



DSO National Laboratories



DNV GL Technology Centre

5 December 2016

Acquisition of 12, 14 and 16 Science Park Drive for
S\$420.0 million

- *DSO National Laboratories Buildings & DNV GL Technology Centre*



- **The Acquisition**
- **Impact on Ascendas Reit Portfolio**
- **Benefit to Ascendas Reit and Unitholders**

The Acquisition: Built-to-suit Property in Singapore Science Park 1

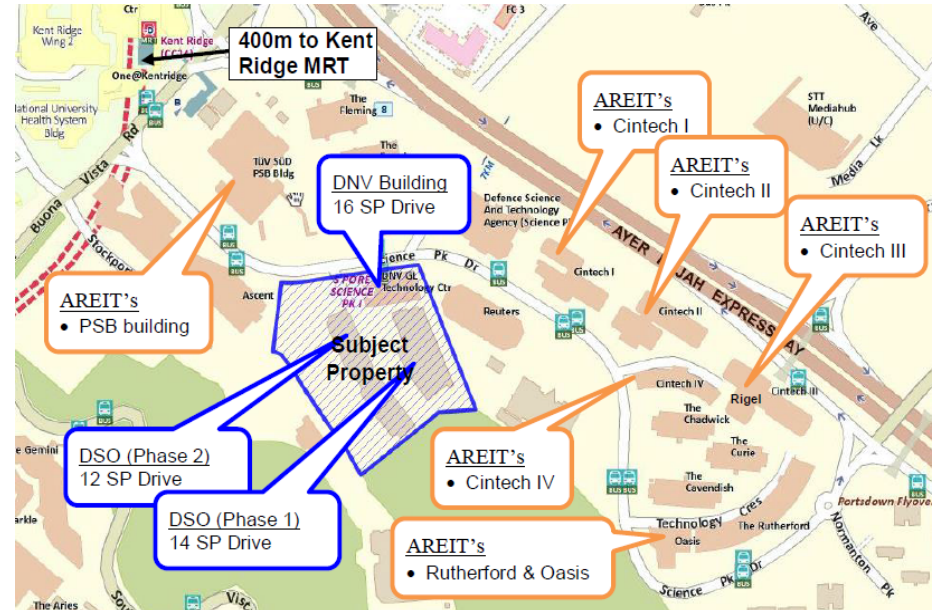
Property: Comprises 3 built-to-suit blocks

- DSO National Laboratories Phase 1 & 2 - two 8-storey buildings (DSO)
- DNV GL Technology Centre - 7-storey building (DNV)

Well-Located: Within Singapore Science Park 1, off South Buona Vista Road, accessible via Ayer Rajah Expressway and Kent Ridge MRT

Quality Tenants:

- DSO National Laboratories – Singapore’s national defence R&D organisation
- DNV GL Singapore Pte Ltd – world-leading classification society and risk management company



Weighted average building age: 2.0 years

BCA Green Mark Award:

- DSO received the Gold Plus Award in 2013
- DNV received the Gold Plus Award in 2013 and Pearl Award in 2015

The Property: DSO National Laboratories Buildings (DSO) & DNV GL Technology Centre (DNV)



Building / Address	DSO National Laboratories		DNV GL Technology Centre
	12 Science Park Drive Singapore 118225	14 Science Park Drive Singapore 118226	16 Science Park Drive Singapore 118227
Purchase Consideration	S\$420.0 million		
Acquisition fee (to Manager)	S\$4.2 million		
Stamp duty and other transaction costs	Approximately S\$13.3 million (including stamp duty of ~S\$12.6 million)		
Total Acquisition Cost	S\$437.5 million		
Vendor	Ascendas Land (Singapore) Pte Ltd		
Valuation	S\$428.8 million by Edmund & Tie (formerly DTZ) ; S\$430.0 million by Knight Frank Average = S\$429.4 million		
TOP Date	23 Sep 2015	19 Jun 2013	19 Jun 2013
Land Area	39,436 sqm		
Land Tenure	99 years leasehold from 1 Jun 1982; 64.7 years remaining (as at 30 Sep 2016)		
Contractual Gross Floor Area/ Net Lettable Area	69,016 sqm	9,855 sqm	
	(Total: 78,871 sqm)		
Occupancy	100%		
Weighted avg lease expiry	16.5 years		
Rental escalation	2.2% to 2.5% per annum		

Pro Forma Financial Impact: Accretive to Unitholders



The Acquisition

Financial Impact

DPU Impact

(pro forma annualised impact)

0.059 cents*

Net Property Income Yield – 1st Year

Pre-transaction cost

6.3%

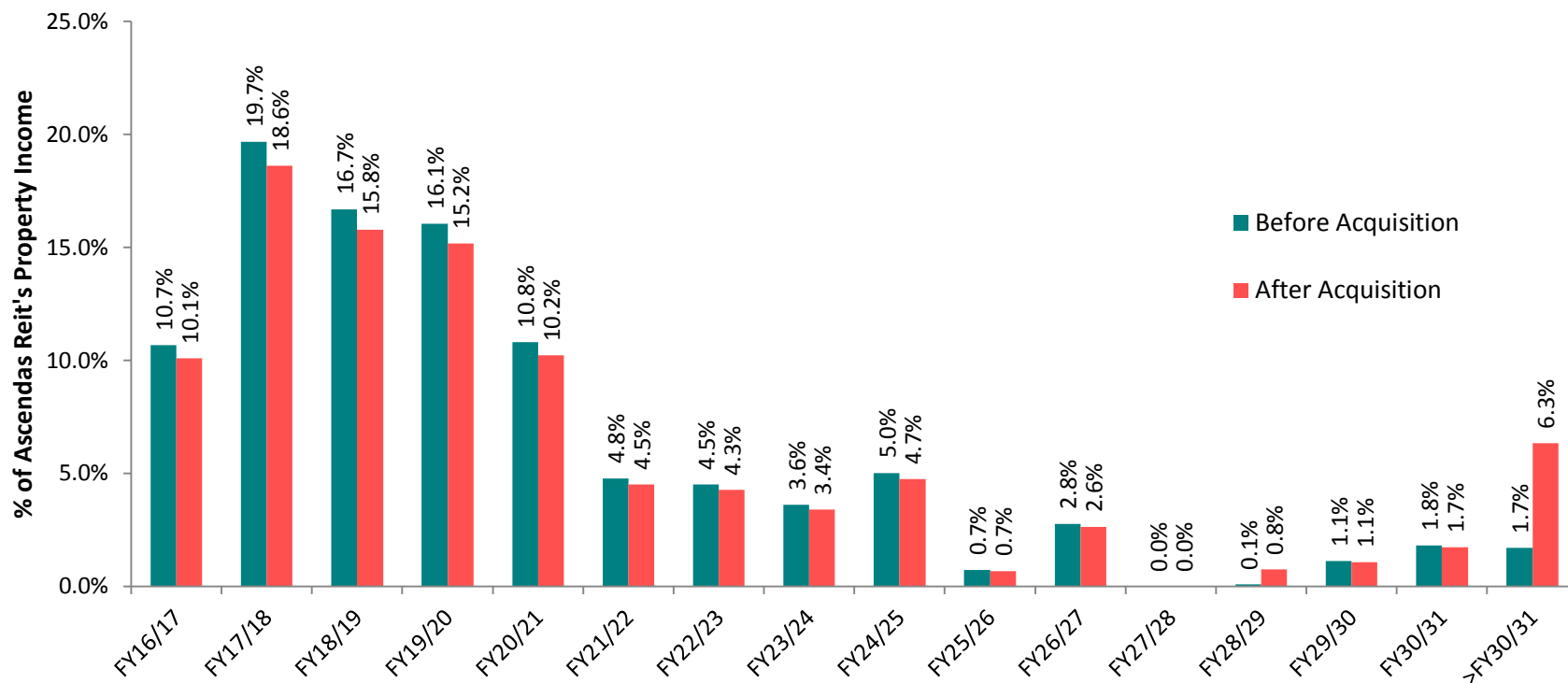
Post-transaction cost

6.0%

* Assuming Ascendas Reit had purchased, held and operated the Acquisition for the whole of the financial year ended 31 March 2016 and assuming the Acquisition was funded based on a funding structure of 60% equity and 40% debt and that the Manager elects to receive its base fee 80% in cash and 20% in units.

Lengthens Weighted Average Lease to Expiry

As at 30 September 2016	Before Acquisition ¹	After Acquisition ²
Weighted Average Lease Term to Expiry	3.7 years	4.4 years



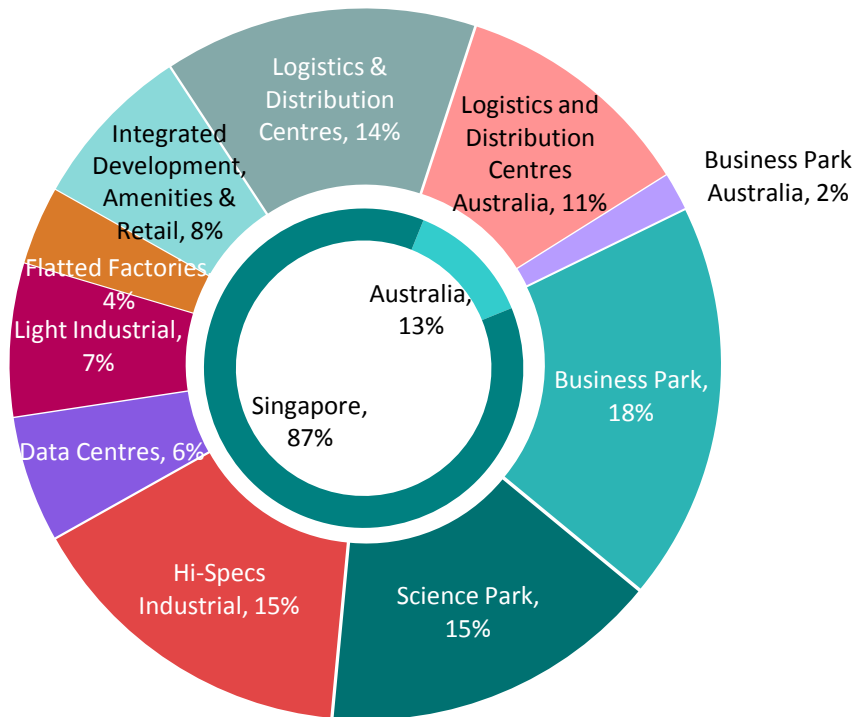
Notes:

- (1) Based on 130 properties as at 30 September 2016, assuming A-REIT City @ Jinqiao was divested on 30 September 2016.
- (2) Assuming the Property was acquired on 30 September 2016 and A-REIT City @ Jinqiao was divested on 30 September 2016.

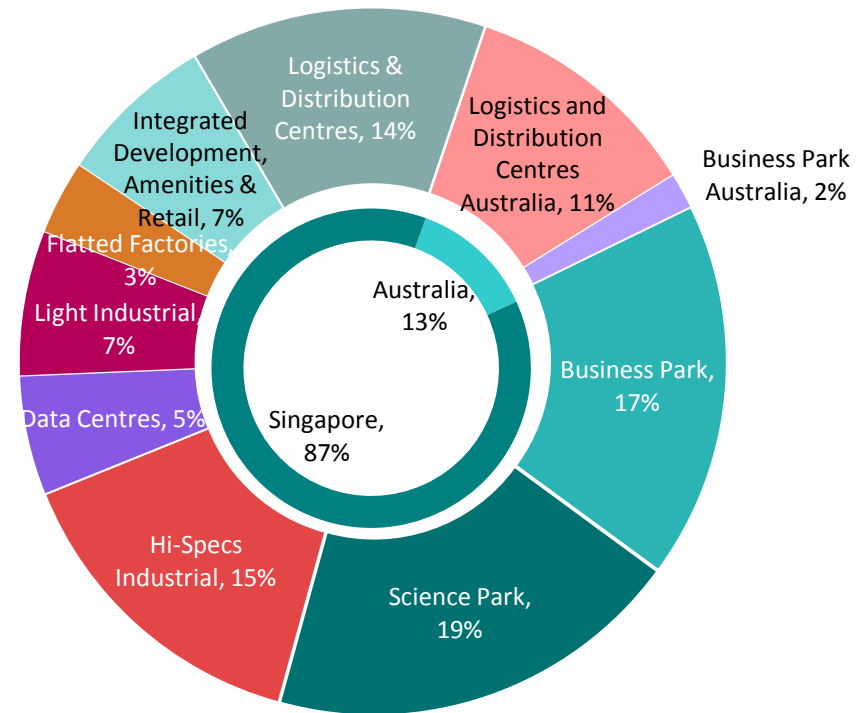
Strengthens Market Leadership in Business & Science Parks

Portfolio Diversification (by Asset Value)

Before Acquisition⁽¹⁾



After Acquisition⁽²⁾



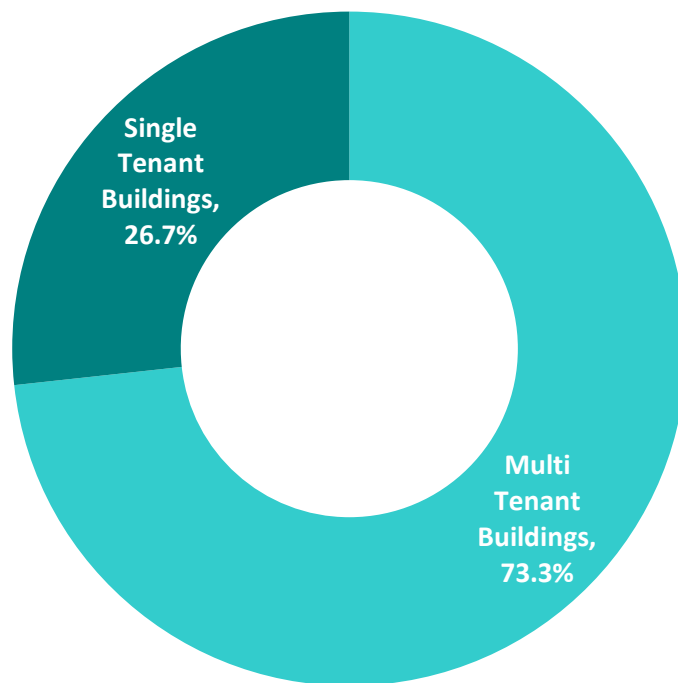
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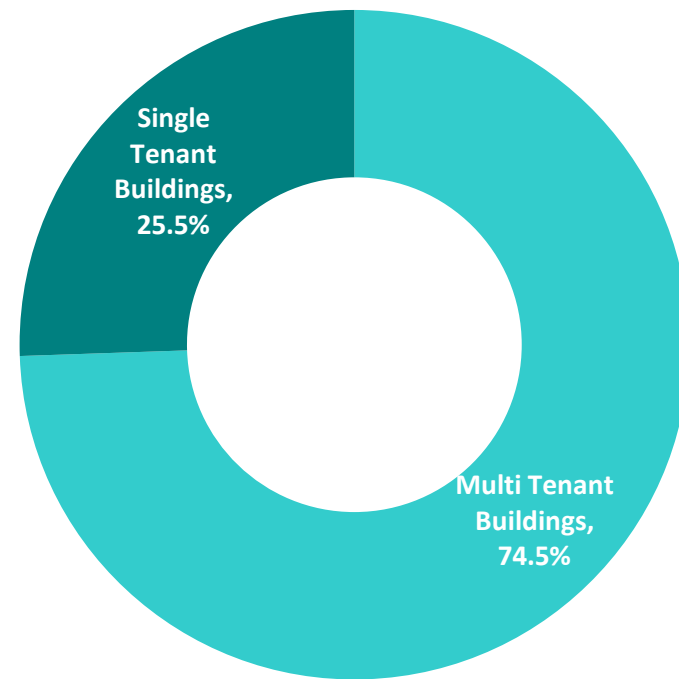
Maintains Single and Multi-tenant Mix

Lease Tenure Mix (by Asset Value)

**Before
Acquisition⁽¹⁾**



**After
Acquisition⁽²⁾**



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Benefits to Ascendas Reit

- Enhances market leadership position in the Business and Science Park segment
- Extends weighted average lease expiry from 3.7 to 4.4 years
- Tripe-net leases with built-in rental escalation of 2.2% to 2.5% per annum
- Long land lease tenure increases portfolio weighted land lease tenure to 46.9 years from 46.0 years (as at 30 September 2016, excluding freehold properties)

Benefits to Unitholders

- DPU accretive investment
- Improves earnings stability from long leases and quality tenants

Disclaimer



This material shall be read in conjunction with the announcement “Ascendas Reit to Acquire 12, 14 and 16 Science Park Drive for S\$420.0 million” released to the SGX-ST on the same day

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