



## **Acquisition of Nordic European Centre**

**08 July 2011**

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# Nordic European Centre



**Purchase price** : S\$121.55 million

**Acquisition fee to Manager** : S\$1.21 m

**Other transaction costs** : S\$0.3 m approximately

**Vendor** : Nordic (CP) Pte Ltd

**Valuation by Jones Lang LaSalle** : S\$122.0m

**Land area** : 11,356sqm

**Land title** : 30+30 years (from Apr 1997)

**GFA** : 28,378 sqm

**NLA**: 22,066 sqm

**Occupancy** : 83.0%

## 3 International Business Park

7-storey business park building which is easily accessible via major expressways. Sited within the Jurong Lake District Masterplan area, this is A-REIT's 6<sup>th</sup> property in the International Business Park

# Distributable Income Per Unit (“DPU”)

The Acquisition	DPU Impact*
DPU Impact (proforma annualised impact)	0.02 cents

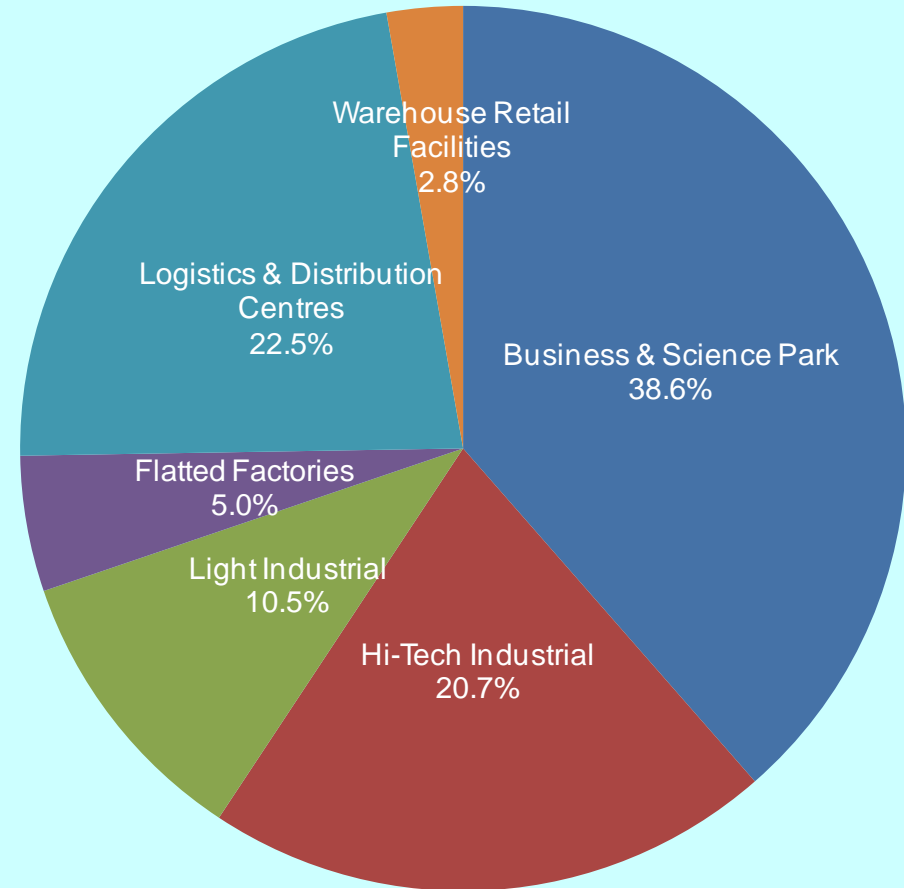
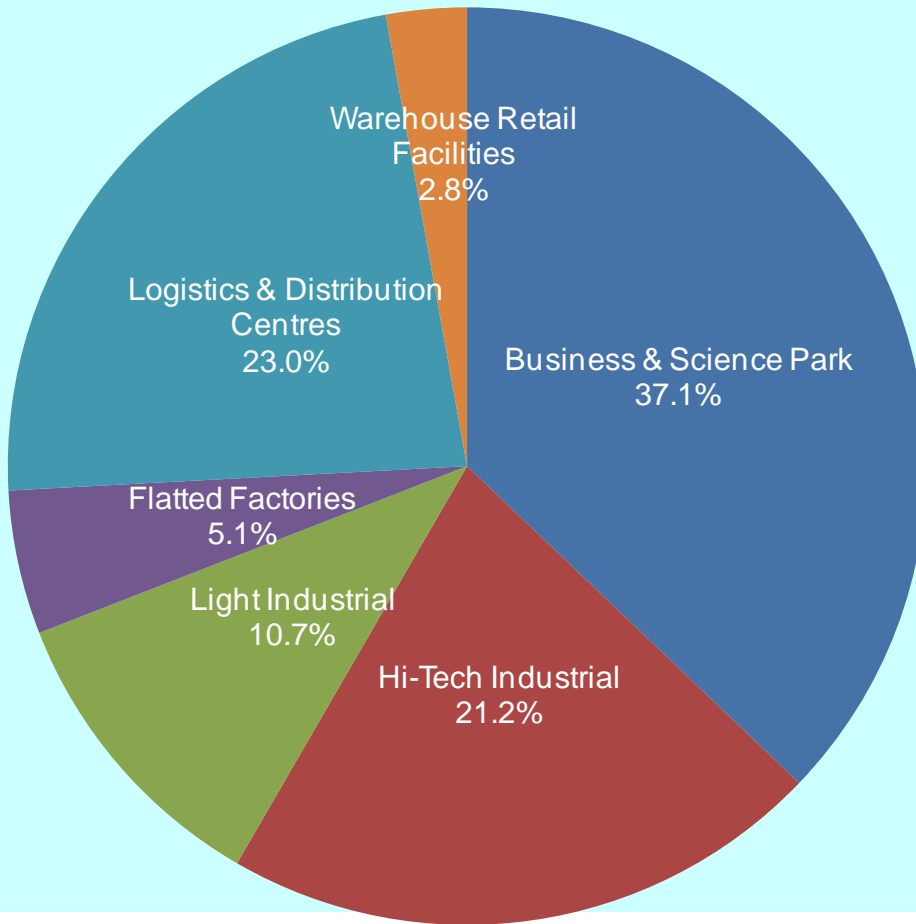
Note:

\* Assuming A-REIT had purchased, held and operated the Acquisition for the whole of the financial year ended 31 March 2011 (based on 93 properties); the Acquisition was funded based on a capital structure of 40% debt and 60% equity; and in respect of the Acquisition, the Manager had elected to receive 80% of its base management fee in cash and 20% in units.

# Asset Class by Property Value

**Before Acquisition (1)**

**After Acquisition(2)**

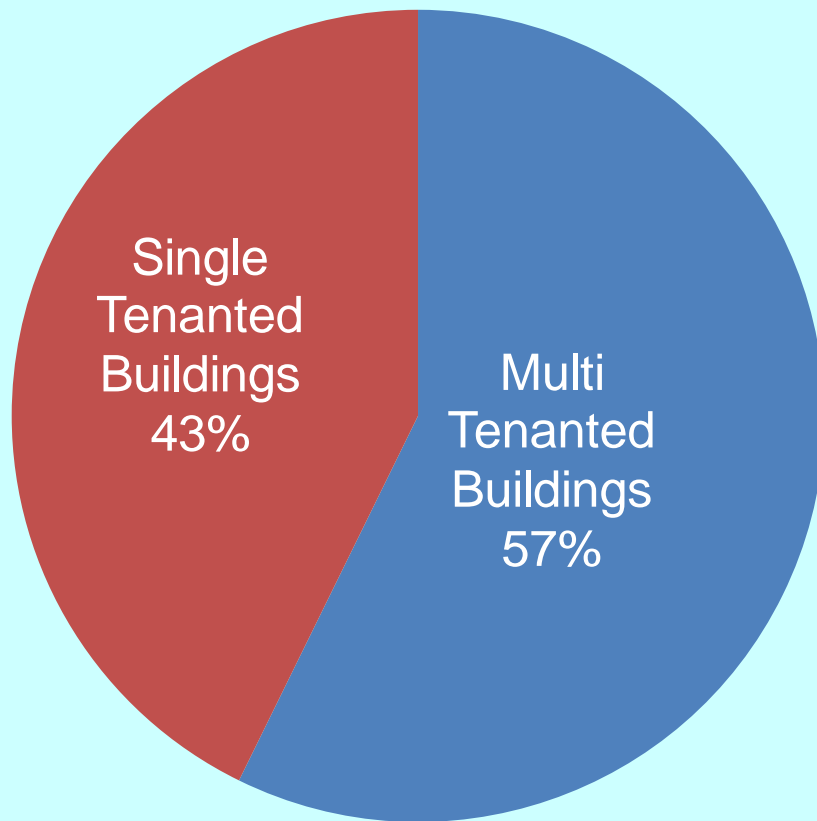


**Notes:**

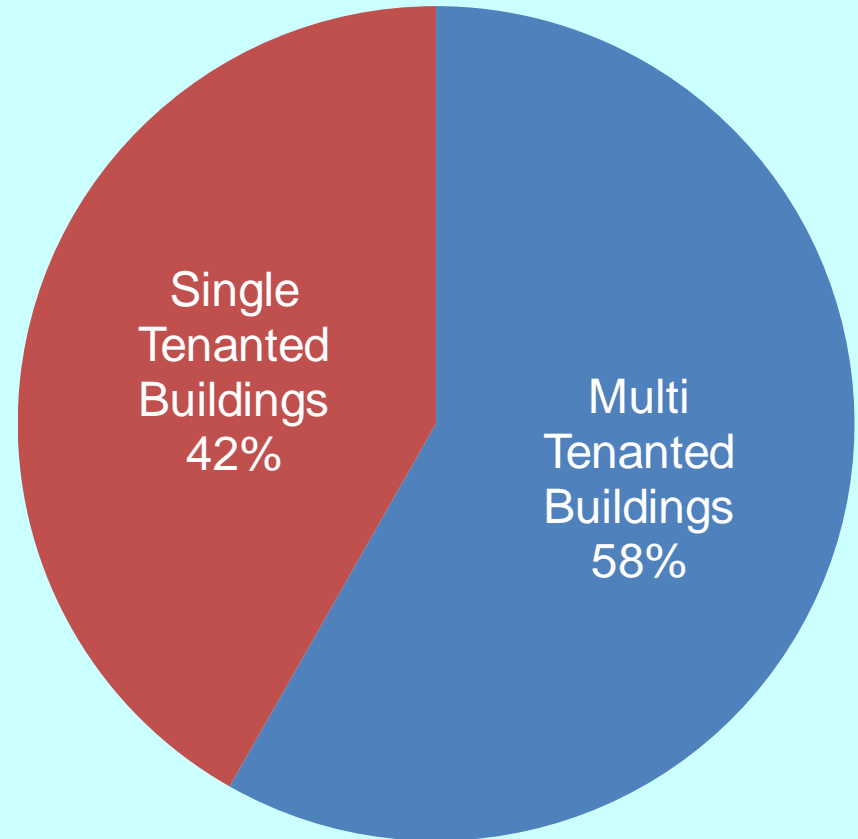
- (1) Based on 93 properties as at 31 March 2011
- (2) Based on 94 properties including the Acquisition

# Lease Tenure Mix by Property Value

Before Acquisition (1)



After Acquisition (2)



Notes:

- (1) Based on 93 properties as at 31 March 2011
- (2) Based on 94 properties including the Acquisition

# Benefits to Unitholders

- **Subject property is strategically located within the Jurong Lake District Masterplan area, a new regional centre in Singapore**
- **Strengthens A-REIT's leading position in the Business Park segment, especially within the International Business Park**
- **Opportunity for greater efficiency and economies of scale in operations**
- **Yield accretive – positive DPU impact of 0.02 cents per unit\***

Note:

\* Assuming A-REIT had purchased, held and operated the Acquisition for the whole of the financial year ended 31 March 2011 (based on 93 properties); the Acquisition was funded based on a capital structure of 40% debt and 60% equity; and in respect of the Acquisition, the Manager had elected to receive 80% of its base management fee in cash and 20% in units.



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

**This release 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, 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 current view of management on future events.**

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