



Acquisition of Hyflux Innovation Centre

26 June 2014



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The Acquisition

Hyflux Innovation Centre

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Benefit to Unitholders

Hyflux Innovation Centre

Purchase Price	S\$170.0 million
Upfront Land Premium	S\$21.2 million (for the remaining tenure of the first 30-year lease term)
Total Purchase Consideration	S\$191.2 million
Acquisition fee to Manager	S\$1.7 million
Other transaction costs	Approximately S\$0.96 million
Vendor	Hyflux Innovation Centre Pte Ltd
Valuation	S\$197.0 million by DTZ Debenham Tie Leung (SEA) Pte Ltd
Land Area	17,374 sqm
Land Tenure	30 + 28 years 10 months (from Feb 2010)
GFA	43,434 sqm
NLA	35,070 sqm
Occupancy	83.9%



80 Bendemeer Road

Hyflux Innovation Centre is located within the Kallang Industrial Estate and is within three minutes' walk to Boon Keng MRT station.

The Property is a 10-storey high-specifications building with a basement and surface car park.

Proforma Financial Impact

The Acquisition

Financial Impact

DPU Impact

(proforma annualised impact)

0.118 cents*

Net Property Income Yield – 1st Year

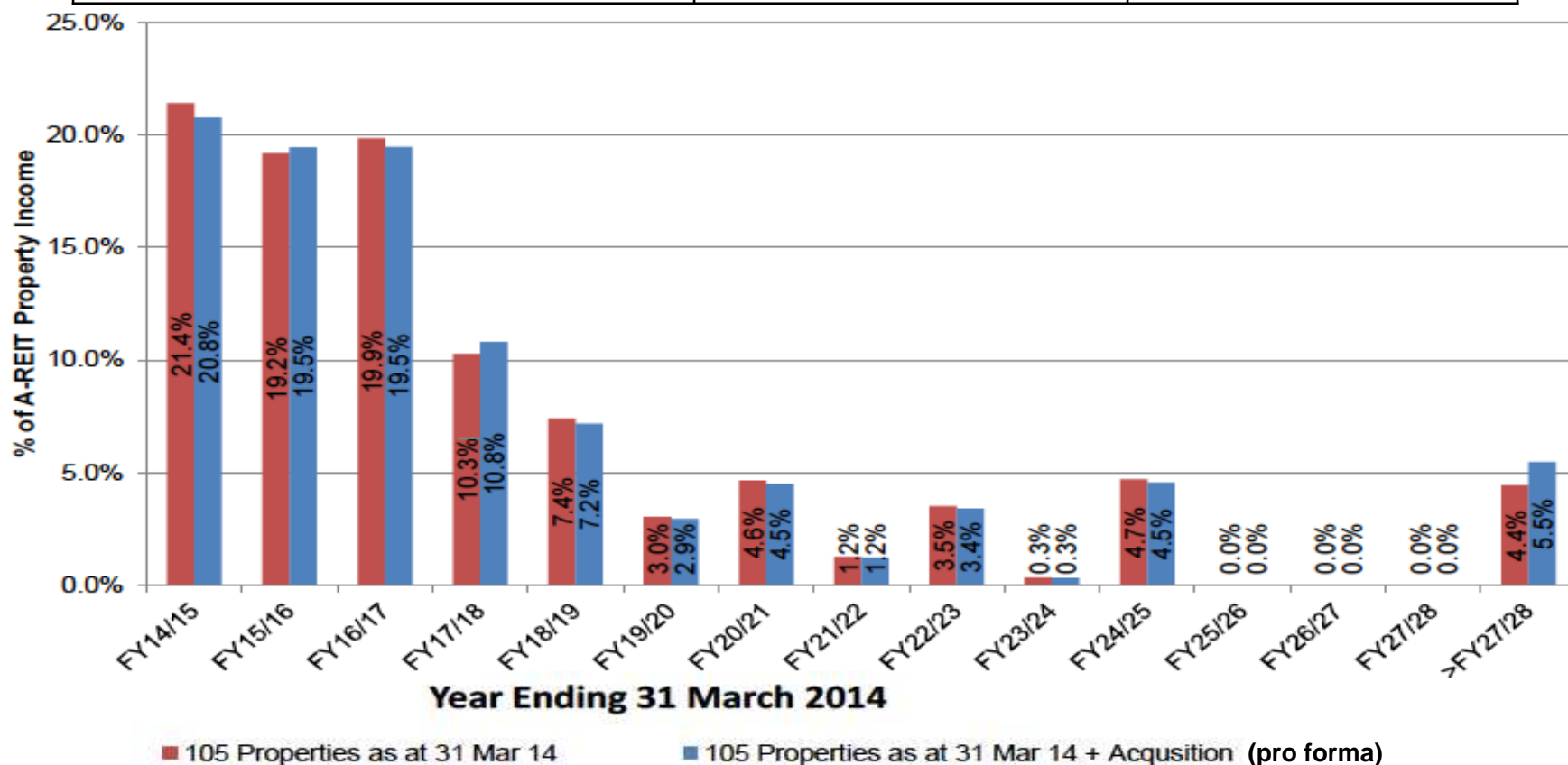
(post acquisition cost, at 100% occupancy with rental support for vacant space for the initial 3 years)

6.98%

* Assuming A-REIT had purchased, held and operated the Property for the whole of the financial year ended 31 March 2014; and assuming the Acquisition was funded based on a funding structure of 40% debt and 60% equity. In respect of the Property, the Manager elects to receive its base fee 80% in cash and 20% in units.

Weighted Average Lease Expiry Profile

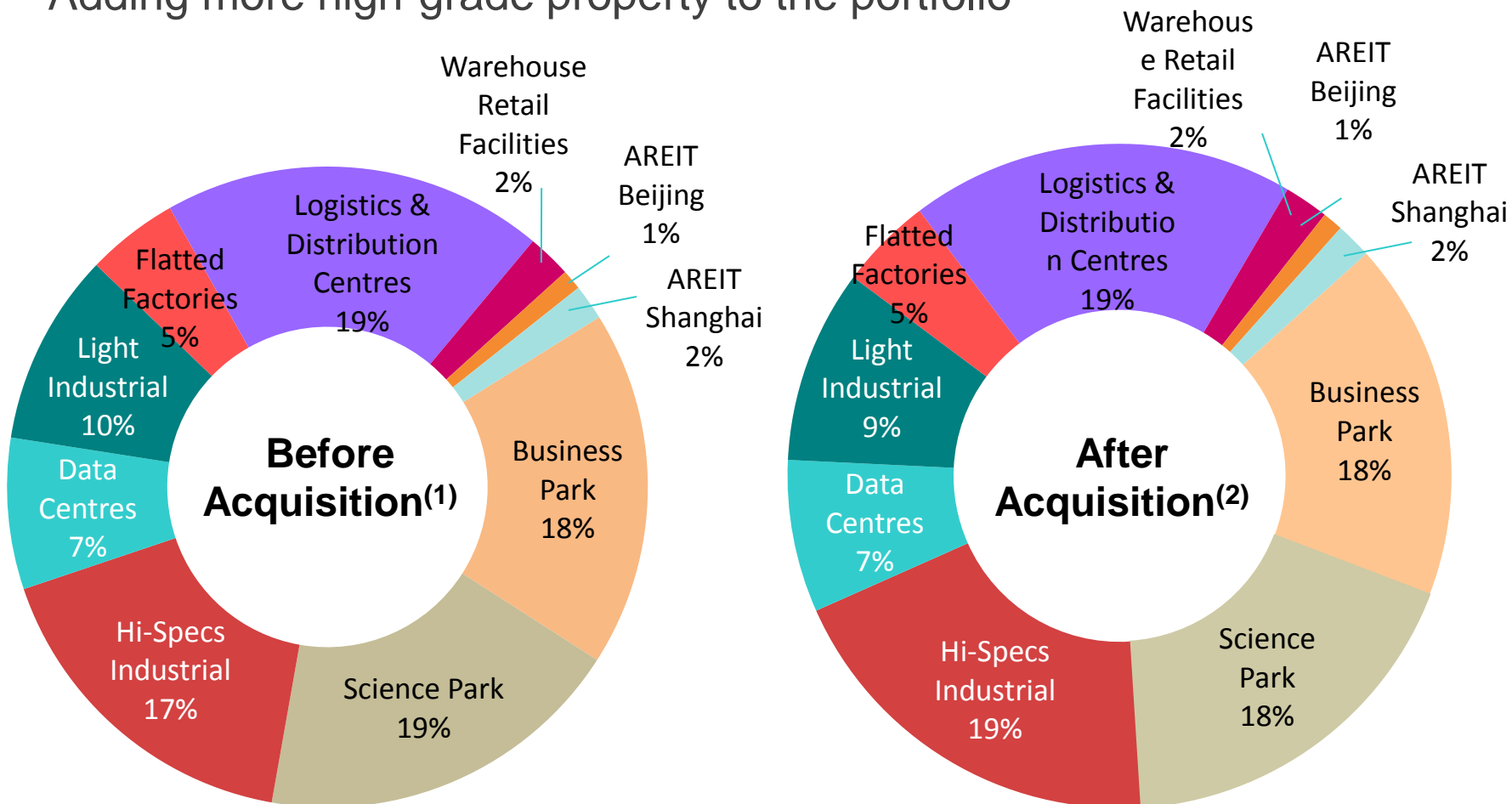
	Before Acquisition	After Acquisition
Weighted Average Lease Term to Expiry	3.85 years	3.96 years



A-REIT owned 105 properties as at 31 March 2014. Given the divestment of 1 Kallang Place in May 2014, A-REIT will own 105 properties after the completion of this Acquisition.

Portfolio Diversification

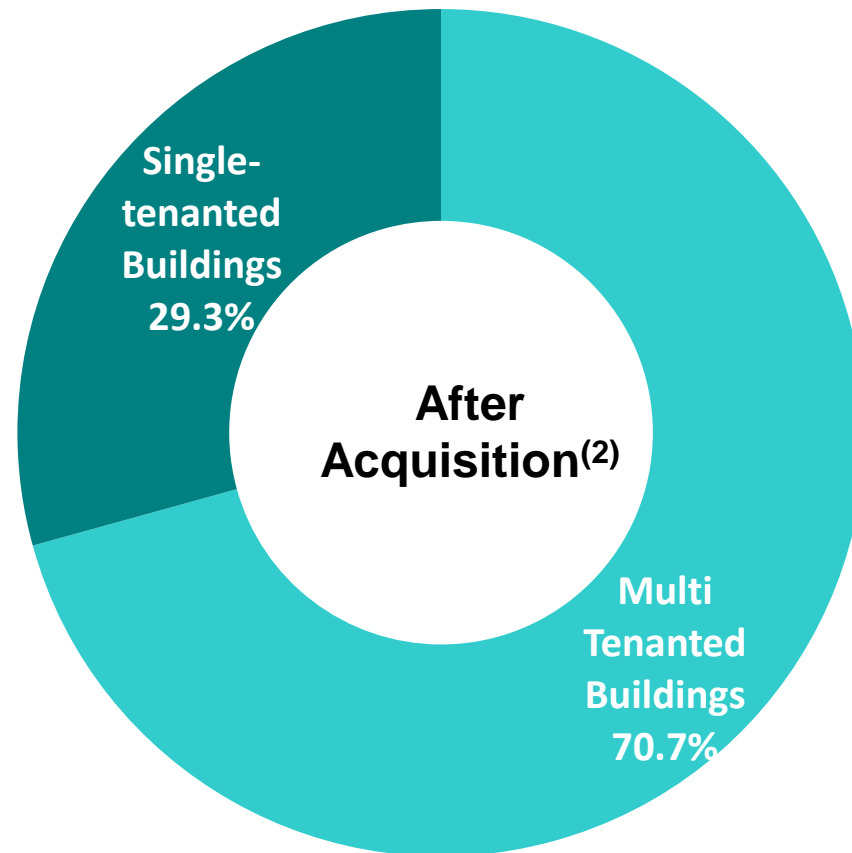
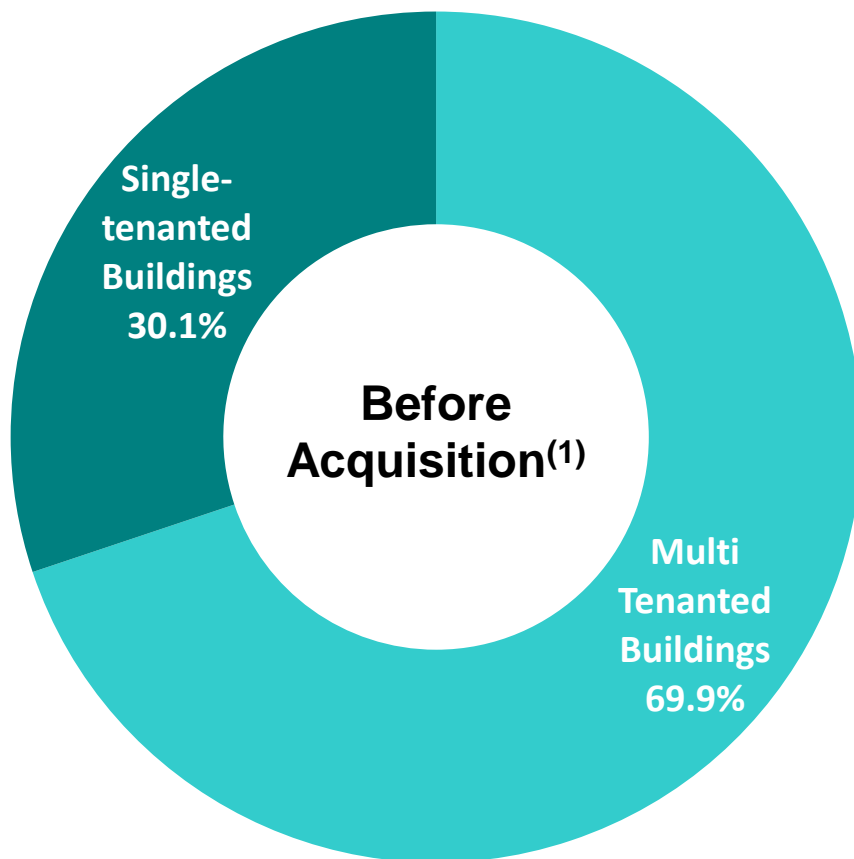
- Adding more high-grade property to the portfolio



Notes:

- (1) Based on 105 properties as at 31 March 2014
- (2) Assuming Hyflux Innovation Centre was acquired on 31 March 2014

Lease Tenure Mix by Property Value



Notes:

(1) Based on 105 properties as at 31 March 2014

(2) Assuming Hyflux Innovation Centre was acquired on 31 March 2014

Benefit to Unitholders

- More high-grade property added to A-REIT's portfolio
- Broaden tenant base
- Extend portfolio weighted lease expiry profile to 3.96 years from 3.85 years
- Increase portfolio weighted land lease tenure to 46.65 years from 46.41 years
- Positive DPU impact of 0.118 cents per Unit*
- Net property income yield of 6.98% (post acquisition cost, at 100% occupancy with rental support for vacant space for initial 3 years)

* Assuming A-REIT had purchased, held and operated the Property for the whole of the financial year ended 31 March 2014; and assuming the Acquisition was funded based on a funding structure of 40% debt and 60% equity. In respect of the Property, the Manager elects to receive its base fee 80% in cash and 20% in units.

Disclaimer

This material shall be read in conjunction with the announcement “A-REIT to acquire Hyflux Innovation Centre for S\$191.2 million” released to the SGX-ST on the same day

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