



**Presentation in relation to the acquisition of
Ghim Li and Ultro Buildings in Changi area**

4 September 2003



Agenda

- **The Properties**
- **Impact on A-REIT**
- **Timetable for Completion**
- **Investment Focus**



The Properties

- A. Ghim Li Building located at 41 Changi South Avenue 2 to be acquired for purchase price of S\$13.5m**

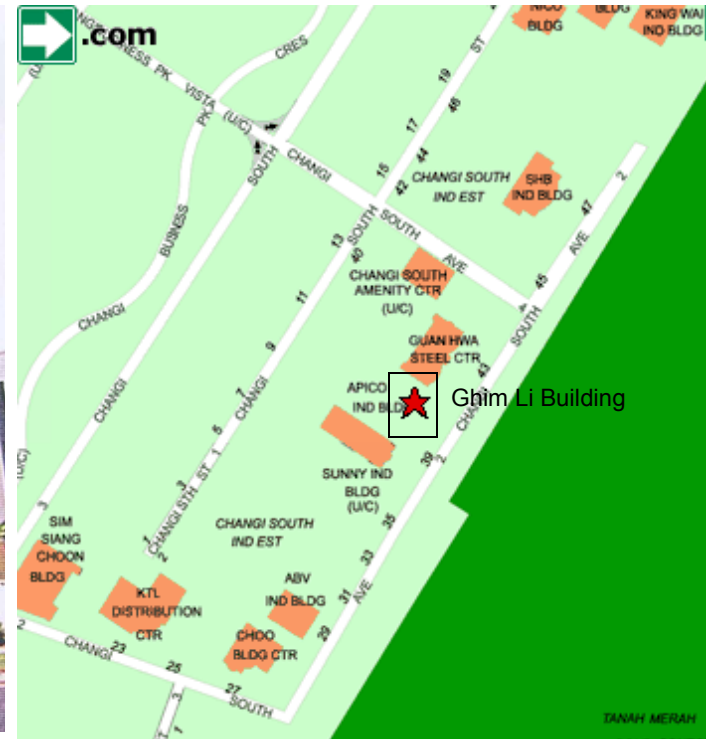
- B. Ultro Building located at 1 Changi Business Park Avenue 1 to be acquired for purchase price of S\$18.0m**



The Properties



Ghim Li Building @ 41 Changi South Ave 2



Property Details - Ghim Li Building

Building type	Office / Production / Warehouse Facility
Gross Floor Area	8,046 sqm (subject to survey)
Site Area	5,617 sqm (subject to survey)
Carpark Spaces	23
Title	Leasehold, 30 years commencing 1 March 1995, with an option for a further 30 years (approval obtained)
Valuation (as at 1 Aug 2003)	S\$13.5m by Jones Lang LaSalle
Purchase Price	S\$13.5m
Acquisition Costs	S\$0.66m



Ghim Li Building Leasing Details

Tenant(s)	Ghim Li Global Pte Ltd
Commencement Date	October 2003 (upon completion)
Occupancy	100%
Income (p.a.)	S\$1.5m (commencing gross rental)
Rent Escalation	Stepped increases of 9% every 3 years
Lease Term	10 yrs
Outgoings	<p>Property tax, land rent and lease management cost to be paid by lessor (A-REIT).</p> <p>All maintenance and utility expenses to be paid by lessee (Ghim Li Global Pte Ltd).</p>



The Properties

Ultron Building@Changi Business Park



Ultron Building Property Details

Building type	Built-to-suit
Lettable Area	10,127 sqm (subject to survey)
Site Area	4,761 sqm (subject to survey)
Carpark Spaces	61 lots
Title	Leasehold, 30 years commencing 1 February 2001, with an option for a further 30 years (approval obtained)
Valuation (as at 1 Aug 2003)	S\$18.0m by Jones Lang LaSalle
Purchase Price	S\$18.0m
Acquisition Cost	S\$0.85m



Ultron Technologies Building

Leasing Details

Tenant(s)	Ultron Technologies Limited (listed on SGX-ST Mainboard)
Commencement Date	November 2003 (upon completion)
Occupancy	100%
Income (p.a.)	S\$1.8m (commencing gross rental)
Rent Escalation	Stepped increases of 2.5% p.a.
Lease Term	10 yrs
Outgoings	<p>Property tax and lease management cost to be paid by lessor (A-REIT).</p> <p>All maintenance, utility expenses and land rent to be paid by lessee (Ultron Technologies Limited).</p>



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 - Portfolio Diversification
 - Lease Expiry Profile
 - Pro forma Financial Effect
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Diverse Portfolio of 11 Properties

- **4 business/science park properties**

- The Alpha
- The Aries
- The Capricorn
- The Gemini

- **4 built-to-suit**

- Honeywell Building
- OSIM Building
- Ghim Li Building
- Ultro Building

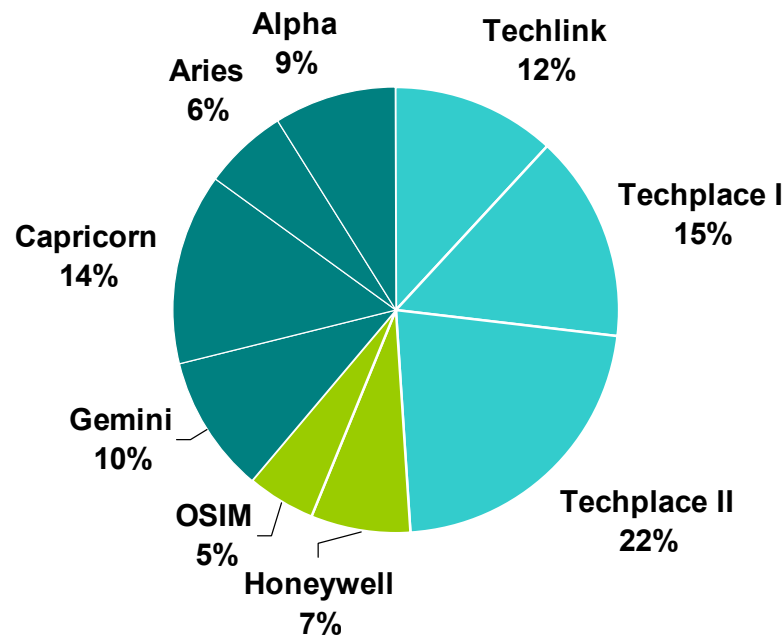
- **3 light industrial properties**

- Techlink
- Techplace I
- Techplace II

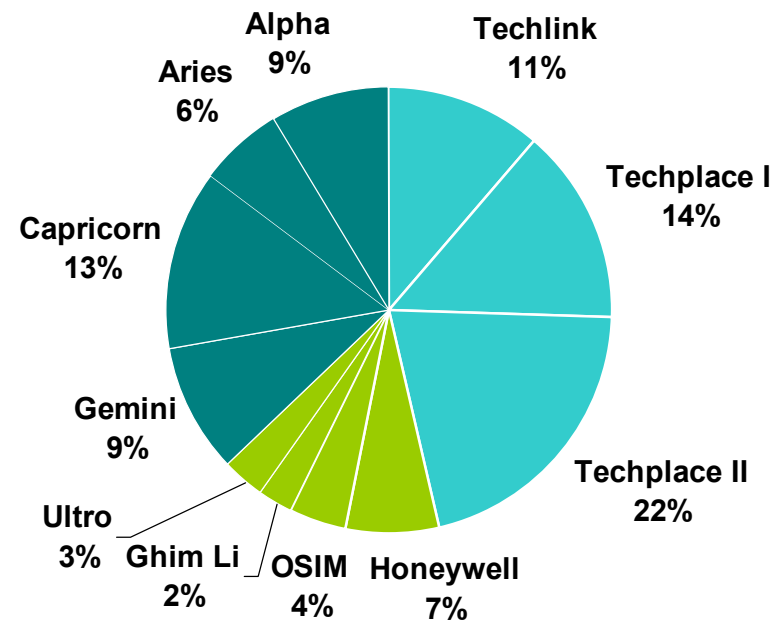


Diverse Income Stream

Before acquisition



After acquisition



Business/Science Park

Light Industrial

Built-to-suit

Note:

Based on A-REIT's net property income calculated on the assumption that A-REIT had purchased the Properties on 19 November 2002 (the date of listing of A-REIT on Singapore Exchange Securities Trading Limited), and held and operated the Properties through to 31 March 2003.

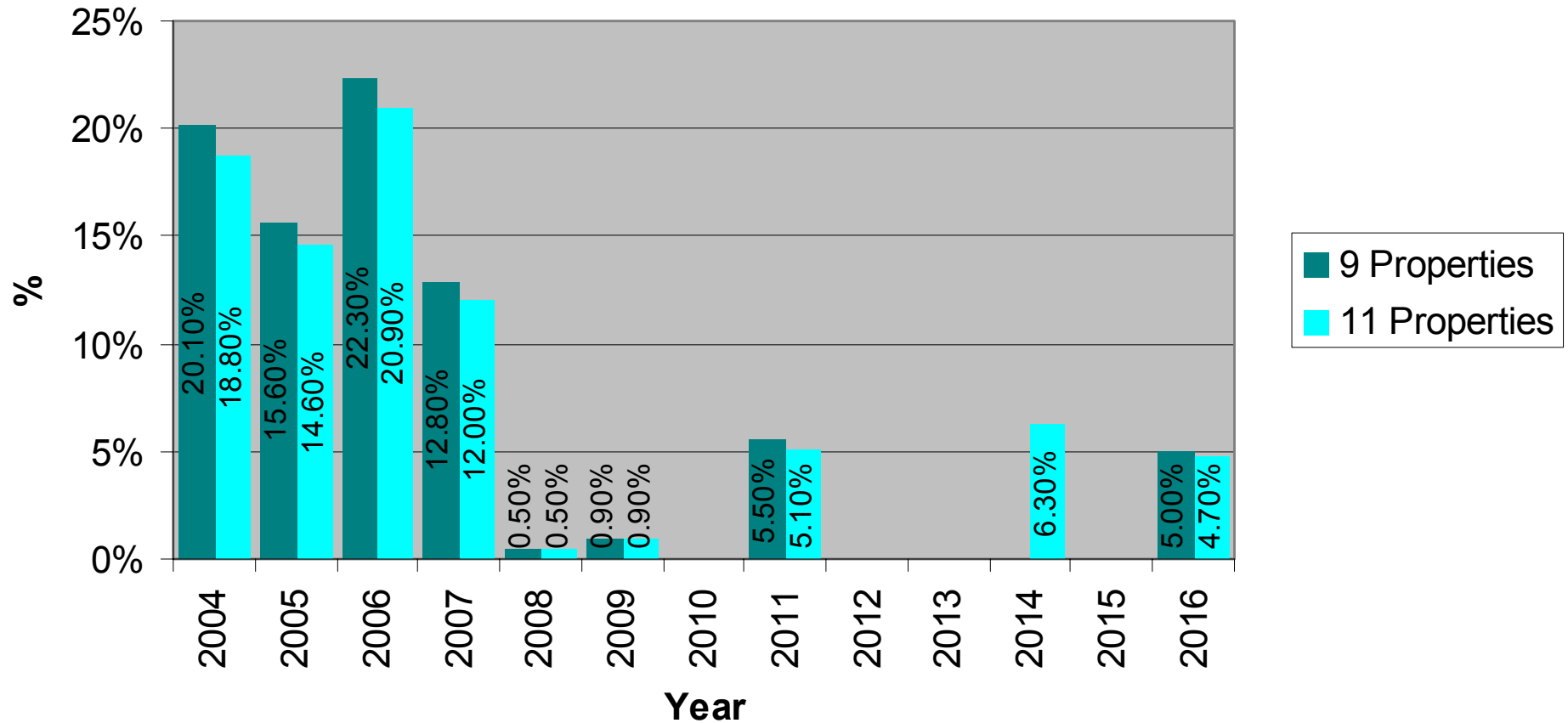


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Lease Expiry Profile



Source : Ascendas-MGM Funds Management Limited (information as at 30 June 2003)

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Pro forma Financial Effect

	19/11/2002 to 31/03/2003	Annualised	Impact on DPU
Distribution (cents per unit)			
- Ghim Li Building	0.06	0.16	+2%
- Ultro Building	0.08	0.22	+3%
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Total DPU	0.14	0.38	+5%
	=====	=====	

DPU – Distribution Per Unit

CPU – Cents Per Unit

Note:

Calculated based on the assumption that A-REIT had purchased the Properties on 19 November 2002 (the date of listing of A-REIT on Singapore Exchange Securities Trading), and held and operated the Property through to 31 March 2003.



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Initial Property Yield

	Ghim Li Building (\$ million)	Ultron Building (\$ million)
Income	1.52	1.83
Property Expenses	0.32	0.23
Net Income	1.19	1.60
Yield After Acquisition Costs (for year one)	8.43%	8.51%

Source : Ascendas-MGM Funds Management Limited (based on estimate)



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Funded by External Borrowings

	Before acquisitions ⁽¹⁾	After Ghim Li Bldg ⁽²⁾	After Ulro Bldg ⁽²⁾
Total Assets	\$651.2M	\$665.3M	\$683.0M
Total Debt	\$133.5M	\$147.6M	\$165.4M
Gearing	20.5%	22.2%	24.2%

Notes:

- (1) Based on A-REIT's 30 June 2003 financial statements.
- (2) Assumed the building was purchased on 1 July 2003.



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Timetable for Completion

2003	Ghim Li Building	Ulro Building
Aug	Signed Put and Call Option Agreement	Signed Put and Call Option Agreement
Sep / Oct	Due diligence	Due diligence
Oct	<ul style="list-style-type: none"> • Exercise option • Execution of Sale and Purchase and Lease Agreement • Completion 	Ulro Technologies Limited to hold EGM to obtain approval for sale of bldg
Nov		<ul style="list-style-type: none"> • Exercise option • Execution of Sale and Purchase and Lease Agreement • Completion



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Investment Focus

- A. Well-located properties**
- B. Strong tenancy profiles**
- C. Diversify property portfolio of A-REIT**
- D. Diversify tenants mix and types of industries in A-REIT's properties**
- E. Extend lease expiry profile of A-REIT**
- F. Yield-accretive**
- G. Enhance returns to unitholders**



- *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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