



## Acquisition of The Kendall

Purchase consideration of S\$112.0 million

30 March 2015



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# The Kendall

Purchase Consideration	S\$112.0 million
Acquisition fee to Manager	S\$1.1 million
Other transaction costs	Approximately S\$0.6 million
Total Acquisition Cost	S\$113.7 million
Vendor	Singapore Science Park Ltd
Valuation	S\$116.4 million by CB Richard Ellis S\$115.0 million by Colliers International
TOP Date	9 Oct 2009
Land Area	10,095 sqm
Land Tenure	64 years remaining (no upfront land premium or land rent required)
GFA	20,190 sqm
NLA	16,824 sqm
Occupancy	93.2%



50 Science Park Road

The Kendall is a 6-storey multi-tenanted building located within the Singapore Science Park II. The property is easily accessible via Pasir Panjang Road, and the Haw Par Villa Circle Line Station is located nearby.

# Pro Forma Financial Impact

## The Acquisition

## Financial Impact

### DPU Impact

(pro forma annualised impact)

**0.063 cents\***

### Net Property Income Yield – 1<sup>st</sup> Year

(post acquisition cost)

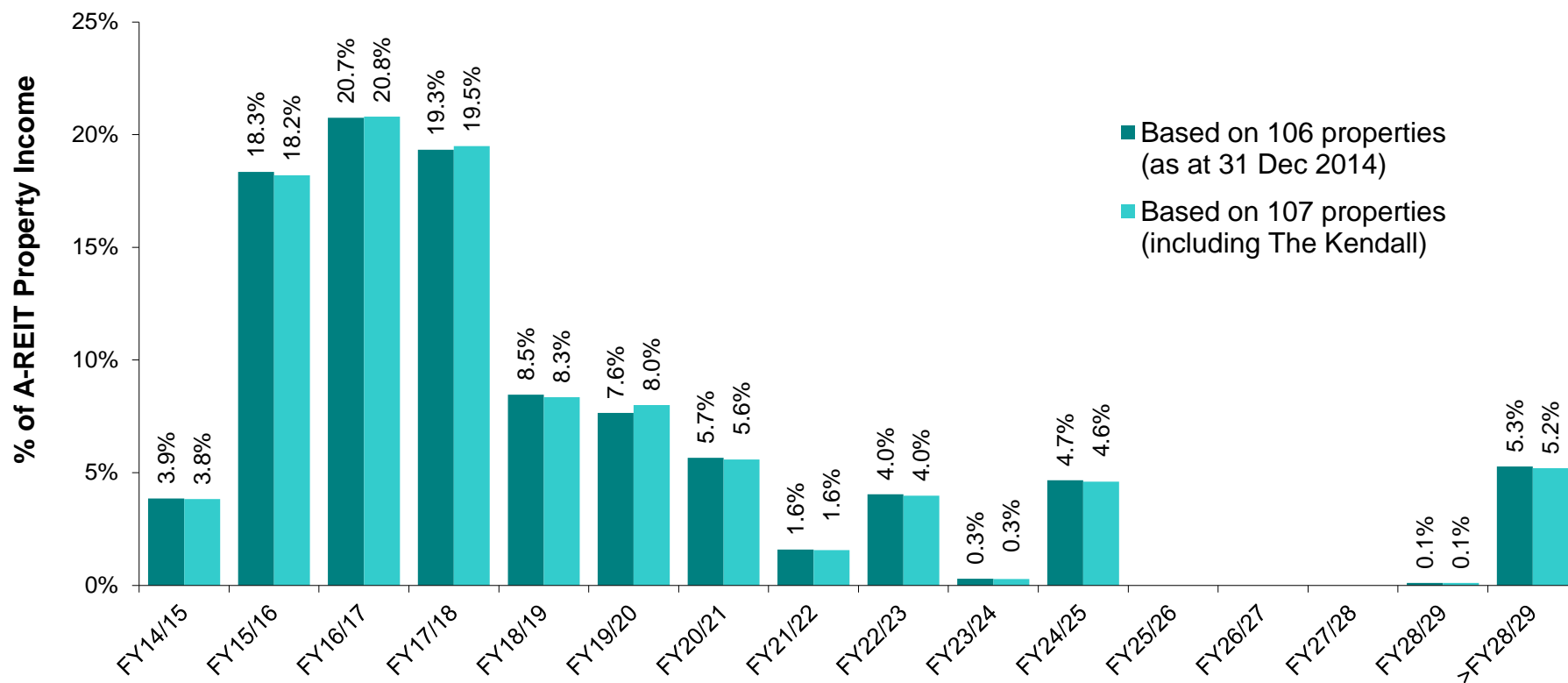
**6.8%**

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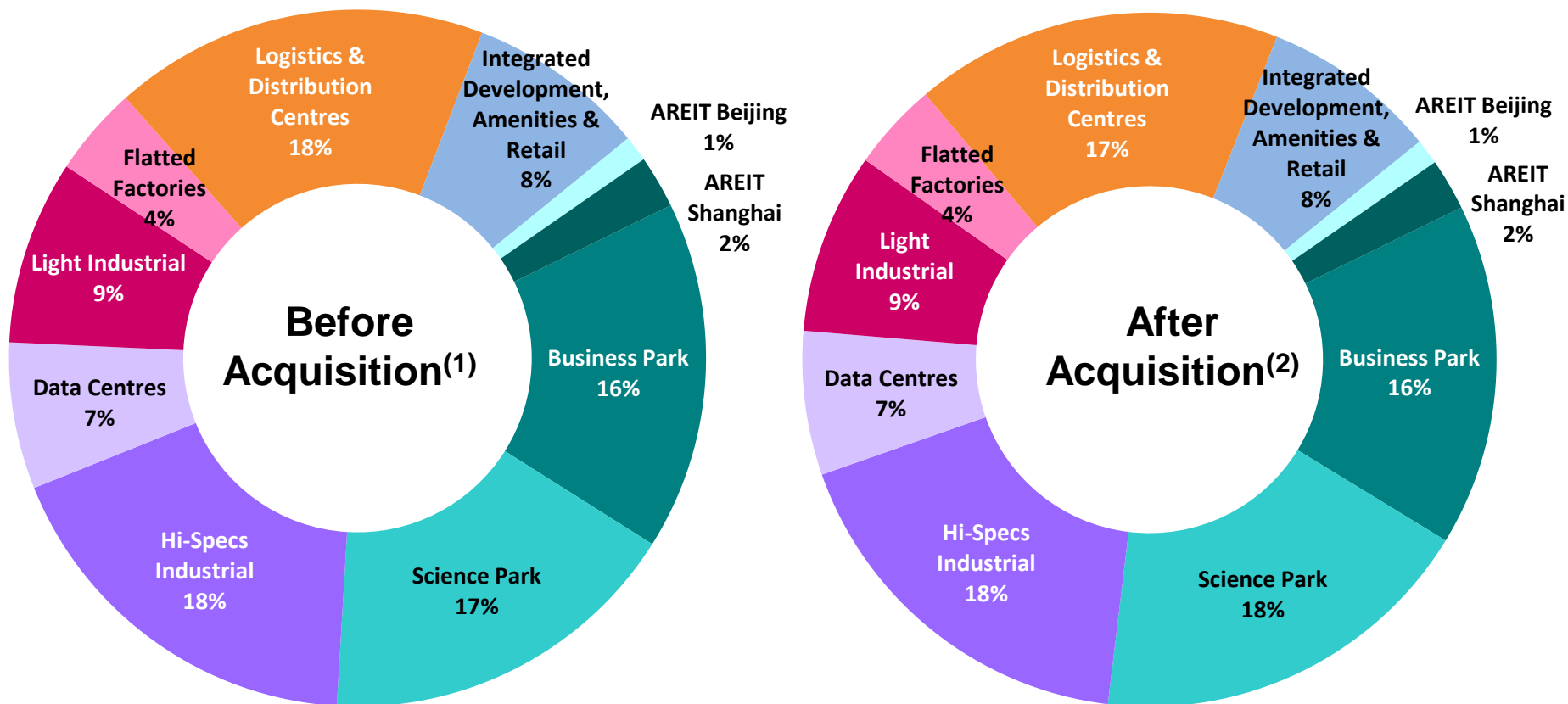
\* Assuming A-REIT had purchased, held and operated the Property for the whole of the financial year ended 31 March 2014 and assuming the Acquisition was funded based on a funding structure of 40% debt and 60% equity. In respect of the Property, the Manager elects to receive its base fee 80% in cash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

# Weighted Average Lease Expiry Profile

	Before Acquisition	After Acquisition
<b>Weighted Average Lease Term to Expiry as at 31 Dec 2014</b>	<b>3.91 years</b>	<b>3.90 years</b>



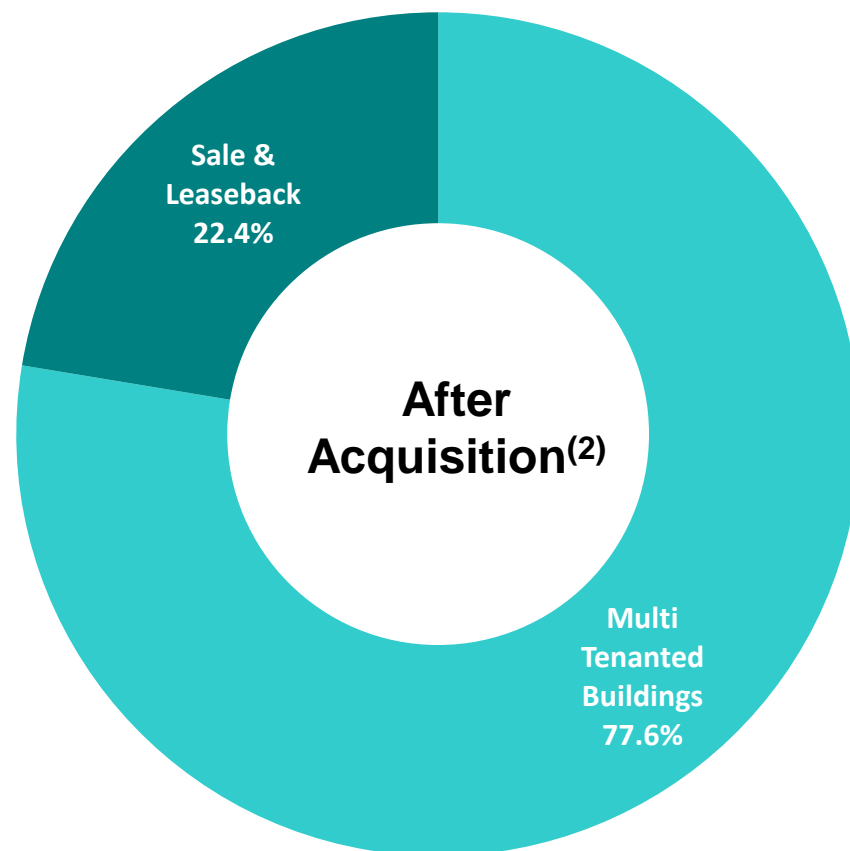
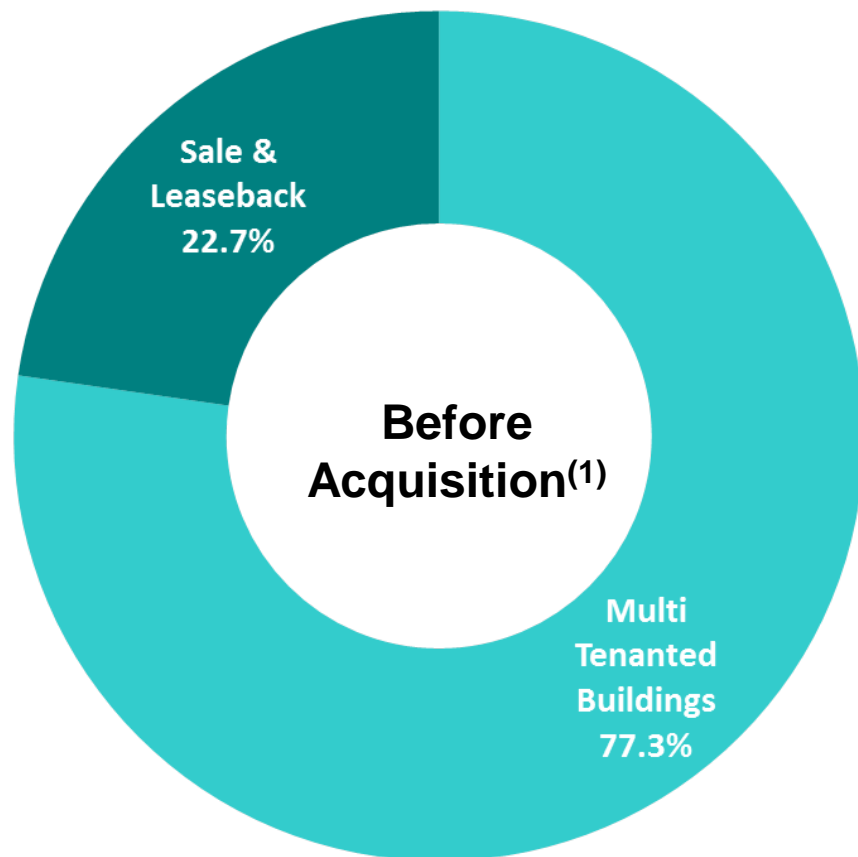
# Portfolio Diversification (by Asset Value)



Notes:

- (1) Based on 106 properties as at 31 December 2014
- (2) Assuming The Kendall was acquired on 31 December 2014

# Lease Tenure Mix (by Asset Value)



Notes:

- (1) Based on 106 properties as at 31 December 2014
- (2) Assuming The Kendall was acquired on 31 December 2014

# Benefit to Unitholders

- Enhances A-REIT's market leadership position in the Business and Science Park segment
- Science Park Properties are not subject to the tightened anchor tenant policy by JTC
- Long land lease tenure increases portfolio weighted land lease tenure to 46.9 years from 46.7 years (as at 31 December 2014)
- Positive DPU impact of 0.063 cents per Unit\*
- Expected net property income yield of 6.8% (post acquisition cost) in the first year

\* 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 acquires The Kendall for S\$112.0 million” released to the SGX-ST on the same day**

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.

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