1Q FY14/15 Financial Results Presentation

23 July 2014

a-reit ascendas reit

Disclaimers

The Group results include the consolidation of wholly owned subsidiaries: Ascendas ZPark (S) Pte. Ltd. ("AZ Park") and its subsidiary, Ascendas Hi-Tech Development (Beijing) Co., Limited ("AHTDBC"), which were acquired on 3 October 2011; and Shanghai (JQ) Investment Holdings Pte. Ltd. ("SHJQ") and its subsidiary, A-REIT Shanghai Realty Co, Ltd. ("ASRC"), which were acquired on 12 July 2013. The Group results also include the consolidation of Ruby Assets Pte. Ltd. ("Ruby Assets") and Emerald Assets Limited ("Emerald Assets"). Both Ruby Assets and Emerald Assets are special purpose companies set up to grant loans to the Trust. The financial results for the current financial period are based on Group results unless otherwise stated.

This material shall be read in conjunction with A-REIT's financial statements for the financial period ended 30 June 2014.

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.

The value of units in A-REIT ("Units") and the income derived from them, if any, 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 should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that unitholders of A-REIT 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.

Any discrepancies between the figures in the tables and charts and the listed amounts and totals thereof are due to rounding.

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Key Highlights for 1Q FY14/15

- Total Amount Available for Distribution rose by 2.8% y-o-y to S$87.6 million
- DPU grew 2.5% to 3.64 cents in 1Q FY14/15 from 3.55 cents in 4Q FY13/14
- Positive rental reversion of 11.8% achieved over preceding contracted rental rates
- Acquired prime high-specifications property, Hyflux Innovation Centre, for S$191.2 million (inclusive of S$21.2 million upfront land premium for balance of first 30-year land tenure)
  - Long land lease tenure (54 years remaining)
  - Hyflux leases 50% of GFA for 15 years
- Proactive capital management
  - Fully refinanced Commercial Mortgage Backed Securities (CMBS) due in 2014
  - Healthy aggregate leverage of 31.6% and debt maturity extended to 3.7 years from 3.3 years

Changes Implemented in 1Q FY14/15

- As announced in January 2014, with effect from FY14/15, A-REIT will make distributions semi-annually based on amounts calculated as at 30 September and 31 March each year

- The Group adopted FRS 110 *Consolidated Financial Statements* with effect from 1 April 2014 and this requires the Group to consolidate its funding SPVs - Ruby Assets Pte. Ltd. ("Ruby") and Emerald Assets Limited ("Emerald"), although the Group does not own any equity interests in Ruby and Emerald. The comparatives for 1Q FY13/14 and 4Q FY13/14 have been restated on similar basis for comparison
  - Ruby is for issuance of ECS
  - Emerald is for issuance of CMBS / secured MTN

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1Q FY14/15 vs 1Q FY13/14

(S$'000)	1Q FY14/15[1]	1Q FY13/14[1] (Restated)	% inc/(dec)
Gross revenue[2]	163,178	150,925	8.1
Less: Property operating expenses[3]	(46,906)	(42,954)	9.2
Net property income (NPI)	116,272	107,971	7.7
Interest expense	(16,255)	(16,014)	1.5
Other borrowing costs[4]	(131)	(1,549)	(91.5)
Non-property expenses	(8,066)	(7,601)	6.1
Net income	91,820	82,807	10.9
Foreign exchange loss[5]	(55,473)	(3,741)	nm
Net change in fair value of financial instruments[6]	(9,226)	33,848	(127.3)
Net change in fair value of financial derivatives[7]	58,173	11,151	nm
Gain on disposal of investment property[8]	2,023	7,205	(71.9)
Total return for the period before tax	87,317	131,270	(33.5)

(1) 105 properties as at 30 Jun 2014 and 103 properties as at 30 Jun 2013, including 1 which is classified as finance lease receivable.

(2) Increased by 8.1% mainly due to new acquisitions since 1 July 2013, positive rental reversion and income support in relation to A-REIT City @Jinqiao.

(3) Increased by 9.2% mainly due to (i) higher property tax from lower property tax vacancy refund related to unoccupied space area during the period prior to 1 January 2014 after which vacancy refund will not be available, (ii) property expenses from new acquisitions since 1 July 2013 and (iii) changes in lease structure of certain properties.

(4) 1Q FY14/15 included gain of S$0.5m on accretion adjustments for refundable security deposits vs. loss of S$0.9m for 1Q FY13/14.

(5) Mainly relates to the realisation of exchange loss from the repayment of Emerald's Euro-denominated MTN and the strengthening of JPY spot exchange rate against SGD relating to the Trust's JPY-denominated MTN. The foreign exchange risk of these notes is fully hedged.

(6) Fair value loss on Exchangeable Collateralised Securities ("ECS") loan S$6.8m in 1Q FY14/15 (1Q FY13/14: gain of S$23.6m) and fair value loss on convertible bonds of S$2.4m (1Q FY13/14: gain of S$10.2m).

(7) S$1.5m fair value gain on interest rate swaps in 1Q FY14/15 (1Q FY13/14: loss of S$0.4m), fair value gain on cross currency swaps of S$4.1 million (1Q FY13/14: S$0.03 million) at Trust level and a fair value gain of S$52.5 million (1Q FY13/14: S$11.5 million) in relation to reversal of fair value loss on cross currency interest rate swap from Emerald upon maturity of the swap.

(8) This relates to the divestment of the investment properties located at 1 Kallang Place (1Q FY14/15) and 6 Pioneer Walk (1Q FY13/14). This is calculated based on the sale price over the book value of the investment property as at date of disposal.

DPU 1Q FY14/15 vs 1Q FY13/14

(S$'000)	1Q FY14/15[1]	1Q FY13/14[1] (Restated)	% inc/ (dec)
Total return for the period before tax	87,317	131,270	(33.5)
Tax expense[2]	(1,323)	(328)	nm
Total return for the period	85,994	130,942	(34.3)
(Less)/Add back: Non-controlling interest	(35)	152	(123.0)
Total return for the period attributable to Unitholders	85,959	131,094	(34.4)
Net non taxable income and other adjustments[3]	(7,578)	(12,053)	(37.1)
Net change in fair value of financial instruments [4]	9,226	(33,848)	(127.3)
Total amount available for distribution	87,607	85,193	2.8
- Taxable income	*86,938*	*84,669*	*2.7*
- Tax-exempt income	*669*	*524*	*27.7*
No. of units in issue at end of period (mil)	2,404.1	2,400.9	0.1
Distribution Per Unit (cents)	**3.64**	**3.55**	**2.5**

(1) 105 properties as at 30 Jun 2014 and 103 properties as at 30 Jun 2013, including 1 which is classified as finance lease receivable.

(2) Higher tax expense for 1Q FY14/15 mainly due to income support provided in relation to A-REIT City @Jinqiao which is taxable

(3) Mainly due to foreign exchange loss S$2.9m (1Q FY13/14: gain of S$7.9m) offset by net gain on fair value of financial derivatives of S$5.6m (1Q FY13/14: loss of S$0.3m)

(4) Mainly relate to fair value loss on convertible bonds of S$6.8m (1Q FY13/14: gain of S$23.6m) and fair value loss on ECS of $2.4m (1Q FY13/14: gain of S$10.2m)

1Q FY14/15 vs 4Q FY13/14

(S$'000)	1Q FY14/15[1]	4Q FY13/14[1] (Restated)	% inc/(dec)
Gross revenue[2]	163,178	156,539	4.2
Less: Property operating expenses[3]	(46,906)	(44,232)	6.0
Net property income (NPI)	116,272	112,307	3.5
Interest expense[4]	(16,255)	(15,809)	2.8
Other borrowing costs[5]	(131)	39	nm
Non-property expenses[6]	(8,066)	(7,146)	12.9
Net income	91,820	89,391	2.7
Foreign exchange loss[7]	(55,473)	(1,188)	nm
Net change in fair value of financial instruments[8]	(9,226)	(34,036)	(72.9)
Net change in fair value of financial derivatives[9]	58,173	2,801	nm
Gain on disposal of investment property[10]	2,023	4,852	(58.3)
Net appreciation on revaluation of investment properties	-	131,113	(100.0)
Total return for the period before tax	87,317	192,933	(54.7)

(1) 105 properties as at 30 June 2014 and as at 31 March 2014, including 1 which is classified as finance lease receivable.

(2) Increased by 4.2% mainly due to higher occupancy rates achieved at The Galen, Nexus @one-north, Neuros & Immunos and 31 International Business Park.

(3) Increased by 6.0% mainly due to lower property tax vacancy refund related to unoccupied space area during the period prior to 1 January 2014, after which vacancy refund will not be available.

(4) Higher interest expense due to higher borrowings.

(5) The accretion gain on refundable security deposits was lower in 1Q FY14/15.

(6) Increased by 12.9% mainly due higher management fees that is in line with higher deposited property value.

(7) Mainly relate to the realisation of exchange loss from the repayment of Emerald's Euro-denominated MTN and the strengthening of JPY spot exchange rate against SGD relating to the Trust's JPY-denominated MTN. The foreign exchange risk of these notes is fully hedged.

(8) Fair value loss on ECS of S$6.8m in 1Q FY14/15 (4Q FY13/14: gain of S$7.4m) and fair value loss on convertible bonds of S$2.4m (4Q FY13/14: S$26.6m).

(9) S$1.5m fair value gain on interest rate swaps in 1Q FY14/15 (4Q FY13/14: S$3.1m), a fair value gain on cross currency swaps of $4.1 million (4Q FY13/14: $1.3 million) at Trust level and a fair value gain of $52.5 million (4Q FY13/14: loss of $1.6 million) in relation to the reversal of fair value loss on cross currency swap interest rate swap from Emerald upon maturity of the swaps.

(10) This relates to the gain on divestment of the investment properties located at 1 Kallang Place (1Q FY14/15) and Block 5006 Techplace II (4Q FY13/14). This is calculated based on the sale price over the book value of the investment property as at date of disposal.

DPU 1Q FY14/15 vs 4Q FY13/14

(S$'000)	1Q FY14/15[1]	4Q FY13/14[1] (Restated)	% inc/(dec)
Total return for the period before tax	87,317	192,933	(54.7)
Tax expense[2]	(1,323)	(22,014)	(94.0)
Total return for the period	85,994	170,919	(49.7)
Less: Non-controlling interest	(35)	(130)	(73.1)
Total return for the period attributable to Unitholders	85,959	170,789	(49.7)
Net non (taxable income)/deductible expenses and other adjustments[3]	(7,578)	10,234	(174.0)
Net change in fair value of financial instruments [4]	9,226	34,036	(72.9)
Net appreciation on revaluation of investment properties	-	(131,113)	(100.0)
Income available for distribution	87,607	83,946	4.4

(1) 105 properties as at 30 June 2014 and as at 31 March 2014, including 1 which is classified as finance lease receivable.

(2) Higher tax expense for 4Q FY14/15 mainly due to deferred tax provided on appreciation on revaluation of investment properties held by China.

(3) Mainly due to foreign exchange loss S$1.7m (4Q FY13/14: S$3.0m), net gain on fair value of financial derivatives of S$5.6m (4Q FY13/14: S$4.4m), net income support of S$3.4m in relation to A-REIT City @Jinqiao (4Q FY13/14: $2.3 million), offset by upfront fee of S$3.0m on a new loan facility incurred in 4Q FY13/14 and lower gain of S$2.0m on divestment of investment property located at 1 Kallang Place in 1Q FY14/15 (4Q FY13/14: S$4.9m gain on divestment of investment property Block 5006 Techplace II).

(4) Mainly relate to fair value loss on ECS of S$6.8m (4Q FY13/14: S$7.4m) and fair value loss on convertible bonds of S$2.4m (4Q FY13/14: S$26.6m).

DPU 1Q FY14/15 vs 4Q FY13/14

(S$'000)	1Q FY14/15[(1)]	4Q FY13/14[(1)] (Restated)	% inc/ (dec)
Income available for distribution	87,607	83,946	4.4
- Taxable income	*86,938*	*83,341*	*4.3*
- Tax-exempt income[(2)]	*669*	*605*	*10.6*
Tax-exempt income (prior periods)[(3)]	-	623	nm
Capital distribution from a tax perspective[(4)]	-	702	nm
Total amount available for distribution	87,607	85,271	2.7
No. of units in issue at end of period (mil)	2,404.1	2,402.5	0.1
Distribution Per Unit (cents)	**3.64**	**3.55**	**2.5**

(1) 105 properties as at 30 June 2014 and as at 31 March 2014, including 1 which is classified as finance lease receivable.

(2) Tax-exempt income relate to a distribution of finance lease interest income (net of tax) received from a tenant. As tax has been withheld on this income, the distribution is exempt from tax in the hands of Unitholders, save for Unitholders who are holding the units as trading assets.

(3) Tax-exempt income (prior periods) relates to the first distribution of income support (net of tax) in relation to Ascendas Z- Link, for the period from Oct 2011 to Mar 2013. This income support will be distributed semi-annually, together with the capital distribution relating to the net income from its subsidiary, AHTDBC (see note (4) below). A-REIT is entitled to receive such incentive income up to September 2016, subject to certain conditions and an aggregate of not exceeding S$2.3 million (net of Singapore corporate tax). Incentive income received from April 2013 to March 2014 will be distributed in the following year, on a semi-annual basis. As tax has been withheld on this income, the distribution is exempt from tax in the hands of Unitholders, save for Unitholders who are holding the units as trading assets.

(4) This is related to a first distribution of net income from its subsidiary, AHTDBC, for the period from 3 Oct 2011 (date of acquisition) to 31 Dec 2012 (AHTDBC's financial year-end). The intention is to distribute such net income semi-annually. It is deemed as capital distribution as this income has yet to be remitted to A-REIT in Singapore as at 31 Mar 2014. Such distribution is not taxable in the hands of the Unitholders, save for Unitholders who are holding the units as trading assets.

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Investment Highlights

	Value (S$m)	Completed
Acquisition	**170.0**	
Hyflux Innovation Centre	170.0*	Jun-14
Asset Enhancements	**7.0**	
5 Toh Guan Road East	7.0	Jun-14
TOTAL	**177.0**	

Divestment	**12.6**	
1 Kallang Place	12.6	May-14

- Acquired prime high-specifications building – Hyflux Innovation Centre and completed the asset enhancement at 5 Toh Guan Road East with 96% occupancy
- In value terms, new investment represents 2.4% of the S$7.5bn portfolio
- Divested 1 Kallang Place for S$12.6m

* Excluding land premium of S$21.2 million for the balance tenure of the first 30-year land lease

New Acquisition:
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 Lease Expiry	Dec 2068
GFA	43,434 sqm
NLA	35,070 sqm
Occupancy	83.9% physical occupancy (3-yrs rental support from Hyflux for balance of space)

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.

Divestment:

1 Kallang Place

Location	1 Kallang Place
Description	A 7–storey light industrial cum warehouse facility
Land Tenure	30 years from 1 Dec 1994
GFA	15,490 sqm
Acquisition Year	2007
Book Value as at 31 Mar 2014	S$10.5 million
Sales Price	S$12.6 million
Buyer	Flextronics Manufacturing (Singapore) Pte Ltd
Completion	21 May 2014
NPI Impact	S$1.06m p.a. (based on FY13/14)

1 Kallang Place

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Healthy Balance Sheet

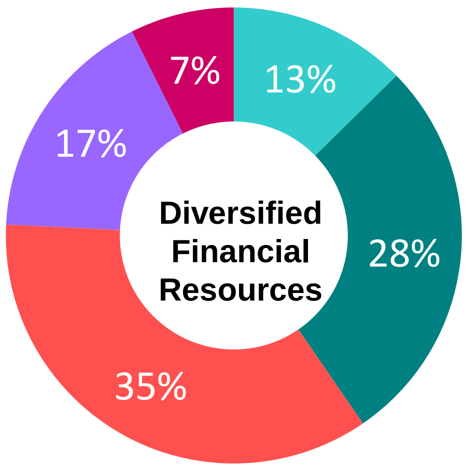
- Aggregate leverage increased q-o-q to 31.6% from 30.0% after funding investments and asset enhancement works
- After funding of committed investments, aggregate leverage is expected to increase to 32.8%
- Debt headroom of S$1.1 billion, before aggregate leverage reaches 40.0%
  - financial flexibility to seize debt-funded growth opportunities

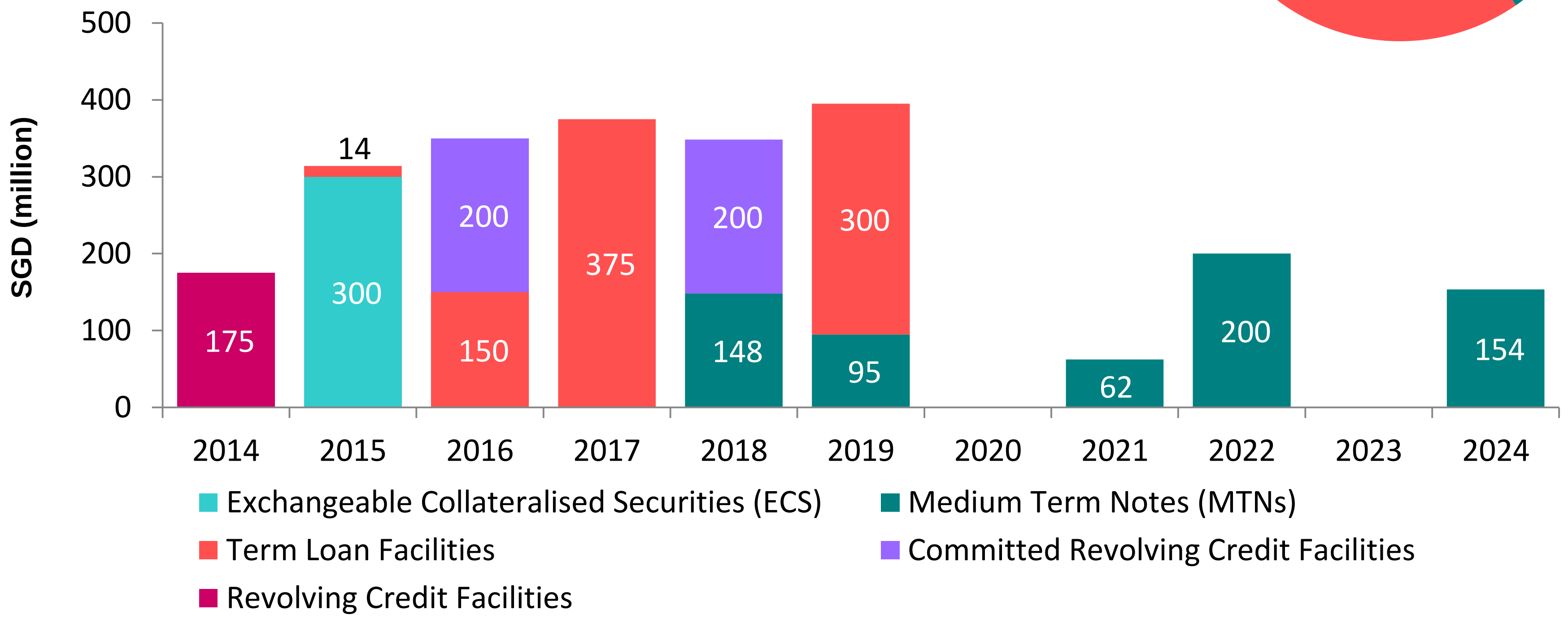
(S$m)	As at 30 Jun 14	As at 31 Mar 14 (Restated)
Total debt [1]	2,373	2,208
Total assets	7,521	7,358
Net assets attributable to unitholders	4,845	4,849
Aggregate leverage	31.6%	30.0%
Net asset value per unit	202 cents	202 cents
Units in issue (m)	2,404	2,403

(1) Excludes fair value changes and amortised costs. Borrowings denominated in foreign currencies are translated at the prevailing exchange rates except for JPY-denominated debt issues, which are translated at the cross-currency swap rates that A-REIT has committed to

Well-spread Debt Maturity Profile

- Well-spread debt maturity with not more than 20% of debt due for refinancing in any single year
- Lengthened debt maturity to 3.7 years from 3.3 years following completion of refinancing of CMBS in May 2014





Key Funding Indicators

- Robust indicators enable A-REIT to borrow at competitive costs

	As at 30 Jun 14	As at 31 Mar 14
Aggregate Leverage	**31.6%**	30.0%
Unencumbered properties as % of total investment properties[1]	84.7%	62.2%
Interest cover ratio	6.5 x[2]	6.0 x[3]
Total debt / EBITDA	5.6 x[2]	5.6 x[3]
Weighted average tenure of debt outstanding (years)	**3.7**	3.3
YTD time weighted average all-in borrowing cost[4]	2.7%	2.9%
Weighted average all-in borrowing cost[5]	**2.7%**	2.7%
A-REIT's issuer rating by Moody's	**A3 stable**	

(1) Total investment properties exclude properties reported as finance lease receivable
(2) Based on 3 months period ended 30 Jun 2014
(3) Based on 12 months period ended 31 Mar 2014
(4) Ratio of interest expense over average borrowings since the start of the FY
(5) Weighted average interest cost of total borrowings as at the balance sheet date

Prudent Interest Rate Management

- 70.0% of interest rate exposure is hedged for an average term of 3.5 years
- A 0.5% point increase in interest rate is expected to result in S$3.6 million decline in distributions or 0.15 cent in DPU

Increase in interest rates	Decrease in distribution (S$m)	Change as % of FY13/14 distributions	Pro forma impact on FY13/14 DPU (cents)[1]
0.5%	3.6	1.0%	0.15
1.0%	7.1	2.1%	0.30
1.5%	10.7	3.1%	0.44
2.0%	14.2	4.2%	0.59

(1) Based on number of units in issue as at 30 June 2014

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Healthy & Stable Occupancy

- Multi-tenanted building (MTB) occupancy on a same store basis improved to 90.6%
- Overall portfolio occupancy dipped to 88.1% due to the expiry of leases of 2 single-tenanted buildings
  - 30 Old Toh Tuck Road* is 61.2% occupied while 21 Jalan Buroh's occupancy is expected to increase from 0% to 100% in Aug 2014; then overall portfolio occupancy would be 90.1% up from 89.6% in Mar 14

As at	30 Jun 14	31 Mar 14	30 Jun 13
Total Portfolio GFA (sqm)	2,909,869	2,881,879	2,770,050
Portfolio occupancy (same store) (1)	91.4%(2)	93.9%	94.5%
MTB(1) occupancy (same store) (1)	90.6%	89.9%	90.5%
Occupancy of investments/divestment completed in the last 12 months	65.8%	58.2%	n.a.
Overall Portfolio occupancy	88.1%	89.6%	93.6%
MTB occupancy	82.3%(3)	83.6%	89.3%
Weighted Average Lease to Expiry (yrs)	3.94	3.86	3.94

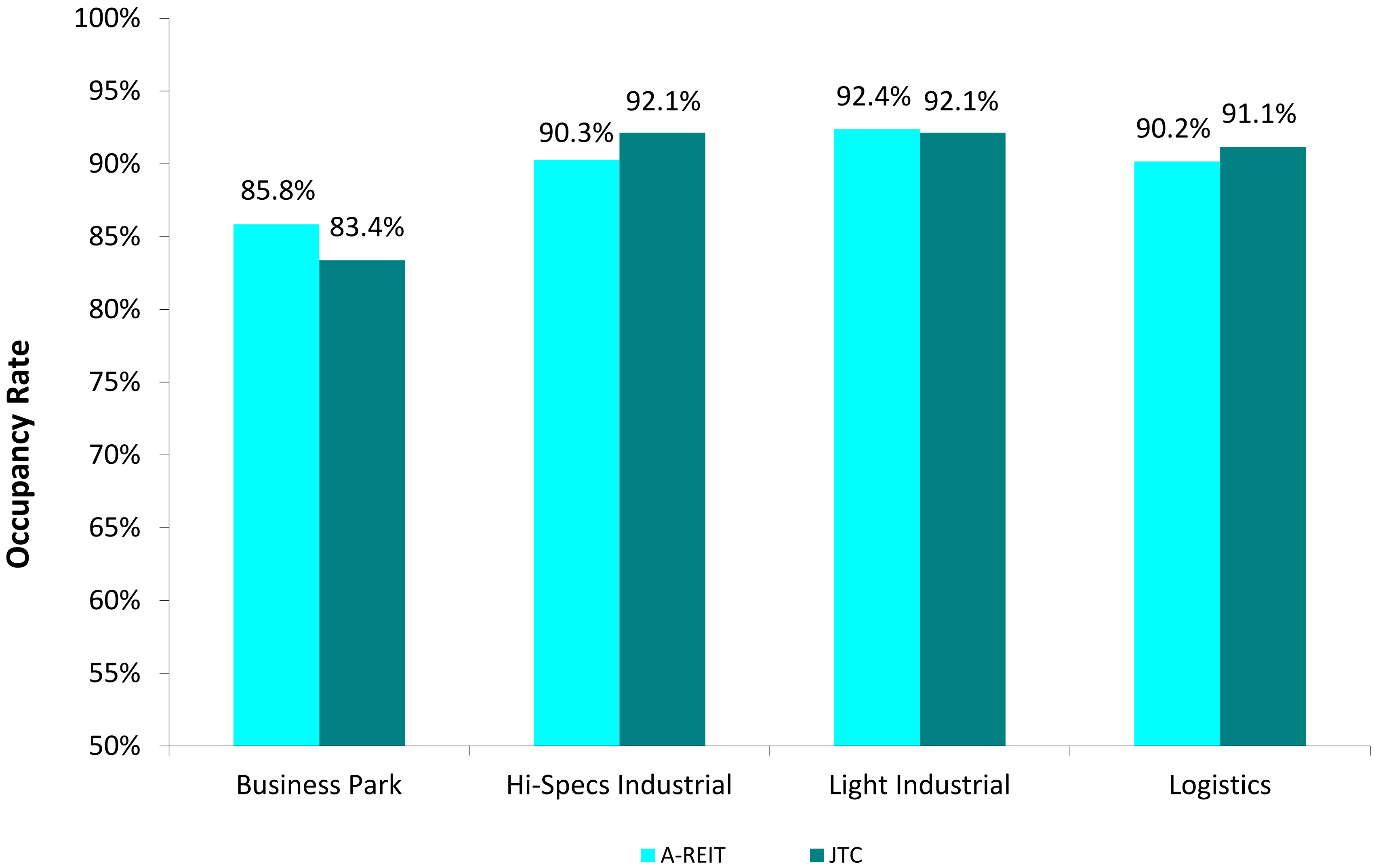
* Formerly Sembawang Kimstrans Logistics Centre

(1) Same store occupancy rates for previous quarters are computed with the same list of properties as at 1Q FY14/15, i.e. account for changes in space due to new investments completed in the last 12 months and changes in classification of certain buildings from single-tenanted buildings (STB) to MTB

(2) Same-store portfolio occupancy declined from 93.9% in 4Q FY13/14 to 91.4% due to non-renewals of tenants in 2 single tenanted buildings (21 Jalan Buroh & 30 Old Toh Tuck Road). Excluding these two buildings, same-store portfolio occupancy would have been 93.8%

(3) MTB occupancy declined from 83.6% to 82.3% due to non-renewals in 2 single-tenanted buildings (21 Jalan Buroh & 30 Old Toh Tuck Road), which have been converted to MTBs as at 30 Jun 2014

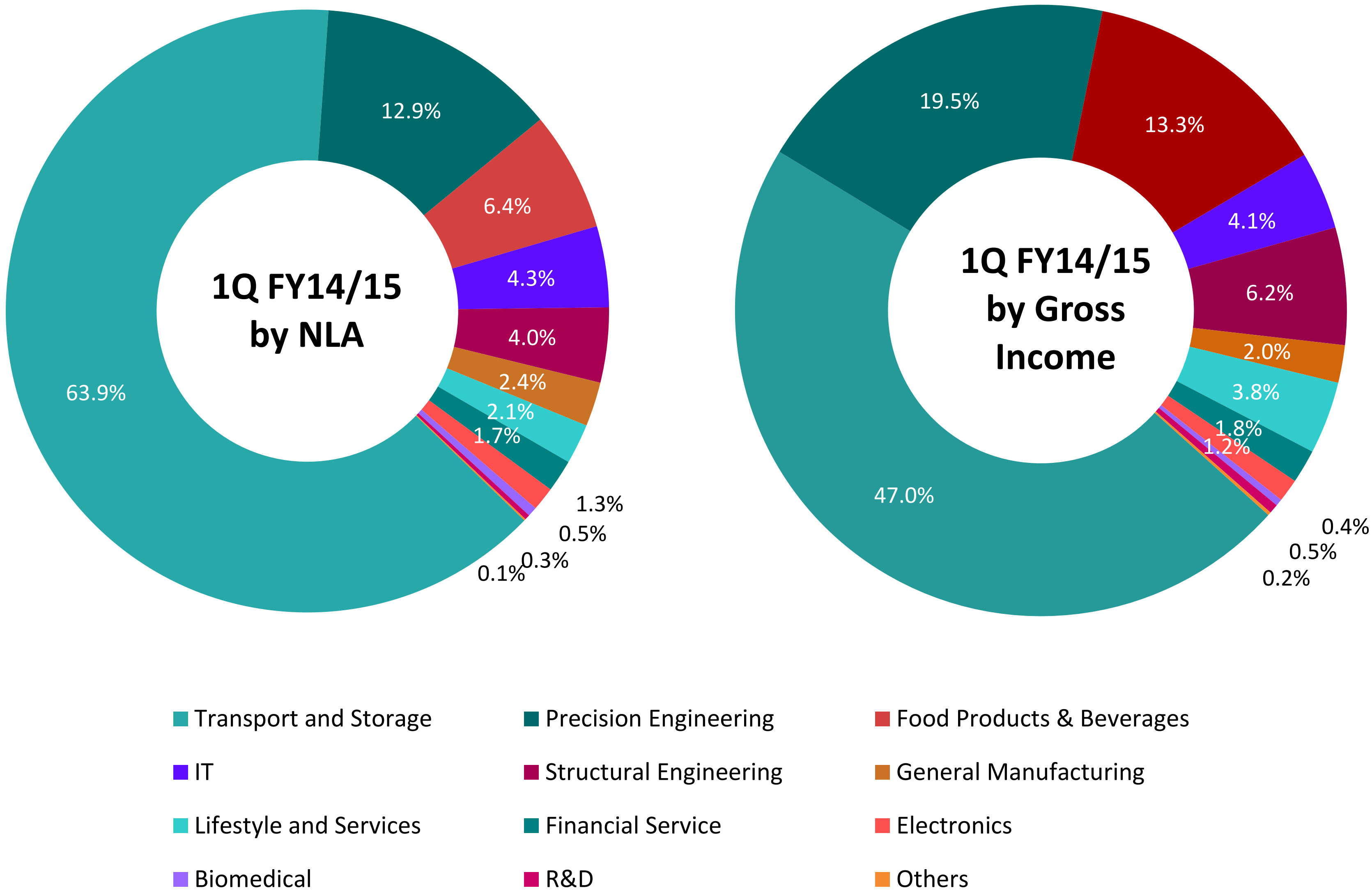
A-REIT vs Industrial Average Occupancy



Source :
A-REIT's Singapore portfolio as at 30 June 2014. Market: JTC
JTC statistics do not breakdown Hi-Specs Industrial and Light Industrial, ie they are treated as one category with occupancy of 92.1%

Sources of New Demand

- Continues to attract demand from a wide spectrum of industries



Achieved Positive Rental Reversion

- Positive rental reversions registered across all segments
- Achieved +11.8% rental reversion for leases renewed in 1Q FY14/15

Multi-tenanted properties [1]	Net lettable area (sqm)	Vacant space (sqm)	1Q FY14/15 increase in renewal rates [2]	Increase / (decrease) in new take up rental rates [3]
	As at 30 Jun 2014			
Business & Science Parks	434,624	70,556	↑ 18.6%	↓ (8.1)%[4]
Hi-Specs Industrial	329,417	47,799	↑ 3.4%	↑ 16.8%
Light Industrial	327,989	38,396	↑ 7.1%	↓ (1.0)%
Logistics & Distribution Centres	408,083	71,354	↑ 1.8%	↓ (12.7)%[5]
Weighted Average			↑ **11.8%**	

(1) A-REIT's Singapore portfolio only.
(2) Increase in renewal rental rates for leases renewed in 1QFY14/15 versus previous contracted rates
(3) Rental rates for new take up (including expansion by existing tenants) in 1QFY14/15 versus new take-up rental rates achieved in 4QFY13/14
(4) Due to relatively large expansion by tenant at International Business Park resulting in lower rates vs last quarter
(5) New take up and expansion were mainly in warehouse space whilst in 4Q FY13/14 new take up was mainly in DC space [office units] which commands higher rental rates

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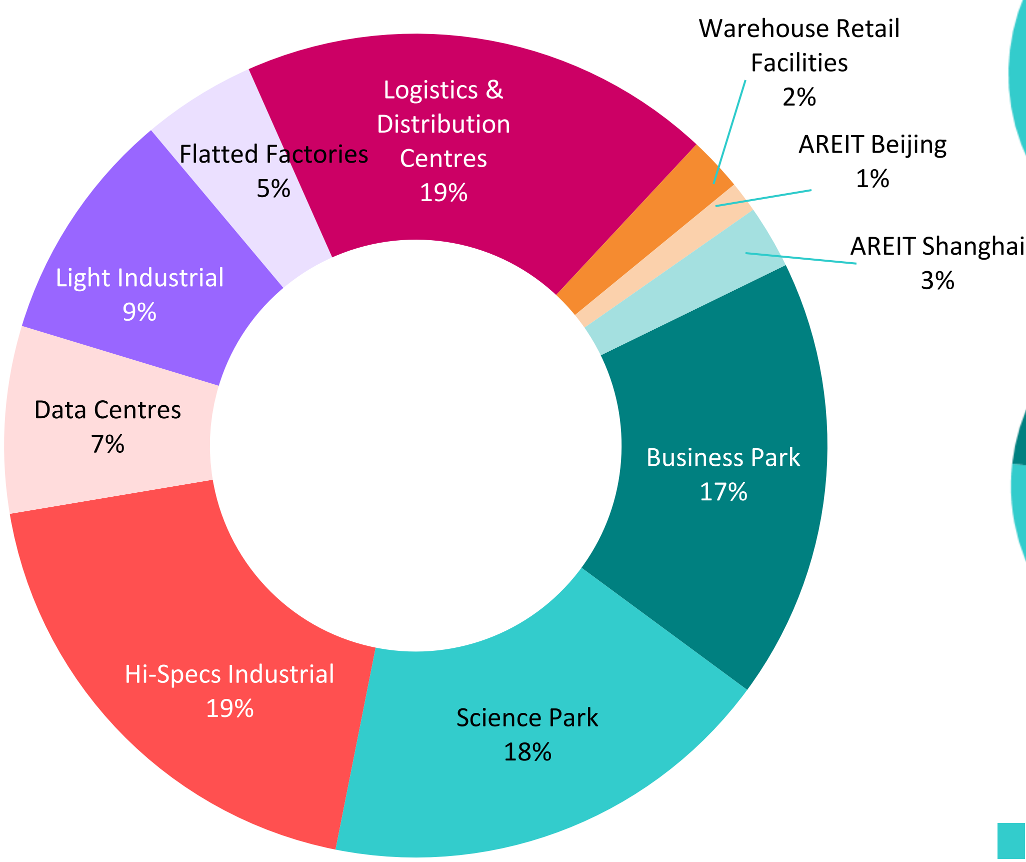
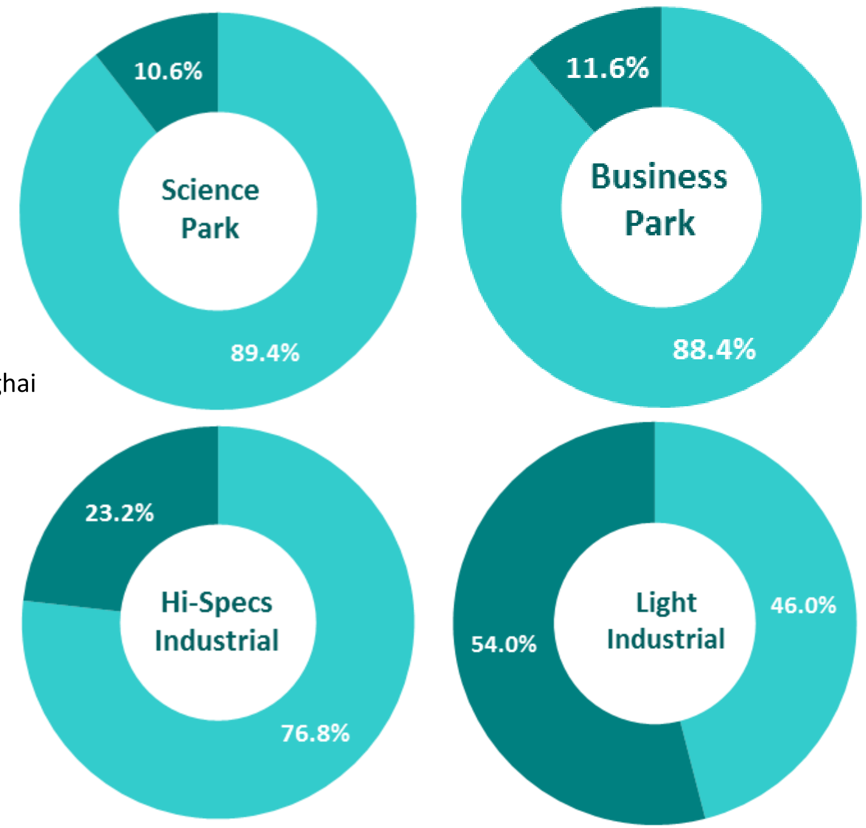
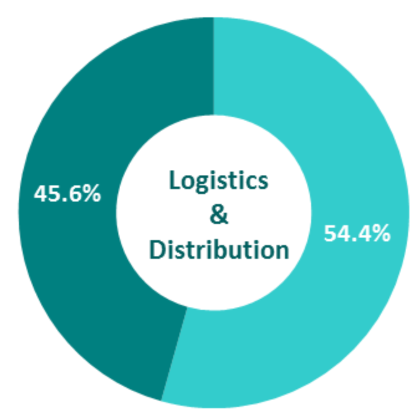
Well Diversified Portfolio

By value of Investment Properties







Multi-tenanted buildings

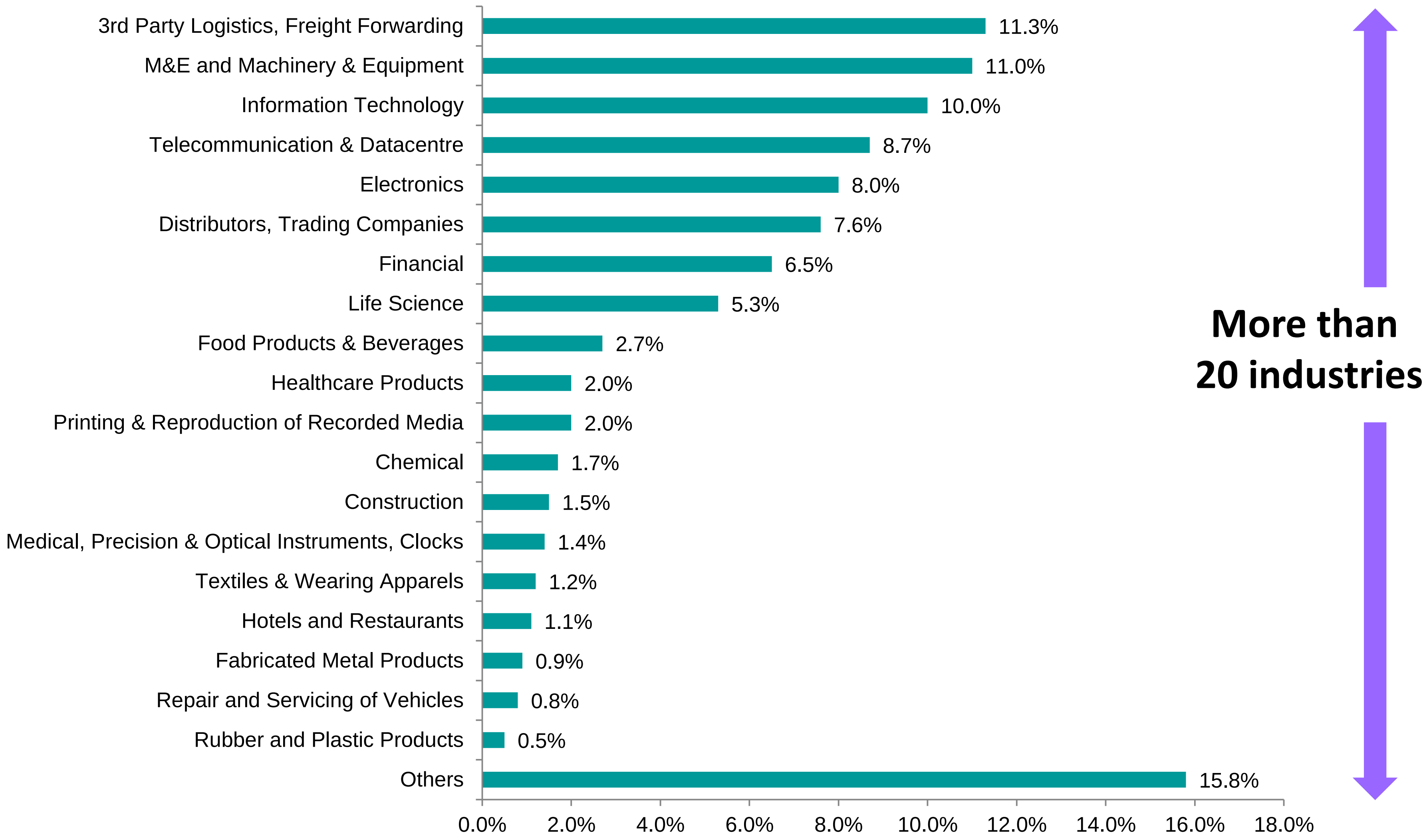
Single-tenanted buildings

Notes:

- Multi-tenanted buildings account for 72.4% of A-REIT's portfolio by asset value as at 30 June 2014
- About 58% of Logistics & Distribution Centres (by gross floor area) are single storey / multi-storey facilities with vehicular ramp access.
- A-REIT has three data centres of which, two are single-tenanted. Warehouse Retail Facilities are single-tenanted properties while flatted factories are multi-tenanted properties

Tenants' Industry Diversification

By Monthly Gross Revenue

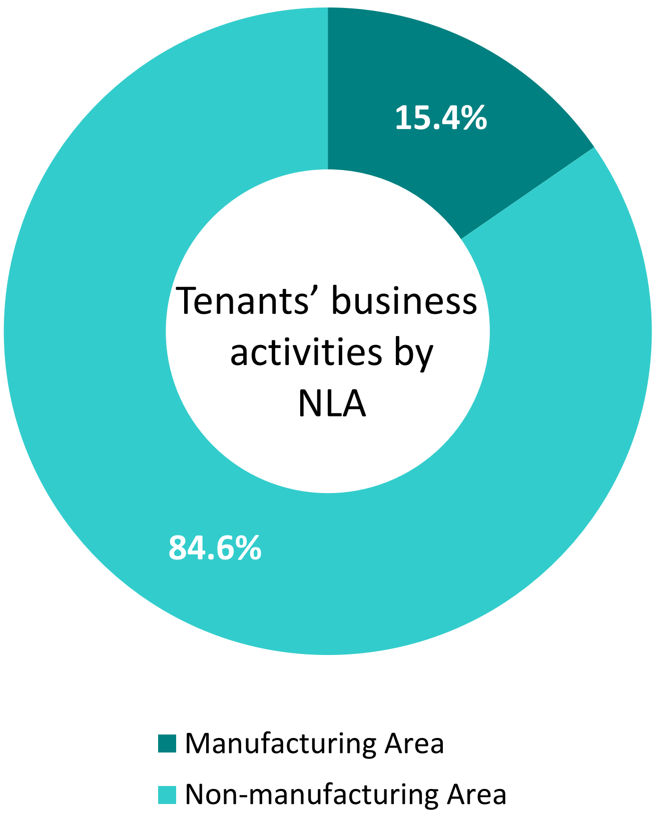


Note: Others include research & development, manufacturing, technical service and support industries for aerospace, oil and gas, multi-media products etc.

Low Exposure to Conventional Manufacturing

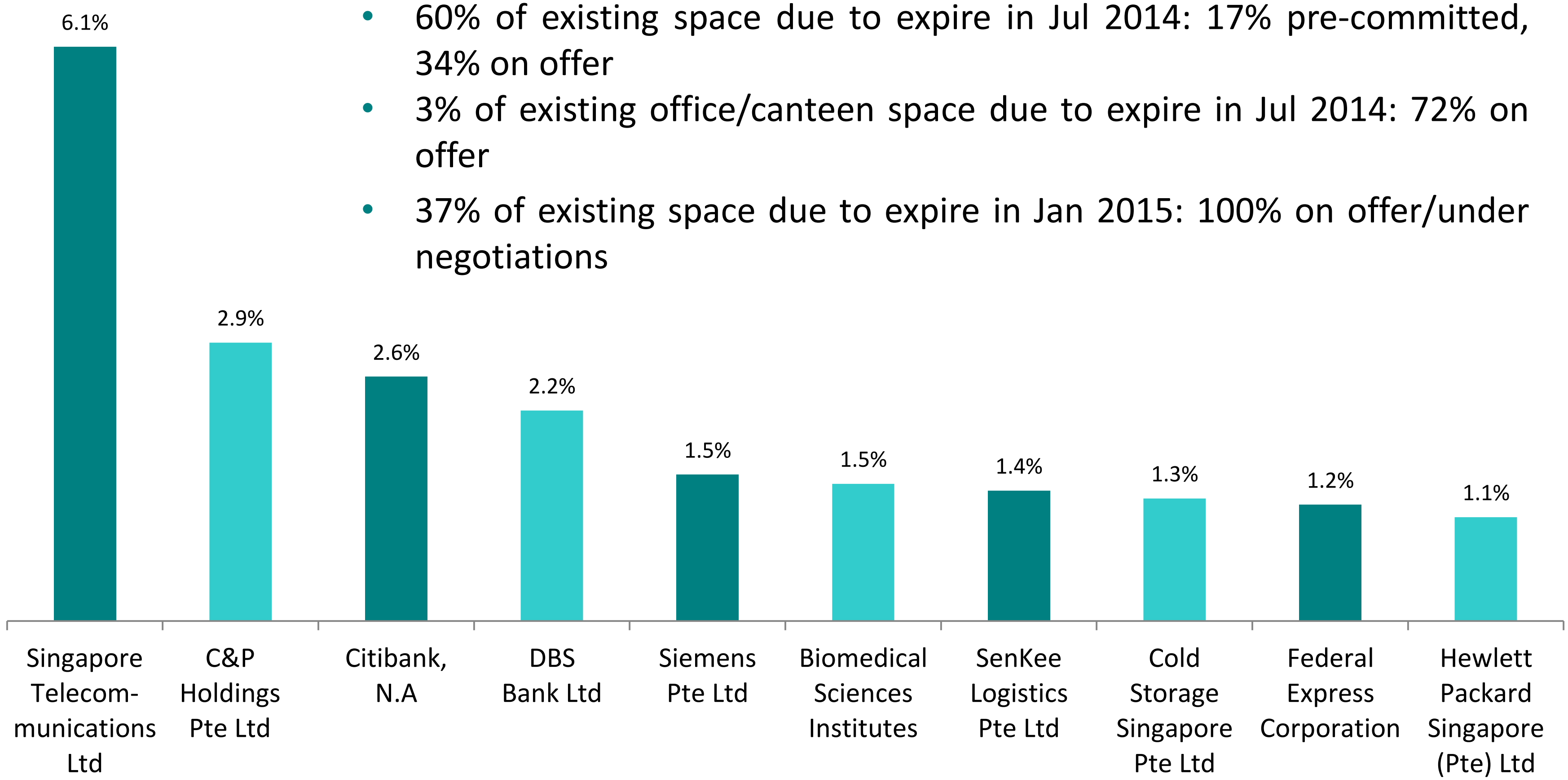
- 15.4% of NLA occupied by tenants engaged in conventional manufacturing activities.
- Manufacturing activities include food & beverages, aeronautical auxiliary equipment, precision engineering etc.
- Non-manufacturing activities include R&D, backroom offices, telecommunications & data centre, software and media consultancy services as well as transport & storage

As at 30 June 2014

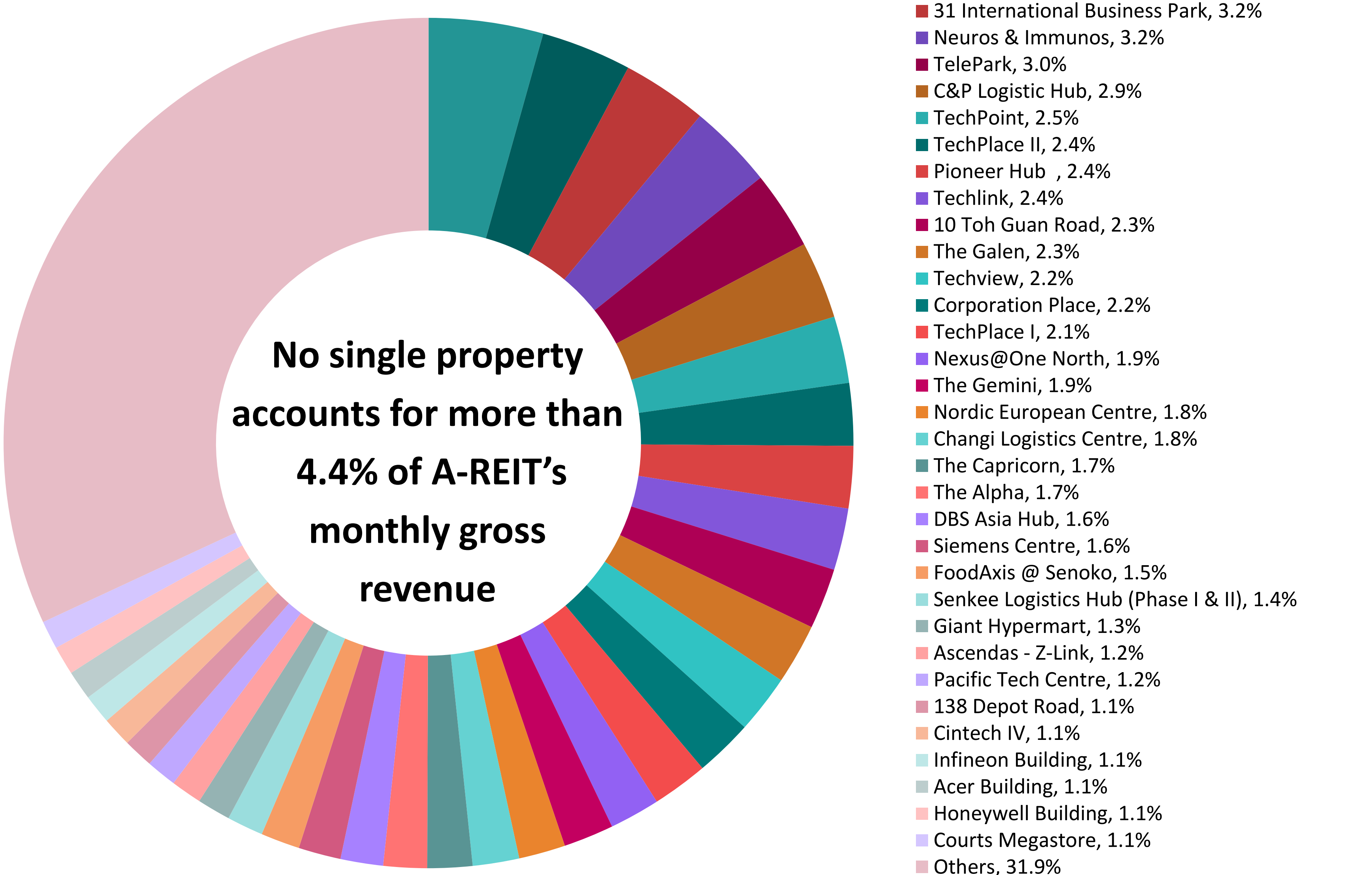


Quality and Diversified Tenant Base

- Total tenant base of around 1,330 tenants
- Top 10 tenants (as at 30 June 2014) account for 21.8% of portfolio gross rental income
- C&P Holding's lease is expiring
  - 60% of existing space due to expire in Jul 2014: 17% pre-committed, 34% on offer
  - 3% of existing office/canteen space due to expire in Jul 2014: 72% on offer
  - 37% of existing space due to expire in Jan 2015: 100% on offer/under negotiations



Diversified Portfolio



Security Deposits for Single-tenanted Properties

- Weighted average security deposits for single-tenanted properties range from 6 to 13 months of rental income
- On a *portfolio* basis, weighted average security deposit is about 6 months of rental income

	No. of single tenanted properties	**Weighted average security deposit* (no. of months)**
Business & Science Parks	3	13
Hi-Specs Industrial	8	6
Light Industrial	16	11
Logistics & Distribution Centres	9	11
Warehouse Retail Facilities	2	10
	38	**10**

* Excluding cases where rental is paid upfront

MTB Occupancy & Rental Rate:
NPI / DPU Sensitivity

- A 2.0% change in MTB occupancy or rental rate is expected to result in a 1.8% change in portfolio net property income or about 0.35 cents change in DPU

% change in MTB occupancy / rental rates	Expected change in annualized MTB NPI (S$m)	Change in portfolio NPI (%)	Impact on full FY DPU (cents)*
2%	8.5	1.8	0.35
4%	17.1	3.7	0.71
6%	25.6	5.5	1.06
8%	34.1	7.3	1.42
10%	42.7	9.2	1.77

* *Based on number of units in issue as at 30 June 2014*

Agenda

Key Highlights for 1Q FY14/15

Financial Performance

Investment Management

Capital Management

Asset Management

Portfolio Update

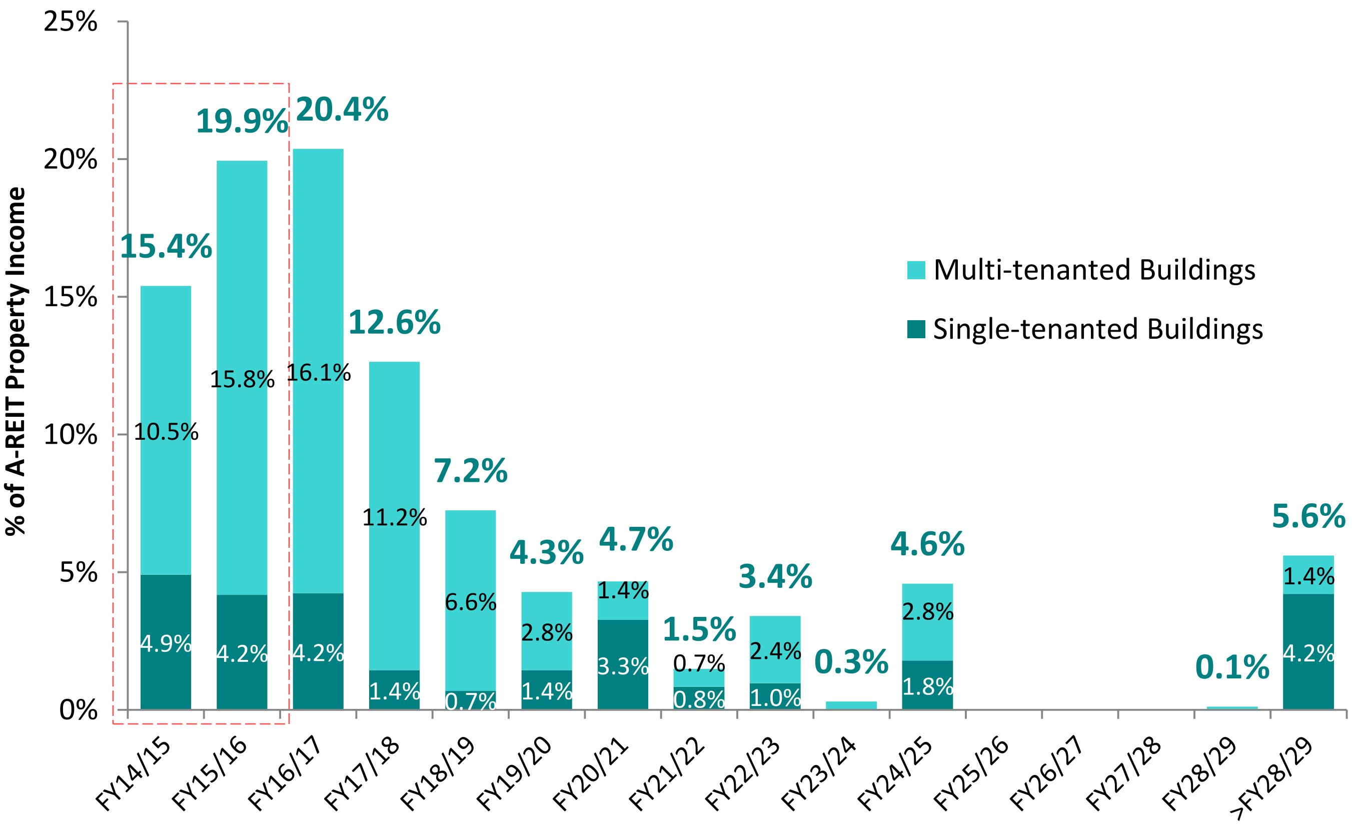
Portfolio Resilience

Portfolio Growth

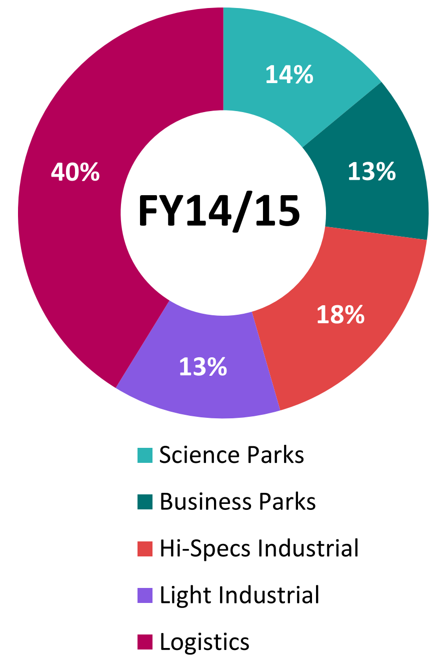
Market Outlook for FY14/15

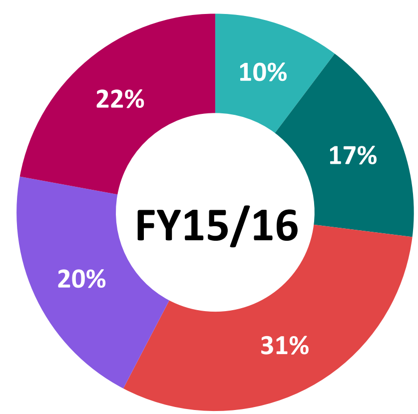
Lease Expiry Profile (as at 30 Jun 2014)

- Weighted average lease to expiry of 3.94 years
- Lease expiry is well-spread, extending beyond 2025
- About 15.4 % due for renewal in balance of FY14/15 vs. 21.3% as at 31 March 2014



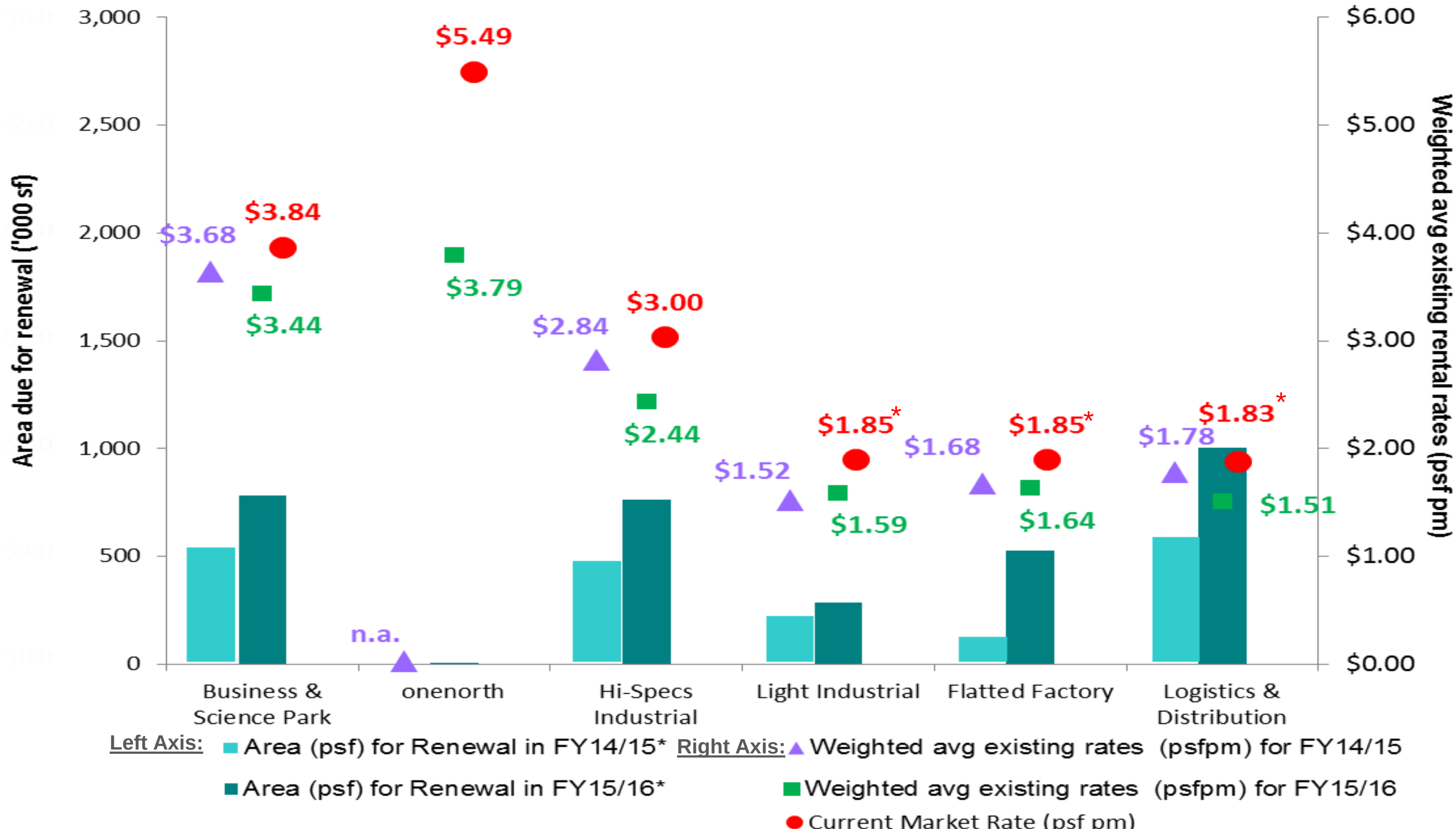
Breakdown of expiring leases for FY14/15 and FY15/16





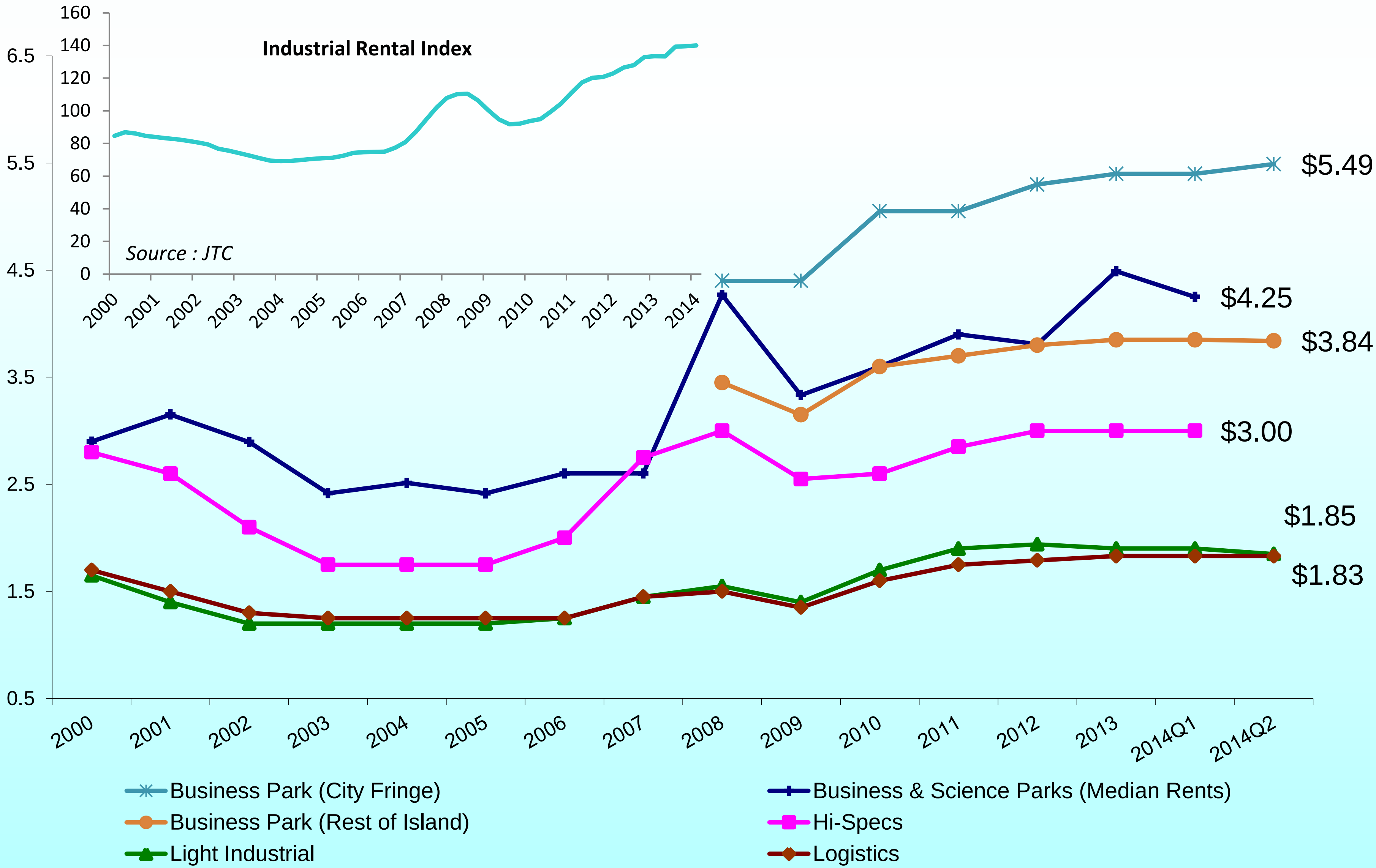
In-place rent for space due for renewal
in FY14/15 and FY15/16

- Current market rental rate is above the weighted average passing rental for the *multi-tenanted* space due for renewal in FY14/15
- Expect positive rental reversion of around mid-to-high single digit



* Rates for ground floor space

Average Market Rents by Segment



Source : CBRE for Business Park (City Fringe), Business Park (Rest of Island), Hi,Specs, Light Industrial and Logistics
JTC for Business Parks (Median Rents)

Ongoing Projects: Improve portfolio quality

Ongoing	Value (S$m)	Estimated Completion
Development	**21.8**	
DBS Asia Hub Phase 2	21.8	2Q2015
Asset Enhancement Initiatives (AEIs)	**132.1**	
Gemini-Aries (NEW)	17.2	2Q2015
Science Hub (NEW)	8.4	1Q2015
C&P Logistics Hub	35.7	4Q2015
Techlink & Techview	26.2	4Q2015
The Alpha	11.1	4Q2014
Corporation Place	14.5	3Q2014
LogisTech	6.6	3Q2014
Techquest	4.3	3Q2014
1 Changi Business Park Crescent	8.1	3Q2014
Total: Development + AEIs	**153.9**	

- Embarked on 2 new AEIs this quarter with the objective of maximising plot ratio and improving marketability of the properties

Asset Enhancement (New):
The Gemini and The Aries

Completion	Estimated 2Q 2015
Description	Located within Singapore Science Park II AEI: Maximise plot ratio by creating amenities space, enhancing connectivity between the buildings and enhancing vibrancy within Science Park II
GFA	2,100 sqm of additional GFA
Occupancy	The Gemini – 99.0% The Aries – 87.9% (as at 30 Jun 2014)
Cost	Estimated S$17.2 million

Artist impression - New Amenities Space

New GFA created is shaded yellow

Location map

Asset Enhancement (New):
Science Hub

Completion	Estimated 1Q 2015
Description	Located within Singapore Science Park I AEI: Reposition Science Hub as a social hub via the upgrading of overall building image, amenities space, improve building specifications and finishes. Upon completion, the property would be a value-add to the tenant community.
Occupancy	82.4% (including The Rutherford, as at 30 Jun 2014)
Cost	Estimated S$8.4 million

Artist impression - main entrance

Artist impression – new reception area

Agenda

Key Highlights for FY13/14

Financial Performance

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Market Outlook for FY14/15

Market Outlook for FY14/15

- Based on the Ministry of Trade and Industry's ("MTI") advance estimates, Singapore's economy grew by 2.1% y-o-y in 2Q 2014, moderating from the 4.7% growth in 1Q 2014. The manufacturing sector registered a weaker growth of 0.2% y-o-y after a 9.9% expansion in 1Q 2014. This was largely due to a contraction in electronics output and slower growth in transport engineering output
- JTC industrial property price index rose 3.8% q-o-q in 1Q 2014; the rental index rose 0.4% q-o-q, marginally higher than the 0.2% increase last quarter
- Approximately 15.4% of A-REIT's revenue is due for renewal for the balance of FY14/15 and positive rental reversions can be expected
- With 11.9% vacancy in the current portfolio, there could be potential upside in net property income when these spaces are leased out, the speed of which will largely depend on prevailing market conditions
- The Manager has undertaken measures to mitigate operating cost increases. In view of the new policy changes relating to non-anchor tenant subletting rules, the Manager will proactively manage and adjust its tenant mix to ensure compliance and optimise the use of its properties as well as to minimise any negative impact on our customers
- Barring any unforeseen event and any weakening of the economic environment, the Manager expects A-REIT to maintain a stable performance for the financial year ending 31 March 2015

Additional Information

(1) Projects In-Progress and Completed

(2) Recent Acquisition

(3) Singapore Industrial Property Market

Development:
DBS Asia Hub Phase 2

Completion	Estimated 2Q 2015
Description	Development of a 6-storey business park building next to the existing DBS Asia Hub, which will be fully leased to DBS Bank Ltd upon completion
GFA	Additional 7,081 sqm from Phase 2
Occupancy	100%; new block will be fully leased to DBS upon completion
Cost	Estimated S$21.8 million

Artist impression - Phase 2 development (red box)


Overall site progress

Asset Enhancement:
C&P Logistic Hub

Completion	Estimated 4Q 2015
Description	Located in close proximity to Jurong Port, PSA ports and Jurong Island, and easily accessible via AYE AEI: Increase the plot ratio from existing 2.0x to 2.34x by building a new 4-storey warehouse block
GFA	24,111 sqm of additional GFA
Occupancy	100% for **existing** property (as at 30 Jun 2014) • 60% of existing space due to expire in Jul 2014: 17% pre-committed, 34% on offer • 3% of existing space (for office/canteen) due to expire in Jul 2014: 72% on offer • 37% of existing space due to expire in Jan 2015: 100% on offer/under negotiations
Cost	Estimated S$35.7 million

Artist impression - New Block

Progress on site

Asset Enhancement:
Techlink & Techview

Completion	Estimated 4Q 2015
Description	Located within the Kaki Bukit Industrial Estate. Techview is located next to the upcoming Kaki Bukit MRT station. AEI: To achieve the highest and best use, maximise plot ratio and also upgrade interior building finishes to enhance their marketability and reinforce the desired positioning of the properties
GFA	1,820 sqm of additional GFA at Techlink
Occupancy	Techlink: 95.2% (as at 30 Jun 2014) Techview: 75.6% (as at 30 Jun 2014)
Cost	Estimated S$26.2 million


Techlink


Techview – lift lobby

Asset Enhancement:
The Alpha

Completion	Estimated 4Q 2014
Description	Enhancing building specifications and positioning through improving connectivity from bus stop to the building, converting lobby to natural ventilation, upgrading of lifts and toilets. Converting under-utilized area into leasable space
GFA	28,533 sqm
Occupancy	81.4% (as at 30 Jun 2014)
Cost	Estimated S$11.1 million


Existing building


Construction of new floors

Asset Enhancement:
Corporation Place

Completion	Estimated 3Q 2014
Description	Upgrading all lifts and washrooms, and creating extended lobbies and physical connectivity between all lobbies to improve marketability of the building
GFA	76,185 sqm
Occupancy	68.5% (as at 30 Jun 2014)
Cost	Estimated S$14.5 million


Existing building


Artist impression of new washroom


Artist impression of new lobby

Asset Enhancement:
LogisTech

Completion	Estimated 3Q 2014
Description	Maximisation plot ratio from existing 1.16x to 1.25x by constructing a new 2-storey air-conditioned warehouse annex block of 3,370 sqm to capitalise on the strong demand for such space in the east
GFA	30,332 sqm
Occupancy	95.7% for existing space (as at 30 Jun 2014 55.8% of the new space to be built has been committed
Cost	Estimated S$6.6 million

Jun2014: Architectural works

1st storey warehouse

Asset Enhancement:

Techquest

Completion	Estimated 3Q 2014
Description	Improving building efficiency and specifications through reconfiguration of floor layout and upgrading of façade, restrooms, lobbies, etc. to improve marketability
GFA	9,140 sqm
Occupancy	81.2% (as at 30 June 2014)
Cost	Estimated S$4.3 million

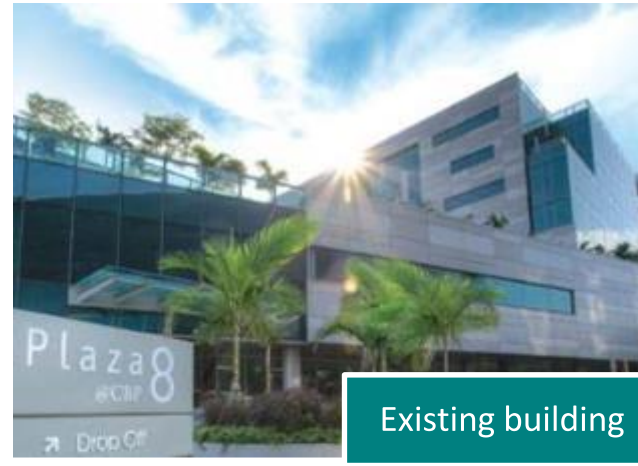
Upgraded reception area


Linkway to bus stop

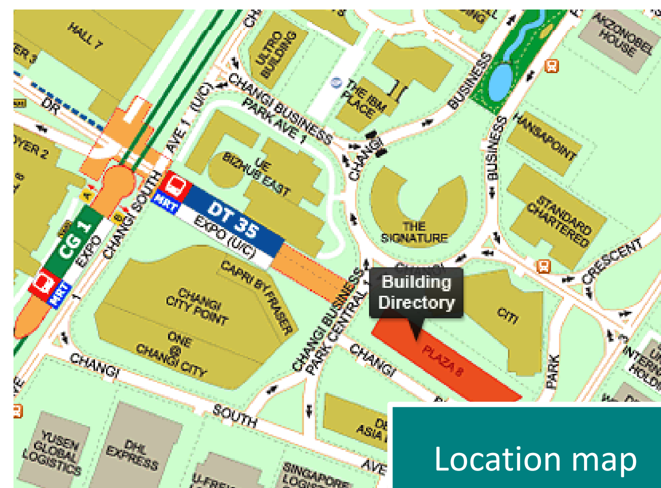

Main Entrance

Asset Enhancement:
1 Changi Business Park Cresent (Plaza 8)

Completion	Estimated 3Q 2014
Description	Conversion of 2nd level amenity space to business park space to increase potential income of the property
GFA	32,504 sqm (total GFA of 1 Changi Business Park Crescent)
Occupancy	97.1% for 1, 3 & 5 Changi Business Park Crescent (as at 30 Jun 2014)
Cost	Estimated S$8.1 million



Existing building



Location map

Source: Streetdirectory

Asset Enhancement Completed:
5 Toh Guan Road East

Completion	June 2014
Description	Upgrading of building specifications internally to improve marketability for logistics usage
GFA	29,741 sqm
Occupancy	96.0% (as at 30 Jun 2014)
Cost	Estimated S$7.0 million


Cargo lift enhancement


Building after AEI

Building, before AEI

Recent Acquisition:
A-REIT City @Jinqiao

Completion	July 2013
Location	North Jinqiao within the Jinqiao Economic and Technological Zone, 30 km from Pudong International Airport. In close proximity to subway stations of Line 12 and the future Line 9 & 14
Description	8 blocks of business park buildings targeting MNCs and large local enterprises
GFA	79,880 sqm
Occupancy	32% of space is committed and a further 15% under negotiation
Purchase consideration	S$124.6 million (RMB623 m)
Other Information	Revalued at RMB11,000 psm (+37.5%) Rental guarantee provided: S$13.5m

Block B and E taken from Central Platform

Block A and D taken from Central Platform

Industrial Property Market: New Supply

- Current total stock: 41.3 million sqm, of which
  - Business & Science Parks account for 1.6 million sqm (3.9%)
  - Logistics & Distribution Centres account for 7.9 million sqm (19.2%)
  - Remaining stock are factory space
- Potential new supply of about 5.1 million sqm (~12% of existing stock) over next 3 years

Segment ('000 sqm)	New Supply (Total)	2014	2015	2016	2017
Business & Science Park	**602**	**122**	**288**	**193**	**0**
% of Pre-committed (est)	65%	75%	96%	11%	0%
Hi-Specs Industrial	**261**	**124**	**60**	**0**	**77**
% of Pre-committed (est)	64%	72%	0%	0%	100%
Light Industrial*	**2,769**	**1,026**	**968**	**746**	**30**
% of Pre-committed (est)	63%	86%	54%	45%	0%
Logistics & Distribution Centres	**1,485**	**892**	**320**	**274**	**0**
% of Pre-committed (est)	80%	89%	74%	60%	0%
Total Pre-committed			**68%**		

** Excludes projects under 7,000 sqm. Based on gross floor area*
Source: JTC, A-REIT internal research

Business & Science Parks: New Supply

Expected Completion	Location	Developer	GFA (sqm)	% Pre-committed (est)
2014	Changi Business Park	Aviation Safety & Training Pte Ltd	16,440	100%
2014	Fusionopolis (one-north)	Ascendas Fusion 5 Pte Ltd	58,510	60%
2014	Ayer Rajah (one-north)	Mapletree Industrial Trust	35,750	100%
2014	CleanTech Park	JTC Corporation	10,900	40%
		Total (2014)	**121,600**	**75%**
2015	Science Park	Ascendas Land (Singapore)	45,310	100%
2015	Ayer Rajah (one-north)	Seagate Singapore	40,880	100%
2015	DBS Asia Hub Phase 2	A-REIT	7,080	100%
2015	Mediapolis (one-north)	Mediacorp	78,020	100%
2015	Fusionopolis (one-north)	JTC Corporation	88,120	90%
2015	Changi Business Park	Rigel Technology/SKJ Group	28,950	90%
		Total (2015)	**288,360**	**96%**
2016	Alexandra Terrace	Mapletree Business City Pte Ltd	124,880	0%
2016	Ayer Rajah (one-north)	SHINE Systems Assets	21,470	100%
2016	Science Park	Ascendas Land (Singapore)	46,170	0%
		Total (2016)	**192,520**	**11%**

Source: JTC & A-REIT internal research

The End

Important Notice