

areit

Ascendas Real Estate Investment Trust



Proposed Property under development

18 September 2006



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CIS - Property Funds Guidelines

CIS - Property Funds Guidelines stipulate:

“The total contract value of property development activities undertaken and investments in uncompleted property developments should not exceed 10% of the property fund's deposited property.”

Value of the proposed property under development accounts for about 1.0% of A-REIT's deposited property; total value of properties currently under development is about 5.4% (after inclusion of the two warehouse retail facilities under development)



Property under development



**Partial Build-To-Suit building for
Rohde & Schwarz Singapore Pte Ltd
at Plot 15 Changi Business Park**

**A seven-storey business park building
with 144 basement car park lots**

Development cost: S\$28.6 million

Acquisition fee to Manager: S\$0.28 million

Development manager: Ascendas Land
Singapore Pte Ltd

Project manager: Ascendas Services Pte Ltd

Contractor: Wee Hur Construction Pte Ltd

Valuation: To be conducted upon completion of
the development

Land area: 7,779 sqm

Title: 60-year lease commencing 1 November
2006 (includes an option to renew for 30 years)

GFA: 19,447 sqm

NLA: 17,285 sqm

Outgoings: Rohde will pay for utilities while
A-REIT will be responsible for the payment of
property tax, maintenance expenses, land rent and
lease management fee.

Distributable Income Per Unit ("DPU") Positive

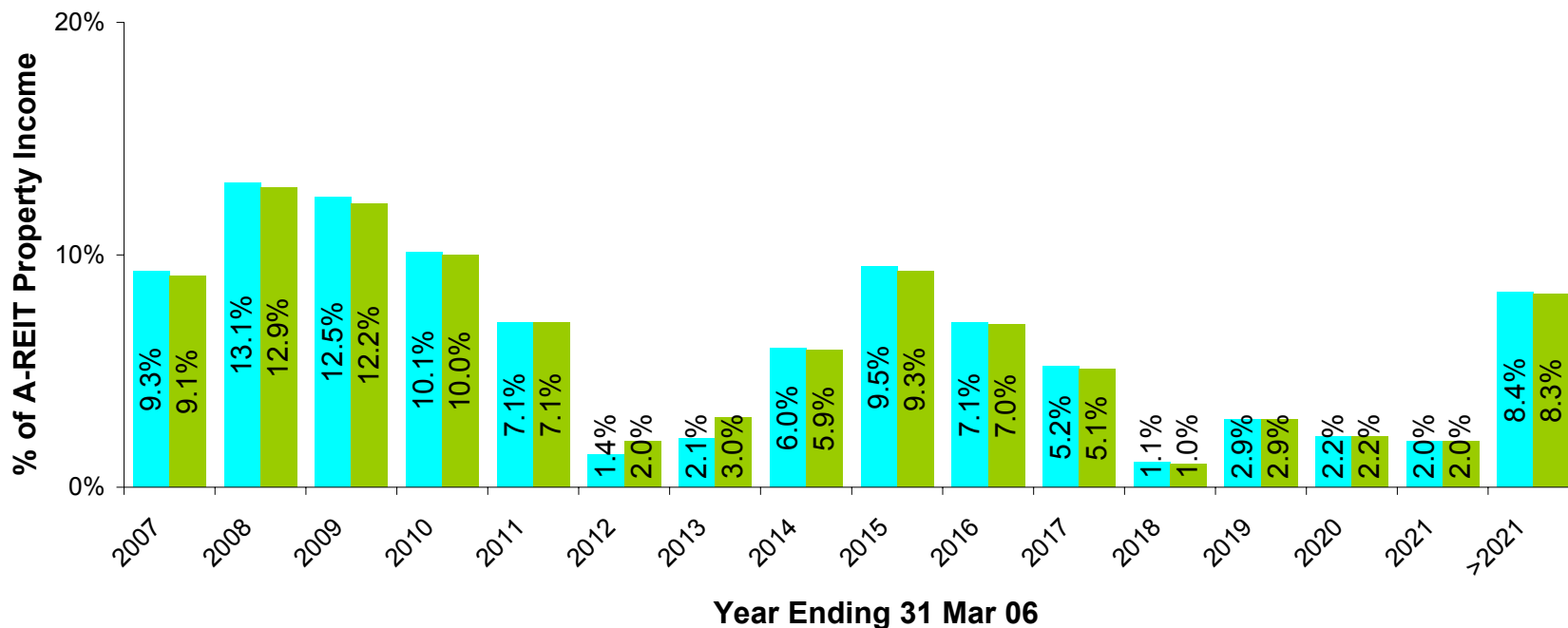
Proposed property under development	DPU Impact*
DPU Impact (proforma annualised impact)	0.06 cents

Note:

* Assuming that: the property is completed at the start of the financial year and has a stabilised occupancy of 90% for the whole of the financial year ended 31 March 2006 (based on 65 properties); the property under development was wholly funded by bank debt; and in respect of the property, the Manager had elected to receive its base Fee entirely in cash and its performance Fee entirely in units.



A-REIT Weighted Lease Expiry Profile



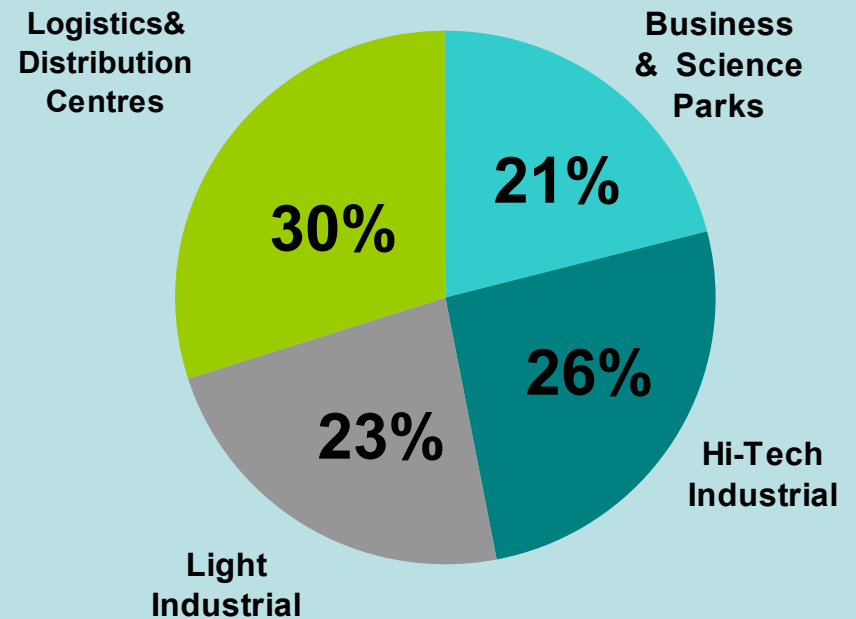
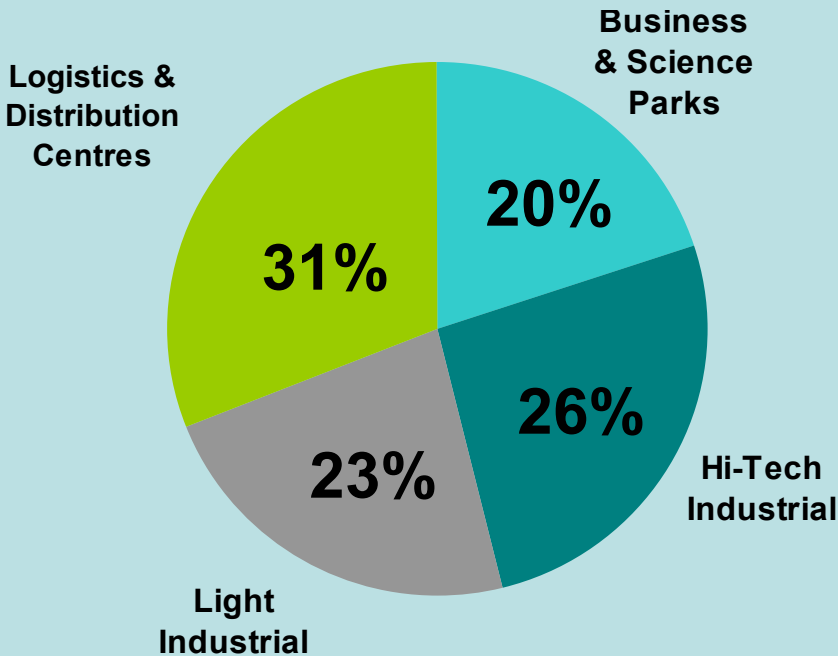
■ 66 properties @ 30 Jun 06
■ 66 properties @ 30 Jun 06 + property under development

	Existing 66 Properties before completion (as at 30 June 06)	After completion of the proposed property
Weighted Average Lease Term to Expiry	6.33 years	6.30 years

Asset Class Diversification by Portfolio Value

Before Completion ⁽¹⁾

After completion of the property ⁽²⁾

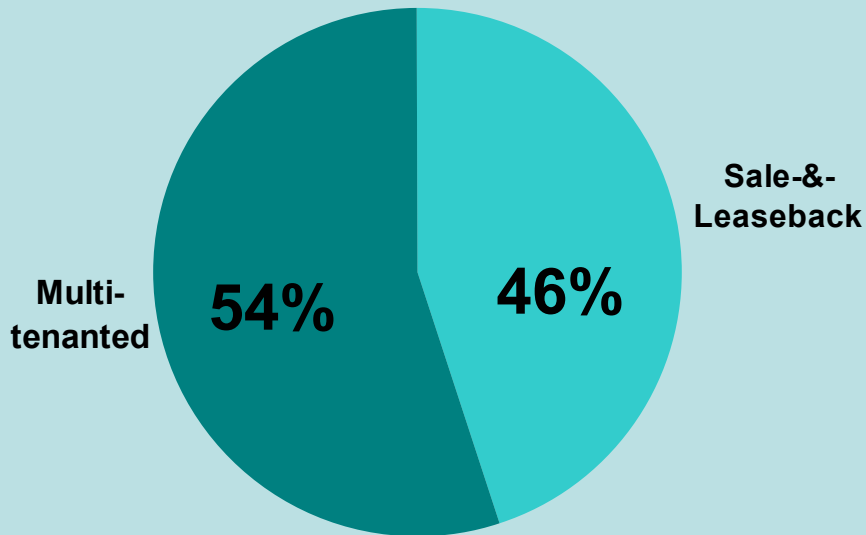


Notes:

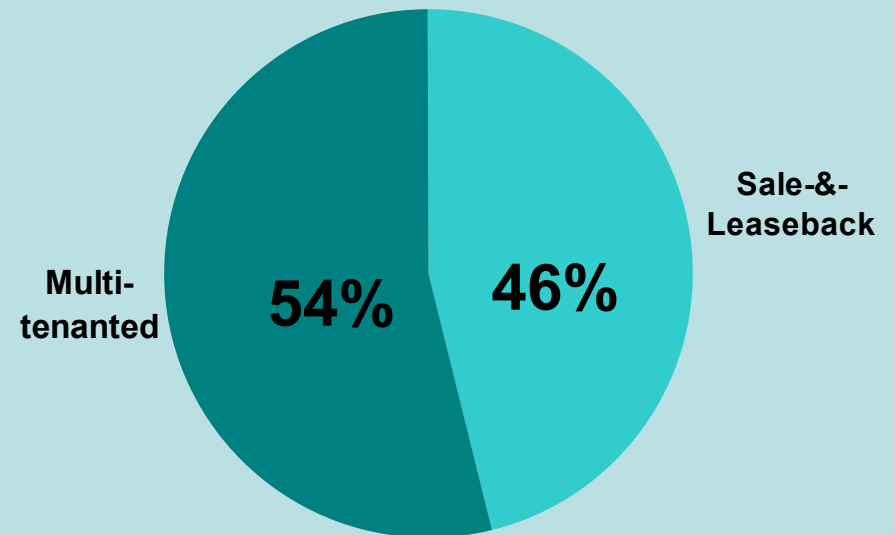
- (1) Based on 66 properties as at 30 June 2006
- (2) Based on 67 properties including the completed property

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

Before completion ⁽¹⁾



After completion of the property ⁽²⁾



Notes:

- (1) Based on 66 properties as at 30 June 2006
- (2) Based on 67 properties including the completed property



Timetable for Completion

	Property under development
Signed letter of offer	August 2006
Construction begins	November 2006
Issue of Temporary Occupation Permit	Estimated to be 1st Quarter 2008 – Lease Agreement becomes effective

Summary of Property under development

- **Continues to diversify property portfolio & tenant-mix**
- **Create future supply in the tight business park market where A-REIT's existing properties enjoy an occupancy rate of 91.2% (as at 30 June 2006)**
- **Enables existing tenant to expand within our portfolio**
- **DPU positive of 0.06 cents per unit***

Note:

* Assuming that: the property is completed at the start of the financial year and has a stabilised occupancy of 90% for the whole of the financial year ended 31 March 2006 (based on 65 properties); the property under development was wholly funded by bank debt; and in respect of the property, the Manager had elected to receive its base Fee entirely in cash and its performance Fee entirely in units.

- *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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