3Q FY2009/10
Financial Results Presentation
18 January 2010

Disclaimers

This Presentation is focused on comparing results for the three months ended 31 December 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 31 December 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

- Distributable income of S$61.2 m is 13.4% higher than prior year of S$54.0m
- Net property income grew 9.7% yoy to S$81.4m from S$74.2m
- YTD NPI growth of 12.3% of which 47.2% is contributed organically
- Aggregate leverage of 31.2% with interest cover of 4.8x
- In process of re-financing S$300m term loan facility due in March 2010
- Commenced development of Phase II, Plot 8 Changi Business Park - a partial built-to-suit facility for Citibank N.A.
- Healthy portfolio occupancy rate of 96.5% and 93.1% for multi-tenanted buildings
- Only 2.1% of portfolio revenue due up for renewal for balance of FY2009/10. 15.3% of portfolio revenue is due in FY2010/11

Agenda

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

3Q FY2009/10 vs 3Q FY2008/09

(S$'000)	3Q FY2009/10[1]	3Q FY2008/09[1]	% inc/(dec)
Gross revenue	105,051	102,343	2.6
Less: Property operating expenses[2]	(23,672)	(28,148)	(15.9)
Net property income	**81,379**	**74,195**	**9.7**
Interest Expense	(14,916)	(15,627)	(4.5)
Other borrowing costs[3]	(473)	(367)	28.9
Non-property expenses[4]	(6,866)	(6,218)	10.4
Net change in fair value of financial derivatives[5]	(1,828)	-	nm
Net income	**57,296**	51,983	**10.2**

Notes:
(1) Based on 91 properties as at 31 Dec 2009 and 88 properties as at 31 Dec 2008.
(2) Property operating expenses decreased by 15.9% due primarily to lower utilities costs and one-off property tax rebates, land rent rebates and higher vacancy refund.
(3) Other borrowing costs include amortisation of setup fees and maintenance costs incurred for loans, fair value adjustments on deferred payments and refundable security deposits in accordance to FRS39.
(4) Non-property expenses include base management fee and trust expenses, net of interest income.
(5) Non-cash fair value adjustments on interest rate swaps which are not designated as hedging instruments in accordance with FRS39.

DPU – 3Q FY2009/10 vs 3Q FY2008/09

(S$'000)	3Q FY2009/10[1]	3Q FY2008/09[1]	% inc/(dec)
Net income	**57,296**	**51,983**	**10.2**
Non tax deductible expenses[2]	3,933	1,993	97.3
Available for distribution	**61,229**	**53,976**	**13.4**
No. of units in issue (m)	1,871.2	1,331.8	40.5
Distribution Per Unit (cents)	3.27	**2.88[3]**	**13.5**
Proforma DPU	-		

Notes:
(1) Based on 91 properties as at 31 Dec 2009 and 88 properties as at 31 Dec 2008.
(2) Non tax deductible expenses for 3Q FY2009/10 include net debit in fair value of interest rate swaps which are not designated as hedging instruments in accordance with FRS39. This is added back in the computation of Distributable Income.
(3) 3Q FY2008/09 DPU of 2.88 cents is based on number of units in issue as at 31 Dec 2009, including units issued under the placement in Jan and Aug 2009 and preferential offerings in Feb 2009, as well as units issued in lieu of the base management fee payable in units in May and Dec 2009.

DPU – 3Q FY2009/10 vs 2Q FY2009/10

(S$'000)	3Q FY2009/10[1]	2Q FY2009/10[1]	% inc/(dec)
Gross revenue	105,051	102,281	2.7
Less: Property operating expenses	(23,672) [2]	(21,156)	(11.9)
Net property income	**81,379**	**81,125**	0.3
Interest Expense	(14,916)	(14,555)	2.5
Other borrowing costs[3]	(473)	(243)	94.7
Non-property expenses	(6,866)	(6,518)	5.3
Net change in fair value of financial derivatives	(1,828)	(8,880)	(79.4)
Net income	**57,296**	**50,929**	12.5
Available for distribution	**61,229**	**61,561**	(0.5)
Distribution per unit[4]	**3.27**	3.48	(6.0)

Notes:
(1) Based on 91 properties as at 31 Dec 2009 and 90 properties as at 30 Sep 2009.
(2) Increase due mainly to higher utility costs as oil price rises.
(3) Other borrowing costs include amortisation of setup fees and maintenance costs incurred for loans, fair value adjustments on deferred payments and refundable security deposits in accordance to FRS39.
(4) Decrease in DPU due to issuance of 1.2m of new units in Dec 09 as part of base management fees and full quarter impact of new units issued in August 09.

YTD 3Q FY2009/10 vs YTD 3Q FY2008/09

(S$'000)	YTD 3Q FY2009/10[1]	YTD 3Q FY2008/09[1]	% inc/(dec)
Gross revenue	309,773 [2]	292,210	6.0
Less: Property operating expenses	(66,558) [3]	(75,699)	(12.1)
Net property income	**243,215**	**216,511**	**12.3**
Interest Expense	(44,278)	(41,964)	5.5
Other borrowing costs[4]	(1,419)	(1,853)	(23.4)
Non-property expenses[5]	(19,714)	(20,063)	(1.7)
Net change in fair value of financial derivatives[6]	(10,708)	-	nm
Net income	**167,096**	152,631	**9.5**
Available for Distribution	**183,827**	159,111	**15.5**

Notes:
(1) Based on 91 properties as at 31 Dec 2009 and 88 properties as at 31 Dec 2008.
(2) Increase due mainly to additional rental income from completion of development projects since Dec 2008.
(3) Decreased by 12% due primarily to lower utilities costs (S$7.7 m) and one-off property tax rebates, land rent rebates and higher vacancy refund (S$6.3m).
(4) Other borrowing costs include amortisation of setup fees and maintenance costs incurred for loans, fair value adjustments on deferred payments and refundable security deposits in accordance to FRS39.
(5) Non-property expenses include base management fee and trust expenses, net of interest income.
(6) Non-cash fair value adjustments on interest rate swaps which are not designated as hedging instruments in accordance with FRS39 .

Distribution Details

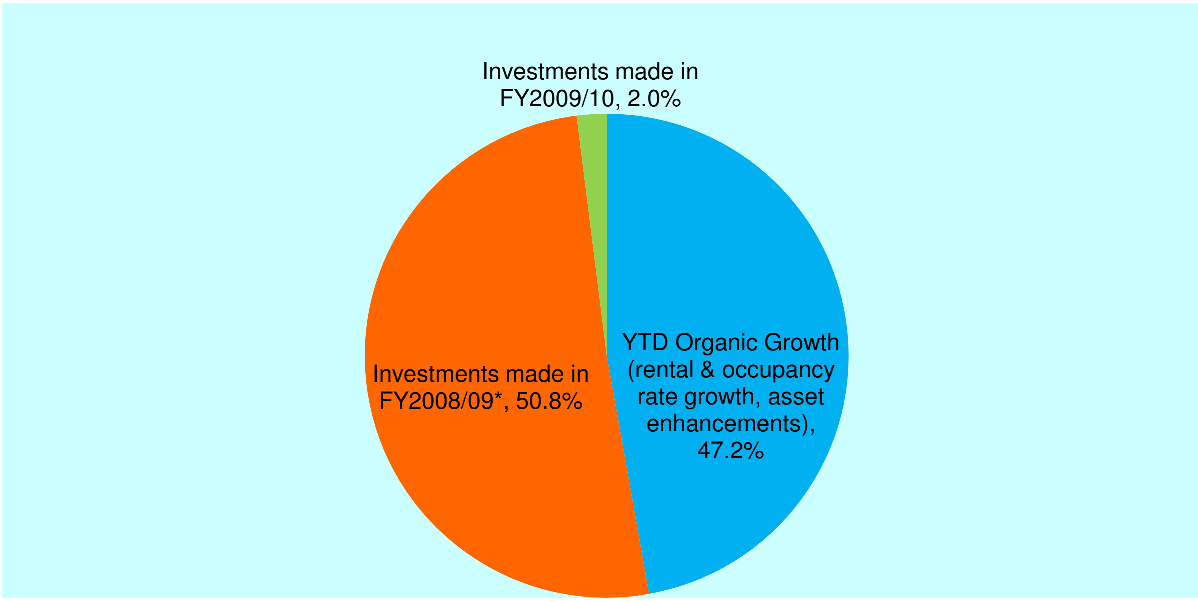
Stock counter	Distribution Period	Distribution per unit (cents)
Ascendasreit	**1 Oct 09 to 31 Dec 09**	**3.27**

Distribution Timetable

Last day of trading on "cum" basis	21 January 2010
Ex-date	22 January 2010
Books closure date	26 January 2010
Distribution payment date	**26 February 2010**

Sources of NPI Growth

Organic growth contributed 47.2% to YTD NPI growth of 12.3%



* Investments made in FY2008/09 contributing full NPI impact in YTD Q3FY2009/10

Agenda

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

Investment Highlights

Developments completed YTD	Expected Development Cost (S$m)	Actual Development Cost (S$m)
Expeditors	25.6	24.2
Plaza 8 @ CBP	107.1	98.8
Built-to-suit Hi-Tech Industrial building for SingTel*	175.4	175.0
Total	**308.1**	**298.0**

Development in Progress	Expected Development Cost (S$m)	Expected Completion date
Phase 2, Plot 8 Changi Business Park – a partial built-to-suit office facility for Citibank N.A.	37.4	4Q FY2010/11

* Construction completed. Currently undergoing User Acceptance Test

Development Completed in 3Q FY09/10

Built-to-Suit for SingTel

- Completed construction of 9-storey built-to-suit Hi-Tech Industrial building for SingTel; currently undergoing User Acceptance Test
- Building is located next to the Kim Chuan Telecommunications Complex, an existing building owned by A-REIT and currently leased to SingTel
- SingTel will lease building for 20 + 10 years

Development in Progress:
Phase II Plot 8 Changi Business Park

- Partial built-to-suit business park facility for Citibank N.A.
- Expected GFA of 20,600 sqm
- Citibank N.A. will take up 50% of net lettable area when completed for lease term of 6+3+3 years with annual rental escalation
- Expected date of completion: 4Q FY2010/11

Phase 1 Plot 8 Changi Business Park at 3 Changi Business Park . A built-to-suit for Citibank N.A. completed in Feb 09

Artist impression of Plot 8 Changi Business Park on full completion

Agenda

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

Strong Balance Sheet

(S$ mil)	As at 31 Dec 09	As at 31 Dec 08
Total Assets	4,765	4,610
Net assets attributable to unitholders	3,019	2,418
Aggregate Leverage(1)	1,485	1,944
	31.2%	42.2%
Net asset value per unit	161 cents	182 cents
Units in Issue (mil)	1,871.2	1,331.8

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

Interest Rate Risk Management

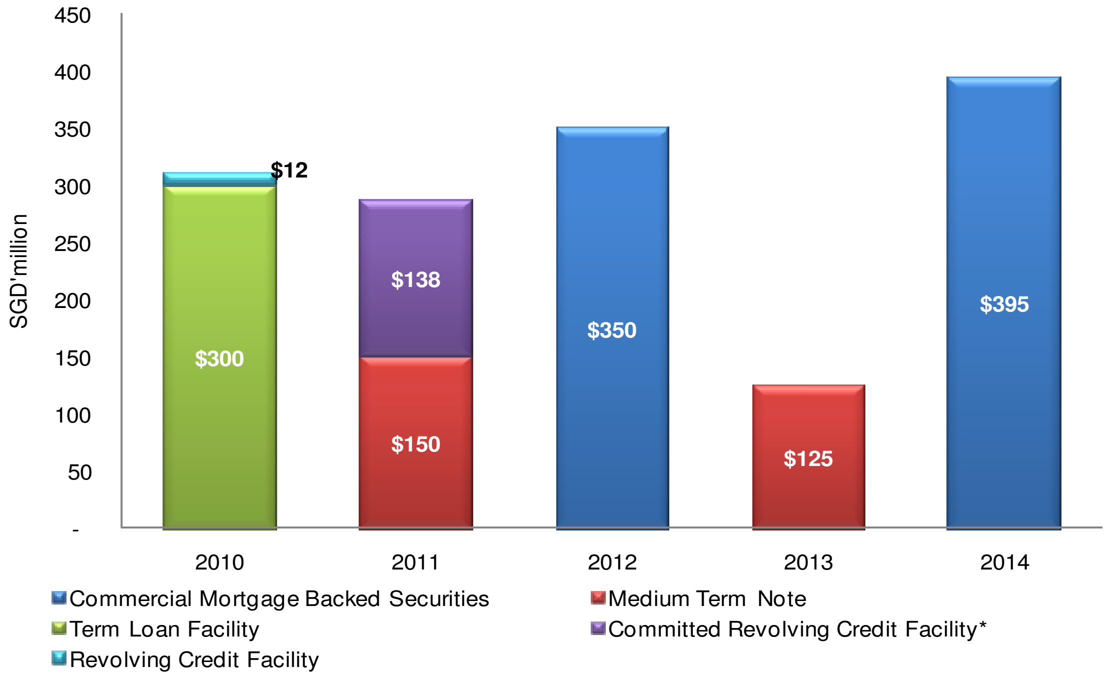
100% of interest rate exposure fixed for the next 2.6 years

Debt Profile	31 Dec 2009	31 Dec 2008
Aggregate leverage	31.2%	42.2%
Total debt	S$1,469.8m	S$1,915.4m
Fixed as a % of total debt	100.0%	74.7%
Weighted average all-in funding cost(1)	3.91%	3.46%
Weighted average term for fixed debt	2.6 years	3.7 years
Interest cover ratio	4.8 times	4.6 times

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

Debt Maturity Profile

In process of refinancing loan due in March 2010



* Loan is taken on a short-term basis from a committed facility

Agenda

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

High Occupancy; Long Leases

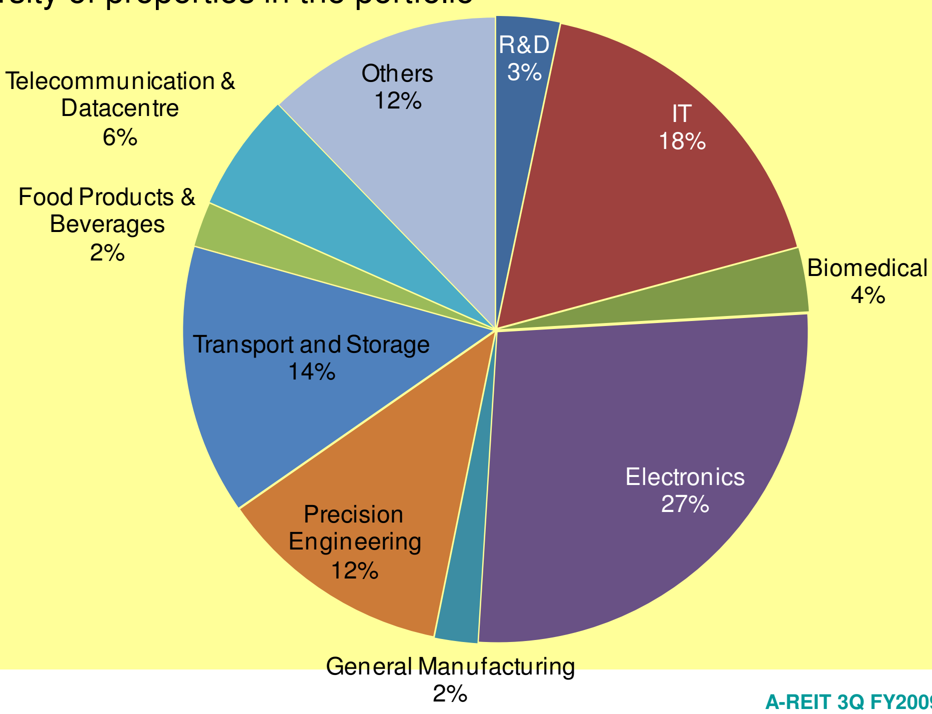
- MTB occupancy rate moderated to 93.1% from 93.3% in previous quarter

	As at 31 Dec 09	As at 31 Dec 08
Total Portfolio GFA (sqm)	2,313,918	2,242,001
Portfolio occupancy MTB(1) occupancy	96.5% 93.1%	97.2% 94.0%
Total portfolio renewals/new leases (sqm)	59,182(3)	41,766(2)
Total New leases/Expansions (sqm) Total Renewals (sqm)	24,763(3) 34,419(3)	20,671(2) 21,095(2)
Weighted Average Lease to Expiry (years)	4.8	5.3

Notes :
1) MTB = Multi-tenanted buildings which accounts for about 55% of portfolio value
2) For the three months ended 31 Dec 08
3) For the three months ended 31 Dec 09

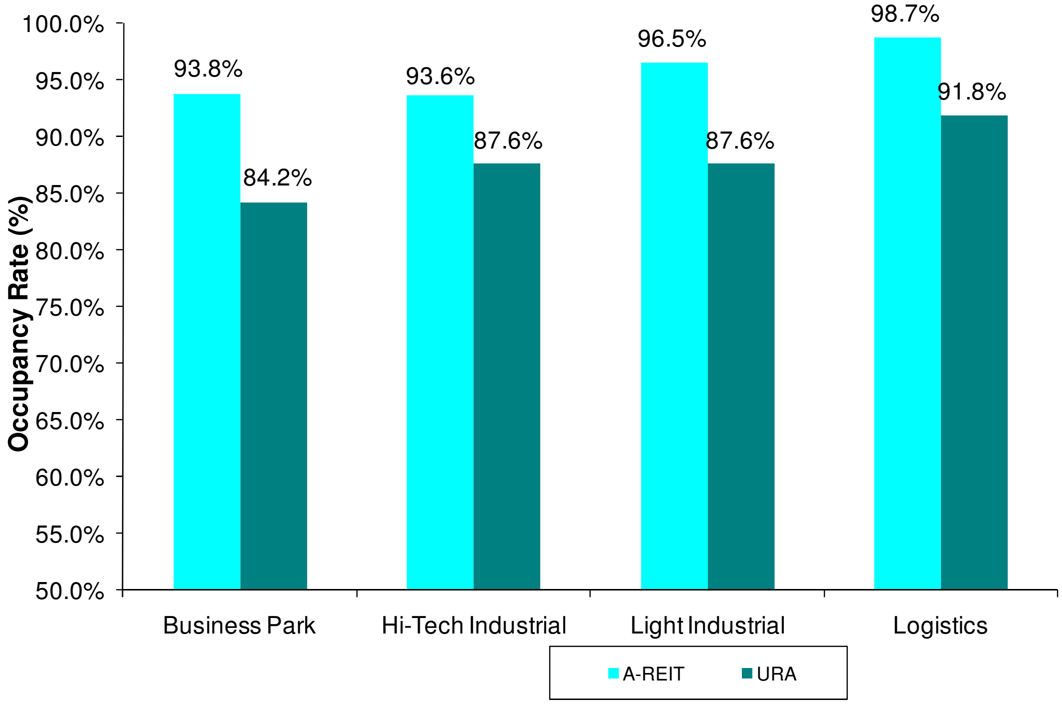
3Q FY2009/10 Sources of new demand

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



By net lettable area

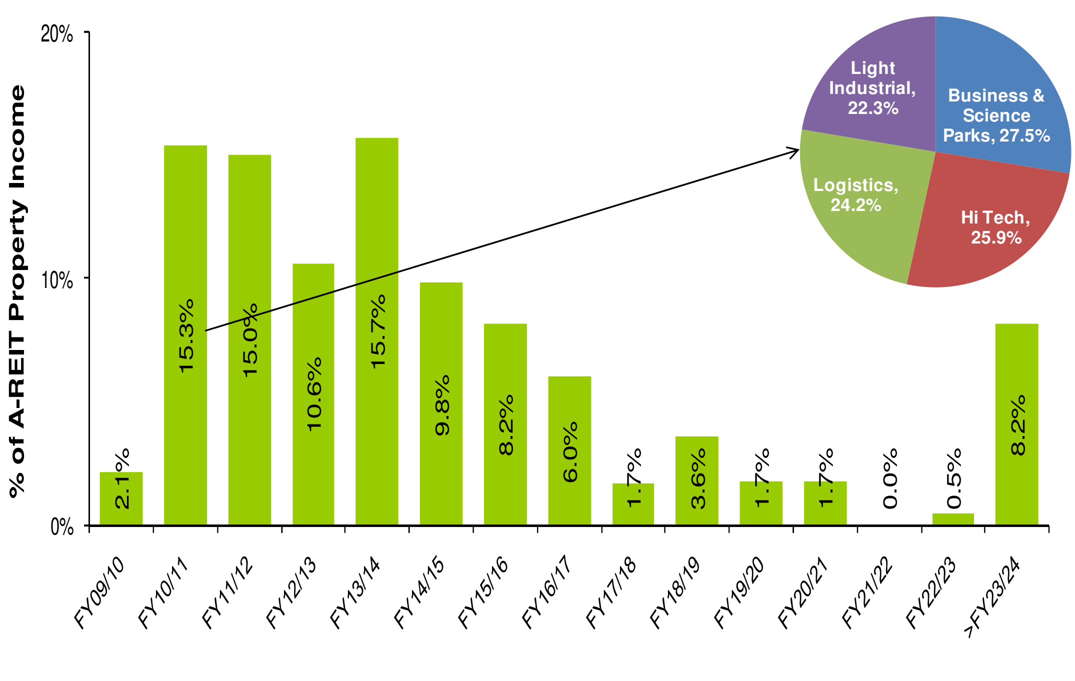
Portfolio Occupancy Rates vs Market Average



Source: URA Official Statistics as at 3Q2009
A-REIT's occupancy as at 31 December 2009

Lease Expiry Profile as at 31 Dec 2009

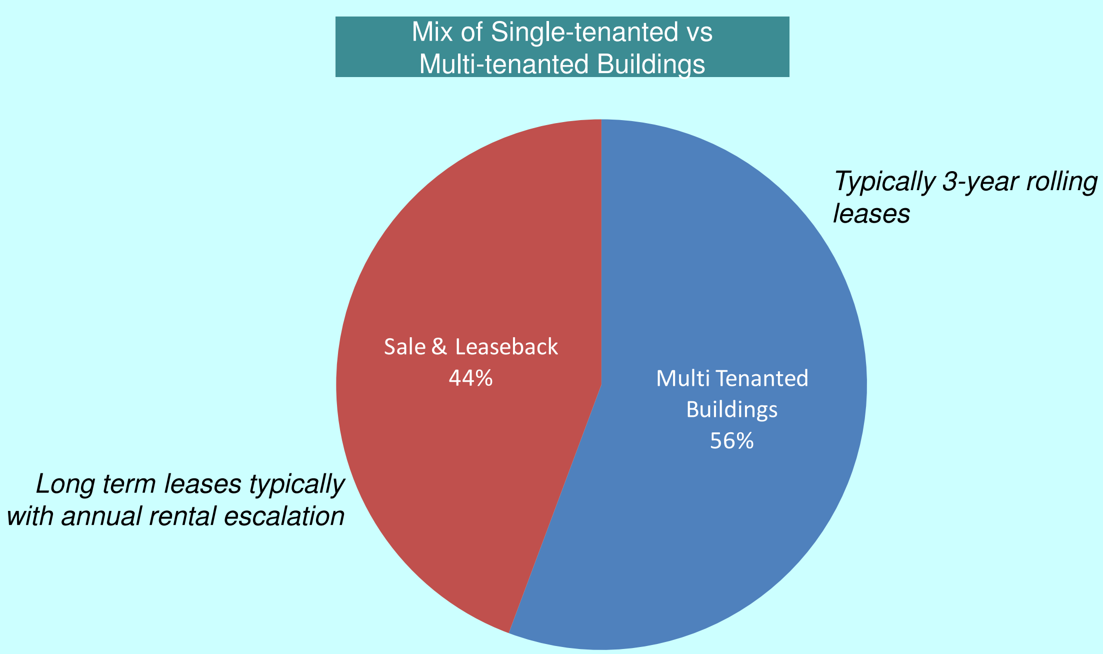
- Weighted average lease to expiry for the portfolio of about 4.8 years
- Lease expiry is well-spread out, extending beyond 2020



Agenda

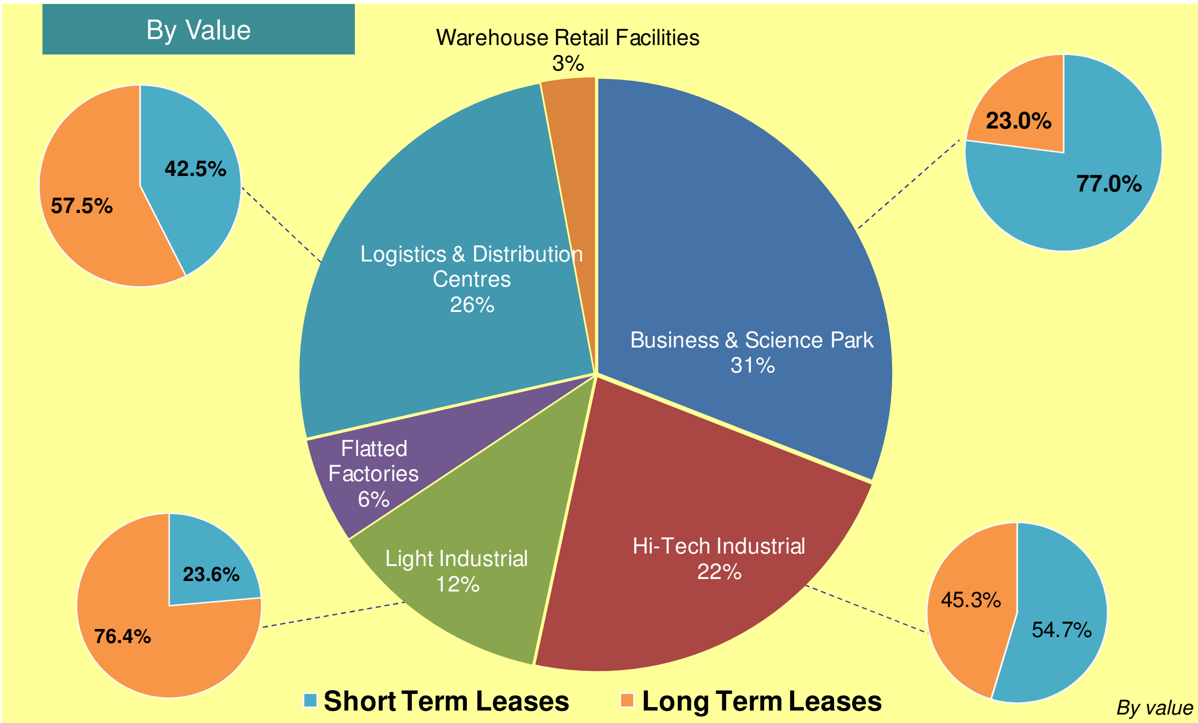
- Key Highlights
- Financial Performance
- Investment Management
- Capital Management
- Asset Management
  - ➢ Portfolio Update
  - ➢ Portfolio Resilience
  - ➢ Portfolio Growth
- Market Outlook
- Conclusion

Well Diversified Portfolio
- by Lease Tenure

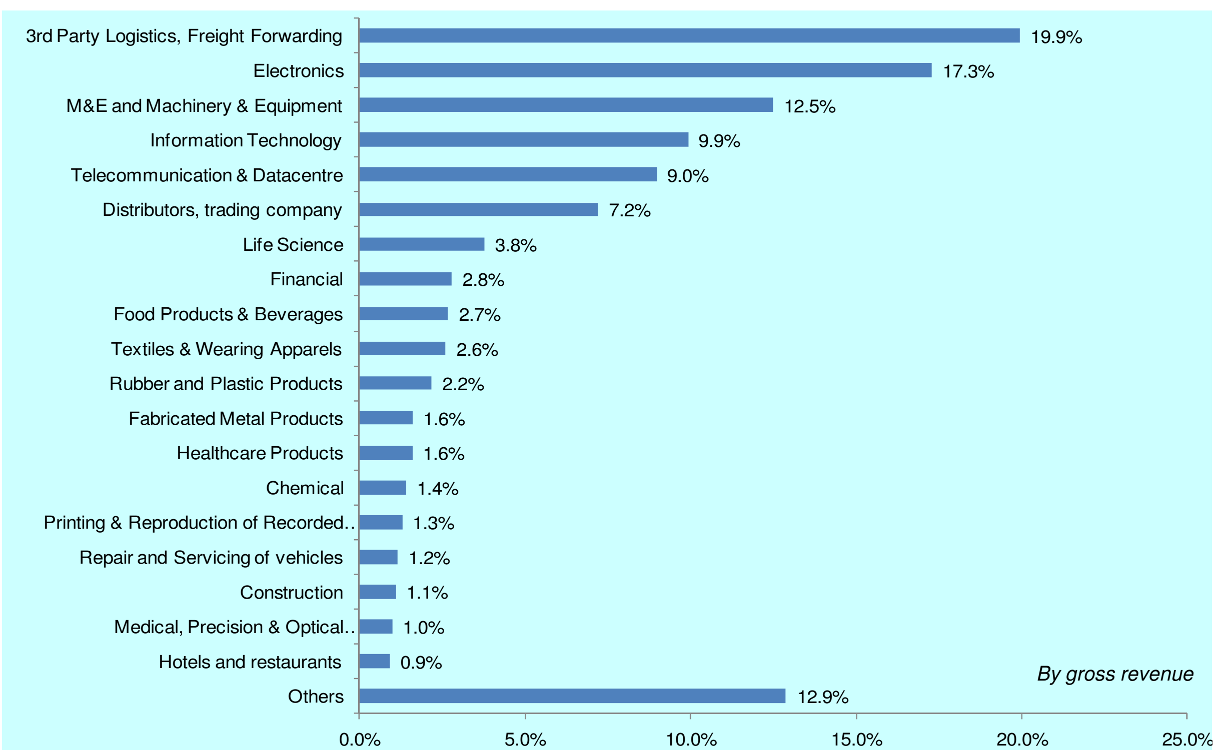


By value

Well Diversified Portfolio
- by Asset Class



Tenants' Industry Diversification

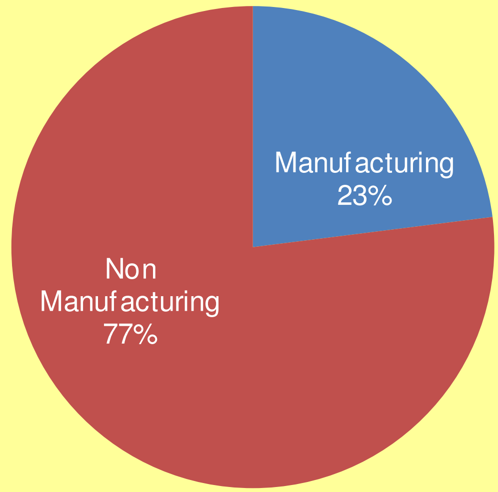


Others include shipping, technology support industries, testing & certification and technical centre for systems and repair as well as tenants in the warehouse retail facilities

Low exposure to conventional manufacturing

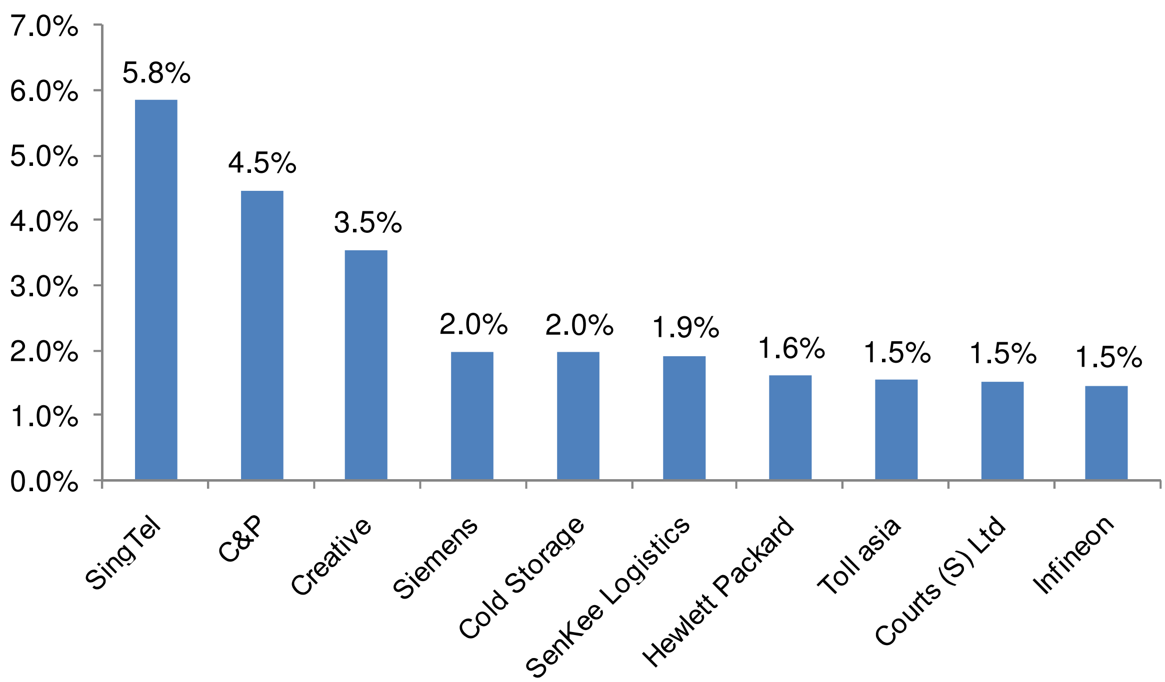
3Q FY2008/09 tenants' business activities by net lettable area

- 23% 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



Quality and Diversified Tenant Base

- Total tenant base of about 900 tenants
- Top 10 tenants account for 25.8% of total portfolio income



Update on Tenants Risk

Significantly reduced A-REIT's exposure to tenants considered vulnerable :

- Previously reported 12,098 sqm of space as vulnerable
  - 2,416 sq m has been repossessed and re-let
  - Taken legal actions against tenant occupying 8,843 sqm
  - 291 sqm space still considered vulnerable
- Restructured lease at 10 Toh Guan Road with previous anchor tenant
  - Property is currently 57.4% occupied by 38 tenants
  - Security deposit to top up rental income to the original level for 15 months
  - Retro-fitting remaining of building for a prospective tenant under negotiation

As at 31 December 2009, outstanding accounts receivable past due for more than two months is about S$813,692 (about 0.2% of annualised gross revenue). A-REIT has adequate security deposit from these tenants

Security Deposits for Single Tenanted Properties

- Weighted average security deposits for single tenanted properties range from 7 to 14 months of rental income
- On a portfolio basis, weighted average security deposit is 7 months of rental income

	No. of single tenanted properties	Weighted average security deposit* (no. of months)
Business & Science Parks	3	14
Hi-Tech Properties	7	7
Light Industrial	25	11
Logistics & Distribution Centres	13	8
Warehouse Retail Facilities	2	11
	50	9

* 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 3.7% decline in portfolio net property income or about 0.59 cents decrease in DPU

% decline in MTB occupancy / rental rates	Expected decline in annualised MTB NPI (S$m)	Decline in portfolio NPI (%)	Impact on full FY DPU (cents)*
5%	11.0	3.7	0.59
10%	22.2	7.5	1.19
15%	33.3	11.2	1.78
20%	44.4	15.0	2.37

**Based on number of units in issue as at 31 December 2009*

Agenda

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

Subsector Performance

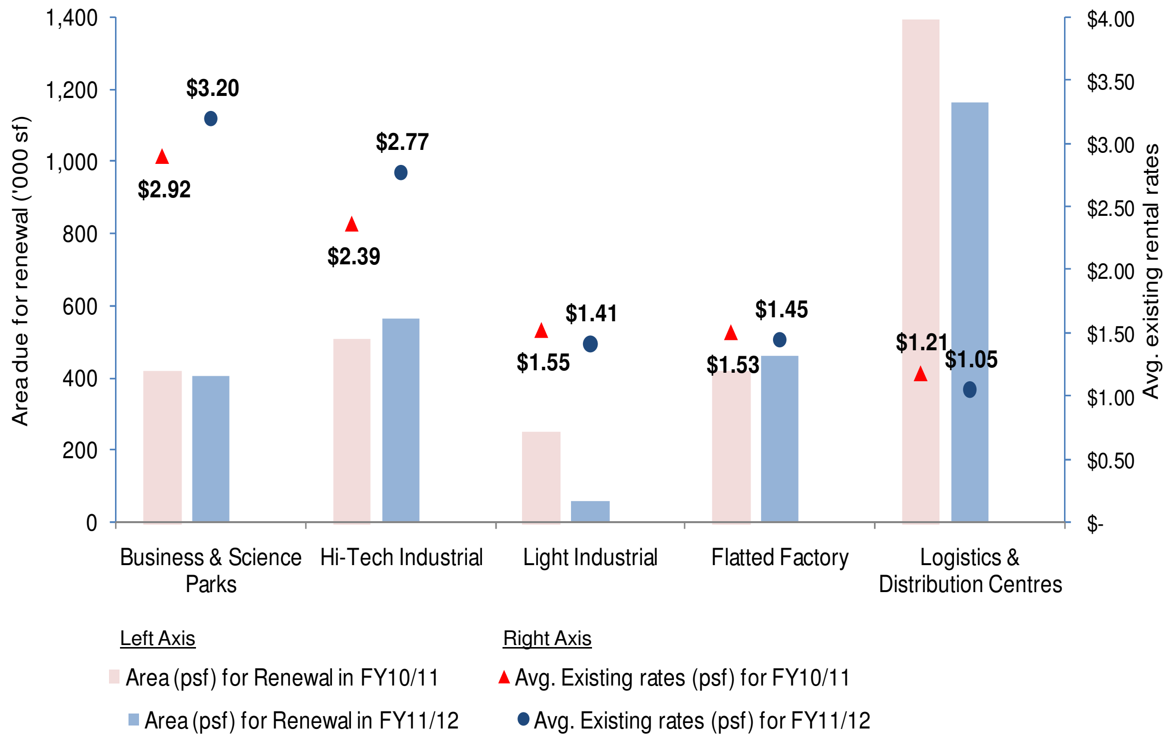
Moderation of positive rental reversion on lease renewals in Business & Science Parks, Hi-Tech Industrial and Logistics & Distribution Centres space

Multi-tenanted properties	Net lettable area (sqm)	Vacant space (sqm)	YTD Increase / (decrease) in renewal rates(1)	Increase / (decrease) in new take up rates(2)
	As at 31 Dec 09			
Business & Science Park	239,071	20,252	⬆ 17.1%	⬆ 14.2%
Hi-Tech Industrial	203,663	21,192	⬆ 10.2%	⬇ (10.3)%
Light Industrial	205,094	16,433	⬇ (3.1)%	⬇ (1.4)%
Logistics & Distribution Centres	319,289	9,212	⬆ 2.2%	⬇ (7.9)%

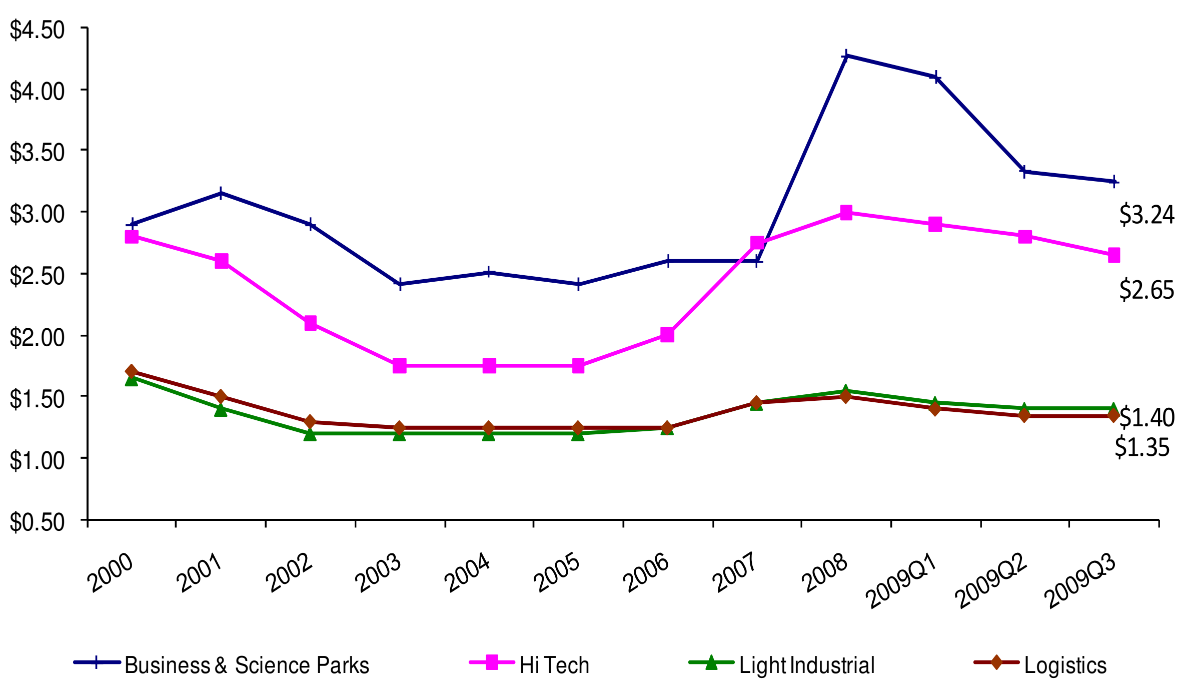
(1) YTD renewal rental rates versus previously contracted rates
(2) Rental rates for new take up (including expansion by existing tenants) in 3Q FY2009/10 versus similar rates in 2Q FY2009/10

This page is left blank intentionally

In-place rent of space due for renewal
FY2010/11 & FY2011/12



Average Market Gross Rents by Sector



Source : CBRE 3Q2009 Report;URA

Agenda

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

Market Outlook

- Ministry of Trade & Industry advance estimates indicate GDP expanded by 3.5% yoy in 4Q 2009, following an expansion of 0.9% in 3Q 2009
- Real GDP declined by 6.8% q-o-q in 4Q 2009 compared to a growth of 14.9% in 3Q 2009. For 2009, Singapore economy is estimated to contract by 2.1%
- Expects 2010 Singapore's economic growth to be between 3% and 5%
- Economic recovery is not expected to be smooth sailing with the potential tapering off of fiscal stimulus measures and inventory cycle adjustments
- In the industrial property market, the rate of decline in rental rates have moderated as business sentiments improved

Potential New Supply

- Current total stock of 36.47m sqm
- Potential new supply of about 2m sqm of industrial space expected over next two years; majority of potential supply is precommitted

Sector ('000 sqm)	New Supply (total)	2010	2011
Business & Science Park	287	243	44
% pre-committed (est)	37%	43%	-
Industrial (Hi-tech and Light industrial)*	1,183	827	356
% pre-committed (est)	79%	79%	78%
Logistics & Distribution Centres	492	282	210
% pre-committed (est)	61%	67%	54%
Total % pre-committed	**68%**		

* Excludes projects under 7,000 sqm.

Source: URA Q3 Report, A-REIT internal research

Agenda

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

A-REIT's strengths

Diversity and Depth

- Largest business and industrial REIT in Singapore
- Solid and well diversified portfolio
  - ✓ Five 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 4.5% 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 about 98% of portfolio revenue committed and a portfolio average lease to expiry of about 4.8 years. 15.3% of revenue due for renewal in FY10/11
  - Mix of long term and short term leases provides earnings stability
    - ➢ Long term leases have a weighted average lease to expiry of about 7 years and are backed with an average of 9 months rental in security deposits
    - ➢ Long term leases have stepped rental escalation
  - Diversified portfolio capable of serving the needs of various sectors
  - No significant re-financing requirements
  - No exposure to fluctuations in interest rates

- **Hedge against Inflation**
  - 44% of leases are long term typically with annual rental escalation, of which about 34% have CPI pegged adjustments

A-REIT's strengths

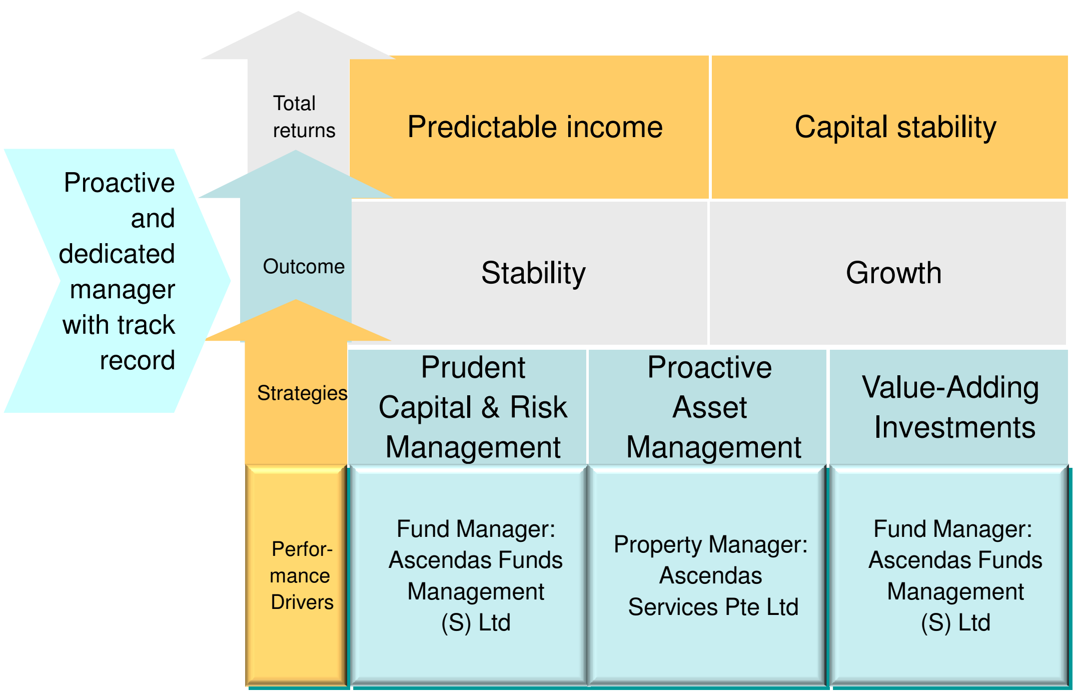
Development capability
- Has development capability to create own assets which are more yield accretive than acquisitions of income producing properties

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
- About 900 tenants from international and local companies
- Track record of customers growing with us

Size advantages
- Accounts for 14% of S-REIT market capitalization and 8% of Asian ex Japan REIT sector
- Accounts for about 9% of S-REIT total trading volume in 3QFY2009/10
- Included in major indices (eg. MSCI, FTSE ST Mid Cap Index)

A-REIT's strategies



Thank you

Important Notice

3Q FY2009/10
Financial Results Presentation
18 January 2010