Unitholders' Meeting
30 June 2008

Members of the Panel

- Mr David Wong, Chairman and Independent Director
- Ms Chong Siak Ching, Deputy Chairman
- Mr Swee Kee Siong, Non-executive Director
- Mr Chia Kim Huat, Independent Director
- Mr Joseph Chen, Independent Director
- Mr Tan Ser Ping, Executive Director and Chief Executive Officer
- Mr Arjun Bambawale, Chief Executive Officer, HSBC Institutional Trust Services (Singapore) Limited (Representative of Trustee)
- Mr Thomas Teo, Chief Executive, Ascendas Services Pte Ltd (Representative of Property Manager)

Agenda

- Overview of A-REIT
- FY2007/08 Performance
- Investment Update
- Portfolio Update
- A-REIT's Strengths
- Resolution

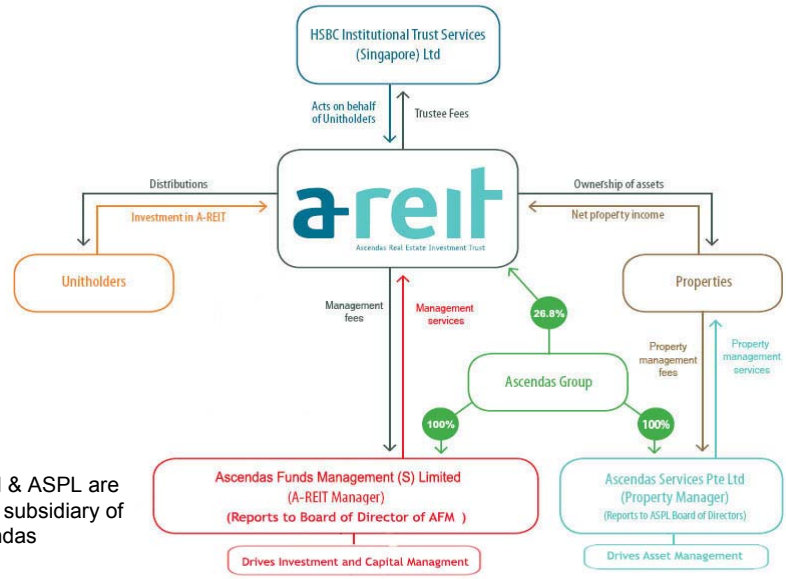
Overview of Ascendas Real Estate Investment Trust

- First and largest business space and industrial REIT listed on the Singapore Exchange
- Has a diversified portfolio of 85 properties comprising:

1. Business & Science Park
2. Hi-tech industrial properties
3. Light industrial properties
4. Logistics & distribution centres
5. Warehouse Retail Facilities

- A3 corporate rating by Moody's (equivalent to A- by other rating agencies)
- Total Assets of about S$4.2 bn (US$3.11 bn)
- Tenant base of over 790 local and international companies

A-REIT Structure



• AFM & ASPL are 100% subsidiary of Ascendas

Exit of Goodman Group

- On 26 March 08, Ascendas acquired Goodman Group's 40% stake in Ascendas Funds Mgt (S) Ltd, making it a 100% subsidiary.
- Ascendas also acquired Goodman Group's 6.3% stake in A-REIT, taking its total holding to 26.77%.

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FY 2007/08: Key Highlights

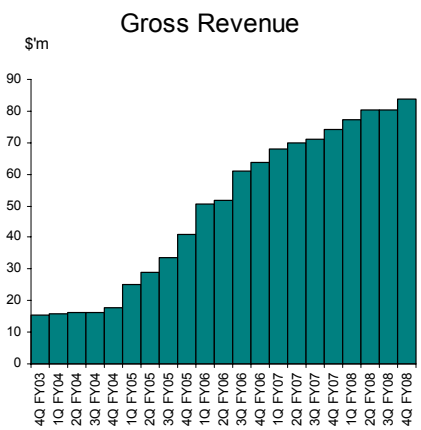
- FY2007/08 net income available for distribution of $187.3 million, up 14% yoy
- FY2007/08 DPU of 14.13 cents, up 10.8% yoy
- Portfolio occupancy 98.4% at 31 March 2008 vs 96.6% at 31 Mar 2007. MTB occupancy was 96.4% vs 93.7% at 31 Mar 2007
- Completed investment in acquisitions and development of approx $299m in FY2007/08. Investments pending completion is about $334m
- Completed third development project, HansaPoint@CBP with 100% occupancy and revaluation gain of 166% (S$43.2m) over total development cost
- Asset values increased by $494m following recent revaluation exercise. Total assets increased from $3.3bn to $4.2bn as at 31 Mar 2008. NAV per unit increased to $1.84
- Aggregate Leverage at 38.2% as at 31 Mar 08

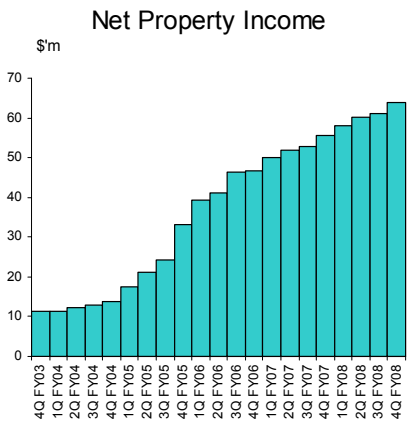
DPU – FY2007/08 vs FY2006/07

(S$'000)	FY2007/08 (1)	FY2006/07 (1)	% Change
Gross revenue	322,270	283,007	14
Less: Property operating expenses	(78,780)	(72,660)	8
Net property income	**243,490**	**210,347**	16
Borrowing costs(2)	(42,394)	(34,999)	21
FRS 39 F.V. Adjustments(3)	1,858	(3,778)	nm
Non-property expenses	(27,973)	(23,188)	21
Net income	174,981	148,382	18
Available for distribution	**187,269**	**163,824**	14
Distribution per unit	**14.13**	**12.75**	11

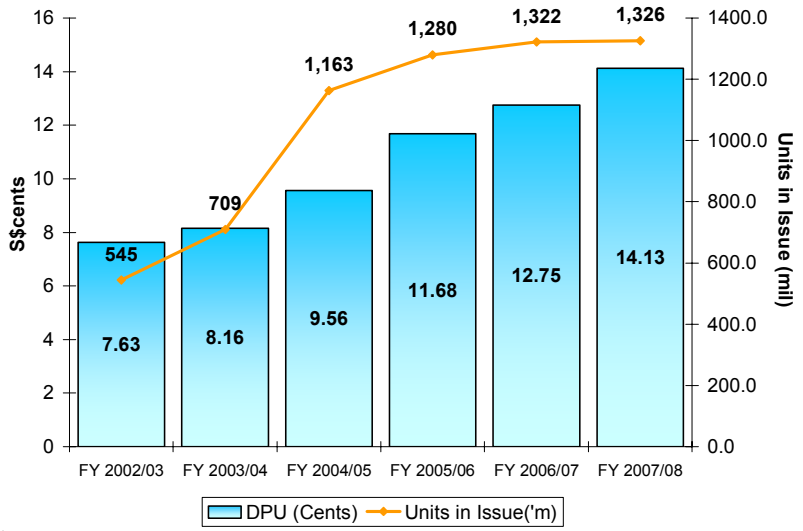
Notes:
(1) Based on 84 properties as at 31 Mar 2008 and 77 properties as at 31 Mar 2007
(2) Borrowing costs include margins and weighted swap rates for hedged debt, amortisation of CMBS' establishment and annual maintenance costs and current floating rates on unhedged debt
(3) Fair value adjustments for deferred payments and refundable security deposits.

Continued Growth since IPO
- Gross Revenue & NPI





Continued DPU Growth since IPO

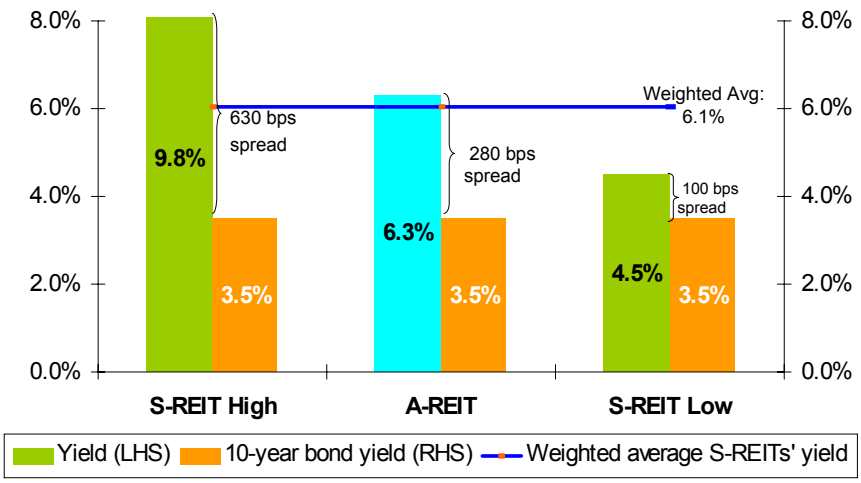


Notes:

(1) FY2003 Actual DPU is annualised. The actual DPU was 2.78 cents for the 133 days ended 31 March 2003.

S-REITs yield vs 10-year govt bond

S-REITs yield range from low of 4.5*% to high of 9.8%



Source: IBES Estimates, Bloomberg as of 27 June 08

Balance sheet

(S$bn)	As at 31 Mar 08	As at 31 Mar 07
Total Assets	4.2	3.3
Borrowings	1.6	1.2
Net assets attributable to unitholders	2.4	2.0
Aggregate Leverage	38.2%	37.3%
Net asset value per unit	184 cents	149 cents

Available debt capacity of more than $500m to fund near term acquisition and development activities before optimal gearing of 45% is reached

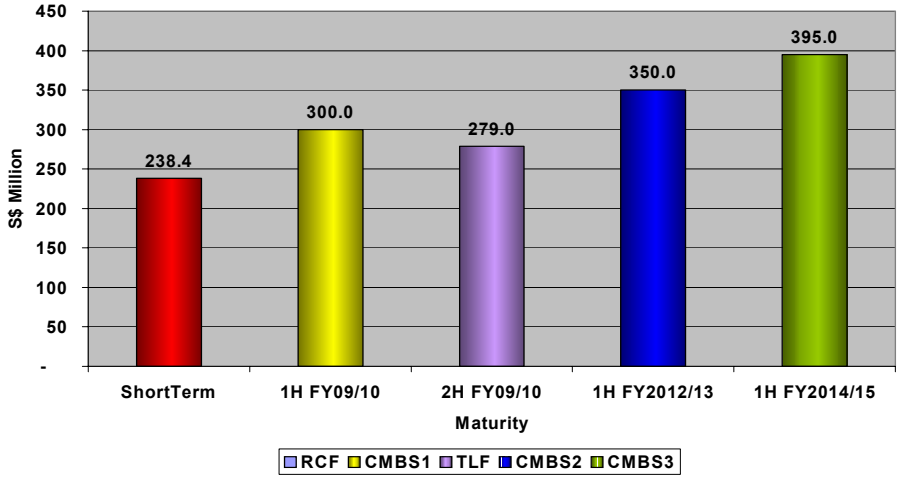
Capital Structure

Debt Profile	31 Mar 2008	31 Mar 2007
Aggregate leverage (1)	38.2%	37.3%
Total debt	S$1.562m	S$1,185m
• Fixed rate debt	S$1,131m	S$990.7m
Fixed as a % of total debt	72.4%(2)	83.6%
Weighted average all-up funding cost (3)	3.10%	3.37%
Weighted average term for fixed debt	3.8 yrs	3.6 yrs
Interest cover ratio	5.12 times	6.58 times

Notes:
(1) Aggregate leverage includes deferred settlements of about $45m
(2) 88% of interest rate has been fixed as at 31 May 08.
(2) Including margins and weighted swap rates for hedged debt, amortisation of CMBS' establishment and annual maintenance costs and current floating rates on unhedged debt

Capital Structure

Debt Maturity Profile as at 31 Mar 08



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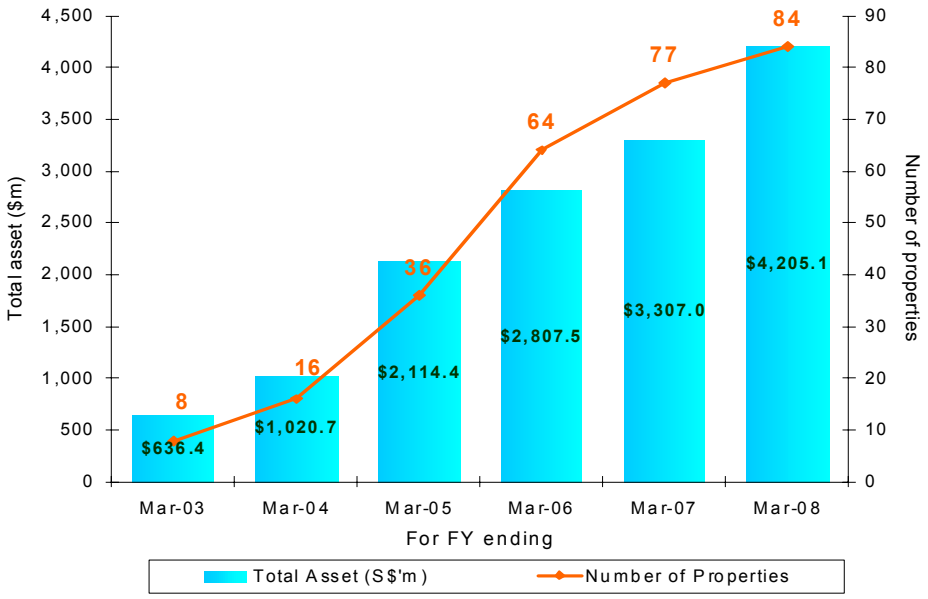
Portfolio Growth since IPO



Investment highlights

Acquisitions:

	Value (S$m)
SENKEE Logistics Hub Phase II	62.9
1 Senoko Avenue	11.2
Goldin Logistics Hub	22.5
Acer Building	75.0
Sim Siang Choon Building	31.9
Rutherford/Science Hub	51.5
CGGVeritas Hub	18.3
8 Loyang Way 1	25.0
Total - Investment in Acquisitions	**298.3**

Investment highlights

Development projects:

	Value (S$m)	Expected Commencement Date	Expected Completion Date
HansaPoint@CBP(1)	26.1	Completed	
Plot 7 & 8 Changi LogisPark (Partial Built to Suit Facility for Zuellig Pharma)	32	Started	3Q FY2008/09
Pioneer Hub (Ramp-Up Industrial Facility at Pioneer Walk)	86	Started	2/3Q FY2008/09
Plaza8 (Changi Business Park Build-to-Suit Phase 1)	61	Started	4Q FY2008/09
Plaza8 Amenity Centre	28(2)	2Q FY 2008/09	3Q FY2009/10
Plaza8 MTB	63(2)	1Q FY 2008/09	3Q FY2009/10
Plaza8 Build-to-Suit Phase 2	39(2)	4Q FY 2008/09	3Q FY2010/11
Total - Investment in Developments	**335.1**		

(1) Actual development cost of S$26.1m is lower than S$28.6m announced at start of project. This property was revalued at $69.3m on 31 March 2008

(2) Estimated development cost

Development projects: Updates

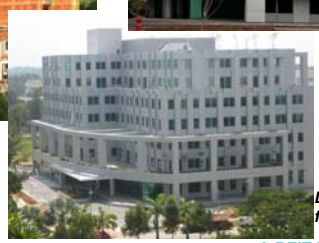
HansaPoint@CBP

- Completed A-REIT's third development project, HansaPoint@CBP, in January 2008 with 100% pre-committed occupancy and within budget
- Recorded a 166% ($43.2 million) appreciation during revaluation exercise

Dec 06 - Site cleared for construction

Oct 07 – Construction on schedule

Jan 08 – Completed with 100% pre-commitment



Dec 07 - On target for completion

Development projects: Updates

Plot 7 & 8 Changi LogisPark (North)

- Partial built-to-suit logistics facility for Zuellig Pharma with 80% pre-commitment
- Construction commenced in Feb 2007 and expected to complete in 2QFY2008/09

Dec 2007 – construction under way

Artist Impression

Mar 2008 – construction in progress

Jun 2008

Development projects: Updates

Pioneer Hub

- Two blocks of 6-storey ramp-up high specification industrial facility to be completed in two phases.
- Overall pre-committed occupancy of 76.2%
- 100% (35,470 sqm) of Phase 1 space and 57% (25,663 sqm) of Phase 2 pre-committed by tenants. Remaining space under offer to prospects.
- Target TOP for whole development : 2/3Q FY2008/09

Dec 07 – Construction on schedule

Jun 08

Mar 08

Artist impression

Development projects: Updates

Plaza8 at Changi Business Park: Suburban business space

Mar 08: Construction of Phase 1 in progress

- Construction of Phase 1 commenced.
- Phase 1 100% pre-committed by Citigroup
- Minimum 75% of space commitment for Phase 2 by Citigroup

- Phase 1 TOP by 4Q FY2008/09 and Phase 2 by 3QFY2010/11

June 08: Construction of Phase 1 on schedule

- Multi-tenanted building with total GFA of about 33,000 sq m.
- Including approx. 6,000 sq m of amenity space to serve the needs of CBP population and surrounding area.
- Development expected to commence in 2Q FY2008/09

Business Park & Amenities Centre

Asset Enhancement Highlights

- Completion of two asset enhancement works in FY2007/08. Both were fully pre-committed and were undertaken in response to demand
- Capitalising on under-utilized plot ratio to create additional lettable area and thereby generate growth for the portfolio
- Total investment for asset enhancement = S$23m
- Weighted average yield on investment is expected to be more than 8.5%
- Investments in asset enhancement pending completion are as follows :

	Value (S$m)	Expected completion
Alpha	9.0	Completed
Thales	1.6	Completed
Hoya	1.8	Completed
TechPlace II	10.6	Dec 2008
Total	**23.0**	

Asset Enhancement - Updates

Alpha upon completion of asset enhancement

Alpha

- Located in Singapore Science Park 2, it is in the final stages of constructing additional 3,527 sq m of space which will be leased to FJ Benjamin upon completion.
- Completed in Feb 2008

Hoya upon completion of asset enhancement

Thales

- Located in Changi North Rise, the construction of annex block will create 1,415 sqm of new lettable space which has been fully committed by existing tenant, Thales.
- Completed in Apr 2008

Asset Enhancement - Updates

Hoya upon completion of asset enhancement

Techplace II

- Property is located at Ang Mo Kio Ave 5.
- Construction of additional block which will create 7,518 sqm of new lettable space
- Expected completion in Dec 2008

Hoya

- Property is located along Jalan Ahmad Ibrahim.
- Construction of annex block which will create 1,190 sqm of new lettable space which has been fully committed by existing tenant, Hoya.
- Completed in Apr 2008

Techplace II upon completion of asset enhancement

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- **Portfolio Update**
- A-REIT's Strengths
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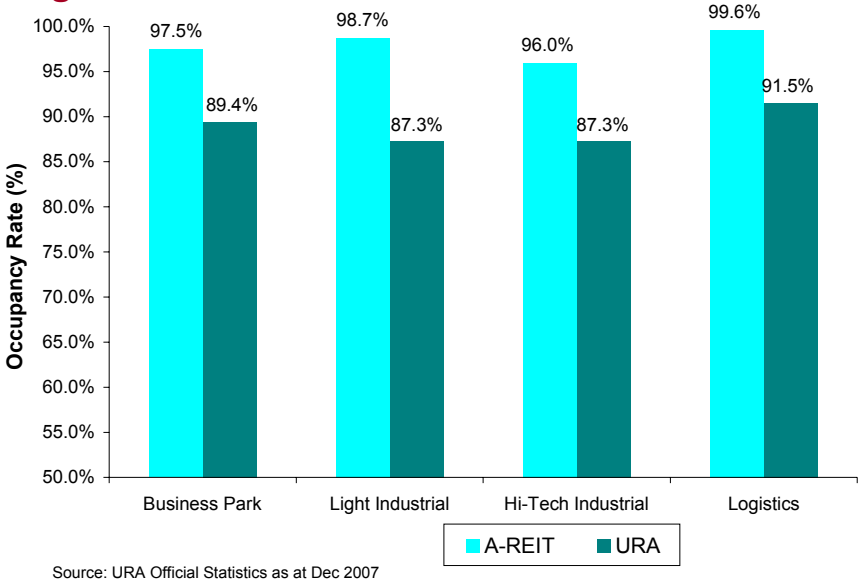
Portfolio Highlights

	As at 31 Mar 08	As at 31 Mar 07
A-REIT Portfolio occupancy	**98.4%**	**96.6%**
A-REIT MTB (1) occupancy	**96.4%**	**93.7%**
Total Portfolio renewals/new leases (sqm)	**274,061**(2)	**209,400**(3)
Total New leases/Expansions (sqm)	**108,846**	**61,074**
Total Renewals (sqm)	**165,215**	**148,326**
Weighted Average Lease to Expiry (years)	**5.9**	**6.9**

Notes :
1) MTB = Multi-tenanted buildings which accounts for about 53% of portfolio value
2) For the financial year ended 31 Mar 08
3) For the financial year ended 31 Mar 07

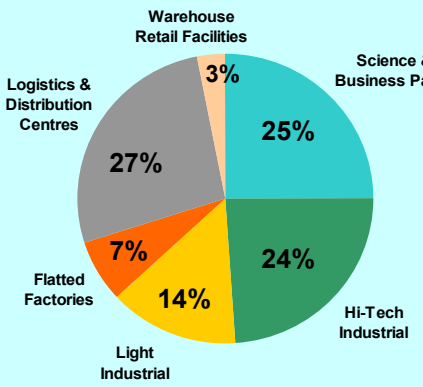
A-REIT Portfolio Occupancy Higher Than Market



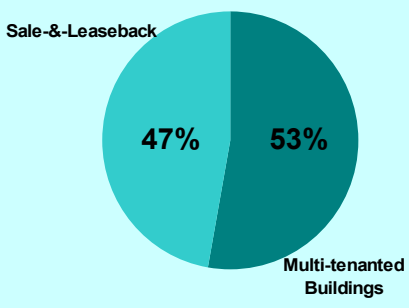
Source: URA Official Statistics as at Dec 2007
Ascendas Funds Management (S) Limited ("AFM") as at 31 March 2008

Portfolio Diversification
- by property value

Asset Class Diversification

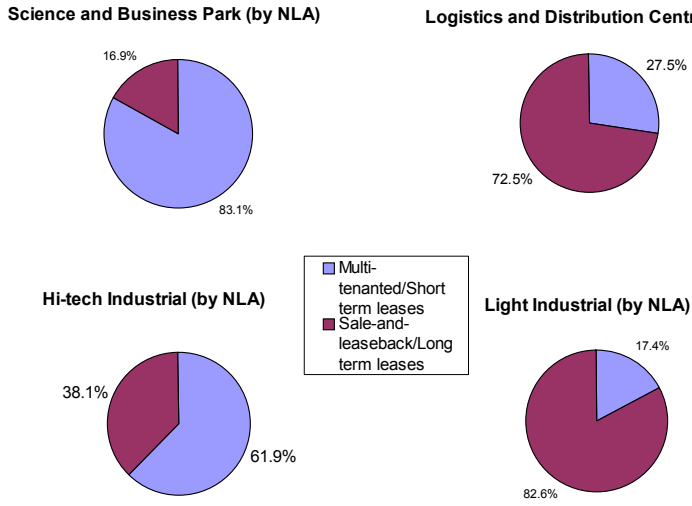


Mix of Sale-&-Leaseback vs Multi-tenanted Buildings

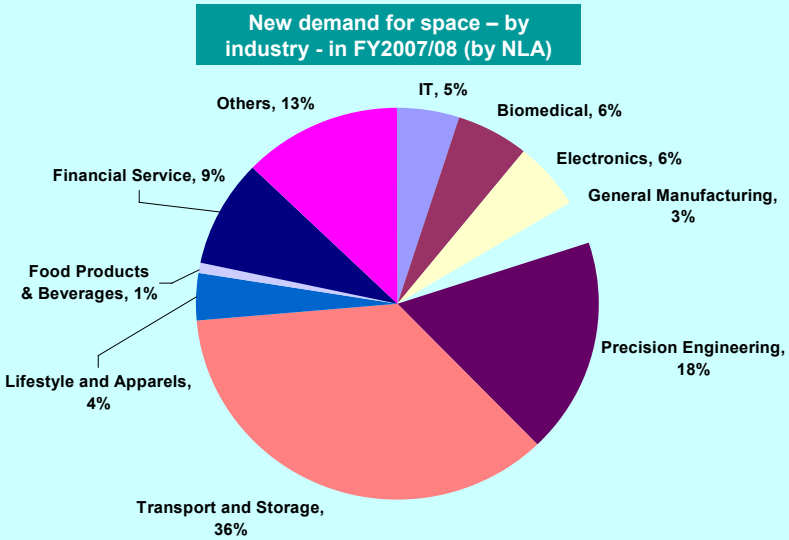


Short term vs long term leases by sector

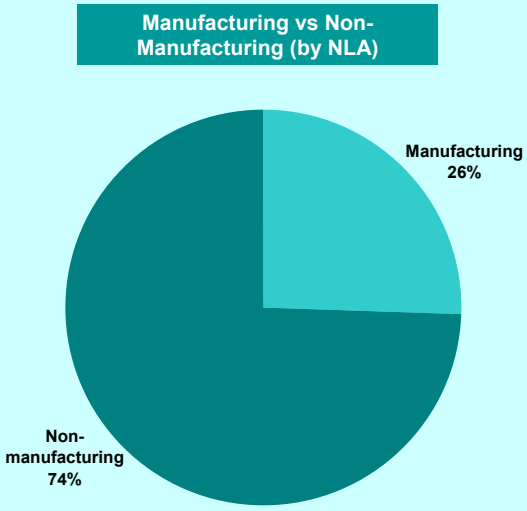
Majority of leases in high growth sectors of business & science park and hi-tech industrial are on short term basis. Hence, potential to enjoy positive rental reversion



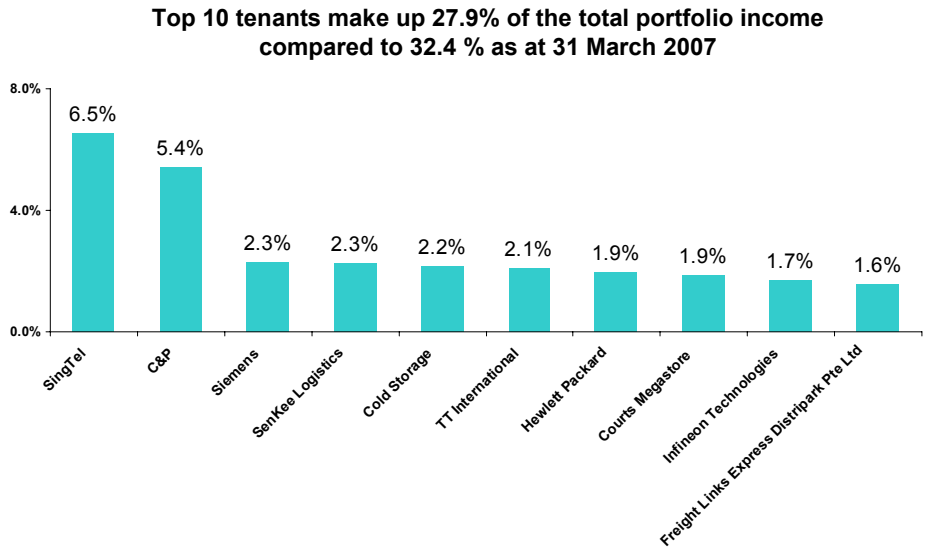
Sources of demand for new leases – broad based



Tenant Mix – Manufacturing Versus Non-Manufacturing



Quality & Well-Diversified Tenant Base



Organic Growth – Positive Rental Reversion

- Built-in Rental Growth
  - 47% of portfolio by property value are sale-&-leaseback
  - Incorporates stepped annual rental increment, providing growth in earnings
- Positive Rental Reversion
  - 53% of portfolio are multi-tenanted buildings where rental rates are marked to market at renewal
  - Significant improvement in the renewal rental rates for Business & Science Park and Hi-Tech Industrial sector by 46% and 40% respectively compared to FY2007/08.

Subsector Performance

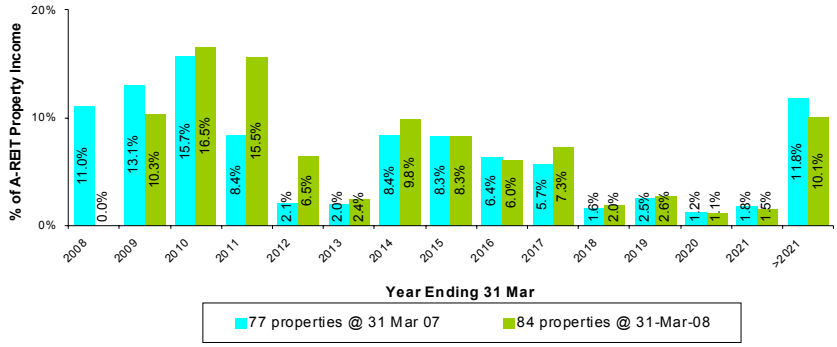
- Improvement in occupancy rate throughout all sectors compared to a year ago
- Growth in rental rates across all sectors compared to rates in last financial year

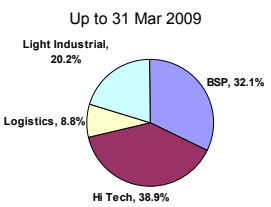
Multi-tenanted properties	Net Lettable Area		Occupancy Rate (%)		% Increase/(decrease)	
	Area (sqm)	% of total NLA	As at 31 Mar 08	As at 31 Mar 07	Renewal rates (1)	New take up rates (2)
Business & Science Park	197,221	26.3%	97.0%	92.4%	46.0%	35.9%
Hi-Tech Industrial	203,696	24.9%	93.4%	95.5%	40.3%	39.3%
Light Industrial	186,925	27.1%	96.9%	95.3%	2.4%	2.7%
Logistics & Distribution Centres	163,140	21.7%	98.7%	90.1%	5.9%	1.2%

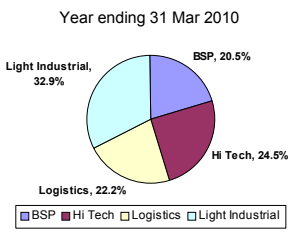
(1) Renewal rates for FY2007/08 versus existing rates for FY2006/07

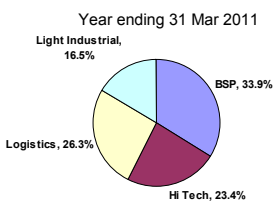
(2) New take up (including expansion) rate in FY2007/08 versus rates in FY2006/07

Organic Growth Potential in FY08/09



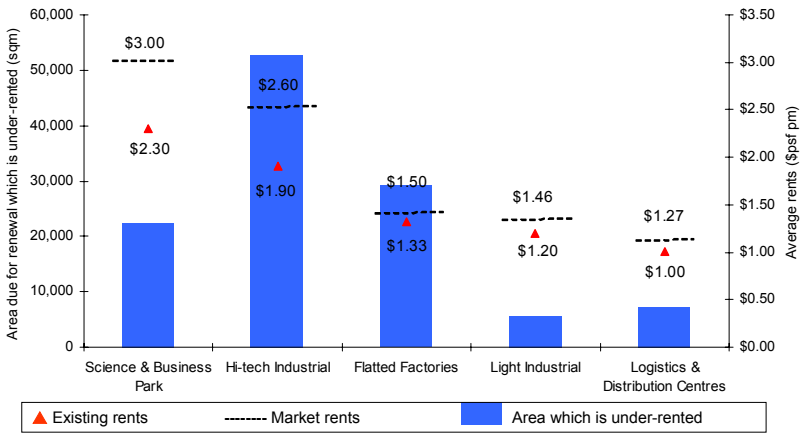






Continued Organic Growth Expected

- Stepped rental increases from properties with long term leases
- Positive rental reversions from short term leases
  - About 117,044 sqm of leases due for renewal in FY08/09 can expect positive rental growth
  - Gap between market and existing rents is between 13% to 46%, depending on sectors



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A-REIT's strengths

Diversity and Depth

- Largest business and industrial REIT in Singapore
- Solid and well diversified portfolio
  - ✓ Six property asset classes
  - ✓ Well-located quality properties
  - ✓ Balance of long term vs short term leases provides stability and potential for positive rental reversions
  - ✓ No single property accounts for more than 6% of revenue
  - ✓ High predictability and sustainability in income

Market leader

- Ascendas has a track record of more than 20 years
- Committed sponsor and alignment of interest with A-REIT unitholders
- Market leader in business space in Singapore
  - 42% share of Hi-tech Industrial space
  - 33% share of Business and Science Park space
  - 11% share of Logistics & Distribution Centres space
    - 32% share in the Eastern region and 13% share in Western region of Singapore

A-REIT's strengths

Development capability
- Has development capability to create own assets which are more yield accretive than acquisitions of income producing properties

Operational platform
- Dedicated sales/marketing, leasing and property management team of over 80 people
- Possess in-depth understanding of this property sector

Customer focus
- Over 790 tenants from international and local companies
- Track record of customers growing with us

Size advantages
- Market capitalization of $3.2bn (based on 31 Mar 08 closing price)
- 13% of S-REIT sector
- 7.2% of Asian REIT sector ex Japan
- Accounts for about 17% of total trading volume for S-REITs for FY2007/08
- Winner of SIAS Corporate Transparency Award 2007
- Included in major indices (eg. MSCI, FTSE ST Mid Cap Index)

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Resolution: The Proposed General Mandate for the Issue of New Units and/or Convertible Securities (Ordinary Resolution)

General Mandate:

- Manager to issue new Units and/or Convertible securities or other instruments which may be convertible into Units for up to 50% of the number of Units in issue as at 31 March 2008 (being A-REIT's last financial year)
- The aggregate number of new Units issued (and/or Units into which the Convertible Securities may be converted) other than on a pro-rated basis to existing Unitholders shall not be more than 20.0% of the number of Units in issue as at 31 March 2008.

Resolution: The Proposed General Mandate for the Issue of New Units and/or Convertible Securities (Ordinary Resolution)

Rationale:

- This arrangement will provide A-REIT with additional flexibility which will enable further growth through investments in acquisitions without the time and expense of convening an extraordinary general meeting
- Allow A-REIT to raise funds more expeditiously and be more responsive in the investments in acquisition of new properties in a competitive environment where timeliness in making bids and payment for acquisition is important

The Board Recommend that Unitholders Vote in Favor of the Resolution

Resolution	☑

Resolution

Ordinary Resolution

- The Proposed General Mandate for the Issue of New Units and/or Convertible Securities (Ordinary Resolution)

Polling Slip

Name of Unitholder	
NRIC/Passport No.	
No. of Units Held	

No.	Resolutions	FOR No. of Units	AGAINST No. of Units
1.	To approve the issue of the General Mandate for the issue of new Units and/or Convertible Securities (Ordinary Resolution)		

Thank you

Important Notice

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30 June 2008