAR EXPRESSWAY (SK

Master Plan Area

PAN SLAND EXORESSWAY (PIE)

90 87 85

Kent Ridge & Haw Par Villa station (Circle Line)

Properties in Science Park 1 & 2

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FLATTED FACTORIES

Characteristics

Stacked-up manufacturing space used for general manufacturing. Ground floor space tends to command higher rental rate due to higher floor loading and better accessibility.

Kaki Bukit station

(DTL 3)

28. Techview

19. Techlink

Typical Customers

Tampines West

52. Tampines Biz-Hub

station (DTL 3)

Local small & mediumsized enterprises engaged in various manufacturing activities. Some MNC manufacturers also house their manufacturing operations in such buildings.

LOGISTICS & DISTRIBUTION **CENTRES**

Characteristics

Warehouses and distribution centres. About 62% of A-REIT's logistics & distribution centres are single storey or multi-storey facilities with vehicular ramp access.

Typical Customers

3rd party logistics providers, manufacturers, distributors and trading companies.

WAREHOUSE RETAIL **FACILITIES**

Characteristics

Retail frontage with warehousing facility at the back of the property; A-REIT has 2 out of 3 of such properties in Singapore.

Typical Customers

Single tenant who houses their retail, warehousing and operations within one location.

POSITIVE IMPACT FROM DOWNTOWN **MASS TRANSIT LINE 3 (DTL 3)**

- Rail connectivity will be enhanced with the upcoming DTL 3, linking eastern Singapore to the CBD
- Positive impact expected for A-REIT's buildings situated near the upcoming rail lines

New Commercial and University **Development Area**

Changi Business Park Buildings



Central Business District

Jalan Besar station (DTL 3)

EAST COAST PARKWAY (ECP)

49. Hyflux Building 31. 50 Kallang Avenue

MacPherson station (DTL 3)

59. Aztech Building 38. Osim Headquarters

Ubi station (DTL 3)

50. Weltech Building 47. 27 Ubi Road 4 60. Ubi Biz-Hub

A-REIT'S PORTFOLIO

VARIED SPACE PROPOSITIONS

BUSINESS & HI-TECH INDUSTRIAL **FLATTED FACTORIES SCIENCE PARKS** 36. TechPlace I 37. TechPlace II 19. Techlink 20. Siemens Center The Alpha 21. Infineon Building The Aries 22. Techpoint 23. Wisma Gulab The Capricorn LIGHT INDUSTRIAL The Gemini 24. KA Centre Honeywell Building 25. KA Place Ultro Building 38. Osim Headquarters 26. Kim Chuan Telepark 39. Ghim Li Building Telecommunications 40. Progen Building 41. SB Building 42. 247 Alexandra Road 43.5 Tai Seng Drive 44. Volex Building Techquest Complex PSB Science Park 27. Pacific Tech Centre Building 28. Techview 10. 13 International 29. Transtel Business Park 30.30 Tampines Industrial 11. iQuest @ IBP 45. 53 Serangoon North Avenue 4 46. 3 Tai Seng Drive 47. 27 Ubi Road 4 Avenue 3 12. HansaPoint @ CBP 31. 50 Kallang Avenue 32. 138 Depot Road 13. Acer Building 14. Science Hub & 33. 2 Changi South Lane 34. CGG Veritas Hub WOODLANDS Rutherford 48. 52 Serangoon North Avenue 4 49. Hyflux Building CAUSEWAY 15. 31 International 35.38A Kim Chuan Road Business Park 16. DBS Asia Hub SELETAR EXPRESSMAY ISLE 17. 1, 3 & 5 Changi Business Park Crescent 18. Neuros & Immunos KRANU EXPRESSINAY MUE SAN QLAND EXPRESSINAL PRE TUAS SECOND LINK

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LIGHT INDUSTRIAL LOGISTICS & LOGISTICS & **DISTRIBUTION DISTRIBUTION** 50. Weltech Building 51. BBR Building **CENTRES CENTRES** 53. 84 Genting Lane 54. Hoya Building 55. NNB Building Logistics Centre 87. Goldin Logistics Hub 56.37A Tampines 57. Hamilton Sundstrand Building 58. Thales Building (I & II) 59. Aztech Building 60. Ubi Biz-Hub 61. 26 Senoko Way 62. Super Industrial Building WAREHOUSE RETAIL **FACILITIES** 64. 18 Woodlands Loop 65. 9 Woodlands Terrace 66. 11 Woodlands Terrace 92. Courts Megastore 67. 8 Loyang Way 1 93. Giant Hypermart TAMPINES EXPRESSWAY (TPE) CENTRAL EXPRESSWAL (CTE) PAN ISLAND EXPRESSWAY (PIE) North South MRT Line North South MRT Line 63 31 (Under Construction) East West MRT Line North East MRT Line EAST COAST PARKWAY (ECP) Circle MRT Line Circle MRT Line (Under Construction) Downtown Line 1 (Under Construction) Downtown Line 2 (Under Construction) Downtown Line 3 (Under Construction) Bukit Panjang LRT Sengkang LRT Punggol LRT

A-REIT'S PORTFOLIO

BUSINESS & SCIENCE PARKS

Suburban office, corporate HQ buildings and R&D space



1. THE ALPHA



2. THE ARIES



3. THE CAPRICORN



4. THE GEMINI



5. HONEYWELL BUILDING



6. ULTRO BUILDING



7. TELEPARK



8. TECHQUEST



9. PSB SCIENCE PARK BUILDING



10. 13 INTERNATIONAL BUSINESS PARK



11. iQUEST @ IBP



12. HANSAPOINT @ CBP



13. ACER BUILDING



14. SCIENCE HUB & RUTHERFORD



15. 31 INTERNATIONAL BUSINESS PARK



16. DBS ASIA HUB



17. 1,3 & 5 CHANGI BUSINESS PARK CRESCENT



18. NEUROS & IMMUNOS

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HI-TECH INDUSTRIAL PROPERTIES

High office content combined with high specifications industrial mixed-use space



19. TECHLINK



20. SIEMENS CENTER



21. INFINEON BUILDING



22. TECHPOINT



23. WISMA GULAB



24. KA CENTRE



25. KA PLACE



26. KIM CHUAN TELECOMMUNICATIONS



27. PACIFIC TECH CENTRE



28. TECHVIEW



29. TRANSTEL



30. 30 TAMPINES INDUSTRIAL AVENUE 3



31. 50 KALLANG AVENUE



32. 138 DEPOT ROAD



33. 2 CHANGI SOUTH LANE



34. CGG VERITAS HUB



35. 38A KIM CHUAN ROAD

A-REIT'S PORTFOLIO

FLATTED FACTORIES

manufacturing space



36. TECHPLACE I



37. TECHPLACE II



Low office content combined with manufacturing space



38. OSIM HEADQUARTERS



39. GHIM LI BUILDING



40. PROGEN BUILDING



41. SB BUILDING



42. 247 ALEXANDRA ROAD



43. 5 TAI SENG DRIVE



44. VOLEX BUILDING



45. 53 SERANGOON NORTH AVENUE 4



46. 3 TAI SENG DRIVE



47. 27 UBI ROAD 4



48. 52 SERANGOON NORTH AVENUE 4



49. HYFLUX BUILDING



50. WELTECH BUILDING



51. BBR BUILDING



52. TAMPINES BIZ-HUB



53. 84 GENTING LANE



54. HOYA BUILDING



55. NNB BUILDING



56. 37A TAMPINES STREET 92



57. HAMILTON SUNDSTRAND BUILDING



58. THALES BUILDING (I & II)



59. AZTECH BUILDING



60. UBI BIZ-HUB



61. 26 SENOKO WAY



62. SUPER INDUSTRIAL BUILDING



63. 1 KALLANG PLACE



64. 18 WOODLANDS LOOP



65. 9 WOODLANDS TERRACE



66. 11 WOODLANDS TERRACE



67. 8 LOYANG WAY 1



68. 31 JOO KOON CIRCLE

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LOGISTICS & DISTRIBUTION CENTRES

Warehousing and distribution centres



69. IDS LOGISTICS CORPORATE HQ



70. LOGISTECH



71. 10 TOH GUAN ROAD



72. CHANGI LOGISTICS CENTRE



73. NAN WAH BUILDING



74. C&P LOGISTICS HUB



75. XILIN DISTRICENTRE BUILDING A&B



76. MACDERMID BUILDING



77. XILIN DISTRICENTRE
BUILDING D



78. FREIGHT LINKS (CHANGI) BUILDING



79. FREIGHT LINKS (TOH GUAN) BUILDING



80. XILIN DISTRICENTRE BUILDING C



81. SENKEE LOGISTICS HUB (PHASE I & II)



82. 1 CHANGI SOUTH LANE



83. LOGISHUB @ CLEMENTI



84. JEL CENTRE



85. LOGISTICS 21



86. SEMBAWANG KIMTRANS LOGISTICS CENTRE



87. GOLDIN LOGISTICS HUB



88. SIM SIANG CHOON BUILDING



89. 15 CHANGI NORTH WAY



90. PIONEER HUB



91.71 ALPS AVENUE

WAREHOUSE RETAIL FACILITIES

Single-user retail and warehouse space



92. COURTS MEGASTORE



93. GIANT HYPERMART

BUSINESS & SCIENCE PARK PROPERTIES

BUSINESS & SCIENCE PARKS TEAM

- Teu Lee Chen
 Karen Lee
- Karel Lee
 Jeannie Wong
 Rina Ang
 Erina Chan
 Goh Ee Ping

- 7. Gina Chua
- 8. Tey Chee Ying9. Steven Leow
- 10. Diana Tan



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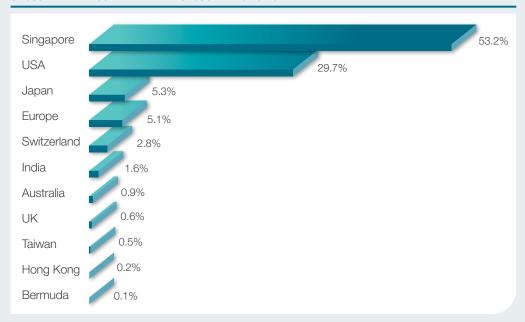


GROSS RENTAL INCOME BY TENANTS' INDUSTRY MIX



Financial	19.6%
Information Technology	18.5%
Life Science	16.6%
Telecommunication & Datacentre	12.0%
Electronics	7.9%
M&E and Machinery & Equipment	5.1%
Chemical	2.8%
Food Products & Beverages	2.0%
Hotels & Restaurants	1.9%
Textiles & Wearing Apparels	1.0%
Printing & Reproduction of Recorded Media	0.6%
3rd Party Logistics, Freight Forwarding	0.4%
Fabricated Metal Products	0.3%
Construction	0.1%
Others	11.2%

GROSS RENTAL INCOME BY TENANTS' COUNTRY OF ORIGIN



Business & Science Parks	Multi-Tenanted Buildings	Single-Tenanted Buildings	Total
No. of Properties	14	4	18
No. of Customers	284	4	288
Gross Floor Area (sqm)	379,823	143,927	523,750
Gross Revenue (S\$'m)	97.4	30.5	127.9
Book Value/Valuation as at 31 March 2011 (S\$'m)	1,476.0	475.2	1,951.2

BUSINESS & SCIENCE PARK PROPERTIES

	Property	Acquisition/ Completion Date	Purchase Price/ Development Cost (S\$'m)	Book Value/ Valuation as at 31 March 2011 (S\$'m)	Gross Floor Area (sqm)	Net Lettable Area (sqm)	
1	The Alpha#	19 Nov 02	52.3	111.7	28,533	21,675	
2	The Aries#	19 Nov 02	39.4	59.9	14,695	13,306	
3	The Capricorn#	19 Nov 02	71.8	113.3	28,602	21,475	
4	The Gemini#	19 Nov 02	72.9	117.0	32,629	24,204	
5	Honeywell Building#	19 Nov 02	32.8	68.3	18,123	14,438	
6	Ultro Building	30 Oct 03	18.0	40.3	11,450	10,127	
7	Telepark	02 Mar 05	186.0	249.9	40,555	24,635	
8	Techquest#	05 Oct 05	7.5	25.0	7,920	6,545	
9	PSB Science Park Building	18 Nov 05	35.0	75.0	32,013	21,689	
10	13 International Business Park	10 Oct 06	20.0	28.4	10,116	7,189	
11	iQuest @ IBP	12 Jan 07	18.6	36.6	12,143	9,123	
12	Hansapoint @ CBP	22 Jan 08	26.1	83.5	19,448	17,310	
13	Acer Building	19 Mar 08	75.0	88.6	29,185	22,072	
14	Science Hub & Rutherford#	26 Mar 08	51.5	71.0	26,283	21,485	
15	31 International Business Park	26 Jun 08	246.8	218.0	61,720	50,286	
16	DBS Asia Hub#	31 Mar 10	116.0	141.9	38,744	32,104	
17	1, 3 & 5 Changi Business Park Crescent	16 Feb 09, 25 Sep 09, 31 Dec 10	200.9	295.3	74,660	62,847	
18	Neuros & Immunos#* Vendor: Ascendas (Tuas) Pte Ltd	31 Mar 11	125.6	127.5	36,931	28,345	
	Total (Business & Science Park Properties)		1,396.2	1,951.2	523,750	408,855	

Notes:

The valuation for these properties were based on Direct Comparison Method, Capitalization Approach and Discounted Cash Flow Analysis

[#] Acquired from Ascendas Group

^{*} Property has no contribution to gross income for FY10/11 as it was acquired on the last day of the financial year

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Address	Gross Income for FY10/11 (S\$'m)	Occupancy Rate as at 31 March 2011 (%)	Major Tenants
10 Science Park Road	9.5	88.8%	F J Benjamin (Singapore) Pte Ltd Maccine Pte. Ltd. National Starch Pte. Ltd.
51 Science Park Road	4.7	96.5%	Verizon Communications Singapore Pte. Ltd. Denso International Asia Pte. Ltd. Teradyne (Asia) Pte. Ltd.
1 Science Park Road	9.6	92.1%	ServiceSource International Singapore Pte. Ltd. Pfizer Private Limited ESEC (Singapore) Pte. Ltd.
41 Science Park Road	9.7	94.1%	A-Bio Pharma Pte. Ltd. International Flavors & Fragrances (Asia Pacific) Pte Ltd Aibel Pte. Ltd.
17 Changi Business Park Central 1	5.4	81.3%	Honeywell Pte Ltd Pall Filtration Pte Itd Aviat Networks (S) Pte. Ltd.
1 Changi Business Park Avenue 1	2.4	100.0%	Ultro Technologies Limited
5 Tampines Central 6	17.7	99.4%	Singapore Telecommunications Limited DBS Bank Ltd. Cenosis Holdings Pte. Ltd.
7 International Business Park	1.8	67.0%	Inventec Technology (Singapore) Pte. Ltd. YKK AP Singapore Pte Ltd
1 Science Park Drive	3.5	100.0%	TUV SUD PSB Pte. Ltd.
13 International Business Park	1.7	67.8%	TUV SUD PSB Pte. Ltd
27 International Business Park	3.3	92.5%	Bio-Rad Laboratories (Singapore) Pte Ltd Oracle Financial Services Software Pte. Ltd. National University of Singapore
10 Changi Business Park Central 2	8.6	100.0%	Credit Suisse AG Citco Fund Services (Singapore) Pte. Ltd. Rohde & Schwarz Systems & Communications Asia Pte. Ltd.
29 International Business Park	8.7	91.9%	Jacobs Engineering Singapore Pte Ltd JGC Singapore Pte Ltd Logistron Services Pte Ltd
87/89 Science Park Drive	5.2	85.5%	Avaya Singapore Pte Ltd Docomo Intertouch Pte. Ltd. Center for Creative Leadership (CCL) Pte Ltd
31 International Business Park	14.7	100.0%	Creative Technology Centre Pte Ltd
2 Changi Business Park Crescent	9.9	100.0%	DBS Bank Ltd.
1, 3 & 5 Changi Business Park Crescent	11.5	86.5%	Citibank N.A. IBM Global Services Pte. Ltd. Infosys Technologies Limited
8 & 8A Biomedical Grove	-	100.0%	Biomedical Science Institute (A* STAR) Procter & Gamble International Operations Pte Ltd Abbot Laboratories (Singapore) Private Limited
	127.9	93.4%	

HI-TECH INDUSTRIAL PROPERTIES

HI-TECH INDUSTRIAL **TEAM**

- Vincent Lee
 Yong Kok Fong
 Karen Lee
 Ivan Ho

- 5. Steven Leow
- 6. Tricia Tan
 7. Agnes Ong
 8. Wendy Tan
 9. May Lai

- 10. Jean Lau 11. Teo Mui Lynn 12. Koh Ming Hong 13. Dennis Pee



CHAIRMAN'S MESSAGE MANAGER'S REPORT BOARD OF DIRECTORS THE A-REIT TEAM THE PROPERTY MANAGER A-REIT'S PORTFOLIO
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WAREHOUSE RETAIL FACILITIES
INDEPENDENT MARKET STUDY

ENHANCING RELATIONS INVESTOR RELATIONS CORPORATE GOVERNANCE FINANCIAL STATEMENTS STATISTICS OF UNITHOLDINGS

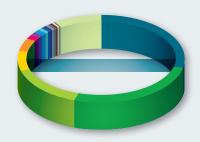








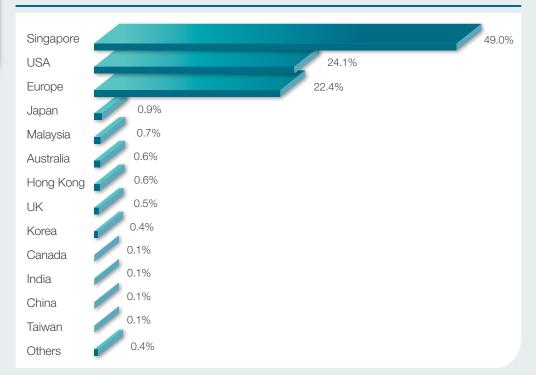
GROSS RENTAL INCOME BY TENANTS' INDUSTRY MIX



Electronics	28.4%
Telecommunication & Datacentre	26.9%
M&E and Machinery & Equipment	15.4%
Information Technology	7.1%
Textiles & Wearing Apparels	4.8%

Medical, Precision & Optical	1.7%
Instruments	
Hotels and Restaurants	1.2%
Life Science	1.1%
Printing & Reproduction of Recorded Media	0.7%
3rd Party Logistics, Freight Forwarding	0.7%
Food Products & Beverages	0.6%
Chemical	0.5%
Rubber and Plastic Products	0.4%
Healthcare Products	0.3%
Financial	0.3%
Fabricated Metal Products	0.1%
Construction	0.1%
Others	9.7%

GROSS RENTAL INCOME BY TENANTS' COUNTRY OF ORIGIN



Hi-Tech Industrial	Multi-Tenanted Buildings	Single-Tenanted Buildings	Total
No. of Properties	9	8	17
No. of Customers	217	8	225
Gross Floor Area (sqm)	272,889	186,477	459,366
Gross Revenue (S\$'m)	68.2	46.1	114.3
Book Value/Valuation as at 31 March 2011 (S\$'m)	595.8	587.5	1,183.3

HI-TECH INDUSTRIAL PROPERTIES

	Property	Acquisition/ Completion Date	Purchase Price/ Development Cost (S\$'m)	Book Value/ Valuation as at 31 March 2011 (S\$'m)	Gross Floor Area (sqm)	Net Lettable Area (sqm)
19	Techlink#	19 Nov 02	69.8	103.6	48,007	34,542
20	Siemens Center	12 Mar 04	65.8	92.3	36,529	27,781
21	Infineon Building#	01 Dec 04	50.9	68.8	27,278	27,278
22	Techpoint#	01 Dec 04	75.0	121.1	56,107	41,998
23	Wisma Gulab	01 Dec 04	55.7	63.6	15,557	11,821
24	KA Centre	02 Mar 05	19.2	31.3	19,638	13,555
25	KA Place	02 Mar 05	11.1	14.4	10,163	6,652
26	Kim Chuan Telecommunications Complex	02 Mar 05	100.0	134.0	35,456	25,129
27	Pacific Tech Centre	01 Jul 05	62.0	75.5	25,718	19,645
28	Techview#	05 Oct 05	76.0	98.3	50,985	37,743
29	Transtel	27 Oct 05	18.7	22.4	7,158	6,083
30	30 Tampines Industrial Avenue 3	15 Nov 05	22.0	28.3	9,593	9,593
31	50 Kallang Avenue	27 Feb 06	28.6	36.9	18,584	14,196
32	138 Depot Road#	15 Mar 06	42.3	64.0	29,626	26,485
33	2 Changi South Lane	01 Feb 07	30.0	32.9	26,300	20,939
34	CGG Veritas Hub#	25 Mar 08	18.3	19.7	9,782	8,671
35	38A Kim Chuan Road*	11 Dec 09	170.0	176.2	32,885	32,885
	Total (Hi-Tech Industrial Properties)		915.4	1,183.3	459,366	364,996

Notes:

The valuation for these properties were based on Direct Comparison Method, Capitalization Approach and Discounted Cash Flow Analysis

[#] Acquired from Ascendas Group

^{*} Property was valued by independent valuer at \$\$176.2m. A-REIT has recorded the value of the property at \$\$176.2m comprising \$\$107.7m in land and building and \$\$68.5m in M&E equipment to enhance the building specifications to the requirement of the tenant

CHAIRMAN'S MESSAGE MANAGER'S REPORT BOARD OF DIRECTORS THE A-REIT TEAM THE PROPERTY MANAGER A-REIT'S PORTFOLIO
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ENHANCING RELATIONS INVESTOR RELATIONS CORPORATE GOVERNANCE FINANCIAL STATEMENTS STATISTICS OF UNITHOLDINGS

Address	Gross Income for FY10/11 (S\$'m)	Occupancy Rate as at 31 March 2011 (%)	Major Tenants
31 Kaki Bukit Road 3	13.5	94.4%	Federal Express Pacific, INC. Alstom Grid Pte Ltd GE Pacific Private Limited
60 MacPherson Road	10.1	99.4%	Siemens Pte Ltd Excel Marco Industrial Systems Pte Ltd Risis Private Limited
8 Kallang Sector	6.4	100.0%	Infineon Technologies Asia Pacific Pte Ltd
10 Ang Mo Kio Street 65	14.4	88.0%	Schneider Electric South East Asia (HQ) Pte Ltd Stats Chippac Ltd. Celestica Electronics (S) Pte Ltd
190 MacPherson Road	4.1	100.0%	RSH Limited
150 Kampong Ampat	3.9	87.6%	Britestone Pte Ltd Logicalis Singapore Pte. Ltd. Benlux International Pte Ltd
159 Kampong Ampat	2.1	97.5%	Foster Electric (Singapore) Pte. Ltd. America II Asia Pte. Ltd. Groz-Beckert Singapore Pte Ltd
38 Kim Chuan Road	9.5	100.0%	Singapore Telecommunications Limited
1 Jalan Kilang Timor	7.4	84.9%	Amway (Singapore) Pte Ltd Sa Sa Cosmetic Co. (S) Pte Ltd ISS Facility Services Private Limited
1 Kaki Bukit View	10.6	56.1%	Bio-Rad Laboratories (Singapore) Pte Ltd Ultratech (Singapore) Pte Ltd
1 Jalan Kilang	2.1	100.0%	Transtel Engineering Pte. Ltd.
30 Tampines Industrial Avenue 3	1.9	100.0%	MBE Technology Pte Ltd
50 Kallang Avenue	4.2	79.3%	New Creation Church AVNET Technology Solutions (Singapore) Pte. Ltd. CW Group Pte. Ltd.
138 Depot Road	6.7	100.0%	Hewlett-Packard Singapore (Private) Limited
2 Changi South Lane	2.1	100.0%	Flextronics Plastics (Singapore) Pte Ltd
9 Serangoon North Avenue 5	2.3	100.0%	Veritas Geophysical (Asia Pacific) Pte. Ltd.
38A Kim Chuan Road	13.0	100.0%	Singapore Telecommunications Limited
	114.3	91.3%	

LIGHT INDUSTRIAL PROPERTIES/ FLATTED FACTORIES

LIGHT INDUSTRIAL/ **FLATTED FACTORIES TEAM**

- Kevin Lee
 Karen Lee
 Leong Sai Keong
 Jean Lau
 Agnes Ong
 Wendy Tan
 May Lai
 Steven Leow
 Jeffrey Toh

- 9. Jeffrey Toh 10. Winnie Goh 11. Dennis Pee
- 12. Adam Wu
- 13. Shirley Teo 14. Tricia Tan



CHAIRMAN'S MESSAGE MANAGER'S REPORT BOARD OF DIRECTORS THE A-REIT TEAM THE PROPERTY MANAGER A-REIT'S PORTFOLIO BUSINESS & SCIENCE PARK PROPERTIES
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ENHANCING RELATIONS INVESTOR RELATIONS CORPORATE GOVERNANCE FINANCIAL STATEMENTS STATISTICS OF UNITHOLDINGS









GROSS RENTAL INCOME BY TENANTS' INDUSTRY MIX



M&E and Machinery & Equipment	19.9%
Electronics	13.3%
Rubber and Plastic Products	8.4%
Food Products & Beverages	7.5%
Construction	6.8%
Healthcare Products	5.4%
Repair and Servicing of Vehicles	5.1%
Fabricated Metal Products	4.5%
Textiles & Wearing Apparels	4.1%
Information Technology	3.1%
Printing & Reproduction of Recorded Media	1.9%
Medical, Precision & Optical Instruments, Clock	1.6%
Telecommunication & Datacentre	1.6%
Hotels and Restaurants	0.8%
3rd Party Logistics, Freight Forwarding	0.3%
Others	15.7%

GROSS RENTAL INCOME BY TENANTS' COUNTRY OF ORIGIN



Light Industrial/ Flatted Factories	Multi-Tenanted Buildings	Single-Tenanted Buildings	Total
No. of Properties	10	23	33
No. of Customers	348	20	368
Gross Floor Area (sqm)	301,548	290,516	592,064
Gross Revenue (S\$'m)	42.3	38.7	81.0
Book Value/Valuation as at 31 March 2011 (S\$'m)	400.4	430.1	830.5

LIGHT INDUSTRIAL PROPERTIES/ FLATTED FACTORIES

	Property	Acquisition/ Completion Date	Purchase Price/ Development Cost (S\$'m)	Book Value/ Valuation as at 31 March 2011 (S\$'m)	Gross Floor Area (sqm)	Net Lettable Area (sqm)	
36	TechPlace I#	19 Nov 02	105.3	118.8	81,981	59,641	
37	TechPlace II#	19 Nov 02	128.9	147.7	109,164	77,669	
	Total (Flatted Factories)		234.2	266.5	191,145	137,310	
38	Osim Headquarters	20 Jun 03	35.0	40.0	17,683	15,068	
39	Ghim Li Building	13 Oct 03	13.5	14.9	8,046	7,230	
40	Progen Building	29 Jul 04	24.8	26.7	19,887	17,075	
41	SB Building	26 Nov 04	17.8	22.4	13,998	11,895	
42	247 Alexandra Road	01 Dec 04	44.8	57.3	13,699	12,803	
43	5 Tai Seng Drive	01 Dec 04	15.3	16.6	12,930	11,410	
44	Volex Building	01 Dec 04	9.4	11.5	8,931	8,000	
45	53 Serangoon North Avenue 4	27 Dec 04	14.0	11.9	10,589	8,469	
46	3 Tai Seng Drive	01 Apr 05	19.5	18.4	14,929	12,390	
47	27 Ubi Road 4	01 Apr 05	12.6	12.1	9,087	7,227	
48	52 Serangoon North Avenue 4	04 Apr 05	14.0	17.9	14,767	11,799	
49	Hyflux Building	04 Apr 05	19.0	21.6	20,465	16,980	
50	Weltech Building	16 May 05	9.0	10.3	7,998	6,509	
51	BBR Building	21 Jun 05	6.8	9.3	6,501	5,421	
52	Tampines Biz-Hub	05 Oct 05	16.8	19.0	18,086	14,500	

CHAIRMAN'S MESSAGE MANAGER'S REPORT BOARD OF DIRECTORS THE A-REIT TEAM THE PROPERTY MANAGER A-REIT'S PORTFOLIO
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Address	Gross Income for FY10/11 (S\$'m)	Occupancy Rate as at 31 March 2011 (%)	Major Tenants
Blk 4008 - 4012 Ang Mo Kio Avenue 10	11.0	95.4%	Hock Cheong Printing Pte. Ltd. Hybrionic Pte Ltd Singapore Test Services Private Limited
Blk 5000 - 5014 Ang Mo Kio Avenue 5	14.0	96.6%	Heraeus Materials Singapore Pte. Ltd. Venture Corporation Ltd Kinergy Ltd.
	25.0	96.0%	
65 Ubi Avenue 1	3.4	100.0%	Osim International Ltd
41 Changi South Avenue 2	1.8	100.0%	Ghim Li Global Pte Ltd
12 Woodlands Loop	2.8	100.0%	Progen Holdings Ltd YLF Marketing Pte Ltd
25 Changi South Street 1	2.4	100.0%	Soilbuild Group Holdings Ltd.
247 Alexandra Road	4.6	100.0%	Volkswagen Group Singapore Pte Ltd
5 Tai Seng Drive	1.7	100.0%	NU Horizons Electronics Asia Pte Ltd Antalis (Singapore) Pte. Ltd.
35 Tampines Street 92	1.3	100.0%	Volex (Asia) Pte Ltd
53 Serangoon North Avenue 4	2.1	100.0%	Civica Pte. Ltd. FJ Benjamin Lifestyle Pte. Ltd. Bradford Logistics Pte. Ltd.
3 Tai Seng Drive	1.6	97.6%	Nucleus Connect Pte. Ltd. Axxel Marketing Pte Ltd
27 Ubi Road 4	1.7	57.9%	Svil Agro Pte. Ltd. Dou Yee Enterprises (S) Pte Ltd DSV Air & Sea Pte. Ltd.
52 Serangoon North Avenue 4	2.1	100.0%	AEM Holdings Ltd.
202 Kallang Bahru	1.6	100.0%	Hydrochem (S) Pte Ltd
25 Ubi Road 4	1.3	100.0%	Sunningdale Precision Industries Ltd
50 Changi South Street 1	1.0	100.0%	Singapore Piling & Civil Engineering Private Limited
11 Tampines Street 92	2.9	90.5%	Singapore Post Limited George Fischer Pte Ltd I-Vic International Pte Ltd

LIGHT INDUSTRIAL PROPERTIES/ FLATTED FACTORIES

	Property	Acquisition/ Completion Date	Purchase Price/ Development Cost (S\$'m)	Book Value/ Valuation as at 31 March 2011 (S\$'m)	Gross Floor Area (sqm)	Net Lettable Area (sqm)	
53	84 Genting Lane	05 Oct 05	10.0	13.3	11,917	9,759	
54	Hoya Building#	05 Oct 05	5.3	7.3	6,505	6,282	
55	NNB Industrial Building	05 Oct 05	12.0	15.3	11,537	9,794	
56	37A Tampines Street 92	01 Dec 05	12.3	13.7	12,011	9,604	
57	Hamilton Sundstrand Building#	09 Dec 05	31.0	35.9	17,737	16,744	
58	Thales Building (I & II)#	03 Jan 06 & 20 Mar 08	5.8	10.0	7,772	7,772	
59	Aztech Building	21 Feb 06	23.0	23.9	15,934	13,807	
60	Ubi Biz-Hub	27 Mar 06	13.2	15.9	12,978	10,725	
61	26 Senoko Way	08 Jan 07	15.5	15.3	12,616	10,723	
62	Super Industrial Building	08 Jan 07	33.5	32.5	23,457	18,079	
63	1 Kallang Place	01 Feb 07	12.0	10.9	15,490	12,265	
64	18 Woodlands Loop	01 Feb 07	17.2	17.0	18,422	16,601	
65	9 Woodlands Terrace	01 Feb 07	1.9	2.1	2,774	2,341	
66	11 Woodlands Terrace	01 Feb 07	1.9	2.0	2,810	2,219	
67	8 Loyang Way 1	05 May 08	25.0	23.5	13,725	12,069	
68	31 Joo Koon Circle	30 Mar 10	15.0	15.5	17,638	14,635	
	Total (Light Industrial/Flatted Factories)		741.1	830.5	592,064	477,505	

Notes:

[#] Acquired from Ascendas Group

The valuation for these properties were based on Direct Comparison Method, Capitalization Approach and Discounted Cash Flow Analysis

CHAIRMAN'S MESSAGE MANAGER'S REPORT BOARD OF DIRECTORS THE A-REIT TEAM THE PROPERTY MANAGER A-REIT'S PORTFOLIO
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ENHANCING RELATIONS INVESTOR RELATIONS CORPORATE GOVERNANCE FINANCIAL STATEMENTS STATISTICS OF UNITHOLDINGS

	Address	Gross Income for FY10/11 (S\$'m)	Occupancy Rate as at 31 March 2011 (%)	Major Tenants
8	4 Genting Lane	2.4	100.0%	Cityneon Holdings Limited Pigeon Singapore Pte. Ltd. Phoenix Contact (SEA) Pte Ltd
4	55A Jalan Ahmad Ibrahim	0.9	100.0%	Hoya Medical Singapore Pte. Ltd.
1	0 Woodlands Link	1.7	100.0%	Ng Nam Bee Marketing Pte Ltd
3	77A Tampines Street 92	1.0	100.0%	Steel Industries Private Limited
1	1 Changi North Rise	3.0	100.0%	Hamilton Sundstrand Pacific Aerospace Pte Ltd
2	11 Changi North Rise	1.3	100.0%	Thales Solutions Asia Pte. Ltd.
3	1 Ubi Road 1	2.3	100.0%	Aztech Group Ltd.
1	50 Ubi Avenue 4	1.9	100.0%	Blum South East Asia Pte Ltd Ban Leong Technologies Limited Jardine Engineering (Singapore) Pte. Ltd.
2	6 Senoko Way	1.2	100.0%	Super Coffee Corporation Pte. Ltd.
2	Senoko South Road	2.4	100.0%	Super Coffee Corporation Pte. Ltd.
1	Kallang Place	1.0	100.0%	Flextronics Plastics (S) Pte Ltd
1	8 Woodlands Loop	1.2	100.0%	Flextronics Plastics (S) Pte Ltd
9	Woodlands Terrace	0.3	100.0%	Flextronics Mould Manufacturing Pte. Ltd.
1	1 Woodlands Terrace	0.1	100.0%	Flextronics Mould Manufacturing Pte. Ltd.
8	Loyang Way 1	1.7	100.0%	Seow Khim Polythelene Co Pte Ltd
3	1 Joo Koon Circle	1.3	100.0%	Flextronics Manufacturing (Singapore) Pte. Ltd.
		81.0	97.9%	

LOGISTICS & DISTRIBUTION CENTRES

LOGISTICS & **DISTRIBUTION CENTRES TEAM**

- Roy Teo
 Stanley Chua



CHAIRMAN'S MESSAGE MANAGER'S REPORT BOARD OF DIRECTORS THE A-REIT TEAM THE PROPERTY MANAGER A-REIT'S PORTFOLIO
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ENHANCING RELATIONS INVESTOR RELATIONS CORPORATE GOVERNANCE FINANCIAL STATEMENTS STATISTICS OF UNITHOLDINGS

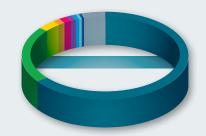






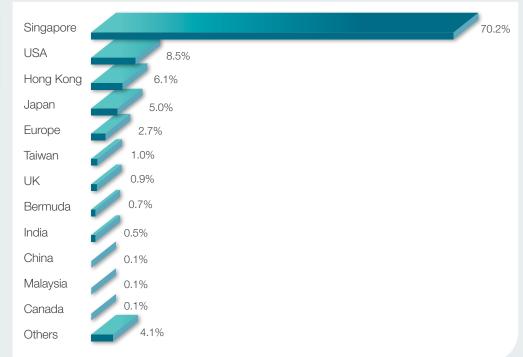


GROSS RENTAL INCOME BY TENANTS' INDUSTRY MIX



3rd Party Logistics, Freight Forwarding	65.3%
Distributors, trading company	20.5%
Information Technology	3.6%
Electronics	1.6%
Printing & Reproduction of Recorded	1.5%
Media	
Healthcare Products	1.1%
M&E and Machinery & Equipment	0.9%
Medical, Precision & Optical Instruments	0.5%
Hotels & Restaurants	0.4%
Food Products & Beverages	0.1%
Telecommunication & Datacentre	0.1%
Others	4.4%

GROSS RENTAL INCOME BY TENANTS' COUNTRY OF ORIGIN



Logistics & Distribution Centres	Multi-Tenanted Buildings	Single-Tenanted Buildings	Total
No. of Properties	11	12	23
No. of Customers	116	12	128
Gross Floor Area (sqm)	388,468	428,419	816,887
Gross Revenue (S\$'m)	60.2	51.3	111.5
Book Value/Valuation as at 31 March 2011 (S\$'m)	536.6	672.6	1,209.2

LOGISTICS & DISTRIBUTION CENTRES

	Property	Acquisition/ Completion Date	Purchase Price/ Development Cost (S\$'m)	Book Value/ Valuation as at 31 March 2011 (S\$'ml)	Gross Floor Area (sqm)	Net Lettable Area (sqm)	
69	IDS Logistics Corporate HQ	19 Feb 04	50.0	47.0	23,751	21,883	
70	LogisTech	04 Mar 04	32.0	41.5	31,003	27,554	
71	10 Toh Guan Road	05 Mar 04	92.0	90.0	51,175	42,749	
72	Changi Logistics Centre	09 Mar 04	45.6	65.0	51,742	39,241	
73	Nan Wah Building	31 May 04	23.3	29.0	18,794	15,580	
74	C&P Logistics Hub	21 Jul 04	225.0	250.0	138,360	128,021	
75	Xilin Districentre Building A&B	02 Dec 04	31.1	33.9	24,113	20,784	
76	MacDermid Building	02 Dec 04	5.5	6.9	5,085	5,085	
77	Xilin Districentre Building D	09 Dec 04	33.5	29.5	17,651	14,236	
78	Freight Links (Changi) Building	28 Dec 04	32.0	34.5	23,208	20,724	
79	Freight Links (Toh Guan) Building	28 Dec 04	36.4	37.0	29,741	23,723	
80	Xilin Districentre Building C	05 May 05	30.6	31.0	18,708	13,035	
81	Senkee Logistics Hub (Phase I & II)	23 Sep 05 & 01 Feb 2008	105.2	115.0	87,843	71,994	
82	1 Changi South Lane	05 Oct 05	34.8	41.7	25,768	23,528	
83	LogisHub @ Clementi#	05 Oct 05	18.1	32.5	26,505	23,168	
84	JEL Centre	18 Nov 05	11.0	15.4	10,107	9,494	
85	Logistics 21	14 Jun 06	58.4	64.0	48,140	47,616	
86	Sembawang Kimtrans Logistics Centre	14 Jun 06	19.6	23.0	16,353	15,410	
87	Goldin Logistics Hub	05 Dec 07	22.5	23.5	20,094	20,094	
88	Sim Siang Choon Building	19 Mar 08	31.9	27.5	12,981	12,981	
89	15 Changi North Way	29 Jul 08	36.2	46.5	31,961	28,691	
90	Pioneer Hub	12 Aug 08	79.3	96.0	91,048	81,390	
91	71 Alps Avenue	02 Sep 09	25.6	28.8	12,756	11,627	
	Total (Logistics & Distribution Centres)		1,079.6	1,209.2	816,887	718,608	

Notes

[#] Acquired from Ascendas Group

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ENHANCING RELATIONS INVESTOR RELATIONS CORPORATE GOVERNANCE FINANCIAL STATEMENTS STATISTICS OF UNITHOLDINGS

Address	Gross Income for FY10/11 (S\$'m)	Occupancy Rate as at 31 March 2011 (%)	Major Tenants
279 Jalan Ahmad Ibrahim	4.9	100.0%	Li & Fung (1937) Management Singapore Pte. Ltd.
3 Changi North Street 2	6.3	82.4%	JSI Logistics (S) Pte. Ltd. TTI Electronics Asia Pte Ltd Speedmark Logistics Pte Ltd
10 Toh Guan Road	8.2	100.0%	Cummins Generator Technologies Singapore Pte. Ltd. Cummins Power Generation (S) Pte Ltd
19 Loyang Way	8.6	97.7%	Future Electronics Inc. (Distribution) Pte Ltd UPS SCS (Singapore) Pte. Ltd. Toll Logistics (Asia) Limited
4 Changi South Lane	2.7	97.9%	Nan Wah Marketing Pte Ltd Leeway Trans-Act Pte Ltd Certis Cisco Security Pte. Ltd.
40 Penjuru Lane	19.1	100.0%	C & P Holdings Pte Ltd
3 Changi South Street 2	3.6	91.3%	"K" Line Logistics (Singapore) Pte. Ltd. National Library Board KPMG Services Pte. Ltd.
20 Tuas Avenue 6	0.6	100.0%	Macdermid Singapore Pte. Ltd.
6 Changi South Street 2	2.9	86.6%	Schenker Singapore (Pte) Ltd Federal Express (Singapore) Pte Ltd Cargo Distribution Pte Ltd
9 Changi South Street 3	2.7	100.0%	Freight Links Express Districentre Pte Ltd
5 Toh Guan Road East	3.0	100.0%	Freight Links Express Distripark Pte Ltd
7 Changi South Street 2	2.4	83.1%	DHL Supply Chain Singapore Pte. Ltd.
19 & 21 Pandan Avenue	8.1	100.0%	Senkee Logistics Pte Ltd
1 Changi South Lane	4.2	100.0%	SKF Asia Pacific Pte. Ltd.
2 Clementi Loop	4.4	98.9%	Logwin Air + Ocean Singapore Pte. Ltd. Hub Distributors Services Pte Ltd Arrow Electornics Asia (S) Pte. Ltd.
11 Changi North Way	1.0	100.0%	JEL Corporation (Holdings) Ltd.
21 Jalan Buroh	4.0	100.0%	Logistics 21 Pte Ltd
30 Old Toh Tuck Road	1.4	100.0%	Toll Logistics (Asia) Limited
6 Pioneer Walk	1.7	100.0%	Goldin Enterprise Private Limited
21 Changi South Avenue 2	2.1	100.0%	Sim Siang Choon Hardware (S) Pte Ltd
15 Changi North Way	6.1	100.0%	Zuellig Pharma Pte. Ltd. Cold Storage Singapore (1983) Pte Ltd
15 Pioneer Walk	10.8	100.0%	Equinix Singapore Pte. Ltd. Ameroid Logistics (S) Pte Ltd Crown Worldwide Pte Ltd
71 Alps Avenue	2.7	100.0%	Expeditors Singapore Pte Ltd
	111.5	98.2%	

WAREHOUSE RETAIL FACILITIES



	Property	Acquisition/ Completion Date	Purchase Price/ Development Cost (S\$'m)	Book Value/ Valuation as at 31 March 2011 (S\$'m)	Gross Floor Area (sqm)	Net Lettable Area (sqm)	
92	Courts Megastore	30 Nov 06	46.0	61.0	28,410	28,410	
93	Giant Hypermart	06 Feb 07	65.4	88.0	42,194	42,178	
	Total (Warehouse Retail Facilities)		111.4	149.0	70,604	70,588	

Note

The valuation for these properties were based on Direct Comparison Method, Capitalization Approach and Discounted Cash Flow Analysis

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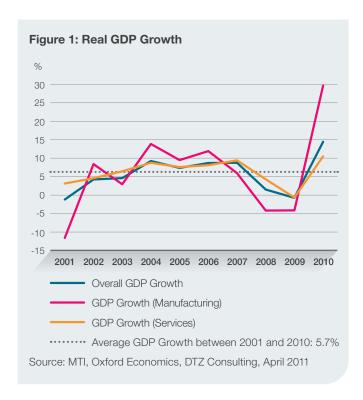


Address	Gross Income for FY10/11 (S\$'m)	Occupancy Rate as at 31 March 2011 (%)	Major Tenants
50 Tampines North Drive 2	6.3	100.0%	Courts (Singapore) Pte. Ltd.
21 Tampines North Drive 2	6.7	100.0%	Cold Storage Singapore (1983) Pte Ltd
	13.0	100.0%	

INDEPENDENT MARKET STUDY BY DTZ DEBENHAM TIE LEUNG (SEA) PTE LTD

Overview of the Economy

Singapore has experienced relatively stable economic growth over the past decade (averaging 5.7%), supported by its twin pillars of manufacturing and services. In 2010, Singapore experienced an exceptional economic growth of 14.5%, after contracting by 0.8% in 2009 (Figure 1). The robust economic recovery in 2010 was mainly due to significant expansion of the manufacturing sector, stemming from high-value added activities such as biomedical manufacturing and precision engineering. Broad-based improvement in the services sectors also helped bolster economic growth in 2010. On the back of rising investor interest in Asia, Singapore saw healthy investment commitments in 2010, with Fixed Asset Investment ("FAI") rising by 9.4% from \$11.8 billion in 2009 to \$12.9 billion in 2010, as Singapore becomes a preferred location for regional-global operations.



Singapore has outlined key strategies through its Economic Strategies Committee and Budget 2011, which envisages Singapore as a global-Asia hub for manufacturing and services, focusing on high value-added activities. In addition, there are plans to intensify industrial land use as well as rejuvenate mature industrial estates, and this will enhance the overall profile of the industrial market.

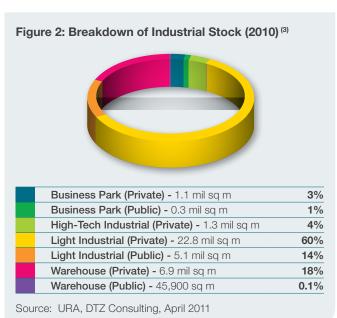
The Ministry of Trade and Industry ("MTI") expects GDP growth to be between 4.0% and 6.0% in 2011. While the services sectors are expected to be the key drivers of economic growth in 2011, the growth of high value-added manufacturing activities is expected to remain relatively firm. In particular, FAI is expected to grow by up to 9% to about \$12.0 billion to \$14.0 billion in 2011. The high emphasis on high value-added activities will benefit the industrial real estate market.

Industrial Property Market Overview

As at end 2010, Singapore had about 37.6 mil sq m $^{(1)}$ of industrial stock, of which about 86% (32.2 mil sq m) was owned by the private sector, while the remaining 14% (5.4 mil sq m) was owned by the public sector.

Majority (74%, 27.9 mil sq m) of the industrial space was light industrial, followed by warehouses, which accounted for about 18% (7.0 mil sq m).

Business parks ⁽²⁾ as well as high-tech industrial space each constituted about 4% of industrial stock, as at end 2010, which was more than double that a decade ago (Figure 2). The significant growth of business park as well as high-tech industrial space was partly driven by the government, in line with its objectives to cater to high value manufacturing and knowledge-intensive activities.



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Business and Science Parks

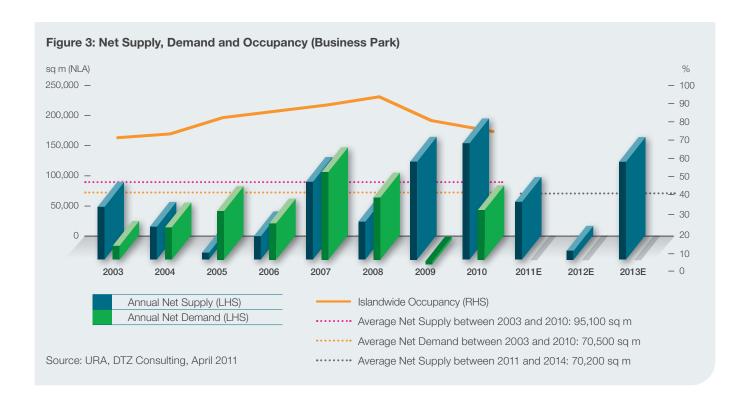
Existing Stock – Total business park space increased by 16.3% (196,000 sq m) from 1.2 mil sq m in 2009 to 1.4 mil sq m in 2010, the highest increase since 2003. Majority (77%, 150,000 sq m) of new supply in 2010 was in the Central Region (4) e.g., Mapletree Business City ("MBC") 20 and 30. As at end 2010, there was about 1.4 mil sq m of business park space in Singapore, of which 82% (1.1 mil sq m) was owned by the private sector. Majority (41%, 779,500 sq m) of business park stock was in the Central Region. A considerable proportion of business park developments in Changi Business Park ("CBP"), International Business Park ("IBP") and one-north are built-tosuit facilities. As such, there are relatively limited speculative business park developments. Notwithstanding, increasing third-party activity has resulted in some business park developments under their management starting to cater to multiple tenants.

Potential Supply – About 280,800 sq m of business park space is expected to complete between 2011 and 2014. The majority (59%, 165,200 sq m) of the potential supply is scheduled to complete in 2013, with 35% (98,600 sq m) completing in 2011 (Figure 3). Potential supply is also concentrated in the Central Region (56%, 157,600 sq m), followed by the East Region (35%, 97,200 sq m). In particular, there are upcoming integrated business park developments in the East Region, namely UE BizHub East and Changi City, which

feature a wide spectrum of new real estate offerings. These will increase the competitiveness of CBP, strengthening its appeal as a major business hub. In general, the business park supply pipeline is not expected to be a major concern as business parks are well-differentiated from other real estate products, with specific and unique target market segments.

Demand and Occupancy – Following a decline of demand (about 1,700 sq m) in 2009, annual net demand for business park space was significant at 85,100 sq m in 2010, higher than the average annual net demand between 2003 and 2010 (70,500 sq m). While the strong economic recovery in 2010 contributed to the pick-up in business park demand, the key driving factor was that business parks were more cost-competitive, compared with other space options in the Central and Fringe Areas. Notably, median islandwide gross rentals for business parks were 59% and 3% below those for offices in the Central Area and Fringe Area respectively in Q4 2010. This is a strong value proposition for occupiers and businesses that were de-priming/decoupling. Quality building specifications and comprehensive amenity provision as well as strong tenant profiles in business park developments were other drivers supporting continual demand.

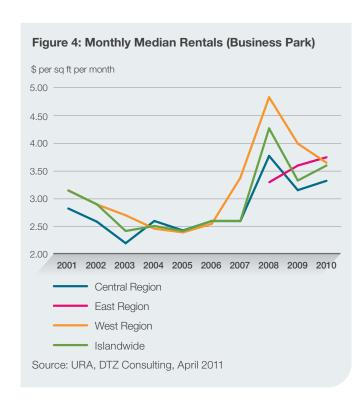
Although annual net demand in 2010 was healthy, there was significant net supply in 2009. As such, islandwide occupancy for business parks fell by 5.3%-points from 80.8% in 2009 to



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75.5% in 2010. On a positive note, this was an improvement compared with the significant decline of 13.0%-points during the economic downturn in 2009.

Median Rentals ⁽⁵⁾ – Supported by new business park completions as well as a broad-based improvement in the property market, monthly median islandwide business park rentals rose by 8.1% from \$3.33 per sq ft in 2009 to \$3.60 per sq ft in 2010 ⁽⁶⁾. Meanwhile, median rentals for the East and Central Regions rose by 4.2% and 5.3% to \$3.75 per sq ft and \$3.33 per sq ft respectively in 2010 (Figure 4). Monthly median islandwide business park rentals rose by \$0.27 per sq ft in 2010, compared with \$0.12 per sq ft and \$0.19 per sq ft for light and high-tech industrial respectively, reflecting that rental growth for business parks was more substantial.



Outlook – Demand prospects for the business park segment are positive, in view of the growth in high-value manufacturing and knowledge-intensive activities. Business parks are well-aligned to capitalise on the growth of these clusters. In addition, with expected strong growth in the services clusters in 2011, coupled with an expected strong increase in office rents, business and science parks are well positioned to cater to spill-over demand from companies relocating to more cost-competitive locations. Consequently, business park rentals are projected to rise by up to 10% in 2011.

High-Tech (7) and Light Industrial

As at end 2010, there was about 29.3 mil sq m of factory ⁽⁸⁾ space in Singapore, of which 71% (20.9 mil sq m) was single-user factory space, while the remaining 29% (8.4 mil sq m) was multiple-user factory. As there is no official definition of high-tech industrial in Singapore, DTZ has identified a basket of high-tech industrial properties for the purpose of this report.

Existing Stock – According to DTZ Research, an average of about 80,400 sq m of high-tech industrial space was completed annually in the last decade. Most (49%, 392,100 sq m) of the new completions were in the Central Region. While the annual new completions between 2001 and 2008 have been relatively in line with the past decade's average, there were significant new completions in 2009 such as WCEGA Tower and Plaza (87,500 sq m) and Northstar@AMK (64,400 sq m). As at end 2010, there was about 1.3 mil sq m of high-tech industrial stock in Singapore, of which 42% (562,500 sq m) was located in the Central Region, followed by the North East Region (24%, 317,300 sq m). The high-tech industrial market is also predominantly owned by the private sector, mainly by Real Estate Investment Trusts ("REITs").

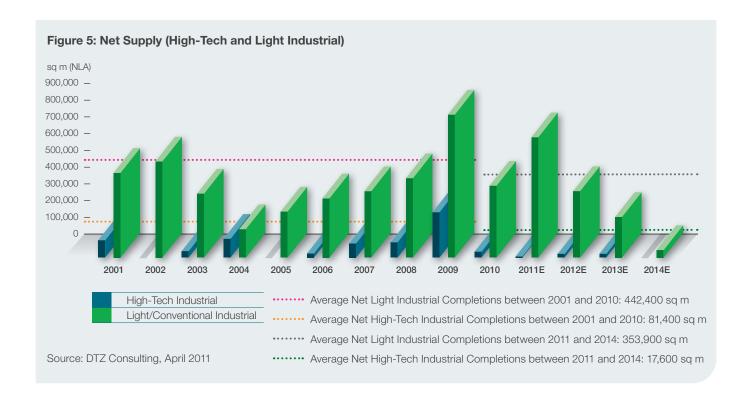
Meanwhile, total light industrial stock ⁽⁹⁾ increased by 1.6% (431,300 sq m) from 27.5 mil sq m in 2009 to 27.9 mil sq m in 2010, following the significant net supply in 2009 (849,300 sq m). The net supply in 2010 was slightly below the average net supply over the past decade (442,400 sq m). As at end 2010, about 83% (23.2 mil sq m) is owned by the private sector. Majority (45%, 12.3 mil sq m) was located in the West Region, where the Jurong and Tuas Industrial Estates are located.

Potential Supply – About 70,300 sq m of high-tech industrial space is expected to complete from 2011 to 2014, mostly in the Central and North Regions. Notably, a number of these future high-tech industrial developments e.g., One Pemimpin (10,900 sq m) are pre-launching their strata industrial units for sale. The largest multi-tenanted high-tech industrial development in the pipeline is A'Posh Bizhub (28,900 sq m), which is expected to complete in 2012. There is limited high-tech industrial space in the pipeline.

About 1.4 mil sq m of light industrial space is expected to complete from 2011 to 2014, of which 51% (716,100 sq m) is in 2011. The supply in 2011 exceeds the average net supply over the past decade. Notwithstanding, potential supply for light industrial is expected to decline from 2012 onwards, with limited supply in 2014. Average new completions between 2011 and 2014 is estimated at 353,900 sq m, lower than the average net supply over the past decade (442,400 sq m) (Figure 5).

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Demand and Occupancy – The demand and occupancy trends for multiple-user factory were used as a proxy for those of the high-tech and light industrial segments. For the multiple-user factory market, annual net demand has outstripped that of supply since 2004 except for the economic downturn in 2009, reflecting a relatively healthy long-term demand trend. Bolstered by strong manufacturing performance, annual net demand in 2010 was 241,000 sq m, exceeding that of annual net supply (136,000 sq m). Consequently, the significant increase in demand led to multiple-user factory occupancy rising from 88.3% in 2009 to 89.7% in 2010.

Rentals – The monthly 75th percentile rentals for multiple-user factory space were used as a proxy for high-tech industrial rental trends, while the median rentals for multiple-user factory space were used as a proxy for light industrial rental trends. Owing to significant net demand and positive economic conditions in 2010, monthly light industrial rentals rose by 7.4% from \$1.62 per sq ft in 2009 to \$1.74 per sq ft in 2010. However, majority of rental transactions for light industrial in Q4 2010 indicate that monthly rentals were about \$1.65 per sq ft.

High-tech monthly industrial rentals rose at a faster pace in 2010, by 9.5% from \$2.01 per sq ft in 2009 to \$2.20 per sq ft in

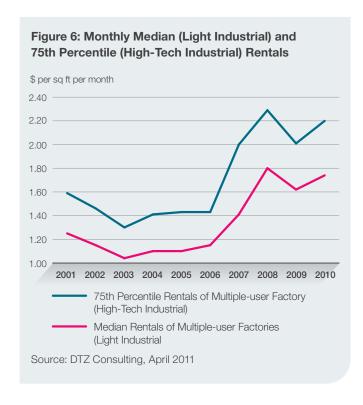
2010 (Figure 6). Notwithstanding, majority of rental transactions in Q4 2010 for high-tech industrial indicate that monthly rentals were about \$2.75 per sq ft.

Rentals for high-tech industrial are traditionally correlated with office rents, which have risen by about 10% to 12%¹⁰ in 2010. While the rental growth for high-tech industrial was slightly higher than that for business parks (8.1%) in 2010, it was based on a lower rental base (11), reflecting that the absolute rental increase in high-tech industrial was less significant than that for business parks.

Outlook – In line with the government's GDP growth projection of 4% to 6% for 2011, factory rents are expected to rise. Despite uncertain global conditions, light industrial rentals are expected to grow by about 5% in 2011, supported by the growth momentum as well as substantial manufacturing investment commitments in 2010. As the supply pipeline for high-tech industrial is limited, high-tech industrial rents are expected to rise more significantly compared with light industrial in 2011, by about 10%, given the continued attractiveness of its office-like qualities. Particularly, high-tech industrial developments will stand to benefit more extensively from the stronger expected growth in the services sectors in 2011, compared with light industrial.

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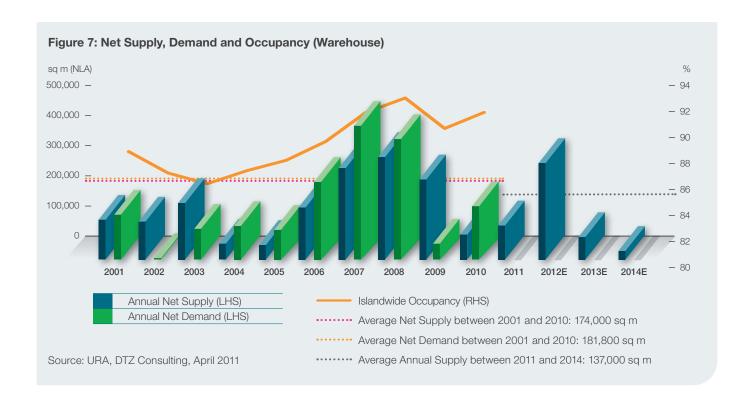


Logistics and Distribution Centres (Warehouses)

Existing Stock – There are no official statistics on logistics and distribution centres in Singapore. As such, the report primarily uses warehouse data from the URA. Total warehouse stock increased by 1.2% (136,000 sq m) from 6.9 mil sq m in 2009 to 7.0 mil sq m in 2010, which was significantly lower compared to the increase in 2008 (344,000 sq m) and 2009 (269,000 sq m). The net supply in 2010 was also lower than the average annual net supply over the past decade (174,000 sq m).

As at end 2010, there was about 7.0 mil sq m of warehouse stock in Singapore. The warehouse property market is dominated by the private sector (99%, 6.9 mil sq m). Majority (58%, 4.0 mil sq m) of warehouse stock is located in the West Region, followed by the Central Region (19%, 1.3 mil sq m).

Potential Supply – About 547,700 sq m of warehouse space is in the pipeline, as at end 2010. Majority (59%, 323,800 sq m) of the potential supply is expected to complete in 2012, while 21% (115,800 sq m) is in 2011. The average annual supply between 2011 and 2014 is estimated at 137,000 sq m, lower than the annual average net supply over the past decade (174,000 sq m). The potential warehouse supply between 2011 and 2014 is mostly located in the West Region (65%, 357,600 sq m), while the remaining is evenly distributed across the Central, East and North Regions.

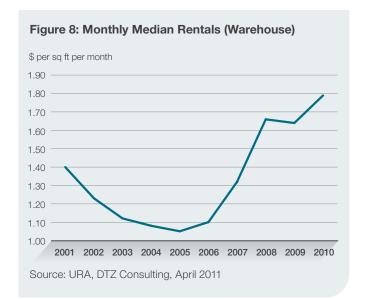


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Demand and Occupancy – Annual net demand for islandwide warehouse space over the past decade averaged 174,400 sq m while average annual net supply for the same period was 181,800 sq m, with annual net demand outstripping annual net supply since 2004. Nevertheless, the warehouse property market was affected by the economic downturn in 2009, when net demand shrank from 402,000 sg m in 2008 to 56,000 sg m in 2009. The exceptional economic growth in 2010, particularly in the wholesale and retail trade as well as transport and storage sectors, helped boost the demand for warehouse space, with annual net demand more than tripling from 56,000 sq m in 2009 to 1.8 mil sq m in 2010, well exceeding the annual net supply in 2010 (85,000 sq m) (Figure 7). Consequently, the limited new warehouse completions in 2010 as well as recovering demand saw occupancy for warehouse space increase from 89.9% in 2009 to 91.4% in 2010, back to pre-crisis levels in 2007.

Median Rentals – Compared with light industrial, warehouse rentals have been relatively less volatile. Monthly warehouse median gross rents registered only a 1.2% decline during the economic downturn in 2009, despite a 2.8%-points decline in occupancy. Bolstered by strong growth in externally-oriented trades, monthly warehouse median rentals grew significantly (9.1%) in 2010 to \$1.79 per sq ft pm, the highest over the past decade (Figure 8). Nevertheless, majority of recent rental transactions for warehouse space reflect that monthly rentals were about \$1.60 per sq ft, as at the end of 2010.



Outlook – In view of more positive prospects for the manufacturing and logistics sectors due partly to increasing intra-Asia trade growth and higher investment commitments in the transport engineering clusters in 2010, the demand for logistics and distribution centres as well as warehouse space is expected to improve. Given the relatively limited new supply pipeline over the next few years as well as growing consumption and higher air and sea transhipment activities, warehouse rentals are expected to rise by about 5% in 2011, in tandem with economic growth.

Notes:

- (1) All supply and demand figures are in NLA, unless stated otherwise.
- (2) The URA classifies both business and science park space under the collective terminology of "Business Park". As such, the business park data in this report is inclusive of science parks. As science parks were included in the "Business Park" category from Q3 2002, the time series for the segments span from 2003 onwards.
- (3) Figures in this report may not add up due to rounding off.
- (4) Based on URA's definition, Central Region comprises the following 22 Planning Areas: Downtown Core, Orchard, Marina East, Marina South, Museum, Newton, Outram, River Valley, Rochor, Singapore River, Straits View, Bishan, Bukit Merah, Bukit Timah, Geylang, Kallang, Marine Parade, Novena, Queenstown, Southern Islands, Tanglin and Toa Payoh.
- (5) All rental information provided by the URA in this report refers to the gross rent including service charge and GST. Rental information is obtained from returns filed with the Inland Revenue Authority of Singapore ("IRAS"). When a property is let out, the property owner has to inform IRAS the details of the tenancy agreement. As such, the derivation of median rentals is subject to the availability of rental transactions for each period.
- (6) Annual rentals in this report are based on rentals in Q4 2010.
- (7) The key factors which differentiate high-tech industrial from light industrial include its office-like façade (which usually include a main lobby), interiors with false ceilings as well as higher floor loadings. High-tech industrial developments often come with landscaped gardens, courtyards and open spaces and more importantly, a wide range of retail, F&B and recreational amenities.
- (8) For the purpose of this report, factory space does not include business and science park space.
- (9) Includes only multiple-user and single-user factory stock, excluding high-tech industrial stock.
- (10) Refers to median office rentals in the Central Area and Fringe Area.
- (11) Monthly median rentals for business park space were \$3.33 per sq ft in 2009 and \$3.60 per sq ft in 2010, while monthly high-tech industrial rentals were \$2.01 per sq ft in 2009 and \$2.20 per sq ft in 2010.

ENHANCING RELATIONS

A-REIT and its Manager embrace responsibility for the impact of our activities on the environment, consumers, employees, communities and the general public. Together with the Ascendas Group, the Manager strives to seek long-lasting success and resilience by maintaining a fine balance of the forces within its operating sphere.

Sustainable Development

3 Changi Business Park Crescent was awarded the Platinum Green Mark Certification in 2008. It continued to be recognized for its achievement - it was the winner in the "Best Green Building (Built)" category at the 2010 Cityscape Asia Real Estate Awards.

Cityscape's annual awards recognise the innovation and achievements of real estate players across the world and their contributions in further developing and improving overall industry standards. The panel of judges comprised experienced professionals from the Asian real estate industry, including global and regional urban planners, architects, institutional investors, real estate development businesses, government agencies and development authorities.

This award further demonstrates A-REIT's design and development capabilities and its contributions to build a sustainable environment for the future.

Sustainable Environment

Started in 2008, Ascendas' third annual Green Month, themed "Go Green, Live Green", saw the showcase of a prototype Solar Kiosk, a joint project by Ascendas and Singapore Polytechnic to develop and test-bed eco-friendly technologies that harness the use of renewable energy. At the launch, A-REIT made a further commitment to green its buildings with the announcement of chiller upgrading projects for two of its properties, Acer Building at International Business Park and the Capricorn at Singapore Science Park.

The Green Month has also seen an increase in participation from companies located at the Singapore Science Park. Tenants got a chance to participate in a number of activities designed to promote and embed the concepts of what it means to be environmentally-friendly over a period of 30 days. These activities promote green concepts such as reducing waste by recycling, reducing carbon emissions by taking public transport, the use of clean energy and respect for the environment. Tenants and the public also did their part through recycling initiatives and learnt about the benefits of clean technology through experiencing a prototype solar kiosk developed by Singapore Polytechnic. Trips to Pulau Semakau and nature reserves such as Sungei Buloh and Pulau Ubin were also organized as part of the annual Ascendas Green Month.











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Health & lifestyle

Ascendas, together with A-REIT, held its annual Healthy Lifestyle Week at Singapore Science Park, with a host of activities lined up for tenants to join in the fun of leading a healthy life. The event incorporated a "Spin For Good" charity fundraiser organised by Ascendas in partnership with the Southwest Community Development Council.

Every registered spinner pledged a minimum donation of \$100 and for every kilometer cycled during the event, Ascendas contributed \$10. The event raised \$1,700 for The Haven, a residential home at Pasir Panjang that helps children from low-income and dysfunctional families.

For the less privileged in the community

Ascendas and AFM continue on its humanitarian efforts for the less privileged. In collaboration with the Lion Befrienders, over 70 elderly were treated to an afternoon of sumptuous food and a tour around the Marina Bay area, the latest tourist attraction in Singapore, on the Duck Tour, a purpose-built amphibious tour buses. Accompanied by staff from AFM, the elderly enjoyed the view of the newly built Marina Bay Sands hotel while they reminisced about the past.

In addition, the Ascendas Annual Dinner & Dinner was very special this year. Celebrating Ascendas' 10th anniversary on 7 Jan 2011 and with the theme "Space to Give", employees of Asia's leading provider of business space solutions came together and generously gave their support and energy to raise funds for MINDS (the Movement for the Intellectually Disabled of Singapore).

Amongst the various activities that evening, a silent auction of limited edition items drew enthusiastic participation from guests, with the highest bid of S\$1,100 received for a unique pottery piece by Singapore artist Iskandar Jalil. Ascendas matched dollar-for-dollar the monies raised, resulting in a total of S\$57,000 at the end of the night.

To lend a hand to students from low-income families, AFM contributed \$\$50,000 to the Straits Times Pocket Money Fund. The Straits Times Pocket Money Fund is a community project started by The Straits Times (a newspaper publication) in October 2000 and is administered by the National Council of Social Service. It now helps nearly 11,000 low-income students with their school-related expenses through 67 disbursing agencies, which include family service centres, special schools and children's homes.

Arts for the community

Ascendas demonstrates its appreciation for the arts through the corporate sponsorship of the Singapore Repertory Theatre ("SRT"). SRT is one of the leading English-language theatres in Asia with a mission to produce outstanding theatre with an Asian spirit and help Singapore take its place among the world's cultural capitals.









INVESTOR RELATIONS

Timeliness, Objectivity, Clarity and Consistency.

These are the four guiding principles that the Manager adheres to in its investors' relations efforts since the listing of A-REIT in November 2002. It recognizes that a transparent and effective corporate governance culture is critical to the performance of the Manager and consequently, the success of A-REIT.

The Manager adopts a comprehensive corporate governance framework that meets the prevailing best practice principles to demonstrate its commitment towards timely disclosure and transparent line of communications to Unitholders and the investment community.

The Manager constantly seeks out new and more efficient methods of engaging its stakeholders. In addition to the regular channels of communications such as the teleconference, publications, investors' meetings and briefings (including non-deal road shows) as well as annual reports, the Manager has revamped A-REIT's website to improve on the profiling and accessibility of information within the website. Materials that are used in non-deal road shows as well as investors' meetings are also made available on A-REIT website within the same day.

Regular briefings for representatives of media and brokerage houses are held in conjunction with the release of A-REIT's semi-annual and full year results. A-REIT is widely covered by stock analysts from about 20 international and local brokerage houses.

The Manager's efforts in maintaining an informative and transparent channel of communication have been recognized in the market through numerous awards.

A-REIT continues to score accolades at the SIAS investors' choice awards. Based on nominations received from analysts, fund managers, financial journalists and retail investors represented by SIAS and endorsed and supported by SGX, Standard & Poor's, PricewaterhouseCoopers, SID, ICPAS, SSFA, the Business Times & the Asian Corporate Governance Association, A-REIT was placed in the top two positions for the "Most Transparent Company" in the REIT category for the third consecutive year in 2010.

The Manager will continue on its proactive approach to investor & media relations and communications to actively generate awareness and promote interest in A-REIT through various channels, including local and overseas seminars and non-deal road shows.











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INVESTOR & MEDIA RELATIONS ACTIVITIES FY10/11

1st Quarter

- Media & Analysts' Results Briefing for Full Year FY09/10 Financial Results
- APREA Property Leaders Forum 2010 Investor Day (Singapore)
- DMG Singapore Property Corporate Day (Malaysia)
- Citibank N.A. Asia Pacific Property Conference (Singapore)
- Deutsche Access Asia Conference (Singapore)
- CLSA Corporate Access Conference (Singapore)
- Bank of America Merrill Lynch Asian STARS Conference (Singapore)
- Nomura Asia Equity Forum (Singapore)

2nd Quarter

- Post 1QFY09/10 Financial Results Investors' Lunch hosted by Morgan Stanley
- DBS Vickers Securities Pulse of Asia Corporate Access Day (Singapore)
- Daiwa S-REIT Day (Tokyo & Hong Kong)
- UBS Asean Conference (Singapore)
- Bank of America Merrill Lynch Global Real Estate Conference (New York)
- Standard Chartered Bank Asia Pacific Corporate Access Day (Singapore)

3rd Quarter

- Media & Analysts' Results Briefing for 2Q FY09/10 Financial Results
- Post Half-Year FY09/10 Financial Results Investors' Lunch hosted by Credit Suisse
- Exane Asian Convertible Bonds Conference (Singapore)
- Macquarie Global Property Conference (Hong Kong & New York)
- KBC Financial Products Convertible Bond Conference (Singapore)

4th Quarter

- Post 3QFY09/10 Financial Results Investors' Lunch hosted by DBS Vickers Securities
- Daiwa Investment Conference (Tokyo)
- UBS/SGX Inaugural Conference (New York)

UNITHOLDERS' ENQUIRIES

To find out more about A-REIT, please talk to your financial advisor or contact us at:

The Manager

61 Science Park Road, #02-18 The GALEN

Singapore Science Park II

Singapore 117525

Phone : (65) 6774 1033 Fax : (65) 6775 2813

Email : a-reit@ascendas-fms.com

Website: www.a-reit.com

The Unit Registrar

Boardroom Corporate & Advisory Services Pte Ltd

(a member of Boardroom Limited)

50 Raffles Place

#32-01

Singapore Land Tower

Singapore 048623

Phone : (65) 6536 5355 Fax : (65) 6536 1360

For depository matters such as change of details pertaining to Unitholders' investment records, please contact:

The Central Depository (Pte) Ltd

4 Shenton Way #02-01 SGX Centre 2 Singapore 068807

Phone : (65) 6535 7511
Fax : (65) 6535 0775
Email : cdp@sgx.com
Website : www.cdp.com.sg





INVESTOR RELATIONS

FINANCIAL CALENDAR

	FY10/11	FY11/12 (Tentative)
1st quarter results announcement	16 July 2010	July 2011
2nd quarter and half-year results announcement	18 October 2010	October 2011
3rd quarter and results announcement	17 January 2011	January 2012
Full year results announcement	18 April 2011	April 2012
Annual General Meeting	28 June 2011	June 2012

UNIT PRICE PERFORMANCE

	FY10/11 (2)	FY09/10	FY08/09	FY07/08	FY06/07
Opening Price (S\$)	2.02	1.23	2.33	2.39	2.17
Closing Price (S\$)	2.04	1.92	1.22	2.38	2.39
High (S\$)	2.07	2.24	2.72	3.32	2.75
Low (S\$)	2.01	1.22	1.02	1.84	1.82
NAV Per Unit (S\$)	1.76	1.57	1.61	1.84	1.49
Trading Volume ('m units)	1,486.0	1,697.5	1,363.6	942.9	703.0
% of S-REIT trading volume	9.6%	9.2%	10.9%	12.4%	12.6%
Market capitalisation (S\$m) ⁽¹⁾	3,823.6	3,592.6	2,053.8	3,154.8	3,164.8

Notes

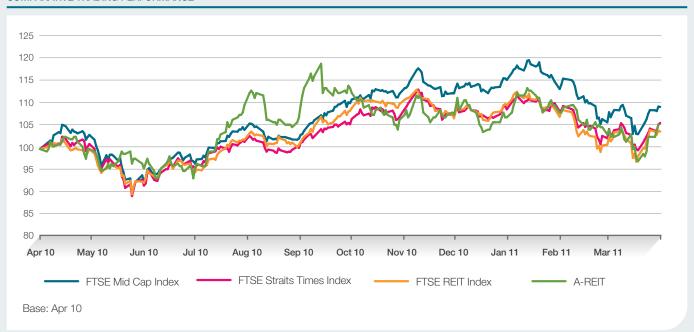
⁽¹⁾ Based on respective closing prices on 31 Mar.

⁽²⁾ Price based on 30 Mar 2011, being the last trading day of FY10/11.

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COMPARATIVE TRADING PERFORMANCE



A-REIT MONTHLY TRADING PEFORMANCE IN FY10/11



CORPORATE GOVERNANCE

Corporate governance is more than just the forms of standard best practices and structures, internal checks and balances, transparency, etc. It must be anchored in the heart and soul of the leadership team. Good corporate governance must be ingrained and become an integral part of corporate culture.

Ascendas Funds Management (S) Limited, in its capacity as the Manager of A-REIT believes that an effective corporate governance culture is critical to the performance of the Manager and consequently, the success of A-REIT, which it manages. As a result, the Manager has adopted a comprehensive corporate governance framework which conforms to the prevailing best practice principles. In particular, the Manager has an obligation to act honestly, with due care and diligence, and in the best interests of Unitholders.

The following sections describe the Manager's main corporate governance policies and practices. They encompass proactive measures for avoiding situations of conflict and potential conflicts of interest among Unitholders, related parties, and the Manager. The interests of Unitholders are always above the Manager's. They also ensure that applicable laws and regulations such as the listing rules of the SGX-ST, the CIS code and the Capital Markets Services Licence for REIT Management both issued by the MAS and the Securities and Futures Act ("SFA"), are complied with, and that the Manager's obligations under A-REIT's Trust Deed are properly and efficiently carried out.

THE MANAGER OF A-REIT

Ascendas Funds Management (S) Limited was appointed as manager of A-REIT in accordance with the terms of the Trust Deed. The Trust Deed outlines certain circumstances under which the Manager can be retired in favour of another corporation approved by the Trustee or be removed by notice given in writing from the Trustee upon the occurrence of certain events, including by a resolution proposed and passed by a majority being greater than 50.0% of the total number of votes cast at a meeting of Unitholders duly convened in accordance with the provisions of the Trust Deed (with no Unitholder being disenfranchised).

The Manager has general power of management over the assets of A-REIT. The Manager's main responsibility is to manage A-REIT's assets and liabilities for the benefit of Unitholders.

The primary role of the Manager is to set the strategic business direction of A-REIT and make recommendations to the Trustee on acquisitions, divestments and enhancement of the assets of A-REIT in accordance with its stated business strategy. The Manager is also responsible for the capital and risk management of A-REIT. Other main functions and responsibilities of the Manager are as follows:

- 1. Using its best endeavours to carry on and conduct its business in a proper and efficient manner and to conduct all transactions with or on behalf of A-REIT at arm's length.
- 2. Oversee the preparation of property business plans on an annual basis by the ASPL for review by the Directors of the Manager, which may contain proposals and forecasts on net income, capital expenditures, sales and valuations, explanations of major variances to previous forecasts, written commentary on key issues and underlying assumptions on rental rates, occupancy, costs and any other relevant assumptions. The purpose of these plans is to manage the performance of A-REIT's assets.
- 3. Ensuring compliance with the applicable provisions of the SFA and all other relevant legislation, such as the listing rules of the SGX-ST and the CIS Code, the Trust Deed, the tax rulings issued by IRAS and all relevant contracts.
- 4. Attending to all regular communications with Unitholders.
- 5. Supervising the execution of works by the Property Manager, who provides property management, lease management, marketing and leasing and project management services, pursuant to the property management agreement.

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A-REIT is externally managed by the Manager and accordingly, it has no direct-hire employees. The Manager appoints experienced and well-qualified management to handle its day-to-day operations. All directors and employees of the Manager are remunerated by the Manager, not A-REIT.

On 1 August 2008, a new licensing regime for REIT managers was put in place. A person conducting real estate investment trust management activities is now required to hold a capital markets services ("CMS") licence pursuant to the SFA and to comply with the conditions of such licence. On 17 December 2008, the Manager obtained a CMS licence from the MAS to conduct REIT management activities.

BOARD OF DIRECTORS

The Board of Directors of the Manager (the "Board") oversees the management (the "Management") and the corporate governance of the Manager including establishing goals for management and monitoring the achievement of these goals. The Board decides on matters relating to corporate governance, business operations and risks, financial performance and the nomination and appointment of directors. The Board has established an oversight framework for the Manager and A-REIT, including a system of internal controls which enables risk to be assessed and managed.

The Board meets regularly, at least once every quarter, to discuss and review the strategies and policies of A-REIT, including any significant acquisitions and disposals, the annual budget, the financial performance of the Manager and A-REIT against a previously approved budget and to approve the release of the quarterly and full year results. The Board also reviews the risks to the assets of A-REIT, examines liabilities management and comments from the auditors of A-REIT. When necessary, additional Board meetings are held to approve transactions or address issues.

The Board has adopted a set of internal controls which sets out approval limits for capital expenditure, investments and divestments, conduct of bank transactions and cheque signatories, amongst others. Appropriate authorities have been delegated to the Management to facilitate operational efficiency.

Changes to regulations, policies and financial reporting standards are monitored closely. Where the changes have significant impact on A-REIT and its disclosure obligations, the Board is briefed either during Board meetings, or via circulation of Board papers.

Composition of the Board

The Board presently consists of eight members, six of whom are independent directors as at 06 May 2011. The Chairman and Deputy Chairman of the Board are Mr David Wong Cheong Fook and Ms Chong Siak Ching respectively. The composition of the Board is determined using the following principles:

- 1. the Chairman of the Board should be a non-executive director;
- 2. the Board should comprise directors with a broad range of commercial experience including in the areas of accounting and finance, legal, strategic planning, funds management and property industry; and
- 3. at least one-third of the Board members should be independent directors.

The composition of the Board is reviewed annually. The Board annually examines its size and decides on what it considers an appropriate size for the Board, which facilities effective decision making. The Board takes into account the scope and nature of the operations of A-REIT and the Manager when determining the appropriate size.

CORPORATE GOVERNANCE

Chairman and Chief Executive Officer

The positions of Chairman and Chief Executive Officer are held by two separate persons in order to maintain effective segregation of duties.

The Chairman ensures that the members of the Board work together with Management in a constructive manner to address strategies, business operations and enterprise issues.

The Chief Executive Officer has full executive responsibilities over the business direction and operational decisions of managing A-REIT.

The Manager has a policy that at least one-third of the Board should be independent directors. This enables management to benefit from their external and objective perspective of issues that are brought before the Board. A healthy exchange of ideas and views between the Board and Management through regular meetings and updates will enhance the management of A-REIT. This, together with a clear separation of roles between the Chairman and Chief Executive Officer, provides a healthy and professional relationship between the Board and Management.

Each director of the Manager has the right to seek independent professional advice on matters relating to A-REIT at the Manager's expense. However, prior approval of the Chairman is required, which may not be unreasonably withheld.

Board Membership

The Board has established a Nominating Committee ("NC") in October 2009, which comprises Mr David Wong as Chairman, Ms Chong Siak Ching and Mr Chia Kim Huat. New Directors are appointed by way of a Board resolution after the NC recommends their appointment to the Board for approval. The search for candidates to be appointed as new directors is conducted through contacts and recommendations. Suitable candidates are carefully evaluated by the NC. It is a practice of the Manager that upon their appointment to the Board, the directors are given a formal letter setting out the director's duties, obligations and responsibilities.

Board Performance

An annual review of the Board's performance was undertaken in 2010 to assess the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board. The review allowed each individual Director to express his/her personal and confidential assessment of the Board's overall effectiveness in accomplishing its goals and discharging its responsibilities. It provides insights into the functioning of the Board, whilst identifying areas that might need strengthening and development. The review of the Board's performance includes the Board size, composition, independence, access to information, processes, accountability and oversight, and standards of conduct. Each Director is required to complete a Board Performance Evaluation Questionnaire. Based on the Questionnaire returned by each Director, a consolidated report is prepared and presented to the Board.

The review of individual Director's performance is base on the attendance, knowledge and contributions by each individual Director.

ACCESS TO INFORMATION

Management provides the Board with complete and detailed information on the business and its operations on a quarterly basis at board meetings. Information provided includes background or explanatory information on financial results, business updates, property information, etc.

In addition, the Board has separate and independent access to Management, the company secretary, internal and external auditors at all times. Where necessary, the Board will request for independent professional advice, to enable them to discharge their duties.

The company secretary administers, attends and prepares minutes of Board and proceedings of all Board committees. She assists the Chairman of the Board and the Board Committees to ensure that proper procedures are followed and that the Company's

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Memorandum and Articles of Association and relevant rules, regulations, best practices and internal policies, including applicable provisions of the Property Fund Appendix are complied with. Under the direction of the Chairman and the Board Committees, she is responsible for ensuring information flows within and among the Board, the Board Committees and the Management. She also works with the Management to ensure that Board and Board committee papers are provided to each Director ahead of meetings.

Board Remuneration

The remuneration of Directors is paid by the Manager, and not A-REIT.

Board Committees

The Board has established various committees to assist it in discharging its responsibilities. These committees are listed below.

- Audit Committee
- Executive Committee
- Human Resource & Compensation Committee
- Nominating Committee

Members of the respective committees

Board members	Audit Committee	Executive Committee	HR and Compensation Committee	Nominating Committee
Mr David Wong Cheong Fook			С	С
Ms Chong Siak Ching		С	М	М
Mr Joseph Chen Seow Chan	С		М	
Mr Chia Kim Huat	M	M		М
Mr Koh Soo Keong	М		М	
Mr Henry Tan Song Kok	M			
Ms Monica Villegas Tomlin		M		
Mr Tan Ser Ping		M		

Denotes C - Chairman: M - Member

Audit Committee

The Audit Committee is appointed by the Board from among the directors of the Board, all of whom (including the Chairman of the Audit Committee) are independent directors. The members of the Audit Committee are Mr Joseph Chen (Chairman), Mr Chia Kim Huat, Mr Koh Soo Keong and Mr Henry Tan.

The core function of the Audit Committee is to oversee the integrity of the financial statements and related disclosures, review the internal and external auditors' findings on internal controls, make recommendations to the Board (on the appointment, reappointment of the external auditor, and approve the remuneration of the external auditor The Audit Committee also reviews the quality and reliability of information prepared for inclusion in financial reports. The Audit Committee is responsible for the nomination of external auditors and reviewing the adequacy of existing audits in respect of cost, scope and performance.

CORPORATE GOVERNANCE

The Audit Committee's responsibilities also include:

- 1. Reviewing audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by Management;
- 2. Ensuring the procedures are in place to comply with applicable legislation and regulations, including the Listing Manual and the Property Funds Appendix;
- 3. Reviewing and recommending to the Board to approve the release of the financial statements;
- 4. Ensuring procedures are established to regulate transactions involving, among others, the Trustee, as the trustee for A-REIT, and a related party of the Manager ("Interested Person Transactions").
- 5. Undertaking other responsibilities that may be directed or delegated to the Audit Committee by the Board.

The Audit Committee has also conducted a review of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

Audit Committee meetings are generally held after the end of every quarter before the official announcement of results in relation to that quarter.

The Audit Committee meets with the external auditors, without the presence of Management, at least once a year.

Executive Committee

The Executive Committee operates under delegated authority from the Board and is comprised of independent and non-independent directors. The members of the Executive Committee are Ms Chong Siak Ching (Chairman), Mr Chia Kim Huat, Ms Monica Villegas Tomlin and Mr Tan Ser Ping.

The responsibilities of the Executive Committee include:

- 1. Evaluating, approving or making recommendations to the Board on investments, divestments, operational issues with the Property Manager, financing offers and banking facilities;
- 2. Recommending changes to the financial limits for investments, etc,
- 3. Reporting to the Board on decisions made by the Executive Committee; and
- 4. Undertaking other responsibilities that may be directed or delegated to the Executive Committee by the Board

Human Resource & Compensation Committee ("HRCC")

The HRCC's functions include reviewing the benefits and compensation packages for executive officers of the Manager and identifying the CEO's successor. The members of the HRCC are Mr David Wong (Chairman), Ms Chong Siak Ching, Mr Joseph Chen and Mr Koh Soo Keong.

Nominating Committee

The Nominating Committee was set up in October 2009 to make recommendations to the Board in the appointment of Directors to the Board and its committees for the approval of the shareholder of AFM. The members of the Nominating Committee are Mr David Wong (Chairman), Ms Chong Siak Ching and Mr Chia Kim Huat.

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Meeting Attendance

The attendance at the Board, Audit Committee and Executive Committee meetings for FY10/11is set out below.

Board members	Board	Audit Committee	Executive Committee	Human Resource and Compensation Committee
	No. of meetings held : 9	No. of meetings held : 5	No. of meetings held: 2	No. of meetings held: 1
	Attended	Attended	Attended	Attended
Mr David Wong Cheong Fook	9	_	_	1
Ms Chong Siak Ching	8	_	2	1
Mr Joseph Chen Seow Chan	8	5	_	1
Mr Chia Kim Huat	9	5	2	-
Mr Koh Soo Keong	9	5	_	1
Mr Henry Tan Song Kok	9	5	-	_
Ms Monica Villegas Tomlin	9	_	2	_
Mr Tan Ser Ping	9	5*	2	_

^{*} Attended in capacity as CEO

Internal Controls

In April 2010, BDO Consultants Pte Ltd ("BDO") was appointed by the AC to provide internal audit services.

The role of the internal auditors is to assist the AC to ensure that Management maintains a sound system of internal controls by regular monitoring of key controls and procedures and ensuring their effectiveness. BDO's scope of work include risk assessments and compliance audits in order to ensure internal controls are aligned to business objectives and in place to address related risks.

BDO has unrestricted access to the AC. BDO reports to the Chairman of the AC and is guided by the Standards for the Professional Practice of Internal Auditing. These standards comprise attribute, performance and implementation standards.

During the year, BDO adopted a risk-based auditing approach covering financial, operational and compliance controls. Internal audit reports are submitted to the AC for review and the summary of findings and recommendations are discussed at the AC meetings.

TRADING OF UNITS OF A-REIT

The Manager encourages the directors and employees to hold Units but prohibits them from trading in the Units:

- 1. During the period commencing two weeks before the public announcement of A-REIT's financial statements for each quarter of its financial year, or one month before the full year results, as the case may be, and ending on the date of announcement of the relevant results. This is in line with the best practices set out in the Listing Manual; and
- 2. At any time whilst in possession of price sensitive information that is not available in the market.

The Directors and officers are advised not to deal in the Units on short term considerations.

In addition, the Manager has given an undertaking to the MAS that it will announce to the SGX-ST the particulars of its holdings in the Units and any changes thereto within two days after the date on which it acquires or disposes any Units, as the case may be The Manager has also undertaken that it will not deal in the Units during the period commencing two weeks before the public announcement of A-REIT's quarterly results or one month before the full year results, and if applicable, property valuation, and ending on the date of announcement of the relevant results.

CORPORATE GOVERNANCE

ASSESSMENT AND MANAGEMENT OF BUSINESS RISKS

Effective risk management is a fundamental part of A-REIT's business operations. Recognising and managing risk is central to the business and to protecting Unitholders' interests and value. A-REIT operates within guidelines and specific parameters set by the Board. Each major transaction is analysed to understand the risk involved. Responsibility for managing risk lies with the business unit concerned, working within the overall strategy outlined by the Board.

The Manager recognises that there is a significant amount of risk inherent in making property investment decisions. Accordingly, the Manager has set out procedures to be followed when making such decisions. In accordance with this policy, the Manager ensures comprehensive due diligence is carried out in relation to each proposed investment and a suitable determination is made as to whether the anticipated return on investment is appropriate having regard to the level of risk of that investment.

In assessing business risks, the Board considers the economic environment and the property industry risk. The Board, at times by the Executive Committee, reviews and approves all investment decisions. Management meets regularly to review the operations of the Manager and A-REIT and to ensure timely disclosure in compliance with the regulations.

The Manager has established a whistle-blower policy which reflects the Manager's commitment to conduct its business within a framework that fosters the highest ethical and legal standards. In line with this commitment and A-REIT's commitment to open communication, the whistle-blower policy aims to provide an avenue for employees of the Manager and of the Property Manager to raise concerns and reassurance that they will be protected from reprisals or victimisation for whistle-blowing in good faith. Serious concerns relating to financial reporting, unethical or illegal conduct will be reported to the AC Chairman or CEO of the Manager.

DEALINGS WITH CONFLICTS OF INTEREST

The Manager has established the following procedures to address potential conflicts of interest which it (including its directors, executive officers and employees) may encounter in managing A-REIT:

- 1. The Manager will be a dedicated manager to A-REIT and will not manage any other REIT or be involved in any other real estate or property business.
- 2. All Executive Officers are employed by the Manager.
- 3. The entry into any Interested Person Transaction must be reviewed and recommended by the AC to the Board who may approve with a majority vote of the directors, including the votes of at least two independent directors.
- 4. In respect of matters in which JTC and/or its subsidiaries (which includes the Ascendas Group) has a direct or indirect interest, any nominees appointed by JTC or any of its subsidiaries to the Board shall abstain from voting. In such matters, the quorum must comprise a majority of the independent directors of the Manager and must exclude the representatives or nominees of JTC and/or its subsidiaries.

The directors of the Manager are under a fiduciary duty to A-REIT to act in the best interests of A-REIT, in relation to decisions affecting A-REIT when they are voting as a member of the Board. In addition, the directors and executive officers of the Manager are expected to act with integrity at all times. The Manager has established a conflict of interest policy for its employees and major service providers to ensure that any conflicts of interest or potential conflicts of interest are disclosed and approvals are sought where required.

It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to a breach of any agreement entered into by the Trustee for and on behalf of A-REIT with an affiliate of the Manager, the Manager shall be obliged to consult a reputable law firm (acceptable to the Trustee) who shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of A-REIT, has a prima facie evidence against the party allegedly in breach of such agreements, the Manager shall be obliged to take appropriate action with reference to such agreements. The directors of the Manager will have a duty to ensure that the Manager so complies.

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Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of A-REIT with an affiliate of the Manager. The Trustee may then take such action as it deems necessary to protect the rights of Unitholders and/or which is in the interests of Unitholders. Any decision by the Manager not to take action against an affiliate of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such affiliate of the Manager.

Under the Trust Deed, the Manager and its Associates (as defined in the Trust Deed) are prohibited from voting with their Units at, or being part of a quorum for, any meeting of Unitholders convened to approve any matter in which the Manager or any of its Associates has a material interest in the business to be conducted (save for a resolution to remove the Manager as provided in the Trust Deed).

DEALING WITH INTERESTED PARTY TRANSACTIONSReview Procedures for Interested Party Transaction

In general, the Manager has established internal control procedures to ensure that all future Interested Party Transactions are undertaken on an arm's length basis and on normal commercial terms, which are generally no more favourable than those extended to unrelated third parties. In respect of such transactions, the Manager would have to demonstrate to the Audit Committee that the transactions would be undertaken on normal commercial terms, which may include obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining a valuation from an independent valuer (in accordance with the Property Funds Appendix).

In addition, the following procedures have been undertaken:

- 1. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding \$100,000 in value but below 1.0 per cent. of A-REIT's net tangible assets or \$15 million (whichever is the lower) will be subject to review by the Audit Committee at regular intervals;
- 2. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 1.0 per cent. of A-REIT's net tangible assets or \$15 million (whichever is the lower) but below 3.0 per cent. of A-REIT's net tangible assets or \$45 million (whichever is the lower) will be subject to the review and approval of the Audit Committee. Such approval shall only be given if the transactions are on arm's length commercial terms and consistent with similar types of transactions made by the Trustee, as trustee for A-REIT, with third parties which are unrelated to the Manager; and
- 3. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 3.0 per cent. of A-REIT's net tangible assets or \$45 million (whichever is lower) but below 5.0 per cent. of A-REIT's net tangible assets will be reviewed and approved by the Audit Committee which may, as it deems fit, request advice on the transaction from independent sources or advisers, including obtaining valuations from professional valuers. An announcement will be made on SGXNet in accordance with the Listing Manual requirements.
- 4. Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 5.0 per cent. of A-REIT's net tangible assets will be reviewed and approved by the Audit Committee which may, as it deems fit, request advice on the transaction from independent sources or advisers, including obtaining valuations from professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transactions would require approval by A-REIT Unitholders. An announcement will also be made on SGXNet in accordance with the Listing Manual requirements.

Where matters concerning A-REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of A-REIT with a related party of the Manager, the Trustee is required to ensure that such transactions are conducted at arm's length in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question. Further, the Trustee, as trustee for A-REIT, has the ultimate discretion under the Trust Deed to decide whether or not

CORPORATE GOVERNANCE

to enter into a transaction involving a related party of the Manager. If the Trustee is to sign any contract with a related party of the Trustee or the Manager, the Trustee will review the contract to ensure that it complies with the requirements relating to Interested Party Transactions in the Property Funds Appendix (as may be amended from time to time) and the provisions of the Listing Manual relating to interested person transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to REITS.

Role of the Audit Committee for Interested Party Transactions and Internal Control Procedures

All Interested Party Transactions will be subject to regular reviews by the Audit Committee.

The Manager's internal control procedures are intended to ensure that Interested Party Transactions are conducted at arm's length and on normal commercial terms and are not prejudicial to Unitholders. The Manager maintains a register to record all Interested Party Transactions (and the basis, including, where practicable, the quotations obtained to support such basis, on which they are entered into) which are entered into by A-REIT. The Manager incorporates into its internal audit plan a review of all Interested Party Transactions entered into by A-REIT. The Audit Committee reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor Interested Party Transactions have been complied with. In addition, the Trustee will also review such audit reports to ascertain that the Property Funds Appendix have been complied with.

The Manager discloses in A-REIT's annual report the aggregate value of Interested Party Transactions conducted during the relevant financial year.

Confirmations were obtained from the SGX-ST that Rules 905 and 906 are not applicable to A-REIT's interested party transactions if these are made on the basis of, and in accordance with, the terms and conditions set out in the A-REIT prospectus dated 5 November 2002 and in relation to development management fees, in accordance with the Circular to Unitholders dated 8 June 2007 for which approval was obtained in the Extraordinary General Meeting on 28 June 2007. These transactions, which also include trustee fees, management fees, acquisition fees, property management fees, lease management fees, marketing fees, project management fees, site staff costs, common services fees and land rental payments, do not require Audit Committee approval.

COMMUNICATION WITH UNITHOLDERS

The listing rules of the SGX-ST require that a listed entity discloses to the market matters that could or might be expected to have a material effect on the price of the entity's securities. The Manager upholds a strong culture of continuous disclosure and transparent communication with Unitholders and the investing community. The Manager's disclosure policy requires timely and full disclosure of all material information relating to A-REIT by way of public releases or announcements through the SGX-ST via SGXNET at first instance and then including the release on A-REIT's website at www.a-reit.com.

The Manager also conducts regular half-yearly briefings for analysts and media representatives, which will generally coincide with the release of A-REIT's results. During these briefings, the Manager will review A-REIT's most recent performance as well as discuss the business outlook for A-REIT. In line with the Manager's objective of transparent communication, briefing materials are released to the SGX-ST and also made available on A-REIT's website.

During the year under review, the Manager also met or teleconferenced with institutional investors in Singapore, Hong Kong, Japan, United Kingdom, Europe and United States of America. In addition, the Manager pursues opportunities to educate and keep retail investors informed of the REIT industry through seminars organised by the SGX-ST or other public associations. The annual general meeting was also held for the Manager to engage with investors, particularly retail investors, allowing them direct access to the Manager and for the Manager to respond to any queries the investors might have.

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REPORT OF THE TRUSTEE

HSBC Institutional Trust Services (Singapore) Limited (the "Trustee") is under a duty to take into custody and hold the assets of Ascendas Real Estate Investment Trust ("A-REIT") in trust for the Unitholders. In accordance with the Securities and Futures Act, Chapter 289, its subsidiary legislation, and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of Ascendas Funds Management (S) Limited (the "Manager") for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 9 October 2002 (as amended and restated) between the Trustee and the Manager (the "Trust Deed") in each annual accounting period and report thereon to Unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed A-REIT during the period covered by these financial statements, set out on pages 101 to 151 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee, HSBC Institutional Trust Services (Singapore) Limited

Antony Wade Lewis
Director

Singapore 27 May 2011

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STATEMENT BY THE MANAGER

In the opinion of the directors of Ascendas Funds Management (S) Limited, the accompanying financial statements set out on pages 101 to 151 comprising the Balance Sheet, Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds, Investment Properties Portfolio Statement, Cash Flow Statement and a summary of significant accounting policies and other explanatory information, are drawn up so as to present fairly, in all material respects, the financial position of A-REIT as at 31 March 2011, the total return, distributable income, movements in Unitholders' funds and cash flows of A-REIT for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore and the provisions of the Trust Deed. At the date of this statement, there are reasonable grounds to believe that A-REIT will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager,
Ascendas Funds Management (S) Limited

M

Chong Siak Ching Director

Singapore 27 May 2011

INDEPENDENT AUDITORS' REPORT

Unitholders of Ascendas Real Estate Investment Trust (Constituted under a trust deed dated 9 October 2002 (as amended and restated) in the Republic of Singapore)

We have audited the accompanying financial statements of Ascendas Real Estate Investment Trust (the "Trust"), which comprise the Balance Sheet and Investment Properties Portfolio Statement of the Trust as at 31 March 2011, and the Statement of Total Return, Distribution Statement, Statement of Movements in Unitholders' Funds and Cash Flow Statement of the Trust for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 101 to 151.

Manager's responsibility for the financial statements

The Manager of the Trust is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore*, and for such internal control as the Manager of the Trust determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager of the Trust, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Trust present fairly, in all material respects, the financial position of the Trust as at 31 March 2011 and the total return, distributable income, movements in Unitholders' funds and cash flows of the Trust for the year then ended in accordance with the recommendations of *Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trust" issued by the Institute of Certified Public Accountants of Singapore*.

KPMG LLP

Kpmg up

Public Accountants and Certified Public Accountants

Singapore 27 May 2011

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BALANCE SHEET

As at 31 March 2011

		2011	2010
	Note	\$'000	\$'000
Non-current assets	4	5.054.550	4 740 500
Investment properties	4	5,254,556	4,740,590
Investment properties under development	5	26,078	3,909
Plant and equipment	6	2,810	3,911
Finance lease receivable	7	67,043	70.740
Other assets	8	26,862	72,742
Derivative assets	14	4,452	4 001 150
		5,381,801	4,821,152
Current assets			
Finance lease receivable	7	1,505	_
Trade and other receivables	9	28,451	24,618
Cash and cash equivalents	10	8,067	8,666
,		38,023	33,284
Current liabilities		110 500	004.440
Trade and other payables	11	119,539	284,443
Security deposits	12	41,407	37,210
Deferred payments	13	6,991	7,136
Derivative liabilities	14	3,827	3,570
Short term borrowings	15	349,883	251,754
Medium term notes	15	149,980 671,627	584,113
		071,027	304,113
Net current liabilities		(633,604)	(550,829)
Non-current liabilities			
Security deposits	12	2,138	2,222
Deferred payments	13	_	6,784
Derivative liabilities	14	55,901	50,451
Medium term notes	15	270,707	274,350
Collateral loan	16	306,468	300,390
Term loans	15	820,341	689,152
Deferred tax liabilities	17	976	_
		1,456,531	1,323,349
Net assets		3,291,666	2,946,974
Represented by:			
портозаптва ру.			
Unitholders' funds		3,291,666	2,946,974
Units in issue ('000)	18	1,874,293	1,871,154
Not asset value per unit (\$)		1 76	1 57
Net asset value per unit (\$)		1.76	1.57

STATEMENT OF TOTAL RETURN

Year ended 31 March 2011

	Note _	2011 \$'000	2010 \$'000
Gross revenue	19	447,634	413,678
Property operating expenses	20	(108,208)	(93,690)
Net property income	_	339,426	319,988
Management fees	21	(24,725)	(23,421)
Performance fee	21	(5,420)	_
Trust expenses	22	(3,608)	(2,879)
Finance income	23	3,295	1,650
Finance costs	23	(77,655)	(69,805)
Foreign exchange gain		2,352	_
Net income	_	233,665	225,533
Net change in fair value of financial derivatives		1,144	(23,878)
Net appreciation/(depreciation) on revaluation of investment properties and investment			
properties under development	_	344,777	(53,682)
Total return for the year before income tax expense		579,586	147,973
Income tax expense	24	(976)	_
Total return for the year after income tax expense		578,610	147,973
Non-tax deductible expenses, net and other adjustments		9,352	33,236
Net (appreciation)/depreciation on revaluation of investment properties and investment properties under development		(344,777)	53,682
Income available for distribution	-	243,185	234,891
Distribution from capital		4,768	204,091
Total amount available for distribution	-	247,953	234,891
Total amount available for distribution	-	247,550	204,031
Earnings per unit (cents)			
- Basic	25	30.89	8.23
- Diluted	25	29.51	8.23
Distributions per unit (cents)	25	13.23	13.10

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DISTRIBUTION STATEMENT

Year ended 31 March 2011

	2011	2010
	\$'000	\$'000
Total amount available for distribution to Unitholders at beginning of the year	51,403	42,264
Total return for the year	578,610	147,973
Distribution adjustments (Note A)	(335,425)	86,918
Income available for distribution to Unitholders	294,588	277,155
Distribution from capital	4,768	_
Total amount available for distribution to Unitholders	299,356	277,155
Distribution of 3.29 cents per unit for the period 01/10/10 to 31/12/10	(61,665)	_
Distribution of 3.30 cents per unit for the period 01/07/10 to 30/09/10	(61,813)	_
Distribution of 3.37 cents per unit for the period 01/04/10 to 30/06/10	(63,125)	_
Distribution of 2.73 cents per unit for the period 01/01/10 to 31/03/10	(51,082)	_
Distribution of 3.27 cents per unit for the period 01/10/09 to 31/12/09	_	(61,187)
Distribution of 1.54 cents per unit for the period 20/08/09 to 30/09/09	_	(28,797)
Distribution of 1.94 cents per unit for the period 01/07/09 to 19/08/09	_	(32,687)
Distribution of 3.62 cents per unit for the period 01/04/09 to 30/06/09	_	(60,994)
Distribution of 2.50 cents per unit for the period 21/01/09 to 31/03/09	_	(42,087)
	(237,685)	(225,752)
Total amount available for distribution to Unitholders at end of the year	61,671	51,403

Note A - Distribution adjustments comprise:

	\$'000	\$'000
Net change in fair value of financial derivatives	(1,144)	23,878
Net (appreciation)/depreciation on revaluation of investment properties and investment properties under development	(344,777)	53,682
Non-tax deductible expenses, net	15,264	9,358
Interest income from finance lease	(5,744)	_
Income tax expense Total distribution adjustments	976 (335,425)	86,918

STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 March 2011

	Note	2011 \$'000	2010 \$'000
At beginning of the year		2,946,974	2,703,039
Operations			
Net income		233,665	225,533
Net change in fair value of financial derivatives		1,144	(23,878)
Net appreciation/(depreciation) on revaluation of investment properties and investment			
properties under development		344,777	(53,682)
Income tax expense		(976)	
Net increase in net assets resulting from operations		578,610	147,973
Hedging transactions			
Effective portion of changes in fair value of financial derivatives		(2,689)	(3,478)
Changes in fair value of financial derivatives transferred to the Statement of Total Return		290	24,030
Net (decrease)/increase in net assets resulting from hedging transactions		(2,399)	20,552
Unitholders' transactions			
New units issued		_	301,550
Acquisition fee (IPT acquisition) paid in units		1,160	, –
Management fees paid in units		5,006	4,617
Equity issue costs	26	_	(5,005)
Distributions to Unitholders		(237,685)	(225,752)
Net (decrease)/increase in net assets resulting from Unitholders' transactions		(231,519)	75,410
At end of the year		3,291,666	2,946,974

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INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 March 2011

	Description of	Acquisition		Term of	Lease		Latest	Valuation	At Valuation/ Book Value		Percentage of Net Assets	
	Property	Date Tenure	Tenure	Lease	Expiry	Location	Valuation ^(a) \$'000	Date	2011 \$'000	2010 \$'000	2011 %	2010 %
	Business & Science I	Parks										
	The Alpha	19 Nov 2002	Leasehold	60 years	18 Nov 2062	10 Science Park Road	111,700	31 Mar 2011	111,700	96,800	3.39	3.28
@	The Aries	19 Nov 2002	Leasehold	60 years	18 Nov 2062	51 Science Park Road	59,900	31 Mar 2011	59,900	52,100	1.82	1.77
	The Capricorn	19 Nov 2002	Leasehold	60 years	18 Nov 2062	1 Science Park Road	113,300	31 Mar 2011	113,300	104,900	3.44	3.56
@	The Gemini	19 Nov 2002	Leasehold	60 years	18 Nov 2062	41 Science Park Road	117,000	31 Mar 2011	117,000	99,900	3.55	3.39
	Honeywell Building	19 Nov 2002	Leasehold	60 years ^(c)	15 Dec 2058 ^(c)	17 Changi Business Park Central 1	68,300	31 Mar 2011	68,300	57,700	2.08	1.96
@	Ultro Building	30 Oct 2003	Leasehold	60 years ^(c)	31 Jan 2061 ^(c)	1 Changi Business Park Avenue 1	40,300	31 Mar 2011	40,300	38,300	1.22	1.30
#	Telepark	02 Mar 2005	Leasehold	99 years	01 Apr 2091	5 Tampines Central 6	249,900	31 Mar 2011	249,900	234,800	7.59	7.97
@	Techquest	05 Oct 2005	Leasehold	60 years	15 Jun 2055	7 International Business Park	25,000	31 Mar 2011	25,000	21,100	0.76	0.72
@	PSB Science Park Building	18 Nov 2005	Leasehold	95.5 years	30 Jun 2080	1 Science Park Drive	75,000	31 Mar 2011	75,000	64,500	2.28	2.19
	13 International Business Park	10 Oct 2006	Leasehold	60 years(c)	15 Jul 2064 ^(c)	13 International Business Park	28,400	31 Mar 2011	28,400	26,800	0.86	0.91
@	iQuest @ IBP	12 Jan 2007	Leasehold	60 years(c)	30 Nov 2055 ^(c)	27 International Business Park	36,600	31 Mar 2011	36,600	31,500	1.11	1.07
	HansaPoint @ CBP	22 Jan 2008	Leasehold	60 years ^(c)	31 Oct 2066 ^(c)	10 Changi Business Park Central 2	83,500	31 Mar 2011	83,500	81,400	2.54	2.76
	Acer Building	19 Mar 2008	Leasehold	60 years(c)	30 Apr 2066 ^(c)	29 International Business Park	88,600	31 Mar 2011	88,600	76,400	2.69	2.59
	Science Hub & Rutherford	26 Mar 2008	Leasehold	60 years	25 Mar 2068	87 & 89 Science Park Drive	71,000	31 Mar 2011	71,000	60,500	2.16	2.05
	31 International Business Park	26 Jun 2008	Leasehold	60 years(c)	15 Dec 2054 ^(c)	31 International Business Park	218,000	31 Mar 2011	218,000	218,000	6.62	7.40
	1, 3 & 5 Changi Business Park Crescent	16 Feb 2009, 25 Sep 2009 &	Leasehold	60 years ^(c)	30 Sep 2067 ^{(c)(f)}	1, 3 & 5 Changi Business Park Crescent	295,300	31 Mar 2011	295,300	179,400	8.97	6.09
	DBS Asia Hub ^(b)	31 Dec 2010 31 Mar 2010	Leasehold	60 years ^(c)	30 Sep 2067 ^(c)	2 Changi Business Park Crescent	141,900	31 Mar 2011	141,900	117,740	4.31	4.00
	Neuros & Immunos ^(b)	31 Mar 2011	Leasehold	60 years ^(c)	30 Sep 2067 (c)(k)	8/8A Biomedical Grove	125,800	28 Feb 2011	127,456	-	3.87	-
	Total (Business and Sc	ience Parks)					1,949,500		1,951,156	1,561,840	59.28	53.00

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

	Description of	Acquisition		Term of	Lease		Latest	Valuation		uation/ Value		ntage of
	Property	Date	Tenure	Lease	Expiry	Location	Valuation ^(a)	Date	2011	2010	2011	
							\$'000		\$'000	\$'000	%	%
	Hi-Tech Industrial Prop	perties										
	Techlink	19 Nov 2002	Leasehold	60 years	24 Sep 2053	31 Kaki Bukit Road 3	103,600	31 Mar 2011	103,600	99,700	3.15	3.38
	Siemens Center	12 Mar 2004	Leasehold	60 years(c)	15 Dec 2061 ^(c)	60 MacPherson Road	92,300	31 Mar 2011	92,300	89,400	2.80	3.03
#	Infineon Building	01 Dec 2004	Leasehold	47 years(e)	30 Jun 2050 ^(e)	8 Kallang Sector	68,800	31 Mar 2011	68,800	66,800	2.09	2.27
#	Techpoint	01 Dec 2004	Leasehold	65 years	31 Mar 2052	10 Ang Mo Kio Street 65	121,100	31 Mar 2011	121,100	114,800	3.68	3.90
#	Wisma Gulab	01 Dec 2004	Freehold	Freehold	-	190 MacPherson Road	63,600	31 Mar 2011	63,600	59,600	1.93	2.02
#	KA Centre	02 Mar 2005	Leasehold	99 years	31 May 2058	150 Kampong Ampat	31,300	31 Mar 2011	31,300	26,100	0.95	0.89
#	KA Place	02 Mar 2005	Leasehold	99 years	31 May 2058	159 Kampong Ampat	14,400	31 Mar 2011	14,400	11,800	0.44	0.40
#	Kim Chuan Telecommunications Complex	02 Mar 2005	Leasehold	99 years	30 Mar 2091	38 Kim Chuan Road	134,000	31 Mar 2011	134,000	123,500	4.07	4.19
@	Pacific Tech Centre	01 Jul 2005	Leasehold	99 years	31 Dec 2061	1 Jalan Kilang Timor	75,500	31 Mar 2011	75,500	75,400	2.29	2.56
	Techview	05 Oct 2005	Leasehold	60 years	08 Jul 2056	1 Kaki Bukit View	98,300	31 Mar 2011	98,300	98,700	2.99	3.35
@	1 Jalan Kilang	27 Oct 2005	Leasehold	99 years	31 Dec 2061	1 Jalan Kilang	22,400	31 Mar 2011	22,400	19,500	0.68	0.66
	30 Tampines Industrial Avenue 3	15 Nov 2005	Leasehold	60 years(c)	31 Dec 2063 ^(c)	30 Tampines Industrial Avenue 3	28,300	31 Mar 2011	28,300	24,000	0.86	0.81
@	50 Kallang Avenue	27 Feb 2006	Leasehold	60 years(c)	15 Nov 2055 ^(c)	50 Kallang Avenue	36,900	31 Mar 2011	36,900	33,600	1.12	1.14
@	138 Depot Road	15 Mar 2006	Leasehold	60 years(c)	30 Nov 2064 ^(c)	138 Depot Road	64,000	31 Mar 2011	64,000	60,700	1.94	2.06
@	2 Changi South Lane	01 Feb 2007	Leasehold	60 years(c)	15 Oct 2057 ^(c)	2 Changi South Lane	32,900	31 Mar 2011	32,900	31,600	1.00	1.07
	CGG Veritas Hub	25 Mar 2008	Leasehold	60 years(c)	31 Dec 2067 ^(c)	9 Serangoon North Avenue 5	19,700	31 Mar 2011	19,700	17,900	0.60	0.61
	38A Kim Chuan Road	11 Dec 2009	Leasehold	99 years	30 Mar 2091	38A Kim Chuan Road	107,700	31 Mar 2011	107,700	100,000	3.27	3.39
	Total (Hi-Tech Industrial	Properties)					1,114,800		1,114,800	1,053,100	33.87	35.73

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	Description of	Acquisition		Term of	Lease		Latest	Valuation	At Valu			ntage of Assets
	Property	Date	Tenure	Lease	Expiry	Location	Valuation ^(a) \$'000	Date	2011 \$'000	2010 \$'000	2011 %	
	Light Industrial Propert	ies										
@	Techplace I	19 Nov 2002	Leasehold	65 years	31 Mar 2052	Blk 4008-4012 Ang Mo Kio Avenue 10	118,800	31 Mar 2011	118,800	117,000	3.61	3.97
@	Techplace II	19 Nov 2002	Leasehold	65 years	31 Mar 2052	Blk 5000-5014 Ang Mo Kio Avenue 5	147,700	31 Mar 2011	147,700	144,400	4.49	4.90
	OSIM Headquarters	20 Jun 2003	Leasehold	60 years	09 Mar 2057	65 Ubi Avenue 1	40,000	31 Mar 2011	40,000	40,000	1.22	1.36
@	Ghim Li Building	13 Oct 2003	Leasehold	60 years(c)	28 Feb 2055 ^(c)	41 Changi South Avenue 2	14,900	31 Mar 2011	14,900	14,900	0.45	0.51
#	Progen Building	29 Jul 2004	Leasehold	60 years(c)	15 Jan 2056 ^(c)	12 Woodlands Loop	26,700	31 Mar 2011	26,700	26,500	0.81	0.90
#	SB Building	26 Nov 2004	Leasehold	60 years ^(c)	30 Sep 2057 ^(c)	25 Changi South Street 1	22,400	31 Mar 2011	22,400	22,100	0.68	0.75
#	247 Alexandra Road	01 Dec 2004	Leasehold	99 years	25 Sep 2051	247 Alexandra Road	57,300	31 Mar 2011	57,300	55,000	1.74	1.87
	5 Tai Seng Drive	01 Dec 2004	Leasehold	60 years	30 Nov 2049	5 Tai Seng Drive	16,600	31 Mar 2011	16,600	16,400	0.50	0.56
#	Volex Building	01 Dec 2004	Leasehold	60 years ^(c)	31 Jan 2052 ^(c)	35 Tampines Street 92	11,500 3	31 Mar 2011	11,500	11,300	0.35	0.38
#	53 Serangoon North Avenue 4	27 Dec 2004	Leasehold	60 years ^(c)	30 Nov 2055 ^(c)	53 Serangoon North Avenue 4	11,900 3	31 Mar 2011	11,900	17,300	0.36	0.59
	3 Tai Seng Drive	01 Apr 2005	Leasehold	60 years	30 Nov 2049	3 Tai Seng Drive	18,400	31 Mar 2011	18,400	18,300	0.56	0.62
#	27 Ubi Road 4	01 Apr 2005	Leasehold	60 years(c)	31 Oct 2055 ^(c)	27 Ubi Road 4	12,100	31 Mar 2011	12,100	13,900	0.37	0.47
#	52 Serangoon North Avenue 4	04 Apr 2005	Leasehold	60 years ^(c)	15 Sep 2055 ^(c)	52 Serangoon North Avenue 4	,	31 Mar 2011	17,900	17,700	0.54	0.60
#	Hyflux Building	04 Apr 2005	Leasehold	60 years	15 Jan 2041	202 Kallang Bahru	,	31 Mar 2011	21,600	21,500	0.66	0.73
	Weltech Building	16 May 2005	Leasehold	60 years(c)	29 Feb 2056 ^(c)	25 Ubi Road 4	,	31 Mar 2011	10,300	10,300	0.31	0.35
@	BBR Building	21 Jun 2005	Leasehold	60 years ^(c)	15 Sep 2057 ^(c)	50 Changi South Street 1		31 Mar 2011	9,300	9,100	0.28	0.31
@	Tampines Biz-Hub	05 Oct 2005	Leasehold	60 years ^(c)	30 Nov 2049 ^(c)	11 Tampines Street 92	,,,,,,,	31 Mar 2011	19,000	19,000	0.58	0.64
@	84 Genting Lane	05 Oct 2005	Leasehold	43 years(h)	30 Nov 2039 ^(h)	84 Genting Lane	,	31 Mar 2011	13,300	12,600	0.40	0.43
@	Hoya Building	05 Oct 2005	Leasehold	30 years	15 May 2033	455A Jalan Ahmad Ibrahim	,	31 Mar 2011	7,300	7,300	0.22	0.25
@	NNB Industrial Building	05 Oct 2005	Leasehold	60 years ^(c)	15 Jan 2056 ^(c)	10 Woodlands Link	,	31 Mar 2011	15,300	15,300	0.46	0.52
@	37A Tampines Street 92	01 Dec 2005	Leasehold	60 years ^(c)	30 Jun 2054 ^(c)	37A Tampines Street 92	,	31 Mar 2011	13,700	13,500	0.42	0.46
	Hamilton Sundstrand Building	09 Dec 2005	Leasehold	60 years ^(c)	28 Feb 2065 ^(c)	11 Changi North Rise		31 Mar 2011	35,900	35,300	1.09	1.20
@	Thales Building (I&II)	03 Jan 2006 & 20 Mar 2008	Leasehold	42 years ⁽¹⁾	30 Jun 2047 [®]	21 Changi North Rise	10,000	31 Mar 2011	10,000	10,000	0.30	0.34
	Balance carried forward -	- (Light Industria	al Properties)				671,900		671,900	668,700	20.41	22.69

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

	Description of	Acquisition		Term of	Lease		Latest	Valuation	At Valu			ntage of Assets
	Property	Date	Tenure	Lease	Expiry	Location	Valuation ^(a) \$'000	Date	2011 \$'000	2010 \$'000	2011 %	2010 %
	Light Industrial Properti	ies										
	Balance brought forward	– (Light Industri	ial Properties)			671,900		671,900	668,700	20.41	22.69
@	Aztech Building	21 Feb 2006	Leasehold	60 years(c)	28 Feb 2050 ^(c)	31 Ubi Road 1	23,900	31 Mar 2011	23,900	23,800	0.73	0.81
@	Ubi Biz-Hub	27 Mar 2006	Leasehold	60 years(c)	30 Jun 2056 ^(c)	150 Ubi Avenue 4	15,900 3	31 Mar 2011	15,900	15,700	0.48	0.53
@	26 Senoko Way	08 Jan 2007	Leasehold	60 years(c)	15 Sep 2051 ^(c)	26 Senoko Way	15,300	31 Mar 2011	15,300	15,300	0.46	0.52
@	Super Industrial Building	08 Jan 2007	Leasehold	60 years(c)	31 May 2056 ^(c)	2 Senoko South Road	32,500	31 Mar 2011	32,500	32,000	0.99	1.09
@	1 Kallang Place	01 Feb 2007	Leasehold	30 years	30 Nov 2024	1 Kallang Place	10,900	31 Mar 2011	10,900	11,100	0.33	0.38
@	18 Woodlands Loop	01 Feb 2007	Leasehold	60 years(c)	15 Feb 2057 ^(c)	18 Woodlands Loop	17,000 3	31 Mar 2011	17,000	16,600	0.52	0.56
@	9 Woodlands Terrace	01 Feb 2007	Leasehold	60 years(c)	31 Dec 2054 ^(c)	9 Woodlands Terrace	2,050	31 Mar 2011	2,050	1,900	0.06	0.06
@	11 Woodlands Terrace	01 Feb 2007	Leasehold	60 years(c)	15 Jan 2056 ^(c)	11 Woodlands Terrace	2,000 3	31 Mar 2011	2,000	1,900	0.06	0.06
	1 Senoko Avenue ^(m)	15 May 2007	Leasehold	60 years(c)	15 Nov 2044 ^(c)	1 Senoko Avenue	- 3	31 Mar 2011	-	6,100	-	0.21
	8 Loyang Way 1	05 May 2008	Leasehold	30 years®	15 Jul 2052 [®]	8 Loyang Way 1	23,500	31 Mar 2011	23,500	23,400	0.71	0.79
	31 Joo Koon Circle ^(b)	30 Mar 2010	Leasehold	60 years(c)	15 Aug 2055 ^(c)	31 Joo Koon Circle	15,500 3	31 Mar 2011	15,500	15,300	0.47	0.52
	Total (Light Industrial Prop	perties)					830,450		830,450	831,800	25.23	28.23

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	Description of	Acquisition		Term of	Lease		Latest	Valuation		uation/ Value		ntage of Assets
	Property	Date	Tenure	Lease	Expiry	Location	Valuation ^(a) \$'000	Date	2011 \$'000	2010 \$'000	2011 %	2010 %
	Logistics & Distribution	Centres										
	IDS Logistics Corporate HQ	19 Feb 2004	Leasehold	58 years ^(d)	31 Aug 2056 ^(d)	279 Jalan Ahmad Ibrahim	47,000	31 Mar 2011	47,000	47,000	1.43	1.59
	LogisTech	04 Mar 2004	Leasehold	60 years	15 Nov 2056	3 Changi North Street 2	41,500	31 Mar 2011	41,500	40,000	1.26	1.36
@	10 Toh Guan Road	05 Mar 2004	Leasehold	60 years(c)	15 Oct 2055 ^(c)	10 Toh Guan Road	90,000	31 Mar 2011	90,000	90,000	2.73	3.05
	Changi Logistics Centre	09 Mar 2004	Leasehold	60 years(c)	15 Oct 2050(c)	19 Loyang Way	65,000	31 Mar 2011	65,000	62,500	1.97	2.12
	Nan Wah Building	31 May 2004	Leasehold	60 years(c)	15 Oct 2057 ^(c)	4 Changi South Lane	29,000	31 Mar 2011	29,000	27,000	0.88	0.92
	C & P Logistics Hub	21 Jul 2004	Leasehold	48 years(f)	30 Nov 2049 ^(f)	40 Penjuru Lane	250,000	31 Mar 2011	250,000	225,000	7.59	7.63
#	Xilin Districentre Building A&B	02 Dec 2004	Leasehold	60 years(c)	31 May 2054 ^(c)	3 Changi South Street 2	33,900	31 Mar 2011	33,900	33,500	1.03	1.14
#	MacDermid Building	02 Dec 2004	Leasehold	60 years(c)	15 Jul 2050 ^(c)	20 Tuas Avenue 6	6,850	31 Mar 2011	6,850	6,500	0.21	0.22
	Xilin Districentre Building D	09 Dec 2004	Leasehold	60 years(c)	31 Oct 2055 ^(c)	6 Changi South Street 2	29,500	31 Mar 2011	29,500	28,500	0.90	0.97
#	Freight Links (Changi) Building	28 Dec 2004	Leasehold	60 years(c)	30 Apr 2055 ^(c)	9 Changi South Street 3	34,500	31 Mar 2011	34,500	34,500	1.05	1.17
#	Freight Links (Toh Guan) Building	28 Dec 2004	Leasehold	60 years(c)	15 Dec 2049 ^(c)	5 Toh Guan Road East	37,000	31 Mar 2011	37,000	38,000	1.12	1.29
@	Xilin Districentre Building C	05 May 2005	Leasehold	60 years(c)	30 Sep 2054 ^(c)	7 Changi South Street 2	31,000	31 Mar 2011	31,000	31,000	0.94	1.05
	Senkee Logistics Hub (Phase I and II)	23 Sep 2005 & 01 Feb 2008	Leasehold	45 years ^(g)	31 Jan 2049 ^(g)	19 & 21 Pandan Avenue	115,000	31 Mar 2011	115,000	109,000	3.49	3.70
@	1 Changi South Lane	05 Oct 2005	Leasehold	60 years	31 Aug 2058	1 Changi South Lane	41,700	31 Mar 2011	41,700	40,500	1.27	1.37
@	LogisHub @ Clementi	05 Oct 2005	Leasehold	60 years(c)	15 May 2053 ^(c)	2 Clementi Loop	32,500	31 Mar 2011	32,500	30,000	0.99	1.02
@	JEL Centre	18 Nov 2005	Leasehold	60 years ^(c)	15 Nov 2063 ^(c)	11 Changi North Way	15,400	31 Mar 2011	15,400	14,300	0.47	0.49
@	Logistics 21	14 Jun 2006	Leasehold	58 years(c)	30 Sep 2055 ^(c)	21 Jalan Buroh	64,000	31 Mar 2011	64,000	61,050	1.94	2.07
@	Sembawang Kimtrans Logistics Centre	14 Jun 2006	Leasehold	60 years(c)	15 Feb 2057 ^(c)	30 Old Toh Tuck Road	23,000	31 Mar 2011	23,000	21,900	0.70	0.74
	Goldin Logistics Hub	05 Dec 2007	Leasehold	30 years	30 Apr 2036	6 Pioneer Walk	,	31 Mar 2011	23,500	22,500	0.71	0.76
	Sim Siang Choon Building	19 Mar 2008	Leasehold	60 years ^(c)	30 Sep 2054 ^(c)	21 Changi South Avenue 2	27,500	31 Mar 2011	27,500	27,000	0.84	0.92
	15 Changi North Way	29 Jul 2008	Leasehold			15 Changi North Way	,	31 Mar 2011	46,500	44,500	1.41	1.51
	Pioneer Hub	12 Aug 2008	Leasehold	30 years	30 Nov 2036	15 Pioneer Walk	,	31 Mar 2011	96,000	95,000	2.92	3.22
	71 Alps Avenue	02 Sep 2009	Leasehold	60 years(c)	14 Aug 2068 ^(c)	71 Alps Avenue	28,800	31 Mar 2011	28,800	27,500	0.87	0.93
	Total (Logistics & Distribu	tion Centres)					1,209,150		1,209,150	1,156,750	36.73	39.25

INVESTMENT PROPERTIES PORTFOLIO STATEMENT

Description of	of Acquisition	Acquisition Te	Term of	Term of Lease		Latest	Valuation	At Valuation/ Book Value		Percentage of Net assets	
Property	Date	Tenure	Lease	Expiry	Location	Valuation ^(a)	Date	2011	2010	2011	2010
						\$'000		\$'000	\$'000	%	%
Warehouse Retail Fac	ilities										
Courts Megastore	30 Nov 2006	Leasehold	30 years	31 Dec 2035	50 Tampines North Drive 2	61,000	31 Mar 2011	61,000	61,000	1.85	2.07
Giant Hypermart	06 Feb 2007	Leasehold	30 years	31 Dec 2035	21 Tampines North Drive 2	88,000 3	31 Mar 2011	88,000	76,100	2.67	2.58
Total (Warehouse Retail	Facilities)					149,000		149,000	137,100	4.53	4.65
Total Investment Prop	erties					5,252,900		5,254,556	4,740,590	159.63	160.86
Other assets and liabil	lities (net)							(1,962,890)	(1,793,616)	(59.63)	(60.86)
Net assets								3,291,666	2,946,974	100.00	100.00

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INVESTMENT PROPERTIES PORTFOLIO STATEMENT

As at 31 March 2011

Investment properties comprise a diverse portfolio of industrial properties that are leased to external customers. Most of the leases for multi-tenanted buildings contain an initial non-cancellable period ranging from one to three years. Subsequent renewals are negotiated with the respective lessees.

- (a) In March 2011, independent valuations for 92 (2010: 91) properties were undertaken by CB Richard Ellis (Pte) Ltd, DTZ Debenham Tie Leung (SEA) Pte Ltd, Colliers International Consultancy & Valuation (Singapore) Pte Ltd, Jones Lang LaSalle and Cushman & Wakefield Singapore Pte Ltd in March 2011. These firms are independent valuers having appropriate professional qualifications and recent experience in the location and category of the properties being valued. The valuation for these properties were based on the direct comparison method, capitalisation approach and discounted cash flow analysis. The valuations adopted amounted to \$5,127 million (2010: \$4,608 million). The net increase in valuation of \$344.8 million (2010: net decrease in valuation of \$53.7 million) has been recognised in the Statement of Total Return.
- (b) As at 31 March 2011, Neuros & Immunos was acquired in March 2011 and was recorded at the costs incurred upon acquisition. DBS Asia Hub and 31 Joo Koon Circle were acquired in March 2010 and were recorded at the costs incurred upon acquisition.
- (c) Includes an option for A-REIT to renew the land lease for a further term of 30 years upon expiry.
- (d) Includes an option for A-REIT to renew the land lease for a further term of 28 years upon expiry.
- (e) Includes an option for A-REIT to renew the land lease for a further term of 17 years upon expiry.
- (f) Includes an option for A-REIT to renew the land lease for a further term of 24.4 years upon expiry.
- (g) Includes an option for A-REIT to renew the land lease for a further term of 15 years upon expiry.
- (h) Includes an option for A-REIT to renew the land lease for a further term of 13 years upon expiry.
- (i) Includes an option for A-REIT to renew the land lease for a further term of 12 years upon expiry.
- (j) At the end of the 30 years lease, A-REIT has the option to renew the land lease for Building A for a further term of 26 years upon expiry and to renew the land lease for Building B for a further term of 16 years, 4 months and 16 days upon expiry.
- (k) Neuros & Immunos was acquired from a related party of the Manager, Ascendas (Tuas) Pte Ltd, during the current financial year.
- (l) As at 31 March 2011, the valuation of 1, 3 & 5 Changi Business Park Crescent includes phase III of the development, which was completed on 31 December 2010.
- (m) 1 Senoko Avenue is currently undergoing redevelopment and the net carrying amount was transferred to investment properties under development (see note 5) as at 31 March 2011.
- Portfolio 3 properties pledged as security for the credit facilities granted by Emerald Assets Limited in relation to the term loan of \$395 million (see note 15).
- # Portfolio CL These properties were pledged as security for the credit facilities granted by Emerald Assets Limited in relation to the term loan of \$350 million. After the early redemption of the \$350 million term loan in the previous financial year, these properties were discharged from the mortgage to Emerald Assets Limited and pledged as security for the credit facilities granted by Ruby Assets Pte. Ltd. in relation to the collateral loan of \$300 million (see notes 15 and 16).

CASH FLOW STATEMENT

Year ended 31 March 2011

	Note	2011 \$'000	2010 \$'000
Operating activities			
Net income		233,665	225,533
Adjustments for:			
Depreciation of plant and equipment	6	1,272	1,101
Allowance for impairment loss made/(reversed) for doubtful receivables	9	6	(72)
Finance income Finance costs	23 23	(3,295) 77,655	(1,650) 69,805
Management fees paid/payable in units	20	4,945	4,684
Foreign exchange gain		(2,352)	-
Operating income before working capital changes		311,896	299,401
Changes in working capital:			
Trade and other receivables		(3,530)	88
Trade and other payables		(7,811)	(13,721)
Cash flows from operating activities		300,555	285,768
Investing activities			
Purchase of investment properties	Α	(239,227)	(15,134)
Payment for investment properties and other assets under development		(91,007)	(196,599)
Purchase of plant and equipment		(171)	-
Payment for capital improvement projects		(9,042)	(3,320)
Payment for deferred settlements		(7,340)	(9,345)
Deposit paid Interest received		(26,151) 2,855	- 61
Cash flows from investing activities		(370,083)	(224,337)
		(67 0,000)	(221,001)
Financing activities Equity issue costs paid		_	(4,947)
Proceeds from issue of units		_	301,550
Distributions paid to Unitholders		(237,685)	(225,752)
Finance costs paid		(69,298)	(59,726)
Proceeds from borrowings		1,002,568	1,221,600
Repayment of borrowings		(624,200)	(1,587,193)
Proceeds from collateral loan		_	300,000
Transaction costs paid in respect of borrowings		_	(7,263)
Transaction costs paid in respect of collateral loan		(2,456)	(7,769)
Cash flows from financing activities		68,929	(69,500)
Net decrease in cash and cash equivalents		(599)	(8,069)
Cash and cash equivalents at beginning of financial year		8,666	16,735
Cash and cash equivalents at end of financial year		8,067	8,666

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CASH FLOW STATEMENT

Year ended 31 March 2011

Notes:

(A) The net cash outflow on purchase of investment properties (including acquisition costs)

The net cash outflow on purchase of investment properties (including acquisition costs) is set out below:

	2011 \$'000	2010 \$'000
Investment properties (including acquisition costs)	242,438 ⁽¹⁾	133,040
Trade and other payables	(2,102)	(117,055)
Net identifiable assets acquired/cash consideration paid	240,336	15,985
Cash received	(1,109)	(851)
Net cash outflow	239,227	15,134

⁽¹⁾ Includes \$114,982,000 paid for the acquisition of DBS Asia Hub in the previous financial year (see note 11).

(B) Significant non-cash transactions

On 29 June 2010 and 15 December 2010, A-REIT issued 1,361,125 and 1,160,431 new units at an issue price of \$1.8780 and \$2.1110 per unit respectively, as payment of 20% of the base management fees. On 29 June 2010, A-REIT also issued 617,678 new units at an issue price of \$1.8780 as payment for acquisition fee to the Manager in relation to the acquisition of DBS Asia Hub.

In the previous financial year, A-REIT issued 1,447,023 new units on 16 June 2009 and 1,233,644 new units on 15 December 2009 at an issue price of \$1.5715 and \$1.8985 per unit respectively, as payment of 20% of the base management fees.

The above issue prices were determined based on the volume weighted average traded price for all trades done on Singapore Exchange Securities Trading Limited ("SGX-ST") in the ordinary course of trading for 10 business days immediately preceding the respective date of issue of the new units.

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager and the Trustee on 27 May 2011.

1. General

Ascendas Real Estate Investment Trust ("A-REIT") is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 9 October 2002 between Ascendas Funds Management (S) Limited (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"), as amended by the First Supplemental Deed dated 16 January 2004, the Second Supplemental Deed dated 23 February 2004, the Third Supplemental Deed dated 30 September 2004, the Fourth Supplemental Deed dated 17 November 2004, the Fifth Supplemental Deed dated 20 April 2006 and as sanctioned by Extraordinary Resolutions obtained at a meeting of Unitholders duly convened and held on 28 June 2007 and as restated by the First Amending and Restating Deed dated 11 June 2008, as amended by the Seventh Supplemental Deed dated 22 January 2009, Eighth Supplemental Deed dated 17 September 2009, Ninth Supplemental Deed dated 31 May 2010 and Tenth Supplemental Deed dated 22 July 2010 ("Trust Deed").

A-REIT was formally admitted to the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 19 November 2002 and was included under the Central Provident Fund ("CPF") Investment Scheme on 15 October 2002.

The principal activity of A-REIT is to invest in a diverse portfolio of properties and property related assets with the primary objective of achieving an attractive level of return and long-term capital growth.

A-REIT has entered into several service agreements in relation to the management of A-REIT and its property operations. The fees structures of these services are as follows:

(a) Trustee's fees

Trustee's fees shall not exceed 0.25% per annum of the value of all the gross assets of A-REIT ("Deposited Property") (subject to a minimum of \$10,000 per month) or such higher percentage as may be fixed by an Extraordinary Resolution of a meeting of Unitholders. Based on the current agreement between the Manager and the Trustee, the Trustee charges 0.03% per annum of the Deposited Property. The Trustee's fees are payable out of the Deposited Property (being all the assets of A-REIT, as stipulated in the Trust Deed) of A-REIT monthly in arrears. The Trustee is also entitled to reimbursement of expenses incurred in the performance of its duties under the Trust Deed.

(b) Management fees

The Manager is entitled to receive the following remuneration:

- (i) a base management fee of 0.5% per annum of the Deposited Property or such higher percentage as may be approved by an Extraordinary Resolution of a meeting of Unitholders; and
- (ii) an annual performance fee of:
 - 0.1% per annum of the Deposited Property, provided that the annual growth in distributions per unit in a
 given financial year (calculated before accounting for the performance fee in that financial year) exceeds
 2.5%; and
 - an additional 0.1% per annum of the Deposited Property, provided that the growth in distributions per unit in a given financial year (calculated before accounting for the performance fee in that financial year) exceeds 5.0%.
- (iii) an acquisition fee of 1.0% of the purchase price of investment property acquired by the Trustee on behalf of A-REIT.

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- (iv) a divestment fee of 0.5% of the sale price of investment property sold or divested by the Trustee on behalf of A-REIT.
- (v) a development management fee, not exceeding 3.0% of the total project cost incurred in development projects undertaken by A-REIT. In cases where the market pricing for comparables services is materially lower, the Manager will reduce the development management fees to less than 3.0%. In addition, when the estimated total project cost is greater than \$100.0 million, the Trustee's and the Manager's independent directors will first review and approve the quantum of the development management fee.

With effect from 19 November 2007, the Manager has elected to receive 20.0% of the base management fees in units and 80.0% in cash for all properties.

With effect from 17 November 2004, the Manager may elect to receive performance fees in cash and/or units, in such proportion as may be determined by the Manager. The Manager has elected to receive 100% of the performance fee in the form of cash for the financial year ended 31 March 2011.

The cash component of the base management fees will be paid monthly in arrears and the units component will be paid on a six-monthly basis in arrears. The performance fee will be paid within 60 days of the last day of every financial year.

(c) Fees under the property management agreement

(i) Property management services

For property management services, A-REIT will pay Ascendas Services Pte Ltd (the "Property Manager"), for each Fiscal Year (as defined in the Property Management Agreement), a fee of 2.0% per annum of the gross revenue of each property, managed by the Property Manager.

(ii) Lease management services

For lease management services, A-REIT will pay the Property Manager, for each Fiscal Year, a fee of 1.0% per annum of the gross revenue of each property.

In addition, in relation to the services provided by the Property Manager in respect of property tax objections submitted to the tax authorities on any proposed annual value of a property, the Property Manager is entitled to the following fees if as a result of such objections, the proposed annual value is reduced resulting in property tax savings for the property:

- where the proposed annual value is \$1.0 million or less, a fee of 7.5% of the property tax savings;
- where the proposed annual value is more than \$1.0 million but does not exceed \$5.0 million, a fee of 5.5% of the property tax savings; and
- where the proposed annual value is more than \$5.0 million, a fee of 5.0% of the property tax savings.

The above mentioned fee is a lump sum fixed fee based on the property tax savings calculated on a 12-month period.

(iii) Marketing services

For marketing services, A-REIT will pay the Property Manager, the following commissions:

- 1.0 month's gross rent inclusive of service charge for securing a tenancy of three years or less;
- 2.0 months' gross rent inclusive of service charge for securing a tenancy of more than three years;

- if a third party agent secures a tenancy, the Property Manager will be responsible for all commissions payable to such third party agent and the Property Manager will be entitled to a commission of:
 - 1.2 months' gross rent inclusive of service charge for securing a tenancy of three years or less; and
 - 2.4 months' gross rent inclusive of service charge for securing a tenancy of more than three years;
- 0.5 month's gross rent inclusive of service charge for securing a renewal of tenancy of three years or less; and
- 1.0 month's gross rent inclusive of service charge for securing a renewal of tenancy of more than three years.

(iv) Project management services

For project management services, A-REIT will pay the Property Manager the following fees for the development or redevelopment (if not prohibited by the Property Funds Guidelines or if otherwise permitted by the Monetary Authority of Singapore) the refurbishment, retrofitting and renovation works on a property:

- where the construction costs are \$2.0 million or less, a fee of 3.0% of the construction costs;
- where the construction costs exceed \$2.0 million but do not exceed \$12.0 million, a fee of 2.15% of the construction costs;
- where the construction costs exceed \$12.0 million but do not exceed \$40.0 million, a fee of 1.45% of the construction costs:
- where the construction costs exceed \$40.0 million but do not exceed \$70.0 million, a fee of 1.40% of the construction costs;
- where the construction costs exceed \$70.0 million but do not exceed \$100.0 million, a fee of 1.35% of the construction costs; and
- where the construction costs exceed \$100.0 million, a fee to be mutually agreed by the parties.

(v) Energy audit services

For energy audit services, A-REIT will pay the Property Manager \$4,000 per chiller for the first two sets of chiller in the building and \$2,000 for any subsequent set of chiller in the building. In addition to these fees, A-REIT will share with the Property Manager 40% of the cost savings achieved in each building subject to a maximum of \$40,000 per building within a period of 3 years.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with the recommendations of Statement of Recommended Accounting Practice ("RAP") 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore, and the applicable requirements of the Code on Collective Investment Schemes (the "CIS Code") issued by the Monetary Authority of Singapore ("MAS") and the provisions of the Trust Deed. RAP 7 requires that accounting policies adopted should generally comply with the recognition and measurement principles of Singapore Financial Reporting Standards ("FRS").

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(b) Functional and presentation currency

The financial statements are presented in Singapore dollars, which is A-REIT's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

(c) Basis of measurement

The financial statements are prepared on the historical cost basis, except for investment properties, and certain financial assets and financial liabilities which are stated at fair value as described in note 3(f).

(d) Use of estimates and judgements

The preparation of financial statements in conformity with RAP 7 requires the Manager to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

- Note 4 Valuation of investment properties;
- Note 5 Valuation of investment properties under development; and
- Note 31 Valuation of financial instruments.

3. Significant accounting policies

The accounting policies set out below have been applied consistently by A-REIT to all periods presented in these financial statements.

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of A-REIT (Singapore dollars) at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date on which the fair value was determined.

Foreign currency differences arising on translation are recognised in the Statement of Total Return.

(b) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation, or for both, but not for sale in the ordinary course of business. Investment properties are initially stated at cost, including transaction costs and are measured at fair value thereafter, with any change therein recognised in the Statement of Total Return. Fair values are determined in accordance with the Trust Deed, which requires the investment properties to be valued by independent registered valuers in the following events:

- (i) in such manner and frequency required under the CIS Code issued by MAS; and
- (ii) at least once in each period of 12 months following the acquisition of the investment properties.

Any increase or decrease on revaluation is credited or charged to the Statement of Total Return as a change in fair value of the investment properties.

When A-REIT holds a property for interest under an operating lease to earn rental income or for capital appreciation or both, the interest is classified and accounted for as investment properties on a property-by-property basis.

Subsequent expenditure relating to investment properties that have already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of originally assessed standard of performance of the existing asset, will flow to A-REIT. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

When an investment property is disposed of, the resulting gain or loss recognised in the Statement of Total Return is the difference between net disposal proceeds and the carrying amount of the property.

Investment properties are not depreciated. The properties are subject to continuing maintenance and are regularly revalued on the basis described above. For taxation purposes, A-REIT may claim capital allowances on assets that qualify as plant and machinery under the Income Tax Act.

(c) Investment properties under development

Investment properties under development are properties constructed or developed for future use as investment properties. Investment properties under development are measured at fair value. The difference between the fair value and cost (including acquisition costs, development expenditure, borrowing costs and other related expenditure) is credited or charged to the Statement of Total Return as a change in fair value of investment properties under development. Upon completion, the carrying amounts are reclassified to investment properties.

(d) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefit in excess of the originally assessed standard of performance of the existing asset will flow to A-REIT. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is provided on the straight-line basis over the estimated useful lives of each component of an item of plant and equipment as follows:

Furniture and fixtures 7 years
Equipment 8 to 10 years
Computers and office equipment 1 year

Gains or losses arising from the retirement or disposal of plant and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Total Return on the date of retirement or disposal.

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Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted as appropriate.

(e) Finance leases

Leases which A-REIT has substantially transferred all the risks and rewards incidental to ownership of the asset to the lessee are classified as finance leases. The leased asset is derecognised and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is recognised as finance lease receivable on the balance sheet. The difference between the gross receivable and the present value of the lease receivable is recognised as unearned interest income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned interest income. The interest income is recognised in the Statement of Total Return on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

(f) Financial instruments

Recognition and derecognition

A financial instrument is recognised if A-REIT becomes a party to the contractual provisions of the instruments. Financial assets are derecognised if A-REIT's contractual rights to the cash flows from the financial assets expire or if A-REIT transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that A-REIT commits itself to purchase or sell the asset. Financial liabilities are derecognised if A-REIT's obligations specified in the contract expire or are discharged or cancelled.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when, and only when A-REIT has a legal right to offset the amounts and intends either to settle on a net basis, or realise the asset and settle the liability simultaneously.

Non-derivative financial instruments

Non-derivative financial assets comprise trade and other receivables, cash and cash equivalents and other financial assets.

Non-derivative financial liabilities comprise trade and other payables, security deposits, deferred payments, term loans, medium term notes and short term borrowings.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not measured at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

Compound financial instruments

Compound financial instruments comprise the collateral loan that contains embedded derivatives.

The collateral loan is designated as a financial liability at fair value through profit or loss as it relates to a financial instrument that contains embedded derivatives that significantly modify the cash flows that would otherwise be required under the contract.

Upon initial recognition, the collateral loan is measured at fair value and transaction costs directly attributable to the collateral loan are recognised in the Statement of Total Return as incurred. Subsequent to initial recognition, the collateral loan is measured at fair value, with changes therein recognised in the Statement of Total Return as finance income or finance costs.

Derivative financial instruments and hedging activities

A-REIT holds derivative financial instruments to hedge its interest rates exposures. Derivative financial instruments are recognised initially at fair value and attributable transaction costs are recognised in the Statement of Total Return when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below:

Cash flow hedges

Changes in the fair value of derivative hedging instruments designated as cash flow hedges are recognised directly in Unitholders' funds to the extent that the hedge is effective. The effective portion of the change in fair value of the derivative is taken to the hedging reserves in Unitholders' funds. The amount recognised in the hedging reserves in Unitholders' funds is removed and included in Statement of Total Return in the same period as the hedged cash flows affect Statement of Total Return under the same line item in the Statement of Total Return as the hedged item. Any ineffective portion of changes in fair value are recognised in the Statement of Total Return.

If the hedging instrument no longer meets the criteria for hedge accounting, expires, or is sold, terminated or exercised, hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in Unitholders' funds remains there until the forecast transaction occurs. When the hedged item is a non-financial asset, the amount recognised in the Unitholders' funds is transferred to the carrying amount of the asset when it is recognised. If the forecast transaction is no longer expected to occur, then the balance in Unitholders' funds is recognised immediately in the Statement of Total Return. In other cases, the amount recognised in Unitholders' funds is transferred to the Statement of Total Return in the same period that the hedged item affects the Statement of Total Return.

Other derivative financial instruments

Changes in the fair value of derivative financial instruments that are not designated as hedging instruments in qualifying cash flow hedges are recognised in the Statement of Total Return.

Impairment of financial assets

A financial asset is assessed at each balance sheet date to determine whether there is any objective evidence that is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the Statement of Total Return.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the Statement of Total Return.

(g) Impairment of non-financial assets

The carrying amounts of A-REIT's non-financial assets, other than investment properties and investment properties under development, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

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An impairment loss is recognised in the Statement of Total Return if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses are recognised in the Statement of Total Return, unless it reverses a previous revaluation credited to Unitholders' funds, in which case it is charged to Unitholders' funds.

Calculation of recoverable amount

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Reversals of impairment

Impairment losses recognised in prior periods are assessed at each balance sheet date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(h) Taxation

Taxation on the returns for the year comprises current and deferred tax. Income tax is recognised in the Statement of Total Return, except to the extent that it relates to items directly related to Unitholders' funds, in which case it is recognised in Unitholders' funds.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The temporary differences on initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not provided for. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The Inland Revenue Authority of Singapore ("IRAS") has issued a tax ruling on the taxation of A-REIT for income earned and expenditure incurred after its public listing on SGX-ST. Subject to meeting the terms and conditions of the tax ruling, the Trustee will not be assessed to tax on the taxable income of A-REIT distributed in the same financial year. Instead, the Trustee and the Manager will deduct income tax (if required) at the prevailing corporate tax rate of 17% from the distributions made to Unitholders that are made out of the taxable income of A-REIT in that financial year.

However, the Trustee and the Manager will not deduct tax from distributions made out of A-REIT's taxable income that is not taxed at A-REIT's level to the extent that the beneficial Unitholders are:

- (i) Individuals (whether resident or non-resident) who receive such distributions as investment income (excluding income received through a Singapore partnership);
- (ii) Companies incorporated and tax resident in Singapore;

- (iii) Singapore branches of foreign companies which have presented a letter of approval from the IRAS granting waiver from tax deducted at source in respect of distributions from A-REIT;
- (iv) Non-corporate Singapore constituted or registered entities (e.g. town councils, statutory boards, charitable organisations, management corporations, clubs and trade and industry associations constituted, incorporated, registered or organised in Singapore);
- (v) Central Provident Fund ("CPF") members who use their CPF funds under the CPF Investment Scheme and where the distributions received are returned to the CPF accounts; and
- (vi) Individuals who use their Supplementary Retirement Scheme ("SRS") funds and where the distributions received are returned to the SRS accounts.

The Trustee and the Manager will deduct tax at the reduced concessionary rate of 10% from distributions made out of A-REIT's taxable income that is not taxed at A-REIT's level to beneficial Unitholders who are qualifying foreign non-individual investors. A qualifying foreign non-individual investor is one who is not a resident of Singapore for income tax purposes and:

- (i) Who does not have a permanent establishment in Singapore; or
- (ii) Who carries on any operation in Singapore through a permanent establishment in Singapore, where the funds used to acquire the units in A-REIT are not obtained from that operation.

The reduced concessionary tax rate of 10% will expire for distributions made after 31 March 2015 unless this concession is extended.

(i) Distribution policy

A-REIT's distribution policy is to distribute 100% of its distributable income to Unitholders, other than gains on the sale of properties that are determined by IRAS to be trading gains, and unrealised surplus on revaluation of investment properties. Distributions are usually made on a quarterly basis at the discretion of the Manager.

(j) Issue expenses

Issue expenses represent expenses incurred in the issuance and placement of additional units in A-REIT. The expenses are deducted directly against Unitholders' funds, as stipulated in the Trust Deed.

(k) Revenue recognition

Rental income from operating leases

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives granted are recognised as an integral part of total rental income over the term of the lease.

Other income

Other income comprise interest income received from finance lease receivable, car park charges, utilities income and sundry income. Interest income received from finance lease receivable is recognised on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable. Except for interest income received from finance lease receivable, other income is recognised when the right to receive payment is established, after services have been rendered.

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(I) Expenses

(i) Property operating expenses

Property operating expenses are recognised on an accrual basis. Included in property operating expenses are fees incurred under the Property Management Agreement which are based on the applicable formula stipulated in note 1(c).

Where A-REIT has the use of assets under operating leases, payments made under the leases are recognised in the Statement of Total Return on a straight-line basis over the term of leases.

(ii) Management fees

Management fees are recognised on an accrual basis using the applicable formula stipulated in note 1(b).

(iii) Trust expenses

Trust expenses are recognised on an accrual basis. Included in trust expenses is the trustee's fees which are based on the applicable formula stipulated in note 1(a).

(m) Finance income and finance costs

Finance income comprises interest income, any net gain arising from the extinguishment of interest-bearing borrowings and changes in fair value of financial liabilities measured at fair value through profit or loss. Interest income is recognised as it accrues in the Statement of Total Return, using the effective interest method.

Finance costs comprise interest expense on borrowings, transaction costs directly attributable to financial liabilities measured at fair value through profit or loss, changes in fair value of financial liabilities measured at fair value through profit or loss, and accretion adjustments on borrowings related transaction costs, security deposits and deferred payments.

Interest expense on borrowings, accretion adjustments on borrowings related transaction costs, security deposits and deferred payments are recognised in the Statement of Total Return using the effective interest method over the period of borrowings, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

(n) Operating segments

An operating segment is a component of A-REIT that engages in business activities from which it may earn revenues and incur expenses. All operating segments' operating results are reviewed regularly by A-REIT's chief operating decision maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(o) New standards and interpretations not yet adopted

New standards, amendments to standards and interpretations that are not yet effective for the year ended 31 March 2011 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of A-REIT.

4. Investment properties

		2011	2010
	Note	\$'000	\$'000
At 1 April		4,740,590	4,425,735
Acquisition of investment properties		127,456	133,040
Transfer from investment properties under development	5	77,700	231,947
Transfer to investment properties under development	5	(2,801)	_
Capital expenditure incurred		9,696	3,550
		4,952,641	4,794,272
Net appreciation/(depreciation) on revaluation		301,915	(53,682)
At 31 March		5,254,556	4,740,590

Investment properties are stated at fair values based on valuations performed by independent professional valuers as at 31 March 2011, except for an investment property acquired in March 2011, Neuros & Immunos, which was valued by independent valuer in February 2011. The fair value of this property approximated its carrying amount at the balance sheet date. In determining the fair value, the valuers have used valuation methods which involve certain estimates. The Manager has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The fair values are based on open market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The independent professional valuers have considered valuation techniques including direct comparison method, capitalisation approach and discounted cash flows in arriving at the open market value as at the balance sheet date. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yield, terminal yield, discount rate and average growth rate.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The capitalisation approach capitalises an income stream into a present value using revenue multipliers or single-year capitalisation rates. The discounted cash flows method involves the estimation and projection of an income stream over a period and discounting the income stream with an expected internal rate of return.

As at the balance sheet date, investment properties with an aggregate carrying amount of \$1,371,950,000 (2010: \$1,298,350,000) and \$976,750,000 (2010: \$935,200,000) have been pledged as security for credit facilities granted by Emerald Assets Limited and Ruby Assets Pte. Ltd. respectively, to A-REIT (refer to notes 15 and 16).

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5. Investment properties under development

Note _	2011 \$'000	2010 \$'000
	3,909	76,343
	54,206	159,513
4	2,801	_
4	(77,700)	(231,947)
	(16,784)	3,909
	42,862	_
_	26,078	3,909
	4	Note \$'000 3,909 54,206 4 2,801 4 (77,700) (16,784) 42,862

Investment properties under development are stated at fair value based on management's internal valuation on the investment properties under development at 31 March 2011 using the income and residual method of valuation. The key assumptions used include market-corroborated capitalisation yield, prevailing market costs of construction and cost of finance.

6. Plant and equipment

	Furniture and fixtures	Equipment	Computers and office equipment	Total
	\$'000	\$'000	\$'000	\$'000
Cost				
	0.050	F 70F		0.047
At 1 April 2009 and 2010	2,852	5,795	-	8,647
Additions			171	171
At 31 March 2011	2,852	5,795	171	8,818
Accumulated depreciation				
At 1 April 2009	1,574	2,061	_	3,635
Depreciation charge for the year	414	687	_	1,101
At 31 March 2010	1,988	2,748	_	4,736
At 1 April 2010	1,988	2,748	_	4,736
Depreciation charge for the year	414	687	171	1,272
At 31 March 2011	2,402	3,435	171	6,008
Carrying amount				
At 1 April 2009	1,278	3,734	_	5,012
At 31 March 2010	864	3,047	_	3,911
At 31 March 2011	450	2,360	_	2,810

7. Finance lease receivable

			2011
		Carrying amount \$'000	Face value \$'000
Finance lease receivable			
- Current		1,505	6,315
- Non-current		67,043	122,508
		68,548	128,823
Finance lease receivable is payable by the lessee as follows:			
	Gross receivable	Unearned interest income	Net receivable
	2011	2011	2011
	\$'000	\$'000	\$'000
Within 1 year	6,315	4,810	1,505
After 1 year but within 5 years	25,446	17,979	7,467
After 5 years	97,062	37,486	59,576
	128,823	60,275	68,548

The maximum exposure to credit risk at balance sheet date is represented by the carrying amount of the finance lease receivable. A-REIT has a credit policy in place to monitor the credit rating of the lessee on an ongoing basis. The lessee would be required to provide a security deposit if the credit rating falls below agreed terms. The Manager believes that no impairment allowance is necessary in respect of the finance lease receivable.

8. Other assets

As at 31 March 2011, other assets comprise of other receivables of \$710,000 and a deposit of \$26,152,000 paid for the forward purchase contract of a business space property located in Jingiao Export and Processing Zone in Shanghai, China.

As at 31 March 2010, other assets comprise of other receivables of \$1,107,000 and mechanical and electrical equipment of \$71,635,000 specific to the nature of a tenant's industry which are installed in a building that will be leased to the tenant. The mechanical and electrical equipment was transferred to finance lease receivable (note 7) upon commencement of lease during the current financial year.

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9. Trade and other receivables

	2011	2010
	\$'000	\$'000
Trade receivables, gross	1,583	3,066
Impairment losses	(6)	_
Trade receivables, net	1,577	3,066
Amount due from related parties (trade)	_	71
Deposits	446	379
Other receivables	17,469	10,994
Loans and receivables	19,492	14,510
Prepayments	8,959	10,108
	28,451	24,618

A-REIT's primary exposure to credit risk arises through its trade receivables, deposits and other receivables. A-REIT has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The tenants included in trade receivables are engaged in a wide spectrum of business activities across industry segments. A-REIT's historical experience in collection of trade receivables falls within the recorded allowances. Due to these factors, the Manager believes that no additional credit risk beyond the amounts provided for collection losses is inherent in A-REIT's trade receivables.

The maximum exposure to credit risk for trade receivables at balance sheet date, by operating segment is as follows:

	2011	2010
	\$'000	\$'000
Business & Science Parks	414	138
Hi-Tech Industrial Properties	247	243
Light Industrial Properties	255	1,578
Logistics & Distribution Centres	661	1,107
	1,577	3,066

The amount represented in the table above is fully secured by way of bankers' guarantee or cash security deposit held by A-RFIT.

A-REIT's most significant outstanding trade receivable amounts to \$283,000 (2010: \$855,000) due from one tenant as at the balance sheet date.

During the financial year, \$10,304,000 (2010: \$118,000) was drawn down from bankers' guarantees and \$653,000 (2010: \$406,000) of cash security deposits were forfeited as a result of defaulted rental arrears by tenants.

The ageing of trade receivables at the balance sheet date was:

	Gross \$'000	Impairment losses \$'000
2011		
Not past due	183	-
Past due 1 – 90 days	1,235	6
Over 90 days	165	_
	1,583	6
2010		
Not past due	_	_
Past due 1 – 90 days	2,038	_
Over 90 days	1,028	
	3,066	_

Impairment losses

The change in allowance for impairment loss in respect of trade receivables during the year is as follows:

	2011	2010
	\$'000	\$'000
At 1 April	_	102
Net allowance for impairment charge/(reversal) during the year	6	(102)
At 31 March	6	_

The Manager believes that no impairment loss is necessary in respect of the remaining trade receivables as these amounts mainly arise from tenants who have good payment records and have placed sufficient security with A-REIT in the form of bankers' guarantees, insurance bonds or cash security deposits.

The maximum exposure to credit risk for deposits and other receivables at balance sheet date is the carrying amounts which are not past due. Accordingly, the Manager believes that no impairment loss is necessary in respect of deposits and other receivables.

10. Cash and cash equivalents

	_	2011 \$'000	2010 \$'000	
sh at bank	_	8,067	8,666	

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11. Trade and other payables

	2011	2010
	\$'000	\$'000
Trade payables and accrued operating expenses	99,078	153,525
Trade amounts due to:		
- the Manager	8,932	4,796
- the Property Manager	1,685	1,332
- the Trustee	388	364
- other related parties	588	115,568
Interest payable	8,868	8,858
	119,539	284,443

As at 31 March 2010, trade amounts due to other related parties included \$114,982,000 payable for the acquisition of DBS Asia Hub on 31 March 2010. This amount was fully repaid during the current financial year.

12. Security deposits

	2011	2010
	\$'000	\$'000
Security deposits	47,255	43,410
Less: Unamortised discount	(3,710)	(3,978)
Security deposits at amortised cost	43,545	39,432
Current security deposits	41,407	37,210
Non-current security deposits	2,138	2,222
Total security deposits	43,545	39,432

13. Deferred payments

Deferred payments are due to vendors in respect of the purchase of the following properties:

	2011 \$'000	2010 \$'000
		* * * * * * * * * * * * * * * * * * * *
Wisma Gulab payable in December 2011	7,200	7,200
Freight Links (Changi) Building payable in December 2010	_	3,200
Freight Links (Toh Guan) Building payable in December 2010	_	3,640
Xilin Districentre Building C payable in May 2010		500
Deferred payments	7,200	14,540
Less: Unamortised discount	(209)	(620)
Deferred payments at amortised cost	6,991	13,920
Current deferred payments	6,991	7,136
Non-current deferred payments		6,784
Total deferred payments	6,991	13,920

14. Derivative financial instruments

	\$'000	\$'000
Current derivative liabilities	3,827	3,570
Non-current derivative liabilities	55,901	50,451
Total derivative liabilities	59,728	54,021
Non-current derivative (assets)	(4,452)	_
Total derivative financial instruments	55,276	54,021
Derivative financial intruments as a percentage of net assets	1.68%	1.83%

2011

2010

A-REIT uses interest rate swaps to manage its exposure to interest rate movements on its floating rate interest-bearing term loans and short term borrowings by swapping the interest expense on these term loans and short term borrowings from floating rates to fixed rates.

Interest rate swaps with a total notional amount of \$1,312.9 million (2010: \$1,390.7 million) have been entered into to provide fixed rate funding for terms of 1 to 7 years (2010: 1 to 7 years) at weighted average interest rate of 2.91% (2010: 3.08%) per annum.

Where the interest rate swaps are designated as hedging instruments in qualifying cash flow hedges, the changes in fair value of the interest rate swaps relating to the effective portion are recorded in Unitholders' funds. For the financial year ended 31 March 2011, net losses of \$2,689,000 (2010: \$3,478,000) relating to the effective portion of cash flow hedges were recognised in Unitholders' funds. Fair value changes relating to the ineffective portion is recognised in the Statement of Total Return.

Following the repayment of the floating rate term loans, hedge accounting was discontinued in respect of interest rate swaps with a total notional amount of \$355.1 million (2010: \$443.9 million). The changes in the fair value of these interest rate swaps, amounting to \$290,000 (2010: \$24,030,000) were reclassified from Unitholders' funds to the Statement of Total Return. During the current financial year, A-REIT had entered into offsetting interest rate swaps (receive fixed, pay floating), with an aggregate notional amount of \$367.7 million (2010: Nil) to mitigate the effects arising from the unmatched floating for fixed interest rate swaps. These offsetting interest rate swaps have terms of 2 to 4 years (2010: Nil) at weighted average interest rate of 1.45% (2010: Nil) per annum.

During the current financial year, A-REIT also entered into a cross currency swap ("CCS") to manage its foreign currency risk arising from foreign currency borrowings. The notional amount of the CCS is JPY9.6 billion with a maturity date on 24 February 2018. As at 31 March 2011, the fair value of the CCS is \$3.3 million and this was recognised in the Statement of Total Return.

A-REIT is required to make semi-annual interest payments that are calculated at a margin of 1.53% above the six-month Swap Offer Rate ("SOR") in respect of the CCS. The \$148.4 million payable will be swapped into JPY9.6 billion payable at maturity of the CCS on 24 February 2018.

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15. Loans and borrowings

	2011 \$'000	2010 \$'000
Current		
Short term borrowings	349,900	251,800
Less: Unamortised transaction costs	(17)	(46)
	349,883	251,754
Medium term notes	150,000	_
Less: Unamortised transaction costs	(20)	_
	149,980	_
Total current loans and borrowings	499,863	251,754
Non-current		
Term loans	826,900	695,000
Less: Unamortised transaction costs	(6,559)	(5,848)
	820,341	689,152
Medium term notes	271,016	275,000
Less: Unamortised transaction costs	(309)	(650)
	270,707	274,350
Total non-current loans and borrowings	1,091,048	963,502
Total loans and borrowings	1,590,911	1,215,256
Maturity of gross loans and borrowings:		
	2011	2010
	\$'000	\$'000
Within 1 year	499,900	251,800
After 1 year but within 5 years	651,900	670,000
After 5 years	446,016	300,000
•	1,597,816	1,221,800

Term loans

Term loans include loans granted by a special purpose company, Emerald Assets Limited ("Emerald Assets"), and loans granted by financial institutions.

Three term loans of \$300 million, \$350 million and \$395 million, with maturity dates of 18 August 2009, 12 May 2012 and 14 May 2014 respectively, were granted by Emerald Assets. The \$300 million term loan which was due in August 2009 was repaid on the due date and 14 properties that were mortgaged as security in favour of Emerald Assets were discharged following the repayment of this term loan. The \$350 million term loan, which was due in May 2012 was early redeemed in March 2010. With the repayment of the \$350 million term loan, a further 23 properties were discharged from the mortgage to Emerald Assets.

The remaining term loan of \$395 million granted by Emerald Assets, issued on 14 May 2007, at an interest rate of 0.20% above the Singapore SOR will mature on 14 May 2014. As security for this credit facility granted by Emerald Assets, the Trustee of A-REIT has granted in favour of Emerald Assets the following:

- (i) a mortgage over the properties making up "Portfolio 3" (Portfolio 3 includes 36 properties, of which 29 were acquired between May 2005 and February 2007, and 7 were acquired before July 2004);
- (ii) an assignment and charge of the rental proceeds and tenancy agreements in the Portfolio 3 properties;
- (iii) an assignment of the insurance policies relating to the Portfolio 3 properties; and
- (iv) a charge creating a fixed and floating charge over certain assets of A-REIT relating to the Portfolio 3 properties.

Emerald Assets entered into an arrangement for a \$5 billion Medium Term Note Programme ("MTN Programme"). Where it may, subject to compliance with all relevant laws, regulations and directives, from time to time, issue fixed or floating interest rate notes (the "Notes"). The maximum aggregate principal amount of the Notes to be issued shall be \$5 billion. The Notes will be secured by debentures creating fixed and floating charges over properties and assets owned by A-REIT. To fund the \$1,045 million floating rate term loans granted to A-REIT, Emerald Assets has issued Euro 144 million of Medium Term Note for a period of five years to 4 August 2009 and Euro 165 million of Medium Term Note for a period of seven years to 12 May 2012 and Euro 198 million of Medium Term Note for a period of seven years to 14 May 2014. Emerald Assets fully repaid the Euro 144 million and Euro 165 million of Medium Term Note in August 2009 and March 2010, respectively.

Medium Term Notes

In March 2009, A-REIT established a \$1 billion Multicurrency Medium Term Note ("MTN 2009") Programme. Under the MTN 2009 Programme, A-REIT may, subject to compliance with all relevant laws, regulations and directives, from time to time issue notes in one or more tranches, on the same or different issue dates, in Singapore dollars or any other currency.

Each tranche of notes may be issued in various amounts and tenors, and may bear fixed, floating, or variable rates of interest. Hybrid notes or zero coupon notes may also be issued under the MTN 2009 Programme.

The notes shall constitute direct, unconditional, unsecured and unsubordinated obligations of A-REIT ranking *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of A-REIT.

The maximum aggregate principal amount of the Notes outstanding at any time shall be \$1 billion, or such higher amount as may be determined pursuant to the MTN 2009 Programme.

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The total facility drawn down by A-REIT as at 31 March 2011 is \$275 million (2010: \$275 million) and JPY9.6 billion (2010: Nil), consisting of:

- (i) \$150 million MTN 1. The \$150 million MTN 2009 Note will mature on 29 April 2011 and bear an interest rate of 4.75% per annum payable semi-annually in arrears.
- (ii) \$125 million MTN 2. The \$125 million MTN 2009 Note will mature on 22 July 2013 and bear an interest rate of 5.00% per annum, payable semi-annually in arrears.
- (iii) JPY9.6 billion MTN 3. The JPY9.6 billion MTN2009 Note will mature on 24 February 2018 and bear an interest rate of 2.11% per annum, payable semi-annually in arrears.

As at the balance sheet date, A-REIT has in place various bilateral banking credit facilities and a transferable loan facility totalling \$1,247 million (2010: \$1,220 million), of which \$782 million (2010: \$552 million) has been utilised at the balance sheet date. Included in that amount of \$1,247 million (2010: \$1,220 million) is a sub-limit of \$50 million (2010: \$50 million) facility for the issuance of letters of guarantee.

The weighted average all-in cost of borrowings, including margins charged on the loans, amortised and annual costs of the MTN Programme as at 31 March 2011 is 3.46% (2010: 3.94%). Total borrowings have a weighted average term remaining of 3.2 years (2010: 3.1 years).

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate	Year of maturity	Face value \$'000	Carrying amount \$'000
2011				
Term loans	SOR + margin	2013 to 2017	826,900	820,341
Short term borrowings	SOR + margin	2011	349,900	349,883
Medium term notes	2.11 - 5.00	2011 to 2018	421,016	420,687
			1,597,816	1,590,911
2010				
Term loans	SOR + margin	2014 to 2017	695,000	689,152
Short term borrowings	SOR + margin	2010	251,800	251,754
Medium term notes	4.75 - 5.00	2011 to 2013	275,000	274,350
			1,221,800	1,215,256

16. Collateral loan

	\$'000	\$'000
At 1 April	300,390	300,000
Change in fair value of collateral loan	6,078	390
At 31 March	306,468	300,390

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0040

In March 2010, a collateral loan of \$300 million was granted by a special purpose vehicle, Ruby Assets Pte. Ltd. ("Ruby Assets"), to A-REIT. The maturity date of the collateral loan is 1 February 2017 and it bears a fixed interest rate of 1.60% per annum. The collateral loan may be repaid in whole or in part, at the option of Ruby Assets, on 1 February 2015 at the early repayment amount. The collateral loan may also be repaid in whole but not in part, at the option of A-REIT, on or at any time after 1 February 2015, but not less than 7 business days prior to 1 February 2017. The early repayment amount represents the principal amount of the collateral loan, together with any accrued but unpaid interest up to but excluding the date of repayment.

The collateral loan is convertible by Ruby Assets into A-REIT Units at the adjusted conversion price of \$2.4076 (2010: \$2.45), at any time on and after 6 May 2010 up to the close of business on 23 January 2017, or if the collateral loan has been called for redemption before 1 February 2017, then up to the close of business on a date no later than 7 business days prior to the date fixed for redemption thereof. The Trustee has the option to pay cash in lieu of delivering A-REIT Units.

As collateral for the loan granted by Ruby Assets, the Trustee of A-REIT has granted in favour of Ruby Assets the following:

- (i) a mortgage over the properties making up "Portfolio CL" (Portfolio CL includes 19 properties acquired between July 2004 and April 2005);
- (ii) an assignment and charge of the rental proceeds and tenancy agreements in the Portfolio CL properties;
- (iii) an assignment of the insurance policies relating to the Portfolio CL properties; and
- (iv) a charge creating a fixed and floating charge over certain assets of A-REIT relating to the Portfolio CL properties.

In order to fund the \$300 million collateral loan to A-REIT, Ruby Assets issued \$300 million Exchangeable Collateralised Securities ("ECS") on 26 March 2010. The ECS bear a fixed coupon of 1.60% per annum and have a legal maturity date of 1 February 2019.

The ECS may be redeemed, in whole or in part, at the option of the ECS Holders on 1 February 2015 at the early redemption amount of the ECS. The ECS may also be redeemed in whole but not in part, at the option of Ruby Assets on or any time after 1 February 2015 but not less than 7 business days prior to 1 February 2017 (subject to the satisfaction of certain conditions). The early redemption amount represents the redemption price upon maturity which is equal to the principal amount, together with any accrued but unpaid interest up to but excluding the date of redemption.

The ECS are exchangeable by ECS Holders into A-REIT Units at the adjusted exchange price of \$2.4076 (2010: \$2.45), at any time on and after 6 May 2010 up to the close of business on 23 January 2017, or if such ECS has been called for redemption before 1 February 2017, then up to the close of business on a date no later than 7 business days prior to the date fixed for redemption thereof. Ruby Assets has the option to pay cash in lieu of A-REIT Units.

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17. Deferred tax liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets	Liabilities
	2011	2011
	\$'000	\$'000
Unutilised capital allowances	(3,182)	_
Finance lease receivable	-	4,158
Deferred tax (assets)/liabilities	(3,182)	4,158

Movements in net deferred tax liabilities during the year are as follows:

	At 1 April 2010 \$'000	in Statement of Total Return (Note 24) \$'000	At 31 March 2011 \$'000
Unutilised capital allowances	_	(3,182)	(3,182)
Finance lease receivable	_	4,158	4,158
Net deferred tax liabilities		976	976

18. Units in issue

	\$'000	\$'000
At 1 April	1,871,154	1,683,473
Issue of new units: - As payment of base management fees	2,521	2,681
- As payment of acquisition fee	618	_
- Pursuant to private placement		185,000
At 31 March	1,874,293	1,871,154

During the financial year, A-REIT issued 2,521,556 (2010: 2,680,667) new units at the issue price range of \$1.8780 to \$2.1110 (2010: \$1.5715 to \$1.8985) per unit, in respect of the payment of the base management fees to the Manager in units. A-REIT also issued 617,678 new units at the issue price of \$1.8780 per unit as payment of the acquisition fee for DBS Asia Hub. The issue prices were determined based on the volume weighted average traded price for all trades done on SGX-ST in the ordinary course of trading for 10 business days immediately preceding the respective date of issue of the units.

In the previous financial year, 185,000,000 new units ("Private Placement units") were issued on 20 August 2009 at an issue price of \$1.63 per unit. Unitholders on the register with The Central Depository (Pte) Limited ("CDP") on 19 August 2009 received advance distributions of 1.94 cents per unit for the period from 1 July 2009 to 19 August 2009. Thereafter, the Private Placement units rank *pari passu* in all respects with the units in issue prior to 20 August 2009, including the entitlement of all future distributions.

Each unit in A-REIT represents an undivided interest in A-REIT. The rights and interests of Unitholders are contained in the Trust Deed and include the right to:

- Receive income and other distributions attributable to the units held;
- Participate in the termination of A-REIT by receiving a share of all net cash proceeds derived from the realisation of the
 assets of A-REIT less any liabilities, in accordance with their proportionate interests in A-REIT. However, a Unitholder
 has no equitable or proprietary interest in the underlying assets of A-REIT and is not entitled to the transfer to it of any
 assets (or any part thereof) or of any estate or interest in any asset (or any part thereof) of A-REIT;
- Attend all Unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of
 not less than 50 Unitholders or one-tenth in number of the issued units) at any time convene a meeting of Unitholders
 in accordance with the provisions of the Trust Deed; and
- One vote per unit at a Unitholders' meeting.

The restrictions to a Unitholder include the following:

- A Unitholder's right is limited to the right to require due administration of A-REIT in accordance with the provisions of the Trust Deed; and
- A Unitholder has no right to request for redemption of their units while the units are listed on SGX-ST.

19. Gross revenue

	\$'000	\$'000
Property rental income	409,981	385,703
Other income	37,653	27,975
	447,634	413,678

20. Property operating expenses

	\$'000	\$'000
Land rent	14,251	10,461
Maintenance and conservancy	13,125	15,704
Property service fees	14,723	13,555
Property tax	26,730	21,876
Utilities	29,845	24,034
Depreciation of plant and equipment	1,101	1,101
Other operating expenses	8,433	6,959
	108,208	93,690

2011

2010

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21. Management fees

Management fees relate to base management fees of \$24,725,000 (2010: \$23,421,000). Performance fee for the current financial year is \$5,420,000 (2010: Nil).

22. Trust expenses

	2011	2010
	\$'000	\$'000
Auditora' remuneration		
Auditors' remuneration		
- audit fees	190	195
- non-audit fees	49	65
Professional fees	641	171
Trustee's fees	1,483	1,408
Other expenses*	1,245	1,040
	3,608	2,879

^{*} Other expenses include depreciation of plant and equipment of \$171,000 (2010: Nil).

23. Finance income and finance costs

	2011 \$'000	2010 \$'000
Interest income	3,295	61
Net gain on extinguishment of term loan	_	1,589
Finance income	3,295	1,650
Interest eveneses	70.007	60.001
Interest expense	70,897	60,281
Net accretion adjustments of security deposits and deferred payments	680	17
Change in fair value of collateral loan	6,078	390
Transaction costs paid in respect of collateral loan*		9,117
Finance costs	77,655	69,805

^{*} In 2010, this includes \$120,000 of non-audit fees paid to the auditors of A-REIT.

24. Income tax expense

2011 \$'000	2010 \$'000
976	
579,586	147,973
98,530 2,595 (58,807) (41,342)	25,155 14,795 – (39,950)
	\$'000 976 579,586 98,530 2,595 (58,807)

25. Earnings per unit and distributions per unit

(a) Basic earnings per unit

The calculation of basic earnings per unit is based on the total return for the year and weighted average number of units during the year:

	2011	2010
	\$'000	\$'000
Total return for the year	578,610	147,973
	Number	r of Units
	2011	2010
	(000)	('000)
Weighted average number of units		
Issued units at 1 April Effect of issuance of new units:	1,871,154	1,683,473
- As payment of base management fees	1,369	1,508
- As payment of acquisition fees	467	_
- Pursuant to private placement		113,534
Weighted average number of units in issue at 31 March	1,872,990	1,798,515
	2011	2010
	cents	cents
Basic earnings per unit	30.89	8.23

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(b) Diluted earnings per unit

In calculating diluted earnings per unit, the total return for the year and weighted average number of units during the year are adjusted for the effects of all dilutive potential units:

	2011 \$'000	2010 \$'000
Total return for the year	578,610	147,973
Interest expense on collateral loan	4,800	79
Change in fair value of collateral loan	6,078	390
	589,488	148,442
	Numbe	r of Units
	2011	2010
	('000)	('000)
Weighted average number of units		
Weighted average number of units used in calculation of basic earnings per unit	1,872,990	1,798,515
Effect of conversion of collateral loan	124,605	2,013
Weighted average number of units in issue (diluted)	1,997,595	1,800,528
	2011 cents	2010 cents
Diluted earnings per unit	29.51	8.23

The conversion option embedded in the collateral loan could potentially dilute basic earnings per share in the future. Based on the adjusted conversion price of \$2.4076, the collateral loan is convertible into approximately 124,605,416 A-REIT Units, representing 6.6% of the total number of A-REIT Units in issue as at 31 March 2011.

For the financial year ended 31 March 2011, the dilutive earnings per unit is computed on the basis that the collateral loan was converted at the beginning of the period. In the previous financial year, the impact of conversion of the collateral loan was anti-dilutive and was excluded from the calculation of diluted earnings per unit.

(c) Distributions per unit

The calculation of distributions per unit for the financial year is based on:

	2011 \$'000	2010 \$'000
Total amount available for distribution	247,953	234,891
	Number	r of Units
	2011 ('000)	2010 ('000)
Applicable number of units in issue used for the calculation of distributions per unit	1,874,293	1,793,060
	2011 cents	2010 cents
Distributions per unit	13.23	13.10

26. Issue expenses

There were no issue expenses incurred in relation to equity fund raising that have been deducted directly against Unitholders' funds during the financial year (2010: \$5,005,000).

27. Commitments

- (a) A-REIT is required to pay JTC Corporation ("JTC") and the Housing Development Board ("HDB") annual land rent (including licence fee payable for development projects) in respect of certain properties. The annual land rent payable is based on the market land rent in the relevant year of the lease term. However, the lease agreement limits any increase in the annual land rent from year to year to 5.5% of the annual land rent for the immediate preceding year. The land rent paid/payable to JTC and HDB amounted to \$24,598,000 (2010: \$19,850,000) and \$1,744,000 (2010: \$1,486,000) respectively, in relation to 71 (2010: 71) properties for the financial year ended 31 March 2011 (including amounts that have been directly recharged to tenants).
- (b) A-REIT leases out its investment properties under operating lease agreements. Non-cancellable operating lease rentals are receivable as follows:

	2011 \$'000	2010 \$'000
Within 1 year	396,271	393,611
After 1 year but within 5 years	931,756	979,882
After 5 years	718,794	893,134
	2,046,821	2,266,627

(c) As at 31 March 2011, A-REIT had \$81 million (2010: \$25 million) of capital expenditure commitments that had been authorised and contracted for but not provided for in the financial statements. The various projects are expected to be completed by the financial year ending 31 March 2013.

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28. Significant related party transactions

For the purposes of these financial statements, parties are considered to be related to A-REIT if the Manager has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Manager and the party are subject to common significant influence. Related parties may be individuals or other entities. The Manager and Property Manager are indirect wholly-owned subsidiaries of a significant Unitholder of A-REIT.

In the normal course of its business, A-REIT carried out transactions with related parties on terms agreed between the parties. During the financial year, in addition to those disclosed elsewhere in the financial statements, there were the following significant related party transactions:

	2011	2010
	\$'000	\$'000
Property service fees paid/payable to the Property Manager	19,066	16,788
Service charge and reimbursements paid/payable to		
related companies of the Manager	3,136	4,074
Recovery of expenses paid on behalf of related companies of the Manager	(1,758)	_
Management fees paid/payable to the Manager	24,725	23,421
Performance fee payable to the Manager	5,420	_
Acquisition fees paid/payable to the Manager	1,256	1,310
Development management fees paid/payable to the Manager	1,490	4,639
Acquisition of properties from related parties of the Manager	125,600	116,000
Reimbursements paid/payable to the Manager	9,449	173
Carpark income received/receivable from Property Manager	(3,471)	(2,673)
Marketing fees paid to Property Manager during the year	5,029	4,340

29. Financial ratios

	<u></u> %	%	
Ratio of expenses to weighted average net asset value (1)	0.98	0.90	
Ratio of expenses to weighted average net asset value (2)	1.16	0.90	
Portfolio turnover rate (3)	_	_	

2011

2010

- The annualised ratio is computed in accordance with guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to expenses at the Trust level, excluding property related expenses, borrowing costs and performance component of management fees.
- The annualised ratio is computed in accordance with guidelines of the Investment Management Association of Singapore. The expenses used in the computation are the same as in (1) above except that performance fee has been included.
- The annualised ratio is computed based on the lesser of purchases or sales of underlying investment properties of A-REIT expressed as a percentage of weighted average net asset value.

30. Financial risk management

Capital management

A-REIT's objective when managing capital is to optimise Unitholders' value through the mix of available capital sources which include debt and equity instruments, whilst complying with statutory and constitutional capital and distribution requirements, maintaining gearing, interest service coverage and other ratios within approved limits.

The Board of Directors of the Manager (the "Board") reviews A-REIT's debt and capital management cum financing policy regularly so as to optimise A-REIT's funding structure. The Board also monitors A-REIT's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

A-REIT is subject to the aggregate leverage limit as defined in the Property Fund Guidelines of the CIS Code. The CIS Code stipulates that the total borrowings and deferred payments (together the "Aggregate Leverage") of a property fund should not exceed 35.0% of the Deposited Property. The Aggregate Leverage of a property fund may exceed 35.0% of the Deposited Property (up to a maximum of 60.0%) only if a credit rating of the property fund from Fitch Inc., Moody's or Standard and Poor's is obtained and disclosed to the public. The property fund should continue to maintain and disclose a credit rating so long as its Aggregate Leverage exceeds 35.0% of the Deposited Property. A-REIT currently has a corporate family rating of A3 by Moody's (2010: Baa1), A-REIT has complied with the Aggregate Leverage limit of 60.0% during the financial year.

As at the balance sheet date, the gross amounts of loans and borrowings (including collateral loan) and deferred payments as a percentage of net assets is 57.95% (2010: 52.13%).

There was no change in A-REIT's approach to capital management during the current financial year.

Overview of risk management

Risk management is integral to the whole business of A-REIT. The Manager of A-REIT has a system of controls in place to create an acceptable balance between the benefits derived from managing risks and the cost of managing those risks. The Manager also monitors A-REIT's risk management process closely to ensure an appropriate balance between control and business objectives is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and A-REIT's strategic direction.

The Audit Committee of the Manager oversees how management monitors compliance with A-REIT's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to A-REIT's exposure to those risks. The Audit Committee's oversight role is assisted by an internal audit function which is outsourced to an independent professional firm ("Internal Audit"). Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit risk

Credit risk is the potential financial loss resulting from the failure of tenants or counterparties of A-REIT, to settle its financial and contractual obligations, as and when they fall due.

The Manager has an established process to evaluate the creditworthiness of its tenants and prospective tenants to minimise potential credit risk. Credit evaluations are performed by the Manager before lease agreements are entered into with prospective tenants. Security in the form of bankers' guarantees, insurance bonds or cash security deposits are obtained prior to the commencement of the lease.

The Manager establishes an allowance account for impairment that represents its estimate of losses in respect of trade and other receivables. The main component of this allowance is estimated losses that relate to specific tenants or counterparties.

The allowance account is used to provide for impairment losses. Subsequently when A-REIT is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

Cash at bank is placed with a financial institution which is regulated.

The maximum exposure to credit risk is represented by the carrying value of each financial asset, including derivative financial instruments, on the balance sheet.

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Liquidity risk

The Manager monitors and maintains a level of cash and cash equivalents deemed adequate to finance A-REIT's operations and to mitigate the effects of fluctuations in cash flows. Typically A-REIT ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

A-REIT strives to maintain available banking facilities at a reasonable level to meet its investment opportunities. A-REIT has in place various bilateral banking credit facilities and a transferable loan facility totalling \$1,247 million (2010: \$1,220 million), of which \$782 million (2010: \$552 million) has been utilised as at 31 March 2011. In addition, A-REIT also has in place a \$1 billion Multicurrency Medium Term Note Programme which was established in March 2009 to diversify sources of funds for A-REIT. As at 31 March 2011, medium term notes amounting to \$275 million (2010: \$275 million) and JPY9.6 billion (2010: Nil) were issued from this programme.

The following are the expected contractual undiscounted cash outflows of financial liabilities, including interest payments and the periods in which the cashflows associated with financial derivatives that are cash flow hedges are expected to impact the Statement of Total Return:

		Tatal		Cash flows	
	Carrying amount \$'000	Total contractual cash flows \$'000	Within 1 year \$'000	After 1 year but within 5 years \$'000	After 5 years \$'000
2011					
Non-derivative financial liabilities					
- Loans and borrowings	1,590,911	1,683,082	520,796	702,334	459,952
- Collateral loan	306,468	328,064	4,800	19,200	304,064
- Trade and other payables	119,539	119,539	119,539	_	_
- Security deposits	43,545	47,255	44,832	2,274	149
- Deferred payments	6,991	7,200	7,200	-	-
Derivative financial liabilities					
Interest rate swaps	56,458	_	_	_	_
- Outflow	_	65,848	32,783	32,294	771
- (Inflow)	_	(1,424)	(835)	(201)	(388)
Cross currency swap	3,270	-	_	-	_
- Outflow	_	9,359	_	9,359	_
- (Inflow)		(6,738)	(133)	_	(6,605)
	2,127,182	2,252,185	728,982	765,260	757,943
2010					
Non-derivative financial liabilities					
- Loans and borrowings	1,215,256	1,318,930	79,349	925,468	314,113
- Collateral loan	300,390	332,864	4,800	19,200	308,864
- Trade and other payables	284,443	284,443	284,443	_	_
- Security deposits	39,432	43,410	40,918	815	1,677
- Deferred payments	13,920	14,540	7,340	7,200	_
Derivative financial liabilities					
Interest rate swaps	54,021	_	_	_	_
- Outflow	_	59,675	32,373	27,302	_
- (Inflow)		(845)			(845)
	1,907,462	2,053,017	449,223	979,985	623,809

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect A-REIT's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. A-REIT does not have any exposure to equity price risks.

Currency risk

A-REIT's exposure to fluctuations in foreign currency rates relates primarily to its JPY9.6 billion MTN 3. A-REIT was not exposed to foreign currency risk in the previous financial year. During the current financial year, A-REIT entered into a CCS to manage this foreign currency risk. The notional amount of the CCS is JPY9.6 billion (2010: Nil), whereby \$148.4 million payable will be swapped into JPY9.6 billion payable at maturity of the CCS on 24 February 2018. As at 31 March 2011, A-REIT's Singapore dollars equivalent exposure to foreign current risk arising from Japanese yen was as follows:

	<u> </u>
2011	
Medium term notes	146,016
Cross currency swap	3,270
	149,286

Sensitivity analysis

Effects of a 100 basis points ("bp") strengthening of Singapore dollars against Japanese yen at balance sheet date would increase/(decrease) Statement of Total Return by the amounts shown in the table below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Impact on Statement of Total Return \$'000
2011 Medium term notes Cross currency swap	1,460 (1,646) (186)

A 100 bp weakening of Singapore dollars against Japanese yen would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant.

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Interest rate risk

A-REIT's exposure to fluctuations in interest rates relates primarily to loans and borrowings. Interest rate risk is managed on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates.

As at 31 March 2011, A-REIT has interest rates swaps and offsetting interest rates swaps with total notional contract amount of \$1,312.9 million (2010: \$1,390.7 million) and \$367.7 million (2010: Nil) respectively, whereby A-REIT has agreed with counterparties to exchange, at specified intervals, the difference between the floating rate pegged to the Singapore dollar SOR and fixed rate interest amounts calculated by reference to the agreed notional amounts of the loans and borrowings. \$957.8 million of the interest rate swaps have been used to hedge the exposure to changes in the variability of interest rate fluctuations of its loans and borrowings. A-REIT classifies these interest rates swaps as hedging instruments in qualifying cash flow hedges.

A-REIT had also entered into a CCS which has a notional contract amount of JPY9.6 billion (2010: Nil), whereby A-REIT is required to make semi-annual interest payments that are calculated at a margin of 1.53% above the six-month SOR in respect of the CCS.

Sensitivity analysis

Effects of a 100 bp movement in interest rates at the balance sheet date would increase/(decrease) Statement of Total Return and Unitholders' funds as shown in the table below. This analysis has not taken into account the effects of qualifying borrowing costs which are capitalised as part of investment properties under development and assumes that all other variables remain constant.

	Statement of	f Total Return	Unithold	ers' funds
	100 bp increase \$'000	100 bp decrease \$'000	100 bp increase \$'000	100 bp decrease \$'000
2011				
Variable rate instruments - Finance costs	(11,768)	11,768	_	_
Interest rate swaps - Finance costs	9,452	(9,452)	_	_
- Change in fair value of financial derivatives	8,023	(8,023)	24,210	(24,210)
Cross currency swap				
- Change in fair value of financial derivative	(9,743)	9,743	_	_
	(4,036)	4,036	24,210	(24,210)
2010				
Variable rate instruments				
- Finance costs	(9,468)	9,468	_	_
Interest rate swaps				
- Finance costs	13,907	(13,907)	_	_
- Change in fair value of financial derivatives	5,781	(5,781)	32,840	(32,840)
	10,220	(10,220)	32,840	(32,840)

31. Classification and fair value of financial instruments

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet are as follows:

	Fair value through profit or loss \$'000	Loans and receivables \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Fair value \$'000
2011					
Cash and cash equivalents	_	8,067	_	8,067	8,067
Loans and receivables	_	19,492	_	19,492	19,492
Finance lease receivable	_	68,548	_	68,548	93,873
Other assets	_	26,862	_	26,862	26,862
Derivative assets	4,452	20,002	_	4,452	4,452
Derivative assets	4,452	122,969		127,421	152,746
	7,702	122,000		121,721	102,140
Trade and other payables	_	_	(119,539)	(119,539)	(119,539)
Security deposits	_	_	(43,545)	(43,545)	(44,987)
Deferred payments	_	_	(6,991)	(6,991)	(7,157)
Term loans and short term borrowings	_	_	(1,170,224)	(1,170,224)	(1,170,224)
Medium term notes	_	_	(420,687)	(420,687)	(428,663)
Collateral Ioan	(306,468)	_		(306,468)	(306,468)
Derivative liabilities	(59,728)	_	_	(59,728)	(59,728)
	(366,196)	_	(1,760,986)	(2,127,182)	(2,136,766)
2010					
Cash and cash equivalents	_	8,666	_	8,666	8,666
Loans and receivables	_	14,510	_	14,510	14,510
Other assets (1)		1,107	_	1,107	1,107
		24,283		24,283	24,283
Trade and other payables	_	_	(284,443)	(284,443)	(284,443)
Security deposits	_	_	(39,432)	(39,432)	(40,543)
Deferred payments	_	_	(13,920)	(13,920)	(14,179)
Term loans and short term borrowings	_	_	(940,906)	(940,906)	(940,906)
Medium term notes	_	_	(274,350)	(274,350)	(283,345)
Collateral loan	(300,390)	_	_	(300,390)	(300,390)
Derivative liabilities	(54,021)	_		(54,021)	(54,021)
	(354,411)		(1,553,051)	(1,907,462)	(1,917,827)

⁽¹⁾ Exclude mechanical and electrical equipment of \$71,635,000.

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Estimation of fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of A-REIT

Derivatives financial instruments

The fair value of interest rate swaps and cross currency swap are based on valuations provided by the financial institutions that are the counterparties to the transactions. These quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

Finance lease receivable

Fair value, which is determined for disclosure purposes for finance lease receivable, is calculated based on the present value of future principal and interest cash flows, discounted at market interest rate for instruments with similar maturity, repricing and credit risk characteristics at the reporting date.

Term loans and short term borrowings

The carrying amounts of interest-bearing borrowings which are repriced within 3 months from the balance sheet date approximate the corresponding fair values.

Medium term notes

The fair values of the medium term notes relating to \$150 million MTN 1 and \$125 million MTN 2 were obtained from market quotes.

A-REIT issued the JPY9.6 billion MTN 3 bearing a fixed interest rate of 2.11% in February 2011. The fair value of MTN 3 is calculated based on the present value of future principal and interest cash flows, discounted at the market interest rate of instruments with similar maturity, repricing and credit risk characteristics at the reporting date.

Collateral loan

The fair value of the collateral loan approximates the fair value of the ECS issued by Ruby Assets, which is used as a proxy for the purpose of determining the fair value of the collateral loan as the key features of the two instruments are identical. Valuation adjustments, if significant, are made to account for the differences in features between the collateral loan and the ECS. The fair value of the ECS was obtained from market quotes.

Security deposits and deferred payments

The fair values of security deposits and deferred payments are calculated based on the present value of future cash outflows, discounted at the market interest rate at the reporting date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities approximate their fair values as at balance sheet date.

Interest rates used in determining fair values

The interest rates used to discount the estimated cash flows were as follows:

	2011	2010
	%	%
Finance lease receivable	3.33	_
Security deposits	2.00	2.71
Deferred payments	0.80	2.08
Medium term notes	1.10 - 2.59	2.50 - 3.74

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
2011 Collateral Ioan		(306,468)		(306,468)
Derivative assets	_	4,452	_	4,452
Derivative liabilities	_	(59,728)	_	(59,728)
	_	(361,744)	_	(361,744)
2010 Collateral Ioan Derivative liabilities		(300,390) (54,021) (354,411)	- - -	(300,390) (54,021) (354,411)

During the financial year ended 31 March 2011 and 31 March 2010, there were no transfers from Level 1, Level 2 or Level 3, or vice versa.

32. Operating segments

For the purpose of making resource allocation decisions and the assessment of segment performance, A-REIT's CODM reviews internal/management reports of its investment properties. This forms the basis of identifying the operating segments of A-REIT under FRS 108 *Operating Segments*.

Segment revenue comprises mainly of income generated from its tenants. Segment net property income represents the income earned by each segment after allocating property operating expenses. This is the measure reported to the CODM for the purpose of assessment of segment performance. In addition, the CODM monitors the non-financial assets as well as financial assets attributable to each segment when assessing segment performance.

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Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly management fees, performance fee, trust expenses, finance income, finance costs and related assets and liabilities.

Information regarding A-REIT's reportable segments is presented in the tables below.

Geographical segments

Segment information in respect of A-REIT's geographical segments is not presented, as A-REIT's activities for the year ended 31 March 2011 and 31 March 2010 related wholly to properties located in Singapore.

Operating segments

Property income and expenses

2011 2010 2011 2010		Business Pa	& Science rks	Hi-Tech I		Light Inc		Logis Distribution		Warehou Facil		To	tal
Gross rental income 119,329 106,483 95,845 89,282 78,586 76,735 103,267 100,249 12,954 12,954 409,981 385,703 Other income 8,572 8,471 18,439 12,376 2,412 1,759 8,230 5,369 37,653 27,975 Gross revenue 127,901 114,954 114,284 101,658 80,998 78,494 111,497 105,618 12,954 12,954 447,634 413,678 Property operating expenses (32,790) (29,493) (31,198) (27,680) (18,329) (15,921) (23,969) (18,638) (1,922) (1,958) (108,208) (93,690) Segment net property		2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Other income 8,572 8,471 18,439 12,376 2,412 1,759 8,230 5,369 — — 37,653 27,975 Gross revenue 127,901 114,954 114,284 101,658 80,998 78,494 111,497 105,618 12,954 12,954 447,634 413,678 Property operating expenses (32,790) (29,493) (31,198) (27,680) (18,329) (15,921) (23,969) (18,638) (1,922) (1,958) (108,208) (93,690) Segment net property		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Other income 8,572 8,471 18,439 12,376 2,412 1,759 8,230 5,369 — — 37,653 27,975 Gross revenue 127,901 114,954 114,284 101,658 80,998 78,494 111,497 105,618 12,954 12,954 447,634 413,678 Property operating expenses (32,790) (29,493) (31,198) (27,680) (18,329) (15,921) (23,969) (18,638) (1,922) (1,958) (108,208) (93,690) Segment net property													
Gross revenue 127,901 114,954 114,284 101,658 80,998 78,494 111,497 105,618 12,954 12,954 447,634 413,678 Property operating expenses (32,790) (29,493) (31,198) (27,680) (18,329) (15,921) (23,969) (18,638) (1,922) (1,958) (108,208) (93,690) Segment net property	Gross rental income	119,329	106,483	95,845	89,282	78,586	76,735	103,267	100,249	12,954	12,954	409,981	385,703
Property operating expenses (32,790) (29,493) (31,198) (27,680) (18,329) (15,921) (23,969) (18,638) (1,922) (1,958) (108,208) (93,690) Segment net property	Other income	8,572	8,471	18,439	12,376	2,412	1,759	8,230	5,369	_	_	37,653	27,975
expenses (32,790) (29,493) (31,198) (27,680) (18,329) (15,921) (23,969) (18,638) (1,922) (1,958) (108,208) (93,690) Segment net property		127,901	114,954	114,284	101,658	80,998	78,494	111,497	105,618	12,954	12,954	447,634	413,678
	expenses	(32,790)	(29,493)	(31,198)	(27,680)	(18,329)	(15,921)	(23,969)	(18,638)	(1,922)	(1,958)	(108,208)	(93,690)
		95,111	85,461	83,086	73,978	62,669	62,573	87,528	86,980	11,032	10,996	339,426	319,988
Finance income 3,295 1,650	Finance income											3.295	1.650
Finance costs (77,655) (69,805)												,	,
Unallocated net expenses (31,401) (26,300)												, , ,	,
Net income 233,665 225,533	•												
Net change in fair value of financial derivatives 1,144 (23,878)	Net change in fair value	6											
Net appreciation/ (depreciation) on revaluation of investment properties and investment properties under	(depreciation) on revaluation of investment properties and investment	6											
development 223,400 2,029 61,373 6,761 (2,226) (25,815) 50,307 (36,857) 11,923 200 344,777 (53,682)	·	223,400	2,029	61,373	6,761	(2,226)	(25,815)	50,307	(36,857)	11,923	200	344,777	(53,682)
Total return for the year before income tax 579,586 147,973												579,586	147,973
Income tax expense (976) (976) -	Income tax expense	-	-	(976)	-	-	-	-	-	-	-	(976)	_
Total return for the year after income tax 578,610 147,973	,											578,610	147,973
Non-tax deductible expenses, net and other adjustments 9,352 33,236	expenses, net and other											9,352	33,236
Net (appreciation)/ depreciation on revaluation of investment properties and investment properties under	depreciation on revaluation of investment properties and investment properties under	6											
development (344,777) 53,682	·											(344,777)	53,682
Income available for distribution 243,185 234,891												243,185	234,891
Distribution from capital 4,768 –	Distribution from capital											4,768	_
Total amount available for distribution 247,953 234,891												247,953	234,891

Operating segments

	Business & Science Parks \$'000	Hi-Tech Industrial Properties \$'000	Light Industrial Properties \$'000	Logistics & Distribution Centres \$'000	Warehouse Retail Facilities \$'000	Total \$'000
31 March 2011 Assets and liabilities						
Segment assets	1,962,627	1,190,102	854,057	1,223,570	149,966	5,380,322
Unallocated assets Total assets					-	39,502 5,419,824
TOTAL ASSETS						5,419,024
Segment liabilities	70,351	33,498	19,152	21,672	342	145,015
Unallocated liabilities: - loans and borrowings (including collateral loan) - others Total liabilities						1,897,379 85,764 2,128,158
Other segmental information Capital expenditure						
- investment properties+	208,755	326	3,677	2,093	_	214,851
- investment properties under development	-	-	18,680	7,398	-	26,078
Depreciation	414	_	687	_	_	1,101
Impairment loss, net		6	_	_		6

Include amounts of \$3,909,000 incurred in the previous financial years that were transferred to investment properties during the financial year ended 31 March 2011 and \$127,456,000 incurred for the acquisition of investment property.

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	Business & Science Parks \$'000	Hi-Tech Industrial Properties \$'000	Light Industrial Properties \$'000	Logistics & Distribution Centres \$'000	Warehouse Retail Facilities \$'000	Total \$'000
31 March 2010 Assets and liabilities Segment assets	1,573,002	1,129,637	838,430	1,163,626	138,898	4,843,593
Unallocated assets Total assets	1,070,002	1,123,007	000,400	1,100,020	-	10,843
Segment liabilities	202,673	74,990	14,012	25,288	459	317,422
Unallocated liabilities: - loans and borrowings (including collateral loan) - others Total liabilities						1,515,646 74,394 1,907,462
Other segmental information Capital expenditure						
 investment properties⁺ investment properties under development 	217,251 3,909	99,638	26,935 –	24,713	-	368,537 3,909
Depreciation Impairment loss, net	414	_ _	687	_ _		1,101 -

Include amounts of \$75,673,000 incurred in the previous financial years that were transferred to investment properties during the financial year ended 31 March 2010 and \$133,040,000 incurred for the acquisition of investment properties.

33. Subsequent Events

Private Placement

Further to its announcements dated 31 March 2011 in relation to the private placement of new units in A-REIT, 206,186,000 new units at an issue price of \$1.94 per new unit were issued on 11 April 2011 and the total number of units in A-REIT in issue is 2,080,478,935 as at 11 April 2011. The new units issued pursuant to the private placement will, upon issue, rank *pari passu* in all respects with the units in issue as at 10 April 2011.

Acquisition Fee

On 29 April 2011, A-REIT issued 629,794 new units at an issue price of \$1.994 per unit as payment for acquisition fee to the Manager in relation to the acquisition of Neuros & Immunos. The issue price was determined based on the volume weighted average traded price for all trades done on SGX-ST in the ordinary course of trading for 10 business days immediately preceding the date of issue of the new units.

Medium Term Note

A-REIT fully redeemed the \$150 million MTN 1 on 29 April 2011.

STATISTICS OF UNITHOLDINGS

Issued and Fully Paid-up Units

2,081,108,729 Units (Voting rights: one vote per Unit)
Market Capitalisation \$4,203,839,632.58 (based on closing price of \$2.02 per Unit as at 20 May 2011)

Top 20 Unitholders as at 20 May 2011

As listed in the Register of Unitholders

Ranking	Name of Unitholder	No. of Units	% of Units in Issue
1	CITIBANK NOMS S'PORE PTE LTD	535,833,987	25.7%
2	ASCENDAS LAND (SINGAPORE) PTE LTD	359,706,000	17.3%
3	DBS NOMINEES PTE LTD	356,014,009	17.1%
4	DBSN SERVICES PTE LTD	299,138,437	14.4%
5	HSBC (SINGAPORE) NOMS PTE LTD	226,633,634	10.9%
6	UNITED OVERSEAS BANK NOMINEES	52,963,040	2.5%
7	ASCENDAS FUNDS MANAGEMENT (S) LIMITED	31,859,695	1.5%
8	RAFFLES NOMINEES (PTE) LTD	27,275,563	1.3%
9	BNP PARIBAS SECS SVCS SPORE	23,901,799	1.1%
10	DB NOMINEES (S) PTE LTD	13,535,630	0.7%
11	MORGAN STANLEY ASIA (S'PORE)	7,723,842	0.4%
12	BNP PARIBAS NOMS S'PORE PL	4,555,476	0.2%
13	E M SERVICES PTE LTD	4,064,000	0.2%
14	BANK OF S'PORE NOMS PTE LTD	3,799,954	0.2%
15	CITIGROUP GM SING SECS P. L.	1,785,962	0.1%
16	ECONOMIC DEVELOPMENT BOARD	1,625,000	0.1%
17	MERRILL LYNCH (S'PORE) P L	1,567,381	0.1%
18	LUI CHONG CHEE	1,500,000	0.1%
19	SOCIETE GENERALE SPORE BRANCH	1,396,135	0.1%
20	PHILLIP SECURITIES PTE LTD	1,349,551	0.1%
	TOTAL	1,956,229,095	94.0%

UNITHOLDERS DISTRIBUTION AS AT 20 MAY 2011

Size of holdings	No. of Unitholders	No. of Units
1 - 999	44	7,613
1,000 - 10,000	5,890	28,647,479
10,001 - 1,000,000	2,051	91,380,112
1,000,001 and above	24	1,961,073,525
GRAND TOTAL	8,009	2,081,108,729

Pursuant to Listing Rule 723 of the Listing Manual of the SGX-ST, a listed issuer must ensure that at least 10.0% of its listed securities is at all times held by the public. Base on the information made available to the Manager as at 20 May 2011, about 72.6% of A-REIT's Units are held in public hands.

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STATISTICS OF UNITHOLDINGS

Substantial Unitholders as at 20 May 2011

	Direct Interest	Percentage (%)	Deemed Interest	Percentage (%)	
Ascendas Land (Singapore) Pte Ltd	359,706,000	17.3	_	_	
Ascendas Pte Ltd (1)	_	_	391,565,695	18.8	
Jurong Town Corporation (1)	_	_	391,565,695	18.8	
The Capital Group Companies, Inc. (2)	_	_	178,726,000	8.6	

⁽¹⁾ Ascendas Pte Ltd and Jurong Town Corporation are deemed to be interested in the Units held by Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited.

Unitholdings of the Directors of the Manager as at 21 April 2011

Size of holdings	Direct Interest	Deemed interest	
Mr David Wong Cheong Fook	148,000	_	
Ms Chong Siak Ching	186,000	171,000	
Mr Joseph Chen Seow Chan	100,000	_	
Mr Chia Kim Huat	_	_	
Mr Koh Soo Keong	_	_	
Mr Henry Tan Song Kok	_	_	
Ms Monica Villegas Tomlin	_	_	
Mr Tan Ser Ping	_	_	

The Capital Group Companies, Inc. is a holding company for several subsidiaries that engaged in investment management activities. The Units are held in accounts under the discretionary investment management of one or more of the investment management companies.

ADDITIONAL INFORMATION

Interested party transactions

Transactions entered into with related parties during the financial year falling within the Listing Manual of the SGX-ST and the CIS Code are as follows:

Aggregate value of all interested party transactions during the financial period under review (excluding transactions less than \$100,000)

Name of interested party

\$'000

JTC Corporation

- Land rent	24,070
- Licence fees paid for development projects	528

Ascendas Pte Ltd and its subsidiaries

- Property service fees	19,066
- Service charge and reimbursables	14,611
- Management fees	30,145 ⁽¹⁾
- Acquisition fees	1,256(2)
- Development management fees	1,490(3)
- Acquisition of properties	125,600
- Carpark income	(3,471)
- Marketing fees paid during the year	5,029

HSBC Institutional Trust Services (Singapore) Ltd

- Trustee fees 1,483

Total 219,807

- The Manager's Fee comprises:
 - (i) a base management fee of 0.5% per annum of the Deposited Property. With effect from 19 November 2007, the Manager has elected to receive 20% of the base management fees in units and 80% in cash for all properties.
 - (ii) an annual performance fee (2011: payable in cash and 2010: Nil) of:
 - 0.1% per annum of the Deposited Property, provided that the annual growth in distributions per Unit in a given financial year (calculated before accounting for the performance fee in that financial year) exceeds 2.5%; and
 - an additional 0.1% per annum of the Deposited Property, provided that the growth in distributions per Unit in a given financial year (calculated before accounting for the performance fee in that financial year) exceeds 5.0%.

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ADDITIONAL INFORMATION

- an acquisition fee of 1.0% of the purchase price of investment property acquired by the Trustee on behalf of A-REIT.
- Development management fee, not exceeding 3.0% of the total project cost incurred in development projects undertaken by A-REIT. In cases where the market pricing for comparables services is materially lower, the Manager will reduce the development management fees to less than 3.0%. In addition, when the estimated total project cost is greater than \$100.0 million, the Trustee and the Manager's independent directors will first review and approve the quantum of the development management fee.

Please also see significant related party transactions in Note 28 to the financial statements.

Except as disclosed above, there were no additional related party transactions (excluding transactions of less than \$100,000 each) entered into up to and including 31 March 2011.

Confirmation in writing was obtained from Singapore Exchange Limited ("SGX") that Rule 905 and 906 are not applicable if such related party transactions are made on the basis of, and in accordance with, the terms and conditions set out in the A-REIT prospectus dated 5 November 2002 and therefore would not be subjected to Audit Committee approval.

Listing of A-REIT new units

An aggregate of 3.1 million new units were issued during the year bringing the total number of A-REIT units on issue to 1,874.3 million as at 31 March 2011.

ADDITIONAL INFORMATION

Historical statement of total return

Year ended 31 March

	2011 S\$'000	2010 S\$'000	2009 S\$'000	2008 S\$'000	2007 S\$'000	2006 S\$'000	2005 S\$'000	2004 S\$'000	Period from 9/10/02 to 31/3/03 S\$'000
Gross revenue	447,634	/12 679	396,534	322,270	283,007	227,153	128,987	65,914	22,836
Property operating expenses	(108,208)	,	(99,916)	(78,780)		(53,595)	(32,873)	(15,604)	(6,325)
Net property income	339,426	319,988	296,618	243,490	210,347	173,558	96,114	50,310	16,511
Management fees Trust expenses Finance income Finance costs Foreign exchange gain	(30,145) (3,608) 3,295 (77,655) 2,352	(23,421) (2,879) 1,650 (69,805)	(31,698) (4,715) 29 (59,485)	(25,579) (2,508) 114 (40,537)	(21,607) (1,913) 332 (38,777)	(17,971) (1,516) 214 (22,293)	(11,249) (1,215) 73 (8,506)	(5,588) (809) 20 (3,342)	(1,145) (291) 9 (794)
Net income Net change in fair value of financial derivatives Net appreciation/(depreciation) on revaluation of investment	233,665	225,533 (23,878)	200,749	174,980	148,382	131,992	75,217 -	40,591	14,290
properties and investment properties under development	344,777	(53,682)	(115,443)	494,141	188,712	13,188	21,823	7,871	22,317
Total return for the year before income tax expense	579,586	147,973	85,306	669,121	337,094	145,180	97,040	48,462	36,607
Income tax expense	(976)	-	_	_	_	_	-	_	_
Total return for the year after income tax expense	578,610	147,973	85,306	669,121	337,094	145,180	97,040	48,462	36,607
Net non-tax deductible expenses, net and other adjustments	9,352	33,236	10,174	12,289	15,442	10,641	8,948	4,945	892
Net appreciation/(depreciation) on revaluation of investment properties and investment	(044.777)	F0.000	115 440	(404 1 41)	(100 710)	(10.100)	(01,000)	(7.074\	(00.017)
properties under development	(344,777)					(13,188)	(21,823)	(7,871)	(22,317)
Income available for distribution	243,185	234,891	210,923	187,269	163,824	142,633	84,165	45,536	15,182
Distribution from capital	4,768			_	_			_	
Total amount available for distribution	247,953	234,891	210,923	187,269	163,824	142,633	84,165	45,536	15,182
Earnings per unit (cents) *	30.89	8.23	6.11	50.31	26.13	11.84	10.98	8.65	18.36#
Distributions per unit (cents)	13.23	13.10	15.18	14.13	12.75	11.68	9.56	8.16	7.63#

The Earnings per unit has been calculated using total return for the year and weighted average number of units on issue during the year. Annualised Earnings/Distributions per unit

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GLOSSARY

AFM Ascendas Funds Management (S) Limited A-REIT Ascendas Real Estate Investment Trust **ASPL** Ascendas Services Pte Ltd Board Board of Directors of the Manager **CAGR** Compounded Annual Growth Rate CBP Changi Business Park CDP The Central Depository (Pte) Limited CIS The Code of Collective Investment Schemes issued by the Monetary Authority of Singapore **CMBS** Commercial Mortgage Backed Securities **CPF** Central Provident Fund CPI Consumer Price Index **DPU** Distribution per unit **ECS** Exchangeable Collateralised Securities EDB Economic Development Board **EPU** Earnings per unit **GDP** Gross Domestic Product **GFA** Gross Floor Area which includes net lettable area and common areas, such as common corridors Interbank GIRO General Interbank Recurring Order IPT Interested Party Transaction Transactions made between the Trustee (as trustee of A-REIT) and an "interested person", under Interested Party Transaction the Listing Manual and the Property Funds Appendix Listing Manual The Listing Manual of SGX-ST Manager Ascendas Funds Management (S) Limited, as manager of A-REIT MAS Monetary Authority of Singapore Net Lettable Area Consists of the total gross floor area less the common areas, such as corridors, amenities' area and management offices **Property Funds Appendix** Appendix 2 of the CIS Code issued by the MAS in relation to REITs Property Management The agreement dated 10 Oct 02 made between the Manager, the Trustee and the Property Agreement Manager pursuant to which the Property Manager will provide certain property management, lease management, marketing and project management services to A-REIT and extended by a letter dated 19 Nov 07 signed by the Trustee, the Manager and the Property Manager Property Manager Ascendas Services Pte Ltd Real Estate Investment Trust SFA Securities and Futures Act, Chapter 289 of Singapore SGS Singapore Government Securities SGX-ST Singapore Exchange Securities Trading Ltd SOR Swap Offer Rate Square metres Sqm S-REIT Singapore-listed REIT SRS Supplementary Retirement Scheme

The Trust Deed dated 9 Oct 02 made between the Trustee and the Manager constituting A-REIT,

as amended, modified, re-stated or supplemented, from time to time.

An undivided interest in A-REIT as provided for in the Trust Deed

HSBC Institutional Trust Services (Singapore) Limited, as trustee of A-REIT

The Depositor whose securities account with CDP is credited with Units(s)

Straits Times Index

Trust Deed

Unitholders(s)

Trustee

Unit

CORPORATE DIRECTORY

The Manager

Ascendas Funds Management (S) Limited Company registration number: 200201987K

Registered Office

61 Science Park Road #02-18 The Galen Singapore Science Park II Singapore 117525 Phone: (65) 6774 1033 Fax: (65) 6775 2813

Email: a-reit@ascendas-fms.com Website: www.a-reit.com

Board of Directors

Mr David Wong Cheong Fook, Chairman (Independent Director)

Ms Chong Siak Ching, Vice Chairman

Mr Joseph Chen Seow Chan, Independent Director, Chairman of Audit Committee

Mr Chia Kim Huat,

Mr Koh Soo Keong, Independent Director

Mr Henry Tan Song Kok, Independent Director

Ms Monica Villegas Tomlin, Independent Director

Mr Tan Ser Ping, Executive Director & CEO

Company Secretariat

Ms Mary Judith de Souza, Company Secretary

Audit Committee

Mr Joseph Chen Seow Chan, Chairman

Mr Chia Kim Huat Mr Koh Soo Keong Mr Henry Tan Song Kok

Human Resource & Compensation Committee

Mr David Wong Cheong Fook, Chairman

Ms Chong Siak Ching

Mr Joseph Chen Seow Chan

Executive Committee

Mr Koh Soo Keong

Ms Chong Siak Ching, Chairman Mr Chia Kim Huat Ms Monica Villegas Tomlin Mr Tan Ser Ping

Nominating Committee

Mr David Wong Cheong Fook, Chairman

Ms Chong Siak Ching Mr Chia Kim Huat

Fax: (65) 6536 1360

Unit Registrar

Boardroom Corporate & Advisory Services Pte Ltd (a member of Boardroom Limited) 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 Phone: (65) 6536 5355

Trustee

HSBC Institutional Trust Services (Singapore) Limited 21 Collyer Quay #10-01 HSBC Building Singapore 049320 Phone: (65) 6534 1900

Fax: (65) 6533 1077

Auditors

KPMG LLP 16 Raffles Quay #22-00 Hong Leong Building Singapore 048581 Phone: (65) 6213 3388 Fax: (65) 6225 0984

Partner-in-charge: Mr Ronald Tay (Since the financial period ended

31 March 2008)

SGX Code

Ascendasreit

Stock Symbol

A17U.SG



