



197-201 Coward Street, Australia



ONE@Changi City, Singapore

3Q FY16/17 Financial Results Presentation

24 January 2017



Disclaimers

This material shall be read in conjunction with Ascendas Reit's financial statements for the financial quarter ended 31 Dec 2016.

This presentation may contain forward-looking statements that involve assumptions, 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 Ascendas Reit's future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on 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.

Any discrepancies between the figures in the tables and charts and the listed amounts and totals thereof are due to rounding.

Key Highlights for 3Q FY16/17

Financial Performance

Investment Management

Capital Management

Asset Management

Portfolio Update

Portfolio Resilience

Market Outlook

Key Highlights for 3Q FY16/17

- Total amount available for distribution rose by 19.2% y-o-y to S\$115.1m
 - Key performance drivers were:
 - Contributions from new acquisitions: Australian Portfolio and ONE@Changi City
 - Lower property tax and utilities expenses
 - Offset by loss of income from the divestments of A-REIT City @Jinqiao, Ascendas Z-Link and Four Acres Singapore
- 3Q FY16/17 DPU improved 1.2% y-o-y to 3.993 cents despite an increase in number of Units issued

Key Highlights for 3Q FY16/17

- Total amount available for distribution rose by 2.3% q-o-q to S\$115.1 million
- Estimated DPU fell 0.6% q-o-q to 3.993 cents from 4.016 cents
 - Due to increase in no. of issued Units
- Investment highlights
 - S\$420.0m of proposed **acquisition** in Singapore
 - S\$221.6m of **divestment**
 - S\$6.5m of **asset enhancement**
- Proactive Capital Management
 - Healthy aggregate leverage of 31.8% with debt maturity of 3.9 years
 - 82.7% of borrowings is hedged against interest rate movements

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3Q FY16/17 vs 3Q FY15/16

(S\$'000)	3Q FY16/17 ⁽¹⁾	3Q FY15/16 ⁽¹⁾	% fav/ (unfav)
Gross revenue ⁽²⁾	208,626	193,812	 7.6
Net property income ⁽³⁾	154,970	142,168	 9.0
Total amount available for distribution	115,086	96,574 ⁽⁴⁾	 19.2
DPU (cents) ⁽⁵⁾	3.993	3.946	 1.2

(1) The Group had 130 properties as at 31 Dec 2016 and 31 Dec 2015.





(2) Higher gross revenue mainly due to contributions from the acquisition of the Australian Portfolio and ONE@Changi City, partially offset by the divestment of Four Acres Singapore, Ascendas Z-Link and A-REIT City@Jinqiao.

(3) Higher NPI mainly due to higher gross revenue coupled with lower utilities and property tax expenses.

(4) Includes a provision of S\$8.4 million performance fee

(5) Includes taxable (3Q FY16/17: 3.717 cents, 3Q FY15/16: 3.810 cents), tax exempt (3Q FY16/17: 0.054 cents, 3Q FY15/16: 0.045 cents) and capital (3Q FY16/17: 0.222 cents, 3Q FY15/16: 0.091 cents) distributions.

3Q FY16/17 vs 2Q FY16/17

(S\$'000)	3Q FY16/17 ⁽¹⁾	2Q FY16/17 ⁽¹⁾	% fav/ (unfav)
Gross revenue ⁽²⁾	208,626	205,441	 1.6
Net property income ⁽²⁾	154,970	152,435	 1.7
Total amount available for distribution	115,086	112,503	 2.3
DPU (cents) ⁽³⁾	3.993	4.016	 0.6

(1) The Group had 130 properties and 131 properties as at 31 Dec and 30 Sep 2016, respectively.

(2) Higher gross revenue and net property income mainly from the acquisition of 197 - 201 Coward Street, Mascot, Sydney on 9 Sep 2016, partially offset by the effects of the divestment of A-REIT City @Jinqiao on 17 Nov 2016.

(3) Includes taxable (3Q FY16/17: 3.717 cents, 2Q FY16/17: 3.822 cents), tax exempt (3Q FY16/17: 0.054 cents, 2Q FY16/17: 0.096 cents) and capital (3Q FY16/17: 0.222 cents, 2Q FY16/17: 0.098 cents) distributions.

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Investment Highlights in 3Q FY16/17

	Country	Purchase Consideration / Value (S\$m)	Completion date
Proposed Acquisition			
12, 14 and 16 Science Park Drive	Singapore	420.0	Estimated to complete in 1Q 2017
Divestment			
A-REIT City @Jinqiao	China	221.6	17-Nov-16
Completed Asset Enhancements (AEI)			
AkzoNobel House	Singapore	6.5	4-Dec-16

Proposed Acquisition:

12, 14 & 16 Science Park Drive in Singapore Science Park 1

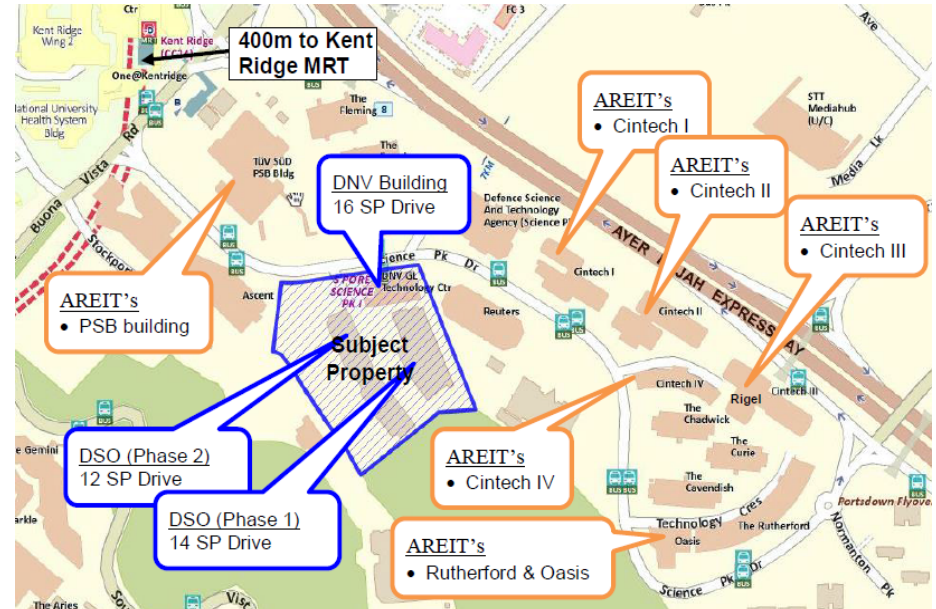
Property: Comprises 3 built-to-suit blocks

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

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

Quality Tenants:

- DSO National Laboratories – Singapore's national defence R&D organisation
- DNV GL Singapore Pte Ltd– world-leading classification society and risk management company



Weighted average building age: 2.0 years

BCA Green Mark Award:

- DSO received the Gold Plus Award in 2013
- DNV received the Gold Plus Award in 2013 and Pearl Award in 2015

Proposed Acquisition:

12, 14 & 16 Science Park Drive in Singapore Science Park 1

Building / Address	DSO National Laboratories		DNV GL Technology Centre
	12 Science Park Drive Singapore 118225	14 Science Park Drive Singapore 118226	16 Science Park Drive Singapore 118227
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 sm		
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 sm	9,855 sm	
	(Total: 78,871 sm)		
Occupancy	100%		
Weighted avg lease expiry	16.2 years		
Rental escalation	2.2% to 2.5% per annum		

Divestment to Realise Value of Business Park Property in Shanghai

Description	Business park property located in the north section of the Jinqiao Economic and Technological Zone, in Shanghai, China
Remaining Land Tenure	29 years
NLA	81,994 sm
Acquisition Year / Price	2013/ S\$122.3m
Book Value (as at 31 Mar 2016)	S\$204.0m
Sales Price	RMB 1,078m (S\$221.6m) ¹
NPI Impact	S\$8.3m
Buyer	Wkland Investments II Limited
Capital gains over original costs	S\$94.4m
Completion Date	17 Nov 2016



A-REIT City @Jinqiao

¹ Based on exchange rate of RMB1.00 = S\$0.2056

In accordance to Ascendas Reit's Trust Deed, the Manager is entitled to a divestment fee of 0.5% of the sale price of the Property.

Enhanced Building Specifications at AkzoNobel House

Description	Cyclical replacement and capex works with respect to M&E services, lightings, intercoms. Aesthetic and reconfiguration works
Remaining Land Tenure	44 years
NLA	15,037 sm
Acquisition Year / Price	2011/ S\$80.0m
Book Value (as at 31 Mar 2016)	S\$62.5m
AEI Costs	S\$6.5m
Completion Date	4 Dec 2016



Canopy at main lobby



Upgraded lift lobby

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Healthy Balance Sheet

- Aggregate leverage reduced to 31.8% with divestment proceeds from A-REIT City @Jinqiao and Exchangeable Collateralised Securities (ECS) conversion into Units
- Available debt headroom of S\$2.3 billion to reach 45.0% aggregate leverage

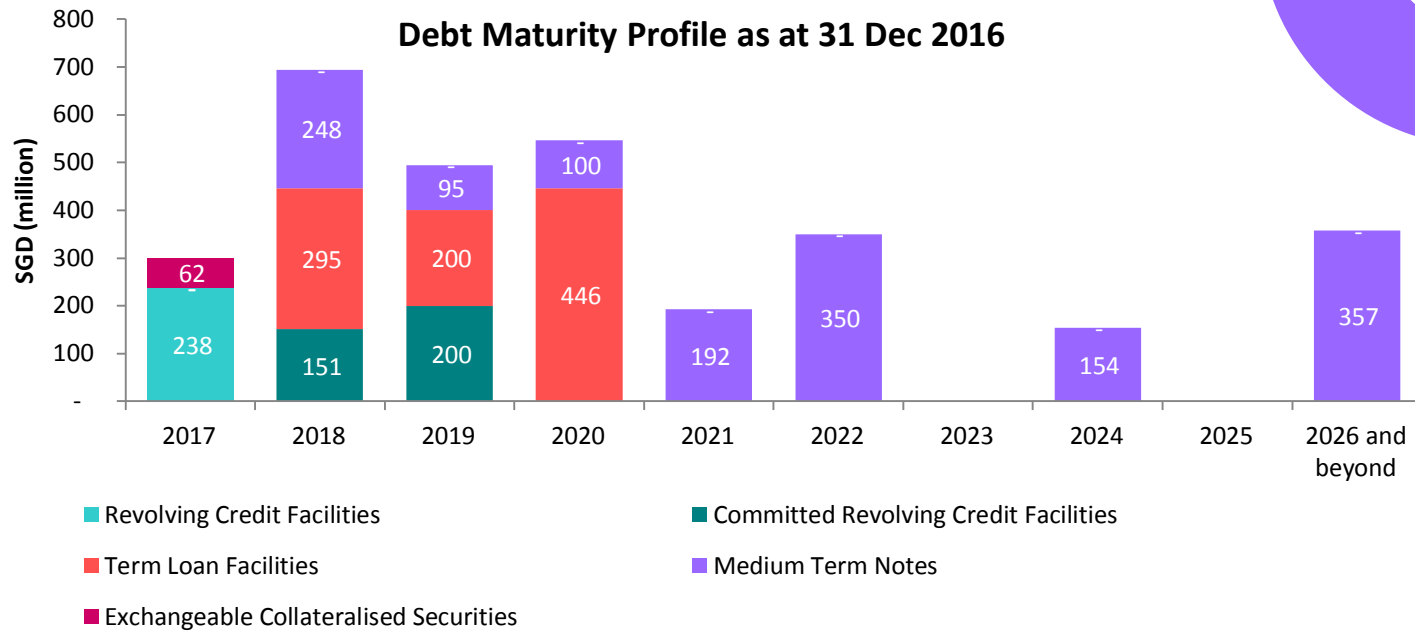
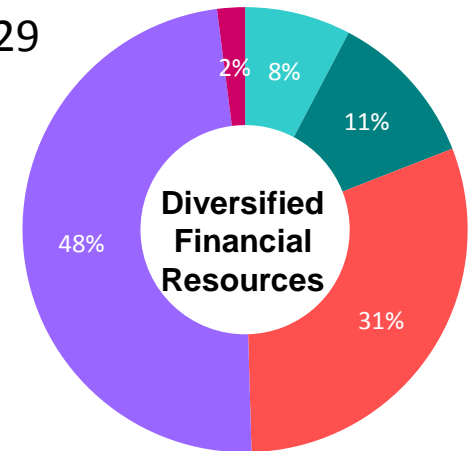
	As at 31 Dec 16	As at 30 Sep 16
Total debt (S\$m) ⁽¹⁾	3,089	3,370
Total assets (S\$m)	9,702	9,851
Aggregate leverage	31.8%	34.2%
Unitholders' funds (S\$m)	5,935	5,768
Net asset value (NAV) per Unit	208 cents	205 cents
Adjusted NAV per Unit ⁽²⁾	204 cents	203 cents
Units in issue (m)	2,851	2,816

(1) Excludes fair value changes and amortised costs. Borrowings denominated in foreign currencies are translated at the prevailing exchange rates except for JPY/HKD-denominated debt issues, which are translated at the cross-currency swap rates that Ascendas Reit has committed to

(2) Excludes the amount to be distributed for the relevant period after the reporting date

Well-spread Debt Maturity Profile

- Well-spread debt maturity with the longest debt maturing in 2029
- Average debt maturity: 3.9 years
- S\$66.5m ECS were converted into Units in 3QFY16/17



Key Funding Indicators

- Robust indicators enable Ascendas Reit to borrow at competitive costs

	As at 31 Dec 16	As at 30 Sept 16
Aggregate Leverage	31.8% ⁽²⁾	34.2%
Unencumbered properties as % of total investment properties ⁽¹⁾	77.3%	78.0%
Interest cover ratio	5.6 x	5.3 x
Debt / EBITDA	5.6 x	6.2 x
Weighted average tenure of debt (years)	3.9	3.8
YTD weighted average all-in debt cost	3.0%	3.0%

Ascendas Reit's issuer rating by Moody's

A3 stable

(1) Total investment properties exclude properties reported as finance lease receivable

(2) Based on total gross borrowings divided by total assets. Correspondingly, the ratio of total gross borrowings to total net assets is 52.0%

Prudent Interest Rate Risk Management

- **82.7%** of borrowings is hedged for an average term of **3.6 years**
- 50 bps increase in interest rate is expected to have a pro forma impact of S\$2.7m decline in distribution or 0.09 cent in DPU

Increase in interest rates	Decrease in distribution (\$m)	Change as % of FY15/16 distribution	Pro forma DPU impact (cents) ⁽¹⁾
50 bps	2.7	0.7%	0.09
100 bps	5.4	1.4%	0.19
150 bps	8.0	2.1%	0.28
200 bps	10.7	2.8%	0.38

(1) Based on number of Units in issue of 2,851m as at 31 Dec 2016

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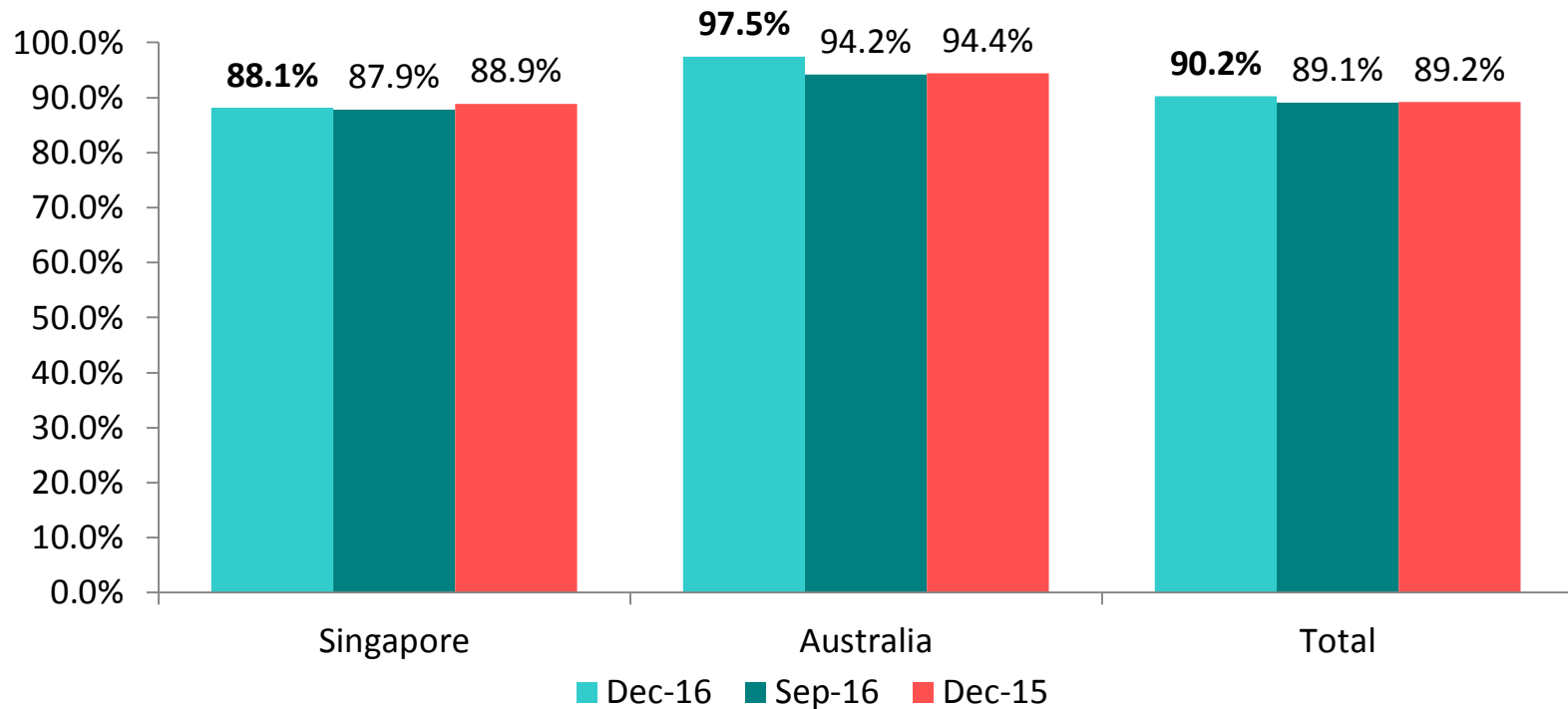
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Overview of Portfolio Occupancy



**Gross Floor Area[#]
(sm)**

2,946,951*

692,153[^]

3,639,104*

Note:

Gross Floor Area as at 31 Dec 2016.

* Gross Floor Area excludes 50 Kallang Avenue and 20 Tuas Avenue 1 (formerly known as IDS Logistics Corporate HQ/ 279 Jalan Ahmad Ibrahim) which have been decommissioned for AEI.

[^] Gross Floor Area for Australia portfolio refers to the Gross Lettable Area/Net Lettable Area.

Singapore: Occupancy

- Singapore occupancy rose by 20 bps to 88.1% mainly due to new take ups at 40 Penjuru Lane and Pioneer Hub

As at	31 Dec 2016	30 Sep 2016	31 Dec 2015
Total Singapore Portfolio GFA (sm)	2,946,951 ⁽¹⁾⁽²⁾⁽³⁾	2,965,535 ⁽²⁾⁽³⁾	2,372,023 ⁽⁴⁾
Singapore Portfolio occupancy (same store) ⁽⁵⁾	88.2%	88.3%	89.0%
Singapore MTB occupancy (same store) ⁽⁶⁾	84.5%	83.7%	84.5%
Occupancy of Singapore investments completed in the last 12 months	85.4%	85.4%	-
Overall Singapore portfolio occupancy	88.1%	87.9%	88.9%
Singapore MTB occupancy	84.0%	83.5%	84.5%

(1) Excludes 50 Kallang Avenue which has been decommissioned for asset enhancement works.

(2) Excludes 20 Tuas Ave 1 (formerly IDS Logistics Corporate HQ / 279 Jalan Ahmad Ibrahim) which has been decommissioned for asset enhancement works.

(3) Excludes Four Acres Singapore which was divested on 29 Apr 2016.

(4) Excludes ONE@Changi City acquired in 1 March 2016 and 2 Senoko South which was decommissioned for asset enhancement works. Works were completed on 8 Apr 2016.

(5) Same store portfolio occupancy rates for previous quarters are computed with the same list of properties as at 31 Dec 2016, excluding new investments completed in the last 12 months and divestments.

(6) Same store MTB occupancy rates for previous quarters are computed with the same list of properties as at 31 Dec 2016, excluding new investments completed in the last 12 months, divestments and changes in classification of certain buildings from single-tenant to multi-tenant buildings or vice-versa.

Australia: Occupancy

- Occupancy improved to 97.5% mainly due to a new take up at 62 Stradbroke Street (Brisbane)

As at	31 Dec 2016	30 Sep 2016	31 Dec 2015
Total Australian Portfolio GFA (sm)	692,153 ⁽¹⁾	692,153 ⁽¹⁾	630,947
Australian Portfolio occupancy (same store) ⁽²⁾	97.2%	93.6%	94.4%
Occupancy of Australian investments completed in the last quarter ⁽³⁾	100.0%	100.0%	-
Overall Australian portfolio occupancy	97.5%	94.2%	94.4%

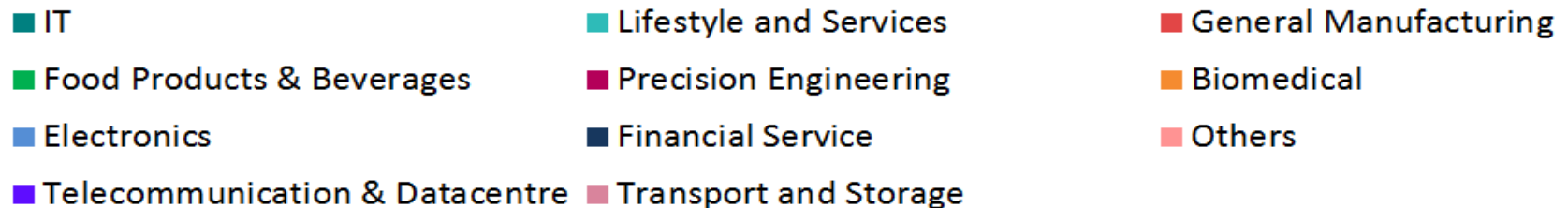
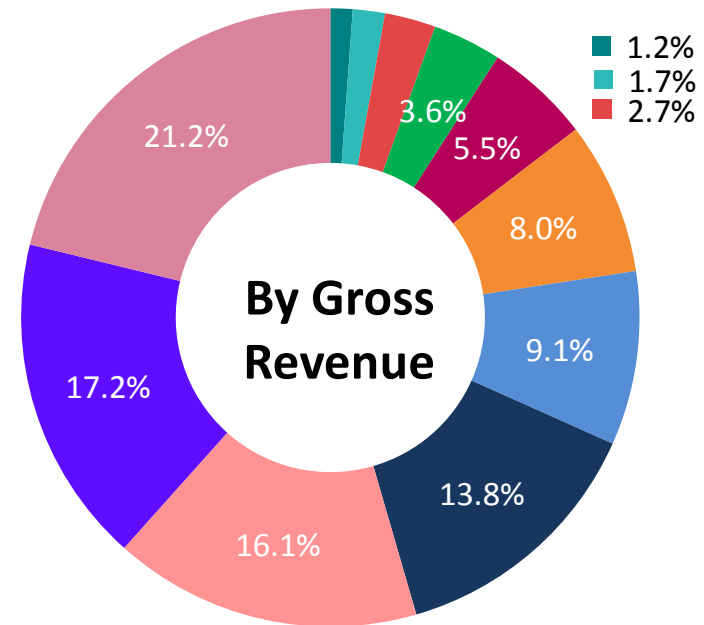
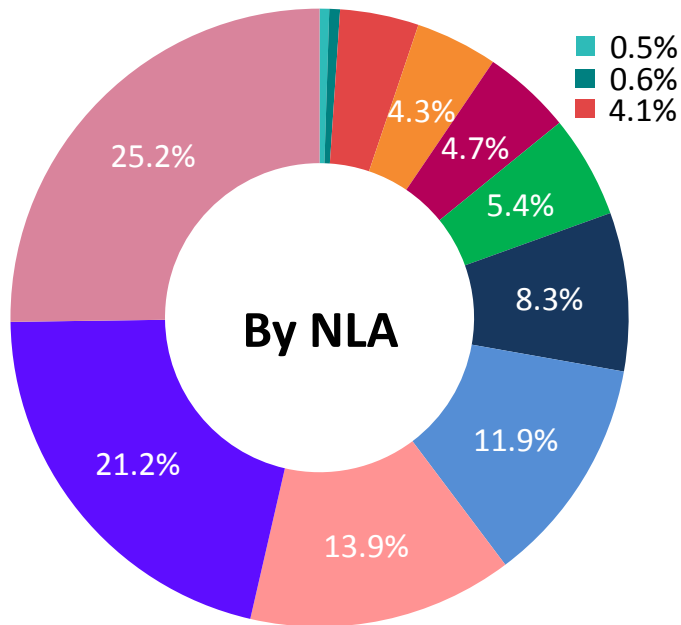
(1) Includes 6 - 20 Clunies Ross Road (Sydney) and 197 – 201 Coward Street (Sydney) which were acquired on 22 February 2016 and 9 Sep 2016 respectively.

(2) Same store occupancy rate excludes 6 - 20 Clunies Ross Road (Sydney) and 197-201 Coward Street (Sydney).

(3) Investment property completed in the last quarter refers to 6 - 20 Clunies Ross Road (Sydney) and 197 – 201 Coward Street (Sydney).

Singapore: Sources of New Demand

- Continues to attract demand from a wide spectrum of industries



Achieved Positive Rental Reversions

- Overall rental reversion in Singapore was positive for leases renewed in 3Q
- Expect modest rental reversion in the low single-digit or flat for FY16/17

Multi-tenant properties	3Q FY16/17 increase in renewal rates ^{(1)#}	2Q FY16/17 increase in renewal rates ^{(2)#}	3Q FY15/16 increase in renewal rates ^{(3)#}
Business & Science Parks	6.1%	2.8%	8.2%
Hi-Specs Industrial	3.5%	-1.1%	4.8%
Light Industrial	1.8%	0.3%	4.6%
Logistics & Distribution Centres – Singapore	1.1%	-4.8%	6.1%
Integrated Development, Amenities & Retail	0.0%	-	-
Singapore: Weighted Average	3.0%	0.9%	9.2%
Logistics & Distribution Centres – Australia ⁽⁴⁾	-	-	-

(1) Increase in renewal rental rates for leases renewed in 3Q FY16/17 versus previous contracted rates.

(2) Increase in renewal rental rates for leases renewed in 2Q 16/17 versus previous contracted rates.

(3) Increase in renewal rental rates for leases renewed in 3Q 15/16 versus previous contracted rates.

(4) There were no renewals in Australia in 3Q FY16/17.

Based on average gross rents

Weighted Average Lease Expiry (By gross revenue)

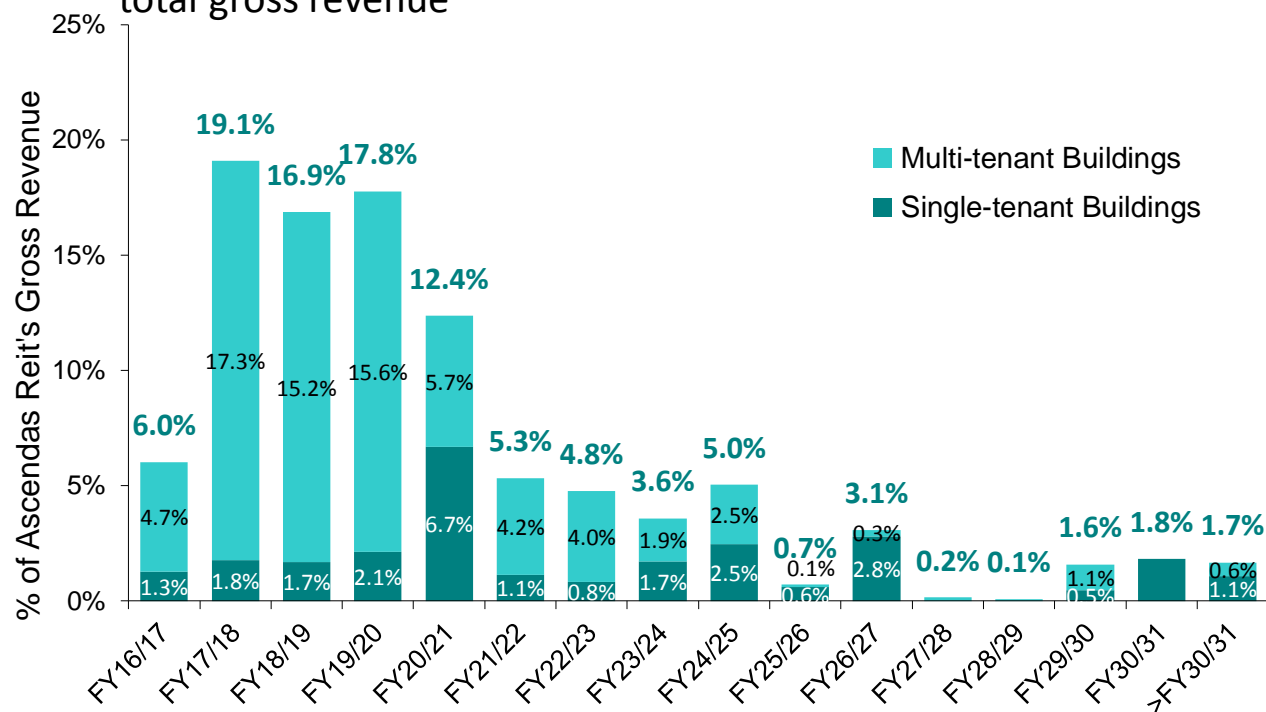
- Portfolio Weighted Average Lease Expiry (WALE) at 3.7 years

WALE (as at 31 Dec 2016)	Years
Singapore	3.5
Australia	4.8
Portfolio	3.7

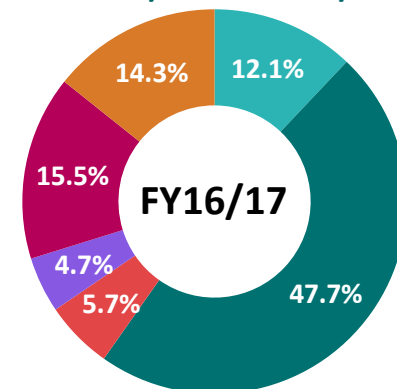
Portfolio Lease expiry profile

(as at 31 Dec 2016)

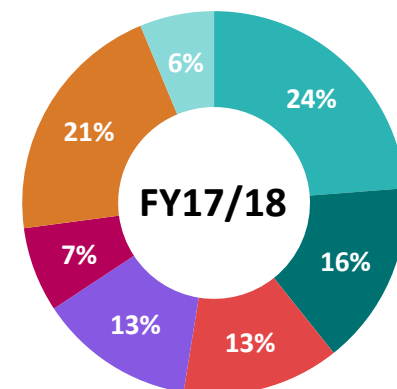
- Portfolio weighted average lease to expiry (WALE) of 3.7 years
- Lease expiry is well-spread, extending beyond 2031
- About 6.0% of gross revenue is due for renewal in the remaining of FY16/17
- Weighted average lease term of new leases signed in 3Q FY16/17 was 3.7 years
- New leases which commenced in 3Q contributed 7.3% of 3Q FY16/17 total gross revenue



Breakdown of expiring leases for FY16/17 and FY17/18



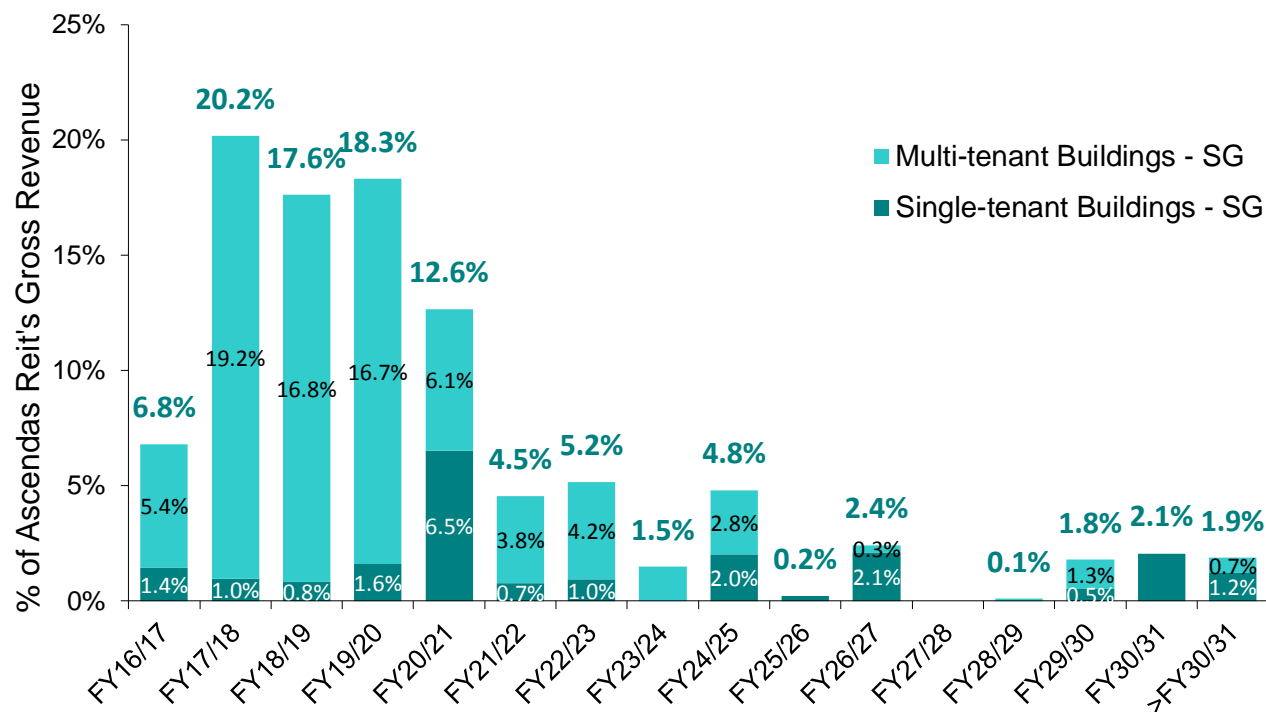
- Science Parks
- Business Parks
- Hi-Specs Industrial
- Light Industrial
- IDAR
- Logistics
- Logistics (Australia)



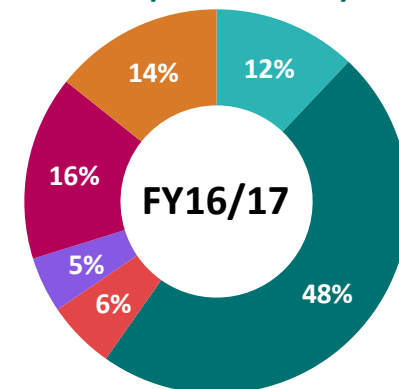
Singapore: Lease expiry profile

(as at 31 Dec 2016)

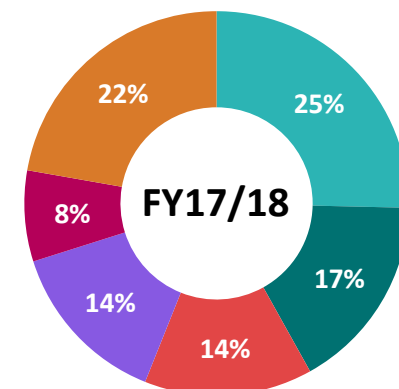
- Singapore portfolio weighted average lease to expiry (WALE) of 3.5 years
- Lease expiry is well-spread, extending beyond 2031
- 6.8% of Singapore's gross revenue is due for renewal in the remaining of FY16/17



Breakdown of expiring leases for FY16/17 and FY17/18



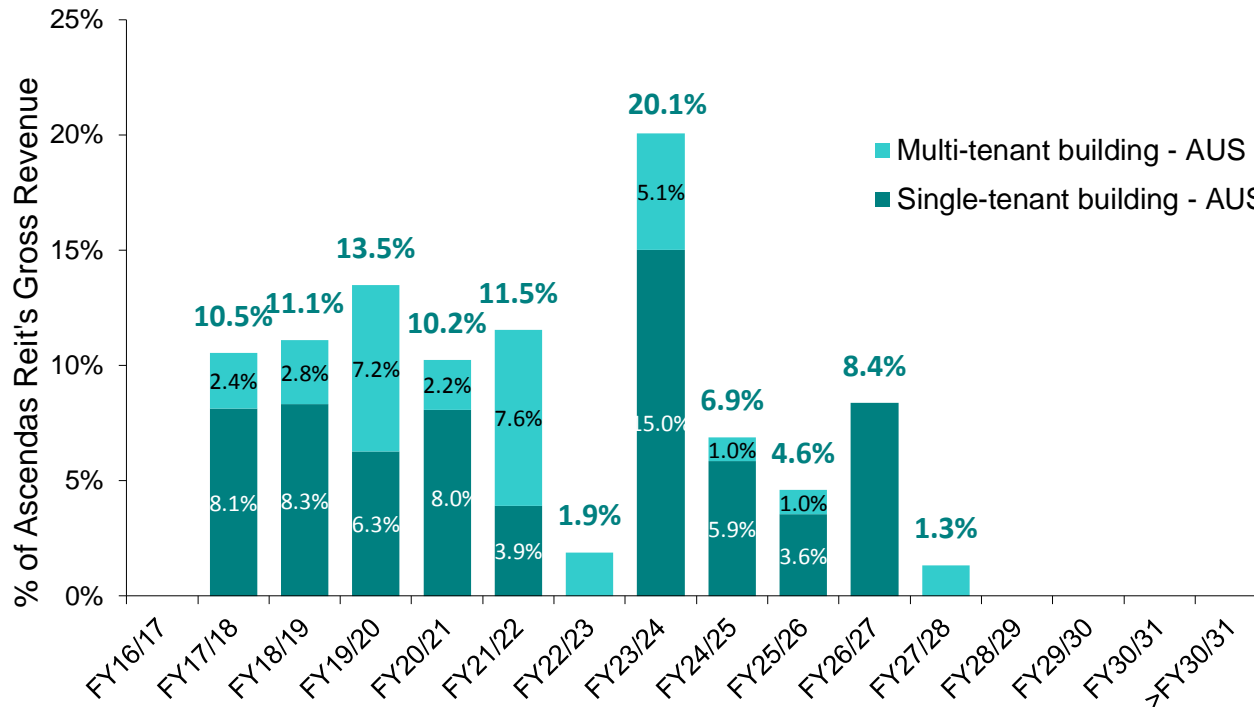
- Science Parks
- Business Parks
- Hi-Specs Industrial
- Light Industrial
- IDAR
- Logistics



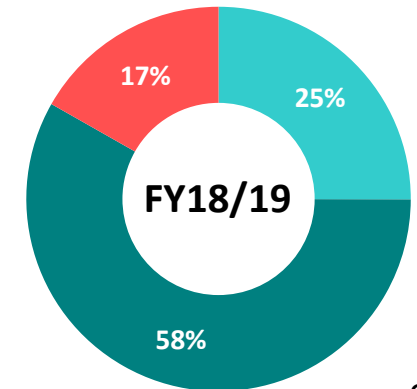
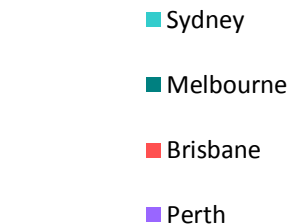
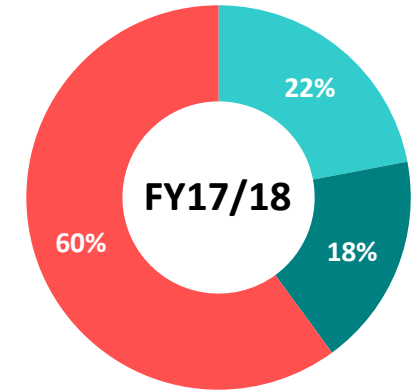
Australia: Lease expiry profile

(as at 31 Dec 2016)

- Australia portfolio weighted average lease to expiry (WALE) of 4.8 years
- Lease expiry is well-spread, extending beyond 2027
- No more leases are due for renewal in the remaining of FY16/17



Breakdown of expiring leases for FY17/18 and FY18/19



Ongoing Projects: Improve portfolio quality

	Estimated Value (S\$m)	Estimated Completion
Redevelopment	106.6	
20 Tuas Ave 1*	61.4	1Q 2018
50 Kallang Avenue	45.2	2Q 2017
Asset Enhancement Initiatives (AEI)	7.7	
The Gemini <i>(New)</i>	7.7	3Q 2017
Total AEI + Redevelopment	114.3	

* formerly IDS Logistics Corporate HQ / 279 Jalan Ahmad Ibrahim

Asset Enhancement (New): The Gemini

Description	Enhancement to main and lift lobbies, upgrading of lifts, replacement to energy efficient lighting, air-con systems, improvement to landscape and restrooms
AEI Cost	S\$7.7 m
Estimated Completion	3Q 2017
Land Tenure	46 years remaining
GFA	49,851 sm #

Total GFA for The Aries, Sparkle & Gemini



Artist impression of enhanced lobby



Artist impression of enhanced main lobby

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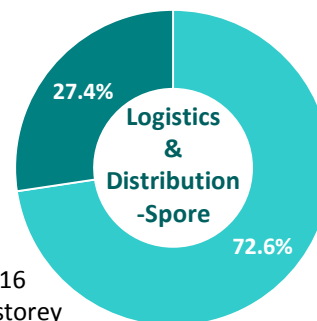
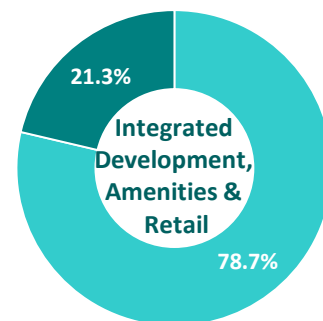
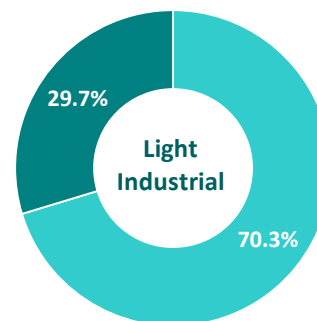
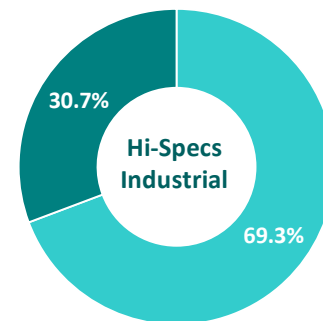
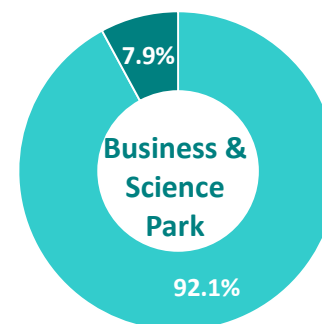
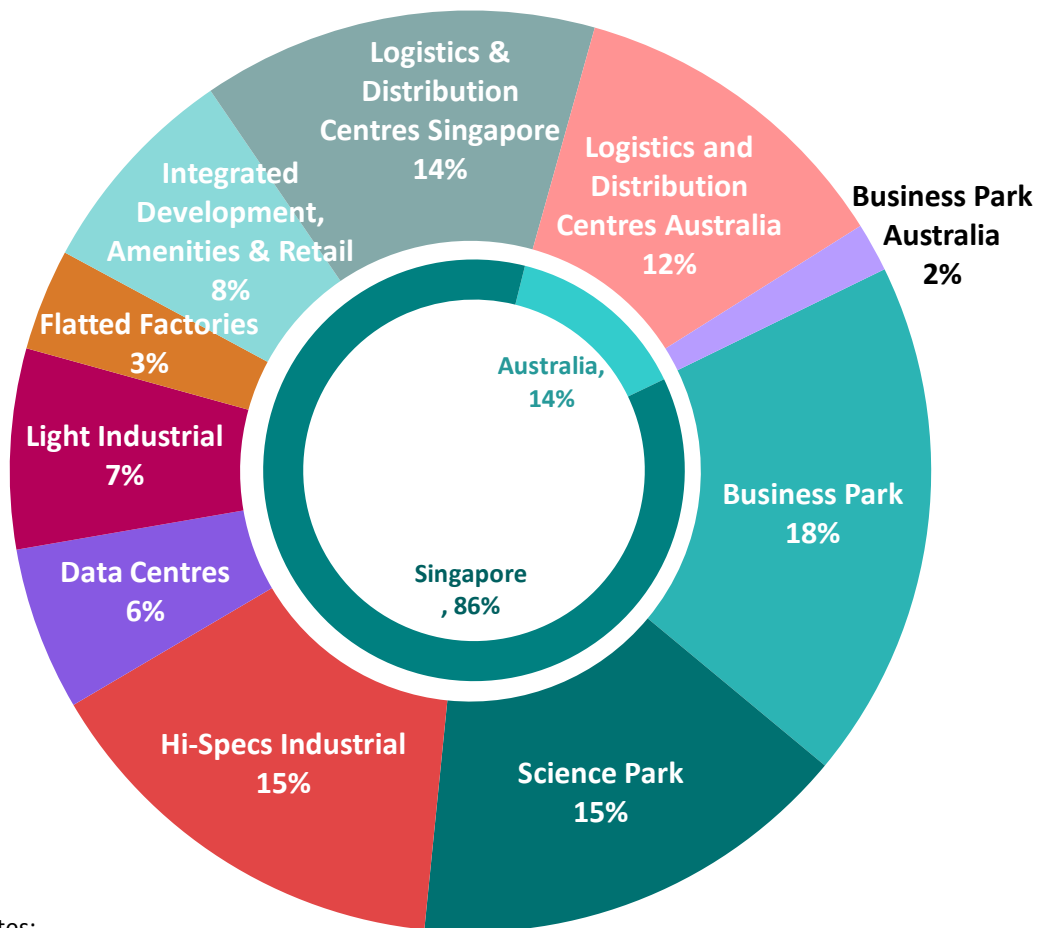
Portfolio Update

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Well Diversified Portfolio

By value of Investment Properties

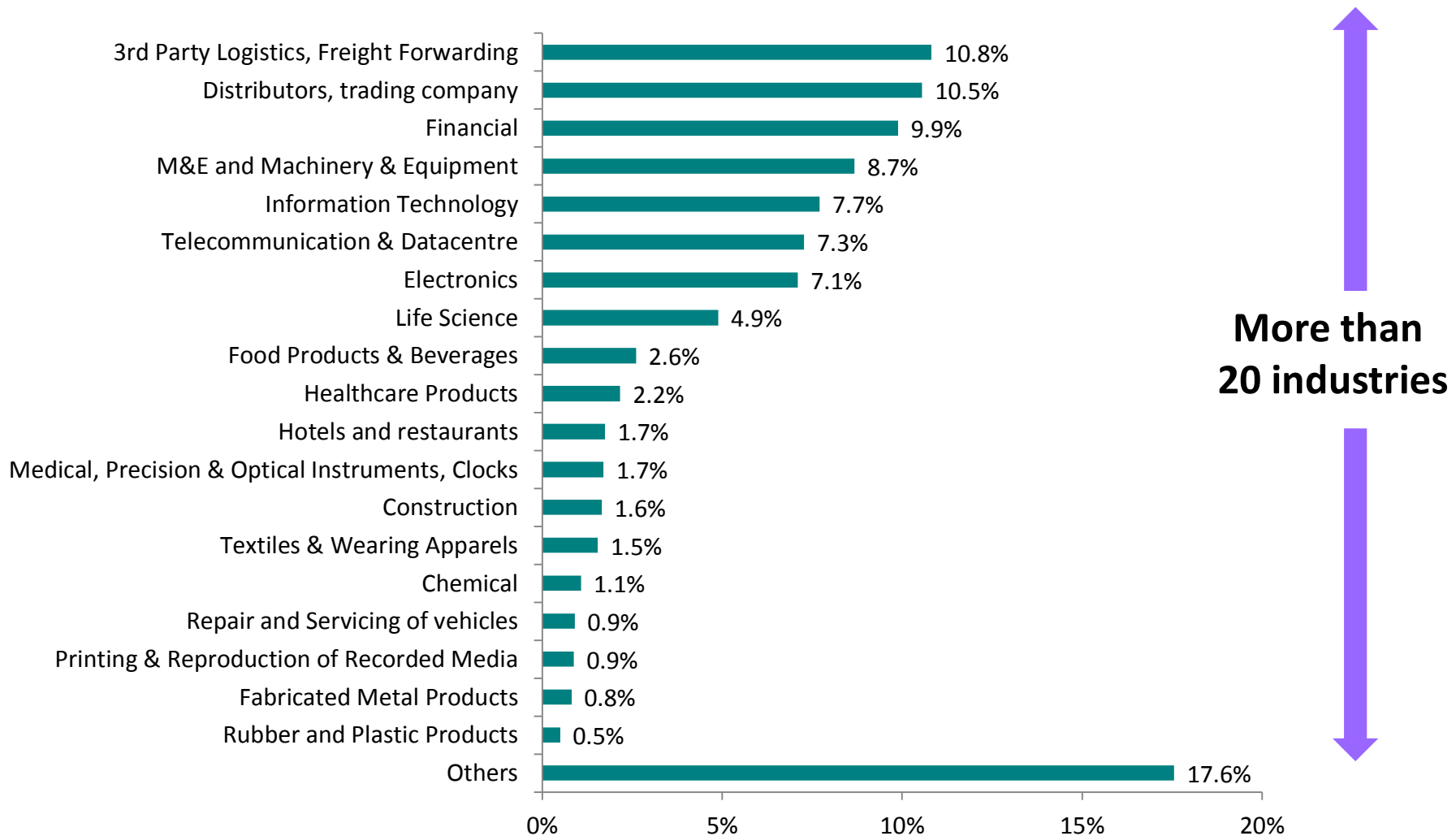


Notes:

- Multi-tenant buildings account for 73.7% of Ascendas Reit's portfolio by asset value as at 31 Dec 2016
- About 59.9% of Logistics & Distribution Centres in Singapore (by gross floor area) are multi-storey facilities with vehicular ramp access.
- Ascendas Reit has three data centres of which, two are single-tenant.
- Flatted factories are multi-tenant properties.

■ Multi-tenant buildings
■ Single-tenant buildings

Tenants' Industry Diversification By Monthly Gross Revenue

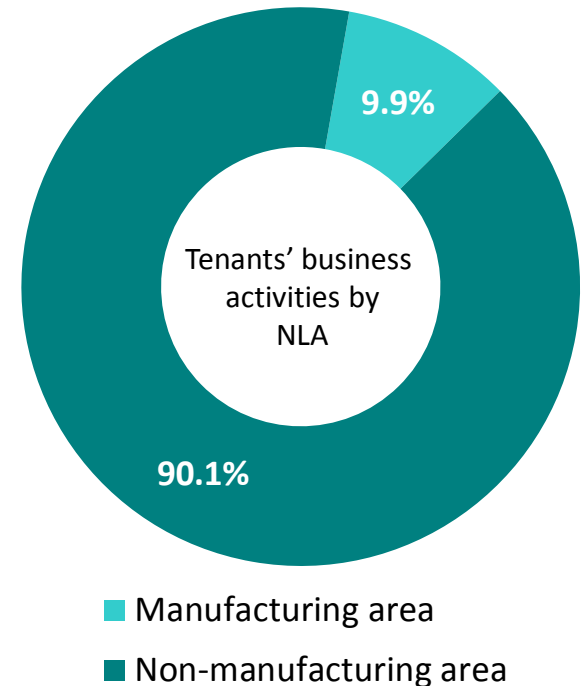


Note: Others include research & development, manufacturing, technical service and support industries for aerospace, oil and gas, multi-media products etc.

Low Exposure to Manufacturing

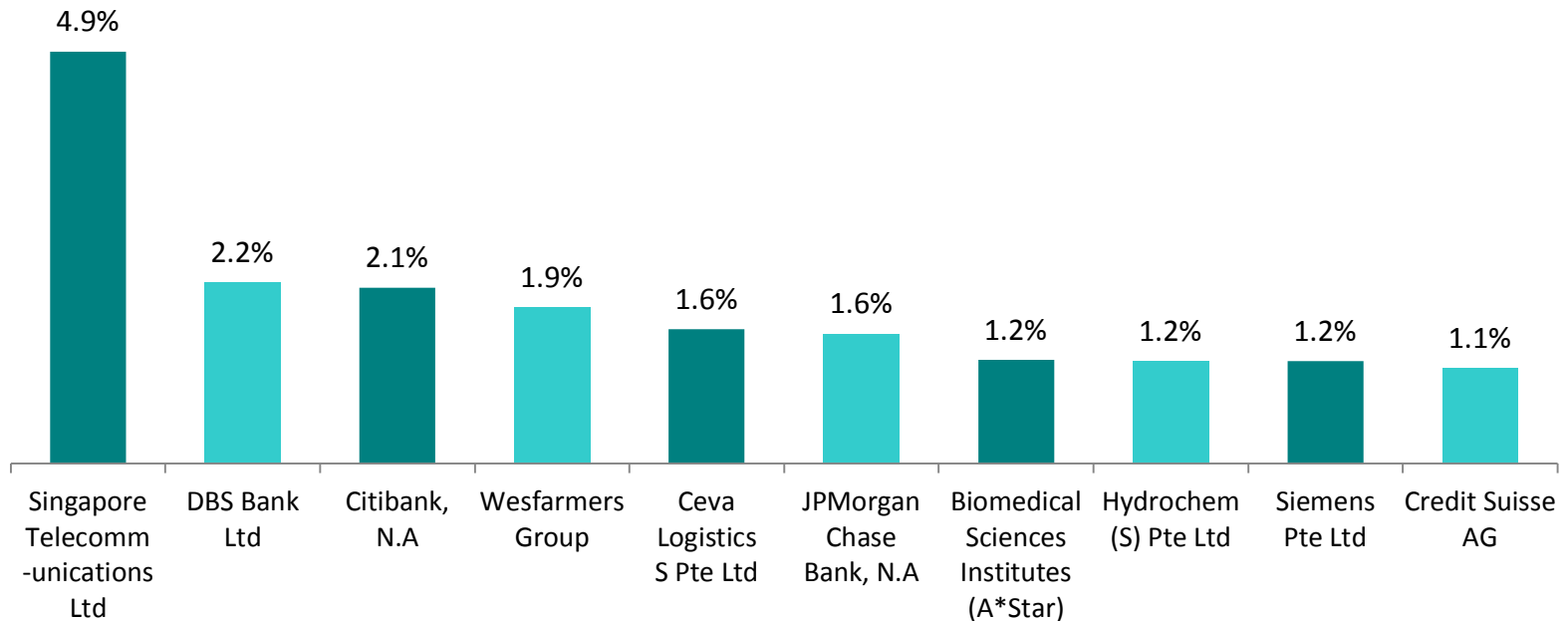
- 9.9% of NLA occupied by tenants engaged in manufacturing activities
- Manufacturing activities include food & beverages, aeronautical auxiliary equipment, precision engineering etc.
- Non-manufacturing activities include R&D, backroom offices, telecommunications & data centre, software and media consultancy services as well as transport & storage

As at 31 Dec 2016



Quality and Diversified Customer Base

- Total customer base of around 1,390 tenants
- Top 10 customers (as at 31 Dec 2016) account for about 19.0% of portfolio gross rental income
- Security deposits for single-tenant properties range from 3 to 11 months of rental income
- On a *portfolio* basis, weighted average security deposit is about 4 months of rental income



Diversified Portfolio

**No single property
accounts for more than
5.6% of Ascendas Reit's
monthly gross
revenue**

- Aperia, 5.6%
- One@Changi City, 4.6%
- 1, 3, 5 Changi Business Park Crescent, 3.3%
- Kim Chuan Telecommunication Complex, 2.8%
- Neuros & Immunos, 2.6%
- TelePark, 2.4%
- 40 Penjuru Lane, 2.4%
- 31 International Business Park, 2.4%
- Hyflux Innovation Centre, 2.0%
- The Aries, Sparkle & Gemini, 2.0%
- TechPlace II, 1.9%
- TechPoint, 1.9%
- Nexus@One North, 1.8%
- Techview, 1.7%
- TechPlace I, 1.7%
- 10 Toh Guan Road, 1.6%
- The Kendall, 1.6%
- Pioneer Hub, 1.6%
- DBS Asia Hub (Phase I & II), 1.6%
- Techlink, 1.5%
- The Galen, 1.5%
- Corporation Place, 1.4%
- Nordic European Centre, 1.3%
- Siemens Centre, 1.2%
- FoodAxis @ Senoko, 1.2%
- HansaPoint @ CBP, 1.2%
- 138 Depot Road, 1.1%
- Infineon Building, 1.1%
- Senkee Logistics Hub (Phase I & II), 1.1%
- Giant Hypermart, 1.0%
- 7 Grevillia Street, 1.0%
- The Capricorn, 1.0%
- Changi Logistics Centre, 0.9%
- Acer Building, 0.9%
- Cintech IV, 0.9%
- The Alpha, 0.9%
- The Rutherford & Science Hub, 0.9%
- Courts Megastore, 0.9%
- Honeywell Building, 0.8%
- 6-20 Clunies Ross Street, 0.8%
- AkzoNobel House, 0.8%
- Others, 31.0%

MTB Occupancy: NPI & DPU Sensitivity

- 100 bps increase in MTB occupancy is expected to result in a 0.9% increase in portfolio net property income or about 0.19 cents increase in DPU

Change in MTB occupancy	Expected change in annualised MTB NPI (\$m)	Change in portfolio NPI (%)	Impact on full FY DPU (cents)*
+500 bps	27.7	4.6%	0.97
+300 bps	16.6	2.7%	0.58
+100 bps	5.5	0.9%	0.19
-100 bps	-6.6	-1.1%	-0.23
-300 bps	-19.7	-3.2%	-0.69
-500 bps	-32.8	-5.4%	-1.15

* Based on number of Units in issue as at 31 Dec 2016

Note: Estimates for increase in MTB occupancy takes into account corresponding increases in variable costs.
Estimates for a decline in MTB occupancy, assumes no reduction in variable costs to be conservative.

Key Highlights for 3Q FY16/17

Financial Performance

Investment Management

Capital Management

Asset Management

Portfolio Update

Portfolio Resilience

Market Outlook

- Singapore's economy grew by 1.8% y-o-y (estimate) for the whole of 2016 and 4Q 2016. This is higher than the 1.2% growth in the previous quarter
- Island-wide industrial property market vacancy has increased to 10.9% in 3Q 2016 (10.6% in 2Q 2016). JTC industrial property price and rental index declined by 1.7% and 2.0% q-o-q respectively in 3Q 2016
- Consensus GDP growth for Australia is forecast to be stable at about 2.6% in 2017
- Approximately 6.0% of Ascendas Reit's revenue is due for renewal in 4Q FY16/17. Expect modest rental reversion in the low-single digit or flat for FY16/17
- With 9.8% vacancy in the portfolio, there could be potential upside in net property income when some of these spaces are leased, the speed of which will largely depend on prevailing market conditions
- The business environment remains challenging due to the uncertainties surrounding the global economy, stringent industrial land use policies and new industrial supply
- Barring any unforeseen event and any weakening of the economic environment, the Manager expects Ascendas Reit to maintain a stable performance for the financial year ending 31 Mar 2017

Additional Information

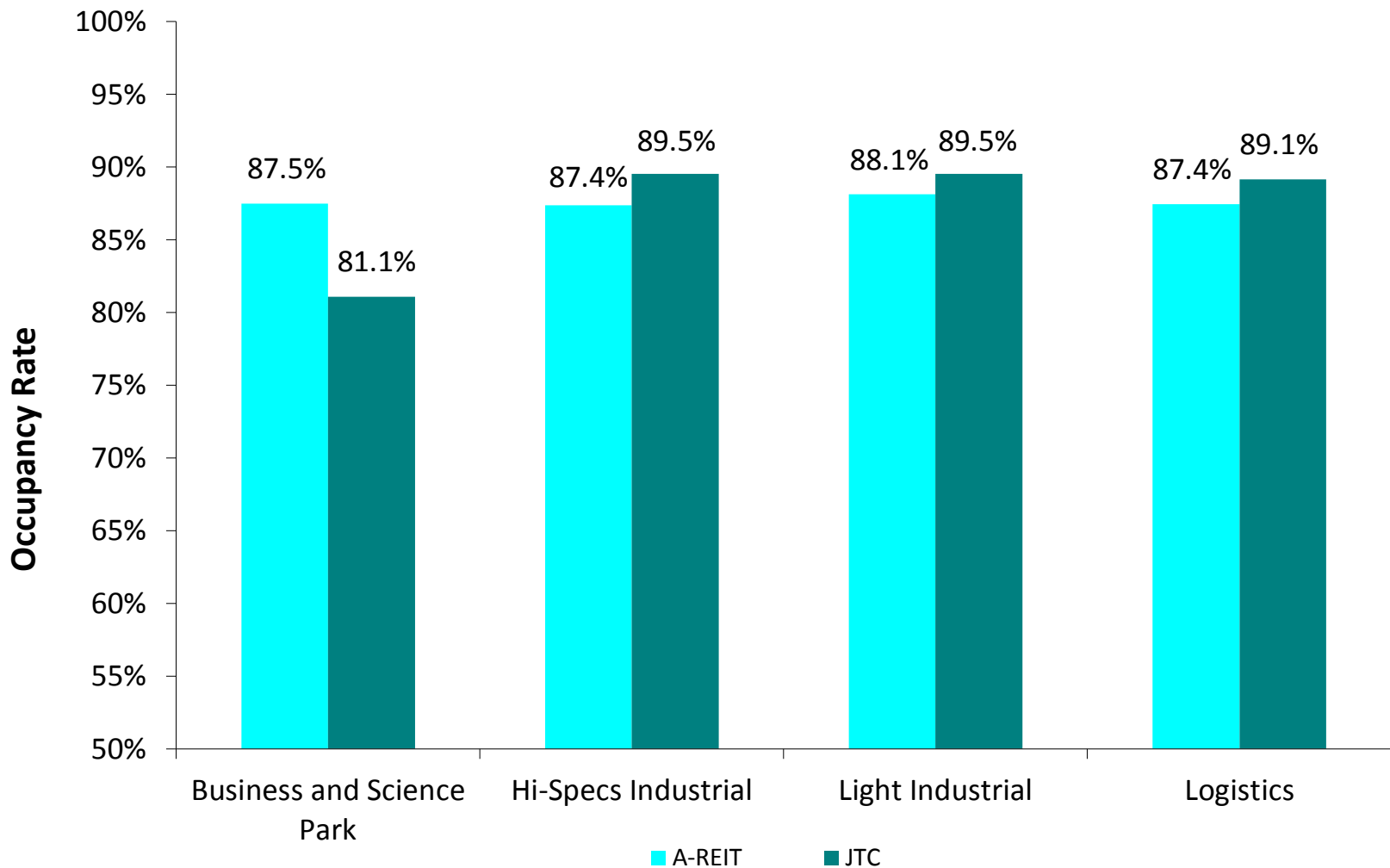
- (1) Quarterly Results**
- (2) Ascendas Reit Singapore Occupancy
vs Industrial Average**
- (3) Singapore Industrial Property Market**

Quarterly Results

(For illustrative purpose) [#] Summary (S\$ million)	FY15/16					FY16/17		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q
Gross Revenue	181	183	193	204	761	208	205	209
Net Property Income	124	124	142	144	534	149	152	155
Total amount available for distribution	92	94 [#]	97	89	372 [#]	107	113	115
No. of Units in issue (m)	2,408	2,408	2,504	2,666	2,666	2,674	2,816	2,851
Normalised Distribution Per Unit (cents)	3.841	3.889 [#]	3.946	3.410	15.086 [#]	3.882	4.016	3.993

[#] For illustrative purpose only, the “Total amount available for distribution” and the “Distribution Per Unit” includes proforma adjustments for (i) a one-off distribution of taxable income from operations of S\$6.5m (DPU impact of 0.271 cents) for 2Q FY15/16 in relation to a rollover adjustment from prior years arising from a ruling by IRAS on the non-deductibility of certain upfront financing fees incurred in FY09/10 for certain credit facilities.

Ascendas Reit Singapore Occupancy vs Industrial Average

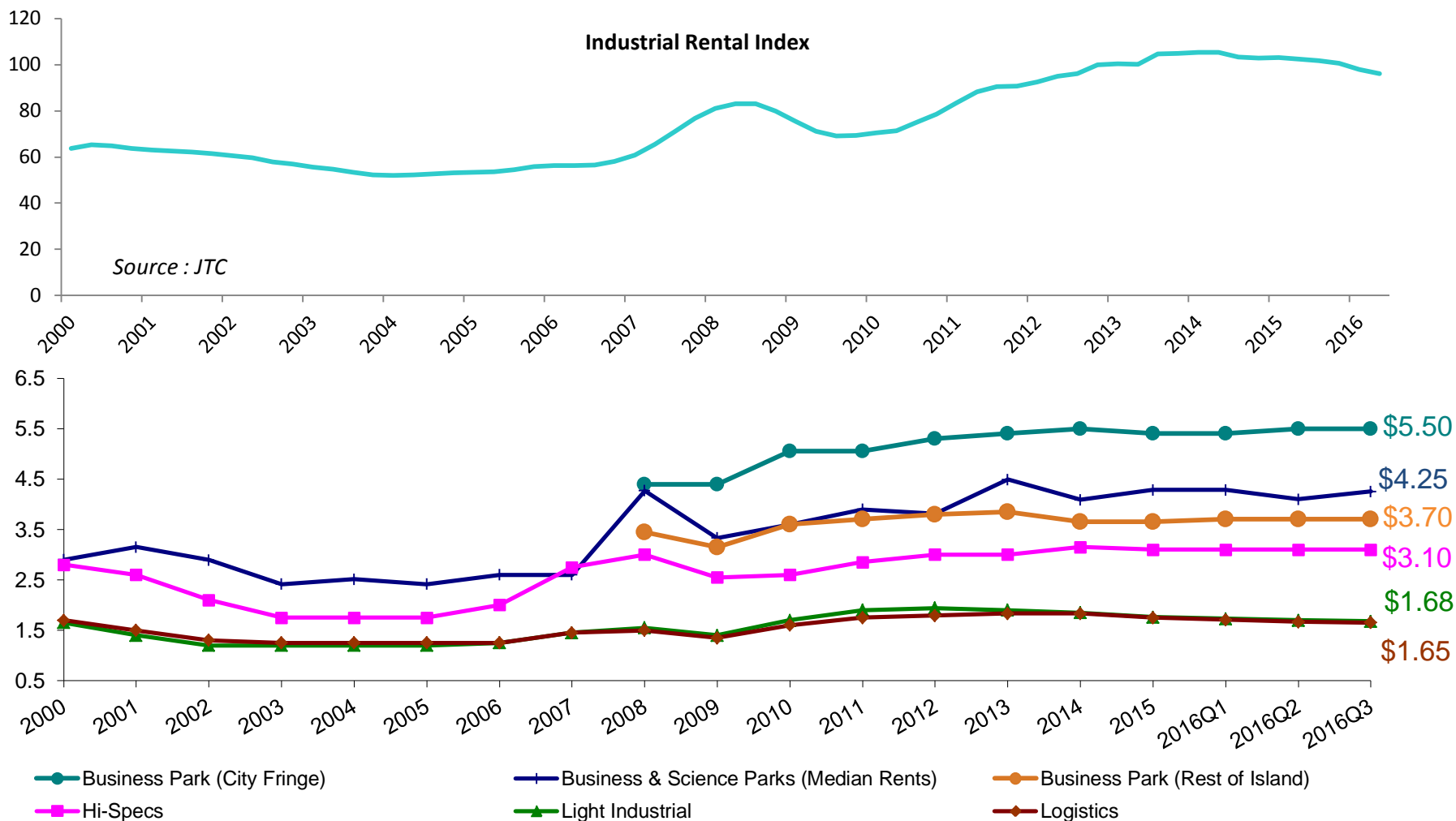


Source :

Ascendas Reit's Singapore portfolio as at 31 Dec 2016. Market: JTC 3Q 2016

JTC statistics do not breakdown Hi-Specs Industrial and Light Industrial, ie they are treated as one category with occupancy of 89.5%

Average Market Rents by Segment (Singapore)



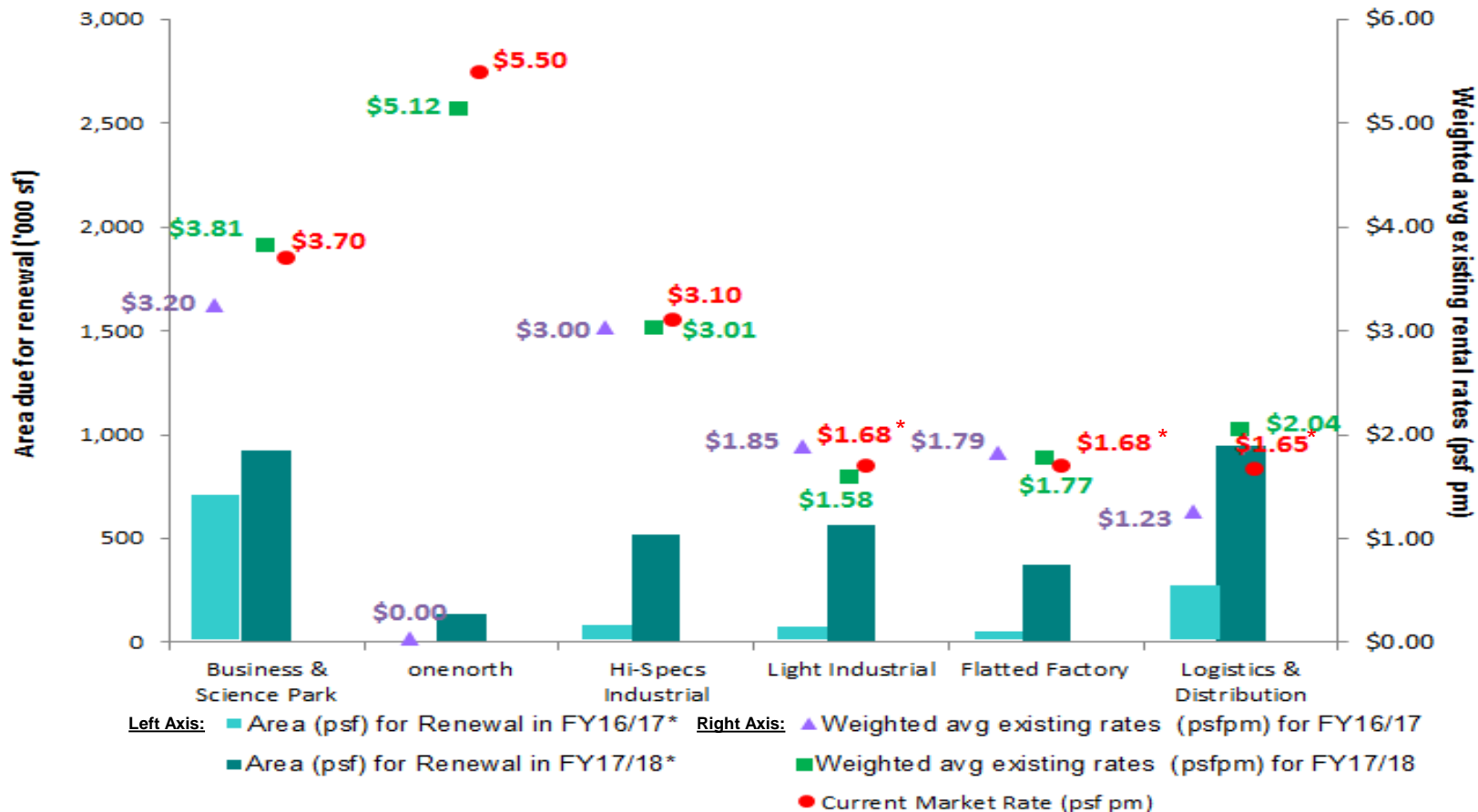
Source :

CBRE for Business Park (City Fringe), Business Park (Rest of Island), Hi-Specs, Light Industrial and Logistics

JTC for Business Parks (Median Rents)

Singapore: In-place rent for space due for renewal in FY16/17 and FY17/18

- The weighted average passing rental for most of the *multi-tenant* space due for renewal in FY16/17 are trending close to current market rates
- Expect modest rental reversion in the low-single digit or flat for FY16/17



* Rates for ground floor space

Singapore Industrial Market: New Supply

- Total stock (net) : 45.8 million sm, of which
 - Business & Science Parks account for 2.1 million sm (4.7%)
 - Logistics & Distribution Centres account for 9.4 million sm (20.5%)
 - Remaining stock are factory space
- Potential new supply (net) of about 2.8 million sm (~6.0% of existing stock) over next 4 years

Sector ('000 sm)	New Supply (Total)	2017	2018	2019	2020
Business & Science Park	31	0	10	0	9
% of Pre-committed (est)	100%	0%	100%	0%	100%
Hi-Specifications Industrial	107	48	59	0	0
% of Pre-committed (est)	31%	0%	57%	0%	0%
Light Industrial	1,708	888	355	385	80
% of Pre-committed (est)	38%	53%	23%	18%	36%
Logistics & Distribution Centres	914	705	110	50	50
% of Pre-committed (est)	52%	46%	68%	57%	100%
Total Pre-commitment		43%			

* Excludes projects under 7,000 sm. Based on gross floor area
 Source: JTC, Ascendas Reit internal research

Singapore Business & Science Parks: New Supply

- No speculative business & science park supply after 2016

Expected Completion	Location	Developer	NLA (sm)*	% Pre-committed (est)
Completed				
2016	Ayer Rajah (One-north)	SHINE Systems Assets Pte Ltd	17,144	100%
2016	Science Park	Ascendas Land (S) Pte Ltd.	40,500	80%
2016	Alexandra Terrace	Mapletree Business City Pte Ltd	83,008	75%
2016	Vista Exchange Green	BP – VISTA LLP	11,392	100%
Under Construction				
2018	Changi Business Park Central 2	Kingsmen Creatives Ltd	10,384	100%
2020	Pasir Panjang Road	Singapore Science Park Ltd	9,288	100%
Total			171,716	83%

* NLA based on 80% efficiency ratio

Source: JTC & Ascendas Reit internal research

The End

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