

Ascendas Reit divests No. 30 Old Toh Tuck Road

3 April 2018, Singapore – Ascendas Funds Management (S) Limited (the “**Manager**”), the manager of Ascendas Real Estate Investment Trust (“**Ascendas Reit**”) is pleased to announce that HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Reit) (the “**Trustee**”) has entered into a sale and purchase agreement on 3 April 2018 with Soon Bee Huat Trading Pte Ltd (the “**Purchaser**”) for the sale of No. 30 Old Toh Tuck Road (the “**Property**”) for S\$24.0 million (“**Proposed Divestment**”).

This divestment is in line with the Manager’s proactive asset management strategy to improve the quality of Ascendas Reit’s portfolio and optimise returns for Unitholders. After thorough evaluation, the Manager decided that it is an opportune time to divest the Property and redeploy the capital.

The proposed sale price of S\$24.0 million is 22.4% higher than the original purchase price of S\$19.6 million and 18.2% higher than the market valuation of the Property of S\$20.3 million¹ as at 31 March 2018. The Proposed Divestment is not expected to have any material effect on Ascendas Reit’s net asset value and distribution per Unit for the financial year ending 31 March 2019.

Assuming the Proposed Divestment was completed on 1 April 2016, the proforma impact on Ascendas Reit’s net property income for the financial year ended 31 March 2017 would have been a reduction of approximately S\$0.69 million with no material impact on the distribution per Unit.

Net proceeds after divestment costs are expected to be S\$22.9 million. The proceeds may be recycled to fund committed investments, repay existing indebtedness, extend loans to subsidiaries, and/or fund general corporate and working capital needs. If the net proceeds

¹ The valuation was commissioned by the Manager and the Trustee, and was carried out by CBRE Pte Ltd using the capitalisation approach and discounted cash flow approach.

were used to repay Ascendas Reit's borrowings as at 31 December 2017, its aggregate leverage will be reduced from 35.2% to approximately 35.0%.

The Proposed Divestment is expected to complete within the second quarter of 2018, following which Ascendas Reit will own 99 properties in Singapore and 31 properties in Australia. The Proposed Divestment has been approved by JTC Corporation.

In accordance with Ascendas Reit's Trust Deed, the Manager is entitled to a divestment fee of 0.5% of the sale price of the Property, which would be paid in cash.

About the Property

No. 30 Old Toh Tuck Road is located in the Western part of Singapore accessible via the Ayer Rajah Expressway and Pan Island Expressway. The 5-storey ramp-up logistics building has a gross floor area of 16,353 sq m and occupancy of 86.1% as at 31 December 2017. At approximately 19 years old, the Property has remaining land lease tenure of about 39 years.

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About Ascendas Reit (www.ascendas-reit.com)

Ascendas Reit is Singapore's first and largest listed business space and industrial real estate investment trust. As at 31 December 2017, total assets were about S\$10.4 billion, comprising 101 properties in Singapore and 31 properties in Australia. The portfolio includes business and science park/suburban office properties, hi-specs industrial properties, light industrial properties, logistics and distribution centres, integrated development, amenities and retail properties. These properties house a tenant base of around 1,350 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, DSO National Laboratories, DBS, Citibank, Wesfarmers, JPMorgan, Ceva Logistics and Biomedical Sciences Institutes, to name a few.

Ascendas Reit is listed in several indices. These include the FTSE Straits Times Index, 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. Ascendas Reit has an issuer rating of "A3" by Moody's Investors Service.

Ascendas Reit is managed by Ascendas Funds Management (S) Limited, a wholly-owned subsidiary of the Singapore-based Ascendas-Singbridge Group.

About Ascendas-Singbridge Group (www.ascendas-singbridge.com)

Ascendas-Singbridge Group is Asia's leading sustainable urban development and business space solutions provider with Assets Under Management exceeding S\$20 billion.

Jointly owned by Temasek Holdings and JTC Corporation through a 51:49 partnership, the Group undertakes urbanisation projects spanning townships, mixed-use developments and business/industrial parks. Headquartered in Singapore, Ascendas-Singbridge has projects in 29 cities across 9 countries in Asia, including Australia, China, India, Indonesia, Singapore and South Korea.

Ascendas-Singbridge holds commercial, hospitality and industrial assets across Asia Pacific. It has a substantial interest in and also manages three Singapore-listed funds under its subsidiary Ascendas, namely Ascendas Reit (a Straits Times Index component stock), Ascendas India Trust and Ascendas Hospitality Trust. Besides these listed funds, it also manages a series of private real estate funds.

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Important Notice

The value of Ascendas Reit's Units ("**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.

Investors have no right to request the Manager to redeem their Units while the Units are listed. It is intended that Unitholders of Ascendas Reit may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

The past performance of Ascendas Reit is not necessarily indicative of the future performance of Ascendas Reit.

This release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from similar developments, shifts in expected levels of property rental income and occupancy, changes in operating expenses, including employee wages, benefits and training, property expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support Ascendas Reit's future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events.

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