

# areit

Ascendas Real Estate Investment Trust

**Completed acquisition of 7 Changi South Street 2 Building and proposed acquisitions of Pacific Tech Centre and Weltech Industrial Building (the “Properties”)**



5 May 2005

# Agenda

- **7 Changi South Street 2 Building**
- **The Properties**
- **Impact on A-REIT**
  - **Pro forma Financial Effect**
  - **Portfolio Diversification**
  - **Property yields**



# 7 Changi South Street 2 Building



**Purchase price** : S\$30.6 mil

**Property yield** : 8.2% <sup>(1)</sup>

**Valuation dated 1 Apr 2005** : S\$30.7 mil by Jones Lang La-Salle Consultants

**Land area** : 11,703 sqm

**Title** : 60-year lease expiring on 30 Sep 2054

**GFA** : 18,708 sqm

**NLA** : 13,660 sqm

**Occupancy** : 100%

**Lease terms** : 5 yrs lease to Avenue Distribution Pte Ltd

**Outgoings** : Avenue Distribution pays for land rent, property tax, maintenance, utilities and lease management fees

## 7 Changi South Street 2

**Singapore 486415**

Completed in August 1997, the property is a fully air-conditioned part 3-storey and part 5-storey warehouse cum office building with a basement carpark.

<sup>(1)</sup> Based on the initial payment of \$28.6 million. The remaining \$2 million will be paid over next four years at equal instalments of \$0.5 million effective from the end of second year from the completion date of 5 May 2005.

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# Pacific Tech Centre



**Purchase price** : S\$62.0 million

**Property yield** : 7.1%

**Valuation dated 1 April 2005** : S\$62.0 million by  
CB Richard Ellis (Pte) Ltd

**Land area** : 9,917 sqm

**Title** : 99-year lease expiring on 31 Dec 2061

**GFA** : 25,718 sqm

**NLA** : 19,626 sqm

**Occupancy** : 83%

**Lease terms** : Multi-tenanted

**Major tenants** : Sa Sa Cosmetics; Mobileway  
365; Amway (Singapore);

**Outgoings** : A-REIT pays for lease admin,  
property tax and maintenance and utilities

**No. 1 Jalan Kilang Timor**

**Singapore 159303**

**A fully-air-conditioned 10-storey multi-  
tenanted hi-tech industrial building  
completed in 1998**

# Weltech Industrial Building



**Purchase price** : S\$9.0 million

**Property yield** : 8.2%

**Valuation dated 21 March 2005** : S\$9.0 million  
by CB Richard Ellis (Pte) Ltd

**Land area** : 4,000 sqm

**Title** : 60-year lease expiring in end-Feb 2056

**GFA** : 7,998 sqm

**NLA** : 6,509 sqm

**Occupancy** : 100%

**Lease terms** : 8 years lease to Sunningdale  
Precision

**Outgoings** : A-REIT pays for land rent, property  
tax and lease management fees; Sunningdale  
pays for maintenance & utilities

**25 Ubi Road 4**

**Singapore 408621**

**A five-storey light industrial building  
completed in 1997**

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# Distributable Income Per Unit ("DPU") Positive

<b>7 Changi South Street 2 Building</b>	<b>DPU Impact*</b>
<b>DPU Impact (proforma annualised impact)</b>	<b>0.13 cents</b>

Note:

\*Assuming that the acquisition is fully funded by debt and A-REIT has purchased, held and operated the property as well as all properties acquired in A-REIT's current financial year, for the whole of the financial year ended 31 March 2005 based on the assumptions discussed in the accompanying press release and announcement.





# Distributable Income Per Unit ("DPU") Positive

<b>The Properties</b>	<b>DPU Impact*</b>
<b>DPU Impact (proforma annualised impact)</b>	<b>0.12 cents</b>

Note:

\*Assuming that the two properties acquisitions are funded at an optimal gearing of 30% debt and 70% equity, and that A-REIT had purchased, held and operated the Properties as well as properties acquired in A-REIT's current financial year, for the whole of the financial year ended 31 March 2005 based on the assumptions discussed in the accompanying press release and announcement.

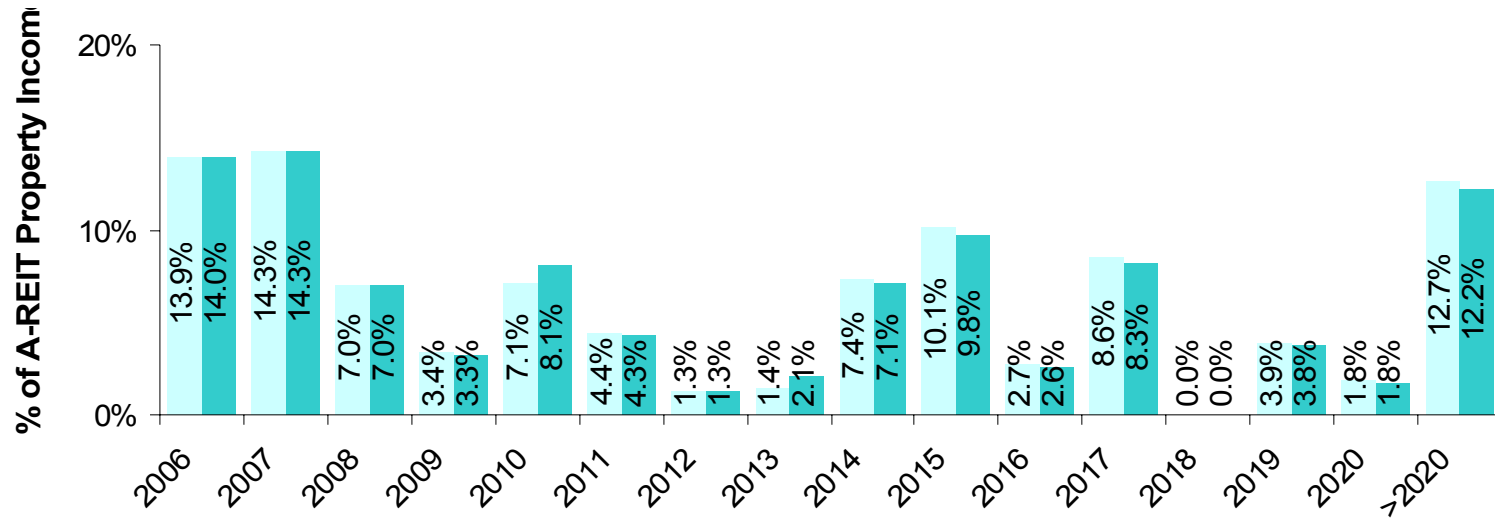


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# A-REIT Weighted Lease Expiry Profile

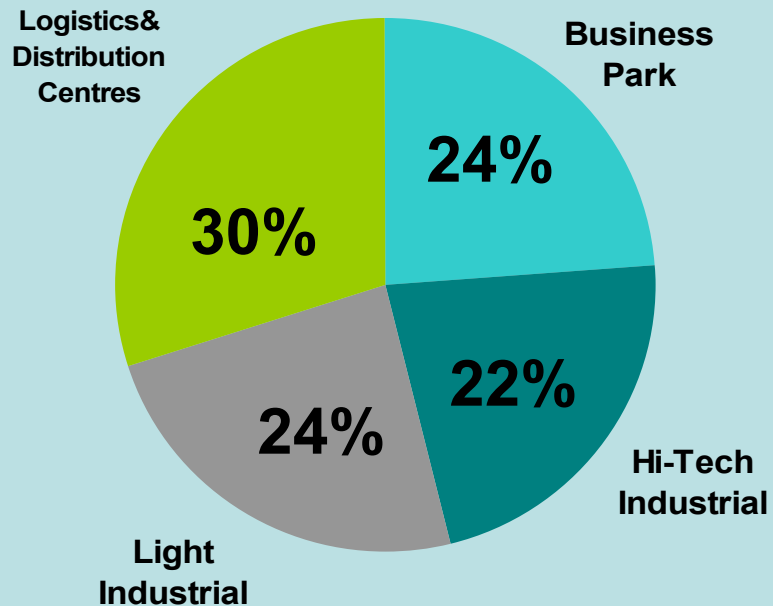


## Year Ending 31 Mar

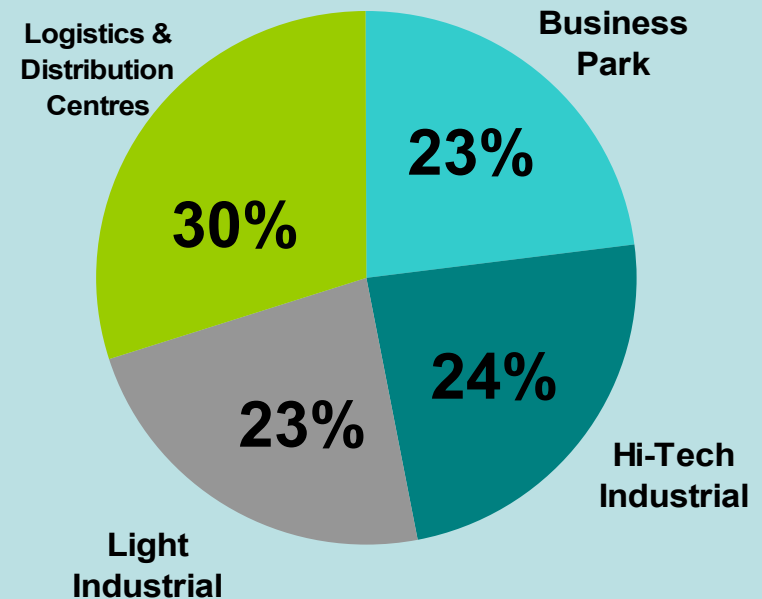
	Existing 40 Properties	After Acquisitions of 7 Changi South Street 2 Building and the Properties
<b>Weighted Average Lease Term to Expiry</b>	<b>7.5 yrs</b>	<b>7.4 yrs</b>

# Asset Class Diversification by Portfolio Value

Before acquisitions <sup>(1)</sup>



After acquisitions <sup>(2)</sup>

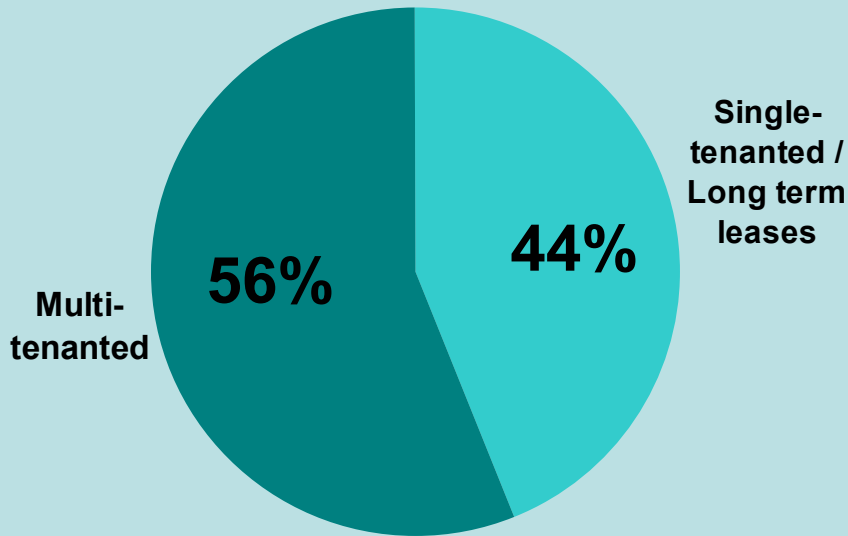


Notes:

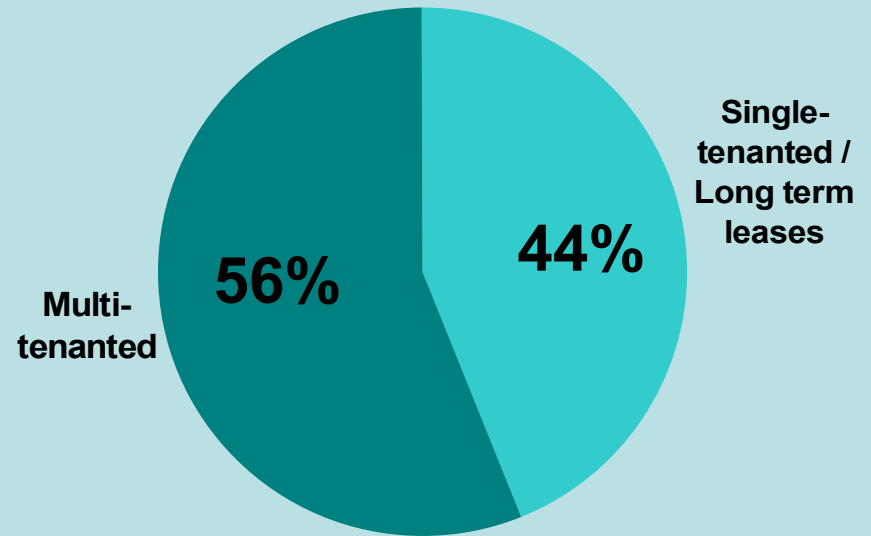
- (1) Based on 40 properties as at 4 April 2005
- (2) Based on 43 properties including the Properties

# Mix of Sale-&-Leaseback vs Multi-tenanted by Portfolio Value

Before acquisitions <sup>(1)</sup>



After acquisitions <sup>(2)</sup>



Notes:

- (1) Based on 40 properties as at 4 April 2005
- (2) Based on 43 properties including the Properties

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# Yield-Accretive

<b><u>For Year One</u></b>	<b>7 Changi South Street 2 Building (S\$ m)</b>	<b>Pacific Tech Centre (S\$ m)</b>	<b>Weltech Industrial Building (S\$ m)</b>
<b>Income</b>	<b>2.38</b>	<b>5.67</b>	<b>1.06</b>
<b>Property Expenses</b>	<b>0.02</b>	<b>1.25</b>	<b>0.33</b>
<b>Net Income</b>	<b>2.36</b>	<b>4.42</b>	<b>0.73</b>
<b>Yield Before Acquisition Costs (for year one)</b>	<b>8.2% <sup>(1)</sup></b>	<b>7.1%</b>	<b>8.2%</b>

(1) Based on the initial payment of \$28.6 million

- *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.**

**- End -**