

CIRCULAR DATED 23 JANUARY 2009

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

The collective investment scheme offered in this Circular is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”). A copy of this Circular has been lodged with the Monetary Authority of Singapore (the “**Authority**”) on 23 January 2009. The Authority assumes no responsibility for the contents of this Circular. Lodgment of this Circular with the Authority does not imply that the SFA, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the new units (“**New Units**”) in Ascendas Real Estate Investment Trust (“**A-REIT**”) to be issued pursuant to the Preferential Offering (as defined herein) on the Main Board of the SGX-ST. The SGX-ST’s in-principle approval is not an indication of the merits of the Preferential Offering, the New Units, or A-REIT.

No units in A-REIT (“**Units**”) shall be allotted on the basis of this Circular later than the date falling six months from the date of lodgment of this Circular.

This Circular is not for distribution, directly or indirectly, in or into the United States. The New Units are being offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). The New Units have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.



(Constituted in the Republic of Singapore pursuant to a trust deed dated 9 October 2002 (as amended) (the “**Trust Deed**”))

Managed by

ASCENDAS FUNDS MANAGEMENT (S) LIMITED

(formerly known as Ascendas-MGM Funds Management Limited)
(Company Registration No. 200201987K)

A PREFERENTIAL OFFERING OF UP TO 93,103,448 NEW UNITS AT THE ISSUE PRICE OF S\$1.16 (THE “ISSUE PRICE”) PER NEW UNIT TO ENTITLED UNITHOLDERS (AS DEFINED HEREIN) ON A PRO RATA, NON-RENOUNCEABLE AND NON-TRANSFERABLE BASIS OF ONE (1) NEW UNIT FOR EVERY FIFTEEN (15) EXISTING UNITS¹ HELD AS AT 5.00 P.M. ON 23 JANUARY 2009 (THE “BOOKS CLOSURE DATE”), FRACTIONS OF A UNIT TO BE DISREGARDED AND SUBJECT TO THE ROUNDING MECHANISM (AS DEFINED HEREIN) (THE “PREFERENTIAL OFFERING”).

JOINT LEAD MANAGERS AND UNDERWRITERS



IMPORTANT DATES AND TIMES

Opening date and time for the Preferential Offering	:	29 January 2009 at 9.00 a.m. for applications via the acceptance form for New Units and the application form for excess New Units (“ ARE ”) (9.00 a.m. for Electronic Applications (as defined herein))
Closing date and time for the Preferential Offering (including excess application and payment)	:	5 February 2009 at 5.00 p.m. for applications via ARE (5.00 p.m. for Electronic Applications)

¹ The holders of the Units issued pursuant to the Private Placement (as defined herein) are not entitled to participate in the Preferential Offering.

NOTICE TO UNITHOLDERS AND INVESTORS

No person has been authorised to give any information or make any representations other than those contained in this Circular in connection with the New Units and, if given or made, such information or representations must not be relied upon as having been authorised by A-REIT, Ascendas Funds Management (S) Limited (in its capacity as manager of A-REIT) (the “**Manager**”), HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of A-REIT) (the “**Trustee**”), or either of Citigroup Global Markets Singapore Pte. Ltd. and Macquarie Capital Securities (Singapore) Pte. Limited (each in their capacity as a joint lead manager and underwriter for the Preferential Offering) (collectively, the “**Joint Lead Managers and Underwriters**”). Save as expressly stated in this Circular, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of A-REIT or the Manager. Neither the delivery of this Circular nor the issue of the New Units shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no material change in the affairs of A-REIT or in any of the information contained herein since the date of this Circular. Where such changes occur after the date of this Circular and are material and/or are required to be disclosed by law and/or the SGX-ST, the Manager will announce such changes via SGXNET, and if required, lodge a supplementary or replacement document with the Authority. All unitholders of A-REIT (“**Unitholders**”) and investors should take note of any such announcement and, upon the release of such announcement, or lodgment of such supplementary document, as the case may be, shall be deemed to have notice of such changes.

This Circular may not be used for the purpose of, and does not constitute an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such offer, invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such offer, invitation or solicitation. In addition, no action has been or will be taken in any jurisdiction that would permit a public offering of the New Units or the possession, circulation or distribution of this Circular or any other material relating to A-REIT or the New Units in any jurisdiction where action for that purpose is required. The New Units may not be offered or sold, directly or indirectly, and neither this Circular nor any other offering material or advertisements in connection with the New Units may be distributed or published in or from any country or jurisdiction except, in each case, under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. In particular, the New Units have not been and will not be registered under the Securities Act. Subject to certain exceptions, the New Units may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act). No information in this Circular should be considered to be business, financial, legal or tax advice regarding an investment in the New Units and/or the Units.

None of the Joint Lead Managers and Underwriters makes any representation, warranty or recommendation whatsoever as to the merits of the Preferential Offering, the New Units, A-REIT, or any other matter related thereto or in connection therewith. Nothing in this Circular or the accompanying documents shall be construed as a recommendation to subscribe for the New Units. Prospective subscribers of the New Units should rely on their own investigation, appraisal and determination of the merits of investing in A-REIT and shall be deemed to have done so.

This Circular and the accompanying documents have been prepared solely for the purposes of the Preferential Offering and may not be relied upon for any other purposes.

The audited financial statements of A-REIT, namely A-REIT’s audited financial statements for the financial year ended 31 March 2006 (the “**FY05/06 Audited Financial Statements**”), A-REIT’s audited financial statements for the financial year ended 31 March 2007 (the “**FY06/07 Audited Financial Statements**”), A-REIT’s audited financial statements for the financial year ended 31 March 2008 (the “**FY07/08 Audited Financial Statements**”), and A-REIT’s unaudited financial statements for the period from 1 April 2008 to 31 December 2008 (the “**Unaudited Financial Statements**”) (collectively, the “**Financial Statements**”), which were prepared in accordance with Recommended Accounting Practice 7 “*Reporting Framework for Unit Trusts*” are deemed incorporated into this Circular by reference, are current only as at the dates of such Financial Statements and the incorporation of such Financial

Statements by reference is not intended to create any implication that there has been no change in the affairs of A-REIT since the respective dates of such Financial Statements or that the information contained in such Financial Statements is current as at any time subsequent to their respective dates.

Any statement contained in the above-mentioned Financial Statements shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a subsequent statement contained herein modifies or supersedes that statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to form a part of this Circular. In addition, any statement contained in such Financial Statements shall be deemed to be superseded for the purpose of this Circular to the extent that a discussion contained herein relating to the same subject matter omits such statement. Any such statement omitted shall not be deemed to constitute a part of this Circular.

Copies of the Financial Statements are available on the website of A-REIT at <http://www.a-reit.com>, and are also available for inspection during normal business hours at the registered office of the Manager at 61 Science Park Road, #02-18 The GALEN, Singapore Science Park II, Singapore 117525, from the date of this Circular up to and including the date falling six months after the date of this Circular¹.

Save for the Financial Statements, which are deemed incorporated into this Circular by reference, information contained on the website of A-REIT does not constitute part of this Circular.

Prospective investors are advised to obtain and read the documents incorporated by reference herein before making their investment decision in relation to the New Units.

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

The value of Units and the income derived 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.

Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. 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. The past performance of A-REIT is not necessarily indicative of the future performance of A-REIT.

This Circular 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, property expenses and governmental and public policy changes, competition in the property markets in which A-REIT invests, relations with service providers, relations with lenders and quality of tenants. A few special business factors or risks which are unlikely to be known or anticipated by the general investor and which could materially affect profits are set out in **Appendix 1** to the Offer Information Statement contained in **Annexure A** to this Circular.

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. Investors should read the whole of this Circular and make their own informed assessment of the future performance of A-REIT before deciding whether to subscribe for the New Units. They should also make their own independent investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Circular in the light of their personal circumstances. It is recommended that investors seek professional advice from their accountant, stockbroker, bank manager, solicitor or other professional adviser before deciding whether to subscribe for the New Units.

¹ Prior appointment with the Manager (telephone: +65 6774 1033) would be appreciated.

CORPORATE INFORMATION

Directors of the Manager (the “Directors”)	:	Mr David Wong Cheong Fook (Chairman, Independent Director) Ms Chong Siak Ching (Vice Chairman, Non-executive Director) Mr Benedict Kwek Gim Song (Independent Director, Chairman of the Audit Committee) Mr Swee Kee Siong (Non-executive Director) Mr Chia Kim Huat (Independent Director) Mr Joseph Chen Seow Chan (Independent Director) Mr Tan Ser Ping (Executive Director, Chief Executive Officer)
Registered Office of the Manager	:	61 Science Park Road #02-18 The GALEN Singapore Science Park II Singapore 117525
Trustee of A-REIT	:	HSBC Institutional Trust Services (Singapore) Limited 21 Collyer Quay #14-01 HSBC Building Singapore 049320
Joint Lead Managers and Underwriters for the Preferential Offering	:	Citigroup Global Markets Singapore Pte. Ltd. 3 Temasek Avenue #12-00 Centennial Tower Singapore 039190 Macquarie Capital Securities (Singapore) Pte. Limited 23 Church Street #11-11 Capital Square Singapore 049481
Legal Adviser for the Preferential Offering and to the Manager	:	Allen & Gledhill LLP #28-00 One Marina Boulevard Singapore 018989
Legal Adviser to the Joint Lead Managers and Underwriters for the Preferential Offering	:	WongPartnership LLP One George Street #20-01 Singapore 049145
Legal Adviser to the Trustee	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542
Unit Registrar and Unit Transfer Office (the “Unit Registrar”)	:	Boardroom Corporate & Advisory Services Pte. Ltd. 3 Church Street #08-01 Samsung Hub Singapore 049483

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INTRODUCTION

1. The Preferential Offering

The Preferential Offering is being carried out pursuant to a general mandate for the issue of new Units and/or convertible securities or other instruments which may be convertible into Units (“**Convertible Securities**”) in the financial year ending 31 March 2009 such that the number of new Units issued (and/or Units into which the Convertible Securities may be converted) does not exceed 50.0% of the number of Units in issue as at 31 March 2008 (the “**Base Figure**”), of which the aggregate number of new Units issued (and/or Units into which the Convertible Securities may be converted), where the Units and/or Convertible Securities are issued other than on a pro rata basis to existing Unitholders of A-REIT, must not be more than 20.0% of the Base Figure. This mandate was granted by Unitholders by an Ordinary Resolution (as defined herein) at an extraordinary general meeting of Unitholders held on 30 June 2008.

The Preferential Offering comprises an issue of up to 93,103,448 New Units¹ at the Issue Price to Entitled Unitholders (as defined herein) on a pro rata, non-renounceable and non-transferable basis of one (1) New Unit for every fifteen (15) existing Units held as at the Books Closure Date (“**Existing Units**”) (fractions of a Unit to be disregarded and subject to the Rounding Mechanism), to raise gross proceeds of up to approximately S\$108.0 million² for A-REIT. Entitled Unitholders are at liberty to accept or decline their provisional allotments of New Units and are eligible to apply for additional New Units represented by the provisional allotments of New Units of:

(i) Entitled Unitholders who decline or do not accept, whether in full or in part, their provisional allotment of New Units under the Preferential Offering; and/or

(ii) Unitholders other than Entitled Unitholders (“**Ineligible Unitholders**”),

(together, the “**Excess New Units**”).

Separate from the Preferential Offering, the Manager had on 15 January 2009 launched and closed a private placement of 258,000,000 new Units to institutional investors raising gross proceeds of approximately S\$299.3 million for A-REIT (the “**Private Placement**”, together with the Preferential Offering, the “**Equity Fund Raising**”). The Manager had on 21 January 2009 issued 258,000,000 Units at an issue price of S\$1.16 per Unit pursuant to the Private Placement. The total gross proceeds to be raised by the Equity Fund Raising will be up to approximately S\$407.3 million.

1 For the purpose of illustration in this Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual number of New Units to be issued under the Preferential Offering may be higher or lower due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

2 For the purpose of illustration in this Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual proceeds to be raised under the Preferential Offering may be higher or lower depending on the actual number of New Units to be issued due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

2. Commitment by Ascendas Pte Ltd (“Ascendas”)

To demonstrate its support for A-REIT and the Preferential Offering, Ascendas, which owns an aggregate interest of approximately 27.1% in A-REIT as at 19 January 2009 (the “**Latest Practicable Date**”) through its wholly-owned subsidiaries, has on 15 January 2009 through its wholly-owned subsidiaries, Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT), provided the following undertakings and commitment:

- (i) Ascendas Land (Singapore) Pte Ltd has provided an irrevocable undertaking dated 15 January 2009 to the Manager (the “**Ascendas Land Irrevocable Undertaking**”) to, among other things, accept in full its provisional allotment of New Units under the Preferential Offering¹;
- (ii) Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT), has provided an irrevocable undertaking dated 15 January 2009 to the Manager (the “**AFM Irrevocable Undertaking**”) to, among other things, accept in full its provisional allotment of New Units under the Preferential Offering¹; and
- (iii) Ascendas Land (Singapore) Pte Ltd has entered into a commitment agreement dated 15 January 2009 as supplemented by a supplemental agreement dated 22 January 2009 with the Joint Lead Managers and Underwriters (the “**Ascendas Commitment Agreement**”), pursuant to which Ascendas Land (Singapore) Pte Ltd agreed to subscribe for up to 69,032,571 New Units under the Preferential Offering (which has been determined in accordance with the formula set out below), to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units².

$$A = \frac{\text{S\$108,000,000} - (B \times \text{Issue Price})}{\text{Issue Price}}$$

Where:

- Issue Price** : S\$1.16
- A** : 69,032,571 New Units, being the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement.
- B** : 24,070,877 New Units, being the total number of New Units to be subscribed by (i) Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Land Irrevocable Undertaking and (ii) Ascendas Funds Management (S) Limited pursuant to the AFM Irrevocable Undertaking.

In addition, the Joint Lead Managers and Underwriters have agreed to pay to Ascendas Land (Singapore) Pte Ltd a commission of 2.0% of the aggregate amount of the Issue Price of up to 69,032,571 New Units (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement), in consideration for Ascendas Land (Singapore) Pte Ltd entering into and performing its obligations under the Ascendas Commitment Agreement (the “**Ascendas Commission**”).

1 The Manager has made arrangements for each of Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited to pay for its respective provisional allotment of New Units under the Preferential Offering by making direct payment to an account to be specified by the Manager.

2 The Manager has made arrangements for Ascendas Land (Singapore) Pte Ltd to make payment for the New Units which Ascendas Land (Singapore) Pte Ltd is obliged to subscribe for pursuant to the Ascendas Commitment Agreement after the number of such New Units is determined after the close of the Preferential Offering and before the issue of the New Units to be issued under the Preferential Offering.

In the event that Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) accept in full their provisional allotments of New Units under the Preferential Offering and Ascendas Land (Singapore) Pte Ltd is called upon to subscribe for 69,032,571 New Units (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement), assuming that none of the other Entitled Unitholders accept their provisional allotment of New Units and apply for Excess New Units, Ascendas' aggregate unitholding in A-REIT, through its wholly-owned subsidiaries, will not exceed 27.0% immediately upon the issue of New Units under the Preferential Offering, because Ascendas and its subsidiaries did not take up new Units under the Private Placement.

In the event that Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) accept in full their provisional allotments of New Units under the Preferential Offering but do not apply for any Excess New Units under the Preferential Offering, and Ascendas Land (Singapore) Pte Ltd is not called upon to subscribe for any of the Excess New Units under the Ascendas Commitment Agreement, Ascendas' aggregate unitholding in A-REIT will not exceed 22.9% immediately upon the issue of New Units under the Preferential Offering.

3. Underwriting

The placement agreement dated 15 January 2009 entered into between the Manager and the Joint Lead Managers and Underwriters, as supplemented by the supplemental agreement dated 20 January 2009 (the "**Placement Agreement**"), provides that the Joint Lead Managers and Underwriters will procure subscriptions for, or failing which to subscribe for, New Units to be issued pursuant to the Preferential Offering (less the number of New Units to be provisionally allotted to Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT), in respect of which the Ascendas Land Irrevocable Undertaking and the AFM Irrevocable Undertaking have been given) at the Issue Price, to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units.

As mentioned above, the Joint Lead Managers and Underwriters have entered into the Ascendas Commitment Agreement pursuant to which Ascendas Land (Singapore) Pte Ltd has agreed to, if called upon by the Joint Lead Managers and Underwriters, subscribe for up to 69,032,571 New Units (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement), to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units, in consideration of the Ascendas Commission.

4. Purpose of the Preferential Offering and the Equity Fund Raising

The Preferential Offering will raise net proceeds of up to approximately S\$105.3 million for A-REIT, after taking into account the estimated expenses of the Preferential Offering. Together with the Private Placement, the total net proceeds raised from the Equity Fund Raising will be up to approximately S\$397.1 million, after taking into account the estimated fees and expenses (including professional fees and expenses) incurred or to be incurred by A-REIT for the Equity Fund Raising.

Subject to the relevant laws and regulations, the Manager intends to use the net proceeds from the Equity Fund Raising of up to approximately S\$397.1 million in the following manner:

- (i) approximately S\$200.0 million to partly or wholly fund committed development projects and future development projects. Of this amount, it is expected that approximately S\$162.7 million will be used to fund committed developments at Plot 8 Changi Business Park and a

built-to-suit facility in Airport Logistics Park, with the remaining of approximately S\$37.3 million for future potential development projects. A-REIT has a long and successful track record of growing its portfolio and distribution per Unit (“DPU”) through the acquisition of income-producing properties as well as undertaking development projects. The Manager continues to evaluate such opportunities on an ongoing basis and would undertake future investment and development activities which enhance and diversify A-REIT’s returns while maintaining a sound capital structure; and

- (ii) strengthen A-REIT’s balance sheet and capital structure by:
 - (a) utilising approximately S\$100.0 million, together with the S\$200.0 million existing committed bank credit facility, towards full repayment of A-REIT’s S\$300.0 million commercial mortgage backed securities (“CMBS”) maturing in August 2009; and
 - (b) utilising up to approximately S\$97.1 million towards the part repayment of its outstanding revolving credit facilities of approximately S\$438.1 million as at 31 December 2008,

with the balance of the proceeds (if any) to be used for general corporate and working capital purposes.

As at the Latest Practicable Date, A-REIT has announced the following development projects:

(i) Plot 8 Changi Business Park

The development at Plot 8 Changi Business Park comprises two integrated suburban office buildings with amenity facilities. These buildings will be sited on a land area of 29,864 sq m (subject to survey) with a 30 + 30 years lease tenure and will have a combined gross floor area of approximately 74,660 sq m.

Phase 1 & 2

The built-to-suit portion of the project is about 42,156 sq m. It will be built over two phases with the first phase expected to be completed by the first quarter of 2009 and the second phase of the building to be completed by the fourth quarter of 2010. Phase 1 (about 21,167 sq m in gross floor area) is 100% pre-committed to Citibank N.A., while Phase 2 (about 20,989 sq m in gross floor area) is 75.0% pre-committed to Citibank N.A., which is part of the Citigroup Inc, an eminent global financial services company listed on the New York Stock Exchange.

Multi-tenanted Building & Amenity Centre

The multi-tenanted building with a total gross floor area of approximately 32,503 sq m will have about 8,000 sq m of amenity space to cater to the needs of the increasing population at the Changi Business Park. The expected date of completion of the development is in the fourth quarter of 2009.

The total development cost of Plot 8 Changi Business Park is estimated to be about S\$208.1 million.

(ii) Built-to-suit facility in Airport Logistics Park

The development will be located in Airport Logistics Park of Singapore, a 26.0 hectare logistics park strategically located next to the Changi Airport and within the airport free trade zone. It will be a part two-storey/part four-storey facility sited on a land area of 10,132 sq m and is expected to have a gross floor area and net floor area of 12,707 sq m and 11,430 sq m respectively.

Construction of the facility is in progress and upon completion of construction (expected by the fourth quarter of 2009), the property will be 100% leased to Expeditors Singapore Pte Ltd.

The estimated development cost is S\$25.6 million.

Notwithstanding its current intention, the Manager may, subject to applicable laws and regulations, at its absolute discretion use the net proceeds from the Equity Fund Raising for other purposes such as to repay A-REIT's existing debt obligations.

Pending the deployment of the net proceeds from the Equity Fund Raising, the net proceeds from the Equity Fund Raising may be deposited with banks and/or financial institutions, used to repay debt facilities or used for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

(Please see "Rationale for the Preferential Offering and the Equity Fund Raising" for further information.)

Further details on the intended use of the net proceeds from the Preferential Offering are set out in the Offer Information Statement contained in **Annexure A** to this Circular.

RATIONALE FOR THE PREFERENTIAL OFFERING AND THE EQUITY FUND RAISING

A-REIT's investment strategy is underpinned by its key financial objective to provide Unitholders with a competitive rate of return for their investment, by offering regular and stable distributions to Unitholders and long-term growth prospects in DPU. A-REIT's financing strategy is focused on employing the appropriate debt and equity levels in order to maintain an optimum capital structure that will provide A-REIT with its long term funding needs. The Manager believes that the Preferential Offering and the Equity Fund Raising will bring the following benefits to A-REIT.

1. Strengthen A-REIT's balance sheet and capital structure

The completion of the Equity Fund Raising would reduce the Aggregate Leverage¹ of A-REIT as illustrated in the following table. Assuming that, pending deployment as described under the section "Introduction — Purpose of the Preferential Offering and the Equity Fund Raising" of this Circular, the net proceeds from the Equity Fund Raising are fully used to repay debt facilities, A-REIT's Aggregate Leverage is expected to decrease from approximately 42.2% as at 31 December 2008 to approximately 33.5%. After the deployment of approximately S\$162.7 million of the net proceeds from the Equity Fund Raising to fund committed developments of Plot 8 Changi Business Park and a built-to-suit facility in Airport Logistics Park, A-REIT's Aggregate Leverage is expected to reach approximately 35.8%.

For illustrative purposes, the numbers in the table below assume that 93,103,448 New Units are issued pursuant to the Preferential Offering.

	Before the Equity Fund Raising ⁽¹⁾	Immediately after the Equity Fund Raising ⁽²⁾	After the Equity Fund Raising and deployment of S\$162.7 million for developments ⁽³⁾
Borrowings and Deferred Payment	S\$1,943.5 million	S\$1,546.4 million	S\$1,709.1 million
Deposited Property	S\$4,610.3 million	S\$4,610.3 million	S\$4,773.0 million
Aggregate Leverage	42.2%	33.5%	35.8%

Notes:

- (1) As at 31 December 2008.
- (2) Assuming that 93,103,448 New Units are issued pursuant to the Preferential Offering and that, pending deployment, the net proceeds of approximately S\$397.1 million from the Equity Fund Raising are fully used to repay debt facilities.
- (3) Assuming that 93,103,448 New Units are issued pursuant to the Preferential Offering and that, approximately S\$162.7 million is used to fund committed development projects while the remaining net proceeds from the Equity Fund Raising of approximately S\$234.4 million are used to repay debt facilities.

The reduction in Aggregate Leverage will strengthen A-REIT's capital structure and its credit profile, and enhance A-REIT's balance sheet and its ability to secure additional debt facilities at potentially more competitive terms.

1 "Aggregate Leverage" is defined in the Property Funds Guidelines (as defined herein) as the ratio of A-REIT's borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or Units) to the value of its deposited property.

For 2009 and 2010, following the Equity Fund Raising and after the deployment of approximately S\$162.7 million of the net proceeds from the Equity Fund Raising to fund committed developments, A-REIT is expected to have approximately S\$436.1 million of revolving credit facilities due in 2009 and a S\$300.0 million bilateral term loan due in 2010. It is likely that A-REIT would be able to renew these facilities given the following:

- (i) approximately S\$436.1 million of revolving credit facilities due in 2009:
 - (a) the S\$436.1 million of revolving credit facilities due in 2009 will constitute only 22.8% of total debt outstanding of S\$1,915.4 million as at 31 December 2008;
 - (b) each of the revolving credit facilities represents a small proportion of the total package of debt financing from a number of major financial institutions, each of whom A-REIT has strong long-term relationships with; and
 - (c) A-REIT was able to continuously extend its various short-term credit facilities in the last nine months, the most recent being the extension of a S\$100.0 million short-term credit facility in November 2008; and
- (ii) S\$300.0 million bilateral term loan due in 2010 — A-REIT has sought and received an expression of interest from the provider of the S\$300.0 million bilateral term loan due in March 2010, to extend this term loan.

In addition, A-REIT is in advanced negotiations for a new S\$250.0 million, 3-year committed credit facility from a major financial institution. With this additional facility, following the Equity Fund Raising and after the deployment of approximately S\$162.7 million of the net proceeds from the Equity Fund Raising to fund committed developments and the repayment of the CMBS due in August 2009, A-REIT is expected to have access to undrawn credit facilities amounting to approximately \$433.9 million.

As a result, A-REIT will be in a position to meet its debt refinancing needs in 2009 and 2010 and it is unlikely that there will be a need to raise new equity for the purposes of debt refinancing during this period.

2. Partly or wholly finance investment activities while maintaining financial flexibility

The reduction in Aggregate Leverage is expected to create additional borrowing capacity, which will enable A-REIT to capitalise on valuable opportunities which may become available in the future.

3. Possibly increase the trading liquidity of the Units

Assuming that 93,103,448 New Units are issued pursuant to the Preferential Offering, and taking into account the 258,000,000 new Units issued pursuant to the Private Placement on 21 January 2009, the total number of Units in issue would increase to 1,682.9 million Units upon completion of the Preferential Offering from 1,331.8 million Units as at 31 December 2008, which is an increase of approximately 26.4%.

This increase in the total number of Units in issue and Unitholder base is expected to improve the level of trading liquidity of the Units.

INDICATIVE TIMETABLE

Event	Date and Time
Opening date and time for the Preferential Offering	: 29 January 2009 at 9.00 a.m. for applications via ARE 29 January 2009 at 9.00 a.m. for Electronic Applications
Closing date and time for the Preferential Offering (the “ Closing Date ”)	: 5 February 2009 at 5.00 p.m. for applications via ARE 5 February 2009 at 5.00 p.m. for Electronic Applications
Last date and time for application and payment for Excess New Units	: 5 February 2009 at 5.00 p.m. for applications via ARE 5 February 2009 at 5.00 p.m. for Electronic Applications
Expected date and time for issue of New Units	: 12 February 2009 at 5.00 p.m.
Expected date and time for commencement of trading of New Units (the “ Listing Date ”)	: 13 February 2009 at 9.00 a.m.

The above timetable is indicative and subject to change. Any change to the indicative timetable will be announced by the Manager through SGXNET.

SUMMARY OF THE PREFERENTIAL OFFERING

The following summary of the principal terms and conditions of the Preferential Offering is derived from, and should be read in conjunction with, the full text of this Circular, and is qualified in its entirety by reference to information appearing elsewhere in this Circular. Meanings of defined terms may be found in the Glossary on pages 18 to 22 of this Circular.

- Basis of Allotment** : One (1) New Unit for every fifteen (15) Units standing to the credit of the Securities Accounts (as defined herein) of the Entitled Unitholders as at the Books Closure Date, fractions of a Unit to be disregarded and subject to the Rounding Mechanism.
- Issue Price** : S\$1.16 per New Unit payable in full on acceptance and/or application.
- Preferential Offering** : The Manager intends to issue up to 93,103,448 New Units¹ pursuant to the Preferential Offering at the Issue Price to Entitled Unitholders on the basis of one (1) New Unit for every fifteen (15) Units held as at the Books Closure Date, fractions of a Unit to be disregarded and subject to the Rounding Mechanism, in order to raise gross proceeds of up to approximately S\$108.0 million².

As the Preferential Offering is made on a non-renounceable basis, the provisional allotments of New Units cannot be renounced in favour of a third party or traded on the SGX-ST.

Acceptance of and payment for the provisional allotments of New Units and (if applicable) application and payment for Excess New Units may be effected, in full or in part, via ARE or through the ATMs of the Participating Banks (as defined herein) and must be made in accordance with the “Procedures for Acceptance, Payment and Excess Application for New Units under the Preferential Offering by Entitled Unitholders” and “Additional Terms and Conditions for Electronic Applications” set out in **Annexure B** and **Annexure C** to this Circular respectively.

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- 1 For the purpose of illustration in this Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual number of New Units to be issued under the Preferential Offering may be higher or lower due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.
- 2 For the purpose of illustration in this Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual proceeds to be raised under the Preferential Offering may be higher or lower depending on the actual number of New Units to be issued due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

Entitled Unitholders who have subscribed for or purchased Units under the Central Provident Fund (“CPF”) Investment Scheme (“CPFIS”) and/or the Supplementary Retirement Scheme (“SRS”) can only accept their provisional allotments of New Units by instructing the relevant banks in which they hold their CPFIS accounts and/or SRS accounts to do so on their behalf.

Status of the New Units : The New Units to be issued pursuant to the Preferential Offering will, upon issue, rank *pari passu* in all respects with the then existing Units, including the right to A-REIT’s distributions for the period from 21 January 2009, being the day on which the new Units were issued pursuant to the Private Placement to 31 March 2009, as well as distributions thereafter.

It should be noted that in connection with the Private Placement, the Manager has declared, in lieu of the scheduled distribution in respect of the period from 1 October 2008 to 31 December 2008, a distribution of the distributable income for the period from 1 October 2008 to 20 January 2009, which was the day immediately prior to the date on which new Units were issued pursuant to the Private Placement (the “**Cumulative Distribution**”). The current expectation of the Manager is that the quantum of the Cumulative Distribution will be approximately 4.78 cents per Unit. The actual quantum of the Cumulative Distribution will be announced on a later date after the management accounts of A-REIT for the relevant period have been finalised. For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Preferential Offering will not be entitled to the Cumulative Distribution.

Eligibility of Unitholders to participate in the Preferential Offering : Please refer to the section “Eligibility of Unitholders to Participate in the Preferential Offering” of this Circular.

For the avoidance of doubt, the holders of the Units issued pursuant to the Private Placement are not entitled to participate in the Preferential Offering.

Entitled Unitholders’ Option : Entitled Unitholders are at liberty to accept in full or in part, or decline their provisional allotments of New Units and are eligible to apply for the Excess New Units during the period from 29 January 2009 to 5 February 2009.

Applications for Excess New Units by the Entitled Unitholders are to be made at the Issue Price.

The procedures for acceptance of New Units, applications for Excess New Units and payment therefor by Entitled Unitholders are set out in **Annexures B** and **C** to this Circular.

Provisional allotments will not be offered to Ineligible Unitholders and no purported acceptance thereof or application therefor by Ineligible Unitholders will be valid.

Underwriting

: Pursuant to the terms of the Placement Agreement, the Joint Lead Managers and Underwriters have agreed, subject to the terms and conditions of that agreement, to procure subscriptions for, or failing which to subscribe for, New Units to be issued pursuant to the Preferential Offering (less the number of New Units to be provisionally allotted to Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) in respect of which the Ascendas Land Irrevocable Undertaking and the AFM Irrevocable Undertaking have been given) at the Issue Price, to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units.

The Joint Lead Managers and Underwriters have entered into the Ascendas Commitment Agreement pursuant to which Ascendas Land (Singapore) Pte Ltd has agreed to, if called upon by the Joint Lead Managers and Underwriters, subscribe for up to 69,032,571 New Units under the Preferential Offering (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement) at the Issue Price, to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units.

In the event that Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) accept in full their provisional allotments of New Units under the Preferential Offering and Ascendas Land (Singapore) Pte Ltd is called upon to subscribe for 69,032,571 New Units (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement), assuming that none of the other Entitled Unitholders accept their provisional allotment of New Units and apply for Excess New Units, Ascendas' aggregate unitholding in A-REIT, through its wholly-owned subsidiaries, will not exceed 27.0% immediately upon the issue of New Units under the Preferential Offering, because Ascendas and its subsidiaries did not take up new Units under the Private Placement.

In the event that Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) accept in full their provisional allotments of New Units under the Preferential Offering but do not apply for any Excess New Units under the Preferential Offering and Ascendas Land (Singapore) Pte Ltd is not called upon to subscribe for any of the Excess New Units under the Ascendas Commitment Agreement, Ascendas' aggregate unitholding in A-REIT will not exceed 22.9% immediately upon the issue of New Units under the Preferential Offering.

Listing of the New Units : Approval in-principle, subject to certain conditions, has been obtained from the SGX-ST on 15 January 2009 for, among other things, the listing and quotation of the New Units on the Official List of the Main Board of the SGX-ST.

The in-principle approval of the SGX-ST is not an indication of the merits of the Preferential Offering, the New Units or A-REIT.

Rounding Mechanism : Where an Entitled Unitholder's provisional allotment of New Units under the Preferential Offering is other than in integral multiples of 1,000 Units, it will be increased to such number which, when added to the Entitled Unitholder's unitholding as at the Books Closure Date, results in an integral multiple of 1,000 Units.

Trading of the New Units : Upon the listing and quotation of the New Units on the Official List of the SGX-ST, the New Units will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Units will comprise 1,000 Units. All dealings in and transactions (including transfers) of the New Units effected through the SGX-ST and/or The Central Depository (Pte) Limited ("**CDP**") shall be made in accordance with the "Terms and Conditions for Operation of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP.

Use of CPF Funds : Members participating in the CPFIS may use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF accounts to pay for the New Units. Such members who wish to accept their provisional allotments and (if applicable) apply for Excess New Units using CPF monies will need to instruct the respective approved banks, where such members hold their CPFIS accounts, to accept the provisional allotments and (if applicable) apply for the Excess New Units on their behalf in accordance with this Circular.

Use of SRS Funds : Unitholders with SRS accounts may use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the New Units. Such Unitholders who wish to accept their provisional allotments and (if applicable) apply for Excess New Units using SRS monies, will need to instruct the relevant banks in which they hold their SRS accounts to accept the provisional allotments and (if applicable) apply for the Excess New Units on their behalf in accordance with this Circular.

Governing Law : Laws of the Republic of Singapore.

AS THE PREFERENTIAL OFFERING IS MADE ON A NON-RENOUNCEABLE AND NON-TRANSFERABLE BASIS, THE PROVISIONAL ALLOTMENTS OF NEW UNITS CANNOT BE RENOUNCED IN FAVOUR OF A THIRD PARTY OR TRADED ON THE SGX-ST.

ELIGIBILITY OF UNITHOLDERS TO PARTICIPATE IN THE PREFERENTIAL OFFERING

Entitled Unitholders

Entitled Unitholders are Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three Market Days¹ prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents. For the avoidance of doubt, the holders of the Units issued pursuant to the Private Placement are not entitled to participate in the Preferential Offering.

Entitled Unitholders holding less than 15 Units as at the Books Closure Date will not be entitled to receive any provisional allotment of New Units under the Preferential Offering. Such Entitled Unitholders, however, will be eligible to apply for the Excess New Units.

Entitled Unitholders will receive provisional allotments under the Preferential Offering on the basis of their unitholdings as at the Books Closure Date and are entitled to participate in the Preferential Offering and to receive this Circular (including the ARE) at their respective Singapore addresses. Entitled Unitholders who do not receive the ARE may obtain copies of the ARE and this Circular from CDP or the Unit Registrar for the period up to the Closing Date. Entitled Unitholders are at liberty to accept in part or in full, decline their provisional allotments of New Units and are eligible to apply for Excess New Units in excess of their provisional allotments under the Preferential Offering during the period from 29 January 2009 to 5 February 2009.

Entitled Unitholders who have subscribed for or purchased Units under the CPFIS and/or the SRS can only accept their provisional allotments by instructing the relevant banks in which they hold their CPFIS accounts and/or SRS accounts to do so on their behalf.

Ineligible Unitholders

The provisional allotments will not be offered to Ineligible Unitholders and no purported acceptance thereof or application therefor by Ineligible Unitholders will be valid.

This Circular and its accompanying documents relating to the Preferential Offering have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of this Circular and its accompanying documents relating to the Preferential Offering may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than in Singapore, the Preferential Offering is only made in Singapore and this Circular and its accompanying documents have not been and will not be despatched to Ineligible Unitholders.

The Manager reserves the right, but shall not be obliged to, treat as invalid any application or purported application, or decline to register such application or purported application which (a) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore or which the Manager believes may violate any applicable legislation of such jurisdiction, or (b) purports to exclude any deemed representation or warranty. The Manager further reserves the right to reject any acceptances of the New Units and/or applications for Excess New Units where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction.

¹ A day on which the SGX-ST is open for trading in securities.

Notwithstanding the above, Unitholders and any other person having possession of this Circular are advised to inform themselves of and to observe all legal requirements applicable thereto. No person in any territory outside Singapore receiving this Circular may treat the same as an offer, invitation or solicitation to subscribe for any New Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory. In particular, the New Units have not been and will not be registered under the Securities Act. Subject to certain exceptions, the New Units may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act).

OFFER INFORMATION STATEMENT

The Manager has prepared the Offer Information Statement dated 23 January 2009, set out in this Circular as **Annexure A**. The Offer Information Statement was lodged with the Authority on 23 January 2009. The Authority takes no responsibility for the contents of the Offer Information Statement or this Circular as a whole.

CONSENTS OF THE JOINT LEAD MANAGERS AND UNDERWRITERS

Each of Citigroup Global Markets Singapore Pte. Ltd. and Macquarie Capital Securities (Singapore) Pte. Limited has given, and has not before the issue of this Circular withdrawn, their written consents to being named in this Circular as one of the Joint Lead Managers and Underwriters for the Preferential Offering.

DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Manager at 61 Science Park Road, #02-18 The GALEN, Singapore Science Park II, Singapore 117525, from the date of this Circular up to and including the date falling six months after the date of this Circular¹:

- the FY05/06 Audited Financial Statements;
- the FY06/07 Audited Financial Statements;
- the FY07/08 Audited Financial Statements;
- the Unaudited Financial Statements; and
- the written consents of the Joint Lead Managers and Underwriters.

The Trust Deed will also be available for inspection during normal business hours at the registered office of the Manager for so long as A-REIT continues to be in existence.

¹ Prior appointment with the Manager (telephone: +65 6774 1033) would be appreciated.

GLOSSARY

For the purpose of this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

Aggregate Leverage	:	The ratio of A-REIT's borrowings and deferred payments (including deferred payments for assets whether to be settled in cash or Units) to the value of its deposited property (as defined in the Property Funds Guidelines)
AFM Irrevocable Undertaking	:	The irrevocable undertaking dated 15 January 2009 provided by Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) to the Manager to, among other things, accept in full its provisional allotment of New Units under the Preferential Offering
ARE	:	Acceptance form for New Units and application form for Excess New Units to be issued to Entitled Unitholders in respect of their provisional allotments and eligibility to apply for Excess New Units under the Preferential Offering
Ascendas	:	Ascendas Pte Ltd
Ascendas Commission	:	The commission of 2.0% of the aggregate amount of the Issue Price of up to 69,032,571 New Units (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement) payable by the Joint Lead Managers and Underwriters to Ascendas Land (Singapore) Pte Ltd, in consideration for Ascendas Land (Singapore) Pte Ltd entering into and performing its obligations under the Ascendas Commitment Agreement
Ascendas Commitment Agreement	:	The commitment agreement dated 15 January 2009 between Ascendas Land (Singapore) Pte Ltd and the Joint Lead Managers and Underwriters, as supplemented by the supplemental agreement dated 22 January 2009
Ascendas Land Irrevocable Undertaking	:	The irrevocable undertaking dated 15 January 2009 provided by Ascendas Land (Singapore) Pte Ltd to the Manager to, among other things, accept in full its provisional allotment of New Units under the Preferential Offering
Authority	:	Monetary Authority of Singapore
A-REIT	:	Ascendas Real Estate Investment Trust, a unit trust constituted on 9 October 2002 under the laws of the Republic of Singapore
Base Figure	:	The number of Units in issue as at 31 March 2008 (which is the end of A-REIT's last financial year)
Books Closure Date	:	5.00 p.m. on 23 January 2009, being the time and date on which the Transfer Books and Register of Unitholders will be closed to determine the provisional allotments of Entitled Unitholders under the Preferential Offering

CDP	:	The Central Depository (Pte) Limited
Circular	:	This circular to Unitholders dated 23 January 2009
Closing Date	:	5.00 p.m. on 5 February 2009, or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of A-REIT, being the last time and date for acceptance of New Units and/or application for Excess New Units by way of ARE or by way of an Electronic Application and payment therefor
CMBS	:	Commercial mortgage backed securities
Convertible Securities	:	Convertible securities which are convertible into Units
CPF	:	Central Provident Fund
CPFIS	:	CPF Investment Scheme
Cumulative Distribution	:	A distribution of the distributable income for the period from 1 October 2008 to 20 January 2009, being the day immediately prior to the date on which new Units were issued pursuant to the Private Placement, in lieu of the scheduled distribution in respect of the period from 1 October 2008 to 31 December 2008
Directors	:	Directors of the Manager
DPU	:	Distribution per Unit
Electronic Application	:	Acceptance of the New Units and (if applicable) application for Excess New Units under the Preferential Offering made through an ATM of a Participating Bank in accordance with the terms and conditions of this Circular
Entitled Unitholders	:	Unitholders with Units standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who have, at least three Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents. For the avoidance of doubt, the holders of the Units issued pursuant to the Private Placement are not entitled to participate in the Preferential Offering Entitled Unitholders holding less than 15 Units as at the Books Closure Date will not be entitled to receive any provisional allotment of New Units under the Preferential Offering. Such Entitled Unitholders, however, will be eligible to apply for the Excess New Units
Equity Fund Raising	:	The equity fund raising comprising the Private Placement and the Preferential Offering
Excess New Units	:	New Units represented by the provisional allotments of (i) Entitled Unitholders who decline or do not accept, whether in full or in part, their provisional allotment of New Units under the Preferential Offering (during the period from 29 January 2009 to 5 February 2009) and (ii) Ineligible Unitholders

Existing Units	:	The Units in issue as at the Books Closure Date
Financial Statements	:	The FY05/06 Audited Financial Statements, the FY06/07 Audited Financial Statements, the FY07/08 Audited Financial Statements and the Unaudited Financial Statements
FY05/06 Audited Financial Statements	:	The audited financial statements of A-REIT for the financial year ended 31 March 2006
FY06/07 Audited Financial Statements	:	The audited financial statements of A-REIT for the financial year ended 31 March 2007
FY07/08 Audited Financial Statements	:	The audited financial statements of A-REIT for the financial year ended 31 March 2008
Ineligible Unitholders	:	Unitholders other than Entitled Unitholders
GDP	:	Gross domestic product
Issue Price	:	S\$1.16 per New Unit
Joint Lead Managers and Underwriters	:	Citigroup Global Markets Singapore Pte. Ltd. and Macquarie Capital Securities (Singapore) Pte. Limited as the joint lead managers and underwriters for the Preferential Offering
Latest Practicable Date	:	19 January 2009, being the latest practicable date prior to the printing of this Circular
Listing Date	:	13 February 2009, being the expected listing date of the New Units issued pursuant to the Preferential Offering
Manager	:	Ascendas Funds Management (S) Limited
Market Day	:	A day on which the SGX-ST is open for trading in securities
MTI	:	The Ministry of Trade and Industry of Singapore
NAV	:	Net asset value
New Units	:	The new Units to be issued by way of the Preferential Offering
Offer Information Statement	:	The offer information statement (including the ARE) that is set out in Annexure A to this Circular
Ordinary Resolution	:	A resolution proposed and passed as such by a majority consisting of 50.0% or more of the total number of votes cast for and against such resolution at a meeting of Unitholders convened in accordance with the provisions of the Trust Deed
Participating Banks	:	DBS Bank Ltd (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited
Placement Agreement	:	The placement agreement dated 15 January 2009 entered into between the Manager and the Joint Lead Managers and Underwriters, as supplemented by the supplemental agreement dated 20 January 2009 in connection with the Private Placement and the Preferential Offering

Preferential Offering	:	The offering of up to 93,103,448 New Units ¹ through a preferential offering made on an underwritten pro rata, non-renounceable and non-transferable basis to Entitled Unitholders so as to raise gross proceeds of up to approximately S\$108.0 million ²
Private Placement	:	The private placement of 258,000,000 new Units to institutional investors raising gross proceeds of approximately S\$299.3 million for A-REIT in January 2009
Property Funds Guidelines	:	The guidelines for real estate investment trusts issued by the Authority as Appendix 2 to the Code on Collective Investment Schemes
Rounding Mechanism	:	Where an Entitled Unitholder's provisional allotment of New Units under the Preferential Offering is other than in integral multiples of 1,000 Units, it will be increased to such number which, when added to the Unitholder's unitholding as at the Books Closure Date, results in an integral multiple of 1,000 Units
Securities Account	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
Securities Act	:	The U.S. Securities Act of 1933, as amended, and the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder
SFA	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
SGX-ST	:	Singapore Exchange Securities Trading Limited
SRS	:	Supplementary Retirement Scheme
Substantial Unitholder	:	A Unitholder with an interest in Units constituting not less than 5.0% of all outstanding Units

1 For the purpose of illustration in this Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual number of New Units to be issued under the Preferential Offering may be higher or lower due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

2 For the purpose of illustration in this Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual proceeds to be raised under the Preferential Offering may be higher or lower depending on the actual number of New Units to be issued due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

Trust Deed	:	The trust deed dated 9 October 2002 entered into between the Trustee and the Manager constituting A-REIT, as amended by a first supplemental deed dated 16 January 2004, a second supplemental deed dated 23 February 2004, a third supplemental deed dated 30 September 2004, a fourth supplemental deed dated 17 November 2004, a fifth supplemental deed dated 20 April 2006, a first amending and restating deed dated 11 June 2008 and a seventh supplemental deed dated 22 January 2009
Trustee	:	HSBC Institutional Trust Services (Singapore) Limited, in its capacity as trustee of A-REIT
Unaudited Financial Statements	:	The unaudited financial statements of A-REIT for the financial period between 1 April 2008 to 31 December 2008
Unit	:	A unit representing an undivided interest in A-REIT
Unitholder	:	The Depositor whose Securities Account is credited with Unit(s)
Unit Registrar	:	Boardroom Corporate & Advisory Services Pte. Ltd.
URA	:	Urban Redevelopment Authority
U.S. or United States	:	United States of America
S\$ and cents	:	Singapore dollars and cents respectively

The terms “Depositor”, “Depository Agent” and “Depository Register” will have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender will, where applicable, include the feminine and neuter genders. References to persons will include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a time of day in this Circular shall be a reference to Singapore time and dates unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Where applicable, figures and percentages are rounded to one decimal place.

OFFER INFORMATION STATEMENT

This document is important. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser immediately.

The collective investment scheme offered in this Offer Information Statement is an authorised scheme under the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”). A copy of this Offer Information Statement has been lodged with the Monetary Authority of Singapore (the “**Authority**”). The Authority assumes no responsibility for the contents of this Offer Information Statement. Lodgment of this Offer Information Statement with the Authority does not imply that the SFA, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing and quotation of the new units (“**New Units**”) in Ascendas Real Estate Investment Trust (“**A-REIT**”) on the Official List of the Main Board of the SGX-ST. The SGX-ST’s approval in-principle is not an indication of the merits of the Preferential Offering (as defined herein), the New Units or A-REIT.

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver or make an offer of the New Units and the New Units may not be offered, sold, resold, transferred or delivered, directly or indirectly, in any of these countries.

No units in A-REIT (“**Units**”) shall be allotted on the basis of this Offer Information Statement later than the date falling six months from the date of lodgment of this Offer Information Statement.

This Offer Information Statement is not for distribution, directly or indirectly, in or into the United States. The New Units are being offered and sold outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). The New Units have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

In this Offer Information Statement, capitalised terms not otherwise defined herein have the meaning given to them in the Glossary as set out in the A-REIT circular dated 23 January 2009 (the “**Circular**”).

Any discrepancies in the figures below are due to rounding.

ASCENDAS REAL ESTATE INVESTMENT TRUST

(Constituted in the Republic of Singapore pursuant to
a trust deed dated 9 October 2002 (as amended) (the “**Trust Deed**”))

Date of lodgment: 23 January 2009

In the Offer Information Statement, provide the following information:

PART I — FRONT COVER

- (1) On the front cover of the offer information statement, provide –
- (a) the date of lodgment of the offer information statement;
 - (b) the following statements:
 - (i) “This document is important. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser.”; and
 - (ii) “The collective investment scheme offered in this document is {an authorised/a recognised*} scheme under the Securities and Futures Act. A copy of this offer information statement has been lodged with the Authority. The Authority assumes no responsibility for the contents of the offer information statement. Lodgment of the offer information statement with the Authority does not imply that the Securities and Futures Act, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the units being offered for investment.”;
 - (c) the name of the collective investment scheme (referred to in this Schedule as the Scheme) in which units are being offered, and its place and date of constitution;
 - (d) a statement to the effect that an application has been or will be made to a securities exchange to list for quotation or quote the units being offered on that securities exchange, and the name of such securities exchange; and
 - (e) a statement that no units shall be allotted or allocated on the basis of the offer information statement later than 6 months after the date of lodgment of the offer information statement.

* to state accordingly

Noted.

PART II — BASIC INFORMATION

- (2) (i) **the name and address of the registered office of the manager of the fund (the “Manager”); and**
- (ii) **the names and addresses of the directors of the Manager as at the Latest Practicable Date;**
-

- (i) The manager of A-REIT is Ascendas Funds Management (S) Limited (the “**Manager**”) and its registered office is located at 61 Science Park Road, #02-18 The GALEN, Singapore Science Park II, Singapore 117525.
- (ii) The names and addresses of the directors of the Manager (the “**Directors**”) are set out in **Appendix 3** to this Offer Information Statement.
-

(3) **State the names and addresses of:**

- (i) **the issue manager to the offer, if any;**
- (ii) **the underwriter to the offer, if any; and**
- (iii) **the legal adviser for or in relation to the offer, if any;**
-

- (i) The joint lead managers and underwriters for the Preferential Offering are Citigroup Global Markets Singapore Pte. Ltd. and Macquarie Capital Securities (Singapore) Pte. Limited (the “**Joint Lead Managers and Underwriters**”), which are located at 3 Temasek Avenue, #12-00 Centennial Tower, Singapore 039190 and 23 Church Street, #11-11 Capital Square, Singapore 049481 respectively.
- (ii) The legal adviser for the Preferential Offering, and to the Manager, is Allen & Gledhill LLP, which is located at One Marina Boulevard #28-00, Singapore 018989.
- (iii) The legal adviser to the Joint Lead Managers and Underwriters in relation to the Preferential Offering is WongPartnership LLP, which is located at One George Street, #20-01, Singapore 049145.

PART III — OFFER STATISTICS AND TIMETABLE

(4) For each method of offer, state the number of units being offered.

Up to 93,103,448 New Units¹ will be offered pursuant to the Preferential Offering.

(5) Provide the information referred to in paragraphs 6 to 10 to the extent applicable to:

- (a) the offer procedure; and
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.
-

Noted. Please refer to paragraphs (6) to (10) below.

(6) State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure shall be made public.

Entitled Unitholders (as defined in the Circular) will receive this Offer Information Statement together with the acceptance form for New Units and application form for Excess New Units (“ARE”), at their respective Singapore addresses.

Entitled Unitholders holding less than 15 Units as at the Books Closure Date will not be entitled to receive any provisional allotment of New Units under the Preferential Offering. Such Entitled Unitholders, however, will be eligible to apply for the Excess New Units.

Entitled Unitholders will be provisionally allotted the New Units under the Preferential Offering on the basis of their unitholdings as at the Books Closure Date and are at liberty to accept their provisional allotments of New Units in full or in part or decline their provisional allotments of New Units and are eligible to apply for additional New Units in excess of their provisional allotments under the Preferential Offering during the period from 29 January 2009 to 5 February 2009 (the “Closing Date”). Entitled Unitholders are prohibited from trading, transferring, assigning or otherwise dealing with (in full or in part) their (a) provisional allotments of New Units or (b) eligibility to apply for additional New Units in excess of their provisional allotments under the Preferential Offering.

Entitled Unitholders may accept their provisional allotments of New Units and/or apply for Excess New Units by submitting their ARE to The Central Depository (Pte) Limited (“CDP”) or through an Electronic Application at an ATM of the participating banks listed in **Annexure D** to the Circular

¹ For the purpose of illustration in the Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual number of New Units to be issued under the Preferential Offering may be higher or lower due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

(the “**Participating Banks**”) by the Closing Date. Such acceptance and/or application must be made in accordance with the “Procedures for Acceptance, Payment and Excess Application for New Units under the Preferential Offering by Entitled Unitholders” set out in **Annexure B** to the Circular and (in the case of an Electronic Application) “Additional Terms and Conditions for Electronic Applications” set out in **Annexure C** to the Circular.

Entitled Unitholders who have subscribed for or purchased Units under the Central Provident Fund (“**CPF**”) Investment Scheme (“**CPFIS**”) and/or the Supplementary Retirement Scheme (“**SRS**”) can only accept their provisional allotments of New Units by instructing the relevant banks in which they hold the CPFIS accounts and/or SRS accounts to subscribe for New Units on their behalf.

The Preferential Offering will commence on 29 January 2009 at 9.00 a.m. and will close on 5 February 2009 at 5.00 p.m. for acceptances of provisional allotments of New Units and (if applicable) application for Excess New Units (i) effected via AREs, and (ii) through the ATMs of Participating Banks.

As at 19 January 2009 (the “**Latest Practicable Date**”), the Manager does not expect the timetable set out in the section titled “Indicative Timetable” in the Circular to be modified. However, the Manager may at its absolute discretion, upon consultation with the Joint Lead Managers and Underwriters and with the approval of the SGX-ST, modify the timetable subject to any limitation under any applicable laws. In that event, the Manager will publicly announce the same through an SGXNET announcement to be posted on the SGXNET at <http://www.sgx.com>.

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- (7) State the method and time limit for paying up for the units and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**
-

Please refer to **Annexure B — Procedures for Acceptance, Payment and Excess Application for New Units under the Preferential Offering by Entitled Unitholders** of the Circular and the section titled “Indicative Timetable” of the Circular.

Payments for the New Units and the Excess New Units are due in full upon acceptance and/or application, as the case may be.

-
- (8) State, where applicable, the methods of and time limits for:**
- (a) the delivery of the documents evidencing title to the units being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
 - (b) the book-entry transfers of the units being offered in favour of subscribers or purchasers.**
-

As the Units are traded under the electronic book-entry clearance and settlement system of CDP, there are no documents evidencing title to the Units to be delivered to subscribers.

All New Units issued will be represented by entries in the register of unitholders of A-REIT (“**Unitholders**”) kept by the Trustee or the agent appointed by the Trustee in the name of, and deposited with, CDP as the registered holder of such Units. CDP is appointed pursuant to the depository services agreement entered into between CDP, the Manager and the Trustee relating to the deposit of the Units in CDP. In the case of Entitled Unitholders with valid acceptances of New Units and (if applicable) successful applications for Excess New Units, the Manager or an agent appointed by the Manager shall, not later than 14 days after the Closing Date, issue to CDP

a confirmation note confirming the date of issue and the number of Units so issued. Such confirmation note shall be deemed to be a certificate evidencing title to the Units issued.

The New Units will be provisionally allotted to the Entitled Unitholders on or about 28 January 2009 by crediting the provisional allotments into the Securities Accounts (as defined in the Circular) of the respective Entitled Unitholders based on their respective unitholdings in A-REIT as at the Books Closure Date.

As the actual subscription rate for the New Units by the Entitled Unitholders can only be determined after the close of the Preferential Offering, the exact number of each Entitled Unitholder's subscription to the New Units will only be determined after the close of the Preferential Offering. Following the receipt of valid acceptances for provisional allotments of New Units, applications for Excess New Units and payments for the New Units and the Excess New Units from Entitled Unitholders by the Closing Date, the New Units in respect of the valid acceptances and successful applications for Excess New Units will be registered in the name of CDP and held by CDP for and on behalf of Entitled Unitholders who maintain, either directly or through Depository Agents (as defined in the Circular), Securities Accounts with CDP. CDP will send to the relevant Entitled Unitholders a notification letter stating the number of New Units that have been credited to their Securities Account. In the allotment of Excess New Units, Directors and Substantial Unitholders (including Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited) will rank last in priority.

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- (9) In the case of any pre-emptive rights to subscribe for or purchase the units being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**
-

There are no such pre-emptive rights.

- (10) Provide a full description of the manner in which results of the allotment or allocation of the units are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**
-

Information Made to the Public

As soon as practicable after the Closing Date, the Manager will publicly announce the results of the allotment of the New Units pursuant to the Preferential Offering through an announcement to be posted on the SGXNET at <http://www.sgx.com>.

Manner of Refund

In relation to any void acceptances of New Units or any unsuccessful applications for Excess New Units under the Preferential Offering, all monies received in connection therewith will be returned by CDP on behalf of A-REIT to the Entitled Unitholders, without interest or any share of revenue or other benefit arising therefrom, within 14 Market Days after the Closing Date, by crediting their accounts with the relevant Participating Banks (where acceptance and/or application is through Electronic Applications) or by ordinary post or in such other manner as the Entitled Unitholders may have agreed with CDP for payment of any cash distributions (where acceptance and/or application is through CDP) and at the Entitled Unitholders' own risk.

Please also refer to **Annexure B — Procedures for Acceptance, Payment and Excess Application for New Units under the Preferential Offering by Entitled Unitholders** and **Annexure C — Additional Terms and Conditions for Electronic Applications** to the Circular for further details.

PART IV — KEY INFORMATION

- (11) In the same section, provide the information set out in paragraphs 12 to 17.
-

Noted.

- (12) **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph as the net proceeds). Where only a part of the net proceeds will go into the property of the Scheme, indicate such amount. If none of the proceeds will go into the property of the Scheme, provide a statement of that fact.**
-

The amount of the net proceeds from the Preferential Offering is estimated to be up to approximately S\$105.3 million, after taking into account, among other things, the estimated fees and expenses (including professional fees and expenses) incurred or to be incurred by A-REIT in connection with the Preferential Offering.

It should be noted that the Preferential Offering is part of an equity fund raising (the “**Equity Fund Raising**”) which also includes a private placement of 258,000,000 Units to institutional investors raising gross proceeds of approximately S\$299.3 million for A-REIT (the “**Private Placement**”). The net proceeds from the Equity Fund Raising of up to approximately S\$397.1 million takes into account, among other things, the estimated fees and expenses (including professional fees and expenses) incurred or to be incurred by A-REIT in connection with the Equity Fund Raising, which comprises the fees and expenses of up to approximately S\$7.5 million from the Private Placement and the fees and expenses of up to approximately S\$2.7 million from the Preferential Offering.

Please see paragraph (13) below for details on the use of the net proceeds from the Preferential Offering.

Pending the deployment of the net proceeds for the purposes mentioned in paragraph (13) below, the net proceeds from the Preferential Offering may be deposited with banks and/or financial institutions, used to repay debt facilities or used for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

- (13) **Disclose how the net proceeds from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the Manager, must be raised by the offer of units.**
-

The Manager intends to use the net proceeds from the Preferential Offering, which will amount to up to approximately S\$105.3 million, after taking into account, among other things, the estimated fees and expenses (including professional fees and expenses) incurred or to be incurred by A-REIT in connection with the Preferential Offering, for the following purposes:

- (i) up to approximately S\$53.0 million to partly or wholly fund committed development projects and future development projects; and

- (ii) up to approximately S\$52.3 million to strengthen A-REIT's balance sheet and capital structure by repaying certain borrowings,

with any balance of the proceeds to be utilised for other general corporate and working capital purposes.

All, some or none of the net proceeds from the Preferential Offering may be deployed for each of the aforementioned purposes. The apportionment of the net proceeds from the Preferential Offering for the aforementioned purposes would be subject to the availability and size of investment opportunities, the relative timing of various requirements for funds, and the Manager's overall objective of achieving an optimal cost of capital to fund its growth initiatives.

It should be noted that the Preferential Offering is part of the Equity Fund Raising which also includes the Private Placement. As the proceeds raised from the Preferential Offering are fungible with the proceeds raised from the Private Placement, the figures above should be read in such context.

The net proceeds from the Equity Fund Raising of up to approximately S\$397.1 million comprises approximately S\$291.8 million from the Private Placement and up to approximately S\$105.3 million from the Preferential Offering. The Manager intends to use the net proceeds from the Equity Fund Raising for the following purposes:

- (i) approximately S\$200.0 million to partly or wholly fund committed development projects and future development projects; and
- (ii) up to approximately S\$197.1 million to strengthen A-REIT's balance sheet and capital structure by repaying certain borrowings,

with any balance of the proceeds to be utilised for other general corporate and working capital purposes.

As at the Latest Practicable Date, A-REIT has announced the following development projects:

(i) Plot 8 Changi Business Park

The development at Plot 8 Changi Business Park comprises two integrated suburban office buildings with amenity facilities. These buildings will be sited on a land area of 29,864 sq m (subject to survey) with a 30 + 30 years lease tenure and will have a combined gross floor area of approximately 74,660 sq m.

Phase 1 & 2

The built-to-suit portion of the project is about 42,156 sq m. It will be built over two phases with the first phase expected to be completed by the first quarter of 2009 and the second phase of the building to be completed by the fourth quarter of 2010. Phase 1 (about 21,167 sq m in gross floor area) is 100% pre-committed to Citibank N.A., while Phase 2 (about 20,989 sq m in gross floor area) is 75.0% pre-committed to Citibank N.A., which is part of the Citigroup Inc, an eminent global financial services company listed on the New York Stock Exchange.

Multi-tenanted Building & Amenity Centre

The multi-tenanted building with a total gross floor area of approximately 32,503 sq m will have about 8,000 sq m of amenity space to cater to the needs of the increasing population at the Changi Business Park. The expected date of completion of the development is in the fourth quarter of 2009.

The total development cost of Plot 8 Changi Business Park is estimated to be about S\$208.1 million.

(ii) Built-to-suit facility in Airport Logistics Park

The development will be located in Airport Logistics Park of Singapore, a 26.0 hectare logistics park strategically located next to the Changi Airport and within the airport free trade zone. It will be a part two-storey/part four-storey facility sited on a land area of 10,132 sq m and is expected to have a gross floor area and net floor area of 12,707 sq m and 11,430 sq m respectively.

Construction of the facility is in progress and upon completion of construction (expected by the fourth quarter of 2009), the property will be 100% leased to Expeditors Singapore Pte Ltd.

The estimated development cost is S\$25.6 million.

Notwithstanding its current intention, the Manager may, subject to applicable laws and regulations, at its absolute discretion use the net proceeds from the Preferential Offering for other purposes such as to repay A-REIT's existing debt obligations.

The Manager will make periodic announcements on the utilisation of the net proceeds from the Equity Fund Raising (including the Preferential Offering) via SGXNET as and when such funds are utilised.

Pending the deployment of the net proceeds from the Preferential Offering for the purposes mentioned above, the net proceeds from the Preferential Offering may be deposited with banks and/or financial institutions, used to repay debt facilities or used for any other purpose on a short-term basis as the Manager may, in its absolute discretion, deem fit.

(14) For each dollar of the proceeds from the offer, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.

Use of Proceeds from the Preferential Offering

For each dollar of the proceeds that will be raised from the Preferential Offering, the Manager intends to allocate the proceeds from the Preferential Offering in the following manner:

- approximately 49.1 cents to partly or wholly fund committed development projects and future development projects;
- approximately 48.4 cents to strengthen A-REIT's balance sheet and capital structure by repaying certain borrowings;
- approximately 1.5 cents to pay for the underwriting, selling commissions, incentive fees and related expenses payable to the Joint Lead Managers and Underwriters (excluding goods and services tax and other applicable taxes payable); and
- approximately 1.0 cents to pay for the professional and other fees and expenses (excluding goods and services tax and other applicable taxes payable) expected to be incurred by A-REIT in connection with the Preferential Offering,

with any balance of the proceeds to be utilised for other general corporate and working capital purposes.

Use of Proceeds from the Equity Fund Raising

It should be noted that the Preferential Offering is part of the Equity Fund Raising, which also includes the Private Placement, and the net proceeds from the Private Placement will also be used to (i) partly or wholly fund committed development projects and future development projects, and (ii) strengthen A-REIT's balance sheet and capital structure by repaying certain borrowings, with the balance of the proceeds to be used for general corporate and working capital purposes. As the proceeds raised from the Preferential Offering are fungible with the proceeds raised from the Private Placement, the figures above should be read in such context.

For each dollar of the proceeds that will be raised from the Equity Fund Raising, the Manager intends to allocate the proceeds from the Equity Fund Raising in the following manner:

- approximately 49.1 cents to partly or wholly fund committed development projects and future development projects;
- approximately 48.4 cents to strengthen A-REIT's balance sheet and capital structure by repaying certain borrowings;
- approximately 1.9 cents to pay for the underwriting, selling commissions, incentive fees and related expenses payable to the Joint Lead Managers and Underwriters (excluding goods and services tax and other applicable taxes payable); and
- approximately 0.6 cents to pay for the professional and other fees and expenses (excluding goods and services tax and other applicable taxes payable) expected to be incurred by A-REIT in connection with the Equity Fund Raising,

with any balance of the proceeds to be utilised for other general corporate and working capital purposes.

Notwithstanding its current intention, the Manager may, subject to applicable laws and regulations, at its absolute discretion use the net proceeds from the Equity Fund Raising (including the net proceeds from the Preferential Offering) for other purposes such as to repay A-REIT's existing debt obligations.

All, some or none of the net proceeds from the Equity Fund Raising may be deployed for each of the aforementioned purposes. The apportionment of the net proceeds from the Equity Fund Raising for the aforementioned purposes would be subject to the availability and size of investment opportunities, the relative timing of various requirements for funds, and the Manager's overall objective of achieving an optimal cost of capital to fund its growth initiatives.

-
- (15) If any of the proceeds from the offer will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from a person specified as an interested party by the Authority in the Code on Collective Investment Schemes, identify the interested party and state how the cost to the Scheme is or will be determined.**
-

As mentioned above, the Manager may, subject to applicable laws and regulations, at its absolute discretion use the net proceeds from the Preferential Offering to partly or wholly finance committed development projects and future development projects which are in A-REIT's ordinary course of business.

As at the Latest Practicable Date, the Manager has not identified any assets to acquire.

-
- (16) If any of the proceeds from the offer will be used to finance or refinance the acquisition of a business, briefly describe the business and give information on the status of the acquisition.**
-

None of the proceeds from the Preferential Offering will be used to finance or refinance the acquisition of a business.

- (17) If any material part of the proceeds from the offer will be used to discharge, reduce or retire the indebtedness of the Scheme, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**
-

As disclosed above, the Manager may, subject to applicable laws and regulations, at its absolute discretion use the net proceeds from the Preferential Offering for other purposes such as to repay A-REIT's existing debt obligations.

As at the Latest Practicable Date, save as set out in paragraph (13) of this Offer Information Statement, the Manager has not identified any specific indebtedness to discharge, reduce or retire.

As at the Latest Practicable Date, A-REIT has the following debt facilities:

- (i) total uncommitted revolving credit facilities of S\$620.0 million from various banks, of which about 70.7% is utilised;
- (ii) bilateral term loan facility of S\$300.0 million maturing in March 2010, which has been fully drawn;
- (iii) total commercial mortgage backed securities ("CMBS") notes of S\$1.045 billion; and
- (iv) committed revolving credit facility of S\$200.0 million maturing in November 2011, of which about 66.2% is utilised.

Other than the uncommitted revolving credit facilities which are short term in nature, A-REIT's earliest refinancing requirement is in August 2009, when S\$300.0 million of its CMBS notes are due.

The indebtedness which A-REIT has incurred over the past 12 months comprises (i) S\$197.7 million from the uncommitted revolving credit facilities of S\$620.0 million, (ii) S\$300.0 million from the bilateral term loan facility of S\$300.0 million and (iii) S\$132.4 million from the committed revolving credit facility of S\$200.0 million and the proceeds from such borrowings were used to finance the acquisition of certain properties and for the development of certain projects.

- (18) In the section containing the information referred to in paragraphs 12 to 17 or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**
-

The Manager will pay to the Joint Lead Managers and Underwriters, in relation to the Preferential Offering, an underwriting and selling fee of 2.0% of the aggregate Issue Price of the number of New Units equivalent to the New Units to be issued pursuant to the Preferential Offering less the

New Units to be provisionally allotted to Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT), in respect of which the Ascendas Land Irrevocable Undertaking (as defined herein) and the AFM Irrevocable Undertaking (as defined herein) have been given, of up to 69,032,571 New Units.

The Joint Lead Managers and Underwriters have agreed to pay to Ascendas Land (Singapore) Pte Ltd a commission of 2.0% of the aggregate Issue Price of up to 69,032,571 New Units (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement), in consideration for Ascendas Land (Singapore) Pte Ltd entering into and performing its obligations under the Ascendas Commitment Agreement.

The Ascendas Commission payable to Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement shall be payable out of the underwriting and selling fee received by the Joint Lead Managers and Underwriters and not by the Manager.

(19) Provide the following information:

(a) the nature of the operations and principal activities of the Scheme;

A-REIT is the first business space and industrial real estate investment trust listed on the SGX-ST. It owns a diversified property portfolio of 88 properties in Singapore comprising business and science parks, hi-tech industrial properties, light industrial properties, logistics and distribution centres as well as warehouse retail facilities. These properties house a tenant base of over 860 international and local companies from a wide range of industries and activities, including research and development, life sciences, information technology, engineering, light manufacturing, electronics, telecommunications, logistics service providers, manufacturing services and back-room office support in service industries; with a total book value of about S\$4.5 billion as at 31 December 2008.

The Manager's key objectives are to deliver long-term sustainable distributions and capital stability to Unitholders to be achieved through the following three-pronged strategy:

- (i) **Yield-Accretive Investments** — The Manager is committed to undertake disciplined and value-adding investments through acquisitions and development of high-quality properties and will continue to focus on the following key areas of activities:
 - (a) Acquisitions of income-producing properties with established tenants.
 - (b) Built-to-suit/lease development projects to capitalise on the Manager's development capabilities and to strengthen and broaden A-REIT's pool of tenants.
 - (c) Acquisitions of good quality multi-tenanted properties with a strong income stream and asset enhancement potential.
- (ii) **Proactive Asset Management** — A-REIT's asset management function is outsourced to the property manager of A-REIT, which has a dedicated and proactive asset management team which is constantly exploring opportunities to add value within the existing portfolio. The Manager adopts a proactive approach to the various aspects of asset management (*i.e.* revenue management, expense management, property management and customer care).
- (iii) **Prudent Capital and Risk Management** — The Manager reviews A-REIT's debt and capital management as well as financing policy regularly so as to optimise A-REIT's funding structure. The Manager also monitors A-REIT's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

Risk management is integral to the whole business of A-REIT. A-REIT has a system of controls in place to create an acceptable balance between the benefits derived from managing risks and the cost of managing those risks. The Manager also monitors A-REIT's risk management process closely to ensure an appropriate balance between control and business objectives is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and A-REIT's strategic direction.

- (19) (b) **the general development of the Scheme from the beginning of the period comprising the three most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the Scheme since:**
- (i) **the end of the most recent completed financial year for which financial statements have been published; or**
 - (ii) **the end of any subsequent interim period if interim financial statements have been published;**

General Development of A-REIT

The general development of the business of A-REIT for the three most recent completed financial years to the Latest Practicable Date is set out below:

<i>Date</i>	<i>Significant developments</i>
14 April 2005	: The Manager announced A-REIT's financial results for the financial year ended 31 March 2005. A-REIT's annual distribution per Unit ("DPU") of 9.56 cents represented a 17.0% year-on-year growth over 8.16 cents. A DPU of 2.70 cents was announced by A-REIT to Unitholders for the period from 1 January 2005 to 31 March 2005.
12 May 2005	: A-REIT issued Euro 165.0 million (approximately S\$350.0 million equivalent) seven-year AAA-rated CMBS priced at 23 basis points above Euro Interbank Offered Rate.
14 July 2005	: The Manager announced A-REIT's financial results for the three months from 1 April 2005 to 30 June 2005. A-REIT's DPU of 2.84 cents represented a 33.0% year-on-year growth over 2.13 cents. A DPU of 2.84 cents was announced by A-REIT to Unitholders for the period from 1 April 2005 to 30 June 2005.
27 July 2005	: A-REIT entered into separate conditional put and call option agreements to acquire Techview, Techquest, LogisHub@Clementi, Hoya Building, Hamilton Sundstrand Building, Thales Building, Cityneon Design Centre, NNB Industrial Building and SENKEE Logistics Hub.
25 August 2005	: A-REIT entered into separate conditional put and call option agreements to acquire 1 Jalan Kilang and 11 Tampines Street 92 and a supplemental deed to the put and call option agreement relating to the sale and purchase of 138 Depot Road.

Date	Significant developments
	<p>The Manager also announced that A-REIT was in advanced negotiations with the vendor of 1 Changi South Lane.</p>
	<p>The Manager issued a circular to Unitholders in connection with the extraordinary general meeting of Unitholders convened to seek Unitholders' approval for, among other things, the issue of up to such number of new Units so as to raise up to an aggregate of S\$240.0 million in gross proceeds pursuant to an equity fund raising and the issue of consideration Units.</p>
1 September 2005	: A-REIT entered into a conditional put and call option agreement to acquire 1 Changi South Lane.
13 September 2005	: All resolutions proposed at the extraordinary general meeting of Unitholders were duly passed by Unitholders.
5 October 2005	: The Manager issued 101,832,114 Units at an issue price of S\$2.13 per Unit to, among other things, partly fund the acquisition of Techview.
	<p>In conjunction with the above issue, 10,843,942 Units were also issued at an issue price of S\$2.13 per Unit as partial consideration for the acquisition of Techview.</p>
	<p>A-REIT also entered into a conditional put and call option agreement to acquire JEL Centre.</p>
18 October 2005	: The Manager announced A-REIT's financial results for the three months ended 30 September 2005. A-REIT's DPU of 2.91 cents represented a 25.0% year-on-year growth over 2.33 cents.
	<p>A DPU of 2.91 cents was announced by A-REIT to Unitholders for the period from 1 July 2005 to 30 September 2005.</p>
6 December 2005	: A-REIT entered into a conditional put and call option agreement to acquire 50 Kallang Avenue.
21 December 2005	: A-REIT entered into a conditional put and call option agreement to acquire Aztech Building.
13 January 2006	: The Manager announced A-REIT's financial results for the three months ended 31 December 2005. A-REIT's DPU of 3.01 cents represented a 25.0% year-on-year growth over 2.40 cents.
	<p>A DPU of 3.01 cents was announced by A-REIT to Unitholders for the period from 1 October 2005 to 31 December 2005.</p>
16 January 2006	: A-REIT entered into a conditional put and call option agreement to acquire 23 International Business Park.
24 January 2006	: A-REIT undertook the development of two warehouse retail facilities for Cold Storage Singapore (1983) Pte Ltd and Courts (Singapore) Limited under the Warehouse Retail Scheme.

Date	Significant developments
26 January 2006	: A-REIT entered into a conditional put and call option agreement to acquire 150 Ubi Avenue 4.
23 March 2006	: A-REIT entered into separate conditional put and call option agreements to acquire Sembawang Kimtrans Logistics Centre and Logistics 21.
13 April 2006	: The Manager announced A-REIT's financial results for the financial year ended 31 March 2006. A-REIT's annual DPU of 11.68 cents represented a 22.2% year-on-year growth over 9.56 cents. A DPU of 2.92 cents was announced by A-REIT to Unitholders for the period from 1 January 2006 to 31 March 2006.
13 July 2006	: The Manager announced A-REIT's financial results for the three months from 1 April 2006 to 30 June 2006. A-REIT's DPU of 3.09 cents represented a 9.0% growth over 2.84 cents. A DPU of 3.09 cents was announced by A-REIT to Unitholders for the period from 1 April 2006 to 30 June 2006.
18 September 2006	: A-REIT undertook the development of a partial built-to-suit business park building at Plot 15 Changi Business Park with Rohde & Schwarz Singapore Pte Ltd as the anchor tenant.
22 September 2006	: A-REIT entered into a conditional put and call option agreement to acquire a logistics & distribution centre building located at Pioneer Walk in Jurong Industrial Estate.
17 October 2006	: The Manager announced A-REIT's financial results for the six months ended 30 September 2006. A-REIT's DPU of 6.25 cents for the six months represented a 8.7% year-on-year growth over 5.75 cents. A DPU of 3.16 cents was made by A-REIT to Unitholders for the period from 1 July 2006 to 30 September 2006.
20 October 2006	: A-REIT entered into a conditional put and call option agreement to acquire Super Industrial Building and 26 Senoko Way.
21 November 2006	: A-REIT undertook the development of a partial built-to-suit distribution facility at Plots 7 & 8 Changi LogisPark (North) with Zuellig Pharma Pte Ltd as the anchor tenant.
9 January 2007	: A-REIT entered into a conditional put and call option agreement to acquire 27 International Business Park.
16 January 2007	: The Manager announced A-REIT's financial results for the three months ended 31 December 2006. A-REIT's DPU of 3.20 cents represented a 6.3% year-on-year growth over 3.01 cents. A DPU of 3.20 cents was announced by A-REIT to Unitholders for the period from 1 October 2006 to 31 December 2006.

Date	Significant developments
1 February 2007	: A-REIT entered into separate conditional put and call option agreements to acquire 2 Changi South Lane, 1 Kallang Place, 18 Woodlands Loop, and 9 & 11 Woodlands Terrace.
26 February 2007	: The Manager issued 40,323,000 Units at an issue price of S\$2.48 per Unit to, among other things, partly fund acquisitions and development activities.
18 April 2007	: The Manager announced A-REIT's financial results for the financial year ended 31 March 2007. A-REIT's annual DPU of 12.75 cents represented a 9.2% year-on-year growth over 11.68 cents. A DPU of 3.30 cents was announced by A-REIT to Unitholders for the period from 1 January 2007 to 31 March 2007.
14 May 2007	: A-REIT issued Euro 197.5 million (approximately S\$395.0 million equivalent) seven year AAA-rated CMBS priced at 20 basis points above Euro Interbank Offered Rate.
19 July 2007	: The Manager announced A-REIT's financial results for the three months ended 30 June 2007. A-REIT's DPU of 3.37 cents represented a 9.1% year-on-year growth over 3.09 cents. A DPU of 3.37 cents was announced by A-REIT to Unitholders for the period from 1 April 2007 to 30 June 2007.
18 October 2007	: A-REIT announced the development of two suburban business park facilities, including an amenity centre at Plot 8 Changi Business Park and an industrial facility at Pioneer Walk.
19 October 2007	: The Manager announced A-REIT's financial results for the three months ended 30 September 2007. A-REIT's DPU of 3.51 cents represented a 11.1% year-on-year growth over 3.16 cents. A DPU of 3.51 cents was announced by A-REIT to Unitholders for the period from 1 July 2007 to 30 September 2007.
18 January 2008	: The Manager announced A-REIT's financial results for the three months ended 31 December 2007. A-REIT's DPU of 3.56 cents represented a 11.3% year-on-year growth over 3.20 cents. A DPU of 3.56 cents was announced by A-REIT to Unitholders for the period from 1 October 2007 to 31 December 2007.
24 January 2008	: A-REIT entered into two separate conditional put and call option agreements to acquire Rutherford and Science Hub in Science Park I and CGGVeritas Hub.
28 January 2008	: A-REIT announced completion of HansaPoint@CBP with 100% occupancy upon the grant of the temporary occupation permit for the development on 22 January 2008. A-REIT also entered into separate conditional put and call option agreements to acquire Acer Building and Sim Siang Choon Building.

Date	Significant developments
24 March 2008	: A-REIT entered into a conditional put and call option agreement to acquire 8 Loyang Way 1.
26 March 2008	: Ascendas Investment Pte Ltd, a wholly-owned subsidiary of Ascendas completed its acquisition of a 40.0% interest in the Manager comprising 400,000 ordinary shares from Goodman Singapore Industrial Management (Aust) Pty Limited. At the same time, Ascendas Land (Singapore) Pte Ltd completed the acquisition of 83,241,801 Units, which represented 6.28% of the total issued Units at the time from Goodman Singapore Pte Limited. Following the completion, the Manager became a wholly-owned subsidiary of Ascendas Investment Pte Ltd and an indirect wholly-owned subsidiary of Ascendas and Jurong Town Corporation; and it was renamed from Ascendas-MGM Funds Management Limited to its current name.
18 April 2008	: The Manager announced A-REIT's financial results for the financial year ended 31 March 2008. A-REIT's annual DPU of 14.13 cents represented a 10.8% year-on-year growth over 12.75 cents. A DPU of 3.69 cents was announced by A-REIT to Unitholders for the period from 1 January 2008 to 31 March 2008.
9 May 2008	: A-REIT entered into a conditional put and call option agreement to acquire 31 International Business Park.
18 July 2008	: The Manager announced A-REIT's financial results for the three months from 1 April 2008 to 30 June 2008. A-REIT's DPU of 3.89 cents represented a 15.4% year-on-year growth over 3.37 cents. A DPU of 3.89 cents was announced by A-REIT to Unitholders for the period from 1 April 2008 to 30 June 2008.
17 October 2008	: The Manager announced A-REIT's financial results for the three months ended 30 September 2008. A-REIT's DPU of 4.01 cents represented a 14.2% year-on-year growth over 3.51 cents. A DPU of 4.01 cents was announced by A-REIT to Unitholders for the period from 1 July 2008 to 30 September 2008.
15 January 2009	: The Manager announced A-REIT's financial results for the three months ended 31 December 2008. A-REIT's DPU of 4.05 cents represented a 13.8% year-on-year growth over 3.56 cents.
15 January 2009	: The Manager announced the launch of the Equity Fund Raising which comprises the Private Placement and the Preferential Offering.
21 January 2009	: The Manager issued 258,000,000 Units at an issue price of S\$1.16 per Unit pursuant to the Private Placement ¹ .

¹ The holders of the Units issued pursuant to the Private Placement are not entitled to participate in the Preferential Offering or eligible for the Cumulative Distribution (as defined herein).

Material Change in the Affairs of A-REIT

Save as disclosed above, there has been no material changes in the affairs of A-REIT since the release of A-REIT's third quarter financial results.

(19) (c) the participants' funds in and borrowings of the Scheme, as at the latest practicable date, showing:

- (i) in the case of the participants' funds, the number of units issued and the number of units outstanding; or**
 - (ii) in the case of borrowings, the total amount of the borrowings outstanding, together with the rate of interest (whether fixed or floating) payable thereon;**
-

(i) Number of Units

As at the Latest Practicable Date, there were 1,331,763,013 Units issued and outstanding.

However, in connection with the Private Placement, 258,000,000 Units were issued on 21 January 2009. Following the issue of 258,000,000 Units pursuant to the Private Placement, there are 1,589,763,013 Units issued and outstanding.

(ii) Borrowings

As at the Latest Practicable Date, A-REIT has the following debt facilities:

- (a) total uncommitted revolving credit facilities of S\$620.0 million from various banks, of which about 70.7% is utilised;
- (b) bilateral term loan facility of S\$300.0 million maturing in March 2010, which has been fully drawn;
- (c) total CMBS notes of S\$1.045 billion; and
- (d) committed revolving credit facility of S\$200.0 million maturing in November 2011, of which about 66.2% is utilised.

The above debts are on floating rates. However, adopting a prudent stance on interest rate exposure management, the Manager has established a policy to hedge 50% to 75% of A-REIT's interest rate exposure using interest rate swaps. As at 31 December 2008, A-REIT has hedged approximately 74.7% of its interest rate exposure into fixed rates for an average remaining duration of 3.7 years at an overall weighted average cost of borrowings of approximately 3.5% (including margins charged on the loans and amortised annual costs of the medium term note programme).

Other than the uncommitted revolving credit facilities which are short term in nature, A-REIT's earliest refinancing requirement is in August 2009, when S\$300.0 million of its CMBS notes are due.

(19) (d) the number of units of the Scheme owned by each substantial participant as at the latest practicable date;

Information concerning the Substantial Unitholders and their respective interests (direct and deemed) in the Units as at the Latest Practicable Date is set out in **Appendix 2** to this Offer Information Statement.

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- (19) (e) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the Scheme's financial position or profitability;**
-

To the best of the Manager's knowledge and belief, there are no legal or arbitration proceedings, including those which are pending or known to be contemplated, which, in the opinion of the Manager, may have or have had in the last 12 months before the date of lodgment of this Offer Information Statement, a material effect on the financial position or profitability of A-REIT.

- (19) (f) where any units in the Scheme have been issued within the 12 months immediately preceding the latest practicable date:**
- (i) if the units have been issued for cash, state the prices at which the units have been issued and the number of units issued at each price; or**
 - (ii) if the units have been issued for services, state the nature and value of the services and give the name and address of the person who received the units; and**
-

No Units have been issued by the Manager for cash or service within the 12 months immediately preceding the Latest Practicable Date, save for (i) the issue of Units as set out in the table below to the Manager as part of the management fees (including acquisition fees) paid to the Manager in accordance with the terms of the Trust Deed and (ii) 258,000,000 Units issued on 21 January 2009 at an issue price of S\$1.16 per Unit in connection with the Private Placement.

Date	Number of Units issued
16 May 2008	3,223,302 Units at an issue price of S\$2.6023 per Unit
24 June 2008	834,647 Units at an issue price of S\$2.2436 per Unit
16 December 2008	1,871,191 Units at an issue price of S\$1.2232 per Unit
16 December 2008	273,382 Units at an issue price of S\$2.5521 per Unit

- (19) (g) a summary of each material contract, to which the trustee for the Scheme (acting in its capacity as trustee of the Scheme) is a party, for the period of two years before the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the Scheme;**
-

There were no material contracts entered into by the Trustee or the Manager, other than contracts entered into in A-REIT's ordinary course of business, for the period of two years ending on the day before the date of lodgment of this Offer Information Statement, save for:

- (i) the placement agreement dated 14 February 2007 entered into between the Manager and Citigroup Global Markets Singapore Pte. Ltd. in connection with a private placement to raise gross proceeds of approximately S\$100.0 million; and
- (ii) the Placement Agreement dated 15 January 2009 entered into between the Manager and the Joint Lead Managers and Underwriters, as supplemented by the supplemental agreement dated 20 January 2009 in relation to the Equity Fund Raising.

PART V — OPERATING AND FINANCIAL REVIEW AND PROSPECTS

- (20) (1) Provide selected data from:
- (a) the audited income statement of the Scheme for each financial year (being one of the three most recent completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the Scheme for any subsequent period for which that statement has been published.
- (2) The data referred to in sub-paragraph (1) shall include the line items in the income statement of the Scheme and shall in addition include the following items:
- (a) distribution per unit;
 - (b) earnings or loss per unit; and
 - (c) earnings or loss per unit after any adjustment to reflect the sale of new units.
-

Selected financial data from the FY05/06 Audited Financial Statements, the FY06/07 Audited Financial Statements, the FY07/08 Audited Financial Statements and the Unaudited Financial Statements, including the line items in the statement of total return and distribution statement of A-REIT, is set out in **Appendix 5** to this Offer Information Statement. Financial data relating to DPU, earnings or loss per Unit and earnings or loss per Unit after any adjustment to reflect the issue of New Units and the issue of 258,000,000 Units under the Private Placement is also set out in **Appendix 5** to this Offer Information Statement.

Such selected financial data should be read together with the relevant notes to the full financial statements, which are available on the website of A-REIT at <http://www.a-reit.com>, and are also available for inspection during normal business hours at the registered office of the Manager at 61 Science Park Road, #02-18 The GALEN, Singapore Science Park II, Singapore 117525, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement¹.

Save for the FY05/06 Audited Financial Statements, the FY06/07 Audited Financial Statements, the FY07/08 Audited Financial Statements and the Unaudited Financial Statements, which are deemed incorporated into this Offer Information Statement by reference, information contained on the website of A-REIT does not constitute part of this Offer Information Statement.

- (21) (1) In respect of:
- (a) each financial year (being one of the three most recent completed financial years) for which financial statements have been published; and
 - (b) any subsequent period for which interim financial statements have been published,
- provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected income available for distribution to participants after tax, and indicate the extent to which such income was so affected.
- (2) Describe any other significant component of revenue or expenditure necessary to understand the income available for distribution to participants after tax for each of the financial periods referred to in sub-paragraph (1).
-

¹ Prior appointment with the Manager (telephone: +65 6774 1033) would be appreciated.

Financial Year ended 31 March 2006

A-REIT achieved a DPU of 11.68 cents for the financial year ended 31 March 2006 which represented a 22.2% year-on-year growth against the previous financial year's DPU of 9.56 cents backed by annual gross revenue and net property income of S\$227.2 million (76.1% above the previous financial year's gross revenue of S\$129.0 million) and S\$173.6 million (80.6% above the previous financial year's net property income of S\$96.1 million) respectively. In addition to maintaining high occupancy rates and improving revenues, A-REIT continued to devote much effort to the acquisition of yield-accretive properties.

As at 31 March 2006, A-REIT had a portfolio of 64 properties, with total value of S\$2.8 billion. This value was an aggregate of the independent valuations which were carried out in July 2005 for those properties in the portfolio at that time and the acquisition costs for the properties purchased subsequent to July 2005.

Portfolio occupancy as at 31 March 2006 was 95.0% compared to 94.1% in the previous financial year. The occupancy rate for A-REIT's multi-tenanted buildings (which accounted for about 55.0% of portfolio value) had also increased to 91.4% as at 31 March 2006 compared to 89.0% in the previous financial year.

As at 31 March 2006, A-REIT had hedged about 88.5% of its total debt of S\$972.8 million for a weighted average term of 4.3 years remaining. This included a two-year interest rate cap at 2.5% for S\$127.5 million (13.1% of outstanding debt) taken out in May 2005. A-REIT's weighted average all-in funding cost was 3.5% (including margins charged on the loans and amortised annual costs of the medium term note programme).

A-REIT's Aggregate Leverage was 36.9% as at 31 March 2006.

Financial Year ended 31 March 2007

A-REIT announced a DPU of 12.75 cents for the financial year ended 31 March 2007, an increase of 9.2% on the 11.68 cents recorded in the previous financial year. This was backed by gross revenue of S\$283.0 million which was 24.6% above the previous financial year's gross revenue of S\$227.2 million; and net property income of S\$210.3 million which was 21.2% above the previous financial year's net property income of S\$173.6 million. A-REIT's total net income available for distribution rose to S\$163.8 million in the financial year ended 31 March 2007, a 14.9% increase over the previous financial year. This strong performance reflected the improving property market as well as the Manager's proactive asset management strategies carried out during the financial year.

Overall occupancy increased to 96.6% as compared to 95.0% in the previous financial year. Occupancy in A-REIT's property portfolio was well ahead of the Urban Redevelopment Authority's ("URA") occupancy rates for industrial properties across Singapore by an average of approximately 4.3% to 12.1% across the sub-sectors in which A-REIT had invested¹. Positive rental reversions were achieved, particularly for A-REIT's Business and Science Park properties and Hi-Tech Industrial properties which saw the average rental reversion of 13.1% and 18.5% respectively in the financial year ended 31 March 2007.

¹ Source: URA Official Statistics as at 31 March 2007 and is available on the website of the URA at <http://www.ura.gov.sg>. The URA has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by the URA is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, neither the Manager nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

A-REIT continued to expand its portfolio with acquisitions and developments of quality properties. As at 31 March 2007, A-REIT had a portfolio of 77 properties with a total book value of S\$3.3 billion, and housed a tenant base of over 750 international and local companies.

Despite the increased competition for quality business space properties, A-REIT completed 17 acquisitions and committed to development projects worth in total about S\$488.0 million which brought its total assets up from S\$2.8 billion as at 31 March 2006 to S\$3.3 billion as at 31 March 2007.

In line with the Property Funds Guidelines, 72 out of 77 properties in A-REIT's portfolio were revalued by independent valuers in the first quarter of 2007. A-REIT's portfolio value had increased by S\$148.9 million or 4.9%. Accordingly, the net asset value ("**NAV**") per Unit had increased from S\$1.34 to S\$1.49 after the revaluation.

The two warehouse retail facilities (Courts Megastore and Giant Hypermart) recorded aggregate unrealised revaluation gains of S\$24.3 million above the combined total development cost.

The overall occupancy of A-REIT's portfolio of 77 properties was 96.6% as at 31 March 2007 compared to 95.0% in the previous financial year. The occupancy rate for A-REIT's multi-tenanted buildings was 93.7% compared to 91.4% in the previous financial year.

A-REIT completed an equity fund raising exercise in February 2007 to raise S\$100.0 million by way of a private placement of 40,323,000 Units at S\$2.48 per Unit. The amount was used to finance new acquisitions and development projects and to repay a portion of A-REIT's existing borrowings. A-REIT's Aggregate Leverage as at 31 March 2007 was 37.3%, which provided additional debt capacity of more than S\$450.0 million to fund further acquisition and development activities.

The Manager continued to adopt a prudent stance towards interest rate risk management. When there was a reduction in interest rates, the Manager fixed more of its floating debt through interest rate swaps of five to seven years duration. Accordingly, 95.0% of total debt had been fixed for an average of 4.5 years at a weighted average interest rate of approximately 3.4% (including margins charged on the loans and amortised annual costs of the medium term note programme).

Financial Year ended 31 March 2008

A-REIT achieved a DPU of 14.13 cents for the financial year ended 31 March 2008, an increase of 10.8% over the 12.75 cents recorded in the previous financial year. This was supported by the annual gross revenue of S\$322.3 million and net property income of S\$243.5 million. Net property income and income available for distribution recorded growth of 15.8% and 14.3% respectively over the previous financial year. This was attributable to positive rental reversion, active leasing and full year contribution from acquisitions in the previous year.

As at 31 March 2008, A-REIT had a portfolio of 84 properties and total assets of S\$4.2 billion, and housed a tenant base of over 790 international and local companies. A-REIT acquired seven properties and completed its third development project, HansaPoint@CBP as well as two asset enhancement initiatives for a total of about S\$310.0 million.

Healthy gross domestic product ("**GDP**") growth in 2007 contributed to the continued demand for quality industrial space. The overall occupancy for A-REIT's portfolio of 84 properties stood at 98.4% against 96.6% in the previous financial year. Occupancy rate for multi-tenanted buildings increased by 2.7% from 96.4% in the previous financial year. The increase in occupancy was partly due to the spillover demand from the tight office supply situation in the central business district and the continued inflow of multi-national companies setting up or expanding operations in Singapore. Notably, the occupancy rate for A-REIT's properties in the various sub-sectors

exceeded URA's industry average occupancy rates for similar sub-sectors by an average of between approximately 8.1% and 11.4%¹.

In the annual revaluation exercise conducted in March 2008, A-REIT recorded a net appreciation of S\$494.1 million or 14.2% over the book value of the properties (before revaluation).

As at 31 March 2008, approximately 72.4% of A-REIT's interest rate exposure was fixed with a weighted average term of 3.8 years remaining and at a weighted average cost of approximately 3.1% (including margins charged on the loans and amortised annual costs of the medium term note programme). The Aggregate Leverage as at 31 March 2008 was 38.2%.

Financial Period from 1 April 2008 to 31 December 2008

For the nine months ended 31 December 2008, A-REIT achieved a DPU of 11.95 cents which represented a 14.5% growth over 10.44 cents for the same period the previous year, backed by gross revenue of S\$292.2 million and net property income of S\$216.5 million.

Net property income increased by 20.9% to S\$74.2 million for the third quarter of FY08/09 compared to the same period the previous year, of which approximately 38.2% was contributed organically through rental rate increases from both positive rental reversions in the multi-tenanted buildings and stepped rental increases in the single-tenanted buildings.

As at 31 December 2008, A-REIT had a portfolio of 88 properties with a total book value of S\$4.5 billion, and housed a tenant base of over 860 international and local companies. The overall occupancy of A-REIT's portfolio of 88 properties remained high at 97.2%.

During the nine months ended 31 December 2008, A-REIT acquired two properties namely, 8 Loyang Way 1 and 31 International Business Park worth in aggregate S\$271.8 million, and completed two development projects namely, 15 Changi North Way and Pioneer Hub with a total value of approximately S\$120.0 million. Ongoing development projects during this period were Plot 8 Changi Business Park and a logistics facility in the Airport Logistics Park of Singapore.

As at 31 December 2008, A-REIT had approximately 74.7% of its debt hedged into fixed rate for the next 3.7 years at a weighted average cost of approximately 3.5% (including margins charged on the loans and amortised annual costs of the medium term note programme) and an Aggregate Leverage of 42.2%.

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- (22) (1) Provide selected data from the balance sheet of the Scheme as at the end of:**
- (a) the most recent completed financial year for which audited financial statements have been published; or**
 - (b) if interim financial statements have been published for any subsequent period, that period.**
- (2) The data referred to in sub-paragraph (1) shall include the line items in the audited or interim balance sheet of the Scheme and shall in addition include the following items:**
- (a) number of units after any adjustment to reflect the sale of new units;**

¹ Source: URA Official Statistics as at 31 December 2007 and is available on the website of the URA at <http://www.ura.gov.sg>. The URA has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by the URA is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, neither the Manager nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

- (b) net asset value per unit; and
- (c) net asset value per unit after any adjustment to reflect the sale of new units.

Selected financial data from the FY07/08 Audited Financial Statements and the Unaudited Financial Statements, including the line items in the balance sheet of A-REIT, are set out in **Appendix 5** to this Offer Information Statement. Such selected financial data should be read together with the relevant notes to the full financial statements.

The pro forma financial information of the Preferential Offering and the Equity Fund Raising presented below is purely for illustration purposes and is prepared based on the Unaudited Financial Statements, taking into account the following assumptions:

- (i) the Equity Fund Raising is completed and 93,103,448 New Units are issued pursuant to the Preferential Offering;
- (ii) the Units issued pursuant to the Private Placement and the New Units are issued at the issue price of S\$1.16 per Unit or New Unit, as the case may be; and
- (iii) the net proceeds from the Equity Fund Raising are utilised in accordance with the use of proceeds set out in paragraph (13) of this Offer Information Statement.

The pro forma financial information has been prepared on the basis of, and is consistent with, the accounting policies set out in the FY07/08 Audited Financial Statements.

	As at 31 December 2008		
	Prior to the Equity Fund Raising	Prior to the Preferential Offering but after the Private Placement	After the completion of the Equity Fund Raising
NAV (S\$'000)	2,417,785	2,709,583	2,814,883
Units in issue ('000)	1,331,763	1,589,763	1,682,866
NAV per Unit (S\$)	1.82	1.70	1.67

- (23) Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of:
- (a) the most recent completed financial year for which financial statements have been published; and
 - (b) if interim financial statements have been published for any subsequent period, that period.

Selected financial data from the FY07/08 Audited Financial Statements and the Unaudited Financial Statements are set out in **Appendix 5** to this Offer Information Statement. Such selected financial data and information should be read together with the relevant notes to the full financial statements.

Financial Year ended 31 March 2008

Cash generated from operating activities of S\$224.9 million comprised primarily rental income from investment properties net of property and trust management expenses.

Net cash outflow from investing activities of S\$378.1 million consisted mainly of the purchase of investment properties (including acquisition charges) of S\$249.3 million and the payment for properties under development of approximately S\$92.6 million. During the year, A-REIT increased its portfolio of properties through the addition of seven properties with a total value of S\$273.3 million.

Net cash inflow from financing activities comprised net borrowing received for the year after repayment of debts, distributions paid to Unitholders and finance cost. During the financial year, A-REIT increased its debt from the issuance of Euro 197.5 million (approximately S\$395.0 million equivalent) seven year AAA-rated CMBS and utilised S\$279.0 million from a bilateral term loan facility of S\$300.0 million granted by a financial institution.

Financial Period from 1 April 2008 to 31 December 2008

Cash generated from operating activities of S\$179.5 million comprised primarily rental income from investment properties net of property and trust management expenses.

Net cash outflow from investing activities of S\$339.5 million consisted mainly of the purchase of investment properties (including acquisition charges) of S\$194.2 million and the payment for properties under development of S\$125.9 million.

Net cash inflow from financing activities of S\$159.2 million comprised net borrowing received for the period after repayment of debts, distributions paid to Unitholders and finance cost. During the nine months ended 31 December 2008, A-REIT secured a committed bank credit facility of S\$200.0 million of which S\$132.4 million has been utilised.

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- (24) Provide a statement by the Manager as to whether, in its reasonable opinion, the working capital available to the Scheme as at the date of lodgment of the offer information statement is sufficient for present requirements and, if insufficient, how the additional working capital considered by the Manager to be necessary is proposed to be provided.**
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The Manager is of the view that, in its reasonable opinion, the working capital available to A-REIT as at the date of lodgment of this Offer Information Statement, after taking into account the loan facilities available to A-REIT and the estimated net proceeds from the Private Placement, is sufficient for the present requirements of A-REIT.

- (25) If the Scheme is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Scheme's financial position and results or business operations, or the investments by participants in the Scheme, provide:**
- (a) a statement of that fact;**
 - (b) details of the credit arrangement or bank loan; and**
 - (c) any action taken or to be taken by the Manager to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**
-

To the best of the Manager's knowledge and belief, A-REIT is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect A-REIT's financial position and results or business operations, or the investments by Unitholders.

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- (26) Discuss, for at least the current financial year, the business and financial prospects of the Scheme, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on revenue, net property income, profitability, liquidity or capital resources, or that would cause the financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.
-

Business and financial prospects of A-REIT

As at 31 December 2008, about 85.0% of A-REIT's portfolio revenue was committed for the next financial year and the weighted average lease to expiry was approximately 5.3 years. Barring any significant deterioration in market conditions, the net property income outlook for A-REIT for the balance of the current financial year ending 31 March 2009 is stable and should perform not worse than the last financial year.

However, 2009 is expected to be a difficult year given the global financial and economic crisis. The outlook for A-REIT for its next financial year will depend largely on the extent and depth of the unfolding impact of the global economic recession on A-REIT's existing tenants as well as on the demand for industrial space.

Significant trends and conditions of the market

The Advance GDP Estimates for the fourth quarter of 2008 released by the Ministry of Trade and Industry of Singapore ("MTI") reflected a contraction in the Singapore economy. GDP declined by 3.7% year-on-year in real terms¹.

According to the MTI, the manufacturing sector declined by 10.7% in the fourth quarter of 2008 compared to the same period in 2007, mainly due to a significant decline in the output from the electronics and precision engineering segments as a result of the continued weak global demand for electronics products. Similarly, the services sector also declined marginally by 0.1% in the fourth quarter. The construction sector had also seen a slower rate of growth of 14.1% compared to 20.3% in the preceding quarter, mainly weighed down by a contraction in industrial building activity.

For 2008 as a whole, MTI estimated GDP growth to be 1.2%, compared with 7.7% in 2007. The manufacturing sector is estimated to have contracted by 4.1% in 2008, down from an expansion of 5.8% in 2007. The services producing industries and construction sector are also expected to register slower growth rates at 5.0% and 17.9% respectively in 2008.

MTI revised estimated GDP growth for 2009 to be between -5.0% to -2.0%.

1 Source: All the information attributed to MTI in this section titled "Significant trends and conditions of the market" is extracted from the MTI's press release titled "MTI Revises Forecasts for 2009 GDP Growth to -5.0 to -2.0 Per Cent and CPI Inflation to -1.0 to 0 Per Cent" published on 21 January 2009, and is available on the website of the MTI at <http://www.mti.gov.sg>. The MTI has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by the MTI is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, neither the Manager nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

As for the property sector, overall industrial property prices and rental rates (represented by the URA price and rental indices respectively) continued to register positive growth in the third quarter of 2008, by 0.88% and 0.09% respectively. According to URA's statistics released in November 2008, occupancy rates improved slightly across all industrial property types. Notable increase in average occupancy rate was seen in the Business & Science Park sector, where it rose to 93.7% in the third quarter of 2008 from 89.7% in the second quarter of 2008. Warehouse space occupancy rates improved slightly from 92.0% in the second quarter of 2008 to 92.8% in the third quarter of 2008. Occupancy rates also improved slightly across all industrial property types with a marginal increase of 0.3% to 93.4% for factory space².

A few special business factors or risks which are unlikely to be known or anticipated by the general investors and which could materially affect the profits of A-REIT are set out in **Appendix 1** to this Offer Information Statement.

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- (27) (1) Except as provided in sub-paragraphs (2) and (3), the offer information statement shall not:**
- (a) include any prediction, projection or forecast as to the future or likely performance of the Scheme; or**
 - (b) use words such as “targeted” or “expected” or any similar words or description in relation to a rate of return.**
- (2) The offer information statement may include a prediction, projection or forecast on the economy or the economic trends of the markets which are targeted by the Scheme, but such prediction, projection or forecast shall be accompanied by a prominent statement to the effect that the prediction, projection or forecast is not necessarily indicative of the future or likely performance of the Scheme.**
- (3) The offer information statement may include a forecast or projection in relation to the Scheme (including, where applicable, any yield to be generated by any new asset or property proposed to be acquired by the Scheme) in the offer information statement, provided that:**
- (a) if the forecasted or projected yields of the units in the Scheme are stated in percentage terms:
 - (i) such yields are presented on an annualised basis; and**
 - (ii) it is prominently stated in the offer information statement that such forecasted or projected yields are calculated based on a stated reference price or standard reference prices and that such yields will vary accordingly for investors who purchase units in the secondary market at a market price higher or lower than the stated reference price or prices;****
 - (b) the assumptions underlying such forecast or projection are reasonable, and are stated clearly and explicitly in the offer information statement; and**
 - (c) the forecast or projection is accompanied by the items referred to in sub-paragraph (4).**

² Source: URA Official Statistics as at November 2008 and is available on the website of the URA at <http://www.ura.gov.sg>. The URA has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by the URA is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, neither the Manager nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

- (4) The items referred to in paragraph (3) (c) are:**
- (a) a statement by an auditor of the Scheme as to whether such forecast or projection is:**
 - (i) properly prepared on the basis of the assumptions;**
 - (ii) consistent with accounting policies adopted by the Manager in respect of the Scheme; and**
 - (iii) presented in accordance with acceptable accounting standards adopted by the Manager in the preparation of the financial statements of the Scheme;**
 - (b) where:**
 - (i) the forecast or projection is in respect of a period ending on a date not later than the end of the current financial year of the Scheme:**
 - (A) a statement by the issue manager to the offer or any other person whose profession or reputation gives authority to the statement made by him, that the forecast or projection has been stated by the Manager after due and careful enquiry and consideration; or**
 - (B) a statement by an auditor of the Scheme, prepared on the basis of his examination of the evidence supporting the assumptions and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the forecast or projection; or**
 - (ii) the forecast or projection is in respect of a period ending on a date after the end of the current financial year of the Scheme:**
 - (A) a statement by the issue manager to the offer or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the forecast or projection; or**
 - (B) a statement by an auditor of the Scheme, prepared on the basis of his examination of the evidence supporting the assumptions and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the forecast or projection;**
 - (c) a sensitivity analysis; and**
 - (d) a confirmation from the Manager that the forecast or projection has been properly prepared on the basis of appropriate and reasonable assumptions.**
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Not applicable as this Offer Information Statement does not include any forecast or projection.

(28) Disclose any event that has occurred from the end of:

- (a) the most recent completed financial year for which financial statements have been published; or**
- (b) if interim financial statements have been published for any subsequent period, that period**

to the latest practicable date which may have a material effect on the financial position and results of the Scheme or, if there is no such event, provide an appropriate negative statement.

To the best of the Manager's knowledge and belief, save as disclosed in the Circular, no event has occurred from 31 December 2008, being the last day of the period covered by A-REIT's third quarter financial results, to the Latest Practicable Date, which may have a material effect on the financial position and results of A-REIT.

It should be noted that:

- (i) in relation to A-REIT's S\$300.0 million bilateral term loan due in March 2010 (see paragraph (17) of this Offer Information Statement for further details), A-REIT has sought and received an expression of interest from the provider of the S\$300.0 million bilateral term loan due in March 2010, to extend this term loan; and
 - (ii) A-REIT is in advanced negotiations for a new S\$250.0 million, 3-year committed credit facility from a major financial institution.
-

(29) In this Part, "published" includes publication in a prospectus, in an annual report or on SGXNET.

Noted.

PART VI — THE OFFER AND LISTING

- (30) Indicate the price at which the units are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, the method by which the offer price is to be determined must be explained.
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Issue Price

The Issue Price is S\$1.16 for each New Unit (including Excess New Units).

Administrative Fee

Applicants for the New Units under the Preferential Offering may be required to pay an administrative fee of up to S\$2.00 for each application through the ATMs of Participating Banks.

- (31) If:

- (a) any of the Scheme's participants have pre-emptive rights to subscribe for or purchase the units being offered; and
 - (b) the exercise of the rights by the participant is restricted, withdrawn or waived,
- indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.
-

Not applicable as there are no pre-emptive rights to subscribe for or purchase the New Units.

- (32) If units in the Scheme and of the same class as those being offered are listed for quotation on any securities exchange:

- (a) in a case where the first-mentioned units have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned units:
 - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month which the latest practicable date falls to the latest practicable date;
-

The closing price range for the Units and the average daily volume of Units traded on the SGX-ST for each of the 12 calendar months immediately preceding January 2009 and for the period commencing on 1 January 2009 to the Latest Practicable Date are set out in **Appendix 4** to this Offer Information Statement.

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- (32) (b) in a case where the first-mentioned units have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned units:
- (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
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This item is not applicable as A-REIT was listed on the SGX-ST on 19 November 2002.

- (32) (c) disclose any significant trading suspension that has occurred on the securities exchange during the three years immediately preceding the latest practicable date or, if the units have been listed for quotation for less than three years, during the period from the date on which the units were first listed on the securities exchange, to the latest practicable date; and
-

The Manager is not aware of any significant trading suspension on the SGX-ST during the three years immediately preceding the Latest Practicable Date.

- (32) (d) disclose information on any lack of liquidity, if the units are not regularly traded on the securities exchange.
-

The Manager believes that the Units are regularly traded on the SGX-ST.

- (33) Where the units being offered are not identical to the units already issued in the same collective investment scheme, provide:
- (a) a statement of the rights, preferences and restrictions attached to the units being offered; and
 - (b) an indication of the resolutions, authorisations and approvals by virtue of which the Manager may create or issue further units to rank in priority to or *pari passu* with the units being offered.
-

Status of the New Units

The New Units to be issued pursuant to the Preferential Offering will, upon issue, rank *pari passu* in all respects with the then existing Units, including the right to A-REIT's distributions for the period from 21 January 2009, being the day on which the new Units were issued pursuant to the Private Placement to 31 March 2009 as well as distributions thereafter.

It should be noted that in connection with the Private Placement, the Manager has declared, in lieu of the scheduled distribution in respect of the period from 1 October 2008 to 31 December 2008, a distribution of the distributable income for the period from 1 October 2008 to 20 January 2009, which was the day immediately prior to the date on which new Units were issued pursuant to the Private Placement (the "**Cumulative Distribution**"). The current expectation of the Manager is that the quantum of the Cumulative Distribution will be approximately 4.78 cents per Unit. The

actual quantum of the Cumulative Distribution is subject to determination by the Manager and will be announced on a later date after the management accounts of A-REIT for the relevant period have been finalised. For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Preferential Offering are not entitled to the Cumulative Distribution.

Authority to issue the New Units

The New Units are issued pursuant to a general mandate given by Unitholders to the Manager at the extraordinary general meeting of Unitholders held on 30 June 2008, pursuant to which the Manager may, during the financial year ending 31 March 2009, issue such number of new Units and/or securities convertible into Units ("**Convertible Securities**") not exceeding 50.0% of the number of Units in issue as at 31 March 2008 (the "**Base Figure**"), of which the aggregate number of new Units and/or Convertible Securities issued other than on a pro rata basis to existing Unitholders shall not be more than 20.0% of the Base Figure.

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- (34) Indicate the amount, and outline briefly the plan of distribution, of the units that are to be offered otherwise than through underwriters. If the units are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**
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Basis of Provisional Allotment

The Preferential Offering is made on an underwritten pro rata, non-renounceable and non-transferable basis of one (1) New Unit for every fifteen (15) Existing Units held by Entitled Unitholders at the Issue Price, fractions of a Unit to be disregarded and subject to the Rounding Mechanism.

Ascendas and its subsidiaries may choose to subscribe for the Excess New Units in addition to their provisional allotments of New Units and the applications from Substantial Unitholders (including Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited) and directors of the Manager will rank last in priority. Any remaining unsubscribed New Units, after all applications for Excess New Units have been satisfied, will be underwritten by the Joint Lead Managers and Underwriters on the terms of the Placement Agreement.

Pursuant to the terms of the Placement Agreement, the Joint Lead Managers and Underwriters have agreed, subject to the terms and conditions of that agreement, to subscribe for, and/or procure the subscription for, New Units to be issued pursuant to the Preferential Offering (less the number of New Units to be provisionally allotted to Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT)) at the Issue Price, to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units.

The Joint Lead Managers and Underwriters and Ascendas Land (Singapore) Pte Ltd have entered into the Ascendas Commitment Agreement, pursuant to which Ascendas Land (Singapore) Pte Ltd agreed to subscribe for up to 69,032,571 New Units under the Preferential Offering (which has been determined in accordance with the formula set out below), to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units.

$$A = \frac{\text{S\$108,000,000} - (B \times \text{Issue Price})}{\text{Issue Price}}$$

Where:

Issue Price : S\$1.16

A : 69,032,571 New Units, being the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement.

B : 24,070,877 New Units, being the total number of New Units to be subscribed by (i) Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Land Irrevocable Undertaking and (ii) Ascendas Funds Management (S) Limited pursuant to the AFM Irrevocable Undertaking.

Ascendas Land (Singapore) Pte Ltd has pursuant to the Ascendas Land Irrevocable Undertaking agreed to, among other things, accept in full its provisional allotment of New Units under the Preferential Offering. Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT), has pursuant to the AFM Irrevocable Undertaking agreed to, among other things, accept in full its provisional allotment of New Units under the Preferential Offering.

Entitled Unitholders are at liberty to accept in part or in full, decline their provisional allotments of New Units and are eligible to subscribe for the Excess New Units during the period from 29 January 2009 to 5 February 2009.

Ineligible Unitholders

No provisional allotment of New Units will be made to Ineligible Unitholders and no purported acceptance thereof or application therefor by Ineligible Unitholders will be valid.

This Offer Information Statement and its accompanying documents relating to the Preferential Offering have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore. The distribution of this Offer Information Statement and its accompanying documents relating to the Preferential Offering may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than in Singapore, the Preferential Offering is only made in Singapore and this Offer Information Statement and its accompanying documents have not been and will not be despatched to Ineligible Unitholders.

The Manager reserves the right, but shall not be obliged to, treat as invalid any application or purported application, or decline to register such application or purported application which (a) appears to the Manager or its agents to have been executed in any jurisdiction outside Singapore or which the Manager believes may violate any applicable legislation of such jurisdiction, or (b) purports to exclude any deemed representation or warranty. The Manager further reserves the right to reject any acceptances of the New Units and/or applications for Excess New Units where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction.

Notwithstanding the above, Unitholders and any other person having possession of this Offer Information Statement are advised to inform themselves of and to observe all legal requirements applicable thereto. No person in any territory outside Singapore receiving this Offer Information Statement may treat the same as an offer, invitation or solicitation to subscribe for any New Units unless such offer, invitation or solicitation could lawfully be made without violating any regulation or legal requirements in such territory.

- (35) Provide a summary of the features of the underwriting relationship together with the amount of units being underwritten by each underwriter.**
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Pursuant to the Placement Agreement, the Joint Lead Managers and Underwriters have agreed, subject to the terms and conditions of that agreement, to subscribe for, and/or procure the subscriptions for, New Units to be issued pursuant to the Preferential Offering (less the number of New Units to be provisionally allotted to Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) in respect of which the Ascendas Land Irrevocable Undertaking and the AFM Irrevocable Undertaking have been given), at the Issue Price, to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units.

The Joint Lead Managers and Underwriters and Ascendas Land (Singapore) Pte Ltd have entered into the Ascendas Commitment Agreement pursuant to which Ascendas Land (Singapore) Pte Ltd has agreed, if called upon by the Joint Lead Managers and Underwriters, to subscribe for up to 69,032,571 New Units under the Preferential Offering (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement), to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units, in consideration of the Ascendas Commission.

PART VII — ADDITIONAL INFORMATION

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- (36) Where a statement or report attributed to a person as an expert is included in the offer information statement, provide the name, address and qualifications of that person.**
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No statement or report attributed to an expert is included in this Offer Information Statement.

- (37) Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert:**
- (a) state the date on which the statement was made;**
 - (b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
 - (c) include a statement that the expert has given and has not withdrawn his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**
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None.

- (38) Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**
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Each of Citigroup Global Markets Singapore Pte. Ltd. and Macquarie Capital Securities (Singapore) Pte. Limited has given, and has not before the issue of this Offer Information Statement withdrawn, their written consents to being named in this Offer Information Statement as one of the Joint Lead Managers and Underwriters for the Preferential Offering.

- (39) Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly:**
- (a) the operations or financial position or results of the Scheme; or**
 - (b) investments by participants of the Scheme.**
-

Save as disclosed in this Offer Information Statement, including the Appendices to this Offer Information Statement, the Manager is not aware of any other matters which could materially affect, directly or indirectly, the operations or financial position or results of A-REIT or Unitholders.

Statements contained in this Offer Information Statement which are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in this section and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecast. Under no circumstances should the inclusion of such information in this Offer Information Statement be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by the Manager or any other person or that these results will be achieved or are likely to be achieved.

**PART VIII — ADDITIONAL INFORMATION REQUIRED FOR OFFER OF UNITS
BY WAY OF RIGHTS ISSUE**

(40) Provide:

- (a) the particulars of the rights issue;**
 - (b) the last day and time for splitting of the provisional allotment of the units to be issued pursuant to the rights issue;**
 - (c) the last day and time for acceptance of and payment for the units to be issued pursuant to the rights issue;**
 - (d) the last day and time for renunciation of and payment by the renounee for the units to be issued pursuant to the rights issue;**
 - (e) the terms and conditions of the offer of units to be issued pursuant to the rights issue;**
 - (f) the particulars of any undertaking from the substantial participants of the Scheme to subscribe for their entitlements; and**
 - (g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.**
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Basis of Allotment : One (1) New Unit for every fifteen (15) Units standing to the credit of the Securities Accounts (as defined herein) of the Entitled Unitholders as at the Books Closure Date, fractions of a Unit to be disregarded and subject to the Rounding Mechanism.

Issue Price : S\$1.16 per New Unit payable in full on acceptance and/or application.

Preferential Offering : The Manager intends to issue up to 93,103,448 New Units¹ pursuant to the Preferential Offering at the Issue Price to Entitled Unitholders on the basis of one (1) New Unit for every fifteen (15) Units held as at the Books Closure Date, fractions of a Unit to be disregarded and subject to the Rounding Mechanism, in order to raise gross proceeds of up to approximately S\$108.0 million².

As the Preferential Offering is made on a non-renounceable basis, the provisional allotments of New Units cannot be renounced in favour of a third party or traded on the SGX-ST.

1 For the purpose of illustration in the Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual number of New Units to be issued under the Preferential Offering may be higher or lower due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

2 For the purpose of illustration in the Circular, the maximum number of New Units to be issued under the Preferential Offering has been assumed to be 93,103,448 New Units. The actual proceeds to be raised under the Preferential Offering may be higher or lower depending on the actual number of New Units to be issued due to the operation of the Rounding Mechanism. New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

Acceptance of and payment for the provisional allotments of New Units and (if applicable) application and payment for Excess New Units may be effected, in full or in part, via ARE or through the ATMs of the Participating Banks and must be made in accordance with the “Procedures for Acceptance, Payment and Excess Application for New Units under the Preferential Offering by Entitled Unitholders” and “Additional Terms and Conditions for Electronic Applications” set out in **Annexure B** and **Annexure C** to the Circular respectively.

Entitled Unitholders who have subscribed for or purchased Units under the CPFIS and/or the SRS can only accept their provisional allotments of New Units by instructing the relevant banks in which they hold their CPFIS accounts and/or SRS accounts to do so on their behalf.

Status of the New Units : The New Units to be issued pursuant to the Preferential Offering will, upon issue, rank *pari passu* in all respects with the then existing Units, including the right to A-REIT’s distributions for the period from 21 January 2009, being the day on which the new Units were issued pursuant to the Private Placement to 31 March 2009 as well as distributions thereafter.

It should be noted that in connection with the Private Placement, the Manager has declared, in lieu of the scheduled distribution in respect of the period from 1 October 2008 to 31 December 2008, the Cumulative Distribution. The current expectation of the Manager is that the quantum of the Cumulative Distribution will be approximately 4.78 cents per Unit. The actual quantum of the Cumulative Distribution will be announced on a later date after the management accounts of A-REIT for the relevant period have been finalised. For the avoidance of doubt, the holders of the New Units to be issued pursuant to the Preferential Offering will not be entitled to the Cumulative Distribution.

Eligibility of Unitholders to participate in the Preferential Offering : Please refer to the section “Eligibility of Unitholders to Participate in the Preferential Offering” of the Circular.
For the avoidance of doubt, the holders of the Units issued pursuant to the Private Placement are not entitled to participate in the Preferential Offering.

Entitled Unitholders’ Option : Entitled Unitholders are at liberty to accept in full or in part, or decline their provisional allotments of New Units and are eligible to apply for the Excess New Units during the period from 29 January 2009 to 5 February 2009.

Applications for Excess New Units by the Entitled Unitholders are to be made at the Issue Price.

The procedures for acceptance of New Units, applications for Excess New Units and payment therefor by Entitled Unitholders are set out in **Annexures B** and **C** to the Circular.

Provisional allotments will not be offered to Ineligible Unitholders and no purported acceptance thereof or application therefor by Ineligible Unitholders will be valid.

Underwriting : Pursuant to the terms of the Placement Agreement, the Joint Lead Managers and Underwriters have agreed, subject to the terms and conditions of that agreement, to procure subscriptions for, or failing which to subscribe for, New Units to be issued pursuant to the Preferential Offering (less the number of New Units to be provisionally allotted to Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) in respect of which the Ascendas Land Irrevocable Undertaking and the AFM Irrevocable Undertaking have been given) at the Issue Price, to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units.

The Joint Lead Managers and Underwriters have entered into the Ascendas Commitment Agreement pursuant to which Ascendas Land (Singapore) Pte Ltd has agreed to, if called upon by the Joint Lead Managers and Underwriters, subscribe for up to 69,032,571 New Units under the Preferential Offering (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement), to the extent that they remain unsubscribed after satisfaction of all applications (if any) for Excess New Units, in consideration of the Ascendas Commission.

In the event that Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) accept in full their provisional allotments of New Units under the Preferential Offering and Ascendas Land (Singapore) Pte Ltd is called upon to subscribe for 69,032,571 New Units (representing the maximum number of New Units to be subscribed by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement), assuming that none of the other Entitled Unitholders accept their provisional allotment of New Units and apply for Excess New Units, Ascendas' aggregate unitholding in A-REIT, through its wholly-owned subsidiaries, will not exceed 27.0% immediately upon the issue of New Units under the Preferential Offering, because Ascendas and its subsidiaries did not take up new Units under the Private Placement.

In the event that Ascendas Land (Singapore) Pte Ltd and Ascendas Funds Management (S) Limited (in its own capacity and not in its capacity as manager of A-REIT) accept in full their provisional allotments of New Units under the Preferential Offering but do not apply for any Excess New Units and Ascendas Land (Singapore) Pte Ltd is not called upon to subscribe for any of the Excess New Units under the Ascendas Commitment Agreement, Ascendas' aggregate unitholding in A-REIT will not exceed 22.9% immediately upon the issue of New Units under the Preferential Offering.

Listing of the New Units : Approval in-principle, subject to certain conditions, has been obtained from the SGX-ST on 15 January 2009 for, among other things, the listing and quotation of the New Units on the Official List of the Main Board of the SGX-ST.

The in-principle approval of the SGX-ST is not an indication of the merits of the Preferential Offering, the New Units or A-REIT.

- Rounding Mechanism** : Where an Entitled Unitholder's provisional allotment of New Units under the Preferential Offering is other than in integral multiples of 1,000 Units, it will be increased to such number which, when added to the Entitled Unitholder's unitholding as at the Books Closure Date, results in an integral multiple of 1,000 Units.
- Trading of the New Units** : Upon the listing and quotation of the New Units on the Official List of the SGX-ST, the New Units will be traded on the Main Board of the SGX-ST under the book-entry (scripless) settlement system. For the purposes of trading on the Main Board of the SGX-ST, each board lot of Units will comprise 1,000 Units. All dealings in and transactions (including transfers) of the New Units effected through the SGX-ST and/or CDP shall be made in accordance with the "Terms and Conditions for Operation of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP.
- Use of CPF Funds** : Members participating in the CPFIS may use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF accounts to pay for the New Units. Such members who wish to accept their provisional allotments and (if applicable) apply for Excess New Units using CPF monies will need to instruct the respective approved banks, where such members hold their CPFIS accounts, to accept the provisional allotments and (if applicable) apply for the Excess New Units on their behalf in accordance with the Circular.
- Use of SRS Funds** : Unitholders with SRS accounts may use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to pay for the New Units. Such Unitholders who wish to accept their provisional allotments and (if applicable) apply for Excess New Units using SRS monies, will need to instruct the relevant banks in which they hold their SRS accounts to accept the provisional allotments and (if applicable) apply for the Excess New Units on their behalf in accordance with the Circular.
- Governing Law** : Laws of the Republic of Singapore.

**Directors of Ascendas Funds Management (S) Limited
(as manager of Ascendas Real Estate Investment Trust)**

Dated 23 January 2009

Mr David Wong Cheong Fook
(Chairman and Independent Director)

Ms Chong Siak Ching
(Vice Chairman, Non-executive Director)

Mr Benedict Kwek Gim Song
(Independent Director, Chairman of the Audit
Committee)

Mr Swee Kee Siong
(Non-executive Director)

Mr Chia Kim Huat
(Independent Director)

Mr Joseph Chen Seow Chan
(Independent Director)

Mr Tan Ser Ping
(Executive Director, Chief Executive Officer)

SPECIAL BUSINESS FACTORS OR RISKS

Details of a few special business factors or risks which are unlikely to be known or anticipated by investors and which could materially affect profits are set out below.

There may be potential conflicts of interest between A-REIT and the Ascendas group.

The Manager and the property manager of A-REIT are 100% directly owned by the Ascendas group. As at the Latest Practicable Date, Ascendas owns an aggregate interest of approximately 27.1% in A-REIT through its wholly-owned subsidiaries.

The Ascendas group is engaged in (or have interests in corporations which are engaged in), among other things, investments in, acquisitions of and the development and management of industrial properties and/or other real estate in Singapore and/or overseas markets. A-REIT may have to compete with the Ascendas group in relation for tenants in the Singapore market.

The gross revenue earned from, and the value of, the properties in A-REIT's portfolio may be adversely affected by a number of factors.

The gross revenue earned from, and the value of, A-REIT's properties may be adversely affected by a number of factors, including:

- (i) the collection of rent from tenants on a timely basis or at all;
- (ii) events affecting the properties in A-REIT's portfolio which could result in the inability of the relevant tenants to operate on such properties and thereby resulting in the inability of such tenants to make timely payments of rent;
- (iii) tenants seeking the protection of bankruptcy laws which could result in delays in the receipt of rent payments, inability to collect rental income, or delays in the termination of the tenant's lease, or which could hinder or delay the re-letting of the space in question or the sale of the relevant property;
- (iv) the local and international economic climate and real estate market conditions (such as oversupply of, or reduced demand for industrial properties, changes in market rental rates and operating expenses for A-REIT's properties);
- (v) vacancies following the expiry or termination of tenancies that could lead to reduced occupancy rates which could reduce A-REIT's gross revenue and its ability to recover certain operating costs through service charges;
- (vi) the amount of rent payable by tenants and other terms on which tenancy renewals and new tenancies are agreed being less favourable than those under current tenancies;
- (vii) the Manager's ability to provide adequate management and maintenance or to purchase or put in place adequate insurance in relation to A-REIT's properties;
- (viii) competition for tenants which may affect rental income or occupancy levels at A-REIT's properties;
- (ix) changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Such revisions may lead to an increase in management expenses or unforeseen capital expenditure needed to ensure compliance. Rights related to the relevant properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment; and

- (x) natural disasters, acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases and other events beyond the control of the Manager.

A-REIT depends on certain key personnel and the loss of any key personnel may adversely affect its operations.

A-REIT's success depends, in part, upon the continued service and performance of members of the Manager's senior management team and certain key senior personnel. These key personnel may leave the Manager in the future and compete with it and/or A-REIT. The loss of any of these key employees could have a material adverse effect on A-REIT's business, results of operations and financial condition.

The loss of key tenants or a downturn in the business of A-REIT's tenants could have an adverse effect on its financial condition and results of operations.

A-REIT's financial condition and results of operations and ability to make distributions may be adversely affected by the bankruptcy, insolvency or downturn in the business of its key tenants, including the decision by any such tenants not to renew their leases.

A-REIT may be adversely affected by the illiquidity of real estate investments.

A-REIT invests primarily in real estate which entails a higher level of risk than a portfolio of marketable securities.

Real estate investments are relatively illiquid. Such illiquidity may affect A-REIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. Moreover, A-REIT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on A-REIT's financial condition and results of operations, with a consequential adverse effect on A-REIT's ability to make distributions to Unitholders.

A-REIT's properties are located in Singapore and are therefore exposed to the economic and real estate conditions in Singapore (including increased competition in the real estate market).

A-REIT's properties are situated in Singapore, which exposes A-REIT to the risk of a prolonged downturn in economic and real estate conditions in Singapore. A significant portion of A-REIT's gross revenue and results of operations depend, to a large extent, on the performance of the Singapore economy. The value of A-REIT's properties and the rental revenue collected may also be adversely affected by a number of local real estate conditions, such as the attractiveness of competing business spaces and industrial properties or, for example, if there is an oversupply of business and industrial space. There are many business spaces and industrial properties in Singapore that compete with A-REIT's properties in attracting tenants.

A-REIT will require funds from time to time in order to both finance its working capital requirements, refinance existing debt as well as fund acquisitions to improve its property portfolio that it may not be able to sustain.

A-REIT's business strategy is to make acquisitions and undertake development projects which are yield-accretive. The availability of external financing for A-REIT's capital investments depends on many factors outside of its control, including money and capital market conditions and the overall performance of the economy. In particular, investors in A-REIT should note that the willingness of financial institutions to make capital commitments by way of investing in debt or equity instruments may for an indeterminate period be adversely affected by the widespread default of U.S. sub-prime mortgages and the current financial crisis. The widespread dispersion of credit risks arising from the use of collateralized debt obligations and the unclear effect on financial institutions may cause financial

institutions to reduce lending activity or to make loans at higher interest rates, in order to preserve sufficient liquidity. A-REIT accordingly may face increasing difficulties in raising funds for working capital purposes or to finance future acquisitions and developments of yield-accretive assets.

If A-REIT does not have sufficient internal cash or external financing on acceptable terms, it may be unable to develop or enhance its portfolio by acquiring or developing assets when the opportunity arises, fund potential asset enhancements and any ongoing capital expenditure requirements.

The Equity Fund Raising will dilute the net asset value per Unit.

After completion of the Equity Fund Raising, the total number of Units in issue will increase. As a result, immediately after the Equity Fund Raising, the net asset value per Unit will be lower than the net asset value per Unit prior to the Equity Fund Raising.

NUMBER OF UNITS OWNED BY EACH SUBSTANTIAL UNITHOLDER

Based on the Register of Substantial Unitholders maintained by the Manager, the Substantial Unitholders and their respective interests (direct and deemed) in the Units as at the Latest Practicable Date are as follows:

Substantial Unitholder	Direct Interest	% of issued and outstanding Units	Deemed Interest	% of issued and outstanding Units
Ascendas Land (Singapore) Pte Ltd	337,223,743	25.3%	23,821,380	1.8%
Ascendas Pte Ltd	–	–	361,045,123	27.1%
Jurong Town Corporation	–	–	361,045,123	27.1%

NAMES AND ADDRESSES OF THE DIRECTORS

Name	Position	Address
Mr David Wong Cheong Fook	Chairman & Independent Director	14 Joan Road Singapore 298892
Ms Chong Siak Ching	Vice Chairman & Non-executive Director	1 Matlock Rise Singapore 358561
Mr Benedict Kwek Gim Song	Independent Director & Chairman of the Audit Committee	30 Mount Elizabeth, #06-34 Singapore 228519
Mr Swee Kee Siong	Non-executive Director	1 Capricorn Drive Singapore 579555
Mr Chia Kim Huat	Independent Director	35 Sennett Road Singapore 466814
Mr Joseph Chen Seow Chan	Independent Director	343 Upper Bukit Timah Road #09-01 Singapore 588196
Mr Tan Ser Ping	Executive Director & Chief Executive Officer	Blk 160 Haig Road #15-01 Singapore 438795

PRICE RANGE OF THE UNITS AND TRADING VOLUME ON THE SGX-ST

The highest and lowest closing prices of the Units and the average daily volume of Units traded on the SGX-ST for the twelve calendar months immediately preceding January 2009 and for the period commencing on 1 January 2009 to the Latest Practicable Date are as follows:

Month	Price Range (S\$ per Unit)		Average Daily Volume Traded ('000 Units)
	Highest	Lowest	
January 2008	2.43	2.04	7,312
February 2008	2.33	2.10	4,490
March 2008	2.38	1.90	7,247
April 2008	2.57	2.32	3,537
May 2008	2.72	2.36	4,681
June 2008	2.50	2.19	3,114
July 2008	2.46	2.07	3,692
August 2008	2.55	2.26	3,943
September 2008	2.32	1.83	4,536
October 2008	1.98	1.43	4,960
November 2008	1.82	1.23	4,857
December 2008	1.41	1.13	4,423
1 January 2009 to 19 January 2009, being the Latest Practicable Date	1.60	1.26	5,696

Source: Bloomberg. Bloomberg has not provided its consent, for purposes of Section 249 (read with Section 302) of the SFA, to the inclusion of the information extracted from the relevant report published by it and therefore is not liable for such information under Sections 253 and 254 (both read with Section 302) of the SFA. While the Manager has taken reasonable actions to ensure that the information from the relevant report published by Bloomberg is reproduced in its proper form and context, and that the information is extracted accurately and fairly from such report, neither the Manager, nor any other party has conducted an independent review of the information contained in such report nor verified the accuracy of the contents of the relevant information.

CERTAIN FINANCIAL INFORMATION

Selected financial data from the FY05/06 Audited Financial Statements, the FY06/07 Audited Financial Statements, the FY07/08 Audited Financial Statements and the Unaudited Financial Statements including the line items in the statement of total return, the distribution statement, balance sheet and the statement of cash flows of A-REIT, is set out in this Appendix. Financial data relating to DPU, earnings or loss per Unit and earnings or loss per Unit after any adjustment to reflect the issue of New Units and the issue of 258,000,000 Units under the Private Placement is also set out below and assumes that 351,103,448 Units are issued pursuant to the Equity Fund Raising at the issue price of S\$1.16 per Unit.

Such selected financial data should be read together with the relevant notes to the full financial statements, which are available on the website of A-REIT at <http://www.a-reit.com> and are also available for inspection during normal business hours at the registered office of the Manager at 61 Science Park Road, #02-18 The GALEN, Singapore Science Park II, Singapore 117525, from the date of this Offer Information Statement up to and including the date falling six months after the date of this Offer Information Statement¹.

Save for the FY05/06 Audited Financial Statements, the FY06/07 Audited Financial Statements, the FY07/08 Audited Financial Statements and the Unaudited Financial Statements which are deemed incorporated into this Offer Information Statement by reference, information contained on the website of A-REIT does not constitute part of this Offer Information Statement.

¹ Prior appointment with the Manager (telephone: +65 6774 1033) would be appreciated.

Statement of Total Return

	9 months ended		Financial year ended		
	31 Dec	31 Dec	31 Mar	31 Mar	31 Mar
	2008	2007	2008	2007	2006
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Gross revenue	292,210	237,806	322,270	283,007	227,153
Property operating expenses	(75,699)	(58,273)	(78,780)	(72,660)	(53,595)
Net property income	216,511	179,533	243,490	210,347	173,558
Interest income	26	112	114	332	214
Management fees	(16,936)	(12,615)	(25,579)	(21,607)	(17,971)
Trust expenses	(3,153)	(1,704)	(2,508)	(1,913)	(1,516)
Borrowing costs	(43,817)	(32,277)	(40,537)	(38,777)	(22,293)
Net income before tax	152,631	133,049	174,980	148,382	131,992
Net appreciation on revaluation of investment properties credited directly to asset revaluation reserve	—	—	494,141	188,712	13,188
Total return for the year before income tax	152,631	133,049	669,121	337,094	145,180
Income tax expense	—	—	—	—	—
Total return for the year	152,631	133,049	669,121	337,094	145,180
Non-tax deductible expenses, net	6,480	5,248	12,289	15,442	10,641
Net appreciation on revaluation of investment properties credited directly to asset revaluation reserve	—	—	(494,141)	(188,712)	(13,188)
Income available for distribution	159,111	138,297	187,269	163,824	142,633
Distribution per Unit (cents)	11.95	10.44	14.13	12.75	11.68
Earnings per Unit (cents)	11.49	10.04	50.49	26.24	11.89
Pro forma earnings per Unit after the Equity Fund Raising (cents) ⁽¹⁾	9.08	7.94	39.92	20.60	9.23

Note:

- (1) Pro forma earnings per Unit after the Equity Fund Raising is shown (a) based on the weighted average number of Units in issue during the year/period under review and (b) on the assumption that the Equity Fund Raising was completed at the beginning of each such year/period and without taking into account the use of proceeds from the Equity Fund Raising on the earnings of A-REIT.

Balance Sheet

	As at 31 Dec 2008 S\$'000	As at 31 Mar 2008 S\$'000
Assets		
Investment properties	4,482,114	4,085,605
Properties under development	92,756	88,007
Plant and equipment	5,288	6,113
Trade and other receivables	25,421	20,001
Cash and cash equivalent	4,680	5,425
	<hr/> 4,610,259	<hr/> 4,205,151
Liabilities		
Trade and other payables	252,389	166,493
Deferred payments	26,620	40,839
Interest-bearing borrowing, net	1,913,465	1,559,860
	<hr/> 2,192,474	<hr/> 1,767,192
Net assets attributable to Unitholders	<hr/> 2,417,785	<hr/> 2,437,959
Units on issue ('000)	<hr/> 1,331,763	<hr/> 1,325,560
Net asset value per Unit (S\$)	<hr/> 1.82	<hr/> 1.84

Statement of Cash Flows

	9 months ended 31 Dec 2008 S\$'000	Financial year ended 31 Mar 2008 S\$'000
Operating activities		
Net income	152,631	174,980
Adjustment for:		
Interest income	(26)	(114)
Allowance for doubtful receivables	(220)	266
Borrowing costs	43,817	40,537
Manager's fee paid/payable in Units	3,387	11,923
Depreciation	825	1,101
	<hr/>	<hr/>
Operating income before working capital changes	200,414	228,693
Changes in working capital:		
Trade and other receivables	(5,250)	(3,580)
Trade and other payables	(15,672)	(193)
	<hr/>	<hr/>
Cash generated from operating activities	179,492	224,920
Investing activities		
Purchase of investment properties (including acquisition charges)	(194,240)	(249,272)
Payment for properties under development	(125,872)	(92,572)
Payment for capital improvement projects	(4,205)	(13,939)
Payment for deferred settlements	(15,149)	(21,979)
Deposits paid for purchase of investment properties	—	(370)
	<hr/>	<hr/>
Cash flows from investing activities	(339,466)	(378,132)
Financing activities		
Distribution to Unitholders paid	(153,953)	(181,103)
Borrowing costs paid	(39,924)	(42,183)
Interest received	26	114
Proceeds from borrowings	479,480	1,275,500
Repayment of borrowings	(126,400)	(898,500)
	<hr/>	<hr/>
Cash flows from financing activities	159,229	153,828
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	(745)	616
Cash and cash equivalents at beginning of financial period/ year	5,425	4,809
	<hr/>	<hr/>
Cash and cash equivalents at end of financial period/year	4,680	5,425
	<hr/> <hr/>	<hr/> <hr/>

**PROCEDURES FOR ACCEPTANCE, PAYMENT AND
EXCESS APPLICATION FOR NEW UNITS UNDER
THE PREFERENTIAL OFFERING BY ENTITLED UNITHOLDERS**

Entitled Unitholders are entitled to receive this Circular and the ARE which forms part of this Circular. This Circular (including the ARE) will not be despatched to Ineligible Unitholders. The ARE is not renounceable or transferable and is for use only by Entitled Unitholders. The ARE and this Circular (including the Offer Information Statement in **Annexure A** therein) may not be used for the purpose of, and do not constitute, an offer, invitation or solicitation in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or unauthorised, or to any person to whom it is unlawful to make such offer, invitation or solicitation.

The ARE, this Circular and the Offer Information Statement have not been and will not be lodged, registered or filed in any jurisdiction other than Singapore and the New Units under the Preferential Offering are not offered to any person who is not an Entitled Unitholder. The Manager reserves the right to reject any acceptances of New Units and/or applications for Excess New Units where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable laws of any jurisdiction.

The Preferential Offering is governed by the terms and conditions of this Circular and the enclosed ARE. The number of New Units provisionally allotted to each Entitled Unitholder is indicated in the ARE (fractions of a Unit having been disregarded) and includes additional New Units provisionally allotted pursuant to the Rounding Mechanism to Entitled Unitholders (where applicable) to increase their provisional allotments of New Units to such number which, when added to their unitholdings as at the Books Closure Date, results in an integral multiple of 1,000 Units. For the avoidance of doubt, such additional provisional allotment of New Units pursuant to the Rounding Mechanism are included in the provisional allotments of investors who have purchased Units under the CPFIS or the SRS (where applicable). The provisional allotments of investors who hold Units through nominee companies include (where applicable) such additional New Units allotted pursuant to the Rounding Mechanism to enable the provisional allotment of New Units of such nominee companies to be in integral multiples of 1,000 Units. As such, investors whose Units are held through such nominee companies may not enjoy the benefit of such additional provisional allotment of New Units on an individual level.

The Securities Accounts of Entitled Unitholders have been credited by CDP with the provisional allotments of New Units as indicated in the ARE. Entitled Unitholders may accept, in full or in part, or decline, their provisional allotments of New Units. Full instructions for the acceptance of and payment for the provisional allotments of New Units are set out in this Circular as well as the ARE.

If an Entitled Unitholder wishes to accept his provisional allotment of New Units specified in the ARE, in full or in part, and (if applicable) apply for Excess New Units in addition to the New Units he has been provisionally allotted, he may do so by completing the relevant portions of the ARE or by means of an Electronic Application through an ATM of a Participating Bank. An Entitled Unitholder should ensure that the ARE is accurately and correctly completed, failing which the acceptance of the provisional allotments of New Units and (if applicable) the application for Excess New Units may be rejected.

CPF members under the CPFIS — Ordinary Account may use, subject to applicable CPF rules and regulations, monies standing to the credit of their respective CPF investment accounts to subscribe for the New Units and (if applicable) the Excess New Units. CPF members who wish to accept their provisional allotments of New Units and (if applicable) apply for Excess New Units using CPF monies, will need to instruct their respective approved banks, where such CPF members hold their CPFIS accounts, to accept their provisional allotments of New Units and (if applicable) apply for Excess New Units on their behalf in accordance with this Circular.

Entitled Unitholders with SRS accounts may use, subject to applicable SRS rules and regulations, monies standing to the credit of their respective SRS accounts to subscribe for the New Units and (if applicable) the Excess New Units. Such Entitled Unitholders who wish to accept their provisional allotments of New Units and (if applicable) apply for Excess New Units using SRS monies, will need to instruct the relevant banks in which they hold their SRS accounts, to accept their provisional allotments of New Units and (if applicable) apply for Excess New Units on their behalf in accordance with this Circular.

Unless expressly provided to the contrary in this Circular or the ARE, with respect to enforcement against Entitled Unitholders, a person who is not a party to any contracts made pursuant to this Circular or the ARE, has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

With regard to any acceptance and/or application which does not conform strictly to the instructions set out under this Circular or the ARE and/or any other application form for the provisional allotment of New Units and/or the application for Excess New Units in relation to the Preferential Offering, or which does not comply with the instructions for Electronic Applications, or in the case of an acceptance and/or application by way of the ARE and/or any other application form for the provisional allotment of New Units and/or the application for Excess New Units in relation to the Preferential Offering which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Manager and CDP may, at their absolute discretion, reject or treat as invalid any such acceptance and/or application and payment or otherwise process all remittances at any time after receipt in such manner as they may deem fit.

The Manager and CDP shall be entitled to process each ARE submitted for the acceptance of New Units, and where applicable, application for Excess New Units in relation to the Preferential Offering and the payment received in relation thereto, pursuant to such acceptance and/or application, by an Entitled Unitholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Unitholder. For avoidance of doubt, insufficient payment for an acceptance and/or application may render such acceptance and/or application invalid. Evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid acceptance and (if applicable) application for Excess New Units.

Entitled Unitholders may accept their provisional allotments of New Units under the Preferential Offering in full or in part and (if applicable) apply for Excess New Units under the Preferential Offering, either through CDP, by completing and submitting the relevant portion of the ARE or by way of an Electronic Application through an ATM of a Participating Bank.

(a) Acceptance/Application through CDP

To accept the provisional allotment of New Units specified in the ARE and (if applicable) apply for Excess New Units through CDP, the duly completed ARE must be accompanied by **A SINGLE REMITTANCE** for payment in full for the relevant number of New Units accepted and (if applicable) Excess New Units applied for, and submitted:

- (i) by hand to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED at 4 SHENTON WAY, #02-01 SGX CENTRE 2, SINGAPORE 068807**; or
- (ii) by post in the self-addressed envelope provided, at the sender's own risk, to **ASCENDAS FUNDS MANAGEMENT (S) LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD, P.O. BOX 1597, SINGAPORE 903147**,

so as to arrive not later than 5.00 p.m. on 5 February 2009.

The payment must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP — A-REIT PREFERENTIAL OFFER ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**", with the name and Securities Account number of the Entitled Unitholder clearly written on the reverse side of the Cashier's Order or Banker's Draft. **NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

(b) Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications to accept the provisional allotment of New Units and to apply for Excess New Units will appear on the ATM screens of the respective Participating Banks. Please refer to **Annexure C** for the additional terms and conditions for Electronic Application through an ATM of a Participating Bank. In the case of an Entitled Unitholder who has accepted the provisional allotment of New Units and (if applicable) applied for Excess New Units by way of an ARE and also by way of an Electronic Application, the Manager and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Manager and/or CDP may, in their absolute discretion, deem fit.

THE FINAL TIME AND DATE FOR ACCEPTANCE OF THE PROVISIONAL ALLOTMENTS OF NEW UNITS AND (IF APPLICABLE) APPLICATION FOR EXCESS NEW UNITS UNDER THE PREFERENTIAL OFFERING AND PAYMENT THEREFOR MADE THROUGH CDP OR THROUGH AN ATM OF A PARTICIPATING BANK IS AT 5.00 P.M. ON 5 FEBRUARY 2009.

If acceptance and payment in the prescribed manner as set out in the ARE and this Circular is not received through CDP or through an ATM of the Participating Banks by **5.00 p.m. on 5 February 2009** from any Entitled Unitholder, the provisional allotment of New Units to the Entitled Unitholder shall be deemed to have been declined and shall forthwith lapse and become void. To the extent to which the provisional allotment of New Units is taken up in part only, the balance will be deemed to have been declined. Any subscription monies to be returned will be returned to the Entitled Unitholders without interest or share of revenue or other benefit arising therefrom, **BY ORDINARY POST** or in such other manner as they may have agreed with CDP for the payment of any cash distributions (where acceptance is through CDP) or by crediting their accounts with the relevant Participating Bank (where acceptance is by way of an Electronic Application), and at the Entitled Unitholders' own risk within 14 Market Days after the Closing Date. To the extent that the New Units offered under the Preferential Offering are not fully subscribed for, such unsubscribed New Units will be used to satisfy applications for Excess New Units. To the extent that any New Units under the Preferential Offering remain unsubscribed after satisfaction of applications for Excess New Units, such unsubscribed New Units will be subscribed for by Ascendas Land (Singapore) Pte Ltd pursuant to the Ascendas Commitment Agreement after the Closing Date, provided that New Units in excess of 93,103,448 New Units under the Preferential Offering will only be issued to the extent that (a) the operation of the Rounding Mechanism results in the aggregate provisional allotment of all Entitled Unitholders under the Preferential Offering exceeding 93,103,448 New Units and (b) the actual number of New Units which are validly subscribed and paid for by Entitled Unitholders exceeds 93,103,448 New Units.

In the event that the Entitled Unitholder accepts his provisional allotment of New Units under the Preferential Offering, the allotment of New Units will be effected in such manner as the Manager or CDP may, in their absolute discretion deem fit, in accordance with the terms of this Circular and the ARE. However, if the New Units are not issued or if the number of New Units issued is less than that provisionally allotted to or accepted by the Entitled Unitholder, due to any reason, the amount paid on acceptance or the surplus acceptance monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) within 14 Market Days after the Closing Date by any or a combination of the following:

- (a) by means of a crossed cheque sent **BY ORDINARY POST** at the Entitled Unitholder's own risk or in such other manner as they may have agreed with CDP for the payment of any cash distributions if he accepts through CDP; and
- (b) crediting the Entitled Unitholder's bank account with the relevant Participating Bank at his own risk if he accepts through an ATM of the Participating Banks.

Excess New Units are available for application subject to the terms and conditions contained in this Circular and the ARE. Applications for Excess New Units will, at the Manager's absolute discretion, be satisfied from such New Units as are not validly taken up by Entitled Unitholders (including the aggregated fractions of a Unit), the provisional allotments of New Units (if any) of Ineligible Unitholders and any New Units that are otherwise not provisionally allotted for whatever reason, in accordance with the terms and conditions contained in this Circular and the ARE. In the event that applications are received by the Manager for more Excess New Units than are available, the Excess New Units available will be allotted in such manner as the Manager may, in its absolute discretion, deem fit in the interests of A-REIT. The Manager reserves the right to refuse any application for Excess New Units in full or in part without assigning any reason whatsoever, therefore, CDP takes no responsibility for any decision that the Manager may make.

In the event that an Entitled Unitholder applies for Excess New Units and no Excess New Units are allotted to him or if the number of Excess New Units allotted is less than applied for by him, the amount paid on application or the surplus application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) within 14 Market Days after the Closing Date by any or a combination of the following:

- (a) by means of a crossed cheque sent **BY ORDINARY POST** at the Entitled Unitholder's own risk or in such other manner as they may have agreed with CDP for the payment of any cash distributions if he applies through CDP; and
- (b) crediting the Entitled Unitholder's bank account with the relevant Participating Bank at his own risk if he applies through an ATM of the Participating Banks.

If any Entitled Unitholder is in any doubt as to the action he should take, he should consult his legal, financial, tax or other professional adviser immediately.

ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (the **“Electronic Application Steps”**). Please read carefully the terms and conditions set out in this Circular, the instructions set out on the ATM screens of the relevant Participating Banks and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept New Units and/or apply for Excess New Units at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

All references to “Rights Issue” and “Rights Application” on the ATM screens of the Participating Banks shall mean the offer of New Units under the Preferential Offering and the acceptance of such New Units and (if applicable) the application for Excess New Units, respectively. All references to “Document” on the ATM screens of the Participating Banks shall mean this Circular, which contains the Offer Information Statement.

Any reference to the “Applicant” in the terms and conditions for Electronic Applications and the Electronic Application Steps shall mean the Entitled Unitholder who accepts his provisional allotment of New Units and (if applicable) applies for Excess New Units through an ATM of a Participating Bank. An Applicant must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that an Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks.

Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the **“Transaction Slip”**), confirming the details of his Electronic Application. The Transaction Slip is for retention by the Applicant and should not be submitted with any ARE. An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance and/or application liable to be rejected.

The Electronic Applications shall be made on, and subject to, the terms and conditions of this Circular including, but not limited to, the terms and conditions appearing below:

- (1) In connection with his Electronic Application, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) that he has received a copy of this Circular and has read, understood and agreed to all the terms and conditions of acceptance of his provisional allotment of New Units and (if applicable) application for Excess New Units under the Preferential Offering prior to effecting the Electronic Application and agrees to be bound by the same; and
 - (b) that he authorises the relevant Participating Bank to give, provide, divulge, disclose or reveal information from his account with the relevant Participating Bank, including, without limitation, his name(s), his NRIC number(s) or passport number(s), Securities Account number(s), address(es), the number of Units standing to the credit of his Securities Account, the number of New Units provisionally allotted to him, his acceptance and (if applicable) his application for Excess New Units and any other information (the **“Relevant Particulars”**) to the Manager, the Joint Lead Managers and Underwriters and any other relevant parties (the **“Relevant Parties”**) as the relevant Participating Bank may deem fit for the purpose of the Preferential Offering and his acceptance and/or application.

His acceptance and/or application will not be successfully completed and cannot be recorded as a complete transaction in the ATM unless he presses the "Enter" or "OK" or "Confirm" or "Yes" key. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

- (2) An Applicant may make an Electronic Application using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for (a) and accept the lesser of the number of New Units provisionally allotted and accepted as stated on the Transaction Slip or the number of New Units standing to the credit of his Securities Account as at the Closing Date, and (b) any Excess New Units applied for as stated on the Transaction Slip. In the event that the Company decides to allot any lesser number of New Units and/or Excess New Units or not to allot any number of New Units and/or Excess New Units to the Applicant, the Applicant agrees to accept the decision as final and binding.
- (4) If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key on the ATM) of the number of New Units accepted and (if applicable) Excess New Units applied for shall signify and shall be treated as his acceptance of the number of New Units that may be allotted to him and (if applicable) his application for the number of Excess New Units that may be allotted to him.
- (5) In the event that an Applicant accepts his provisional allotment of New Units and (if applicable) applies for Excess New Units both by way of an ARE and through an Electronic Application, CDP shall be authorised and entitled to accept the instructions of the Applicant in whichever mode or a combination thereof as it may, in its absolute discretion, deem fit. In determining the number of New Units which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept such number of New Units not exceeding the number of New Units provisionally allotted, which are standing to the credit of the Applicant's Securities Account as at the Closing Date. If applicable, in determining the number of Excess New Units which the Applicant has validly given instructions to apply for, the Applicant shall be deemed to have irrevocably given instructions to apply for such number of Excess New Units not exceeding the aggregate number of Excess New Units for which the Applicant has applied for by way of an ARE, and through an Electronic Application. CDP, in determining the number of New Units and (if applicable) the number of Excess New Units in which the Applicant has given valid instructions for acceptance of and (if applicable) application for, as the case may be, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of New Units and (if applicable) the application for Excess New Units, as the case may be, whether by way of Cashier's Order or Banker's Draft or by way of Electronic Application, which the Applicant has authorised or deemed to have authorised, to be applied towards the payment in respect of the Applicant's acceptance and/or application.
- (6) The Applicant irrevocably requests and authorises the Manager to:
 - (a) register, or procure the registration of the New Units allotted to the Applicant in the name of CDP for deposit into his Securities Account; and
 - (b) return (without interest or any share of revenue or other benefit arising therefrom) the full amount or, as the case may be, the balance of the acceptance and/or application monies, should his Electronic Application in respect of the New Units accepted and (if applicable) Excess New Units applied for, as the case may be, not be accepted or, as the case may be, be accepted in part only by or on behalf of the Manager for any reason, by automatically crediting the Applicant's bank account with the relevant Participating Bank with the relevant amount within 14 Market Days after the Closing Date.

- (7) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING THE PROVISIONAL ALLOTMENT OF NEW UNITS OR APPLYING FOR EXCESS NEW UNITS AS A NOMINEE OF ANY OTHER PERSON.**
- (8) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of CDP, the Participating Banks, the Joint Lead Managers and Underwriters and/or the Manager) and any events whatsoever beyond the control of CDP, the Participating Banks, the Joint Lead Managers and Underwriters and/or the Manager and if, in any such event, CDP, the Participating Banks, the Joint Lead Managers and Underwriters and/or the Manager do not record or receive the Applicant's Electronic Application by 5.00 p.m. on the Closing Date, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against CDP, the Participating Banks, the Joint Lead Managers and Underwriters and/or the Manager for any purported acceptance of the provisional allotment of New Units and (if applicable) application for Excess New Units, or for any compensation, loss or damage in connection therewith or in relation thereto.
- (9) Electronic Applications may only be made at the ATMs of the Participating Banks from Mondays to Saturdays (excluding public holidays) between 7.00 a.m. and 9.30 p.m.
- (10) Electronic Applications shall open at 9.00 a.m. on 29 January 2009 and close at 5.00 p.m. on 5 February 2009 or such other time as the Manager (in consultation with the Joint Lead Managers and Underwriters) may, in its absolute discretion, deem fit in the interests of A-REIT.
- (11) All particulars of the Applicant in the records of the relevant Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify the relevant Participating Bank.
- (12) The Applicant must have sufficient funds in his bank account(s) with the relevant Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.
- (13) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance and/or application monies will be refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within 14 Market Days after the Closing Date. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance and/or application monies will be refunded on the same terms.
- (14) In consideration of the Manager arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Preferential Offering at 5.00 p.m. on 5 February 2009 or such other time or date as the Manager may (in consultation with the Joint Lead Managers and Underwriters), in its absolute discretion, decide, and by making and completing an Electronic Application, the Applicant agrees that:
- (a) his Electronic Application is irrevocable;
 - (b) his Electronic Application, the acceptance thereof by the Manager and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the non-exclusive jurisdiction of the Singapore courts;
 - (c) none of the Manager, the Joint Lead Managers and Underwriters nor the Participating Banks shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Manager or CDP

due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 8 above or to any cause beyond their respective control;

- (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of his provisional allotment of New Units and (if applicable) application for Excess New Units;
 - (e) in respect of the provisional allotment of New Units and (if applicable) application for the Excess New Units for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Manager and not otherwise, notwithstanding any payment received by or on behalf of the Manager; and
 - (f) unless expressly provided to the contrary in this Circular or the Electronic Application, a person who is not party to any contracts made pursuant to this Circular or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce any term of such contracts. Notwithstanding any term contained in this Circular or the Electronic Application, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (15) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and other correspondences will be sent to his address last registered with CDP.
- (16) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Manager will reject any application by any person acting as nominee.
- (17) The Applicant hereby acknowledges that, in determining the total number of provisional allotment of New Units which he can validly accept, the Manager and CDP are entitled and the Applicant hereby authorises the Manager and CDP to take into consideration:
- (a) the total number of provisional allotment of New Units which the Applicant has validly accepted, whether by way of an ARE or any other form of application (including an Electronic Application) for the New Units; and
 - (b) the total number of New Units provisionally allotted to the Applicant and standing to the credit of his Securities Account which is available for acceptance.

The Applicant hereby acknowledges that CDP's and the Manager's determination shall be conclusive and binding on him.

- (18) The Applicant irrevocably requests and authorises CDP to accept instructions from the relevant Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of New Units accepted by the Applicant and (if applicable) the Excess New Units which the Applicant has applied for, and such instructions shall be binding and conclusive on the Applicant.

LIST OF PARTICIPATING BANKS

- DBS Bank Ltd (including POSB)
- Oversea-Chinese Banking Corporation Limited
- United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

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61 Science Park Road, #02-08 THE GALEN
Singapore Science Park II, Singapore 117525

www.a-reit.com

