



Ascendas Real Estate Investment Trust

**Proposed Acquisition
upon completion of Property
to be located in the
Alexandra Road vicinity, Singapore**

30 July 2004



Agenda

- **The Property**
- **Impact on A-REIT**
 - Pro forma Financial Effect
 - Portfolio Diversification
 - Property Yield
- **Timetable for Completion**
- **Acquisition Summary**



The Property



Artist impression of completed building to be located in the Alexandra Road vicinity, Singapore

The Property - Details

Building type	A 7-storey production-cum-R&D facility with 2 basement car park levels
Net Lettable Area	26,013 sqm (subject to survey)
Site Area	10,000 sqm (subject to survey)
Title	Leasehold of 60 years is expected to commence 1 December 2004, being 30 years with further 30 years option. The 30 years option is subject to certain conditions being met, which will be satisfied once the the development of the Property is completed
Valuation	An independent valuation will be conducted prior to obtaining unitholder's approval
Purchase Price	S\$41.3m
Property Yield (before acquisition costs) for first year	8.3%

The Property

Impact on A-REIT

Timetable for Completion

Acquisition Summary

The Property - Details

Major Tenant	A Fortune 500 US multinational corporation
Commencement Date	Upon issue of temporary occupation permit (estimated to be April 2006)
Occupancy	Minimum 70.0% (based on the pre-commitment of Major Tenant). Tenant has the option to lease additional space within 6 months of the lease commencement
Rental Guarantee	Ascendas to provide up to 18 mths up to a maximum S\$1.7 million if the remaining space is not taken up upon completion
Rent to be paid by the Tenant	S\$4.1 million in the first yr based on 18,580 sqm Stepped rental increase of 10% at the commencement of the 6 th year ⁽¹⁾
Lease Term	10 years
Outgoings	All property tax, land rent, lease management cost, maintenance and utility expenses to be paid by lessor (A-REIT).

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⁽¹⁾ Stepped increase of 10% at the commencement of the 6th year will apply to additional space taken up by Major Tenant within the 6 months option period.

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Distribution Per Unit (“DPU”) Positive

The Property	DPU Impact (Based on possible debt/equity funding of 30/70)*
DPU Impact (proforma impact on financial year ended 31 March 2005)	0.09 cents

Note:

*Calculated based on the assumption that A-REIT had acquired the Property in April 2004 **and** on the assumption that the acquisition is funded at an optimal gearing level of 30 per cent. debt / 70 per cent. equity at an issue price of S\$1.40.

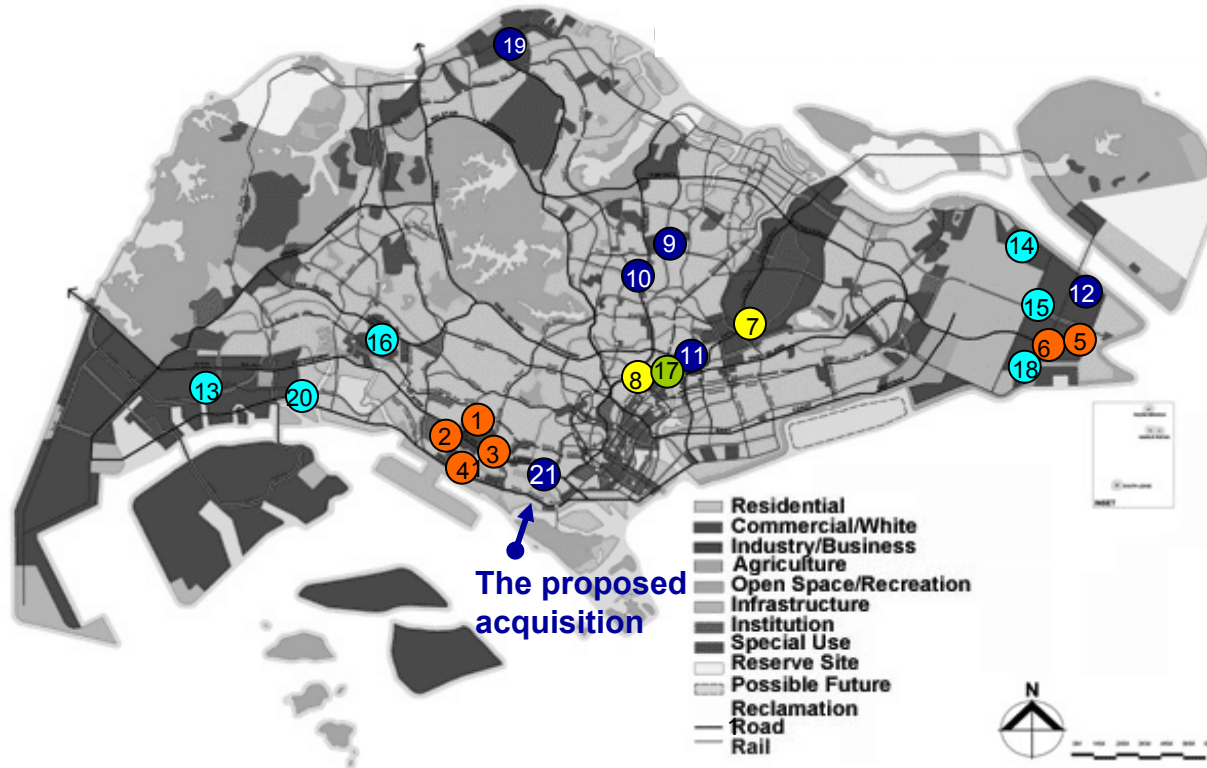


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Well Located, Diversified Portfolio



The Property

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Science & Business Park

1. The Alpha
2. The Aries
3. The Capricorn
4. The Gemini
5. Honeywell Building
6. Ultro Building



Hi-tech Industrial

7. Techlink
8. Siemens Center
17. A-REIT has an option to acquire the Infineon Building



Light Industrial

9. Techplace I
10. Techplace II
11. OSIM HQ Building
12. Ghim Li Building
19. Progen Building
21. The proposed acquisition



Logistics

13. IDS Logistics Corporate HQ Building
14. Changi International Logistics Centre
15. Trivec Building
16. TT International TradePark
18. Nan Wah Building
20. C&P Logistics Hub



A-REIT Weighted Lease Expiry Profile (By Income)



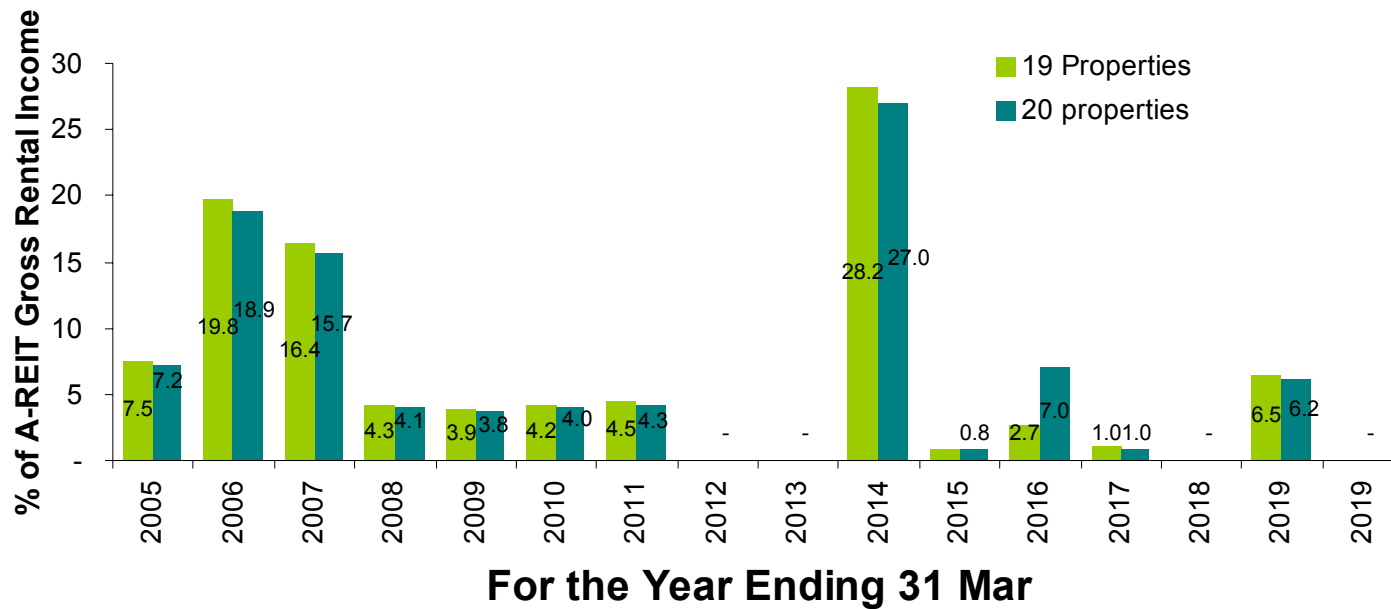
The Property

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A-REIT Weighted Average Lease Term to Expiry - By Income



	Before - 19 Properties	After - 20 Properties
Weighted Average Lease to Expiry	5.57 yrs ⁽¹⁾	5.76 yrs

Note :

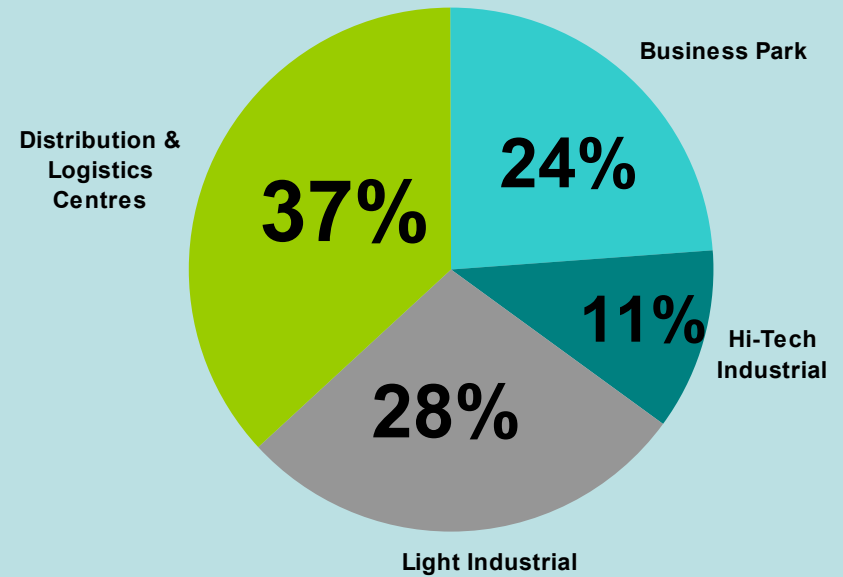
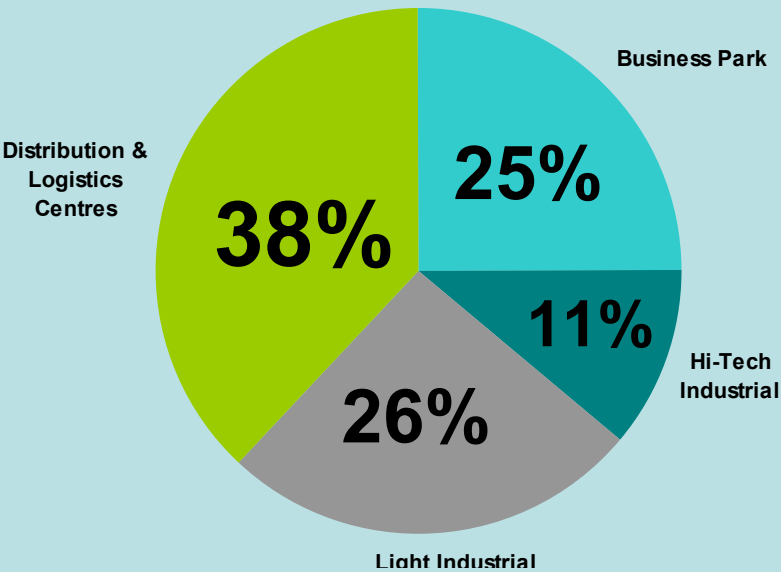
(1) Includes Progen Building and all 3 buildings in C & P Logistics Hub, though only 2 buildings have been acquired.



Asset Class Diversification by Portfolio Value

Before acquisition of the proposed property

After acquisition of the proposed property



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Yield-Accretive

<u>For Year One</u>	The Property (S\$ million)
Income*	5.77
Property Expenses	2.36
Net Income	3.41
Yield Before Acquisition Costs (for year one)	8.3%

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*Inclusive of rental guarantee of up to 18 months by Ascendas.
Source : Ascendas-MGM Funds Management Limited



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Timetable for Completion

	The Property
July 2004	Signed Put and Call Option Agreement
November 2004 (estimated)	Commence Construction of the Property
April 2006 (estimated)	Issue of Temporary Occupation Permit
April / May 2006 (estimated)	<ul style="list-style-type: none"> • A-REIT Unitholders' approval (if required) • Exercise option • Execution of Sale and Purchase Agreement • Completion

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Acquisition Summary

- **Well located & quality property**
- **Good quality tenant**
- **Diversifies property portfolio**
- **Diversifies tenant mix and industry type**
- **Improves lease expiry profile**
- **Extends weighted lease term to expiry to 5.76 yrs**
- **Yield-accretive**
- **DPU positive**

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- The value of units in A-REIT (“Units”) and the income from them 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 have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders 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.

This release 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, 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 current view of management on future events.

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