

Press Release
11 August 2009



A-REIT LAUNCHES PRIVATE PLACEMENT TO RAISE APPROXIMATELY S\$300.0 MILLION

- Private Placement to raise net proceeds of approximately S\$296.0 million
- New Units to be offered at between S\$1.63 and S\$1.70 per Unit
- Proceeds from the Private Placement to be used to fund the development of the high-tech built-to-suit facility for Singapore Telecommunications (“**SingTel**”) and potential acquisition of income-producing properties and undertaking future built-to-suit development opportunities in the pipeline

11 August 2009, Singapore – Ascendas Funds Management (S) Limited, as manager of Ascendas Real Estate Investment Trust (“**A-REIT**”, and the manager of A-REIT, the “**Manager**”), is pleased to announce the launch of a private placement for 185,000,000 new units in A-REIT (“**New Units**”) at an issue price (the “**Issue Price**”) of between S\$1.63 and S\$1.70 per New Unit (the “**Issue Price Range**”) to raise gross proceeds of at least S\$301.6 million. The Issue Price Range of between S\$1.63 and S\$1.70 per New Unit represents a discount of between 3.8% and 7.8% to the volume weighted average price (“**VWAP**”) on 7 August 2009.

The Manager will make a formal application to Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of, dealing in, and quotation of, the New Units on the Main Board of the SGX-ST. An appropriate announcement will be made upon the receipt of such in-principle approval from the SGX-ST. The private placement of 185,000,000 New Units to institutional investors (the “**Private Placement**”) is being conducted at the Issue Price Range via an accelerated bookbuilding process, which starts today and is expected to be completed no later than 12 August 2009.

The Manager intends to use the net proceeds from the Private Placement in the following manner:

- approximately S\$175.4 million will be used to fund the development of the hi-tech built-to-suit facility for SingTel; and
- approximately S\$120.6 million will be used to partly or wholly fund potential acquisition of income-producing properties and built-to-suit development opportunities in the pipeline,

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with the balance of the net proceeds, if any, to be used for general corporate and working capital purposes. In the event that the Issue Price is above S\$1.63 (which is the lower end of the Issue Price Range) (the “**Minimum Issue Price**”), the additional proceeds will be used for general corporate and working capital purposes.

Assuming that pending the deployment of the net proceeds of the Private Placement as described above, the net proceeds from the Private Placement (based on the Minimum Issue Price) are fully used to repay debt facilities, A-REIT’s Aggregate Leverage is expected to be reduced from 35.7% as at 9 August 2009 to 29.3% immediately following the completion of the Private Placement. This will provide additional debt funding capacity for A-REIT to undertake further investment activities in the future when the opportunities arise.

Mr. Tan Ser Ping, Executive Director and Chief Executive Officer of the Manager, said, “The Private Placement is an opportunity in capital management to strengthen A-REIT’s balance sheet to take advantage of potential investment opportunities. A-REIT continuously evaluates potential investments in income producing properties as well as built-to-suit development projects which will bring about greater returns for its Unitholders. A pipeline of potential investment opportunities at different stages of development has been established and some of these may gradually materialise as the economic condition stabilises. With a stronger capital structure backed by ready funds, A-REIT will be able to capitalize on potential investment opportunities more expeditiously to ensure yield accretion from its investments.”

A-REIT’s policy is to distribute its distributable income on a quarterly basis to Unitholders. The New Units issued pursuant to the Private Placement will, upon issue, rank *pari passu* in all respects with the Units in issue on the day immediately prior to the date on which the New Units are issued (the “**Existing Units**”), other than in respect of the Advanced Distribution (as defined herein).

In connection with the Private Placement, the Manager however has declared, in respect of the Existing Units, a distribution of the distributable income for the period from 1 July 2009 to the day immediately prior to the date on which the New Units are issued pursuant to the Private Placement (the “**Advanced Distribution**”). The Advanced Distribution is intended to ensure that the distributable income accrued by A-REIT up to the day immediately preceding the date of issue of the New Units (which at this point, will be entirely attributable to the Existing Units) is only distributed in respect of the Existing Units, and is being proposed as a means to ensure fairness to holders of the Existing Units.

The next distribution thereafter will comprise A-REIT’s distributable income for the period from the day the New Units are issued pursuant to the Private Placement to 30 September 2009. Quarterly distributions will resume thereafter.

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The New Units to be issued pursuant to the Private Placement is underwritten by Cazenove & Co. (Singapore) Pte. Limited (a Standard Chartered group company¹) and DBS Bank Ltd.

Note:

This release should be read and understood only in conjunction with the full text of A-REIT's announcements lodged on SGXNET on 11 August 2009 on the same subject.

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About A-REIT (www.a-reit.com)

A-REIT is Singapore's first listed business space and industrial real estate investment trust. It has a diversified portfolio of 89 properties in Singapore, comprising business and science park properties, hi-tech industrial properties, light industrial properties, and logistics and distribution centres, with total assets of about S\$4.6 billion. These properties house a tenant base of over 900 international and local companies from a wide range of industries and activities, including research and development, life sciences, information technology, engineering, light manufacturing, logistics service providers, electronics, telecommunications, manufacturing services and back-room office support in service industries. Major tenants include SingTel, C&P Logistics, Siemens, Honeywell, Zuellig Pharma, LFD (Singapore), OSIM International, Venture Corporation, Federal Express, Freight Links Express, Johnson & Johnson, RSH, Infineon Technologies, Procter & Gamble and Hyflux.

A-REIT is listed in several indices. These include the Morgan Stanley Capital International, Inc (MSCI) Index, the European Public Real Estate Association/National Association of Real Estate Investment Trusts (EPRA/NAREIT) Global Real Estate Index and Global Property Research (GPR) Asia 250 and FTSE ST Mid Cap.

A-REIT is managed by **Ascendas Funds Management (S) Limited** (in its capacity as manager of A-REIT), a wholly-owned subsidiary of the Singapore-based **Ascendas Group**.

About the Ascendas Group (www.ascendas.com)

Ascendas is Asia's premier provider of business space solutions with a significant presence in the region. Ascendas develops, manages and markets IT Parks, industrial parks (manufacturing, logistics and distribution centres), business parks, science parks, hi-tech facilities, office and retail space. Among its flagships are the Singapore Science Park, International Tech Park Bangalore, Ascendas-Xinsu in Suzhou and Dalian-Ascendas IT Park. More than 1,800 of the world's leading companies, many in the Fortune 500 list, have made Ascendas properties their preferred address in Asia.

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Ascendas is also a leading real estate fund management player focused on the management of public-listed property trusts and private real estate funds, investing in a diverse range of industrial and commercial real estate properties across Asia. Listed on the main board of Singapore Exchange Securities Trading Limited are Ascendas Real Estate Investment Trust (A-REIT), Singapore's first business space trust, and Ascendas India Trust (a-iTrust), Asia and Singapore's first Indian property trust. The Ascendas Group also manages a range of private real estate funds which invest in business space in India, China, South Korea and ASEAN. All the funds are supported by Ascendas' strong fund management and real estate expertise, and are testament to its commitment to each of its markets.

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Important Notice

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This release is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for Units.

A potential investor should read the offer information statement dated 11 August 2009 lodged with the Monetary Authority of Singapore ("**Authority**") before deciding whether to acquire the New Units under the Private Placement. The Offer Information Statement may be accessed online at the website of the Authority at <http://masnet.mas.gov.sg/opera/sdrprosp.nsf>. The Authority assumes no responsibility for the contents of the Offer Information Statement. The availability of the Offer Information Statement on the website of the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the investment merits of A-REIT. This release is qualified in its entirety by, and should be read in conjunction with the full text of the Offer Information Statement.

The value of Units and the income derived from them, if any, may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Manager or any of its affiliates. An investment in Units is subject to investment risks, including the possible loss of the principal amount invested.

Investors should note that they will have no right to request the Manager to redeem or purchase their Units for so long as the Units are listed on the SGX-ST. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of A-REIT is not necessarily indicative of the future performance of A-REIT.

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