



DSO National Laboratories



DNV GL Technology Centre

Acquisition of 12, 14 and 16 Science Park Drive
Extraordinary General Meeting
25 January 2017



Disclaimer

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 and occupancy, 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 the Manager's current view of future events.

The value of units in Ascendas Reit ("Units") and the income derived from them, if any, 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 should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that unitholders of Ascendas Reit 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 Ascendas Reit is not necessarily indicative of the future performance of Ascendas Reit.

- **The Property** – 12, 14 & 16 Science Park Drive
- **Benefits to Unitholders**
- **Funding the Acquisition**
- **Benefits of Proposed Consideration Units**
- **Impact on Ascendas Reit Portfolio**

The Property: 12, 14 & 16 Science Park Drive

Comprises:

- DSO National Laboratories Phase 1 & 2 - two 8-storey buildings (DSO)
- DNV GL Technology Centre - 7-storey building (DNV)

DSO National Laboratories

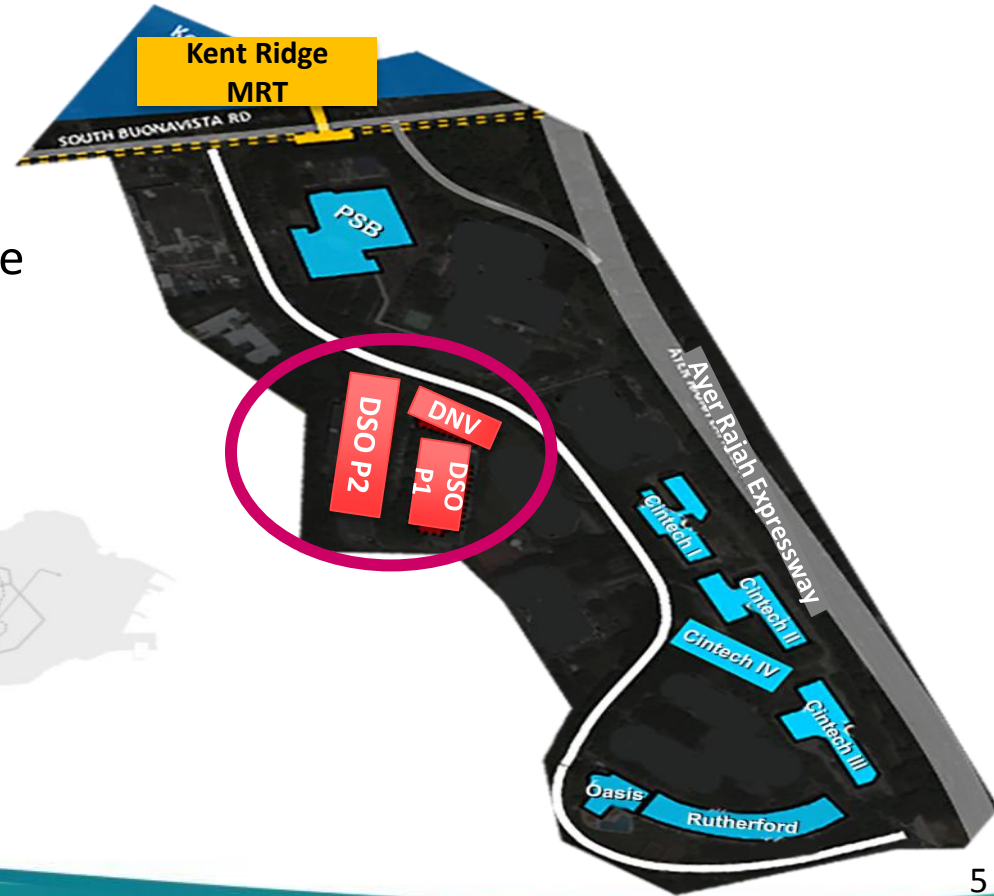
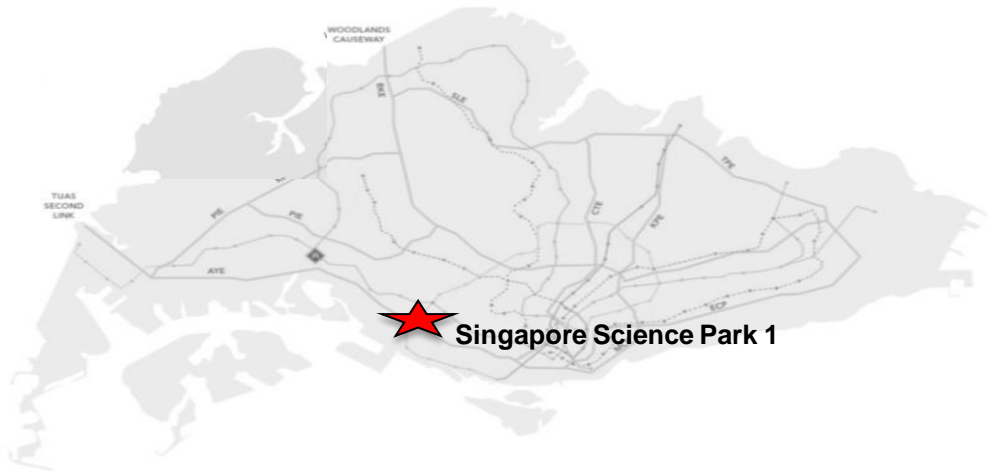


DNV GL Technology Centre



The Property: 12, 14 & 16 Science Park Drive

- **Well-Located:** Within Singapore Science Park 1, off South Buona Vista Road, accessible via Ayer Rajah Expressway and Kent Ridge MRT



The Property

Building / Address	DSO National Laboratories		DNV GL Technology Centre
	12 Science Park Drive	14 Science Park Drive	16 Science Park Drive
Purchase Consideration	S\$420.0 million		
Acquisition fee (to Manager)	S\$4.2 million		
Stamp duty and other transaction costs	Approximately S\$13.3 million (including stamp duty of ~S\$12.6 million)		
Total Acquisition Cost	S\$437.5 million		
Vendor	Ascendas Land (Singapore) Pte Ltd		
Valuation	S\$428.8 million by Edmund & Tie (formerly DTZ) ; S\$430.0 million by Knight Frank Average = S\$429.4 million		
TOP Date	23 Sep 2015	19 Jun 2013	19 Jun 2013
Land Area	39,436 sqm		
Land Tenure	99 years leasehold from 1 Jun 1982; 64.4 years remaining (as at 31 Dec 2016)		
Contractual Gross Floor Area/ Net Lettable Area	69,016 sqm	9,855 sqm	
	(Total: 78,871 sqm)		
Occupancy	100%		
Weighted avg lease expiry	16.2 years		
Rental escalation	2.2% to 2.5% per annum		

- **The Property** – 12, 14 & 16 Science Park Drive
- **Benefits to Unitholders**
- **Funding the Acquisition**
- **Benefits of Proposed Consideration Units**
- **Impact on Ascendas Reit Portfolio**

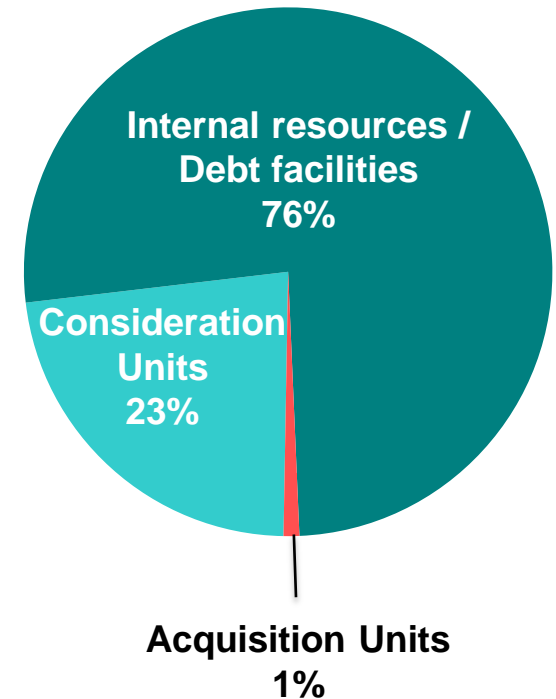
Benefits to Unitholders

- Immediately DPU accretive
- Quality tenants – DSO National Laboratories and DNV GL
- Improves earnings stability from long leases; extends weighted average lease expiry from 3.7 to 4.2 years
- Triple-net leases with built-in rental escalation of 2.2% to 2.5% per annum
- Long land lease tenure increases portfolio weighted land lease expiry to 46.6 years from 45.7 years (as at 31 December 2016, excluding freehold properties)
- Enhances market leadership position in the Business and Science Park segment

- **The Property** – 12, 14 & 16 Science Park Drive
- **Benefits to Unitholders**
- **Funding the Acquisition**
- **Benefits of Proposed Consideration Units**
- **Impact on Ascendas Reit Portfolio**

Funding the Acquisition

- The total acquisition cost of S\$437.5m will be funded by:
 - a) S\$333.3m from internal resources and/or existing debt facilities;
 - b) S\$100.0m through the proposed issuance of Consideration Units (subject to Unitholders' approval and subsequently Buyer and Seller's discretion)
 - c) S\$4.2m in the issuance of Acquisition Fee Units



- **The Property** – 12, 14 & 16 Science Park Drive
- **Benefits to Unitholders**
- **Funding the Acquisition**
- **Benefits of Proposed Consideration Units**
- **Impact on Ascendas Reit Portfolio**

Benefits of Proposed Consideration Units

- Aggregate leverage would be a healthy 33.8% (as at December 2016)
 - vs 34.7% if 100% debt funded
- More headroom for future growth
 - Able to tap on debt funding to react quickly to investment opportunities
- Maintain Moody's A3 credit rating
- Strengthen alignment of interest of Ascendas-Singbridge Group (ASB) and Ascendas REIT unitholders
 - ASB's stake will increase to 19.9% (from 18.7%)

- **The Property** – 12, 14 & 16 Science Park Drive
- **Benefits to Unitholders**
- **Funding the Acquisition**
- **Benefits of Proposed Consideration Units**
- **Impact on Ascendas Reit Portfolio**

Accretive to Unitholders

The Acquisition

Pro Forma Financial Impact

DPU Impact

(pro forma annualised impact)

0.061 cents*

Net Property Income Yield – 1st Year

Pre-transaction cost

6.3%

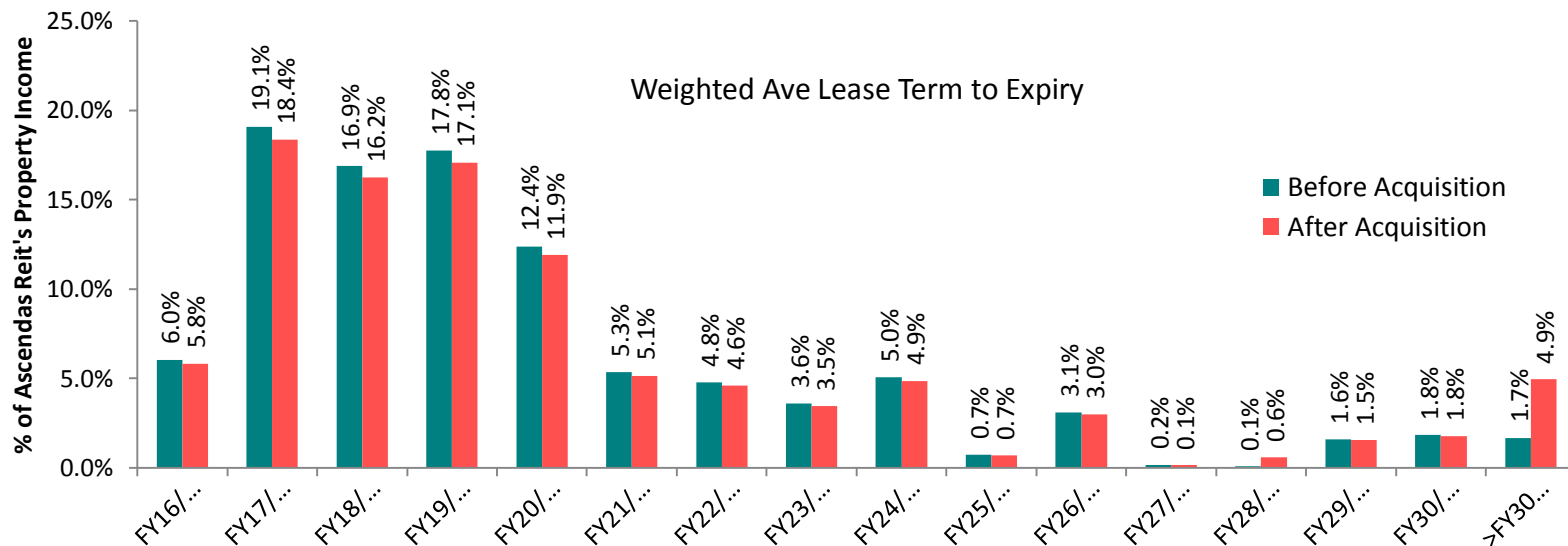
Post-transaction cost

6.0%

* Assuming Ascendas Reit had purchased, held and operated the Acquisition for the whole of the financial year ended 31 March 2016 and assuming the Acquisition was funded based on a funding structure of 60% equity and 40% debt and that the Manager elects to receive its base fee 80% in cash and 20% in units.

Lengthens WALE and Land Lease to Expiry

As at 31 December 2016	Before Acquisition ¹	After Acquisition ²
Weighted Average Lease Term to Expiry (WALE)	3.7 years	4.2 years
Weighted Average Land Lease to Expiry	45.7 years	46.6 years

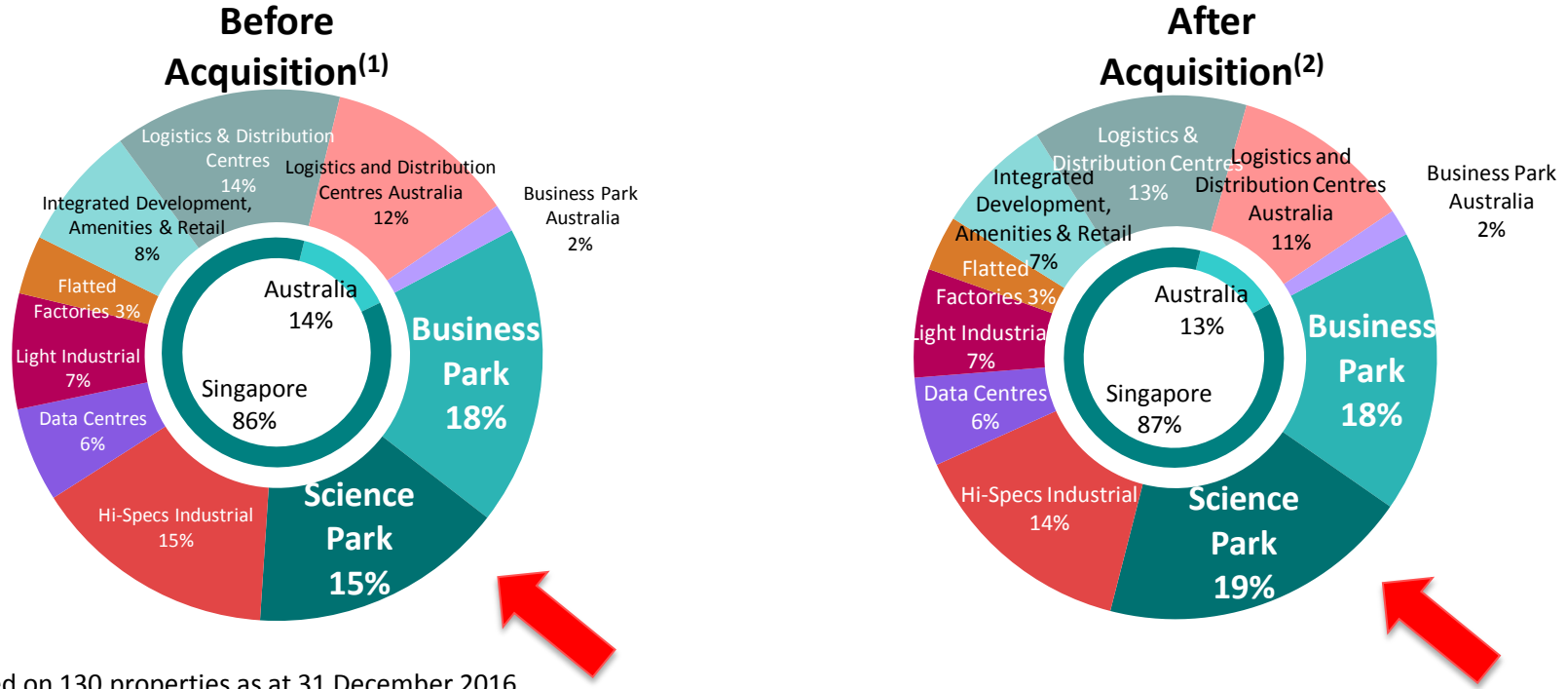


Notes:

- (1) Based on 130 properties as at 31 December 2016
- (2) Assuming the Property was acquired on 31 December 2016

Strengthens Market Leadership in Business & Science Parks

Portfolio Diversification (by Asset Value)



Notes:

- (1) Based on 130 properties as at 31 December 2016
- (2) Assuming the property was acquired on 31 December 2016