



**Financial Results For
First Quarter of
Financial Year Ending 31 March 2004**

Thursday, 17 July 2003



This Presentation is focused on comparing actual results versus forecasts outlined in the A-REIT Prospectus of 5 November 2002. This shall be read in conjunction with Paragraph 9 of A-REIT's First Quarter Financial Statement for period from 1 April to 30 June 2003 in the Masnet announcement.

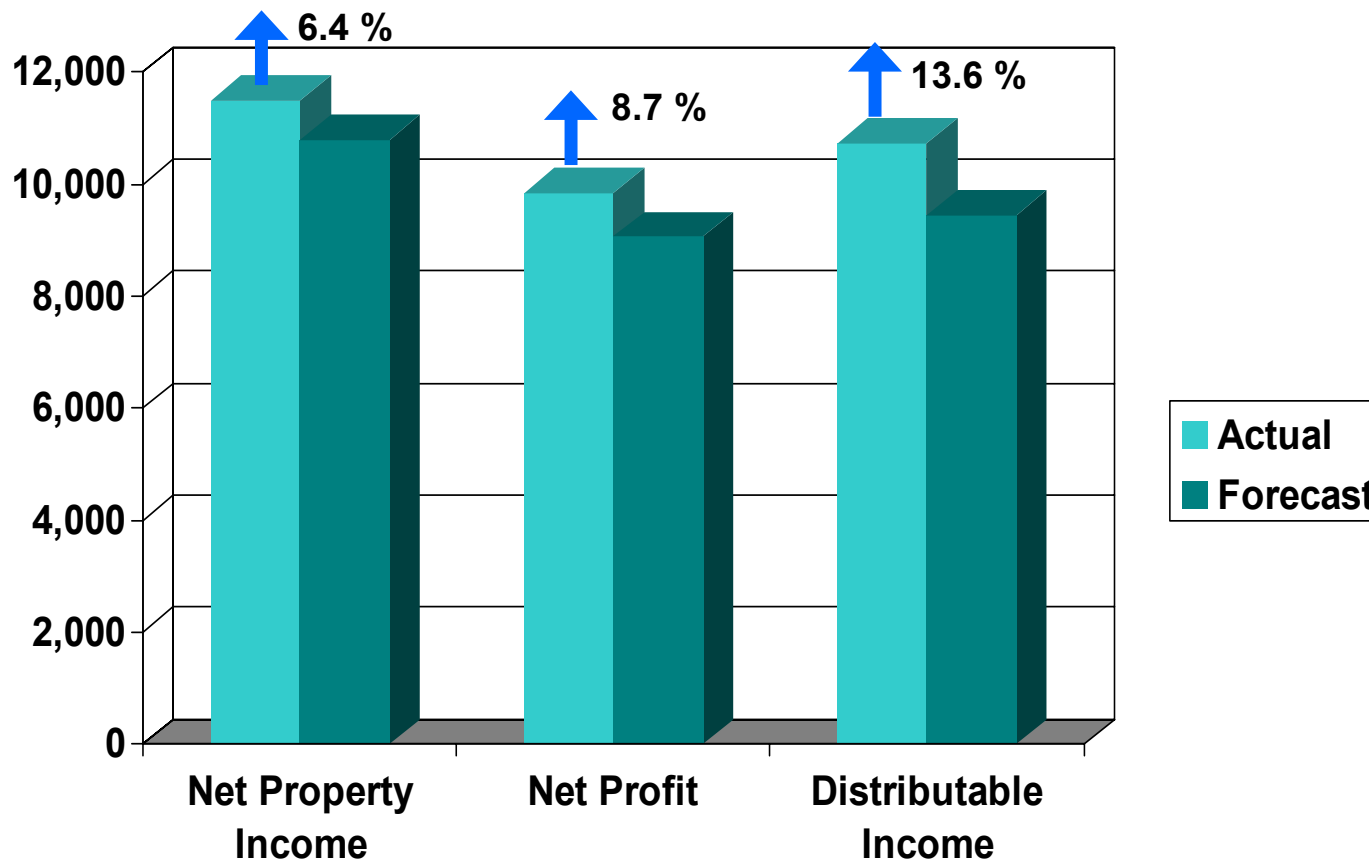
This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples 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, 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.

Agenda

- **Highlights**
- **Financial Performance**
- **Portfolio**
- **Capital Management**
- **Strategy**



A-REIT's distributable income above forecast by 13.6%



Note:

- Net property income of \$11.5 m up 6.4%
- Net profit of \$9.8 m up 8.7%

Source : A-REIT unaudited First Quarter Financial Results for the 3-month period ended 30 June 2003

Financial Highlights

- **First Quarter Distribution per Unit (DPU)** **1.97 cents**
(includes 11 days income from OSIM HQ building)
- **Forecast Annualised DPU** **7.90 cents**
(based on first quarter DPU which includes only 11 days for OSIM HQ building)



Portfolio Highlights

- **Portfolio occupancy** **81.2% (1)**
- **Portfolio Renewals/Leasing** **26,422 sqm (1)**
(11% of portfolio)
- **Level of committed revenue approximately** **93%**

(For financial period ending 31 March 2004)

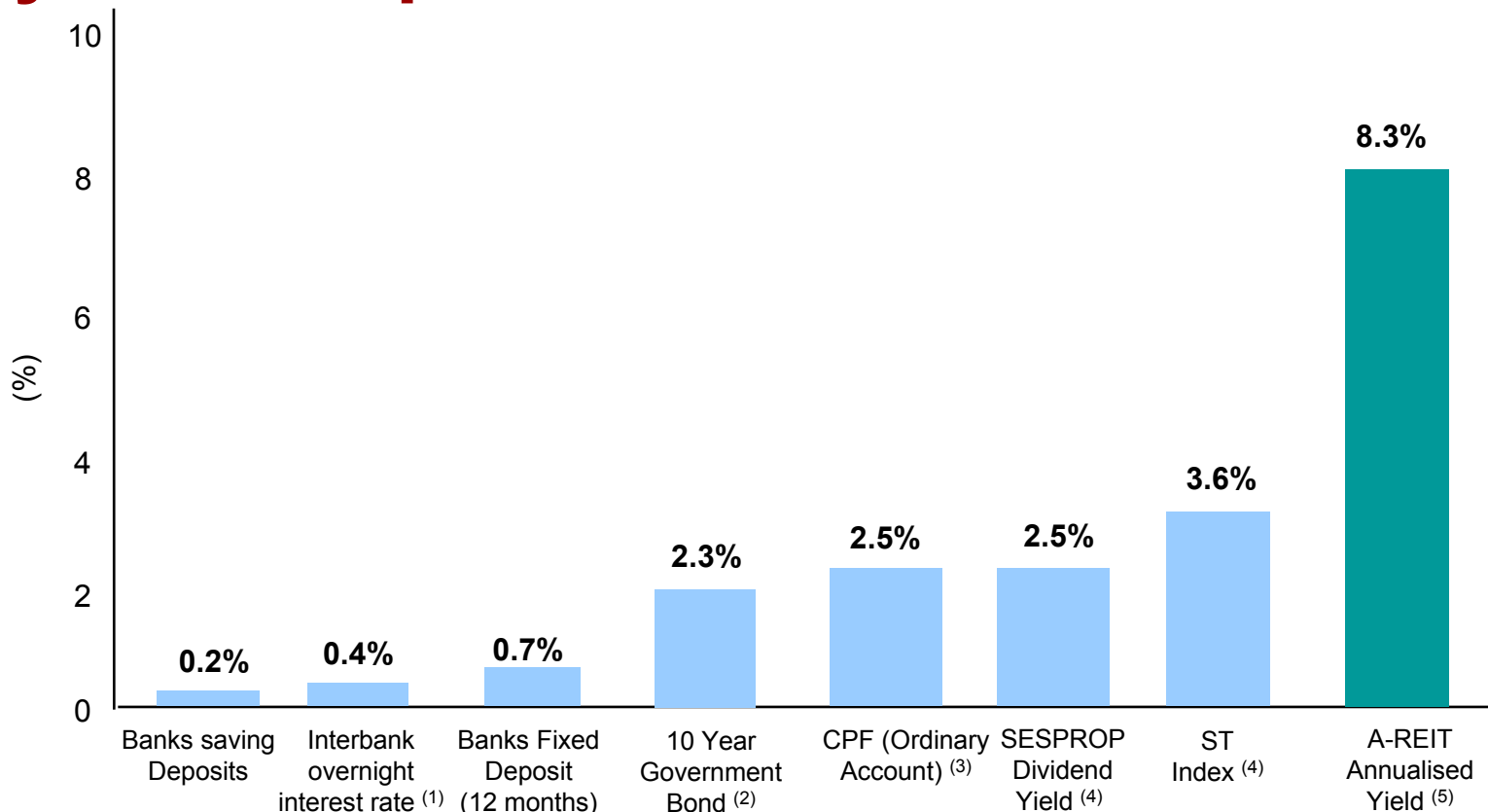
Notes:

(1) For 3-month period ended 30 June 2003

Source : Ascendas-MGM Funds Management Limited



A-REIT offers stable and attractive yield compared to other investments



Notes:

- (1) Domestic interbank overnight interest rate as at June 2003. Source: MAS website
- (2) As at 30 June 2003. Source: MAS website
- (3) Based on interest paid on CPF Ordinary Account from April to June 2003. Source: CPF Website
- (4) Source: Bloomberg data as at 30 June 2003
- (5) Based on the A-REIT Market Price - S\$0.95 per Unit as at 30 June 2003 and a forecast annualised distribution of 7.90 cents per Unit

CPF : Central Provident Fund; STI : Straits Times Index; SESPROP : Singapore Stock Exchange Property Index

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Profit and loss

Available for Distribution – 13.6% above forecast

	Actual 1 st quarter ending 30 June 2003 S\$'000	Forecast 1 st quarter ending 30 June 2003 ^(a) S\$'000	Increase / (Decrease) %
Gross revenue	15,758	15,854	(0.6)
Property operating expenses	(4,274)	(5,059)	(15.5)
Net property income	11,484	10,795	6.4
Non-property expenses	(1,640)	(1,739)	(5.7)
Net profit	9,844	9,056	8.7
Available for distribution	10,729	9,446	13.6

Notes

- (a) The extrapolated forecast for the period from 1 April to 30 June 2003 has been derived from the forecast stated in the prospectus dated 5 November 2002, on a best estimate basis by the Manager to allow for like for like comparison with the actual results.

Source : A-REIT unaudited Financial Statements for period ended 30 June 2003

Gross Revenue in line with forecast

- **Delivered revenue outlined in prospectus**
- **Delivered revenues in challenging times and tough leasing market**
- **Achieved stability from the diversified portfolio**



Cost saving initiatives continues

- **Managed reduction in maintenance costs and other property expenses**
- **Achieved savings in property tax**
- **Attained borrowing costs which are lower than prospectus forecast**



Balance Sheet

	Actual As at 30 June 2003 \$'m	Actual As at 31 March 2003 \$'m
Total assets	651.2	636.4
Borrowings	133.5	125.0
Net assets	493.6	498.2
Total unitholders' funds	493.6	498.2

Source : A-REIT unaudited Financial Statements for period ended 30 June 2003

Balance Sheet Strength

Net Asset Value (NAV)

	As at 30 June 2003	As at 31 March 2003
NAV per unit (include net profit for the period)	\$0.90	\$0.91
Adjusted NAV per unit (exclude net profit for the period)	\$0.89	\$0.89
NAV per unit at IPO	\$0.89	\$0.89

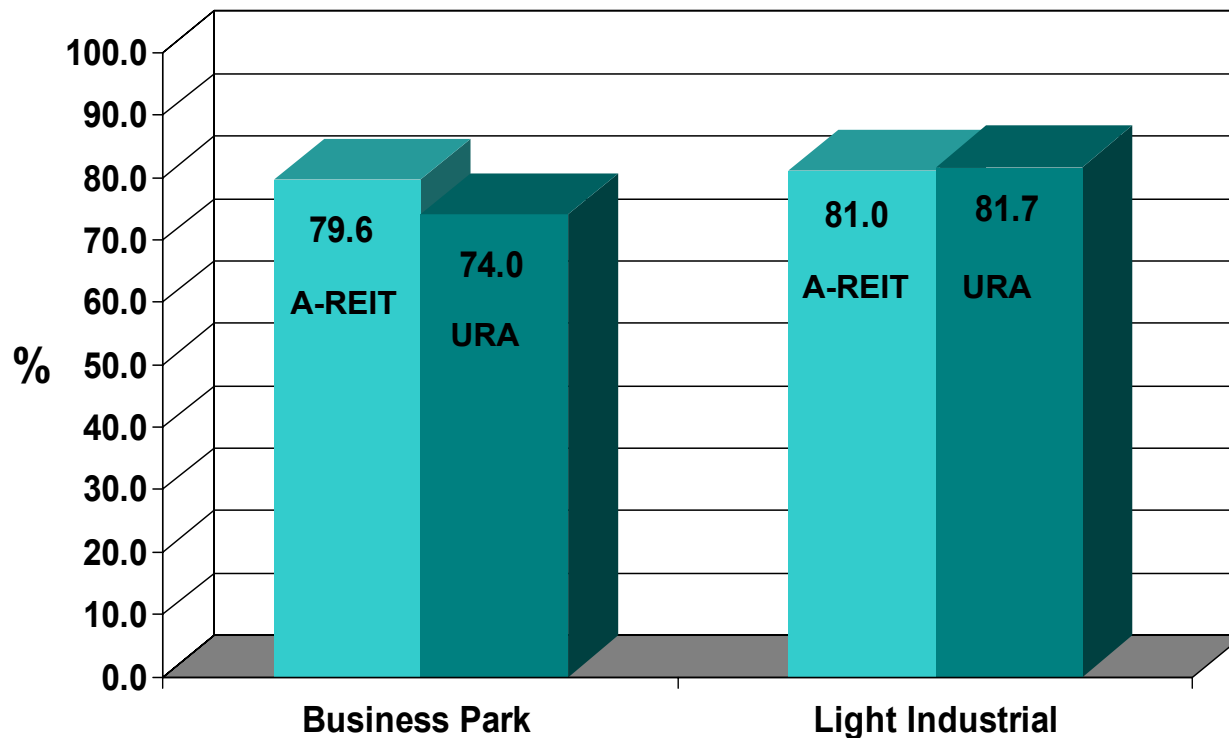
Source : A-REIT unaudited Financial Statements for period ended 30 June 2003

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A-REIT portfolio occupancy in line with market

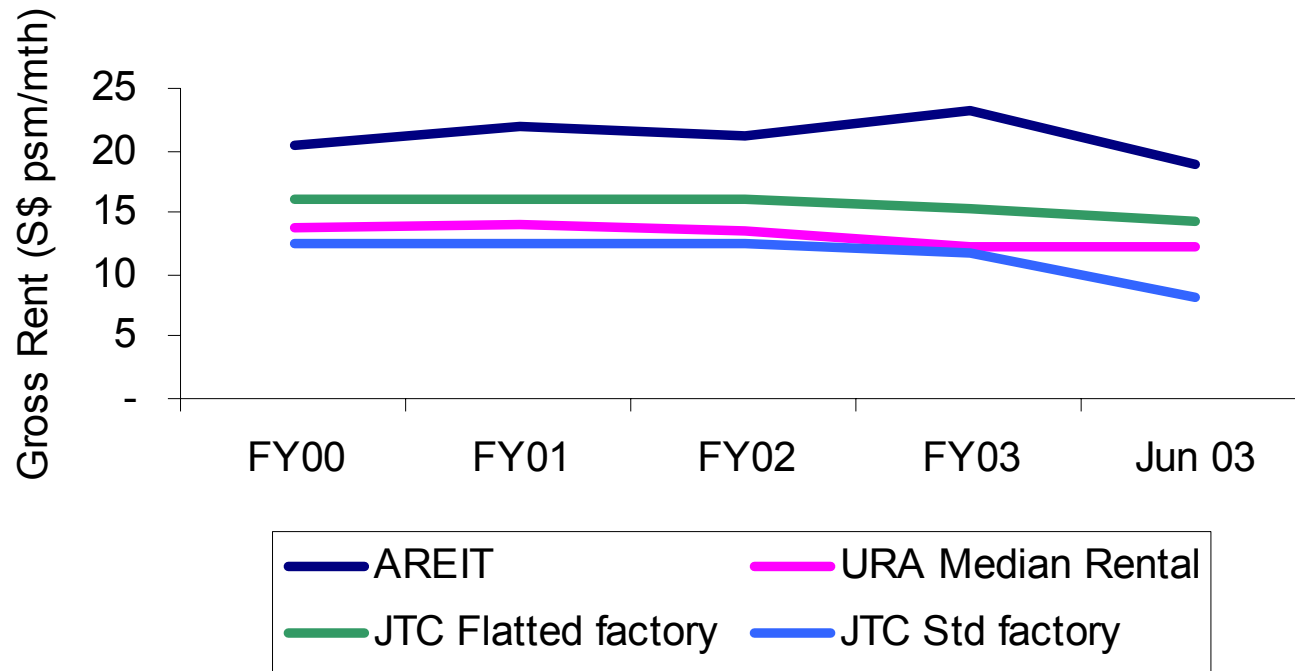


Notes:

- Business Park : A-REIT properties include business park (science park) in Central location and Honeywell in the East. Occupancy for 3 months ended 30 June 2003.
- Light Industrial : A-REIT properties include Techplace I & II in Central location and Techlink in the East. Occupancy for 3 months ended 30 June 2003.
- URA statistics for 1st Qtr 2003 as 2nd Qtr 2003 figures are not available yet.

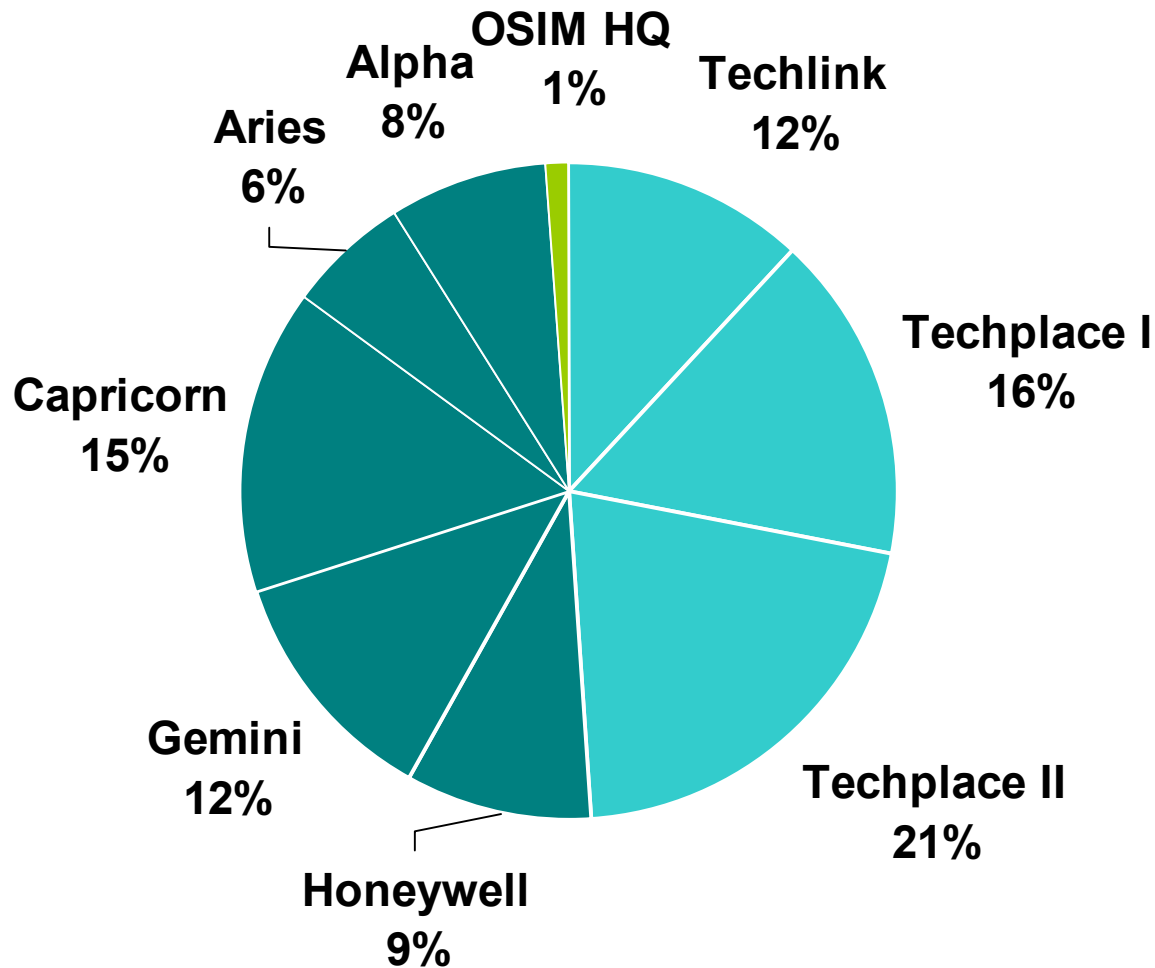
Source: Ascendas-MGM and URA

A-REIT properties command higher rates



Source : JTC and Ascendas-MGM for period ended 30 June 2003

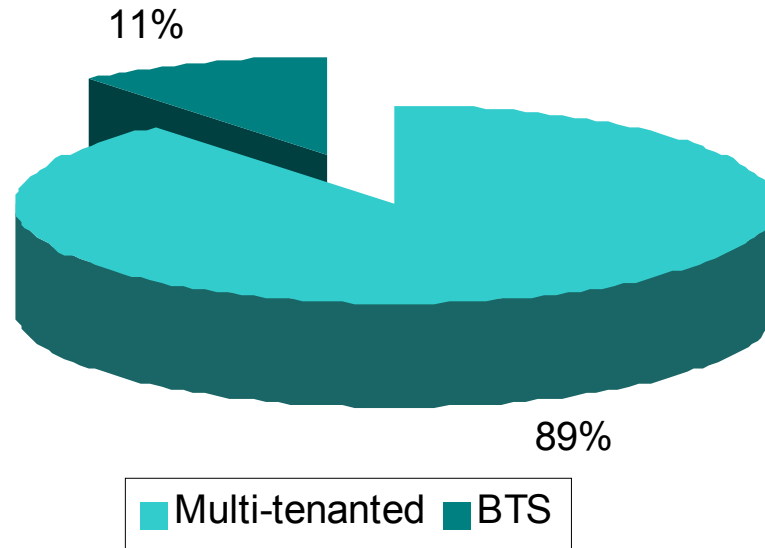
Diversified portfolio by net property income



Source : A-REIT's portfolio and Net Property Income from 1 April to 30 June 2003.

OSIM HQ Building Acquisition Adds Stability

**Increased stability with OSIM HQ Building
11% of NLA are BTS leases
(increased from 6% previously)**



Partners who grew with us

New Leases	Expansions	Renewals
Tenant Name	Tenant Name	Tenant Name
IBIDEN Singapore Pte Ltd	Sunmicro FA Pte Ltd	Voium Communications
Hygreen Systems Pte Ltd	Magnetronic Technology Pte Ltd	Fujikura Technology Singapore
EnWorkz	Sakura Tech (S) Pte Ltd	Silesia Flavours SEA
OSIM International	Venture Corporation	Daifuku Mechatronics
		Enzer Electronics
		Univac Precision Engineering
		Kulicke & Soffa (SEA) Pte Ltd

Source : Ascendas-MGM Funds Management Limited - leasing/renewal activities for 3 months ended 30 June 2003

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Capital Management

- **External borrowing of \$133.5 m as at 30 June 2003**
- **Short term rates are very attractive (inter-bank rates of below 1%) and 3 year swap rate at 1.2%⁽¹⁾**

⁽¹⁾ Indicative rates obtained on 10 July 2003

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Strategy

- **Existing portfolio**
 - Continue to maintain and improve occupancy
 - Continue to achieve high customer retention
- **New acquisitions**
 - Manager is seeking similar opportunities like the OSIM HQ Building for quality tenants on long term leases which extends the lease expiry profile of A-REIT
 - Other opportunities include properties which are:
 - 1) are well-located
 - 2) have strong tenancy profile
 - 3) are accretive in nature to the portfolio
 - 4) contributes to diversifying the risk within the portfolio
 - Ultimately, it should contribute to creating unitholder's value



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Thank You

