1Q FY2009/10 Financial Results Presentation 17 July 2009

Disclaimers

This Presentation is focused on comparing results for the three months ended 30 June 2009 versus actual results year-on-year (“yoy”). This shall be read in conjunction with A-REIT’s Results for the period from 1 April 2009 to 30 June 2009 in the SGXNet announcement.

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on the Manager’s current view of future events.

Agenda

- Key Highlights
- Financial Performance
- Investment Management
- Capital Management
- Asset Management
  - ➢ Portfolio Update
  - ➢ Portfolio Resilience
  - ➢ Portfolio Growth
- Market Outlook
- Conclusion

Key Highlights

- 1QFY2009/10 Net Property Income of S$80.7m, increase of 15.8% year-on-year
- Total development pipeline under construction of S$308m of which S$128m has been funded
- Aggregate Leverage at 35.5% and Interest Cover Ratio at 4.8x
- Maiden issue of a 2-year note for S$150m under the MTN programme. A second issue of a 4-year note for S$125m is expected to complete by end July 09
- CMBS of S$300m due in Aug 09 will be refinanced using existing credit facilities
- Moderation of occupancy rate: portfolio occupancy at 97.1%; multi-tenanted properties at 94.0%
- Positive rental reversion on renewal in Business & Science Park, Hi-Tech Industrial and Logistics sectors

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1QFY2009/10 vs 1QFY2008/09

(S$'000)	1Q FY2009/10[1]	1Q FY08/09[1]	% incr/(decr)
Gross revenue	102,441	92,537	10.7
Less: Property operating expenses	(21,730) [2]	(22,837)	(4.8)
Net property income	**80,711**	**69,700**	**15.8**
Interest Expense	(14,811)	(12,067)	22.7
Other borrowing costs[3]	(699)	(757)	(7.7)
Non-property expenses[4]	(6,330)	(7,322)	(13.5)
Net income	**58,871**	49,554	**18.8**
Available for distribution	**61,037**	**51,783**	**17.9**

Notes:
(1) Based on 89 properties as at 30 June 2009 and 86 properties as at 30 June 2008
(2) Property expenses decreased by 4.8% due to lower utilities costs and reversal of over accrual of property taxes on one property.
(3) Other borrowing costs include amortisation of setup fees and maintenance costs incurred for various loans, fair value adjustments on deferred payments and refundable security deposits in accordance to FRS39.
(4) Non-property expenses include manager fee and trust expenses, net of interest income

DPU – 1QFY2009/10 vs 1QFY2008/09

(S$'000)	1QFY2009/10[1]	1QFY2008/09[1]	% incr/(decr)
Net income	**58,871**	49,554	**18.8**
Non tax deductible expenses	2,166	2,229	(2.8)
Available for distribution	**61,037**	51,783	**17.9**
No. of units in issue (mil)	1,684.9	1,329.6	26.7
Distribution Per Unit (cents)	**3.62**[2]	3.89	**(6.9)**
Pro Forma DPU[3]	**-**	3.07	**17.9**

Notes:
(1) Based on 89 properties as at 30 June 2009 and 86 properties as at 30 June 2008
(2) NPI for 1Q FY09/10 includes non-recurring items of about S$1.1m - DPU impact of about 0.06 cents
(3) DPU adjusted for new units in issue as at 30 Jun 2009

1QFY2009/10 vs 4Q FY2008/09

(S$'000)	1Q FY2009/10[1]	4Q FY2008/09[1]	% incr/(decr)
Gross revenue	102,441[2]	104,324	(1.8)
Less: Property operating expenses	(21,730) [3]	(24,217)	(10.3)
Net property income	**80,711**	**80,107**	**0.8**
Interest Expense	(14,811)	(14,710)	0.7
Other borrowing costs[4]	(699)	(958)	(27.0)
Non-property expenses	(6,330) [5]	(16,321)	(61.2)
Net income	**58,871**	**48,118**	22.3
Non Tax deductible items	**2,166**	**3,694**[6]	**(41.4)**
Available for distribution	**61,037**	**51,812**	**17.8**
Distribution Per Unit (cents)	**3.62**	**3.61** [7]	**0.3**

Notes:
(1) Based on 89 properties as at 30 Jun 2009 and 31 Mar 2009
(2) Gross revenue declined due to lower utilities billing to tenants and one-off revenue of $0.7 m booked in 4QFY 08/09
(3) Property expenses reduced due to lower utilities tariffs, reversal of over accrual of property taxes on one property and some one-off cost-savings
(4) Other borrowing costs include amortisation of setup fees and maintenance costs incurred for various loans, fair value adjustments on deferred payments and refundable security deposits in accordance to FRS39.
(5) Decline in non-property expenses due to Performance Fee which was accounted for in 4QFY08/09
(6) Include write-down of fit-out cost which was non tax deductible
(7) DPU for 4QFY2008/09 taking into units in issue as at June 2009 and before performance fee

Distribution Details

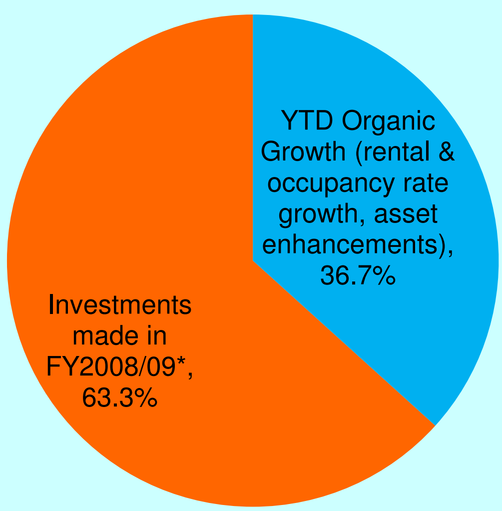
Stock counter	Distribution Period	Distribution per unit (cents)
Ascendasreit	**1 Apr 09 to 30 Jun 09**	**3.62**

Distribution Timetable

Last day of trading on "cum" basis	26 July 2009
Ex-date	27 July 2009
Books closure date	29 July 2009
Distribution payment date	**28 August 2009**

Sources of NPI Growth

Organic growth contributed to 36.7% of NPI growth of 15.8%



* Investments made in FY2008/09 contributing full quarter NPI impact in 1QFY2009/10

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Investment Highlights

	Value (S$m)	Expected Completion Date
Development-in-progress:		
Plot 8 MTB & Amenity Centre, Changi Business Park	107.1	3Q FY09/10
Built-to-suit logistics facility at Airport Logistic Park Singapore for Expeditors	25.6	3Q FY09/10
Built-to-suit Hi-Tech Industrial building for Singtel	175.4	4Q FY09/10
Total development pipeline	**308.1**	
Amount capitalised	127.5	
Development cost to be funded	**180.6**	
CBP Plot 8 Phase 2 (1)	26.0	

Note:
(1) Construction contract yet to be awarded. Commencement of project may be deferred to a future date.

Development-in-progress: Plot 8 CBP

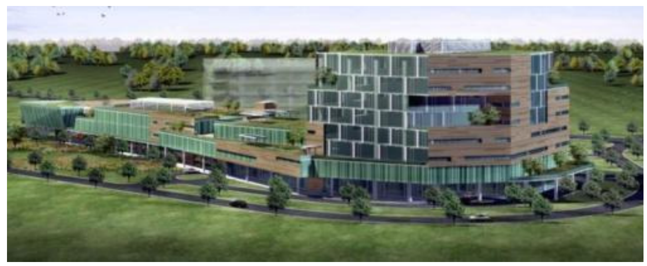
Changi Business Park: Suburban business space

Sept 08: Commenced construction of MTB Building

Mar 09:

Jun 09

Business Park MTB & Amenities Centre



- Multi-tenanted building with expected GFA of about 33,000 sqm including about 8,000 sq m of amenity space to serve the needs of the growing CBP population and surrounding area.
- Expected completion in 3Q FY2009/10

Development-in-progress:
Built-to-Suit for Expeditors Singapore

- Development of a part 2-storey / part 4-storey logistics facility at Plot 6 of Airport Logistics Park (within Airport Free Trade Zone) with 100% pre-commitment by Expeditors Singapore Pte Ltd
- Expected completion date: 3Q FY2009/10

Dec 08

Jun 09

Artist impression

Mar 09

Development-in-progress:
Built-to-Suit for Singtel

- Development of a 9-storey Hi-Tech Industrial building at Kim Chuan for SingTel
- Development is located next to Kim Chuan Telecommunications Complex, an existing building owned by A-REIT and currently leased to SingTel
- 20 + 10 years lease with annual rental escalation

Artist impression

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Healthy Balance Sheet

(S$ mil)	As at 30 Jun 09	As at 30 Jun 08
Total Assets	4,599	4,545
Aggregate Leverage(1)	1,633	1,841
Net assets attributable to unitholders	2,729	2,506
Aggregate Leverage (%)	**35.5%**	**40.5%**
Net asset value per unit	**162 cents**	**188 cents**
Units in Issue (mil)	**1,684.9**	**1,329.6**

(1) Aggregate leverage includes deferred payments on purchase price of certain properties

Interest Rate Risk Management

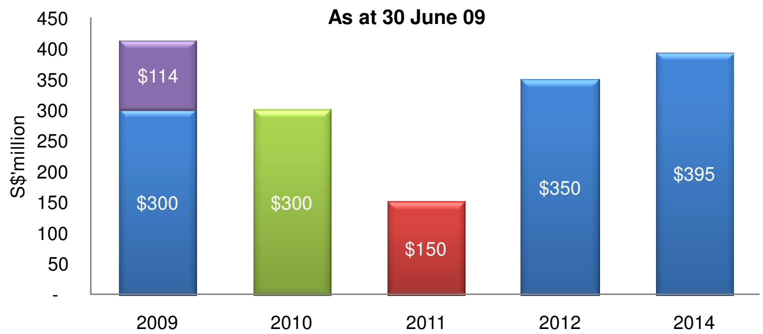
98.2% of interest rate exposure fixed for the next 3.1 years

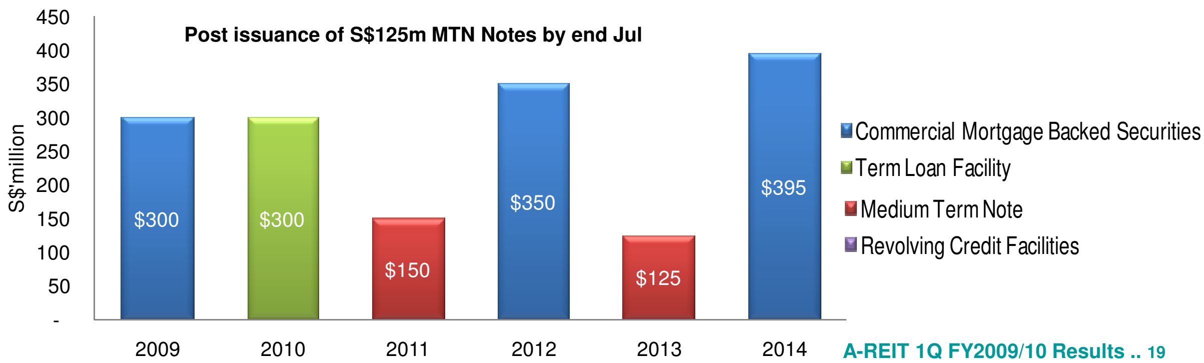
Debt Profile	30 Jun 2009	30 Jun 2008
Aggregate leverage	35.5%	40.5%
Total debt	S$1,609m	S$1,800m
• Fixed rate debt	S$1,581m	S$1,431m
Fixed as a % of total debt	98.2%	79.5%
Weighted average all-in funding cost (1)	3.75%	3.16%
Weighted average term for fixed debt	3.1 years	3.9 years
Interest cover ratio	4.8 times	5.1 times

Note:
(1) Including annual maintenance costs and amortisation establishment cost of various loans

Debt Maturity Profile

- Diversified debt funding sources through the establishment of a S$1 billion Medium Term Note (MTN) programme in March 09
- Maiden issue of S$150m 2-year notes in Apr / May 09. A second issue of S$125m 4-year notes is in progress
- Debt maturity profile extended





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High Occupancy; Long Leases

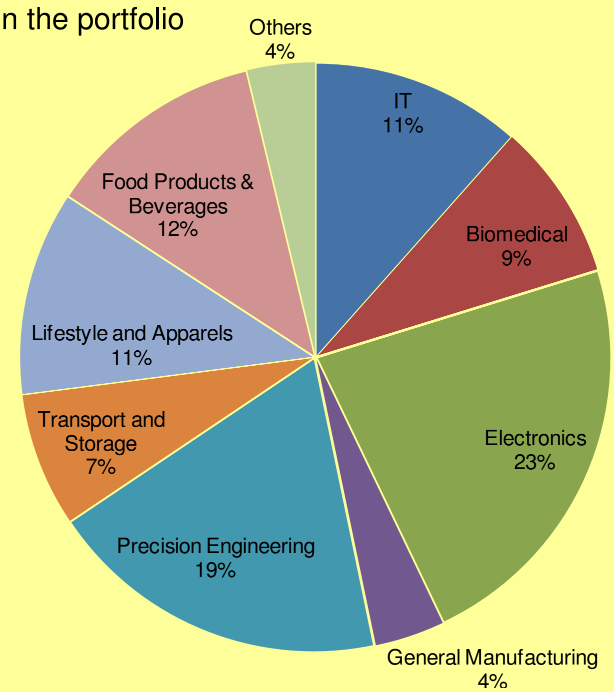
- MTB occupancy rate moderated from 95.3% in previous quarter
- New leases committed was about 76% of a year ago

	As at 30 Jun 09	As at 30 Jun 08
Total Portfolio GFA (sqm)	**2,268,585**	**2,115,780**
Portfolio occupancy **MTB(1) occupancy**	**97.1%** **94.0%**	**98.6%** **96.8%**
Total portfolio renewals/new leases (sqm)	**75,443(3)**	**55,420(2)**
Total New leases/Expansions (sqm) **Total Renewals (sqm)**	**11,422(3)** **64,021(3)**	**14,950(2)** **40,470(2)**
Weighted Average Lease to Expiry (years)	**5.0**	**5.5**

Notes :
1) MTB = Multi-tenanted buildings which accounts for about 53% of portfolio value
2) For the three months ended 30 June 08
3) For the three months ended 30 June 09

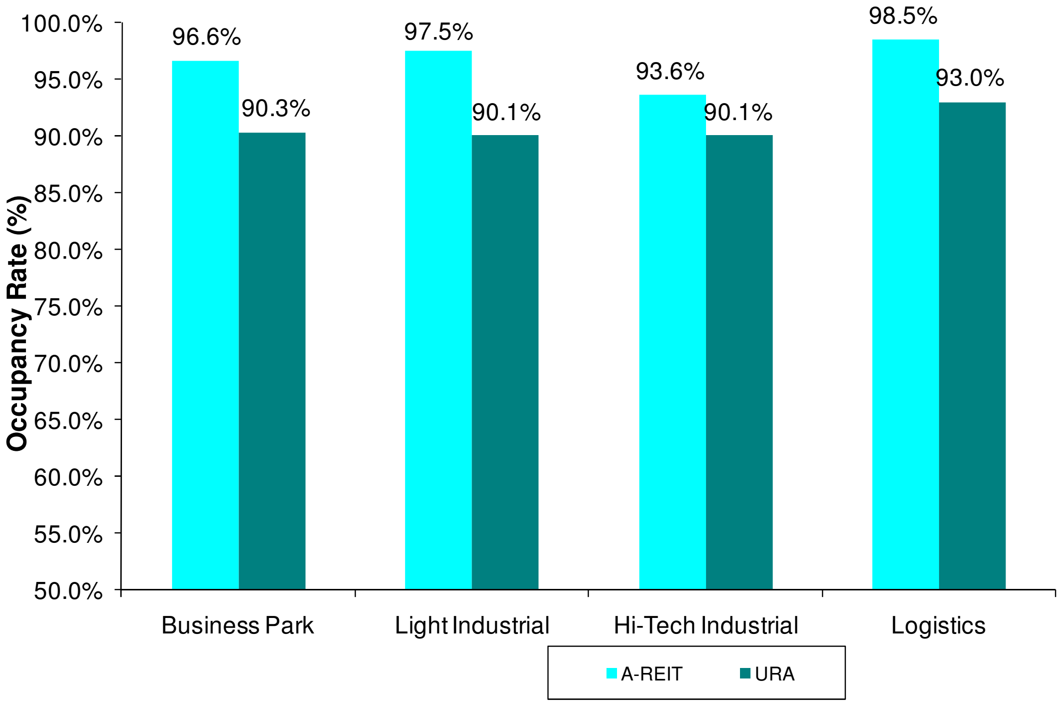
Sources of new demand in 1QFY09/10

Continue to attract new demand from tenants from various sectors due to diversity of properties in the portfolio



By net lettable area

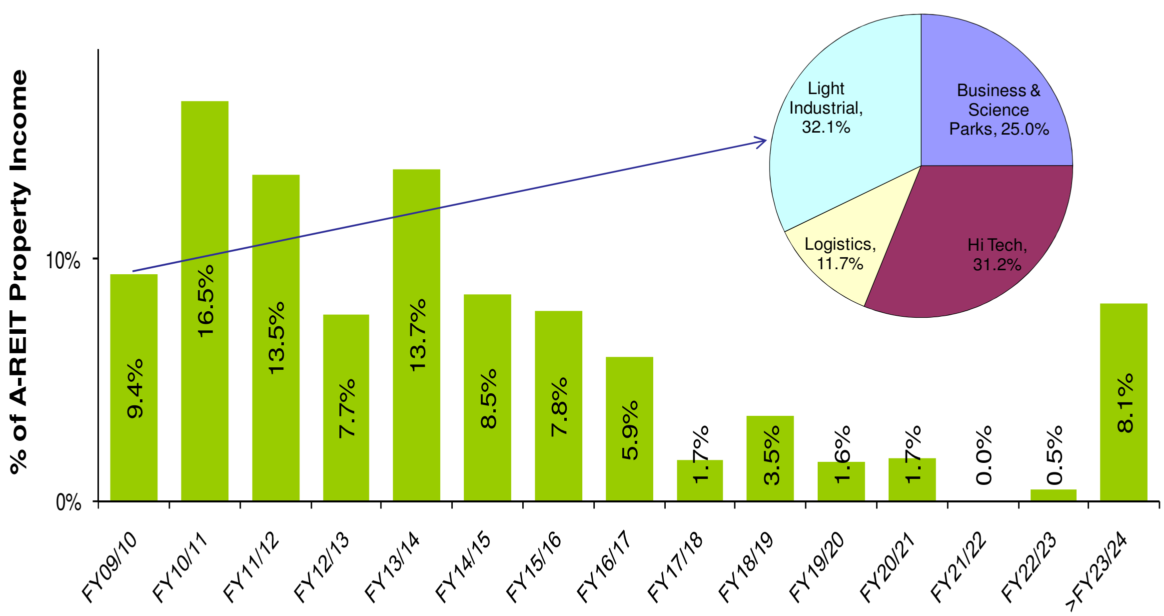
Portfolio Occupancy Rates vs Market Average



Source: URA Official Statistics as at 1Q2009
A-REIT's occupancy as at 30 June 2009

Lease Expiry Profile

- Weighted average lease to expiry for the portfolio of about 5 years
- Stable portfolio - about 1/3 of revenue due for renewal has been completed in 1QFY09/10; 9.4% of income due for renewal in balance of FY2009/10



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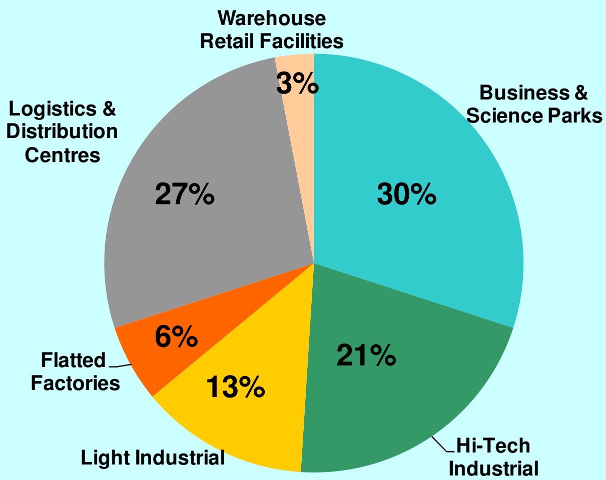
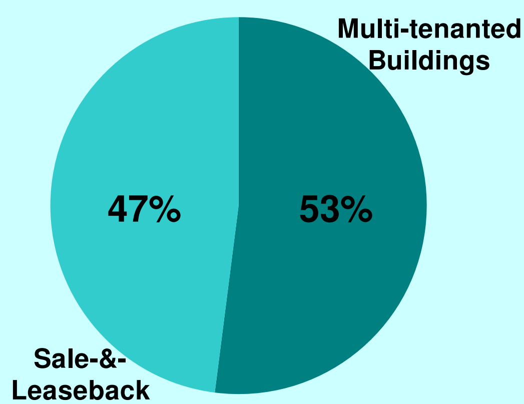
Well Diversified Portfolio
- by Value

Asset Class Diversification

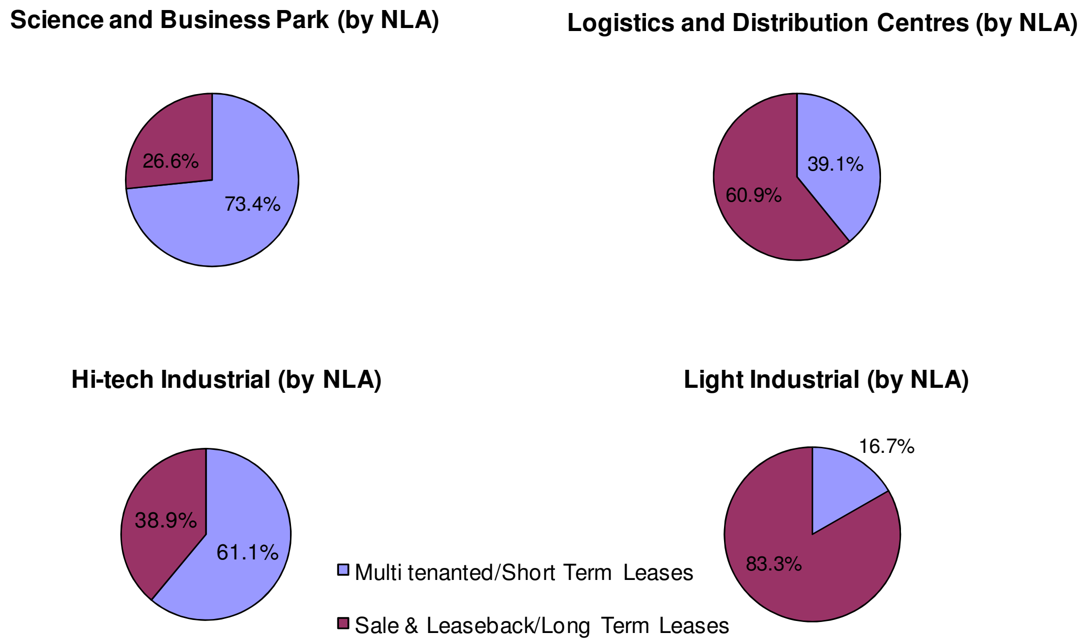


Mix of Sale-&-Leaseback vs Multi-tenanted Buildings



Split of short term & long term leases within sector

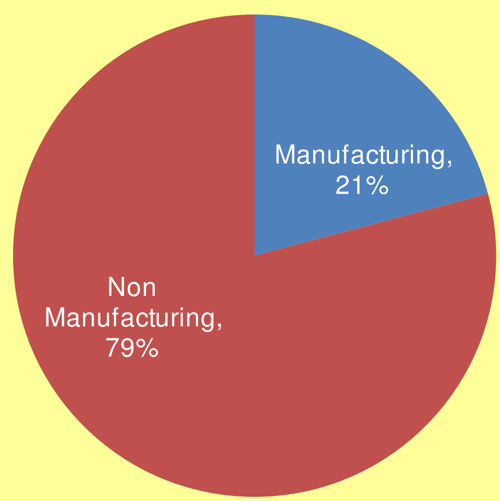
Most long leases have stepped rental increases, of which about 31% by gross rental income are CPI based rental adjustments



Low exposure to conventional manufacturing

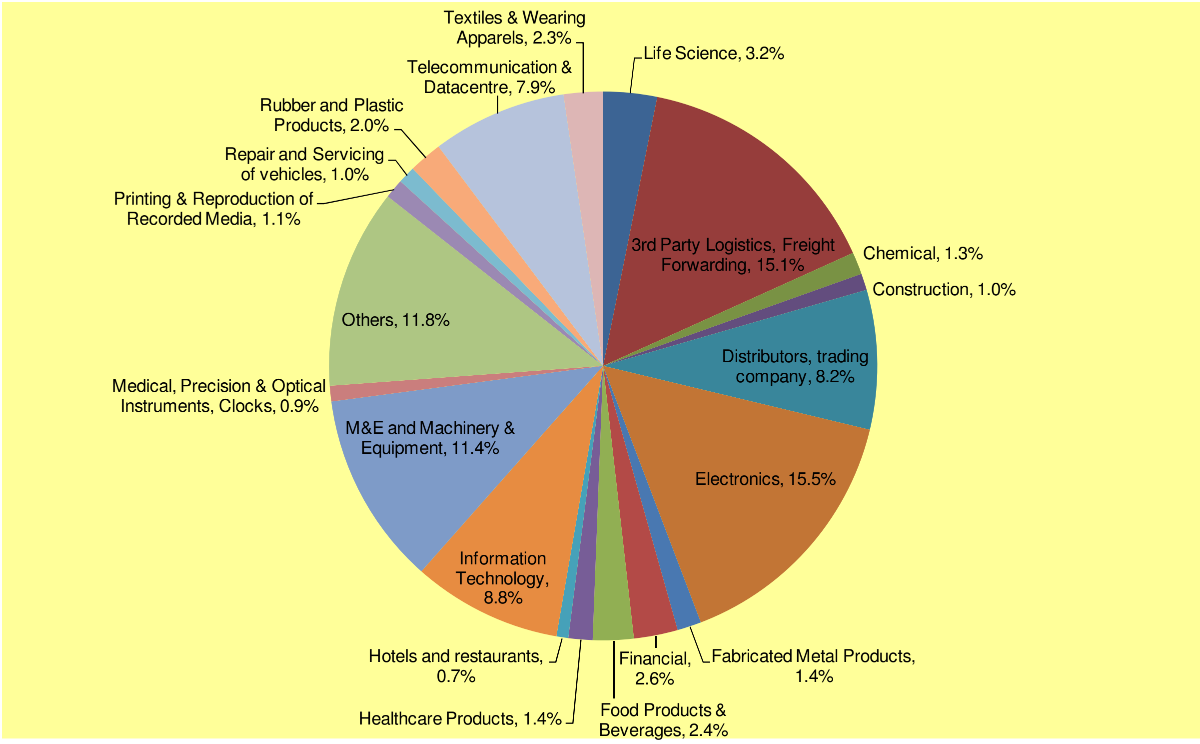
1Q FY2008/09 tenants' business activities by net lettable area

- 21% of NLA occupied by tenants engaged in conventional manufacturing activities.
- Manufacturing activities include food & beverages, aeronautical auxiliary equipment, precision engineering etc.
- Non-manufacturing activities include R&D, backroom offices, telecommunications & data centre, software and media consultancy services as well as transport & storage



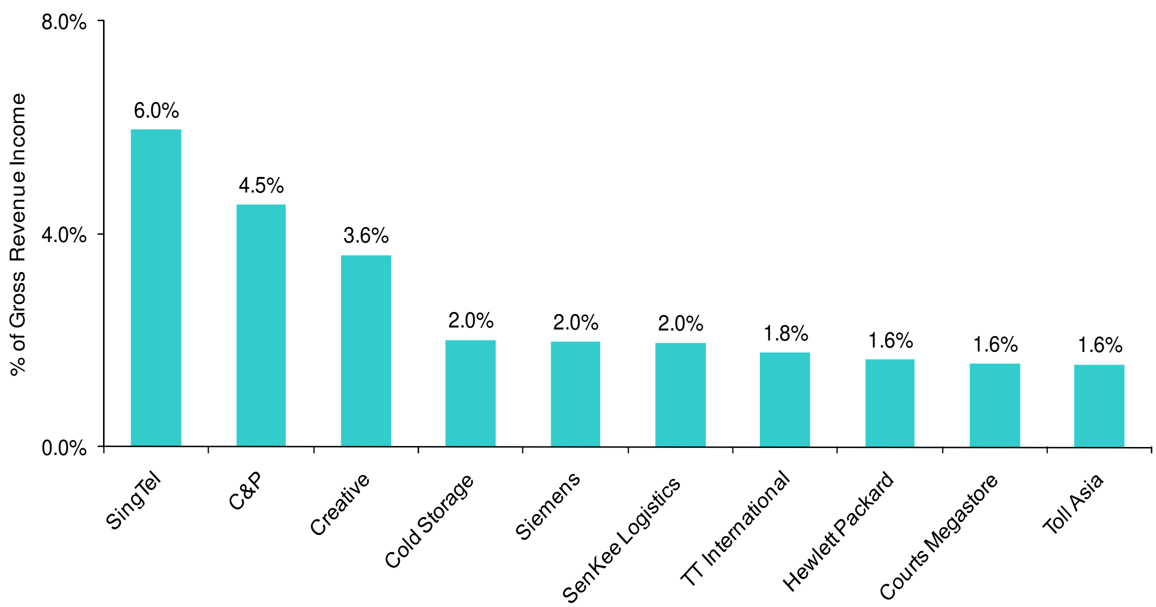
Tenants' Industry Diversification

1QFY2009/10 tenants' industry by gross revenue



Quality and Diversified Tenant Base

- Total tenant base of over 900 tenants
- Top 10 tenants account for 26.7% of total portfolio income, of which majority are listed entities with established track record in their respective industry sectors



Tenants Risk Analysis

- Within A-REIT's portfolio of approximately 1.9 m sqm in net leasable area, about 12,000 sqm (about S$0.14 m of monthly revenue) are considered vulnerable
- A-REIT has about S$1.08 m in security deposits from these tenants
- As at 30 June 2009, outstanding accounts receivable past due for more than two months is about S$386,000 (about 0.09% of annualised gross revenue)

Tenants Risk Update

13 International Business Park has been repossessed as its anchor tenant occupying 8,202 sqm of space had failed to meet lease obligations

Amount of space repossessed:	8,202 sqm
Status of leasing:	36.9% of space has already been leased at rental rates not lower than the existing rental rates (more than 50% of the space was contracted at higher rental rates) Another 16.8% of space is under advance negotiation with prospective tenant
Security Deposit	8 months, which will be used to pay rent while balance space is being marketed

Security Deposit for Sale & Leaseback Properties

- Weighted average security deposits for sale & leaseback properties range from 7 to 14 months rental income
- On portfolio basis, weighted average security deposit is 7 months of gross rental income

	No. of SLB Properties	Weighted Average No. of Months Rent as Security Deposit*
Business & Science Parks	3	14
Hi-Tech Properties	7	7
Light Industrial	26	11
Logistics & Distribution Centres	13	9
Warehouse Retail Facilities	2	11
	51	10

* Excluding cases where rental is paid upfront

MTB Occupancy & Rental Rate:

NPI / DPU Sensitivity

Every 5% decline in MTB occupancy or rental rate will result in a 3.8% overall decline in net property income or approximately 0.67 cents decrease in DPU

% decline in MTB occupancy/ rental rates	Expected decline in annualised MTB NPI (S$ m)	Overall decline in portfolio NPI (%)	Impact on full FY DPU (cents)
5%	11.3	3.8	0.67
10%	22.7	7.7	1.35
15%	34.0	11.5	2.02
20%	45.4	15.3	2.70
25%	56.7	19.1	3.37

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Subsector Performance

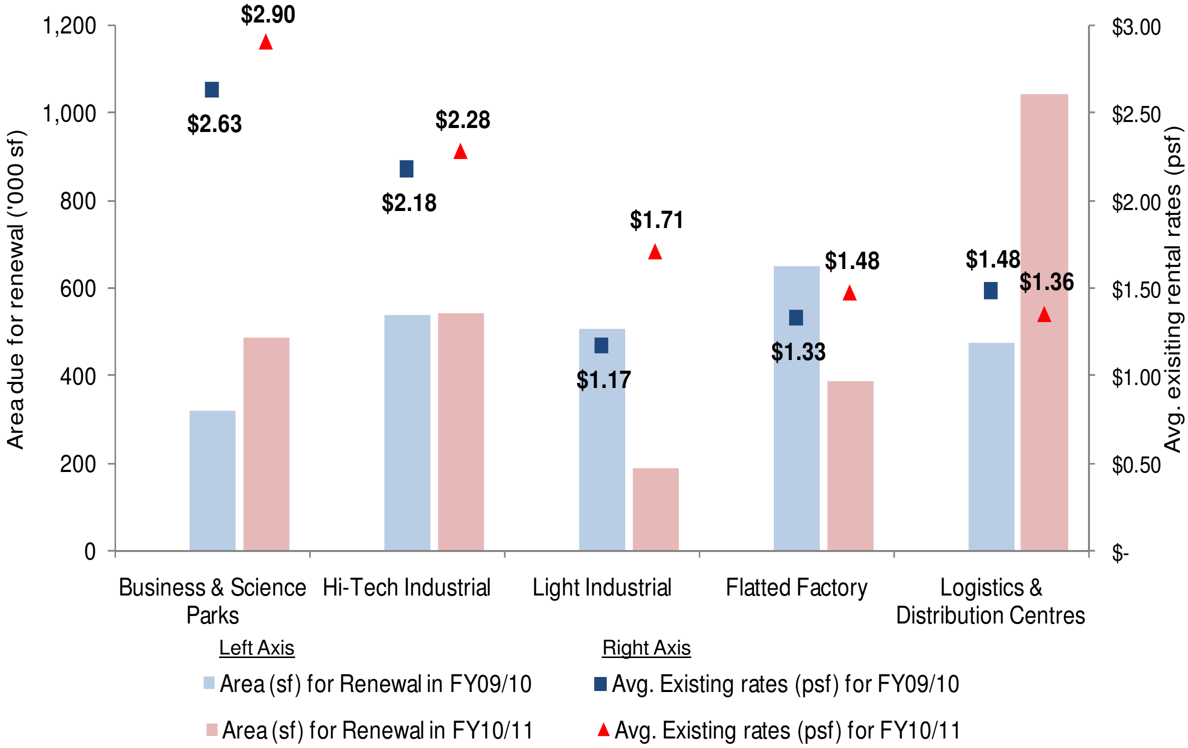
Positive rental reversion on renewal in Business & Science Parks, Hi-Tech Industrial and Logistics space

Multi-tenanted properties	Net Lettable Area (sqm)	Vacant space (sqm)	Renewal rates (1)	New take up rates 1QFY09/10 vs 4QFY08/09(2)	Remarks
	As at 30 June 09				
Business & Science Park	226,106	10,627	↑ 33.6%	↓ (10.7%)	Rent for new take up in 1Q was lower due to difference in building specs of space
Hi-Tech Industrial	203,663	21,181	↑ 19.5%	↑ 4.2%	New take up in 1Q was at building closer to city
Light Industrial	193,709	11,816	↓ (8.2%)	↓ (15.4%)	New take-up in 4Q was ground floor space which commands a higher rate
Logistics & Distribution Centres	276,525	10,784	↑ 1.5%	↓ (22.2%)	Take-up for 4QFY08/09 was for space with air-con fittings

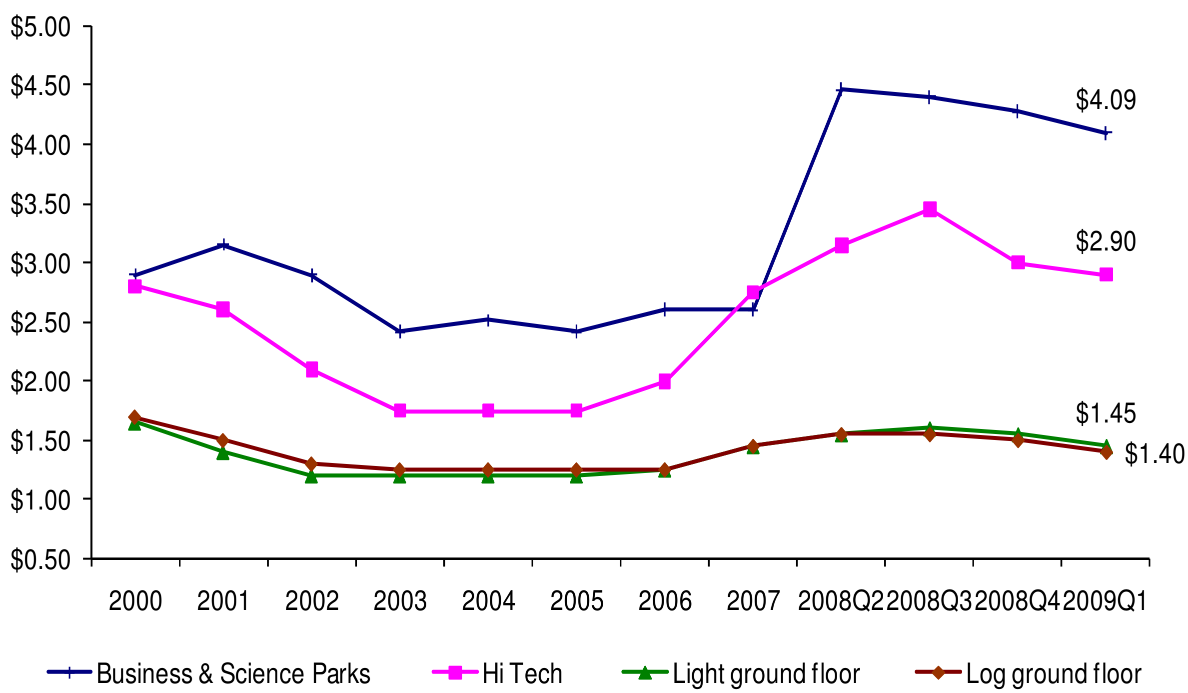
(1) Renewal rental rates for 1QFY2009/10 versus previous contracted rate
(2) Rental rates for new take up (including expansion by tenants) in 1QFY2009/10 versus rates in 4QFY2008/09

In-place rent of space due for renewal

FY09/10 & 10/11



Average Market Gross Rents by Sector



Source : CBRE Q12009 Report;URA

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Market Outlook

- Tentative signs of the global economy bottoming but they may not yet point to a clear recovery
- Underlying global economy is expected to remain weak in the coming quarters and is susceptible to downside risks
- The Ministry of Trade and Industry has revised its GDP estimates to a contraction of between 4% and 6% for Singapore in 2009, up from previous forecast of contraction between 6% and 9%
- The global economic recovery, if any, is likely to be fragile and 2009 is expected to be a difficult year for most businesses.

Graphics: The Straits Times

Potential New Supply

- Total stock of 35.6 m sqm
- Potential supply of 3.4 m sqm of private industrial space currently under construction expected over next three years
- Some potential supply may be delayed or postponed due to weak outlook

Sector ('000 sqm)	New Supply (total)	2009	2010	2011
Business & Science Park	504	216	243	44
% pre-committed (est)		41%	37%	-
Industrial (Hi-tech and Light industrial)*	2,220	911	1,247	62
% pre-committed (est)		76%	75%	50%
Logistics & Distribution Centres	690	211	293	186
% pre-committed (est)		23%	50%	65%

* Includes A&A works to existing properties amounting to about 356,000 sqm & about 512,000 sqm is under strata title. Excludes projects under 7,000 sqm.

Source: URA Q1 Report, A-REIT internal research

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A-REIT's strengths

Diversity and Depth

- Largest business and industrial REIT in Singapore
- Solid and well diversified portfolio
  - ✓ Six property asset classes
  - ✓ Well-located quality properties
  - ✓ Balance of long term vs short term leases provides stability with potential for positive rental reversions
  - ✓ No single property accounts for more than 5% of revenue
  - ✓ High predictability and sustainability in income

Strong Sponsor

- Sponsor Ascendas has a track record of more than 20 years in this sector
- Committed sponsor and alignment of interest with A-REIT unitholders

A-REIT's strengths

- **Downside protection in earnings**
  - Stable portfolio with only about 90% of portfolio revenue committed and an portfolio average lease to expiry of about 5 years.
  - Mix of long term and short term leases provides earnings stability.
    - ➢ Long term leases have a weighted average lease to expiry of about 7.2 years and are backed with an weighted average of 10 months rental in security deposits. Most long term leases have stepped rental escalation clauses.
  - Diversified portfolio capable of serving the needs of various sectors
  - No significant re-financing requirements.
  - High percentage of interest rate risk exposure hedged.

- **Hedge against Inflation**
  - 47% of leases are long term with annual rental escalation of which about 31% are CPI based adjustments

A-REIT's strengths

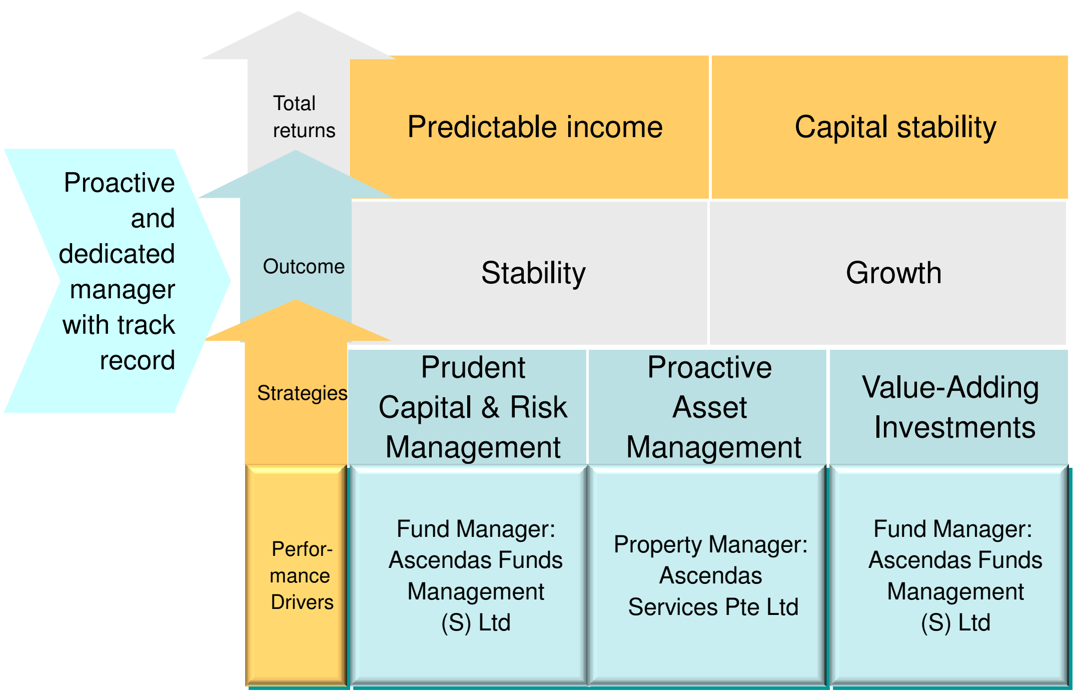
Development capability
- Has development capability to create own assets which are more yield accretive than acquisitions of income producing properties

Operational platform (Property Manager, Ascendas Services Pte Ltd)
- Dedicated asset management, sales/marketing, leasing and property management team of over 80 people
- Possess in-depth understanding of this property sector

Customer focus
- Over 900 tenants from international and local companies
- Track record of customers growing with us

Size advantages
- Accounts for 15% of S-REIT market capitalization and 4% of Asian ex Japan REIT sector
- Accounts for about 19% of S-REIT total trading volume in 1QFY2009/10
- Included in major indices (eg. MSCI, FTSE ST Mid Cap Index)

A-REIT's strategies



Thank you

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