



# Acquisition of No. 100 Wickham Street in Queensland, Australia, for A\$83.8 million

25 September 2017



No. 100 Wickham Street, Fortitude Valley, Queensland

# Agenda

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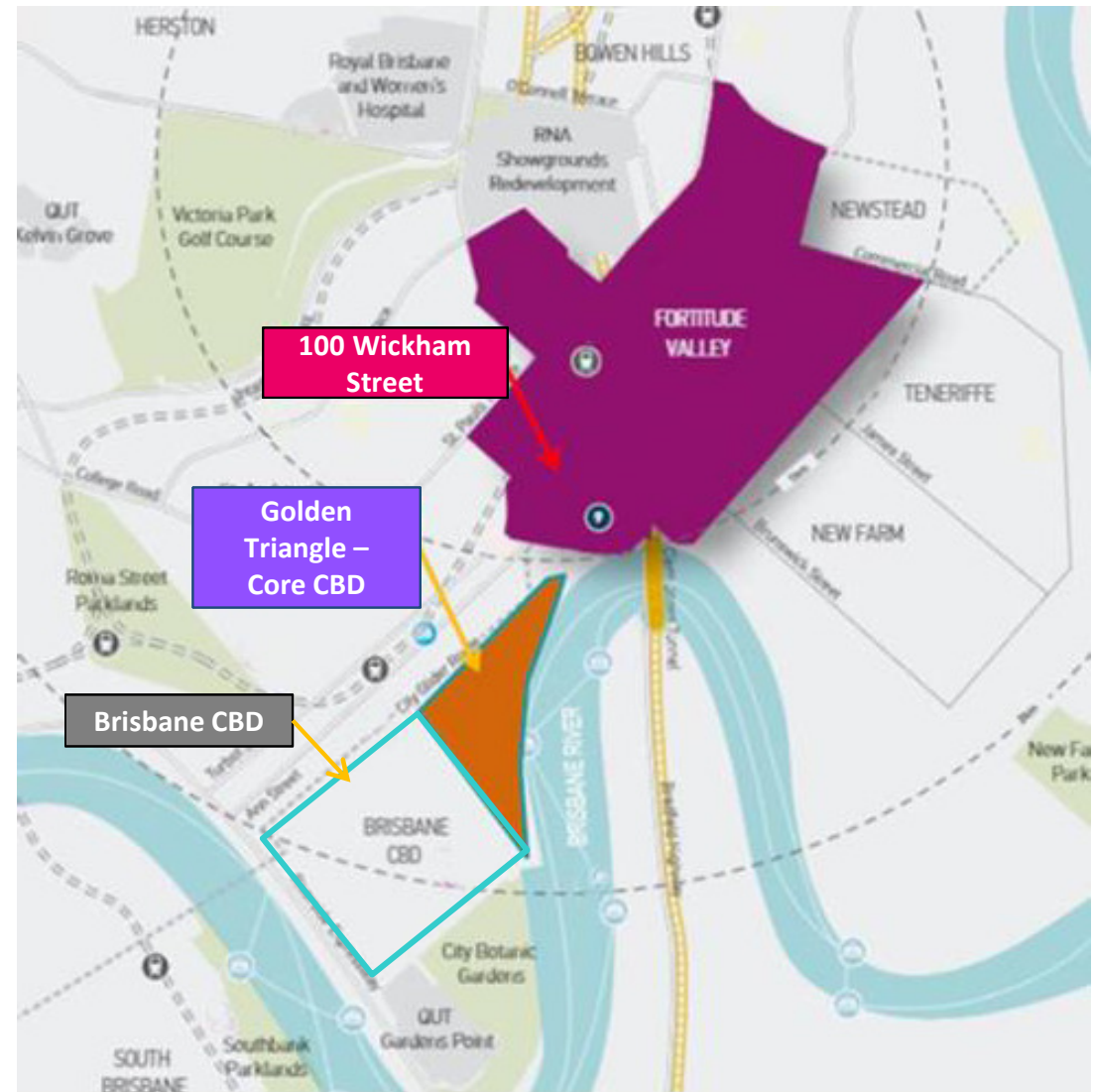
# The Acquisition: No. 100 Wickham Street

**The Property:** 14-storey office building with 2 levels of basement carpark

**Well-Located:** Located approximately 450m from the 'Golden Triangle', Brisbane's premier corporate precinct; close proximity to Fortitude Valley Train Station and Central Train station, multiple bus routes, the Story Bridge (linkage to South Bank) and three new inner-city road tunnels

## Key Tenants:

- State of Queensland (Department of Health)
- 3 data centres operators



# The Acquisition: Property Details

<b>Building Address</b>	No. 100 Wickham Street, Fortitude Valley, Queensland
<b>Purchase Consideration</b>	A\$83.8 million
<b>Acquisition Fee (to Manager)</b>	A\$0.838 million
<b>Stamp Duty &amp; Other Transaction Costs</b>	Approximately A\$5.3 million
<b>Total Acquisition Cost</b>	A\$89.9 million
<b>Vendor</b>	100W Pty Ltd
<b>Valuation<sup>1</sup> (as at 25 September 2017)</b>	A\$83.9 million by Jones Lang Lasalle Advisory Services Pty Ltd
<b>Building Age</b>	43 years
<b>Land Area</b>	2,975 sqm
<b>Land Tenure</b>	Freehold
<b>Lettable Floor Area</b>	13,131 sqm
<b>Occupancy</b>	100%
<b>Weighted Average Lease Expiry</b>	4.8 years
<b>Rental Escalation</b>	3% to 4% per annum

<sup>1</sup> The valuation was commissioned by the Manager and The Trust Company (Australia) Limited, in its capacity as trustee of Ascendas Business Park Trust No. 1, and was carried out by Jones Lang Lasalle Advisory Services Pty Ltd, using the capitalisation method and discounted cashflow method.

# Pro Forma Financial Impact: Accretive to Unitholders



## The Acquisition

## Financial Impact

### DPU Impact

(pro forma annualised impact)

**0.054**

**Singapore cents\***

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

Pre-transaction cost

**7.6%**

Post-transaction cost

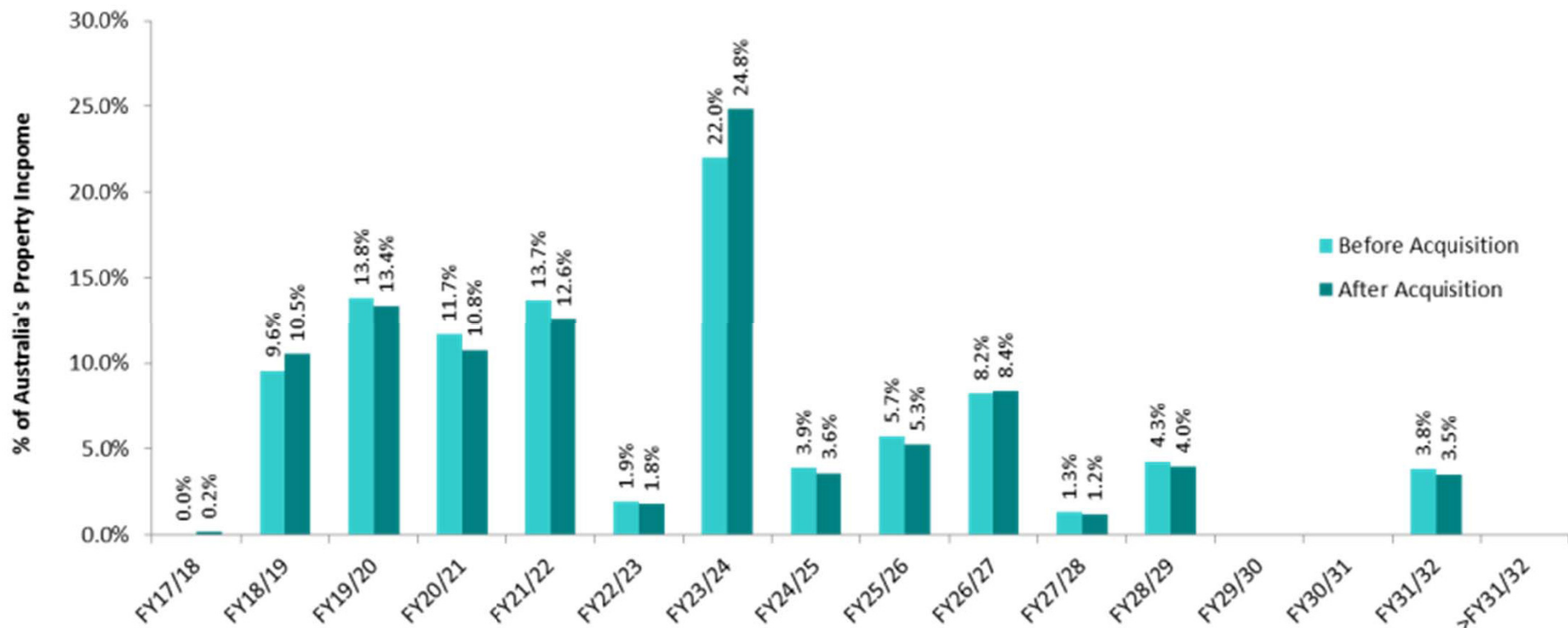
**7.1%**

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\* Assuming Ascendas Reit had purchased, held and operated the Acquisition for the whole of the financial year ended 31 March 2017 and the Acquisition was funded based on a funding structure of 40% debt and 60% equity and that the Manager elects to receive its base fee 80% in cash and 20% in units.

# Australia: Weighted Average Lease to Expiry

As at 30 June 2017	Before Acquisition <sup>1</sup>	After Acquisition <sup>2</sup>
<b>Weighted Average Lease Term to Expiry</b>	<b>5.5 years</b>	<b>5.4 years</b>



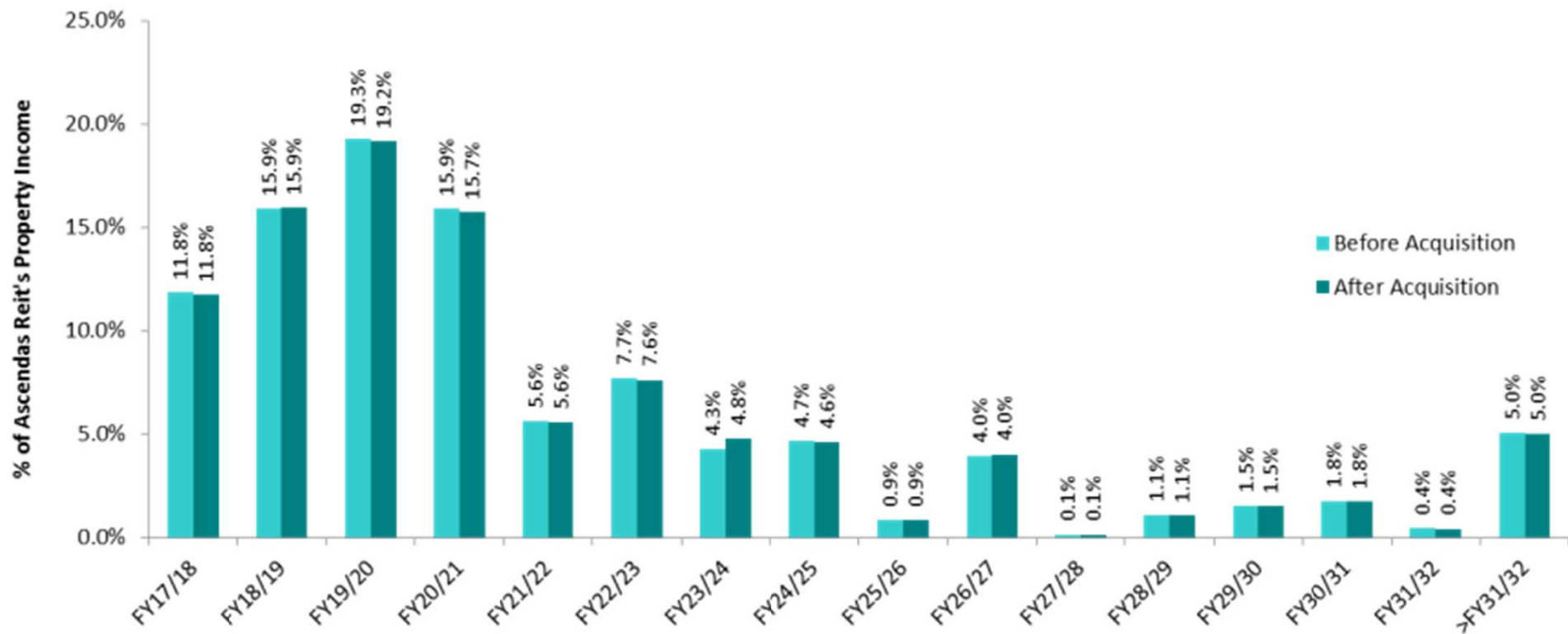
## Notes:

- (1) Based on 29 properties as at 30 June 2017.
- (2) Assuming No. 100 Wickham Street was acquired on 30 June 2017.

# Ascendas Reit: Weighted Average Lease to Expiry



As at 30 June 2017	Before Acquisition <sup>1</sup>	After Acquisition <sup>2</sup>
<b>Weighted Average Lease Term to Expiry</b>	<b>4.3 years</b>	<b>4.3 years</b>



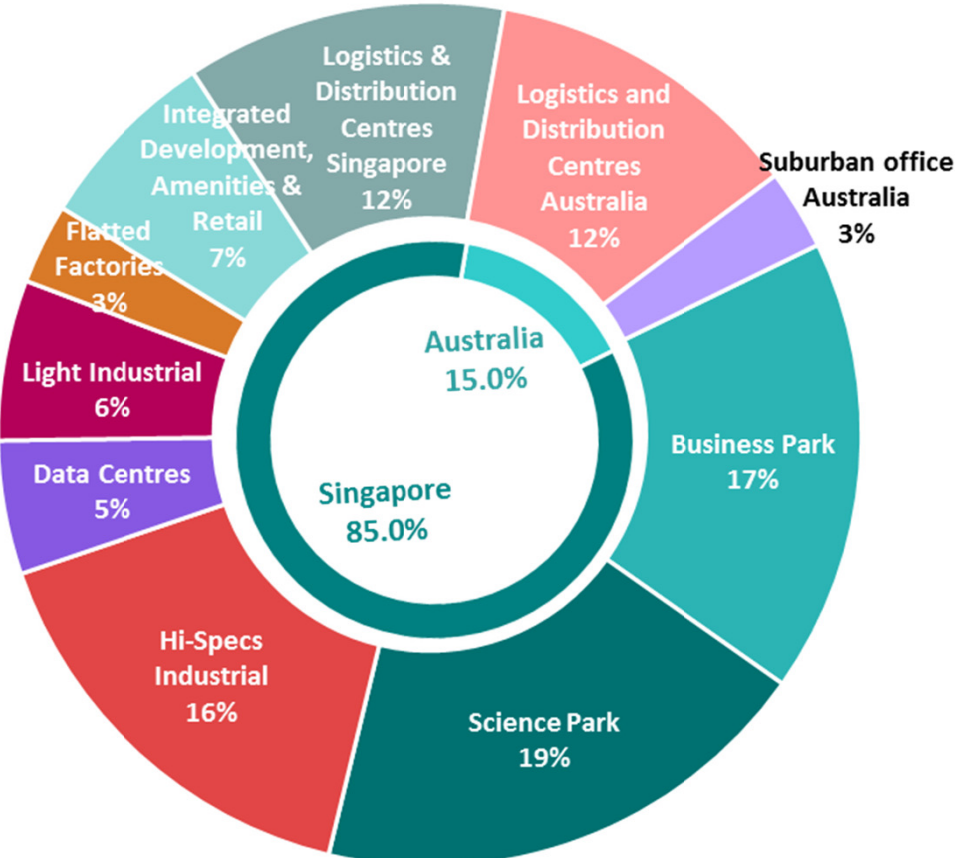
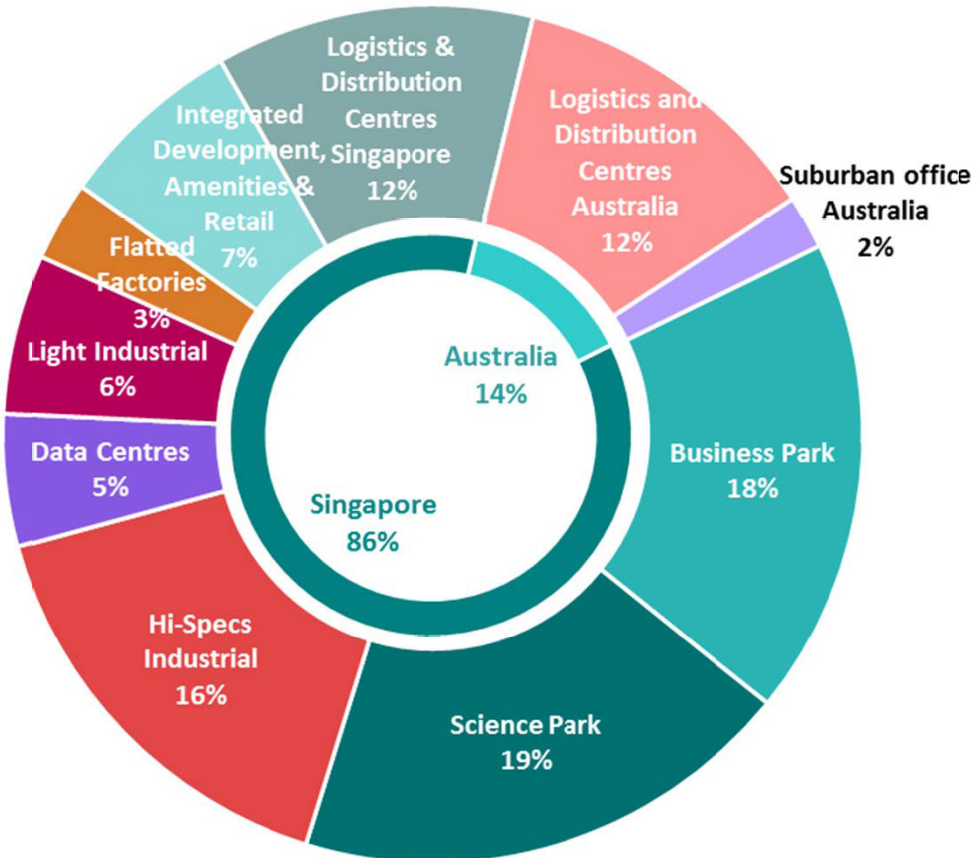
**Notes:**

- (1) Based on 132 properties as at 30 June 2017.
- (2) Assuming No. 100 Wickham Street was acquired on 30 June 2017.

# Portfolio Diversification (by Asset Value)

**Before Acquisition<sup>(1)</sup>**

**After Acquisition<sup>(2)</sup>**

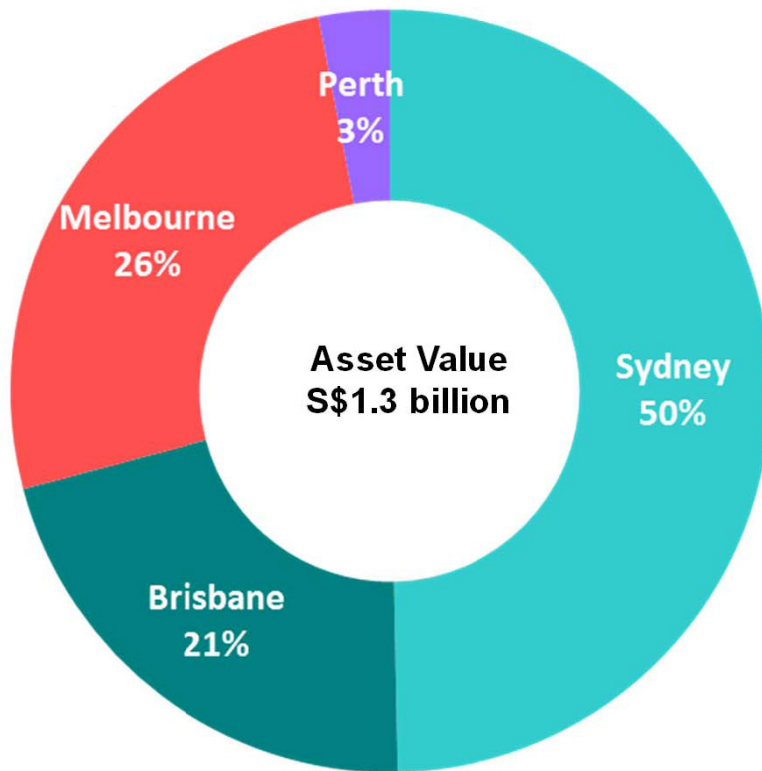


Notes:  
 (1) Based on 132 properties as at 30 June 2017.  
 (2) Assuming No. 100 Wickham Street was acquired on 30 June 2017.

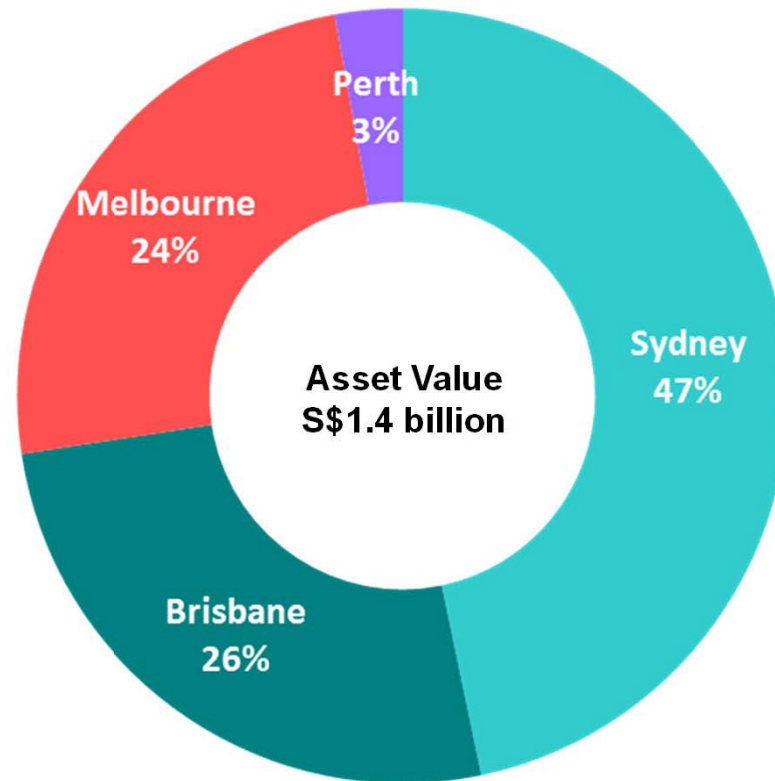


# Australia Portfolio (by City)

**Before Acquisition<sup>(1)</sup>**



**After Acquisition<sup>(2)</sup>**



Notes:

- (1) Based on 29 properties as at 30 June 2017.
- (2) Assuming No. 100 Wickham Street was acquired on 30 June 2017.

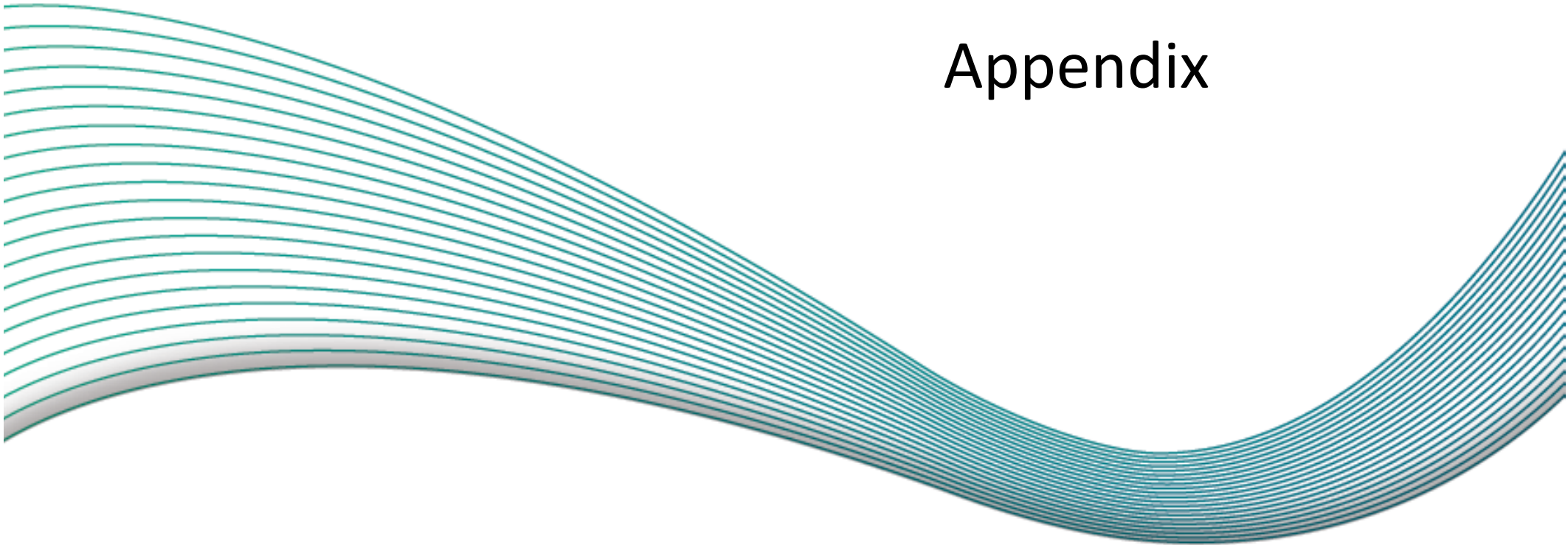
## Benefits to Ascendas Reit

- Further diversifies Ascendas Reit's portfolio
  - Australia assets will make up 15% of the portfolio (from 14% as at 30 June 2017)
  - Australia's suburban office segment will increase from 2% to 3%
- Built-in annual rental escalation of 3% to 4% per annum
- Increases freehold land in portfolio

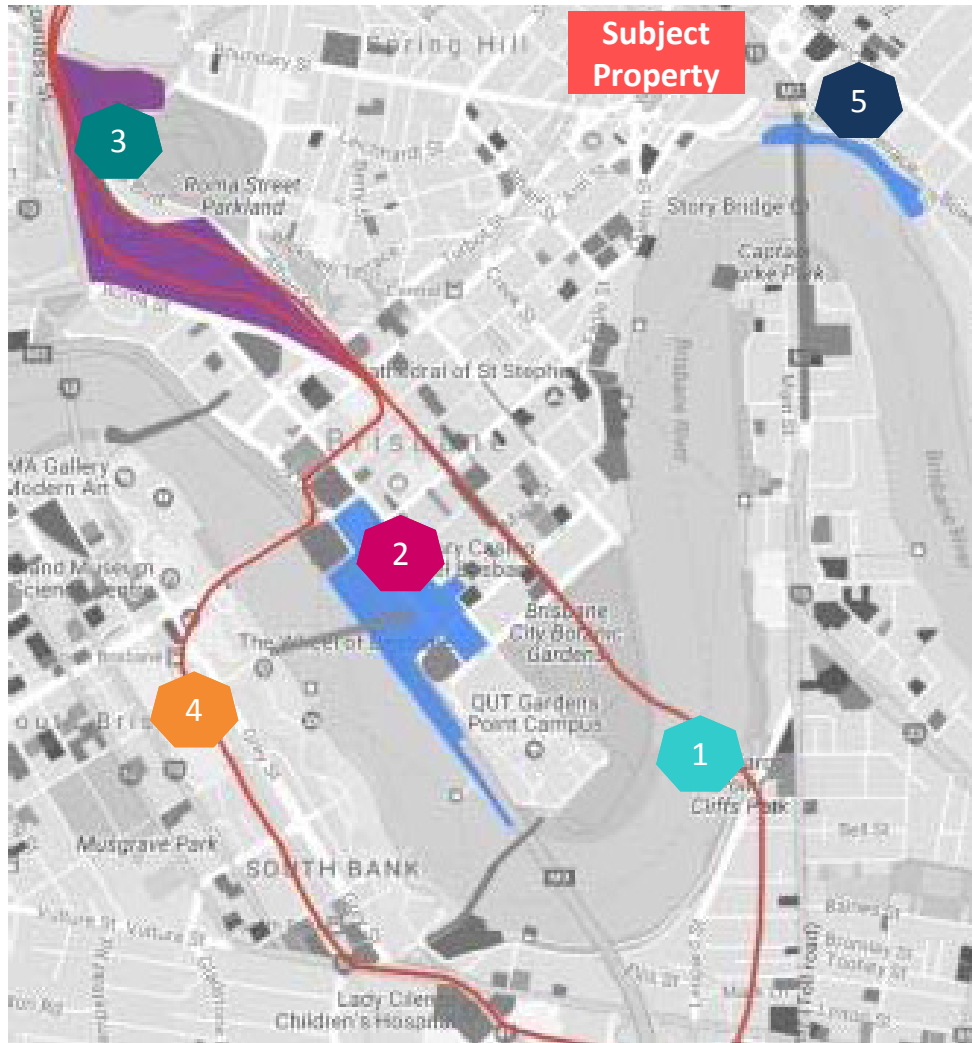
## Benefits to Unitholders

- DPU accretive investment
- Maintain earnings stability of Australian portfolio from long leases and quality tenants

# Appendix



# Key development and infrastructure projects in Queensland, Australia



6 Brisbane Airport upgrade project which is not shown here.

Source: Brisbane Development



1 **A\$5.4b Cross River Rail (2023)**  
Improving accessibility between South and North of the river



2 **A\$3b Queen's Wharf Precinct (2022)**  
Integrated mixed-use development comprising of casino, retail, hotel residential etc



3 **A\$2b Brisbane Live (2022)**  
\$2b redevelopment of inner-city arena & entertainment hub



4 **A\$1.5b Brisbane Metro (2022)**  
New high-frequency, high capacity light rail



5 **A\$0.1m Howard Smith Wharves (2018)**  
Redevelopment of riverside "eat-live-play" precinct



6 **A\$1.3b Airport upgrade (2020)**  
Construction of second, parallel runway

# Disclaimer

**This material shall be read in conjunction with the announcement “Ascendas Reit acquires No. 100 Wickham Street in Queensland, Australia, for A\$83.8 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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